UNIVERSAL
LIBRARY

OU_156287

UNIVERSAL
LIBRARY

THE INDIAN COUNCIL OF WORLD AFFAIRS

is an unofficial and non-political body, founded in 1943 to encourage and facilitate the scientific study of Indian and international affairs. The Council, as such, does not express an opinion on any aspect of national or international affairs; opinions expressed in this study are, therefore, purely individual.

SELECT DOCUMENTS ON ASIAN AFFAIRS

GENERAL EDITOR—S. L. POPLAI

INDIA 1947-50

VOLUME ONE

INTERNAL AFFAIRS

EDITED BY
S. L. POPLAI

ISSUED UNDER THE AUSPICES OF THE
INDIAN COUNCIL OF WORLD AFFAIRS



OXFORD UNIVERSITY PRESS
1959

Oxford University Press, Amen House, London, E.C.4

GLASGOW NEW YORK TORONTO MELBOURNE WELLINGTON
BOMBAY CALCUTTA MADRAS KARACHI KUALA LUMPUR
CAPE TOWN IBADAN NAIROBI ACCRA

© *Oxford University Press 1959*

Sundar Lal Poplai 1911

PRINTED IN INDIA BY PYARELAL SAH AT THE TIMES OF INDIA PRESS, BOMBAY, AND PUBLISHED BY JOHN BROWN, OXFORD UNIVERSITY PRESS, APOLLO BUNDER, BOMBAY 1

CALENDAR OF DOCUMENTS

I THE ASSUMPTION OF POWER

1	Resolution of Constituent Assembly assuming power for governance of India and endorsing appointment of Lord Mountbatten as Governor-General of Dominion of India	14–15 August 1947	1
2	Broadcast by Jawaharlal Nehru, Prime Minister designate, to welcome independence	14 August 1947	1–2
3	Speech by Nehru in Constituent Assembly exhorting members to dedicate themselves to service of the people	14–15 August 1947	3–5
4	Mountbatten's address to Constituent Assembly as Dominion Governor-General	15 August 1947	5–9

II THE PARTITION

5	Speech by Clement R. Attlee, British Prime Minister, in House of Commons, announcing target date for transfer of power	20 February 1947	10–13
6	Speech by Attlee in House of Commons outlining procedure to learn decision of inhabitants of Muslim-majority areas on partition and advancing date of transfer of power	3 June 1947	13–18
7	Broadcast by Mountbatten to announce above decision of British Government	3 June 1947	18–21
8	Speech by Attlee in House of Commons on Indian Independence Bill	10 July 1947	21–4
9	Act passed by British Parliament to set up Dominions of India and Pakistan and to detach Aden from them	18 July 1947	24–41

10	Joint Council of two Dominions to supervise division of armed forces and military stores and provide for general administration by Supreme Commander till 31 March 1948	11 August 1947	42–5
11	Tribunal to make awards in respect of partition disputes referred to it before 1 January 1948	12 August 1947	45–7
12	Four Joint Councils to consider matters relating to partitioning of India and provinces	12 August 1947	48–9
13	Authority for Reserve Bank of India to manage currency of Pakistan and make Indian notes legal tender in Pakistan till 30 September 1948	14 August 1947	49–58
14–16	Awards by Sir Cyril Radcliffe, Chairman, Boundary Commissions, on Pakistan boundaries in Bengal, Assam and the Punjab	12 & 13 August 1947	59–71
	III DOMINION OF INDIA		
17	Additions, alterations and omissions made in Government of India Act 1935, in order to provide provisional constitution pending adoption of new Constitution by Constituent Assembly	14 August 1947	72–8
18	Transfer of property and liabilities of Crown Representatives in States to Governor-General in Council	12 August 1947	78
19	Resolution of Constituent Assembly on its work of constitution-making and legislation	29 August 1947	79
20	Act to enlarge jurisdiction of Federal Court	5 January 1948	80–81
21	Act to abolish jurisdiction of Privy Council in respect of Indian appeals and petitions	28 September 1949	81–4

IV MAKING OF THE CONSTITUTION

22	Speech by Nehru in Constituent Assembly on Constitutional objectives	13 December 1946	85–93
23–4	Two Reports of Committee on Minorities	8 August 1947 & 11 May 1949	94–105
25	Speech by Sardar Vallabhbhai Patel, Home Minister, in Constituent Assembly on presenting report of Committee on Minorities	25 May 1949	105–9
26	Speech by a Muslim member of Constituent Assembly on above report	26 May 1949	109–11
27	Speech by Dr B. R. Ambedkar, Chairman, Drafting Committee, on presenting draft Constitution to Constituent Assembly	4 November 1948	111–30
28	Speech by Dr Rajendra Prasad, President, Constituent Assembly, concluding discussion on Constitution	26 November 1949	130–44
29–32	Orders by Governor-General/ President to remove certain constitutional difficulties	7–26 January 1950	144–57
33	Election of First President of India	24 January 1950	157
34	Proclamation of Republic and Constitution	26 January 1950	157–8
34(*a*)	Tables of Representation		158–9

V(*a*) STATES' RELATIONS WITH THE UNION

35	Statement by 3-member British Cabinet Mission on position of Princely states in independent India and their relations with British Crown	12 May 1946	160–61

36	Acceptance by Chamber of Princes of British Cabinet Mission's above memorandum	29 January 1947	162–3
37	Speech by Nehru on presenting report of States' Committee to Constituent Assembly	28 April 1947	163–7
38	Nehru's views on relations between states and Indian Union	15 June 1947	167–9
39	Appeal by Sardar Vallabhbhai Patel, as States Minister, to Indian Princes to accede to Indian Union	5 July 1947	169–71
40	Mountbatten explains to Chamber of Princes Standstill Agreement and Instrument of Accession	25 July 1947	172–6
41–2	Draft agreements circulated in Chamber of Princes	25 July 1947	176–81
43	Sample Instrument of Accession executed by states which accepted Union jurisdiction in matters described in Lists I & III, Schedule VII, of Government of India Act, 1935	12 May 1949	181–4
44	Sample supplementary agreement executed by States, Unions enlarging the jurisdiction of the Indian Union	July 1949	184–5
45	Speech by Sardar Patel in Constituent Assembly to explain certain amendments in draft Constitution following completion of integration of of states	12 October 1949	185–95
46–7	Proclamations by *Raj Pramukhs* of Travancore-Cochin and Mysore extending the Indian Constitution to their states	24 & 25 November 1949	195–7
48	Statement by Patel on merger of states with Orissa and Central Provinces	16 December 1947	197-9

49	Statement by Patel on formation of Saurashtra Union	29 January 1948	200–5
50–57	Various types of merger agreements executed by states	14 December 1947 to 26 December 1949	206–44

V(*c*) MISCELLANEOUS

58	Act to enable Union Government to exercise extra-provincial rights & power acquired by treaty or agreement with states and to delegate this authority	24 December 1947	245–6
59–64(*e*)	Acts passed to regularize boundaries, merger of state-territories with provinces, extension of laws and representation in Provincial legislatures	19 January 1948 to 25 January 1950	246–72
65	Agreement with Bhutan on External Relations, Defence, Subsidy and Extradition	8 August 1949	273–5

V(*d*) JUNAGADH

66–66(*a*)	Indian Government's statements on Junagadh's accession to Pakistan	25 September & 5 October 1947	276–9
67–8	Diwan of Junagadh asks for Indian help to maintain law and order	8 November 1947	279–80
69	Indian Government informs Pakistani Government of above request and of taking over of Junagadh administration	9 November 1947	280–81
70	Pakistani Government accuses Indian Government of staging a coup, calls Indian action a violation of Pakistani territory and declines suggestion of a joint conference	11 November 1947	281–4

71	Mahatma Gandhi disagrees with Pakistan's statement on Junagadh	11 November 1947	284–6
72	Patel rejects Pakistan's charges	12 November 1947	286–7
73	Patel's statement on action of Diwan of Junagadh in asking for Indian help	13 November 1947	288
74	Voting in referendum in Junagadh	24 February 1948	289
75	Act to vest Junagadh property in State Administrator	13 April 1948	289–91

V(*e*) HYDERABAD

76	Nizam of Hyderabad informs Crown Representative that he would watch relations between India and Pakistan before entering into organic relation with either Dominion	8 August 1947	292–4
77	Mountbatten informs Nizam that Indian Government would not hurry Nizam	12 August 1947	294–5
78	Nizam states that he would not consider acceding to either Dominion but would execute standstill agreement with India	29 November 1947	295–8
79	Indian Government accepts standstill agreement	29 November 1947	298–300
80	Terms of above agreement	29 November 1947	300–1
81	Speech by Patel in Dominion Parliament on standstill agreement with Hyderabad	29 November 1947	302–3
82	Ministry of States informs Prime Minister of Hyderabad of specific violations of standstill agreement and asks for remedial action	23 March 1948	304–6

83	Prime Minister of Hyderabad makes counter-complaints and rebuts charges against Hyderabad	5 April 1948	306–17
84	Ministry of States asks for immediate banning of Razakars and stopping of hostile press and radio propaganda	15 May 1948	318–21
85–7	Letters exchanged between Nizam and Mountbatten on issue of Hyderabad's accession	15–17 June 1948	321–7
88	Speech by Nehru in Dominion Parliament on failure of Hyderabad negotiations	17 June 1948	327–35
89–90	Nizam's appeal to C. Rajagopalachari, new Governor-General, and latter's reply	23 & 31 August 1948	335–7
91	Speech by Nehru in Dominion Parliament on eve of Police action against Hyderabad	7 September 1948	338–42
92	Broadcast by Nizam announcing resignation of Laik Ali ministry, cease-fire order to his troops and his acceptance of presence of Indian troops in Hyderabad	17 September 1948	342–3
93	Broadcast by Nizam to explain helplessness during days of Razakar-foisted regime of Laik Ali, his acceptance of Indian troops and to announce dissolution of international delegations sent out by Laik Ali ministry	23 September 1948	343–4
94	Speeches by Ramaswamy Mudaliar, Indian Representative at Security Council, United Nations, on developments in Hyderabad	20 & 28 September 1948	345–54
95	Nizam informs UN Secretary-General of his withdrawal of complaint made by his former government	22 September 1948	354–5

96	Act to authorize Reserve Bank not to recognize transfer of Indian securities for Rs 20 crores by Laik Ministry to Pakistani Government	16 February 1949	355–6
97	Speech by Mudaliar on Hyderabad at Security Council	19 May 1949	356–63
98	Proclamation by Nizam extending Indian Constitution to Hyderabad	23 November 1949	363
99	Agreement on privy purse and personal privileges of Nizam	25 January 1950	364–5
	V(*f*) KASHMIR		
100	Kashmir Government complains to Pakistani Government of hostile acts and propaganda	18 October 1947	366–7
101	Pakistani Foreign Ministry makes charges of oppression of Kashmiri Muslims and raids into Pakistan	19 October 1947	367–8
102	Pakistani Governor-General presses for meeting with Kashmiri representative	20 October 1947	368–9
103–4	Communications exchanged between Pakistan and Kashmir on Poonch	21 & 22 October 1947	369–70
105	Indian Government informs British and Pakistani Prime Ministers of its intention to help Kashmir to stop tribal raiders	26 October 1947	371
106	Maharaja of Kashmir asks Indian Government for immediate help against raiders and offers accession of his state to India	26 October 1947	372–3
107	Indian Government accepts Maharaja's accession and sends troops to Kashmir	27 October 1947	373–4
108	Pakistani Government puts blame for Pathan attacks on Kashmir Government and refuses to recognize Kashmir's accession to India	30 October 1947	374–7

109	Mahatma Gandhi endorses despatch of Indian troops to Kashmir	30 October 1947	377–8
110	Kashmiri Prime Minister explains accession to India	31 October 1947	378–80
111	Speech by Nehru in Dominion Parliament to explain acceptance of Kashmir's accession	2 November 1947	380–84
112	Broadcast by Liaquat Ali, Pakistani Prime Minister, in reply to Nehru	4 November 1947	384–8
113	Speech by Nehru in Dominion Parliament on Kashmir's accession	25 November 1947	388–93
114–17	Correspondence between Indian and Pakistani Prime Ministers on Kashmir question	12–30 December 1947	393–404
118	Speech by Sheikh Abdullah, Kashmiri Prime Minister, in Security Council, on communal disturbances in Jammu & Kashmir	5 February 1948	405–8
119	Maharaja of Kashmir announces establishment of popular interim government in place of emergency administration	5 March 1948	408–10
120	Indian Government orders cease-fire in Kashmir	1 January 1949	410
121	Maharaja of Kashmir extends Indian Constitution as applicable to Jammu & Kashmir to his state	25 November 1949	411
122	Indian President specifies manner in which Indian Constitution is applicable to Jammu & Kashmir	26 January 1950	411–16

VI MAHATMA GANDHI'S FAST & ASSASSINATION

123	Mahatma Gandhi announces beginning of fast to restore Hindu-Sikh amity with Muslims	12 January 1948	417–19

124	Mahatma Gandhi appeals to Pakistani Muslims	14 January 1948	419–21
125	Mahatma Gandhi replies to three questions of pressmen	15 January 1948	421–4
126	Nehru announces decision to pay Pakistan Rs 55 crores from cash balances of undivided India	15 January 1948	424–5
127	Mahatma Gandhi holds that above action had put Pakistan government on its honour to settle dispute with India equitably and asks all communities in Union capital to keep peace	16 January 1948	425–7
128	Mahatma Gandhi announces acceptance of assurances given him by all communities and ends fast	18 January 1948	427–30
129	Questions that occupied Mahatma Gandhi in his last days	26 January 1948	430–31
130–32	Tributes by Indian Prime Minister, Indian Home & States Minister and Governor of Uttar Pradesh	30 January & 1 February 1948	432–7

VII INDIAN NATIONAL CONGRESS PARTY

133	President, Indian National Congress invites examination of relation between Party Executive and Union Ministry	15 November 1947	438–42
134–5	Various resolutions passed by All-India Congress Committee in 1947 & 1948	November 1947 & December 1948	442–8

VIII OTHER PARTIES

136	Various resolutions passed by Socialist Party Conference	19–21 March 1948	449–57
137	Report of General Secretary to Socialist Conference	March 1948	457–74
138	Exhaustive analysis of tasks and policies of Socialist Party	4–6 October 1949	474–501

139	General thesis adopted at Communist Party Conference	28 February to 6 March 1948	501–35
140	Speech by Nehru in Dominion Parliament on Communist activity and disruption	28 February 1948	535–8
141 & 141(*a*)	Communist subversion in Hyderabad and Indian Government's response	30 September 1948	538–43
142	✓ Before Soviet Union blessed agrarian thesis of Mao's New Democracy, Indian Communist Party also frowned on this deviation as shown in this article in *The Communist*. Shortly afterwards, following lead of Cominform, Communist Party of India reversed its stand in a subsequent issue of same journal	June-July 1949	544–50
143	Some resolutions of Hindu Mahasabha to indicate its withdrawal from political work	14–15 February 1948	550–52
144	Amended constitution of Mahasabha	2 April & 7 May 1950	553–4
145	Rastriya Swayamsevak Sangh, originally direct-action wing of Sabha, is forced by Indian Government to adopt written constitution limiting itself to cultural activity	June 1949	554–5
146	After assassination of Mahatma Gandhi, Indian Government imposes ban on Sangh	4 February 1948	555–6
147	Ban is withdrawn upon Sangh's assurance that it has abjured violence	12 July 1949	557–8
148	Muslim League bifurcates along national lines	14–15 December 1947	558–61
149	Following ban on Sangh, Muslim National Guard is also declared unlawful	8 February 1948	561–3

150–51	Nehru replies to criticism of restrictions on civil liberties	4 March & 5 August 1949	563–6

IX ECONOMIC POLICY

152	Policy statement on public and private sectors of economy and foreign capital	6 April 1948	567–73
153	Speech by Nehru in Dominion Parliament on Industrial Policy	7 April 1948	573–9
154	Indian Government announces curbs on inflationary trends	4 October 1948	580–81
155	Nehru defines Indian Government attitude towards foreign investments	6 April 1949	582–3
156	Following devaluation of Pound Sterling Indian Rupee is devalued accordingly	19 September 1949	583–4
157	Reserve Bank suspends sale and purchase of Pakistani Rupees	21 September 1949	584–5
158	Indian Finance Minister explains to Dominion Parliament reasons for devaluing Indian Rupee	5 October 1949	585–95
159	Indian Commerce Minister reviews trends in foreign trade	6 October 1949	595–602
160–65	Arrangements for gradual withdrawals of Sterling Balances with Bank of England	14 August 1947 August 1949	602–23
166	Indian Finance Minister explains to Dominion Parliament agreements on Sterling Balances and International Bank Loans	29 November 1949	623–34
167–70	Indian Commerce Minister explains Import and Export Policy	November 1948 June 1949	634–67

PREFACE

In 1949 the Research Board of the Indian Council of World Affairs decided to undertake the preparation of a series of volumes entitled 'Select Documents on Asian Affairs'. These volumes will contain texts of policy speeches of national leaders, laws, treaties and international agreements and other published papers in respect of various countries of Asia, covering a period of two or three years and indicating the main lines of development in the political, economic and social life of each country and its international relations. The first two volumes in the series relating to developments in India are now published after many unavoidable delays in printing.

The documents in these two volumes have been edited by Shri S. L. Poplai, who was Director of the Documents and Surveys Section of the Council from February 1950 to September 1955. They are divided into two parts, one dealing with political and economic developments and the other with external relations. They relate to the period beginning with the assumption of power by the Constituent Assembly of India on 15 August 1947, and ending with the proclamation of the Republic of India on 26 January 1950. In Volume I the documents cover the important speeches made and the resolutions and laws passed up to the promulgation of the Constitution of India, the main developments relating to the integration of the Indian Princely States with the rest of India, the assassination of Mahatma Gandhi, the policy statements of the principal political parties and some of the more important Government pronouncements on economic policy. A short introduction seeks to give a connected account of the background of the political and constitutional developments during this momentous period in the history of the Indian people. Volume II contains texts of certain laws and communiqués, selected speeches by India's Minister of External Affairs and by the Indian delegations during the debates in the United Nations General Assembly, as well as documents relating to controversies between India on one side and Pakistan, Ceylon and South Africa on the other. A short introduction to Volume II gives a brief account of the general lines of Indian foreign policy.

Like other publications of the Indian Council, this volume is the result of close and continuous co-operation between the members of the staff of the Council and other scholars and experts. The Council is sincerely grateful to them for their valuable help.

The preparation of the volumes in this series has been made possible by special donations from the following institutions which supplemented the Council's own resources:

(i) Asian Relations Organization,
(ii) Institute of Pacific Relations,
(iii) University of Delhi, and
(iv) University of Aligarh.

The Council gratefully acknowledges the generous assistance given by these institutions.

H. N. KUNZRU
President

31 December 1958

INTRODUCTION

PARTITION AND THE ASSUMPTION OF POWER

THE assumption of power by the Constituent Assembly of India on the midnight of 14–15 August 1947 marked the end of British rule in India. Since 1857, when the British Parliament took over the Government of India from the East India Company, a Secretary of State had supervised the work of the Governor-General and his Executive Council. The constitutional reforms of 1909, 1919 and 1935 had brought about a considerable measure of devolution of power from the Central to the Provincial Governments and had added representative institutions to the constitutional framework. However, such devices as Reserved Subjects, Discretionary Powers of the Governor-General and the Provincial Governors, Communal Representation and the total exclusion of Indian States from the field of political development had largely left undisturbed the essentials of political power so long exercised by the Secretary of State and the Governor-General. How effective and far-reaching was this reserve of power was made abundantly clear during World War II. In spite of widespread public opposition and active hostility to India's forced participation in the war, the British Government was able to use fully for the prosecution of the war the manpower and economic potential of the country. Democratic institutions were more developed in India than in a large number of other British colonies and protectorates; but compared with the Dominions, namely Canada, Australia, New Zealand and South Africa, India was still in the colonial stage of political development. The Government of India neither reflected the political and economic aspirations of the Indian people nor, in the last analysis, was it responsible to popularly elected representatives.

The political scene in the years before the Second World War was a patchwork of varying groups and interests. On the one hand, parties like the Muslim League, the Scheduled Castes Federation, the Hindu Mahasabha and the Akali Sikh Panth were frankly communal organizations; on the other, the Indian National Congress, the National Liberal Federation and the Forward Bloc were the more orthodox type of political parties. Between these two types stood the variously constituted regional groups of divergent political and social hues; for example, the Unionists (Punjab), the Khudai Khidmatgars (N.W.F.P.), the Krishak Praja Party (Bengal) and the Justice Party (Madras). In labour

circles there were several groups such as the Socialists under J. P. Narayan, the Radical Democrats under M. N. Roy, the N. M. Joshi faction and the Communists. Among the Indian States, Baroda and Mysore alone enjoyed some representative institutions, and out of all the political parties only the National Congress had a liberal wing working in the major Princely States, known as the Indian States Peoples' Congress. In Kashmir Sheikh Abdullah's National Conference had been agitating for some time that hereditary rule be ended.

In April 1942, Sir Stafford Cripps came to persuade the Indian leaders to co-operate in the British Government's war effort. His constitutional proposals[1] were rejected by both the major political parties. The Congress was dissatisfied because it felt that the long-term proposals threatened the unity of India; the Muslim League felt that it was not enough to secure recognition of the right of a Province to stay out of the federal union. In the short-term arrangement, proposals to retain the Viceregal veto and to reserve the portfolio of Defence for the Commander-in-Chief were not acceptable to the Congress. Another political event of major importance during the war was the passing of the 'Quit India' resolution by the Congress at Bombay on 8 August 1942. A mass *satyagraha* (civil disobedience) movement started by the Congress was suppressed by the British Government with a heavy hand, and all the Congress leaders were imprisoned. For some months popular discontent simmered and then was driven underground. The Muslim League disdainfully stood aloof. Throughout the remaining years of the war, excepting the distant activities of Subhas Chandra Bose and his Indian National Army, Indian political life continued to stagnate.

After consultations with the British Government on 14 June 1945, the Viceroy, Lord Wavell, invited Indian leaders to discuss with him a proposal to reconstitute the Executive Council. He also announced that all the Congress leaders who were still under detention would be released immediately. The Congress and League leaders, the Scheduled Caste and the Sikh representatives accepted the invitation and met at Simla from 25 June to 14 July. In brief the proposals aimed at forming the Executive Council entirely with the representatives of Indian parties, with parity for Muslims and Caste Hindus. In the Provinces, the proposals sought balanced representation of the major communities. To enable the Viceroy to constitute the Executive Council entirely with non-service men, it was stated that the British Parliament would shortly amend Schedule 9 of the Government of India Act, 1935, which

[1] *Lord Privy Seal's Mission to India, 30 March 1942* (H.M. Stationery Office. London, Cmd. 6350).

required special qualifications for a minimum number of the councillors. The conference broke up on the demand of the Muslim League that the League's exclusive right to recommend the names of all Muslim councillors should be recognized. The Unionists and the Krishak Praja Party contested this monopoly of the League, and the Congress adhered to its claim that being a national, not a communal, organization it should have the right to nominate men of all communities, including Muslims.

After the conference, Mr Jinnah, the League leader, complained that 'there was a combination consisting of Gandhi and the Hindu Congress who stand for India's Hindu national independence as one India; the latest exponent of geographical unity, Lord Wavell; and Glancy-Khizr [the Governor and Premier of the Punjab] who are bent upon creating disruption among the Muslims in the Punjab. . . . This move cut at the very root and existence of the Moslem League regarding its position, character and status . . . .'[1] Dr Azad, the Congress President, said, 'The British Government . . . should not have given the right of veto to any particular group to hold up the progress of the country.'[1] The Viceroy made another visit to London and on 19 September announced that elections for the Central and Provincial legislatures would be held in the following winter and that he would consult the representatives of the new legislatures to ascertain whether the Cripps proposals of 1942 were acceptable to the Indian parties. At its Bombay session from 21 to 23 September the All-India Congress Committee resolved that 'nothing short of independence can be acceptable to the country'. On 29 September the Akali Sikh Conference at Lahore decided to prevent, at all costs, Pakistan from coming into being. On 1 November Mr Jinnah declared that Pakistan was the only issue in the coming elections. A week later he explained the territorial extent of Pakistan: Assam and Bengal would form the north-eastern part; Punjab, the North-West Frontier, Baluchistan and Sind would constitute the north-western part. These two blocs of Muslim-majority Provinces, although not contiguous, would constitute the Muslim State of Pakistan.

Elections were held from 21 November to 10 December 1945 for the Central Legislature and from January to April 1946 for the Provincial legislatures. The Congress and League returns are summarized overleaf.

[Following a dissolution on 12 September, new elections were held in Sind on 9 December which gave 35 seats to the League, 20 to the Congress and 2 to Independent Muslims.]

[1] Press statement, *The Hindu*, 14 July 1945.

	Congress	League	Total Elected Seats
CENTRE			
Seats	56(36)[1]	30(25)	102(100)
Percentage of total votes cast [Total 586,000]	59·6 [91·34 per cent of total Hindu votes cast]	27·6 [86·6 per cent of total Muslim votes cast]	
PROVINCES			
Total seats	932(727)	428(110)	1,585(1,310)
Percentage of total votes cast [Total 18,870,000]	64·0	25·0 [74 per cent of Muslim votes]	
Assam	58(35)	31(9)	108(77)
Bengal	86(55)	114(39)	250(201)
Bihar	98(95)	34(—)	152(141)
Bombay	128(88)	30(20)	175(143)
Central Provinces	92(71)	13(5)	112(84)
Madras	165(159)	29(10)	215(185)
N.W.F. Province	30(19)	17(—)	50(42)
Orissa	47(36)	4(—)	56(47)
Punjab	51(30)	75(—)	175(145)
Sind	22(8)	27(—)	60(46)
United Provinces	152(128)	54(27)	228(195)
Chief Commissioners' Provinces ..	3(3)	—(—)	4(4)

The returns show a hardening of political opinion throughout the country. The Congress and the League, both vehemently opposed to the continuance of British rule in the country, made enormous gains at the expense of other parties. The Liberals, the Justice Party and the Hindu Mahasabha were completely eliminated at the Centre; the

[1] Figures in brackets ( ) are for the 1937 elections.

Communists were able to capture only 3 seats in Bengal, 2 in Bombay, 2 in Madras and 1 in Orissa. While before the war the Congress had formed ministries in six Provinces, in 1946 it formed ministries in two additional Provinces, namely, Assam and the North-West Frontier, which the League planned to include in Pakistan. In the remaining three Provinces the Congress was the second largest party. The most distinctive achievement of the Congress was in the 97 per cent Muslim-majority Province of the North-West Frontier. The Red Shirt Khudai Khidmatgars, led by Abdul Ghaffar Khan, had clearly vindicated the claim of the Congress that it was not a Caste Hindu organization but represented all communities, including the Muslims. But the gains made by the League were no less spectacular. At the Centre the League won all the seats reserved for the Muslims, and in the Provinces increased its overall strength from 110 to 428. In six Provinces it won 157 seats where previously it had none; in Assam and Bengal it increased its seats from 48 to 145. In Bengal, Sind and the Punjab it attained a majority. For fear of compromising its demand for Pakistan, the League would not join hands with any other Indian party. In Bengal and Sind it was able to form a ministry only with the support of the European group. This further strengthened its critics in their contention that the Muslim League had risen with the help of the British elements in India. And later, too, on several occasions the League leaders accepted from the British Government terms which they had earlier rejected when offered by the Congress.

The British Prime Minister informed the House of Commons on 19 February 1946 that three Cabinet Ministers would shortly visit India. Later he explained, ' The obvious reason for sending out the Cabinet Ministers is to send out persons of responsibility who are able to take decisions. . . . What form of government is to replace the present régime is for India to decide. Our desire is to help her to set up forthwith the machinery for making that decision. We are resolved that it shall be set up. . . . If she (India) elects for independence, in our view she has a right to do so. . . . We are very mindful of the rights of minorities, and minorities should be able to live free from fear. But we cannot allow a minority to place a veto on the advance of the majority. We cannot dictate how these difficulties will be overcome; our duty is to get the machinery of decision set up.' [1] A few days later, Parliament amended that Section of the Government of India Act, 1935, which required ten years' service qualification for at least three members and legal training and experience for one member of the Executive Council. The Congress welcomed Mr Attlee's policy but the League took

[1] Mr Attlee's reply to Mr R. A. Butler in the House of Commons, 15 March 1946. (Hansard, 420 H.C. Deb., 5. S., 1420-2.)

exception to their being held responsible for holding up the progress of a majority. Mr Jinnah asserted that the Muslims in India were not a minority but a nation, and demanded the division of India.

The Cabinet Mission reached New Delhi on 24 March. Their first Press conference, held the following day, sought to dispel the doubts of the Congress and to soothe the League. It was stated that the Mission was not committed to any particular type of constitutional set-up and that Indians were free to decide whether to remain in the Commonwealth. The Mission would also treat the League ' as the majority representative of the Moslems in India'. During the next fortnight, the Mission interviewed the Executive Councillors, Governors, Provincial Premiers, Rulers and *Diwans* (Chief Ministers) of some States and the leaders of political parties and communities. On 11 April they invited the Congress and League leaders with a view to securing an agreed scheme for the new constitutional arrangement. These discussions lasted from 5 to 15 May but the Mission failed to reconcile the conflicting views of the two major parties. Accordingly, the Mission published their own proposals[1] on 16 May. They noted that outside the ranks of the Muslim League there was a universal desire to continue the unity of India. They concluded that the formation of Pakistan offered no solution of the Hindu-Muslim question as the Eastern and Western Pakistan blocs would still contain 34 million (48 per cent) and 13·8 million (38 per cent) non-Muslims respectively, while the rest of British India would have 20 million Muslims out of a total population of 188 million. Arguments in favour of Pakistan including the non-Muslim areas of Assam, Bengal and the Punjab were considered equally invalid. Any division of the Punjab would inevitably split the Sikh homeland and was opposed by the Mission; nor were the peoples of Assam and Bengal in favour of a division. Again, the effects of partition would inflict a grave injury on the administrative machinery, the armed forces and the economic life of the country and would greatly increase the difficulties of Indian States in deciding upon their future relations with the two Dominions. Lastly, defending the vulnerable frontiers and integrating the administration of the two parts of Pakistan, more than 700 miles apart, would present very serious problems. The Mission therefore rejected Pakistan. Instead they recommended a three-tier constitutional scheme:

(1) *A Union Centre* of the whole of British India and States dealing with foreign relations, defence and communications, empowered to raise the necessary finances. Major communal issues to be decided in the Union Executive and Legislature by a majority of representatives of each of the two major communities present and voting.

[1] *Statements by the Cabinet Mission and H.E. the Viceroy* (H.M.S.O. London, Cmd. 6821).

(2) *Regional Groups* freely formed by the Provinces with Legislatures and Executives dealing with such Provincial subjects in common as each group might determine. Any Province, by a majority vote of its Legislature, could call for a reconsideration of the group-constitution after every ten years.

(3) *Provinces and Acceding States.* All residuary powers would vest in the Provinces except as explained above. The States would retain all subjects except those that were ceded to the Union.

The Mission proposed that the constitution-making body should be constituted by the Provincial Legislatures electing one representative for every million persons in each Province. The representatives of the three communities, General, Muslims and Sikhs, would be elected by the members of that community in the Provincial Legislature in proportion to their number in the Province by proportionate representation with single transferable votes. Ninety-three seats would be filled by the States' representatives, selected in a manner to be determined in consultation with the States Negotiating Committee. At the preliminary meeting of all the representatives, the President and other officers of the Constitutent Assembly would be elected, the order of business settled, and an advisory committee on the rights of citizens, minorities and tribal and excluded areas appointed. Then the Provincial representatives would divide into three sections[1] to frame the constitutions of the Provinces and to decide whether there would be any group-constitution and with what subjects it would deal. After the first elections under the new constitution, a Province, by a majority vote of its legislature, could come out of the group in which it was placed. After drawing up the group and Provincial constitutions in each section, all the Provincial and States' representatives would meet together to frame the Union Constitution. The President of the Assembly would decide which, if any, resolutions raised major issues and would, if requested by a majority of any community's representatives, consult the Federal Court before giving his decision.

For certain matters it would be necessary for the Union to conclude a treaty with the United Kingdom. The Mission emphasized the need to set up an interim government at the Centre which would have the support of all parties. On 22 May the Mission published their proposals regarding the States. They stated that paramountcy would end with the transfer of power to Indian hands. They also advised the Princes to start negotiations with British India to regulate their future relations.

[1] *Section A*: Madras, Bombay, U.P., C.P., Bihar, Orissa, Delhi, Ajmer, and Coorg.
„ *B*: The Punjab, N.W.F.P., Sind, and Baluchistan.
„ *C*: Assam and Bengal.

The League Council met at New Delhi on 5 and 6 June and accepted the Cabinet Mission's plan 'inasmuch as the basis and foundation of Pakistan are inherent in the Mission's plan by virtue of the compulsory grouping of six Moslem provinces'. The Council also authorized Mr Jinnah to negotiate with the Viceroy in the matter of the interim government. At its meeting at Bombay on 9 and 10 June the Standing Committee of the Chamber of Princes approved the plan and set up a Negotiating Committee. The Congress Working Committee discussed the proposals from 9 to 14 June. It was averse to the Europeans in Provincial legislatures taking part in the elections for the Constituent Assembly. On 15 June and 15 July respectively the European parties of Bengal and Assam declared that they would abstain from these elections.

It appears that the Mission and the League both wanted to force the pace of events. Without waiting for formal acceptance of the plan from Congress, the Mission and the Viceroy on 16 June issued a joint invitation to fourteen persons[1] to join the Interim Government. It was declared that 'in the event of the two major parties, or either of them, proving unwilling to join a coalition government on the above lines, it is the intention of the Viceroy to proceed with the formation of the Interim Government which will be as representative as possible of those willing to accept the statement of 16 May.... The Viceroy is directing the Governors of the Provinces to summon the legislative assemblies forthwith to proceed with elections for the constitution-making body.'

On 25 June the League accepted the invitation to join the Interim Government. The same day, the Congress Working Committee rejected the invitation to join as it was unwilling to accept a parity with, or accept the veto of, a communal group. But the Working Committee accepted the long-term proposals as it felt that 'taking the proposals as a whole there was sufficient scope for enlarging and strengthening the central authority and for fully ensuring the right of the Provinces to act according to their choice in regard to grouping'. The Scheduled Castes Federation on 4 June, and the Akali Sikhs on 10 June, had rejected both the long-term and the Interim Government plan.

Throughout the preceding decade Mr Jinnah's reply to all proposals had been uniformly negative. For the first time the League did not wait to announce its policy until the Congress had announced its decision, and for the first time the League accepted proposals before the other

[1] *Congress*: Pandit Nehru, Sardar Patel, Mr Rajagopalachari, Dr Rajendra Prasad and Mr Mahatab;
League: Mr Jinnah, Mr Liaquat Ali Khan, Nawab Mohd. Ismail, Khwaja Nazimuddin and Mr A. R. Nishtar;
Others: Sardar Baldev Singh (Sikh); Mr Jagjivan Ram (Scheduled Caste); Mr John Matthai (Indian Christian) and Sir Noshirwan Engineer (Parsi).

major party had done so. Perhaps it was due to the impression created by the firm handling of negotiations and the bold decision taken by the Mission that the British Government meant to set up the Interim Government even if it failed to get the agreement of the Congress. On the other hand, it may have been that the League, never having examined in any detail the extent and meaning of Pakistan, was persuaded that the Mission's plan had offered it the substance of Pakistan; it would have been unwise to reject the plan which seemed to represent the greatest concession the British Government was prepared to make. It was also possible that the League leaders were tempted either by the offer of parity with the Congress in the Interim Government or by the prospect of the power which the plan appeared to offer. Or perhaps some other consideration persuaded the League to act without its usual caution and watchfulness. Its discomfiture was total when, on 26 June, the Mission announced their satisfaction at the acceptance of the long-term plan by the two major parties and also announced the postponement of the forming of the Interim Government till after the elections for the Constituent Assembly. Three days later the Mission left India and returned to England.

League circles were very upset on finding that their calculations had proved wrong. Mr Jinnah contended that in view of the Mission's announcement of an Interim Government on 16 June, the Viceroy was bound to reconstitute the Executive Council even if the Congress did not agree to join it. The Viceroy replied quite correctly that as both the Congress and the League had accepted the long-term plan, that part of the 16 June announcement which stated that an Interim Government would be formed even if one of the parties rejected the invitation to join it, did not become operative. Mr Jinnah first accused the Mission and the Viceroy of going back upon their word simply to appease the Congress and then asked the Viceroy to postpone the elections for the Constituent Assembly. The holding of elections was closely connected with the idea of an Interim Government and as one part of the plan had been postponed, it was undesirable to proceed with the other. He was informed that arrangements for the election had already been made and there was nothing to warrant its postponement. And as if this rebuff was not enough, Pandit Nehru's emphasis on the sovereignty of the Constituent Assembly *vis à vis* the British Government revealed another source of danger to the League. Pandit Nehru said that the Congress was committed only to go into the Constituent Assembly and to nothing else. ' What we do there we are entirely and absolutely free to determine. We have not committed ourselves in a single matter to anybody. . . . If the British Government presume to tell us that they are going to hold anything in India because they do

League. They can propose 5 names for places in a government of 14, of which 6 will be nominees of the Congress and 3 will be representatives of minorities. Provided these names are acceptable to me and approved by His Majesty, they will be included in the Government which will at once be re-formed. The League need have no fear of being outvoted on any essential, on the condition that both parties are satisfied. I shall see that the most important portfolios are equitably shared.'

It would appear that 'Direct Action' paid good dividends to the League. Mr Jinnah met the Viceroy on 16 and 25 September and met Pandit Nehru on 5 October. On 13 October the League Working Committee modified its total rejection of the Cabinet Mission's plan. Without committing itself to the long-term plan, the League accepted the offer of five seats in the Interim Government, and two weeks later its five nominees joined the Interim Government.[1] It is true that the League had to forgo its demand for parity with the Congress, but it had gained a tremendous advantage in getting into the seats of power without making any commitments. On 14 November Mr Jinnah flatly told the Press that the League's boycott of the Constituent Assembly would continue. It was not till then that the Viceroy and Pandit Nehru realized that Mr Jinnah had outmanoeuvered them in the battle of wits. Mr Jinnah's position with regard to the long-term plan was that the Congress had not accepted it in full, as the statements of the Congress leaders appeared to him to reject the compulsory grouping of Provinces. And as the only reason for the earlier acceptance of the plan by the League was that the compulsory grouping of Provinces offered the League the essence of Pakistan, in its absence the League was not prepared to enter the Constituent Assembly. On 21 November Pandit Nehru complained at a Congress meeting, ' If there are blocs in the Government, how can it work? ' The same day, Mr Jinnah asked the Viceroy that the Constituent Assembly, called to meet on 9 December, should be postponed *sine die*. On 26 November, to save the break-up of the Interim Government, the British Government invited the Viceroy and Indian leaders for discussions in London. Mr Jinnah

[1] The reconstituted Interim Government was composed as follows :
Congress : Pandit Jawaharlal Nehru, Vice-President of the Council and External Affairs ; Sardar V. B. Patel, Home and Information ; Dr Rajendra Prasad, Food and Agriculture ; Mr C. Rajagopalachari, Education ; Mr Asaf Ali, Transport and Railways ; Mr Jagjivan Ram, Labour.
League : Mr Liaquat Ali Khan, Finance ; Mr I. I. Chundrigar, Commerce ; Mr A. R. Nishtar, Communications ; Mr Ghazanfar Ali Khan, Health ; Mr J. Mandal, Law.
Minority Communities : Sardar Baldev Singh (Sikh), Defence ; Mr John Matthai (Indian Christian), Industries ; Mr C. H. Bhabha (Parsi), Public Works.
The Congress nominated Mr Asaf Ali, a Moslem, and the League, Mr J. Mandal, a Hindu. For tactical reasons Mr Jinnah remained outside the Interim Government.

accepted the invitation on the assurance that the entire constitutional question would be discussed *de novo*. Pandit Nehru, now awake to the danger that threatened the Constituent Assembly, accepted the invitation on the assurance that the Constituent Assembly would meet on 9 December as scheduled and that he should be back in India before then. From 3 to 6 December the matter of voting procedure in the Constituent Assembly was discussed in London. On 6 December the British Government announced that it agreed with the League's interpretation of the Cabinet Mission's plan that the decision of the sections, in the absence of agreement to the contrary, would be taken by a simple majority vote of the representatives in that section. If the Congress still felt that the Provinces had a right severally to decide both grouping and their own constitution, the British Government would suggest a reference to the Federal Court of India at an early date and would suggest a postponement of the meetings of the sections until the decision of the Federal Court was known.

Pandit Nehru and Sardar Baldev Singh left for India the same day and on 9 December the Constituent Assembly met as scheduled for preliminary business. The Congress Committee met at New Delhi from 5 to 7 January; Mahatma Gandhi had already been consulted by Pandit Nehru and the Congress President. After a sharp debate, which was followed by the resignation of several members, the Congress agreed to accept the British Government's interpretation of 6 December, with the proviso that ' it does not involve the compulsion of any Province or jeopardize the rights of the Sikhs '. The Chief Minister of Assam on 4 December, the Chief Minister of the N.W.F.P. on 6 December, and the Sikh leader, Master Tara Singh, on 16 December, had strongly opposed the compulsory grouping of Provinces into sections for various reasons. On 31 January 1947, the League Working Committee reiterated the decision to boycott the Constituent Assembly and demanded its dissolution.

When the Viceroy enrolled five Muslim Leaguers in the Executive Council on 26 October, without getting the League's acceptance of the long-term plan, he lost his initiative and control over developments. Like the Congress demand for expelling the League members from the Interim Government, the League demand for dissolving the Constituent Assembly was not practical politics. Mr Attlee had assured Pandit Nehru that the Constituent Assembly would meet on 9 December no matter what happened at the London discussions. Once the Assembly had met as scheduled, elected a permanent chairman, appointed a States Negotiating Committee and was debating Pandit Nehru's famous resolution[1] ' to declare India an independent sovereign

[1] See Section IV, item 22.

Republic', it was impossible to dissolve it by a show of force. The meeting of the French Estates-General on 4 July 1793 and of the Constituent Assembly of India on 9 December 1946 had one thing in common, namely, that on both occasions the authorities lost control over developments. Henceforward the British Government had no control over constitutional developments in India and the logic inherent in the Indian political situation rapidly asserted itself.

It was an act of far-sighted statesmanship on the part of the Labour Government to emphasize that they were not in a position to force the issue in India, and that the time had come for them to discard their role of umpire and to transfer the entire responsibility for constitutional decisions, whatever they may be, to Indian shoulders without delay and in the clearest possible manner. The only thing that the British Parliament could do was to give effect to the decision reached by the Indian parties with grace and promptness. This was the background of Mr Attlee's momentous announcement[1] of 20 February that the British Government would transfer power to Indian hands by June 1948 at the latest. He added: ' If a constitution were not worked out by a fully representative assembly before that time, the British Government would have to consider whether power should be transferred to some form of Central Government for British India or in some areas to existing Provincial Governments or in such other ways as may seem most reasonable.' The statement concluded by announcing the retirement of Lord Wavell and the appointment of Lord Mountbatten as the new Viceroy and Governor-General of India.

Pandit Nehru described this decision as ' wise and courageous ' and a step that removed all doubts and suspicion. He also praised Lord Wavell for his sincerity of purpose throughout the protracted discussions. *The Statesman* of Calcutta described the decision of the British Government as ' a leap in the dark '. It went on, however, to say: ' But if it arouses in other quarters a response half as enthusiastic as Pandit Nehru's, we shall be the first to admit that Mr Attlee and his colleagues have the gift of seeing through dense political mist and penetrating through men's hearts which the politically minded often fail to discover.' Mr Jinnah's sole comment was that ' the League would not yield an inch in its demand for Pakistan '.

On 23 March Lord Mountbatten was sworn in as the last Viceroy at New Delhi. He started his round of political interviews with discussions with Mahatma Gandhi from 31 March to 4 April, followed by discussions with Mr Jinnah for the next six days. On 9 and 10 April he also discussed with the Residents (Crown Representatives in States) the problems arising from the cessation of paramountcy in June 1948.

[1] See Section II, item 5.

Later he met the Governors of Provinces. He soon became convinced that the need for a political settlement was even more urgent than was realized by the authorities in London. The time limit of June 1948, far from being precipitous, was too remote; unless a settlement was made very soon there was a very real danger of total political collapse.

On 22 April, speaking at a political conference in the U.P., Pandit Nehru made the first move. He said that the Muslim League could have Pakistan but on the condition that it did not include those parts of India which did not wish to join it. Next day it became evident that Mr Jinnah was prepared to accept the partition of Assam, Bengal and the Punjab. On 2 May the Viceroy sent draft proposals to London which were slightly revised on 16 May. It was suggested that the date of transfer of power should be advanced to some time in 1947. He also suggested a method of ascertaining the wishes of the elected Provincial representatives in Bengal, the Punjab and Sind; whether they would opt to join Pakistan, and, in the case of the first two Provinces, if they would vote for the partition of their particular Province. For the North-West Frontier Province and the Sylhet District of Assam it was proposed to make reference to the electorate as a whole. If the Muslim-majority areas decided for Pakistan the armed forces would be divided on a territorial basis. Dominion status would be conferred on the new State or States on the basis of the Government of India Act, 1935, with certain modifications. It was suggested that there should be a common Governor-General for some transitional period after the transfer of power.

The general consent of the two major parties had been obtained by the Viceroy before this draft was sent to London. On 18 May the Viceroy was called to London where he spent twelve days acquainting the British Parliamentary leaders with the rapidly deteriorating conditions in India. If there was any doubt in their minds about the need of an earlier settlement it was effectively dispelled by the demand of Mr Jinnah, on 22 May, for a 1,200-mile corridor to link Lahore and Dacca in West and East Pakistan respectively. This fanned the controversy afresh and Indian leaders began openly to express doubts whether the issue could be settled peacefully at all. Two days after his return to India, the Viceroy met the Indian leaders at New Delhi. The plan which he had brought back from London was put before them.[1] He told them that the plan was not a party issue in London and had the full backing of the Conservative Party. He reminded them that a terrific sense of urgency had been pressed upon him by everybody; the sooner the uncertainty regarding the transfer of power was ended, the better it would be for all. He explained the provisions generally

[1] See Section II, item 6.

and firmly rejected a suggestion made earlier for making Calcutta a free port. He did not ask for their full agreement but only that they should accept the plan in a peaceful spirit. Pandit Nehru asked what was the difference between agreement and acceptance. Lord Mountbatten explained that agreement implied wholehearted approval, a belief that the plan was based on right principles, while acceptance meant only the belief that the plan was a fair solution for the good of the country. Pandit Nehru stated at once that while the plan would never be completely approved by Congress it was acceptable to them. But Mr Jinnah who had got so far by saying 'No' would not commit himself beyond saying that he would try to persuade his masters, the people. The Viceroy requested the Congress, Muslim and Sikh leaders to communicate to him by midnight the decisions of their respective parties and secured the agreement of Pandit Nehru, Mr Jinnah and Sardar Baldev Singh that they would follow him with broadcasts the next day.

Later in the day the Viceroy saw Mahatma Gandhi, who had not so far given any indication that he would accept the partition of the country. The Viceroy was fully aware that at the bidding of his 'inner voice' the Mahatma could go to extreme lengths to thwart the vivisection of India and wreck the plan. It is said that Lord Mountbatten faced the interview with considerable trepidation. He was greatly amazed and relieved when the Mahatma quietly wrote on a slip of paper: 'I am sorry I cannot speak; when I took my decision about the Monday silence I did make two exceptions, i.e. about speaking to high functionaries on urgent matters or attending upon sick people. But I know you don't want me to break my (vow of) silence. Have I said one word against you during my speeches? If you admit that I have not, your warning is superfluous. There are one or two things I must talk about, but not today. But if we meet each other again I shall speak.'[1] Thus by this quaint procedure the most powerful leader of the Indian National Movement effaced himself and made a great political renunciation.

When Mr Jinnah came to report to the Viceroy at midnight, he would not commit the League beyond the statement that he and his Working Committee would try to persuade the Council of the League. Lord Mountbatten explained that the Congress leaders had said that unless the League accepted the plan as a final settlement simultaneously with them, they would reject the plan. He continued, 'If that is your attitude, then the leaders of the Congress Party and Sikhs will refuse final acceptance at the meeting in the morning; chaos will follow and you will lose your Pakistan, probably for good.' Mr Jinnah shrugged his

[1] Campbell-Johnson, *Mission with Mountbatten* (London, 1951), p. 101.

shoulders and said, ' What must be, must be.' Lord Mountbatten then said ' Mr Jinnah! I do not intend to let you wreck all the work that has gone into this settlement. Since you will not accept for the Muslim League, I will speak for them myself. I will take the risk of saying that I am satisfied with the assurances you have given me, and if your Council fails to ratify the agreement, you can place the blame on me. I have only one condition, and that is that when I say at the meeting in the morning, "Mr Jinnah has given me assurances which I have accepted and which satisfy me," you will in no circumstances contradict that, and when I look towards you, you will nod your head in acquiescence.' Mr Jinnah nodded his head without a word. Finally Lord Mountbatten asked, ' Do you consider that I would be justified in advising Mr Attlee to go ahead and make the announcement tomorrow? ' To this Mr Jinnah replied ' Yes '.[1]

Next morning (3 June) at the leaders' conference, Mr Jinnah duly acted his pantomime. Lord Mountbatten then referred to the three parties' grave objections to different parts of the plan and said that as he knew that not one of the suggestions would be accepted by either of the other parties, he did not propose to raise them at this meeting and inquired whether they agreed to this course. They did, and thereby disposed of every substantial point of controversy. They also agreed that the plan should be announced officially. It was the sheer determination to succeed on the part of the last Viceroy that carried the plan through and, for the first time in the history of Viceregal negotiations, secured the full and prompt acceptance of the major groups. On 4 June at a Press conference Lord Mountbatten explained that no Indian State could enter separately or jointly as Dominions, but that each would be free to enter either Constituent Assembly as geographical considerations indicated. The British Government would not encourage individual States to set themselves up as sovereign States and concluded, ' There can be no negotiation between H.M. Government and the States.' In the evening the Viceroy met Mahatma Gandhi and explained that the plan embodied all the essential ideas of the Mahatma, namely, non-coercion, self-determination and the earliest possible date of British departure. That night at his prayer meeting Mahatma Gandhi said, ' The British Government is not responsible for partition . . . but if both of us—Hindus and Muslims—cannot agree on anything else, the Viceroy is left with no choice.'[2]

On 20 June the Bengal Legislature met in two parts, as envisaged in the plan, and the Hindu-majority part voted by 58 votes to 21 in favour of partition. In the Punjab, similarly, the Hindu-majority part

[1] ibid., p. 103.
[2] ibid., p. 110.

voted by 50 votes to 22 in favour of partition after the joint session of the Muslim and non-Muslim sections had decided for Pakistan by 91 votes to 77. The Muslim-majority section voted 106 to 35 in Bengal and 69 to 27 in the Punjab against partition. As the plan provided for partition if either section of a Province voted for it by a simple majority, these votes assured the break-up of these Provinces. On 26 June the Sind Assembly decided for Pakistan by 33 votes to 20. As regards the North-West Frontier Province, on 24 June Khan Abdul Ghaffar Khan asked that the people of the Frontier should be given an opportunity to set up a Free Pathanistan. On 19 June Mahatma Gandhi had appealed to both the Congress and the League to honour the Pathan sentiment for independence and to enable them to have their own constitution for internal administration so that they might be able to decide unitedly whether to join Pakistan or Hindustan. On 25 June, Khan Abdul Ghaffar Khan declared that the Red Shirts would boycott the referendum; they were prepared to contest it on the issue of Pakistan and Pakhtoonistan, but not on that of Pakistan and Hindustan. In the polling that took place on 6 July, in a Province of 3 million persons with 250,000 non-Muslims, less than 300,000 votes were cast: 289,200 in favour of and 2,800 against Pakistan. On the same day another referendum was held in the Sylhet district of Assam. Here, too, the poll was poor; out of a population of 2·4 million, 239,600 voted for Pakistan and 184,000 for India. A week earlier a *jirga* of all the tribal chiefs of British Baluchistan had decided to join Pakistan.[1] Fresh elections for the Constituent Assembly from the eastern and western parts of Bengal and the Punjab were held soon after. On 30 June Boundary Commissions for each of the partitioned Provinces were set up. Each Commission consisted of two non-Muslim and two Muslim judges of the Provincial High Courts. Sir Cyril Radcliffe was appointed four days later as chairman of all three Commissions. In each case the Indian members were unable to agree among themselves and it fell upon the chairman to determine the final delineation of the boundary. He stated that in addition to the consideration of contiguous Muslim-majority areas, the least possible disruption of railways, river systems and canals was also taken into account by him in the final determination of the boundary which was announced on 18 August 1947.[2]

On 4 July, the Labour Government introduced the Indian Independence Bill in the House of Commons. Moving the second reading, six days later, Mr Attlee characterized the Bill thus: 'It is not abdication,

[1] This decision was subject to the conditions that Baluchistan continued to be governed by Islamic law, that its tribal organization and autonomous constitution were preserved, and that it received an annual subsidy of Rs 1 crore (10 million) till 1962.

[2] See Section II, items 14-16.

but the fulfilment of Britain's mission.'[1] The Bill made provision for the transfer of power to the two Dominions, India and Pakistan, on 15 August 1947. The territory of Aden, so long administered by the Government of India, was transferred to the Colonial Office. With the consent of the older Dominions, it was decided to drop the title 'Emperor of India' used by the Crown since 1876. While the text of the Bill contemplated the possibility of a common Governor-General for the two Dominions, it was announced by Mr Attlee during the second reading that the Muslim League had in the end not agreed to a common Governor-General but had recommended that Mr M. A. Jinnah be made Governor-General of Pakistan. The Congress recommended that Lord Mountbatten continue as Governor-General of India. Mr Attlee stated that these recommendations would be given effect to as soon as the Bill became law.

Perhaps a good deal of the post-partition conflict and mass suffering could have been avoided if, as expected by the British Government and the Congress, Lord Mountbatten had continued to act as the Governor-General of both Dominions for the transitional period up to March 1948. But Lord Mountbatten, by recommending to the British Government the acceptance of the Congress demand to partition Assam, Bengal and the Punjab, had reduced both the extent and power of Pakistan. He had indicated, on more than one occasion, that he attached great importance to geographical contiguity in the matter of the accession of States to either Dominion. If Lord Mountbatten continued as the Governor-General of Pakistan after the transfer of power, there was little chance of Pakistan being able to pursue an expansionist policy in the Princely States.

On 18 July, the Indian Independence Bill received the assent of the King. On 26 July, the Viceroy announced the setting up of a separate Constituent Assembly for Pakistan. It consisted of 69 members, made up as follows:

	Muslims	Non-Muslims
East Bengal	29	12
Sylhet	3	—
West Punjab	12	5
North-West Frontier Province ..	3	—
Sind	3	1
Baluchistan	1	—

Its first meeting was held at Karachi on 10 August. Next day, it elected Mr Jinnah as its President and conferred upon him the title of *Quaid-e-Azam*. On 12 August it adopted a new flag for Pakistan. After the

[1] See Section II, item 8.

transfer of power on 15 August, Mr Jinnah was sworn in as the new Governor-General of Pakistan. More than eight years went by before the new constitution was finalized in March 1956. In India the new republican constitution was promulgated on 26 January 1950.

On 16 June, a Special Committee of the Cabinet was set up to supervise and co-ordinate the work of ten expert committees of senior officials to work out arrangements for partitioning the armed forces, records, revenues, financial assets and stores, and work out agreements on problems of currency and exchange, contracts, domicile and economic and foreign relations. Soon after the Provinces had decided upon the Pakistan issue, the Cabinet Committee was replaced by the Partition Council: India was represented by Sardar Patel, Dr Rajendra Prasad and Mr Rajagopalachari; Pakistan by Mr Jinnah, Mr Liaquat Ali Khan and Mr Abdur Rab Nishtar. A steering committee of two high officials provided the link between the Council and the ten extra-departmental expert committees, on which India and Pakistan were equally represented.

On 20 June these committees were asked to submit their recommendations by the third week of July, except that the committee charged with listing and dividing the assets and liabilities of undivided India was given an extra week. By 19 July, separate civil machinery for the two governments had been evolved and the business of government was bifurcated by a vertical division of each department of the Executive Council. In the all-India administrative services, the preferences of the personnel at the Centre and in the partitioned Provinces were ascertained within two weeks, and transfers were made at the utmost speed, being completed by 15 October. Very few non-Muslims, excepting non-Asians, opted for Pakistan. The outbreak of virulent communal fighting that followed partition drove from Pakistan these few as well as the non-Muslim members of the Provincial services who had not been given any choice in July. Thus, excepting the non-Asians, Pakistan's Central and Provincial services were entirely 'muslimized'. In India, too, at the Centre and in Assam, Bengal and Punjab, the number of Muslim civil servants fell very low, but in other Provinces it remained unchanged.

Fixed assets were divided on a territorial basis; movables were divided on the basis of actual requirements. For example, railway rolling stock was shared on a mileage-cum-traffic basis, while postal, telegraph and telephone equipment was apportioned on the basis of maintenance requirements. The Postal Services Standstill Agreement, valid up to 31 March 1948, and the Telephones and Telegraphs Standstill Agreement, up to 31 October 1947, ensured the smooth running of these vital services. For the railways no such agreement was found

to be necessary. A number of institutions which served the whole of undivided India, e.g. the Reserve Bank of India, were to continue giving service for some time on the existing basis, irrespective of their allocation to one Dominion or the other. Until 31 March 1948, Indian currency was to be full legal tender in Pakistan; thereafter it would be gradually withdrawn. After partition, excepting collections of arrears of income-tax up to March 1948, which were to be shared by both, each Dominion was to retain the revenues accruing in its territory. Till March 1948, both Dominions would continue the existing system of controls and duties and there would be free movement of goods between them. Pending future agreement over the division of cash balances, Rs 20 crores was allotted to Pakistan as its working balance. India assumed initial liability for the entire public debt of the old Central Government subject to Pakistan contributing its share to be fixed later by agreement or arbitration.

As regards the armed forces, a third of the land force, a fourth of the navy and a fifth of the air force were allotted to Pakistan. Muslims in the Indian forces and non-Muslims in the Pakistani forces were allowed to choose the Dominion they wished to serve. Installations were divided on a territorial basis. Most of the transfer of personnel was completed before 15 August 1947, but the reconstituting of units and commands was left to the Joint Defence Council,[1] consisting of Lord Mountbatten (chairman), Sir Claude Auchinleck (the Supreme Commander and the executive authority) and the Defence Ministers of the two Dominions. If the Post-Partition Council, consisting of two nominees of each Government without a chairman, failed to resolve the financial issues of cash and sterling balances, pensionary charges, military stores and liabilities, the problems were to be referred to the Arbitral Tribunal[2] consisting of one nominee of each Government and a chairman, Sir Patrick Spens, Chief Justice of the Federal Court of undivided India.

By November 1947, the Partition Council, without any recourse to the Arbitral Tribunal, had reached agreement on all the issues. Rs 75 crores was fixed as the share of Pakistan (23 per cent of the actual cash balances of undivided India). Pakistan's share of liabilities was fixed at 17 per cent of the uncovered debt *plus* the value of assets taken over by her *minus* such liabilities as were directly assumed by her. India agreed to treat Pakistan's share of liabilities as a debt due to India, subject to a four-year moratorium. As regards military stores, Pakistan's share was fixed at one-third of the total stocks in undivided India or a

[1] See Section II, item 10.
[2] See Section II, item 11.

third of the maintenance requirements of the two Dominions, whichever was less. Ordnance factories were divided on a territorial basis and a special sum of Rs 6 crores was earmarked to be drawn by Pakistan as and when required, to enable her to set up new institutions. By 30 November, the reconstitution of the armed forces was completed and the office of the Supreme Commander abolished. By 15 December agreement had been reached on all partition issues. It was a unique achievement to have settled so many vital and controversial issues between the two contending neighbours in so short a time and without recourse to arbitration.

POST-PARTITION DISTURBANCES

The uprooting of masses of non-Muslims from West Punjab, Sind and East Bengal and of Muslims from East Punjab and West Bengal, which began in 1946 and continued till the end of 1947, constitutes a grim and terrible commentary on the success of the top-level negotiations on the administrative consequences of partition. It took an immense toll in untold human suffering, misery and degradation and strained to the utmost the administrations of the two Dominions. The legacy of bitterness and humiliation that it left behind has continued to plague relations between the two Dominions. It is impossible to estimate the loss of human life, the moral shame and economic damage caused to several millions of innocent persons. Nor is it easy to explain the reason for the magnitude of the catastrophe or to put responsibility for it squarely on any one community. In India the general belief is that the intemperate and violent speeches of the League leaders and the terrible example of the Direct Action Day disturbances in Bengal started the rot; the Pakistan Press and Government have assiduously maintained that the great exodus that accompanied partition was the result of a deep-seated conspiracy by the Sikhs and the Rashtriya Swayamsevak Sangh which aimed at demolishing the young state of Pakistan. In certain sections of both Dominions it is suspected that a group of British personnel of the civil and military administration staged this cataclysm to ensure the retention of the two states in the Commonwealth by weakening them at their very inception. It is not possible to ascertain the element of truth in any of these allegations. But it is true that in their frustration some of the League leaders had threatened those who resisted the setting up of Pakistan with the bloody orgies of Genghis Khan and Halaqu Khan.[1] Nor is it possible to ignore

[1] Khosla, G. D., *The Stern Reckoning* (New Delhi, 1951), p. 221, refers to a speech by Sir Firoz Khan Noon, on 9 April 1946, at the Convention of Muslim League legislators. Other references are pp. 43, 244 & 245, quoting Mr Abdur Rab Nishtar and the two Karachi Urdu papers, *Hilal-e-Pakistan* of 6-10-47 and *Alwahid* of 9-4-47.

the brutality of the August-October 1946 troubles in Bengal. It is also true that the partitioning of India had aroused considerable anger in several militant sections of Hindus and had caused dismay among the Sikhs. But it is difficult to believe that any body of sane persons, whether Muslim, Hindu or Sikh, could have realized the terrible consequences of such excited statements, and deliberately worked to let loose chaos and destruction. As often as not, the violence of speech was born of frustration and aimed at boosting a declining morale; similarly, the violence of action that rapidly spread among the masses was born of mortal fear and rising hatred fed by the horrible tales of suffering that poured continuously from distant Provinces. It is no explanation to say that a hysteria of communal fear and hatred, of physical suffering and moral shame, had swept the land, but it is at least a valid description of the mental state of the millions who were forcibly uprooted from their ancestral homes.

In 1940 Mr Jinnah had based his hopes for communal peace on the 'hostage' principle. It was argued that majorities were more likely to be fair and just in their treatment of minorities if the danger of retaliatory action against their own minorities in other States, who could be utilized as hostages, was realized. But the failure of the League Ministry of Bengal to temper the zeal of its more fanatical supporters in Calcutta and Noakhali in 1946, had shown the danger inherent in leaving unprotected pockets of communal minorities. After the retaliatory disturbances in Bihar, Mr Jinnah became aware of the weakness of his earlier argument, and on 25 November he demanded that the Central and Provincial Governments should at once take up the question of exchange of population. But at that time neither the British Government nor the National Congress envisaged the partitioning of India as a solution of the communal problem. And when partition was decided upon, nobody could foresee the movement of events that led to the exchange of population on so large a scale and in so precipitous a manner. Even if certain quarters had realized earlier that an exchange of population was inevitable, it is extremely doubtful whether any governmental action could have persuaded the conservative and tenacious Sikh peasants of Central Punjab, who sat astride the notional boundary between India and Pakistan, to leave their rich lands and peacefully migrate to other areas. It was not until May 1947 that the Sikhs accepted the partition of their homeland: up to that time they had demanded the inclusion in India of the whole of Central Punjab up to the banks of the Chenab river. Thereafter, the national leaders were wholly preoccupied with the new administrative arrangements and the embittered and terrified masses pushed through the exchange in the only manner they could envisage.

The communal disturbances connected with partition started with the tactical victory of the Congress over the League in the negotiations of the two parties with the Cabinet Mission. On 1 July 1946, at Ahmedabad, the match was set to the tinder. The Cabinet Mission's proposals, accepted by the League, had momentarily caused the abandonment of Pakistan. But even this concession had not brought any solution of the constitutional deadlock and there was a widespread feeling of chagrin. The riots might be explained as a retaliatory measure by the local League body to boost its morale, or as a punitive measure by the exasperated Hindu-majority group in Ahmedabad against the chauvinism of the League, or even as an attempt by the 'imperialist bureaucrats' to break up the growing unanimity of the two major communities against the continuance of British rule. While the cause of trouble could be all or none of these, the proximity in time of the rioting to the culmination of the political development cannot be ignored.

The Ahmedabad riot was followed by the great killing at Calcutta which started on 16 August. The announcement on 25 August of the constitution of the Interim Government without the League was followed by the Bombay riots of 1 September. On 14 October came the riots in Noakhali and Tippera, possibly as a retaliation against the turning of the tables by the Hindus and the Sikhs in Calcutta after the first three days of Muslim mob rule. The Hindus of Bihar gave an equally brutal and swift answer on 25 October. Though the ferocity of the rioting soon died out in these places, trouble continued to simmer and sporadic fighting burst out from time to time.

In the Punjab, rioting started early in 1947. In February, the Khizr Hyat ministry failed in its attempt to impose a ban on the activities of the Rizakari Islam and the Rashtriya Swayamsevak Sangh. Its failure was due to the resort to *satyagraha* (non-violent courting of arrest) by the League members. The Unionist ministry fell from power, but the political demonstrations by the Sikhs and Hindus succeeded in keeping the League from forming a ministry. The tense situation degenerated into communal fighting early in March at Lahore, Multan, Attock, Rawalpindi and Ferozepore. The observance of anti-Pakistan day by the Hindus and Sikhs on 11 March passed off peacefully in the towns, but on the Punjab-N.W.F.P. border several Hindu and Sikh villages were burned down.

Here, briefly, is the chronological sequence in which the hysteria of fear and hatred and greed spread to different parts of Northern India. The exodus of the persecuted minorities to India had started from East Bengal in August 1946, and from March 1947 onwards came streams of refugees from West Punjab, the North-West Frontier Province, Sind and Baluchistan. The opposite movement of Muslims from East Punjab

and West Bengal to Pakistan did not begin until May 1947, when the Sikhs began to strike back heavily in Amritsar and it became certain that Calcutta would remain in India. In August, fighting rose to an unprecedented pitch in the Punjab. While elsewhere looting and murder marked the disturbances, in Lahore and Amritsar arson was far more serious. It appeared that, being uncertain of the final allocation of Lahore and Amritsar, the Muslims and the Sikhs were burning down the two towns. In the Punjab countryside the terror spread quickly and, as soon as the Boundary Commission's award was published on 18 August, pockets of minorities on either side of the border were systematically driven out. The movement of refugees soon swelled into a flood[1] and the Common Punjab Boundary Force, set up by the Partition Council on 1 August to guard the common frontier, was completely overwhelmed. The two Dominion Governments were helpless in the face of the 'largest migration in history' and used all their resources, jointly as well as severally, to feed, protect and receive the long foot-caravans. In spite of harnessing all the available civil and military vehicles—both mechanical and animal-drawn—foot-caravans of four to six miles in length were moving in both directions. Within a month over 4 million persons had moved from each side of the Punjab border. In September, Calcutta was saved from the fate of Lahore and Amritsar by the peace-making efforts of a single person, Mahatma Gandhi, who undertook a fast 'till sanity returns to Calcutta'. He succeeded despite all expectations to the contrary, and Lord Mountbatten thereafter referred to the Mahatma as 'the one-man boundary force'.[2] In September, Delhi also was enveloped in communal riots because a very large number of embittered refugees had gathered at the capital. And at Delhi, as at Calcutta, it was the perseverance of Mahatma Gandhi that finally re-established communal peace. But the situation in both Dominions continued to be uneasy.

In October 1947 came the tribal raids into the Kashmir Valley. So far the fighting had been confined to unorganized groups. Neither in the West nor in the East Pakistan disturbances had the Governments of the two Dominions become involved in the fighting. But with the tribal raids into Kashmir, the Maharajah of Kashmir formally asked for the protection of the Indian army and it was the dramatic airlift of the Indian Air Force that enabled Indian troops to save the capital of Kashmir from the depredations of armed tribal bands. For several months the Pakistan Government continued to deny that along with

[1] *Keesing's Contemporary Archives*, 1946-8, pp. 9049-52. It was estimated that between August and December, 1947, more than 8·5 million persons moved across the West-East Punjab border.

[2] See Section VI, item 126.

the raiders, Pakistan army troops were fighting Indian troops. But after the arrival of the U.N. Commission on India and Pakistan, it was no longer possible to disguise this fact. Until the cease-fire of January 1949 the troops of the two Dominions openly fought each other, although technically the two states continued to be at peace. Following the devaluation dispute of September 1949 and the consequent cessation of trade between the two Dominions, a fresh wave of disturbances in East Pakistan led to a renewal of mass migration into India. In March 1950 the situation became explosive but the Nehru-Liaquat agreement on minorities, signed in April, resolved the tension for the time being.

A question that naturally arises in the mind of the student of Indian political developments is the rôle of *satyagraha* (*lit.* assertion of truth) in India's struggle for independence. This is a very difficult question and requires a careful sifting of evidence which it is not possible to undertake here. But it may be said that by means of non-violent, non-co-operative action from the 'twenties onwards, Mahatma Gandhi created a widespread political consciousness which made the National Congress a byword in the poorest home and put the British Administration at a tactical disadvantage. Several sections of the country did not always accept his lead and advice; for instance, the Muslim demand for Pakistan, the setting up of the Indian National Army by Subhas Chandra Bose—an ex-President of the Congress—in Japanese-occupied Singapore in 1943 and the political isolation of the Mahatma in 1946-7. As a result of the war, the British, in economic distress, were hardly in a position to suppress with force the Indian political pressure that had been built up under the leadership of the Mahatma. The prospect of a smooth transfer of power from British to Indian hands was further enhanced by the post-war electoral victory of the Labour Party in Great Britain. This Party also brought freedom to Ceylon and Burma. So far as Indo-British relations were concerned, Mahatma Gandhi's non-violent creed was eminently successful, as is evinced by the post-Independence amity between India and Great Britain. But as regards the Muslims and the unity of India, Mahatma Gandhi failed to win the confidence of the Muslim leaders or to keep India united. As events clearly show, Pakistan was established by a *tour de force*, but here, too, the force employed was directed against the Hindus, not against the British. And the legacy of bitterness left by the partition is still poisoning relations between the two Dominions.

THE DOMINION OF INDIA

The Indian Independence Act, by which the British Parliament transferred full power to the new Dominions, made temporary provisions for the government of each Dominion pending permanent

arrangements by their respective Constituent Assemblies. The Government of India Act, 1935, as modified by the Independence Act, provided the constitutional framework. The Independence Act also authorized the Governor-General to make any such additions, modifications and omissions as might be decided upon by each Dominion.[1] By the end of 1948 seven Orders had been issued by the Governor-General to amend the constitutional provisions of India, but the most important changes were covered by the first of these Orders, issued on 14 August 1947.

The Independence Act made vital changes in the superstructure. It freed the Governor-General and the Dominion Legislature from the control of the British Parliament exercised through the Secretary of State for India.[2] The British War Office lost control of the Indian personnel of the Indian armed forces.[3] Suzerainty of the British Crown over the Indian Princes ceased, and with it the paramountcy of the Government of India over Indian States also lapsed. Henceforth the title ' Emperor of India ' was to be omitted from the Royal Styles of the British monarch.[4] Consequently, the Governor-General ceased to act as the Crown Representative in his dealings with Indian Princes and no longer enjoyed the title of ' Viceroy '. He also lost his Discretionary Powers and Special Responsibilities.[5] Likewise, the Governors of Provinces were relieved of their Special Responsibilities. The Secretary of State for India, after the abolition of his Council of Advisers, continued to discharge certain routine functions until the transfer of power, and then his office was abolished.[6]

During the transitional period the Constituent Assembly of India was also to act as the Dominion Legislature which had been recognized to possess the full and exclusive power to make laws for India, including laws having extra-territorial operation.[7] With the abolition of the Governor-General's Special Responsibilities, no field of Central administration was excluded from the purview of the Legislature, and the dyarchy at the Centre was ended.

The Independence Act excluded certain areas from the jurisdiction of the Indian Dominion. In addition to the territories constituted into Pakistan, the Aden Protectorate was also taken away.

To start with, the territory of the Indian Union would consist of the British Indian Provinces of partitioned India and such Indian States as

[1] See Section II, item 9, arts 8, 9.
[2] ibid., arts 6-8.
[3] ibid., arts 11, 12.
[4] ibid., art. 7.
[5] ibid., art. 8.
[6] ibid., art. 14.
[7] ibid., art. 6.

chose to accede to India.[1] By the time power was transferred to India almost all the States in the Indian Union had acceded to the Indian Dominion for Foreign Relations, Defence and Communications.[2] Bhutan and Sikkim became Indian Protected Areas and their relations with India were regulated by treaties signed on 8 August 1949 and 5 December 1950 respectively.

The India (Provisional Constitution) Order of 14 August 1947 indicates the major changes that were made in the 1935 provisions as a result of partition.[3] It described the Dominion as a Union of Provinces and Acceding States. Procedure for the accession of States was also laid down. In place of the Governor-General's Executive Council, a Council of Ministers was set up to aid and advise the Governor-General, and the currency of his emergency ordinances was limited to six months. He was authorized to make regulations for the Andaman and Nicobar Islands and vary the extent of the areas inhabited by tribal peoples which were specially excluded from the operations of several constitutional and administrative provisions of the 1935 Act.

Neither the Independence Act nor the Provisional Order made any change in the judicial structure except that the appointment of the Judges of the Federal Court was henceforth to be made by the Governor-General. The Independence Act also authorized the Governor-General to vary the jurisdiction of any existing court and to create new courts. The partition of the Punjab and Bengal led to changes in the territorial jurisdiction and personnel of their respective High Courts.[4] The integration of certain Princely States into new viable units, as in the case of Bhopal and Vindhya Pradesh, led to the setting up of new tribunals known as Judicial Commissioner's Courts. In January 1948, however, the Dominion Legislature extended the appellate jurisdiction of the Federal Court in civil cases and barred an appeal from the Federal Court to His Majesty-in-Council.[5] In some cases appeal could be made to the Privy Council, with special leave of the Federal Court, in matters pertaining to the original jurisdiction of the Federal Court; in a few other matters appeal still lay as of right to the Privy Council. On 17 September 1949, an Act passed by the Constituent Assembly ended all appellate jurisdiction of the Privy Council, irrespective of whether such jurisdiction had been exercised in the past

[1] ibid., art. 2.

[2] Bhopal acceded on 21 August, Kashmir on 26 October 1947 and Hyderabad on 17 September 1948. Junagadh's accession followed a referendum on 24 February 1948.

[3] See Section III, item 17.

[4] Orders under the Indian Independence Act, 1947, Nos. 4 and 5.

[5] See Section III, item 20.

by virtue of His Majesty's prerogative or otherwise.[1] This ended the 195-year-old jurisdiction of the Privy Council to act as the final Court of Appeal for India.

THE MAKING OF THE CONSTITUTION

The Constituent Assembly of India took two years, eleven months and seventeen days to finish its work. Its first meeting was held on 9 December 1946 and the last on 26 November 1949. During this period it held eleven sessions. Six sessions were spent in passing the 'Objectives Resolution' and in considering the Reports of Committees on Fundamental Rights, on the Union Constitution, on the Union's Powers, on the Provincial Constitution, on the Minorities, and on the Scheduled Areas and Scheduled Tribes. All this took 52 days. The remaining five sessions were devoted to the consideration of the Draft Constitution and took 114 days.

The Drafting Committee, elected on 29 August 1947, began work the next day and in all sat for 141 days. It started with a draft prepared by the Constitutional Adviser, Sir Benegal N. Rau, which consisted of 243 Articles and 13 Schedules. The Committee's Draft Constitution, presented to the Assembly by its chairman, Dr. Ambedkar, on 21 February 1948, contained 315 Articles and 8 Schedules. By the end of the consideration stage the number of Articles had increased to 386. Out of 7,635 amendments tabled, 2,473 were actually moved in the House, the rest being withdrawn after some discussion. The final draft, as adopted by the Assembly on 26 November 1949, contained 395 Articles and 8 Schedules.[2] On 24 January 1950 Dr Rajendra Prasad was elected first President of India and the new constitution came into force two days later. Elections for the House of the People took place between October 1951 and February 1952; for the Council of States in March 1952, and for the President of the Union on 2 May 1952. The State Assemblies were elected at the same time as the House of the People.

GENERAL FEATURES OF THE FEDERATION

The word 'union' was deliberately selected by the Drafting Committee to indicate (a) that the Indian Federation is not the result of an agreement by the units and (b) that the component units have no freedom to secede from it.[3] The Constitution of India prescribes the

[1] See Section III, item 21.

[2] The South African Constitution contains 153 Articles and was framed in one year, October 1908-September 1909; Australian, 128 Articles framed in 9 years; Canadian, 147 Articles framed in 2½ years; American, 7 Articles framed in 4 months.

[3] *ORCAD*, vol. vii, no. 1, p. 43, speech by Dr Ambedkar.

constitution of the Union as well as of the constituting States, does not recognize the principle of equal State representation in the Upper House of the Union, and has only one citizenship (excepting Kashmir, following developments in July 1953), namely, the citizenship of India. Further, not only is the Union entitled to give directions to the States but a failure on the part of a State to carry out such directions entitles the Union to supersede the State Government and assume to itself the powers of the State Government concerned. It can also suspend the State Assembly if, in its opinion, a stable State Government cannot be formed. Even in normal times there is provision in the Constitution for control by the Union over both the administration and legislation of the States, and in a matter in the Concurrent List a Union law has precedence over a State law. In times of emergency the right of the Union Executive to give direction to the State Executive extends to all matters and the legislative power of the Union Parliament is automatically extended to the State List. Apart from emergency, a simple resolution by two-thirds of the members present and voting in the Council of States can temporarily transfer any subject from the State List to the Union List ' in the national interest '.

As regards the other features of the Constitution, which is the longest and the most detailed constitution in the world, it would hardly serve any purpose to summarily describe such various aspects as Fundamental Rights, the Union Executive and Parliament, the Supreme Court and the State Governments. As standard commentaries are easily available, reference to them is recommended.[1]

THE INDIAN PRINCELY STATES

Since 1946, the three most important political developments in India have been the assumption of power by the Indian people, the new Constitution and the integration of Indian Princely States. While the first two dealt with genuine social problems, the third was a purely fortuitous legacy from the days of the British. None the less, it presented serious and complicated problems which are partly illustrated in the case of three States, namely, Junagadh, Hyderabad and Kashmir. It was largely due to the statesmanship of Sardar Patel, India's Minister of States, that the accession and integration of the other 550-odd States was accomplished without any trouble or fuss.

The beginnings of the problem of the Indian States go back to 1929 when the British Government of the day sought to introduce a change in the traditional relations of the States with the Government of India.

[1] e.g. D. D. Basu, *Commentary on the Constitution of India* (S. C. Sarker & Son, Calcutta, 1952); Sir Ivor Jennings, *Some Characteristics of the Indian Constitution* (Oxford University Press, 1953).

In spite of the transfer of the dominions of the East India Company to the British Crown in 1858, both in constitutional theory and actual practice the treaty obligations and rights of the States were with the Governor-General-in-Council. Following the Montagu-Chelmsford reforms of 1919, the British Conservatives became alarmed at the prospect of Indians exercising the power of government and sought to convert Indian States into an Indian Ulster. To increase their importance as 'breakwaters' against the rising tide of democratic forces in British India, they began to break up the administrative unity between the States and the rest of India. This was done by introducing the theory of the Crown as the sole link between the States and the Indian Government. The Butler Committee on Indian States recommended that 'in view of the historical nature of the relationship between the Paramount Power and the Princes, the latter should not be transferred without their own agreement to a relationship with a new government in British India responsible to an Indian legislature'. The Government of India Act, 1935, by separating the office of the Crown Representative from that of the Governor-General (although the two offices continued to be vested in the same person till 1947), gave the personal relationship between the Crown and the Princes the sanctity of a constitutional principle. The proposals of the Coalition Government in 1942, known as the 'Cripps proposals', reiterated this principle and tied down the discretion of the Labour Government in 1946 and 1947.

Another factor that dates from the British days and played an important part in the case of disputed accessions was the communal bitterness, which reached dangerous proportions in 1946 following the 'Direct Action Day' of the Muslim League and precipitated the wholesale migration of 1947. In several States the Princes professed a religion different from that of their subjects. As the partition of India had taken place on communal lines, the rulers and peoples of these States were pulled in different directions. It was partly to correct this tendency that on 25 July 1947, Lord Mountbatten sought to limit the unfettered freedom of choice of States as to accession or freedom by referring to certain 'geographical compulsions'.[1] This nipped in the bud the dreams of independence of Travancore, Indore and the two Dewas States. Bhopal also gave up its attempts to link with distant Pakistan. By 15 August 1947, all the States except Junagadh, Hyderabad and Kashmir had acceded either to India or to Pakistan. Hyderabad was the most populous, Kashmir the most extensive of the Indian States. Kashmir had common frontiers with India and Pakistan and was assumed to be free from the geographical compulsions referred to by Lord Mountbatten. Anyway, neither could be hustled into accession, until communal

[1] See Section V (*a*), item 40.

troubles had broken out widely in both. In the case of Hyderabad, the Government of India was compelled to send troops to put down the Razakars' lawlessness and anarchy; in the case of Kashmir, the incursion of Afridi tribesmen from Pakistan into the Kashmir Valley forced the Maharajah into the protective arms of the Indian Union.[1] While the Hyderabad episode is long over, the Kashmir tangle is still poisoning relations between India and Pakistan. But the most puzzling episode in the whole affair was the accession of the Junagadh Nawab to Pakistan on 15 September 1947 and then the handing over of the Junagadh administration to India by the Dewan of Junagadh on 8 November 1947. Junagadh was neither a large and populous state nor was it free from the geographical compulsion of being surrounded by Indian Union territory. A section of opinion in India still believes that it was a test case, used by Pakistan to throw into doubt the validity of accession by the choice of a ruler. Pakistan waited for India's reactions and later used them to question the validity of the Maharaja of Kashmir's accession to India. It was in this context that India suggested a plebiscite to decide cases of disputed accession.

As regards the other States which acceded to the Indian Union, two processes were involved, namely, merger and integration. Two hundred and forty-one States were merged into the old Provinces; 61 States were formed into 7 Centrally administered areas; 275 States were formed into new Unions of States. The only States that retained their old juridical entity were Mysore and Hyderabad. The process of integration came about slowly. Before the mergers started, all the States had acceded only for three subjects, namely, Foreign Relations, Defence and Communications, with necessary taxing provisions. The next step was the expansion of this cession of powers to the Union to accord with the Government of India Act, 1935. Lastly came the wholesale adoption by the States of the Constitution of India which reduced the Princely States to administrative units only. These developments can be easily seen in the various agreements signed by the States and contained in Section V (a) of Volume I. The only State that is treated differently is that of Jammu and Kashmir and this is due to international complications. Otherwise in the Constitution, as in actual practice, there is today no differentiation between the States that were earlier the Provinces and those that were the Princely States.

MAHATMA GANDHI'S FAST AND ASSASSINATION

Mohandas Karamchand Gandhi was born on 2 October 1869 in Porbandar, the small Kathiawar State on the west coast of India. In 1887 he went to London to study law, and became a barrister at the

[1] See *Foreign Affairs Reports*, New Delhi, vol. ii, no. 9.

Inner Temple. In '93 he went to South Africa in connexion with an Indian legal case. He was so deeply moved by the political and social disabilities of his fellow countrymen in South Africa that he decided to stay on there to help them to improve their status. For the next 20 years he was the leader of the Indian community and on three occasions he went to jail for organizing Passive Resistance campaigns against discriminatory racial legislation. This novel political weapon, which eschewed violence and brought great moral pressure upon the government of the day, bore fruit. In the summer of 1914 General Smuts reached an agreement with Gandhi and several restrictions on the Indian community were removed. During World War I, Gandhi went to England and raised an ambulance corps from among Indian students (as he had done in the Boer war and the Zulu campaign), but owing to serious illness, he had to return to India. He set up a retreat near Ahmedabad and further developed the religious and humanitarian ideals which were first formulated in South Africa. These were *ahimsa* (non-violence and pacifism), simplicity, truthfulness, compassion for fellow men and self-denial. He was a powerful advocate of social reform and used his great moral stature to liberate Indian women from traditional social disabilities as well as to remove the severe social handicaps which oppressed the *Harijans* or lower classes of Hindu society. Although he remained a devout Hindu throughout his life, he drew also on other philosophies, particularly the Buddhist and Christian. He was singularly free from any taint of religious bigotry or puritanic narrow-mindedness. The title of Mahatma (Great Soul) was conferred upon him by the common people of India as a mark of their great love and admiration.

While the ideals professed and advocated by Mahatma Gandhi were not new in the history of social philosophy, the extent and success with which he applied them to political purposes is truly without parallel in history. Both in South Africa and India he aroused a political consciousness among the people. Without arousing racial bitterness, he succeeded in forcing the British from India. In spite of its early constitutionalism, the use of force and violence by the Muslim League in 1946-7 led to unprecedented communal bitterness and suffering among both Hindus and Muslims. Even today, relations between India and Pakistan are strained. In contrast to this, Anglo-Indian relations provide a striking example of friendliness and mutual forbearance.

Satyagraha, the application of the principle of *ahimsa* to political life in India, took the form of non-violent non-co-operation with the government. It meant the organized and deliberate courting of arrest by a large number of persons following a publicized breach of certain laws or restrictions, non-payment of government dues, mass meetings and

processions of protest. The mode of operation of this political instrument was that it produced moral strength in those who participated in the struggle and put the government at a moral disadvantage. Gradually the pressure of public opinion would become so overwhelming that the government would be obliged to concede the public demand. In addition to mass movement, the Mahatma resorted, on certain grave issues, to fasts of personal purification. Nobody else was asked to fast; this weapon of moral pressure was exercised by the Mahatma alone. The potency of this instrument was revealed clearly in August 1947. The whole of the Punjab was involved in the partition riots, but the presence of the Mahatma in Calcutta in those critical days and his fast unto death unless communal peace was maintained in Calcutta and Bengal, kept the whole Province quiet.

It was with the same object of improving Hindu-Muslim relations that the Mahatma undertook another fast in Delhi in January 1948. Here, too, he succeeded in improving the relations between the two communities. But outside Delhi conditions were still bad. The assassination of the Mahatma on 30 January 1948, by a Hindu youth, produced such a revulsion of public feeling that overnight the communal rioting stopped all over India. The expression of public grief both in India and Pakistan and the international tributes paid to the Mahatma were such as have not been witnessed in recent times. With the sacrifice of this ' prince among men ' the god of violence was appeased and communal peace returned to the sub-continent. A militant Hindu political party was suspected of being behind this assassination, but a prolonged judicial inquiry found that there was not sufficient evidence to prove the charge of an organized conspiracy. But the public continued to be suspicious of the party in question, and it rapidly lost the strength that it had gained in the disturbed conditions of 1946-7. During his life, the Mahatma had failed to create communal harmony, but with his death this, the second major purpose of his life, was largely achieved and independent India has been singularly free from communal disturbances.

SECTION I

THE ASSUMPTION OF POWER

1 *Midnight,* 14-15 *August* 1947

THE ASSUMPTION OF POWER

Mr President, I propose that it should be intimated to the Viceroy that

(1) the Constituent Assembly of India has assumed power for the governance of India, and

(2) the Constituent Assembly of India has endorsed the recommendation that Lord Mountbatten be Governor-General of India from the 15th August 1947,

and that this message be conveyed forthwith to Lord Mountbatten by the President and Pandit Jawaharlal Nehru. (*Cheers.*) I take it the House approves it.

The motion was adopted.

ORCAD, Vol. V, No. 1, p. 10.

2 14 *August* 1947

PANDIT NEHRU BROADCASTS

The Appointed Day has come—the day appointed by destiny—and India stands forth again after long slumber and struggle, awake, vital, free and independent. The past clings on to us still in some measure and we have to do much before we redeem the pledges we have so often taken. Yet the turning point is past, history begins anew for us, the history which we shall live and act and others will write about.

It is a fateful moment for us in India, for all Asia and for the world. A new star rises, the star of freedom in the East, a new hope comes into being, a vision long cherished materializes. May the star never set and that hope never be betrayed!

We rejoice in that freedom even though clouds surround us, and many of our people are sorrow-stricken and difficult problems

encompass us. But freedom brings responsibilities and burdens and we have to face them in the spirit of a free and disciplined people.

On this day our first thoughts go to the architect of this freedom, the Father of our Nation,[1] who, embodying the old spirit of India held aloft the torch of freedom and lighted up the darkness that surrounded us. We have often been unworthy followers of his and have strayed from his message, but not only we but succeeding generations will remember this message and bear the imprint in their hearts of this great son of India, magnificent in his faith and strength and courage and humility. We shall never allow that torch of freedom to be blown out, however high the winds or stormy the tempest.

Our next thoughts must be of the unknown volunteers and soldiers of freedom who without praise or reward have served India, even unto death.

We think also of our brothers and sisters who have been cut off from us by political boundaries and who unhappily cannot share at present in the freedom that has come. They are of us and will remain of us whatever may happen and we shall be sharers in their good and ill fortune alike.

The future beckons to us. Whither do we go and what shall be our endeavour? To bring freedom and opportunity to the common man, to the peasants and workers of India; to fight and end poverty and ignorance and disease; and to build up a prosperous, democratic and progressive nation, and to create social, economic and political institutions which will ensure justice and fullness of life to every man and woman.

We have hard work ahead. There is no resting for any one of us till we redeem our pledge in full, till we make all the people of India what destiny intended them to be. We are citizens of a great country, on the verge of bold advance, and we have to live up to that high standard. All of us to whatever religion we may belong, are equally the children of India with equal rights, privileges and obligations. We cannot encourage communalism or narrow-mindedness, for no nation can be great whose people are narrow in thought or in action.

To the nations and peoples of the world we send greetings and pledge ourselves to co-operate with them in furthering peace, freedom and democracy.

And to India, our much beloved motherland, the ancient, the eternal and the ever new, we pay our homage and we bind ourselves afresh to her service.

Hindustan Times, New Delhi, 15 August 1947.

[1] Mahatma Gandhi could not be present at New Delhi at this juncture. He spent the day at Calcutta in prayer and fasting.

3 *Midnight,* 14-15 *August* 1947

SPEECH : PANDIT NEHRU

[Mr President, many years ago we had made a tryst with destiny itself. We had taken a pledge, a vow. Now the time has come to redeem it. But perhaps the pledge has not yet been redeemed fully though stages have been reached in that direction. We have almost attained independence. At such a moment it is only appropriate that we take a new pledge, a new vow to serve India and her people. After a few moments, this Assembly will assume the status of a fully free and independent body, and it will represent an independent and free country. Therefore great responsibilities are to devolve upon it. If we do not realize the importance of our responsibilities then we shall not be able to discharge our duties fully. Hence it becomes essential for us to take this pledge after fully understanding all its implications. The resolution that I am presenting before you relates to that pledge. We have finished one phase, and for that rejoicings are going on today. Our hearts are full of joy and some pride and satisfaction. But we know that there is no rejoicing in the whole of the country. There is enough of grief in our hearts. Not far from Delhi, big cities are ablaze and its heat is reaching us here. Our happiness cannot be complete. At this hour we have to face all these things with a brave heart. . . . The task of wresting freedom and ousting the foreign government has been before us till now and that task is now accomplished. But uprooting the foreign domination is not all. Unless and until each and every Indian breathes the air of freedom and his miseries are banished and his hard lot is improved, our task remains unfinished. . . . At a time when we are on the threshold of freedom we should remember that India does not belong to any one party or group of people or caste. It does not belong to the followers of any particular religion. It is the country of all, of every religion and creed. We have repeatedly defined the type of freedom we desire. In the first resolution, which I moved earlier, it has been said that our freedom is to be shared equally by every Indian. All Indians shall have equal rights, and each one of them is to partake equally in that freedom. We shall proceed like that, and whosoever tries to be aggressive will be checked by us. If anyone is oppressed we shall stand by his side. If we follow this path then we shall be able to solve big problems, but if we become narrow-minded we shall not be able to solve them.

I shall read out in English this resolution which I am now putting before you.][1]

[1] English translation of speech in Hindustani.

Long years ago we made a tryst with destiny, and now the time comes when we shall redeem our pledge, not wholly or in full measure, but very substantially. At the stroke of the midnight hour, when the world sleeps, India will awake to life and freedom. A moment comes, which comes but rarely in history, when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance. It is fitting that at this solemn moment we take the pledge of dedication to the service of India and her people and to the still larger cause of humanity.

At the dawn of history India started on her unending quest, and trackless centuries are filled with her striving and the grandeur of her successes and her failures. Through good and ill fortune alike she has never lost sight of that quest or forgotten the ideals which gave her strength. We end today a period of ill fortune and India discovers herself again. The achievement we celebrate today is but a step, an opening of opportunity, to the greater triumphs and achievements that await us. Are we brave enough and wise enough to grasp this opportunity and accept the challenge of the future?

Freedom and power bring responsibility. That responsibility rests upon this Assembly, a sovereign body representing the sovereign people of India. Before the birth of freedom we have endured all the pains of labour and our hearts are heavy with the memory of this sorrow. Some of those pains continue even now. Nevertheless the past is over and it is the future that beckons to us now.

That future is not one of ease or resting but of incessant striving so that we may fulfil the pledges we have so often taken and the one we shall take today. The service of India means the service of the millions who suffer. It means the ending of poverty and ignorance and disease and inequality of opportunity. The ambition of the greatest man [Mahatma Gandhi] of our generation has been to wipe every tear from every eye. That may be beyond us but as long as there are tears and suffering, so long our work will not be over.

And so we have to labour and to work, and work hard, to give reality to our dreams. Those dreams are for India, but they are also for the world, for all the nations and peoples are too closely knit together today for any one of them to imagine that it can live apart. Peace has been said to be indivisible ; so is freedom, so is prosperity now, and so also is disaster in this One World that can no longer be split into isolated fragments.

To the people of India, whose representatives we are, we make an appeal to join us with faith and confidence in this great adventure. This is no time for petty and destructive criticism, no time for ill-

will or blaming others. We have to build the noble mansion of free India where all her children may dwell.

I beg to move, Sir,

'That it be resolved that:

(1) After the last stroke of midnight, all members of the Constituent Assembly present on this occasion, do take the following pledge:

" At this solemn moment when the people of India, through suffering and sacrifice, have secured freedom and become masters of their own destiny, I, ... , a member of the Constituent Assembly of India, do dedicate myself in all humility to the service of India and her people to the end that this ancient land attain her rightful place in the world and make her full and willing contribution to the promotion of world peace and the welfare of mankind;"

(2) Members who are not present on this occasion do take the pledge (with such verbal changes as the President may prescribe) at the time they next attend a session of the Assembly.'

ORCAD, Vol. V, No. 1, pp. 3-5.

4 15 *August* 1947

SPEECH : LORD MOUNTBATTEN

Mr President and members of the Constituent Assembly,

I have a message from His Majesty the King to deliver to you today. This is His Majesty's message :

' On this historic day when India takes her place as a free and independent Dominion in the British Commonwealth of Nations, I send you all my greetings and heartfelt wishes.

Freedom-loving people everywhere will wish to share in your celebrations, for with this transfer of power by consent comes the fulfilment of a great democratic ideal to which the British and Indian peoples alike are firmly dedicated. It is inspiring to think that all this has been achieved by means of peaceful change.

Heavy responsibilities lie ahead of you, but when I consider the statesmanship you have already shown and the great sacrifices you have already made, I am confident that you will be worthy of your destiny.

I pray that the blessings of the Almighty may rest upon you and that your leaders may continue to be guided with wisdom in the tasks before them. May the blessings of friendship, tolerance and peace inspire you in your relations with the nations of the world. Be assured

always of my sympathy in all your efforts to promote the prosperity of your people and the general welfare of mankind.'

It is barely six months ago that Mr Attlee invited me to accept the appointment of last Viceroy. He made it clear that this would be no easy task—since His Majesty's Government in the United Kingdom had decided to transfer power to Indian hands by June 1948. At that time it seemed to many that His Majesty's Government had set a date far too early. How could this tremendous operation be completed in 15 months?

However, I had not been more than a week in India before I realized that this date of June 1948 for the transfer of power was too late rather than too early ; communal tension and rioting had assumed proportions of which I had had no conception when I left England. It seemed to me that a decision had to be taken at the earliest possible moment unless there was to be risk of a general conflagration throughout the whole sub-continent.

I entered into discussions with the leaders of all the parties at once—and the result was the plan of June 3rd. Its acceptance has been hailed as an example of fine statesmanship throughout the world. The plan was evolved at every stage by a process of open diplomacy with the leaders. Its success is chiefly attributable to them.

I believe that this system of open diplomacy was the only one suited to the situation in which the problems were so complex and the tension so high. I would here pay tribute to the wisdom, tolerance and friendly help of the leaders which have enabled the transfer of power to take place ten and a half months earlier than originally intended.

At the very meeting at which the plan of June 3rd was accepted, the Leaders agreed to discuss a paper which I had laid before them on the administrative consequences of partition ; and then and there we set up the machinery which was to carry out one of the greatest administrative operations in history—the partition of a sub-continent of 400 million inhabitants and the transfer of power to two independent governments in less than two and a half months. My reason for hastening these processes was that, once the principle of division had been accepted, it was in the interest of all parties that it should be carried out with the utmost speed. We set a pace faster in fact than many at the time thought possible. To the Ministers and officials who have laboured day and night to produce this astonishing result, the greatest credit is due.

I know well that the rejoicing which the advent of freedom brings is tempered in your hearts by the sadness that it could not come to a united India ; and that the pain of division has shorn today's events of some of its joy. In supporting your leaders in the difficult decision

which they had to take, you have displayed as much magnanimity and realism as have those patriotic statesmen themselves.

These statesmen have placed me in their debt for ever by their sympathetic understanding of my position. They did not, for example, press their original request that I should be the Chairman of the Arbitral Tribunal. Again they agreed from the outset to release me from any responsibility whatsoever for the partition of the Punjab and Bengal. It was they who selected the personnel of the Boundary Commissions, including the Chairman ; it was they who drew up the terms of reference ; it is they who shouldered the responsibility for implementing the award. You will appreciate that had they not done this, I would have been placed in an impossible position.

Let me now pass to the Indian States. The plan of June 3rd dealt almost exclusively with the problem of the transfer of power in British India ; and the only reference to the States was a paragraph which recognized that on the transfer of power, all the Indian States—565 of them—would become independent. Here then was another gigantic problem and there was apprehension on all sides. But after the formation of the States Department it was possible for me, as Crown Representative, to tackle this great question. Thanks to that far-sighted statesman, Sardar Vallabhbhai Patel, Member in charge of the States Department, a scheme was produced which appeared to me to be equally in the interests of the States as of the Dominion of India. The overwhelming majority of States are geographically linked with India, and therefore this Dominion had by far the bigger stake in the solution of this problem. It is a great triumph for the realism and sense of responsibility of the Rulers and the Governments of the States, as well as for the Government of India, that it was possible to produce an Instrument of Accession which was equally acceptable to both sides ; and one, moreover, so simple and so straightforward that within less than three weeks practically all the States concerned had signed the Instrument of Accession and the Standstill Agreement. There is thus established a unified political structure covering over 300 million people and the major part of this great sub-continent.

The only State of the first importance that has not yet acceded is the premier State, Hyderabad.

Hyderabad occupies a unique position in view of its size, population and resources, and it has its special problems. The Nizam, while he does not propose to accede to the Dominion of Pakistan, has not up to the present felt able to accede to the Dominion of India. His Exalted Highness has, however, assured me of his wish to co-operate in the three essential subjects of External Affairs, Defence and Communications with that Dominion whose territories surround his State. With

the assent of the Government, negotiations will be continued with the Nizam and I am hopeful that we shall reach a solution satisfactory to all.

From today I am your constitutional Governor-General and I would ask you to regard me as one of yourselves, devoted wholly to the furtherance of India's interests. I am honoured that you have endorsed the invitation originally made to me by your leaders to remain as your Governor-General. The only consideration I had in mind in accepting was that I might continue to be of some help to you in the difficult days which lie immediately ahead. When discussing the Draft of the India Independence Act your leaders selected the 31st March 1948 as the end of what may be called the interim period. I propose to ask to be released in April. It is not that I fail to appreciate the honour of being invited to stay on in your service, but I feel that as soon as possible India should be at liberty, if you so wish, to have one of her own people as her Governor-General. Until then my wife and I will consider it a privilege to continue to work with and amongst you. No words can express our gratitude for the understanding and co-operation as well as the true sympathy and generosity of spirit which have been shown to us at all times.

I am glad to announce that ' my ' Government (as I am now constitutionally entitled and most proud to call them) have decided to mark this historic occasion by a generous programme of amnesty. The categories are as wide as could be consistent with the overriding consideration of public morality and safety, and special account has been taken of political motives. This policy will also govern the release of military prisoners undergoing sentences as a result of trial by courts-martial.

The tasks before you are heavy. The war ended two years ago. In fact, it was on this very day two years ago that I was with that great friend of India, Mr Attlee, in his Cabinet Room when the news came through that Japan had surrendered. That was a moment for thankfulness and rejoicing, for it marked the end of six bitter years of destruction and slaughter. But in India we have achieved something greater—what has been well described as ' A treaty of Peace without a War '. Nevertheless, the ravages of the war are still apparent all over the world. India, which played such a valiant part, as I can personally testify from my experience in South-East Asia, has also had to pay her price in the dislocation of her economy and the casualties to her gallant fighting men with whom I was so proud to be associated. Preoccupations with the political problem retarded recovery. It is for you to ensure the happiness and ever-increasing prosperity of the people, to provide against future scarcities of food,

cloth and essential commodities and to build up a balanced economy. The solution of these problems requires immediate and whole-hearted effort and far-sighted planning, but I feel confident that with your resources in men, material and leadership you will prove equal to the task.

What is happening in India is of far more than purely national interest. The emergence of a stable and prosperous state will be a factor of the greatest international importance for the peace of the world. Its social and economic development, as well as its strategic situation and its wealth of resources, invest with great significance the events that take place here. It is for this reason that not only Great Britain and the sister Dominions but all the great nations of the world will watch with sympathetic expectancy the fortunes of this country and will wish to it all prosperity and success.

At this historic moment, let us not forget all that India owes to Mahatma Gandhi—the architect of her freedom through non-violence. We miss his presence here today, and would have him know how much he is in our thoughts.

Mr President, I would like you and our other colleagues of the late Interim Government to know how deeply I have appreciated your unfailing support and co-operation. In your first Prime Minister, Pandit Jawaharlal Nehru, you have a world-renowned leader of courage and vision. His trust and friendship have helped me beyond measure in my task. Under his able guidance, assisted by the colleagues whom he has selected, and with the local co-operation of the people, India will now attain a position of strength and influence and take her rightful place in the comity of nations.

ORCAD, Vol. V, No. 2, pp. 15-18.

SECTION II

THE PARTITION

5 20 *February* 1947

STATEMENT : MR ATTLEE

(1) It has long been the policy of successive British Governments to work towards the realization of self-government in India. In pursuance of this policy, an increasing measure of responsibility has been devolved on Indians, and today the civil administration and the Indian armed forces rely to a very large extent on Indian civilians and officers. In the constitutional field, the Acts of 1919 and 1935 passed by the British Parliament each represented a substantial transfer of political power. In 1940 the Coalition Government recognized the principle that Indians should themselves frame a new constitution for a fully autonomous India, and in the offer of 1942 they invited them to set up a Constituent Assembly for this purpose as soon as the war was over.

(2) His Majesty's Government believe this policy to have been right and in accordance with sound democratic principles. Since they came into office, they have done their utmost to carry it forward to its fulfilment. The declaration of the Prime Minister of 15 March last, which met with general approval in Parliament and the country, made it clear that it was for the Indian people themselves to choose their future status and constitution and that in the opinion of His Majesty's Government the time had come for responsibility for the Government of India to pass into Indian hands.

(3) The Cabinet Mission which was sent to India last year spent over three months in consultation with Indian leaders in order to help them to agree upon a method for determining the future constitution of India, so that the transfer of power might be smoothly and rapidly effected. It was only when it seemed clear that without some initiative from the Cabinet Mission agreement was unlikely to be reached that they put forward proposals themselves.

(4) These proposals, made public in May last, envisaged that the future constitution of India should be settled by a Constituent Assembly composed, in the manner suggested therein, of representatives of all communities and interests in British India and of the Indian States.

(5) Since the return of the Mission, an Interim Government has been set up at the Centre composed of the political leaders of the major

communities, exercising wide powers within the existing Constitution. In all the Provinces Indian Governments responsible to legislatures are in office.

(6) It is with great regret that His Majesty's Government find that there are still differences among Indian parties which are preventing the Constituent Assembly from functioning as it was intended that it should. It is of the essence of the plan that the Assembly should be fully representative.

(7) His Majesty's Government desire to hand over their responsibility to authorities established by a constitution approved by all parties in India in accordance with the Cabinet Mission's plan. But unfortunately there is at present no clear prospect that such a constitution and such authorities will emerge. The present state of uncertainty is fraught with danger and cannot be indefinitely prolonged. His Majesty's Government wish to make it clear that it is their definite intention to take necessary steps to effect the transference of power to responsible Indian hands by a date not later than June 1948.

(8) This great sub-continent now containing over four hundred million people has for the last century enjoyed peace and security as a part of the British Commonwealth and Empire. Continued peace and security are more than ever necessary today if the full possibilities of economic development are to be realized and a higher standard of life attained by the Indian people.

(9) His Majesty's Government are anxious to hand over their responsibilities to a Government which, resting on the sure foundation of the support of the people, is capable of maintaining peace and administering India with justice and efficiency. It is therefore essential that all parties should sink their differences in order that they may be ready to shoulder the great responsibilities which will come upon them next year.

(10) After months of hard work by the Cabinet Mission a great measure of agreement was obtained as to the method by which a constitution should be worked out. This was embodied in their statement of May last. His Majesty's Government agreed to recommend to Parliament a constitution worked out, in accordance with the proposals made therein, by a fully representative Constituent Assembly. But if it should appear that such a constitution will not have been worked out by a fully representative Assembly before the time mentioned in paragraph (7), His Majesty's Government will have to consider to whom the powers of the Central Government in British India should be handed over, on due date, whether as a whole to some form of Central Government for British India, or in some areas to the existing Provincial Governments, or in such other way

as may seem most reasonable and in the best interests of the Indian people.

(11) Although the final transfer of authority may not take place until June 1948, preparatory measures must be put in hand in advance. It is important that the efficiency of the civil administration should be maintained and that the defence of India should be fully provided for. But inevitably, as the process of transfer proceeds, it will become progressively more difficult to carry out to the letter all the provisions of the Government of India Act, 1935. Legislation will be introduced in due course to give effect to the final transfer of power.

(12) In regard to the Indian States, as was explicitly stated by the Cabinet Mission, His Majesty's Government do not intend to hand over their powers and obligations under paramountcy to any Government of British India. It is not intended to bring paramountcy, as a system, to a conclusion earlier than the date of the final transfer of power, but it is contemplated that for the intervening period the relations of the Crown with individual States may be adjusted by agreement.

(13) His Majesty's Government will negotiate agreements in regard to matters arising out of the transfer of power with representatives of those to whom they propose to transfer power.

(14) His Majesty's Government believe that British commercial and industrial interests in India can look forward to a fair field for their enterprise under the new conditions. The commercial connexion between India and the United Kingdom has been long and friendly and will continue to be to their mutual advantage.

(15) His Majesty's Government cannot conclude this statement without expressing on behalf of the people of this country their goodwill and good wishes towards the people of India as they go forward to this final stage in their achievement of self-government. It will be the wish of everyone in these islands that, notwithstanding constitutional changes, the association of the British and Indian peoples should not be brought to an end ; and they will wish to continue to do all that is in their power to further the well-being of India.

This concludes the statement on policy. The House will wish to know of an announcement which is being made public today. Field-Marshal the Right Honourable Viscount Wavell was appointed Viceroy in 1943, after having held high military command in the Middle East, South-East Asia and India with notable distinction since the beginning of the war. It was agreed that this should be a war-time appointment. Lord Wavell has discharged this high office during this very difficult period with devotion and a high sense of duty. It has, however, seemed that the opening of a new and final phase in India is an appropriate time to terminate this war appointment.

His Majesty has been pleased to approve, as successor to Lord Wavell, the appointment of Admiral the Viscount Mountbatten, who will be entrusted with the task of transferring to Indian hands responsibility for the government of British India in a manner that will best ensure the future happiness and prosperity of India. The change of office will take place during March. The House will be glad to hear that His Majesty has been pleased to confer an earldom on Viscount Wavell.

Hansard, H. C. Deb., 5th. Ser. Vol. 433, London, c. 1395-9.

6 3 *June* 1947

STATEMENT : MR ATTLEE

(1) On 20 February 1947, His Majesty's Government announced their intention of transferring power in British India to Indian hands by June 1948. His Majesty's Government had hoped that it would be possible for the major parties to co-operate in the working out of the Cabinet Mission's Plan of 16 May 1946, and evolve for India a Constitution acceptable to all concerned. This hope has not been fulfilled.

(2) The majority of the representatives of the Provinces of Madras, Bombay, the United Provinces, Bihar, Central Provinces and Berar, Assam, Orissa and the North-West Frontier Province, and the representatives of Delhi, Ajmer-Merwara and Coorg have already made progress in the task of evolving a new Constitution. On the other hand, the Muslim League Party, including in it a majority of the representatives of Bengal, the Punjab and Sind, as also the representative of British Baluchistan, has decided not to participate in the Constituent Assembly.

(3) It has always been the desire of His Majesty's Government that power should be transferred in accordance with the wishes of the Indian people themselves. This task would have been greatly facilitated if there had been agreement among the Indian political parties. In the absence of such an agreement, the task of devising a method by which the wishes of the Indian people can be ascertained has devolved on His Majesty's Government. After full consultation with political leaders in India, His Majesty's Government have decided to adopt for this purpose the plan set out below. His Majesty's Government wish to make it clear that they have no intention of attempting to frame any ultimate Constitution for India ; this is a matter for the

Indians themselves. Nor is there anything in this plan to preclude negotiations between communities for a united India.

The Issues to be Decided

(4) It is not the intention of His Majesty's Government to interrupt the work of the existing Constituent Assembly. Now that provision is made for certain Provinces specified below, His Majesty's Government trust that, as a consequence of this announcement, the Muslim League representatives of those Provinces, a majority of whose representatives are already participating in it, will now take their due share in its labours. At the same time, it is clear that any Constitution framed by this Assembly cannot apply to those parts of the country which are unwilling to accept it. His Majesty's Government are satisfied that the procedure outlined below embodies the best practical method of ascertaining the wishes of the people of such areas on the issue whether their Constitution is to be framed—

(*a*) in the existing Constituent Assembly ; or

(*b*) in a new and separate Constituent Assembly consisting of the representatives of those areas which decide not to participate in the existing Constituent Assembly.

When this has been done, it will be possible to determine the authority or authorities to whom power should be transferred.

Bengal and the Punjab

(5) The Provincial Legislative Assemblies of Bengal and the Punjab (excluding the European members) will therefore each be asked to meet in two parts, one representing the Muslim majority districts and the other the rest of the Province. For the purpose of determining the population of districts, the 1941 census figures will be taken as authoritative. The Muslim majority districts in these two Provinces are set out in the Appendix to this Announcement.

(6) The members of the two parts of each Legislative Assembly sitting separately will be empowered to vote whether or not the Province should be partitioned. If a simple majority of either part decides in favour of partition, division will be made accordingly.

(7) Before the question as to partition is decided, it is desirable that the representatives of each part should know in advance which Constituent Assembly the Province as a whole would join in the event of the two parts subsequently deciding to remain united. Therefore, if any member of either Legislative Assembly so demands, there shall be held a meeting of all members of the Legislative Assembly (other than Europeans) at which a decision will be taken on the issue as to

which Constituent Assembly the Province as a whole would join if it were decided by the two parts to remain united.

(8) In the event of partition being decided upon, each part of the Legislative Assembly will, on behalf of the areas they represent, decide which of the alternatives in paragraph (4) above to adopt.

(9) For the immediate purpose of deciding on the issue of partition, the members of the Legislative Assemblies of Bengal and the Punjab will sit in two parts according to Muslim majority districts (as laid down in the Appendix) and non-Muslim majority districts. This is only a preliminary step of a purely temporary nature as it is evident that for the purpose of a final partition of these Provinces a detailed investigation of boundary questions will be needed ; and as soon as a decision involving partition has been taken for either Province, a Boundary Commission will be set up by the Governor-General, the membership and terms of reference of which will be settled in consultation with those concerned. It will be instructed to demarcate the boundaries of the two parts of the Punjab on the basis of ascertaining the contiguous majority areas of Muslim and non-Muslims. It will also be instructed to take into account other factors. Similar instructions will be given to the Bengal Boundary Commission. Until the report of a Boundary Commission has been put into effect, the provisional boundaries indicated in the Appendix will be used.

Sind

(10) The Legislative Assembly of Sind (excluding the European members) will at a special meeting also take its own decision on the alternatives in paragraph (4) above.

North-West Frontier Province

(11) The position of the North-West Frontier Province is exceptional. Two of the three representatives of this Province are already participating in the existing Constituent Assembly. But it is clear, in view of its geographical situation, and other considerations, that if the whole or any part of the Punjab decides not to join the existing Constituent Assembly, it will be necessary to give the North-West Frontier Province an opportunity to reconsider its position. Accordingly, in such an event, a referendum will be made to the electors of the present Legislative Assembly in the North-West Frontier Province to choose which of the alternatives mentioned in paragraph (4) above they wish to adopt. The referendum will be held under the aegis of the Governor-General and in consultation with the Provincial Government.

British Baluchistan

(12) British Baluchistan has elected a member but he has not taken his seat in the existing Constituent Assembly. In view of its geographical

situation, this Province will also be given an opportunity to reconsider its position and to choose which of the alternatives in paragraph (4) above to adopt. His Excellency the Governor-General is examining how this can most appropriately be done.

Assam

(13) Though Assam is predominantly a non-Muslim Province, the district of Sylhet which is contiguous to Bengal is predominantly Muslim. There has been a demand that, in the event of the partition of Bengal, Sylhet should be amalgamated with the Muslim part of Bengal. Accordingly, if it is decided that Bengal should be partitioned, a referendum will be held in Sylhet district under the aegis of the Governor-General and in consultation with the Assam Provincial Government to decide whether the district of Sylhet should continue to form part of the Assam Province or should be amalgamated with the new Province of Eastern Bengal, if that Province agrees. If the referendum results in favour of amalgamation with Eastern Bengal, a Boundary Commission with terms of reference similar to those for the Punjab and Bengal will be set up to demarcate the Muslim majority areas of Sylhet district and contiguous Muslim majority areas of adjoining districts, which will then be transferred to Eastern Bengal. The rest of the Assam Province will in any case continue to participate in the proceedings of the existing Constituent Assembly.

Representation in Constituent Assemblies

(14) If it is decided that Bengal and the Punjab should be partitioned, it will be necessary to hold fresh elections to choose their representatives on the scale of one for every million of population according to the principle contained in the Cabinet Mission's Plan of 16 May 1946. Similar elections will also have to be held for Sylhet in the event of it being decided that this district should form part of East Bengal. The number of representatives to which each area would be entitled is as follows :

Province	*General*	*Muslims*	*Sikhs*	*Total*
Sylhet district ..	1	2	Nil	3
West Bengal	15	4	Nil	19
East Bengal	12	29	Nil	41
West Punjab	3	12	2	17
East Punjab	6	4	2	12

(15) In accordance with the mandates given to them, the representatives of the various areas will either join the existing Constituent Assembly or form the new Constituent Assembly.

Administrative Matters

(16) Negotiations will have to be initiated as soon as possible on administrative consequences of any partition that may have been decided upon :

(*a*) Between the representatives of the respective successor authorities about all subjects now dealt with by the Central Government, including Defence, Finance and Communications.

(*b*) Between different successor authorities and His Majesty's Government for treaties in regard to matters arising out of the transfer of power.

(*c*) In the case of Provinces that may be partitioned, as to administration of all provincial subjects such as the division of assets and liabilities, the police and other services, the High Courts, provincial institutions, etc.

The Tribes of the North-West Frontier

(17) Agreements with tribes of the North-West Frontier of India will have to be negotiated by the appropriate successor authority.

The States

(18) His Majesty's Government wish to make it clear that the decisions announced above relate only to British India and that their policy towards Indian States contained in the Cabinet Mission Memorandum of 12 May 1946, remains unchanged.

Necessity for Speed

(19) In order that the successor authorities may have time to prepare themselves to take over power, it is important that all the above processes should be completed as quickly as possible. To avoid delay, the different Provinces or parts of Provinces will proceed independently as far as practicable within the conditions of this plan. The existing Constituent Assembly and the new Constituent Assembly (if formed) will proceed to frame constitutions for their respective territories : they will of course be free to frame their own rules.

Immediate Transfer of Power

(20) The major political parties have repeatedly emphasized their desire that there should be the earliest possible transfer of power in India. With this desire His Majesty's Government are in full sympathy, and they are willing to anticipate the date of June 1948 for the handing over of power by the setting up of an independent Indian Government or Governments at an even earlier date. Accordingly, as the most expeditious and indeed the only practicable way of meeting this desire,

His Majesty's Government propose to introduce legislation during the current session for the transfer of power this year on a Dominion status basis to one or two successor authorities according to the decisions taken as a result of this announcement. This will be without prejudice to the right of the Indian Constituent Assemblies to decide in due course whether or not the part of India in respect of which they have authority will remain within the British Commonwealth.

Further Announcements by Governor-General

(21) His Excellency the Governor-General will from time to time make such further announcements as may be necessary in regard to procedure or any other matters for carrying out the above arrangements.

Appendix

MUSLIM-MAJORITY DISTRICTS OF PUNJAB AND BENGAL ACCORDING TO THE 1941 CENSUS

(1) THE PUNJAB

Lahore Division: Gujranwala, Gurdaspur, Lahore, Sheikhupura, Sialkot.
Rawalpindi Division: Attock, Gujrat, Jhelum, Mianwali, Rawalpindi, Shahpur.
Multan Division: Dera Ghazi Khan, Jhang, Lyallpur, Montgomery, Multan, Muzaffargarh.

(2) BENGAL

Chittagong Division: Chittagong, Noakhali, Tippera.
Dacca Division: Bakarganj, Dacca, Faridpur, Mymensingh.
Presidency Division: Jessore, Murshidabad, Nadia.
Rajshahi Division: Bogra, Dinajpur, Malda, Pabna, Rajshahi, Rangpur.

Hansard, H.C. Deb., 5th. Ser., Vol. 438, pp. 35-40.

7 3 *June* 1947

BROADCAST : LORD MOUNTBATTEN

A statement will be read to you tonight giving the final decision of His Majesty's Government as to the method by which power will be transferred from British to Indian hands. But before this happens, I want to give a personal message to the people of India, as well as a short account of the discussions which I have held with the leaders of the political parties and which have led up to the advice I tendered to His Majesty's Government during my recent visit to London.

Since my arrival in India at the end of March, I have spent almost every day in consultation with as many of the leaders and representatives of as many communities and interests as possible. I wish to say how grateful I am for all the information and helpful advice they have given me.

Nothing I have seen or heard in the past few weeks has shaken my firm opinion that with a reasonable measure of goodwill between the communities a unified India would be by far the best solution of the problem.

For more than a hundred years 400 millions of you have lived together and this country has been administered as a single entity. This has resulted in unified communications, defence, postal services and currency, an absence of tariffs and customs barriers and the basis for an integrated political economy. My great hope was that communal differences would not destroy all this.

My first course, in all my discussions, was therefore to urge the political leaders to accept unreservedly the Cabinet Mission plan of 16 May 1946. In my opinion, that plan provides the best arrangement that can be devised to meet the interests of all the communities of India. To my great regret it has been impossible to obtain agreement either on the Cabinet Mission plan, or on any other plan that would preserve the unity of India. But there can be no question of coercing any large areas in which one community has a majority, to live against their will under a Government in which another community has a majority. And the only alternative to coercion is partition.

But when the Muslim League demanded the partition of India, Congress used the same arguments for demanding, in that event, the partition of certain Provinces. To my mind this argument is unassailable. In fact, neither side proved willing to leave a substantial area in which their community have a majority, under the Government of the other. I am, of course, just as much opposed to the partition of Provinces as I am to the partition of India herself and for the same basic reasons.

For just as I feel there is an Indian consciousness which should transcend communal differences, so I feel there is a Punjabi and Bengali consciousness which has evoked a loyalty to their Province.

And so I felt it was essential that the people of India themselves should decide this question of partition.

The procedure for enabling them to decide it for themselves, whether they want the British to hand over power to one or two Governments, is set out in the statement which will be read to you. But there are one or two points on which I should like to add a note of explanation.

It was necessary in order to ascertain the will of the people of the Punjab, Bengal and part of Assam to lay down boundaries between the Muslim majority areas and the remaining areas, but I want to make it clear that the ultimate boundaries will be settled by a Boundary Commission and will almost certainly not be identical with those which have been provisionally adopted.

We have given careful consideration to the position of the Sikhs. This valiant community forms about an eighth of the population of the Punjab, but they are so distributed that any partition of this Province will inevitably divide them. All of us who have the good of the Sikh community at heart are very sorry to think that the partition of the Punjab, which they themselves desire, cannot avoid splitting them to a greater or lesser extent. The exact degree of the split will be left to the Boundary Commission on which they will of course be represented.

The whole plan may not be perfect ; but like all plans, its success will depend on the spirit of goodwill with which it is carried out. I have always felt that once it was decided in what way to transfer power, the transfer should take place at the earliest possible moment, but the dilemma was that if we waited until a constitutional set-up for all India was agreed, we should have to wait a long time, particularly if partition were decided on ; whereas if we handed over power before the Constituent Assemblies had finished their work we should leave the country without a Constitution. The solution to this dilemma which I put forward, is that His Majesty's Government should transfer power now to one or two Governments of British India, each having Dominion Status, as soon as the necessary arrangements can be made. This I hope will be within the next few months. I am glad to announce that His Majesty's Government have accepted this proposal and are already having legislation prepared for introduction in Parliament this session. As a result of these decisions the special function of the India Office will no longer have to be carried out, and some other machinery will be set up to conduct future relations between His Majesty's Government and India.

I wish to emphasize that this legislation will not impose any restriction on the power of India as a whole, or of the two States if there is partition, to decide in the future their relationship to each other and to other member States of the British Commonwealth.

Thus the way is now open to an arrangement by which power can be transferred many months earlier than the most optimistic of us thought possible, and at the same time leave it to the people of British India to decide for themselves on their future, which is the declared policy of His Majesty's Government.

I have made no mention of the Indian States, since the new decisions of His Majesty's Government are concerned with the transfer of power in British India.

If the transfer of power is to be effected in a peaceful and orderly manner, every single one of us must bend all his efforts to the task. This is no time for bickering, much less for the continuation in any shape or form of the disorders and lawlessness of the past few months. Do not forget what a narrow margin of food we are all working on. We cannot afford any toleration of violence. All of us are agreed on that.

Whichever way the decision of the Indian people may go, I feel sure any British officials or officers who may be asked to remain for a while will do everything in their power to help implement that decision. His Majesty as well as his Government have asked me to convey to all of you in India their sincere good wishes for your future and the assurance of their continued goodwill.

I have faith in the future of India and am proud to be with you all at this momentous time. May your decisions be wisely guided and may they be carried out in the peaceful and friendly spirit of the Gandhi-Jinnah appeal.

Mountbatten, *Time only to Look Forward* (London, 1949), pp. 10-13.

8 10 *July* 1947

SPEECH : MR ATTLEE (EXTRACT)

I have it in command from His Majesty to acquaint the House that he places his Prerogative and interests, so far as concerns the matters dealt with by the Bill, at the disposal of Parliament.

I beg to move, ' That the Bill be now read for a Second time.'

. . . There have been many instances in history when States at the point of the sword have been forced to surrender government over another people. It is very rare for a people that have long enjoyed power over another nation to surrender it voluntarily. . .

Many years ago, when we began the association of Indians in the responsibility of Government and set ourselves to train them in the methods of democracy, it was obvious that the time would come, sooner or later, when Indians would seek to secure the entire management of their own affairs. This was clear many years ago to some of our wisest administrators, and I quote from a letter of Mountstuart Elphinstone as long ago as 1854 : ' The moral is that we must not dream of perpetual possession, but must apply ourselves to bring the natives into a state that will admit of their governing themselves in a manner

that may be beneficial to our interests as well as their own, and that of the rest of the world ; and to take the glory of the achievement and sense of having done our duty for the chief reward of our exertions.'

It has been the settled policy of all parties in this country for many years that Indians, in course of time, should manage their own affairs. The question has always been how and when ? . . . The major difficulty that has faced all of us in considering the best way of achieving Indian self-government has been the absence of mutual trust and toleration between communities. It has sometimes been said by our enemies that this was a difficulty created by ourselves in order to perpetuate our own rule. Nothing could be more untrue. This same difficulty which faced Mr Edwin Montagu [in 1919] and the Simon Commission [in 1928], faced the President of Board of Trade in his Mission [in 1942] and my three Cabinet colleagues in theirs, and it was still the outstanding difficulty of the present Viceroy when he took office. Everyone who has touched the Indian problem has been brought up against this stumbling block. They have all wanted to maintain the unity of India, to give India complete self-government and to preserve the rights of minorities . . . Every one of them has hoped that a solution might be found without resorting to partition. I know that many Indians of all communities passionately desire this, but it has not been found to be practical.

We and the Indian statesmen have had to accept the only alternative—partition. For myself, I earnestly hope that this severance may not endure, and that the two new Dominions which we now propose to set up may, in course of time, come together again to form one great member State of the British Commonwealth of Nations. But this is a matter entirely for the Indians themselves. The demand for self-government has been insistently pressed for many years by the leaders of political thought in India, and has been stimulated by the external situation, and particularly by those great waves of nationalist feeling that accompanied both the great wars. This demand is not peculiar to India, but has spread throughout Asia. It is the natural result of contact by dwellers in other continents with European political thought . . . In this Bill we set up two independent Dominions, free and equal, and of no less status than the United Kingdom or the Dominion of Canada, completely free in all respects from any control by this country, but united by a common allegiance to the Sovereign and by a community of ideas, receiving from the Commonwealth great advantages, but in no way suffering any restriction. The Title of this Bill expresses this fact that the independence which has been the goal so long of many Indians can be and, I believe will be, realized within the British Commonwealth of Nations . . .

I saw with great regret in one paper, and I think in one paper only, that the action which we are now taking was described as abdication. It is not abdication, but the fulfilment of Britain's mission in India. It is the culminating point in a long chain of events. The Morley-Minto proposals, the Montagu-Chelmsford proposals, the Simon Commission Report, the Round Table Conferences, the Act of 1935, the Declaration at the time of the Cripps Mission, the visit of my right honourable Friends to India last year, are all steps in the road that led up eventually to the proposals that I announced to the House on 3 June last. This Bill is designed to implement those proposals, which met, I think, with general acceptance in this House and in the country.

I will now turn to the provisions of the Bill itself. The House is, I recognize, being asked to pass this Bill in a very short time . . . I agree that the time given is not commensurate with its great importance. But we are really constrained by the urgency of the matter. The House will realize that once the decision had been come to that a separation of India into two Dominions was necessary, the position of the existing Government became one of ever-increasing difficulty. The eyes of all were fixed on the future. The day-to-day work of government became subordinate to the consideration of that most complicated and difficult business of effecting the separation. In these conditions, the continuance for any long period of the Central Government in India, of a Government containing the leaders of the two parties that wished to separate, was impossible. The position of the Governor-General became extremely difficult. As a consequence, the House will realize that it has been a rather arduous and exacting task to prepare this Bill in the time available. No doubt, if time allowed, it could be improved. Its general lines have, necessarily, had to be discussed by the Governor-General with the Indian leaders, and while I would not for a moment suggest that every detail has the approval of both the Congress and Muslim leaders—that would be far too much to expect—I do believe that, in its present form, it represents the greatest measure of agreement possible, and I believe, too, that it will effect what is required. Delay, I am absolutely certain, would jeopardize success . . .

The House is, of course, aware that the appointment of a Governor-General in the Dominions is made by the King on the advice of his Ministers in the Dominion concerned . . . It is not possible to follow the normal procedure in this case. Under the Bill, Governors-General will have to be appointed as from 15 August. Although the two countries become Dominions as from that date, there can be no Ministers formally to advise the Crown until a Governor-General has been appointed and Ministers have taken office. In these circumstances,

it was agreed with the Indian leaders, and the King's approval was obtained, that the Viceroy should consult the recognized leaders of the Congress and Muslim League as to whom they would wish to recommend for appointment as Governors-General. Then their advice would be formally tendered to the King by His Majesty's Government in the United Kingdom . . .

So much for the exceptional procedure in the present instance. But the Viceroy has represented that it would be in the interest of all if some statement could be made at an early date about the persons who are to be recommended for these posts. This, again, is a most unusual procedure. I should inform the House that I have received the King's specific authority for referring to the recommendations before him and to which assent cannot, of course, be given until the Bill has become law. It had been intimated to us that it would be most convenient to all concerned to have one Governor-General for both the Dominions in the initial stages, and, for some time, we proceeded on this assumption. It has recently become clear, however, that the Muslim League was in favour of a separate Governor-General to be appointed for Pakistan . . . Both the Congress and the Muslim League, who have been recognized in the Bill as the successor authorities, have made recommendations . . . His Majesty has intimated that he is prepared to accept these recommendations as soon as the Bill is passed. The recommendations are in favour of the present Viceroy as Governor-General of India, and of Mr Jinnah as Governor-General of Pakistan . . . I am also informed that the Muslim League have agreed that he [Lord Mountbatten] should be chairman of the Joint Defence Council which will be responsible for central administration of the Armed Forces until such time as India and Pakistan are themselves in a position to administer them . . .

I wish here and now to pay my tribute to Lord Mountbatten. Great benefits to the future of the whole continent of India would have followed from his appointment as Governor-General of both the new Dominions. However, this is not to be . . .

Hansard, H.C. Deb., 5th. Ser. 439, c. 2442-50.

9 18 *July* 1947

INDIAN INDEPENDENCE ACT, 1947
(10 & 11 GEO. VI, CH. 30)

An Act to make provision for the setting up in India of two independent Dominions, to substitute other provisions for certain provisions of the Government

of India Act, 1935, which apply outside those Dominions, and to provide for other matters consequential on or connected with the setting up of those Dominions.

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :

1. *The New Dominions*

(1) As from the fifteenth day of August, nineteen hundred and forty-seven, two independent Dominions shall be set up in India, to be known respectively as India and Pakistan.

(2) The said Dominions are hereafter in this Act referred to as ' the new Dominions ' and the said fifteenth day of August is hereafter in this Act referred to as ' the appointed day '.

2. *Territories of the New Dominions*

(1) Subject to the provisions of sub-sections (3) and (4) of this section, the territories of India shall be the territories under the sovereignty of His Majesty which, immediately before the appointed day, were included in British India except the territories which under sub-section (2) of this section are to be the territories of Pakistan.

(2) Subject to the provisions of sub-sections (3) and (4) of this section the territories of Pakistan shall be (*a*) the territories which, on the appointed day, are included in the Provinces of East Bengal and West Punjab as constituted under the two following sections ; (*b*) the territories which, at the date of the passing of this Act, are included in the Province of Sind and the Chief Commissioner's Province of British Baluchistan ; and (*c*) if, whether before or after the passing of this Act but before the appointed day, the Governor-General declares that the majority of the valid votes cast in the referendum which, at the date of the passing of this Act, is being or has recently been held in that behalf under his authority in the North-West Frontier Province are in favour of representatives of that Province taking part in the Constituent Assembly of Pakistan, the territories which, at the date of the passing of this Act, are included in that Province.

(3) Nothing in this section shall prevent any area being at any time included in or excluded from either of the new Dominions, so, however, that (*a*) no area, not forming part of the territories specified in sub-section (1) or, as the case may be, sub-section (2), of this section shall be included in either Dominion without the consent of that Dominion ; and (*b*) no area which forms part of the territories specified in the said sub-section (1) or, as the case may be, the said sub-section (2), or which has after the appointed day been included in either Dominion, shall

be excluded from that Dominion without the consent of that Dominion.

(4) Without prejudice to the generality of the provisions of sub-section (3) of this section, nothing in this section shall be construed as preventing the accession of Indian States to either of the new Dominions.

3. *Bengal and Assam*

(1) As from the appointed day, (*a*) the Province of Bengal, as constituted under the Government of India Act, 1935, shall cease to exist ; and (*b*) there shall be constituted in lieu thereof two new Provinces, to be known respectively as East Bengal and West Bengal.

(2) If, whether before or after the passing of this Act, but before the appointed day, the Governor-General declares that the majority of the valid votes cast in the referendum which, at the date of the passing of this Act, is being or has recently been held in that behalf under his authority in the district of Sylhet are in favour of that district forming part of the new Province of East Bengal, then, as from that day, a part of the Province of Assam shall, in accordance with the provisions of sub-section (3) of this section, form part of the new Province of East Bengal.

(3) The boundaries of the new Provinces aforesaid and, in the event mentioned in sub-section (2) of this section, the boundaries after the appointed day of the Province of Assam, shall be such as may be determined, whether before or after the appointed day, by the award of a Boundary Commission appointed or to be appointed by the Governor-General in that behalf, but until the boundaries are so determined, (*a*) the Bengal districts specified in the First Schedule to this Act, together with, in the event mentioned in sub-section (2) of this section, the Assam district of Sylhet, shall be treated as the territories which are to be comprised in the new Province of East Bengal ; (*b*) the remainder of the territories comprised at the date of the passing of this Act in the Province of Bengal shall be treated as the territories which are to be comprised in the new Province of West Bengal ; and (*c*) in the event mentioned in sub-section (2) of this section the district of Sylhet shall be excluded from the Province of Assam.

(4) In this section, the expression ' award ' means, in relation to a Boundary Commission, the decision of the Chairman of that Commission contained in his report to the Governor-General at the conclusion of the Commission's proceedings.

4. *The Punjab*

(1) As from the appointed day, (*a*) the Province of the Punjab, as constituted under the Government of India Act, 1935, shall cease

to exist ; and (*b*) there shall be constituted two new Provinces, to be known respectively as West Punjab and East Punjab.

(2) The boundaries of the said new Provinces shall be such as may be determined, whether before or after the appointed day, by the award of a Boundary Commission appointed or to be appointed by the Governor-General in that behalf, but until the boundaries are so determined, (*a*) the districts specified in the Second Schedule to this Act shall be treated as the territories to be comprised in the new Province of West Punjab ; and (*b*) the remainder of the territories comprised at the date of the passing of this Act in the Province of the Punjab shall be treated as the territories which are to be comprised in the new Province of East Punjab.

(3) In this section, the expression ' award ' means, in relation to a Boundary Commission, the decision of the Chairman of that Commission contained in his report to the Governor-General at the conclusion of the Commission's proceedings.

5. *The Governor-General of the New Dominions*

For each of the new Dominions, there shall be a Governor-General who shall be appointed by His Majesty and shall represent His Majesty for the purposes of the government of the Dominion :

Provided that, unless and until provision to the contrary is made by a law of the Legislature of either of the new Dominions, the same person may be Governor-General of both the new Dominions.

6. *Legislation for the New Dominions*

(1) The Legislature of each of the new Dominions shall have full power to make laws for that Dominion, including laws having extra-territorial operation.

(2) No law and no provision of any law made by the Legislature of either of the new Dominions shall be void or inoperative on the ground that it is repugnant to the law of England, or to the provisions of this or any existing or future Act of Parliament of the United Kingdom, or to any order, rule or regulation made under any such Act, and the powers of the Legislature of each Dominion include the power to repeal or amend any such Act, order, rule or regulation in so far as it is part of the law of the Dominion.

(3) The Governor-General of each of the new Dominions shall have full power to assent in His Majesty's name to any law of the Legislature of that Dominion and so much of any Act as relates to the dis-allowance of laws by His Majesty or the reservation of laws for the signification of His Majesty's pleasure thereon or the suspension of the operation of laws until the signification of His Majesty's pleasure

thereon shall not apply to laws of the Legislature of either of the new Dominions.

(4) No Act of Parliament of the United Kingdom passed on or after the appointed day shall extend, or be deemed to extend, to either of the new Dominions as part of the law of that Dominion unless it is extended thereto by a law of the Legislature of the Dominion.

(5) No Order-in-Council made on or after the appointed day under any Act passed before the appointed day, and no order, rule or other instrument made on or after the appointed day under any such Act by any United Kingdom Minister or other authority, shall extend, or be deemed to extend, to either of the new Dominions as part of the law of that Dominion.

(6) The power referred to in sub-section (1) of this section extends to the making of laws limiting for the future the powers of the Legislature of the Dominion.

7. *Consequences of the Setting Up of the New Dominions*

(1) As from the appointed day, (*a*) His Majesty's Government in the United Kingdom have no responsibility as respects the government of any of the territories which, immediately, before that day, were included in British India ;

(*b*) the suzerainty of His Majesty over the Indian States lapses, and with it, all treaties and agreements in force at the date of the passing of this Act between His Majesty and the rulers of Indian States, all functions exercisable by His Majesty at that date with respect to Indian States, all obligations of His Majesty existing at that date towards Indian States or the rulers thereof, and all powers, rights, authority or jurisdiction exercisable by His Majesty at that date in or in relation to Indian States by treaty, grant, usage, sufferance or otherwise ; and

(*c*) there lapse also any treaties or agreements in force at the date of the passing of this Act between His Majesty and any persons having authority in the tribal areas, any obligations of His Majesty existing at that date to any such persons or with respect to the tribal areas, and all powers, rights, authority or jurisdiction exercisable at that date by His Majesty in or in relation to the tribal areas by treaty, grant, usage, sufferance or otherwise :

Provided that, notwithstanding anything in paragraph (*b*) or paragraph (*c*) of this sub-section, effect shall, as nearly as may be, continue to be given to the provisions of any such agreement as is therein referred to which relate to customs, transit and communications, posts and telegraphs, or other like matters, until the provisions in question are denounced by the ruler of the Indian State or person

having authority in the tribal areas on the one hand, or by the Dominion or Province or other part thereof concerned on the other hand, or are superseded by subsequent agreements.

(2) The assent of the Parliament of the United Kingdom is hereby given to the omission from the Royal Style and Titles of the words '*Indiae Imperator*' and the words 'Emperor of India' and to the issue by His Majesty for that purpose of His Royal Proclamation under the Great Seal of the Realm.

8. *Temporary Provision as to Government of each of the New Dominions*

(1) In the case of each of the new Dominions, the powers of the Legislature of the Dominion shall, for the purpose of making provision as to the constitution of the Dominion, be exercisable in the first instance by the Constituent Assembly of that Dominion, and references in this Act to the Legislature of the Dominion shall be construed accordingly.

(2) Except in so far as other provision is made by or in accordance with a law made by the Constituent Assembly of the Dominion under sub-section (1) of this section, each of the new Dominions and all Provinces and other parts thereof shall be governed as nearly as may be in accordance with the Government of India Act, 1935 ; and the provisions of that Act, and of the Orders-in-Council, rules and other instruments made thereunder, shall, so far as applicable, and subject to any express provisions of this Act, and with such omissions, additions, adaptations and modifications as may be specified in orders of the Governor-General under the next succeeding section, have effect accordingly.

Provided that (*a*) the said provisions shall apply in relation to each of the new Dominions and nothing in this sub-section shall be construed as continuing on or after the appointed day any Central Government or Legislature common to both the new Dominions ; (*b*) nothing in this sub-section shall be construed as continuing in force on or after the appointed day any form of control by His Majesty's Government in the United Kingdom over the affairs of the new Dominions or of any Province or other part thereof ; (*c*) so much of the said provisions as requires the Governor-General or any Governor to act in his discretion or exercise his individual judgement as respects any matter shall cease to have effect as from the appointed day ; (*d*) as from the appointed day, no Provincial Bill shall be reserved under the Government of India Act, 1935, for the signification of His Majesty's pleasure, and no Provincial Act shall be disallowed by His Majesty thereunder ; and (*e*) the powers of the Federal Legislature of Indian Legislature under that Act, as in force in relation to each Dominion, shall, in the first instance, be exercisable by the Constituent Assembly of the

Dominion, in addition to the powers exercisable by that Assembly under sub-section (1) of this section.

(3) Any provision of the Government of India Act, 1935, which, as applied to either of the new Dominions by sub-section (2) of this section and the orders therein referred to, operates to limit the power of the Legislature of that Dominion shall, unless and until other provision is made by or in accordance with a law made by the Constituent Assembly of the Dominion in accordance with the provisions of sub-section (1) of this section, have the like effect as a law of the Legislature of the Dominion limiting for the future the powers of that Legislature.

9. *Orders for Bringing this Act into Force*

(1) The Governor-General shall by order make such provision as appears to him to be necessary or expedient (*a*) for bringing the provisions of this Act into effective operation ; (*b*) for dividing between the new Dominions, and between the new Provinces, to be constituted under this Act, the powers, rights, property, duties and liabilities of the Governor-General-in-Council or, as the case may be, of the relevant Provinces which, under this Act, are to cease to exist ; (*c*) for making omissions from, additions to, and adaptations and modifications of, the Government of India Act, 1935, and the Orders-in-Council, rules and other instruments made thereunder, in their application to the separate new Dominions ; (*d*) for removing difficulties arising in connexion with the transition to the provisions of this Act ; (*e*) for authorizing the carrying on of the business of the Governor-General-in-Council between the passing of this Act and the appointed day otherwise than in accordance with the provisions in that behalf of the Ninth Schedule to the Government of India Act, 1935 ; (*f*) for enabling agreements to be entered into, and other acts done, on behalf of either of the new Dominions before the appointed day ; (*g*) for authorizing the continued carrying on for the time being on behalf of the new Dominions, or on behalf of any two or more of the said new Provinces, of services and activities previously carried on on behalf of British India as a whole or on behalf of the former Provinces which those new Provinces represent ; (*h*) for regulating the monetary system and any matters pertaining to the Reserve Bank of India ; and (*i*) so far as it appears necessary or expedient in connexion with any of the matters aforesaid, for varying the constitution, powers or jurisdiction of any legislature, court or other authority in the new Dominions and creating new legislatures, courts or other authorities therein.

(2) The powers conferred by this section on the Governor-General shall, in relation to their respective Provinces, be exercisable also by

the Governors of the Provinces which under this Act are to cease to exist ; and those powers shall, for the purposes of the Government of India Act, 1935, be deemed to be matters as respects which the Governors are, under that Act, to exercise their individual judgement.

(3) This section shall be deemed to have had effect as from the third day of June, 1947, and any order of the Governor-General or any Governor made on or after that date as to any matter shall have effect accordingly, and any order made under this section may be made so as to be retrospective to any date not earlier than the said third day of June :

Provided that no person shall be deemed to be guilty of an offence by reason of so much of any such order as makes any provision thereof retrospective to any date before the making thereof.

(4) Any orders made under this section, whether before or after the appointed day, shall have effect (*a*) up to the appointed day, in British India ; (*b*) on and after the appointed day, in the new Dominion or Dominions concerned ; and (*c*) outside British India, or as the case may be, outside the new Dominion or Dominions concerned, to such extent, whether before, on or after the appointed day, as a law of the Legislature of the Dominion or Dominions concerned would have on or after the appointed day, but shall, in the case of each of the Dominions, be subject to the same powers of repeal and amendment as laws of the Legislature of that Dominion.

(5) No order shall be made under this section, by the Governor of any Province, after the appointed day, or, by the Governor-General, after the 31st day of March, 1948, or such earlier date as may be determined, in the case of either Dominion, by any law of the Legislature of that Dominion.

(6) If it appears that a part of the Province of Assam is, on the appointed day, to become part of the new Province of East Bengal, the preceding provisions of this section shall have effect as if under this Act the Province of Assam was to cease to exist on the appointed day and be reconstituted on that day as a new Province.

10. *Secretary of State's Services, etc.*

(1) The provisions of this Act keeping in force provisions of the Government of India Act, 1935, shall not continue in force the provisions of that Act relating to appointments to the Civil Services of, and civil posts under, the Crown in India by the Secretary of State, or the provisions of that Act relating to the reservation of posts.

(2) Every person who (*a*) having been appointed by the Secretary of State or Secretary of State in Council to a Civil Service of the Crown

in India continues on and after the appointed day to serve under the Government of either of the new Dominions or of any Province or part thereof; or (*b*) having been appointed by His Majesty before the appointed day to be a judge of the Federal Court or of any court which is a High Court within the meaning of the Government of India Act, 1935, continues on and after the appointed day to serve as a judge in either of the new Dominions, shall be entitled to receive from the Governments of the Dominions and Provinces or parts which he is from time to time serving, or, as the case may be, which are served by the courts in which he is from time to time a judge, the same conditions of service as respects remuneration, leave and pension, and the same rights as respects disciplinary matters or, as the case may be, as respects the tenure of his office, or rights as similar thereto as changed circumstances may permit, as that person was entitled to immediately before the appointed day.

(3) Nothing in this Act shall be construed as enabling the rights and liabilities of any person with respect to the family pension funds vested in Commissioners under section 273 of the Government of India Act, 1935, to be governed otherwise than by Orders-in-Council made (whether before or after the passing of this Act or the appointed day) by His Majesty-in-Council and rules made (whether before or after the passing of this Act or the appointed day) by a Secretary of State or such other Minister of the Crown as may be designated in that behalf by Order-in-Council under the Ministers of the Crown (Transfer of Functions) Act, 1946.

11. *Indian Armed Forces*

(1) The orders to be made by the Governor-General under the preceding provisions of this Act shall make provision for the division of the Indian armed forces of His Majesty between the new Dominions, and for the command and governance of those forces until the division is completed.

(2) As from the appointed day, while any member of His Majesty's forces, other than His Majesty's Indian forces, is attached to or serving with any of His Majesty's Indian forces, (*a*) he shall, subject to any provision to the contrary made by a law of the Legislature of the Dominion or Dominions concerned or by any order of the Governor-General under the preceding provisions of this Act, have, in relation to the Indian forces in question, the powers of command and punishment appropriate to his rank and functions; but (*b*) nothing in any enactment in force at the date of the passing of this Act shall render him subject in any way to the law governing the Indian forces in question.

12. *British Forces in India*

(1) Nothing in this Act affects the jurisdiction or authority of His Majesty's Government in the United Kingdom, or of the Admiralty, the Army Council, or the Air Council or of any other United Kingdom authority, in relation to any of His Majesty's forces which may, on or after the appointed day, be in either of the new Dominions or elsewhere in the territories which, before the appointed day, were included in India, not being Indian forces.

(2) In its application in relation to His Majesty's military forces, other than Indian forces, the Army Act shall have effect on or after the appointed day (*a*) as if His Majesty's Indian forces were not included in the expressions 'The forces', 'His Majesty's forces' and 'The regular forces'; and (*b*) subject to the further modifications specified in Parts (I) and (II) of the Third Schedule to this Act.

(3) Subject to the provisions of sub-section (2) of this section, and to any provisions of any law of the Legislature of the Dominion concerned, all civil authorities in the new Dominions, and, subject as aforesaid and subject also to the provisions of the last preceding section, all service authorities in the new Dominions, shall, in those Dominions and in the other territories which were included in India before the appointed day, perform in relation to His Majesty's military forces, not being Indian forces, the same functions as were, before the appointed day, performed by them, or by the authorities corresponding to them, whether by virtue of the Army Act or otherwise, and the matters for which provision is to be made by orders of the Governor-General under the preceding provisions of this Act shall include the facilitating of the withdrawal from the new Dominions and other territories aforesaid of His Majesty's military forces, not being Indian forces.

(4) The provisions of sub-sections (2) and (3) of this section shall apply in relation to the air forces of His Majesty, not being Indian air forces, as they apply in relation to His Majesty's military forces, subject, however, to the necessary adaptations, and, in particular, as if (*a*) for the references to the Army Act there were substituted references to the Air Force Act; and (*b*) for the reference to Part II of the Third Schedule to this Act there were substituted a reference to Part III of that Schedule.

13. *Naval Forces*

(1) In the application of the Naval Discipline Act to His Majesty's naval forces, other than Indian naval forces, references to His Majesty's Navy and His Majesty's ships shall not, as from the appointed day, include references to His Majesty's Indian Navy or the ships thereof.

(2) In the application of the Naval Discipline Act by virtue of any law made in India before the appointed day to Indian Naval Forces, references to His Majesty's Navy and His Majesty's ships shall, as from the appointed day, be deemed to be and to be only, references to His Majesty's Indian Navy and the ships thereof.

(3) In section 90 (B) of the Naval Discipline Act (which, in certain cases, subjects officers and men of the Royal Navy and Royal Marines to the law and customs of the ships and naval forces of other parts of His Majesty's dominions) the words ' or of India ' shall be repealed as from the appointed day, wherever those words occur.

14. *Provisions as to the Secretary of State and the Auditor of Indian Home Accounts*

(1) A Secretary of State or such other Minister of the Crown as may be designated in that behalf by Order-in-Council under the Ministers of the Crown (Transfer of Functions) Act, 1946, is hereby authorized to continue for the time being the performance, on behalf of whatever government or governments may be concerned, of functions as to the making of payments and other matters similar to the functions which, up to the appointed day, the Secretary of State was performing on behalf of governments constituted or continued under the Government of India Act, 1935.

(2) The functions referred to in sub-section (1) of this section include functions as respects the management of, and the making of payments in respect of, government debt, and any enactments relating to such debt shall have effect accordingly :

Provided that nothing in this sub-section shall be construed as continuing in force so much of any enactment as empowers the Secretary of State to contract sterling loans on behalf of any such Government as aforesaid or as applying to the Government of either of the new Dominions the prohibition imposed on the Governor-General-in-Council by section 315 of the Government of India Act, 1935, as respects the contracting of sterling loans.

(3) As from the appointed day, there shall not be any such Advisers of the Secretary of State as are provided for by section 278 of the Government of India Act, 1935, and that section, and any provisions of that Act which require the Secretary of State to obtain the concurrence of his Advisers, are hereby repealed as from that day.

(4) The Auditor of Indian Home Accounts is hereby authorized to continue for the time being to exercise his functions as respects the accounts of the Secretary of State or any such other Minister of the Crown as is mentioned in sub-section (1) of this section, both in respect

of activities before, and in respect of activities after, the appointed day, in the same manner, as nearly as may be as he would have done if this Act had not been passed.

15. *Legal Proceedings by and against the Secretary of State*

(1) Notwithstanding anything in this Act, and in particular, notwithstanding any of the provisions of the last preceding section, any provision of any enactment which, but for the passing of this Act, would authorize legal proceedings to be taken, in India or elsewhere, by or against the Secretary of State in respect of any right or liability of India or any part of India shall cease to have effect on the appointed day, and any legal proceedings pending by virtue of any such provision on the appointed day shall, by virtue of this Act, abate on the appointed day, so far as the Secretary of State is concerned.

(2) Subject to the provisions of this sub-section, any legal proceedings which, but for the passing of this Act, could have been brought by or against the Secretary of State in respect of any right or liability of India, or any part of India, shall instead be brought (*a*) in the case of proceedings in the United Kingdom, by or against the High Commissioner ; (*b*) in the case of other proceedings, by or against such person as may be designated by order of the Governor-General under the preceding provisions of this Act or otherwise by the law of the new Dominion concerned, and any legal proceedings by or against the Secretary of State in respect of any such right or liability as aforesaid which are pending immediately before the appointed day shall be continued by or against the High Commissioner or, as the case may be, the person designated as aforesaid :

Provided that, at any time after the appointed day, the right conferred by this sub-section to bring or continue proceedings may, whether the proceedings are by, or are against, the High Commissioner or person designated as aforesaid, be withdrawn by a law of the Legislature of either of the new Dominions so far as that Dominion is concerned, and any such law may operate as respects proceedings pending at the date of the passing of the law.

(3) In this section, the expression 'the High Commissioner' means, in relation to each of the new Dominions, any such officer as may for the time being be authorized to perform in the United Kingdom, in relation to that Dominion, functions similar to those performed before the appointed day, in relation to the Governor-General-in-Council, by the High Commissioner referred to in section 302 of the Government of India Act, 1935 ; and any legal proceedings which, immediately before the appointed day, are the subject of an appeal to His Majesty-in-Council, or of a petition for special leave to appeal

to His Majesty-in-Council, shall be treated for the purposes of this section as legal proceedings pending in the United Kingdom.

16. *Aden*

(1) Sub-sections (2) to (4) of section 288 of the Government of India Act, 1935 (which confer on His Majesty power to make by Order-in-Council provision for the government of Aden) shall cease to have effect and the British Settlements Acts, 1887 and 1945, (which authorize His Majesty to make laws and establish institutions for British settlements as defined in those Acts) shall apply in relation to Aden as if it were a British settlement as so defined.

(2) Notwithstanding the repeal of the said sub-sections (2) to (4), the Orders-in-Council in force thereunder at the date of the passing of this Act shall continue in force, but the said Orders-in-Council, any other Orders-in-Council made under the Government of India Act, 1935, in so far as they apply to Aden, and any enactments applied to Aden or amended in relation to Aden by any such Orders-in-Council as aforesaid, may be repealed, revoked or amended under the powers of the British Settlements Acts, 1887 and 1945.

(3) Unless and until provision to the contrary is made as respects Aden under the powers of the British Settlements Acts, 1887 and 1945, or, as respects the new Dominion in question, by a law of the Legislature of that Dominion, the provisions of the said Orders-in-Council and enactments relating to appeals from any courts in Aden to any courts which will, after the appointed day, be in either of the new Dominions, shall continue in force in their application both to Aden and to the Dominion in question, and the last-mentioned courts shall exercise their jurisdiction accordingly.

17. *Divorce Jurisdiction*

(1) No court in either of the new Dominions shall, by virtue of the Indian and Colonial Divorce Jurisdiction Acts, 1926 and 1940, have jurisdiction in or in relation to any proceedings for the dissolution of a marriage, unless those proceedings were instituted before the appointed day, but, save as aforesaid and subject to any provision to the contrary which may hereafter be made by any Act of the Parliament of the United Kingdom or by any law of the Legislature of the new Dominion concerned, all courts in the new Dominions shall have the same jurisdiction under the said Acts as they would have had if this Act had not been passed.

(2) Any rules made on or after the appointed day under sub-section (4) of section 1 of the Indian and Colonial Divorce Jurisdiction Act, 1926, for a court in either of the new Dominions shall, instead

of being made by the Secretary of State with the concurrence of the Lord Chancellor, be made by such authority as may be determined by the law of the Dominion concerned, and so much of the said sub-section and of any rules in force thereunder immediately before the appointed day as require the approval of the Lord Chancellor to the nomination for any purpose of any judges of any such court shall cease to have effect.

(3) The reference in sub-section (1) of this section to proceedings for a decree for the dissolution of a marriage include references to proceedings for such a decree of presumption of death and dissolution of a marriage as is authorized by section 8 of the Matrimonial Causes Act, 1937.

(4) Nothing in this section affects any court outside the new Dominions, and the power conferred by section 2 of the Indian and Colonial Divorce Jurisdiction Act, 1926, to apply certain provisions of that Act to other parts of His Majesty's dominions as they apply to India shall be deemed to be power to apply those provisions as they would have applied to India if this Act had not been passed.

18. *Provisions as to Existing Laws, etc.*

(1) In so far as any Act of Parliament, Orders-in-Council, order, rule, regulation or other instrument passed or made before the appointed day operates otherwise than as part of the law of British India or the New Dominions, references therein to India or British India, however worded and whether by name or not, shall, in so far as the context permits and except so far as Parliament may hereafter otherwise provide, be construed as, or as including, references to the new Dominions, taken together, or taken separately, according as the circumstances and subject matter may require :

Provided that nothing in this sub-section shall be construed as continuing in operation any provision in so far as the continuance thereof as adapted by this sub-section is inconsistent with any of the provisions of this Act other than this section.

(2) Subject to the provisions of sub-section (1) of this section and to any other express provision of this Act, the Orders-in-Council made under sub-section (5) of section 311 of the Government of India Act, 1935, for adapting and modifying Acts of Parliament shall, except so far as Parliament may hereafter otherwise provide, continue in force in relation to all Acts in so far as they operate otherwise than as part of the law of British India or the new Dominions.

(3) Save as otherwise expressly provided in this Act, the law of British India and of the several parts thereof existing immediately before the appointed day shall, so far as applicable and with the

necessary adaptations, continue as the law of each of the new Dominions and the several parts thereof until other provision is made by laws of the Legislature of the Dominion in question or by any other Legislature or other authority having power in that behalf.

(4) It is hereby declared that the Instruments of Instructions issued before the passing of this Act by His Majesty to the Governor-General and the Governors of Provinces lapse as from the appointed day, and nothing in this Act shall be construed as continuing in force any provision of the Government of India Act, 1935, relating to such Instruments of Instructions.

(5) As from the appointed day, so much of any enactment as requires the approval of His Majesty-in-Council to any rules of court shall not apply to any court in either of the new Dominions.

19. *Interpretation, etc.*

(1) References in this Act to the Governor-General shall, in relation to any order to be made or other act done on or after the appointed day, be construed (*a*) where the order or other act concerns one only of the new Dominions, as references to the Governor-General of that Dominion ; (*b*) where the order or other act concerns both of the new Dominions and the same person is the Governor-General of both those Dominions, as references to that person ; and (*c*) in any other case, as references to the Governors-General of the new Dominions, acting jointly.

(2) References in this Act to the Governor-General shall, in relation to any order to be made or other act done before the appointed day, be construed as references to the Governor-General of India within the meaning of the Government of India Act, 1935, and so much of that or any other Act as requires references to the Governor-General to be construed as references to the Governor-General-in-Council shall not apply to references to the Governor-General in this Act.

(3) References in this Act to the Constituent Assembly of a Dominion shall be construed as references (*a*) in relation to India, to the Constituent Assembly, the first sitting whereof was held on the 9th day of December, 1946, modified (i) by the exclusion of the members representing Bengal, the Punjab, Sind and British Baluchistan ; and (ii) should it appear that the North-West Frontier Province will form part of Pakistan, by the exclusion of the members representing that Province ; and (iii) by the inclusion of members representing West Bengal and East Punjab ; and (iv) should it appear that, on the appointed day, a part of the Province of Assam is to form part of the new Province of East Bengal, by the exclusion of the members there-

tofore representing the Province of Assam and the inclusion of members chosen to represent the remainder of that Province ; (*b*) in relation to Pakistan, to the Assembly set up or about to be set up at the date of the passing of this Act under the authority of the Governor-General as the Constituent Assembly for Pakistan :

Provided that nothing in this sub-section shall be construed as affecting the extent to which representatives of the Indian States take part in either of the said assemblies, or as preventing the filling of casual vacancies in the said assemblies, or as preventing the participation in either of the said assemblies, in accordance with such arrangements as may be made in that behalf, of representatives of the tribal areas on the borders of the Dominion for which that Assembly sits, and the powers of the said Assemblies shall extend, and be deemed always to have extended, to the making of provisions for the matters specified in this proviso.

(4) In this Act, except so far as the context otherwise requires, references to the Government of India Act, 1935, include references to any enactments amending or supplementing that Act, and, in particular, references to the India (Central Government and Legislature) Act, 1946 ; ' India ', where the reference is to a state of affairs existing before the appointed day or which would have existed but for the passing of this Act, has the meaning assigned to it by section 311 of the Government of India Act, 1935 ; ' Indian forces ' includes all His Majesty's Indian forces existing before the appointed day and also any forces of either of the new Dominions ; ' pension ' means, in relation to any person, a pension, whether contributory or not, of any kind whatsoever payable to or in respect of that person, and includes retired pay so payable, a gratuity so payable and any sum or sums so payable by way of the return, with or without interest thereon or other additions thereto, of subscriptions to a provident fund ; ' province ' means a Governor's province ; ' remuneration ' includes leave pay, allowances and the cost of any privileges or facilities provided in kind.

(5) Any power conferred by this Act to make any order includes power to revoke or vary any order previously made in the exercise of that power.

20. *Short Title*

This Act may be cited as the Indian Independence Act, 1947.

First Schedule (*Section* 3)

Bengal district provisionally included in the new Province of East Bengal. In the Chittagong Division, the districts of Chittagong, Noakhali

and Tippera. In the Dacca Division, the districts of Bakarganj, Dacca, Faridpur and Mymensingh. In the Presidency Division, the districts of Jessore, Murshidabad and Nadia. In the Rajshahi Division, the districts of Bogra, Dinajpur, Malda, Pabna, Rajshahi and Rangpur.

Second Schedule (*Section* 4)

Districts provisionally included in the new Province of West Punjab. In the Lahore Division, the districts of Gujranwala, Gurdaspur, Lahore, Sheikhupura and Sialkot. In the Rawalpindi Division, the districts of Attock, Gujrat, Jhelum, Mianwali, Rawalpindi and Shahpur. In the Multan Division, the districts of Dera Ghazi Khan, Jhang, Lyallpur, Montgomery, Multan and Muzaffargarh.

Third Schedule (*Section* 12)

Modifications of Army Act and Air Force Act in relation to British forces.

Part I. Modifications of Army Act applicable also to Air Force Act.

(1) The proviso to section 41 (which limits the jurisdiction of courts martial) shall not apply to offences committed in either of the new Dominions or in any of the other territories which were included in India before the appointed day.

(2) In section 43 (which relates to complaints), the words ' with the approval of the Governor-General of India in Council ' shall be omitted.

(3) In sub-sections 8 and 9 of section 54 (which, amongst other things, require certain sentences to be confirmed by the Governor-General-in-Council) the words ' India or ', the words ' by the Governor-General, or, as the case may be ' and the words ' in India, by the Governor-General, or, if he has been tried ' shall be omitted.

(4) In sub-section 3 of section 73 (which provides for the nomination of officers with power to dispense with courts martial for desertion and fraudulent enlistment) the words ' with the approval of the Governor-General ' shall be omitted.

(5) The powers conferred by sub-section 5 of section 130 (which provides for the removal of insane persons) shall not be exercised except with the consent of the officer commanding the forces in the new Dominions.

(6) In sub-section 2 of section 132 (which relates to rules regulating service prisons and detention barracks) the words ' and in India for the Governor-General ' and the words ' the Governor-General ' shall be omitted except as respects rules made before the appointed day.

(7) In the cases specified in sub-section 1 of section 134, inquest

shall be held in all cases in accordance with the provisions of sub-section 3 of that section.

(8) In section 136 (which relates to deductions from pay), in sub-section 1 the words ' India or ' and the words ' being in the case of India a law of the Indian Legislature ', and the whole of sub-section 2 shall be omitted.

(9) In paragraph 4 of section 137 (which relates to penal stoppages from the ordinary pay of officers), the words ' or in the case of officers serving in India the Governor-General ', the words ' India or ' and the words ' for India or, as the case may be ' shall be omitted.

(10) In paragraph 12 of section 175 and paragraph 11 of section 176 (which apply the Act to certain members of His Majesty's Indian forces and to certain other persons) the word ' India ' shall be omitted wherever it occurs.

(11) In sub-section 1 of section 180 (which provides for the punishment of misconduct by civilians in relation to courts martial) the words ' India or ' shall be omitted wherever they occur.

(12) In the provisions of section 183 relating to the reduction in rank of non-commissioned officers, the words ' with the approval of the Governor-General ' shall be omitted in both places where they occur.

Part II. Modifications of Army Act.

Section 184(*b*) (which regulates relations with the Indian Air Force) shall be omitted.

Part III. Modifications of Air Force Act.

(1) In section 179(*d*) (which relates to the attachment of officers and airmen to India and Burma Air Forces), the words ' by the Air Council and the Governor-General of India, or, as the case may be ' and the words ' India or ', wherever those words occur, shall be omitted.

(2) In section 184(*b*) (which regulates relations with Indian and Burma Air Forces) the words ' India or ' and the words ' by the Air Council and the Governor-General of India, or, as the case may be ' shall be omitted.

(3) Sub-paragraph (*e*) of paragraph 4 of section 190 (which provides that officers of His Majesty's Indian Air Force are to be officers within the meaning of the Act) shall be omitted.

Gazette, 18 July 1947.

10 11 *August* 1947

JOINT DEFENCE COUNCIL ORDER, 1947

In exercise of the powers conferred by sub-section (1) of section 9 of the Indian Independence Act, 1947, and in pursuance of sub-section (1) of section 11 thereof, the Governor-General is pleased to make the following Order :

(1) (i) This Order may be cited as the Joint Defence Council Order, 1947.

(ii) It shall come into force at once.

(iii) It shall cease to have effect on the first day of April, 1948.

Provided that the Governor-General of India and the Governor-General of Pakistan, acting jointly, may direct that this Order shall remain in force for such further period as may be specified in the direction.

(2) (i) The Interpretation Act, 1889, shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(ii) In this Order,

' Indian forces ' has the same meaning as in the Indian Independence Act, 1947.

' Dominion forces ' means the armed forces of the Dominion of India or of Pakistan.

(3) (i) As from the 15th day of August, 1947, there shall be set up a Council to be known as the Joint Defence Council for India and Pakistan.

(ii) The said Council, hereinafter referred to as the Joint Defence Council, shall consist of

(*1*) the Governor-General of India,

(*2*) the Defence Minister of India,

(*3*) the Defence Minister of Pakistan, and

(*4*) the Supreme Commander of His Majesty's Forces in India and Pakistan (hereinafter referred to as the Supreme Commander).

(4) The Governor-General of India shall be the independent Chairman of the Joint Defence Council.

(5) The person who at the date of the commencement of this Order is the Commander-in-Chief of His Majesty's Forces in India shall be the Supreme Commander.

(6) (i) If a Defence Minister is for any reason unable to attend any meeting of the Joint Defence Council, he shall be entitled to depute another Minister or the High Commissioner for the Dominion concerned to attend the meeting in his place, and such other Minister or High Commissioner shall have for the purposes of that meeting all the powers of the Defence Minister.

(ii) If the Supreme Commander is for any reason unable to attend any meeting of the Joint Defence Council, he shall be entitled to depute a member of his 'Chiefs of Staff' committee to attend the meeting in his place, and such member shall have for the purposes of that meeting all the powers of the Supreme Commander.

(7) At any meeting of the Joint Defence Council,

(*a*) a Defence Minister may be accompanied by another Minister ;

(*b*) a Defence Minister or the Supreme Commander may call in to assist him at the meeting in an advisory capacity one or more experts.

(8) The Joint Defence Council shall be in exclusive control of

(*a*) the division of the Indian forces between the Dominions and their reconstitution as two separate Dominion forces ;

(*b*) the allocation, transfer and movement of officers and men belonging to the Indian forces for the purposes of such reconstitution ;

(*c*) the allocation, transfer and movement for the purposes of such reconstitution of plant, machinery, equipment and stores held by the Governor-General in Council immediately before the 15th day of August, 1947, for the purposes of the Indian forces ;

(*d*) such naval, military and air force establishments as the Joint Defence Council may specify, for such temporary period as that Council may consider necessary or expedient;

(*e*) the general administration of naval, military and air force law, and the maintenance of discipline, in the armed forces of each of the two Dominions ;

(*f*) the general arrangements for the payment, food, clothing, medical attendance and equipment of the armed forces of each of the two Dominions ;

(*g*) any armed force which may be operating, or may hereafter be sent to operate, under joint command in such areas near the boundaries between the two Dominions as are for the time being declared by or under a Provincial law to be disturbed areas ;

(*h*) any Indian forces which are for the time being overseas.

Provided that the control of the Joint Defence Council shall not extend,

(i) except in relation to the forces mentioned in paragraphs (*g*) and (*h*) of this Article, to the disposition and operational control within the Dominion, and the local administration, of the armed forces of either Dominion, or

(ii) to the selection and recruitment of officers and men for the armed forces of either Dominion and their training, when such training takes place elsewhere than in a training establishment specified by the Joint Defence Council under paragraph (*d*) of this Article.

Provided further that the Joint Defence Council shall cause such measures to be taken as will enable them gradually to withdraw their control in respect of all or any of the matters mentioned in paragraphs (*d*), (*e*) and (*f*) of this Article with a view to the cessation of control as early as may be practicable and in any event before the 1st day of April, 1948.

(9) The executive authority of each of the two Dominions shall be so exercised as to give full effect to any orders or directions that may be made or given by the Joint Defence Council in the exercise of the powers conferred on them by this Order.

(10) The Supreme Commander shall be responsible for giving effect to the decisions of the Joint Defence Council and shall act in conformity with such directions as may be given to him in that behalf by the Joint Defence Council.

(11) The post and promotion of any officer of His Majesty's forces who is not a member of, but is attached to or serving with, any of the Dominion forces, shall be made only in consultation with the Supreme Commander.

(12) Where by virtue of the provisions of this Order any members of the Indian Forces are for the time being subject to the command or control of the Supreme Commander, the Supreme Commander shall exercise

(*a*) in the case of such members as are subject to the Army Act, 1911, the powers of the Commander-in-Chief under that Act ; and

(*b*) in the case of such members as are subject to the Indian Air Force Act, 1932, the powers of the Air Officer Commanding-in-Chief under that Act ;

and when any such powers are so exercised by the Supreme Commander, the powers of the Central Government under the Indian Army Act, 1911, or as the case may be, the Indian Air Force Act, 1932, shall be exercisable by the Joint Defence Council.

(13) There shall be two Joint Secretaries of the Joint Defence Council nominated, respectively, by the Governor-General of India and the Governor-General of Pakistan, and such other secretarial staff as may be appointed by or under the authority of the Joint Defence Council.

(14) There shall be set up by order of the Joint Defence Council a financial and accounting organization charged with the duty of scrutinizing and advising on proposals involving expenditure, giving financial sanction thereto and accounting for all the expenses referred to in the next succeeding Articles.

(15) All expenses incurred by or under authority derived from the Joint Defence Council or the Supreme Commander for carrying into

effect the purposes of this Order shall be borne by the Dominions of India and Pakistan in such proportion as may be determined by the Joint Defence Council.

OIIA, 1947, pp. 3-5.

11 12 *August* 1947

ARBITRAL TRIBUNAL ORDER, 1947

In exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order :

(1) (i) This Order may be cited as the Arbitral Tribunal Order, 1947.

(ii) It shall come into force at once.

(2) The Interpretation Act, 1889, shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(3) (i) As from the fourteenth day of August, 1947, there shall be set up an Arbitral Tribunal (hereinafter referred to as ' the Tribunal ') consisting of a Chairman who shall be nominated by the Governor-General, and two members who shall be so nominated, one to represent the future Dominion of India and the other to represent the future Dominion of Pakistan.

(ii) If the office of the Chairman becomes vacant it shall be filled by such person as the Governor-General of the two Dominions may agree to nominate as Chairman, and if the office of a member becomes vacant it shall be filled by such person as the Governor-General of the Dominion concerned may nominate as member.

(4) (i) The Tribunal shall have power to make awards in respect of references made to it before the first day of December, 1947, or with the permission of the Chairman before the first day of January, 1948, by any of the bodies hereinafter mentioned being references relating to any of the following matters, namely :

(*a*) the division between the Dominions of India and Pakistan, of the assets and liabilities of the Governor-General in Council ;

(*b*) the apportionment between the Dominions of India and Pakistan of expenses incurred by or under authority derived from the Joint Defence Council or the Supreme Commander for carrying into effect the purposes of the Joint Defence Council Order, 1947 ;

(*c*) the amount of assets and liabilities of the Reserve Bank of India to be transferred to Pakistan when the Reserve Bank of India ceases to be the bank of issue for Pakistan or the Central Bank of Pakistan ;

(*d*) the apportionment between the Dominions of India and Pakistan of the current earnings of foreign exchange including current releases of sterling by His Majesty's Government in the United Kingdom, during the period when the Reserve Bank of India administers common exchange controls on behalf of both the Dominions ;

(*e*) the division between the new Provinces of East Bengal and West Bengal, of the assets and liabilities of the existing Province of Bengal ;

(*f*) the allocation to the new Province of East Bengal of any of the assets and liabilities of the Province of Assam ;

(*g*) the division between the new Provinces of West Punjab and East Punjab, of the assets and liabilities of the existing Province of the Punjab ; and

(*h*) any other matter arising directly out of partition.

(ii) The bodies referred to in paragraph (i) of this Article are the bodies which on the date of the commencement of this Order are known as

(*a*) the Partition Council,

(*b*) the Provisional Joint Defence Council,

(*c*) the Bengal Separation Council,

(*d*) the Punjab Partition Committee, and

(*e*) the Assam Separation Council,

and the corresponding bodies which are to be set up as from the date of the establishment of the Dominions of India and Pakistan.

(iii) Whenever the appropriate body mentioned in paragraph (ii) of this Article is unable to reach an agreed decision in regard to a matter mentioned in sub-paragraphs (*a*) to (*g*) of paragraph (i) thereof, that body shall make a reference to the Tribunal, but before the first day of December, 1947, or with the permission of the Chairman before the 1st day of January, 1948, setting out as clearly as may be the matter or matters in difference.

(iv) Whenever any of the bodies mentioned in paragraph (ii) of this Article is unable to reach an agreed decision in regard to a matter mentioned in sub-paragraph (*h*) of paragraph (i) thereof, but is agreed that a reference should be made to the Tribunal, that body may make a reference before the first day of December, 1947, or with the permission of the Chairman before the first day of January, 1948, setting out as clearly as may be the matter or matters in difference.

(5) (i) Whenever any of the bodies mentioned in paragraph (ii) of Article (4) is unable to agree whether or not a matter is one in regard to which that body is required by paragraph (iii) of that Article to make a reference in the contingency mentioned therein, that question shall be referred to the Tribunal whose decision shall be final.

(ii) Where a question has been referred to the Tribunal under this Article,

(*a*) if the two members of the Tribunal are agreed as to the decision to be given, such decision shall be the decision of the Tribunal ; and

(*b*) if the two members are not agreed, the Chairman shall decide the question and his decision shall be the decision of the Tribunal.

(6) In respect of any reference made to the Tribunal under Article (4) :

(*a*) if the two members of the Tribunal are agreed as to the terms of the award to be made, the Chairman shall make the award in those terms ; and

(*b*) in the event of disagreement between the two members with regard to any matter arising out of the reference, the Chairman shall decide such matter and make the award accordingly.

Provided that the body making the reference may, at any time before the award is made, withdraw the reference by notice in writing to the Tribunal.

(7) (i) Every award made in accordance with the provisions of Article (6) shall be binding on the two Dominions and all Provinces and other parts thereof, and on all persons directly or indirectly concerned in or affected by the award.

(ii) Every such award shall be communicated forthwith by the Chairman to the body by which the reference was made, the Governments of the two Dominions, and the Governments of the Provinces concerned if any.

(8) (i) The Tribunal shall have power

(*a*) to make an award conditional or in the alternative ;

(*b*) to correct any clerical mistake or error arising from any accidental slip or omission ;

(*c*) subject to the provisions of this Order, to determine its own procedure ; and

(*d*) to appoint such ministerial officers as it may find necessary.

(ii) The Tribunal shall have all the powers of a civil court for the purpose of receiving evidence, administering oaths, enforcing the attendance of witnesses and compelling the discovery and production of documents, and shall be deemed to be a civil court within the meaning of sections 480 and 482 of the Code of the Criminal Procedure, 1898.

(9) Nothing contained in the Arbitration Act, 1940, shall apply to proceedings before the Tribunal.

OIIA, 1947, pp. 24-7.

12 12 *August* 1947

INDIAN INDEPENDENCE (PARTITION COUNCILS) ORDER, 1947

In exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, and all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order :

(1) (i) This Order may be cited as the Indian Independence (Partition Councils) Order, 1947.

(ii) It shall come into force at once.

(2) The Interpretation Act, 1889, shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(3) As from the fifteenth day of August, 1947, there shall be set up in the manner hereinafter provided 4 bodies to be known respectively as

(i) the Partition Council for India and Pakistan,

(ii) the Bengal Separation Council,

(iii) the Punjab Partition Committee, and

(iv) the Assam Separation Council.

(4) (i) The Partition Council for India and Pakistan shall consist of

(*a*) two representatives of India who shall be Ministers of the Government of India, and

(*b*) two representatives of Pakistan, one of whom shall be a Minister of the Government of Pakistan and the other shall be either another such Minister or the High Commissioner for Pakistan in India.

(ii) The meetings of the Partition Council shall be held alternately under the chairmanship of one of the said representatives of India or one of the said representatives of Pakistan.

(iii) The High Commissioner for Pakistan in India shall be entitled to attend as an observer any of the meetings of the Partition Council at which Pakistan is represented by two Ministers.

(5) (i) The Bengal Separation Council shall consist of two representatives of East Bengal and two representatives of West Bengal.

(ii) The Punjab Partition Committee shall consist of two representatives of West Punjab and two representatives of East Punjab.

(iii) The Assam Separation Council shall consist of two representatives of East Bengal and two representatives of Assam.

(iv) The said representatives shall be such persons as may be nominated by the Governor of the Province concerned, and different persons may be nominated for different meetings of the Council or Committee, as the case may be.

(6) The meetings of each of the bodies mentioned in Article (5) shall be held

(*a*) alternately in the capital towns of the two Provinces represented on that body, and

(*b*) under the chairmanship of the Governor of the Province in which the meeting is so held.

For the purposes of this Article a series of meetings held in one place from day to day shall be deemed to be a single meeting.

(7) It shall be the duty of each of the bodies mentioned in Article (3)

(*a*) to consider all questions relating to such of the matters mentioned in Article (4) of the Arbitral Tribunal Order, 1947, as are the concern of that body, and attempt to reach an agreed decision on all such questions ;

(*b*) in the event of their failure to reach an agreed decision on any such question as aforesaid, to make a reference in accordance with the provisions of the said Order to the Arbitral Tribunal set up by that Order ; and

(*c*) to consider any other question of common concern to the Dominions of India and Pakistan or, as the case may be, to the respective Provinces, arising in connexion with the transition to the provisions of the Indian Independence Act, 1947.

OIIA, 1947, pp. 22-3.

13 14 *August* 1947

PAKISTAN (MONETARY SYSTEM AND RESERVE BANK) ORDER, 1947

In exercise of the powers conferred by section (9) of the Indian Independence Act, 1947, and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order :

PART I

Introductory

(1) (i) This Order may be called the Pakistan (Monetary System and Reserve Bank) Order, 1947.

(ii) It shall come into force on the 15th day of August 1947.

(2) In this Order, unless there is anything repugnant in the subject or context,

(*a*) ' the Bank ' means the Reserve Bank of India ;

(*b*) ' India notes ' means currency notes of the Government of India and bank notes of the Bank, other than Pakistan notes ;

(*c*) ' Pakistan notes ' means bank notes of the Bank inscribed in the manner provided in sub-section (ii) of section (5) of Part II of this Order ;

(*d*) ' India rupee coin ' means rupee coin which is for the time being legal tender in India and includes one-rupee notes ;

(*e*) ' India subsidiary coin ' means coin of a lower denomination than one rupee which is for the time being legal tender in India ;

(*f*) ' Reserve Bank Act ' means the Reserve Bank of India Act, 1934 ;

(*g*) ' section ' means a section of the Part of this Order in which the word occurs :

and other expressions have the same meaning as in the Reserve Bank Act.

PART II

Provisions to have effect as part of the law of Pakistan

(1) The provisions of this Part shall have effect as part of the law of Pakistan.

(2) Subject to the provisions of this Part, the Bank shall, until the 30th day of September, 1948, manage the currency of Pakistan and carry on the business of banking in Pakistan.

(3) Until the Pakistan Legislature otherwise provides, the standard monetary unit of Pakistan shall be the India rupee.

(4) (i) Until the 30th day of September, 1948,

(*a*) the Bank shall accept moneys for account of the Government of Pakistan and the Provincial Governments in Pakistan, make payments up to the amount standing to the credit of their accounts respectively, carry out their exchange, remittance and other banking operations, including the management of the public debt, and generally afford to them similar facilities to those which the Bank affords to the Government of India, or as the case may be, the Provincial Governments in India:

(*b*) the Government of Pakistan and each Provincial Government in Pakistan shall entrust the Bank with the management of the public debt and with the issue of any new loans :

(*c*) the Government of Pakistan and the Provincial Governments in Pakistan shall entrust the Bank with all their money, remittance, exchange and banking transactions in Pakistan, and in particular, shall deposit free of interest all their cash balances with the Bank :

Provided that nothing in this sub-section shall prevent the Government of Pakistan or any Provincial Government in Pakistan from carrying on money transactions at places where the Bank has no

branches or agencies and from holding at those places such balances as they may require :

Provided further that the provisions of this sub-section, so far as they relate to management of the public debt, the issue of new loans and exchange operations, shall not have effect after the 31st day of March 1948.

(ii) The conditions on which the Bank shall perform the functions mentioned in this section shall be the same as those regulating similar transactions between the Bank and the Government of India, or as the case may be, a Provincial Government in India, subject however to such adaptations and modifications as may be agreed upon between the Government concerned and the Bank, or as may, in default of agreement, be prescribed by the Governor-General of Pakistan.

(5) (i) India notes shall, until the 30th day of September 1948, be legal tender at any place in Pakistan in payment or on account of the amount expressed therein.

(ii) On and after the 1st day of April 1948 the Bank may issue in Pakistan bank notes of the Bank inscribed with the words ' Government of Pakistan ' in English and Urdu, and such notes shall be legal tender in Pakistan in payment or on account of the amount expressed therein :

Provided that notwithstanding anything contained in any enactment or rule of law to the contrary, the Government of India shall not be deemed to be liable to pay the value of any notes so inscribed ; neither after the 30th day of September 1948 shall the Bank be so liable.

(iii) The Bank shall, up to the 30th day of September 1948, have the sole right to issue bank notes in Pakistan, and before the expiry of that day, the Government of Pakistan shall not issue any currency notes.

(iv) No person in Pakistan other than the Bank shall draw, accept, make or issue any bill of exchange, hundi, promissory note or engagement for the payment of money payable to bearer on demand, or borrow, owe or take up any sum or sums of money on the bills, hundis or notes payable to bearer on demand of any such person :

Provided that cheques or drafts, including hundis, payable to bearer on demand or otherwise, may be drawn on a person's account with a banker, shroff, or agent.

(v) Notwithstanding anything contained in the Negotiable Instruments Act, 1881, no person in Pakistan, other than the Bank, shall make or issue any promissory note expressed to be payable to the bearer of the instrument.

(vi) Any person contravening the provisions of sub-section (iv) or sub-section (v) shall be punishable with fine which may extend

to the amount of the bill, hundi, note or engagement in respect of which the offence is committed.

(vii) No prosecution under this section shall be instituted except on complaint made by the Bank.

(6) (i) Notwithstanding anything contained in any enactment or rule of law to the contrary, no person shall of right be entitled to recover from the Bank or the Government of Pakistan the value of any lost, stolen, mutilated or imperfect India note or Pakistan note.

(ii) The Bank may with the previous sanction of the Government of Pakistan prescribe the circumstances in which, and the conditions and limitations subject to which, the value of lost, stolen, mutilated or imperfect Pakistan notes may be refunded as of grace.

(iii) The value of lost, stolen, multilated or imperfect India notes may be refunded as of grace in Pakistan in the circumstances and subject to the conditions and limitations prescribed for the time being in that behalf as respects India under section 28 of the Reserve Bank Act.

Coinage

(7) (i) India rupee coin and India subsidiary coin shall continue to be legal tender in Pakistan to the like extent and subject to the same conditions as immediately before the 15th day of August 1947 for such period or periods, not expiring, in the case of any coins, sooner than one year from the introduction of corresponding Pakistan coins, as the Government of Pakistan may determine :

Provided that India one-rupee notes shall not be legal tender in Pakistan after the 30th day of September 1948.

(ii) No Pakistan coins shall be issued except in pursuance of a law of Pakistan, and before the 1st day of October 1948, no Pakistan coin shall be issued of a denomination different to that of India coin in circulation at the commencement of this Order.

(8) During the period in which the Bank is managing the currency of Pakistan,

(*a*) any Pakistan coins issued shall on demand be supplied by the Government of Pakistan to the Bank against payment of their nominal value in such quantities as will, in the opinion of the Bank, be required for circulation in Pakistan, and the Government of Pakistan shall not put any coins in circulation in Pakistan except through the Bank in pursuance of a demand made under this clause ;

(*b*) the Bank may deliver to the Government of Pakistan any Pakistan coins which will not in its opinion be required for circulation in Pakistan against payment of their nominal value, and no Pakistan coins shall shall be disposed of by the Bank otherwise than for the purposes of

circulation or by delivery to the Government of Pakistan under this clause ;

(*c*) the Bank shall on demand issue India or Pakistan rupee coin in exchange for legal tender notes :

Provided that, if any Pakistan coins have been issued, the Bank shall not, after the 31st day of March 1948, issue India coins, except to the extent that Pakistan coins are not, in the opinion of the Bank, available in sufficient quantities for the purposes of circulation ;

(*d*) the Bank shall on demand issue legal tender notes in exchange for legal tender coins ;

(*e*) the Bank shall in exchange for legal tender notes of five rupees or upwards supply legal tender notes of lower value or legal tender coins in such quantities as may in the opinion of the Bank be required for circulation ;

(*f*) if the Government of India or, as the case may be, the Government of Pakistan, at any time fails to supply coins to the Bank, the Bank shall be released from its obligations under clause (*c*) or clause (*e*) to supply such coins to the public.

(9) Notwithstanding anything contained in any enactment or rule of law to the contrary, the Government of India shall not be liable to pay the value of any one-rupee note inscribed with the words ' Government of Pakistan ' in English and Urdu.

(10) (i) The Indian Coinage Act, 1906, shall, until other provision is made by a law of Pakistan and subject to the provisions of this Order, apply to Pakistan, and in such application

(*a*) for section 1 there shall be substituted the following section, namely :

' 1. Short title and extent. (1) This Act may be called the Pakistan Coinage Act. (2) It extends to the whole of Pakistan ' ;

(*b*) references to the Central Government shall be construed as references to the Government of Pakistan.

(ii) Rules made under the Indian Coinage Act, 1906, and in force immediately before the commencement of this Order shall be in force in Pakistan until they are modified or rescinded under that Act as in force in Pakistan.

Duties of Bank regarding Exchange

(11) Up to the 31st day of March 1948, the Bank shall sell to or buy from any authorized person who makes a demand in that behalf at its office in Karachi foreign exchange at such rates of exchange and on such conditions as the Government of Pakistan, in consultation with the Government of India, may, from time to time by general or special order determine :

Provided that no person shall be entitled to demand to buy or sell foreign exchange of the value of less than two lakhs of rupees.

Explanation. In this section ' authorized person ' means a person who is entitled by or under the Foreign Exchange Regulations Act, 1947, to buy or, as the case may be, sell the foreign exchange to which his demand relates.

Control of Scheduled Banks, etc.

[Articles (12) and (13) relate to the balances to be held by the Reserve Bank, the returns to be made by the Pakistan scheduled banks and the Provincial co-operative banks, together with the related penalties.—Ed.]

Miscellaneous

(14) (i) The Bank shall not be liable for the payment of any stamp duty in Pakistan in respect of Pakistan notes or India notes.

(ii) The Bank shall not be liable to pay Pakistan income-tax or super-tax on any of its income, profits or gains :

Provided that nothing in this sub-section shall affect the liability of any shareholder in respect of Pakistan income-tax or super-tax.

(iii) For the purposes of any provisions of the Indian Income-tax Act, 1922, as in force in Pakistan, which relate to the levy and refund of income-tax, any dividends paid under section 47 of the Reserve Bank Act shall be deemed to be ' Interest on Securities '.

(15) (i) The Reserve Bank Act shall cease to be part of the law of Pakistan, and the status of the Bank in Pakistan shall be that of a corporation existing only by virtue of the law of India and capable of suing and being sued as such in Pakistan ; and accordingly effect shall be given to the said Act by Courts in Pakistan only in so far as under the rules and principles of law determining the cases in which law other than Pakistan law is to be applied in Pakistan, the proper law to be applied is the law of India.

(ii) Nothing in the Indian Companies Act, 1913, shall apply to the Bank.

(16) (i) If any person in Pakistan makes a false declaration in any declaration furnished by him in pursuance of a requisition under sub-section (1) of section 56 of the Reserve Bank Act, he shall be deemed in Pakistan to have committed the offence of giving false evidence defined in section 191 of the Indian Penal Code, and shall be punishable under the second paragraph of section 193 of the said Code.

(ii) Nothing contained in any declaration furnished under the said sub-section (1) shall operate to affect the Bank with notice of any trust, and no notice of any trust express, implied or constructive shall be receivable by the Bank.

(17) The Banking Companies (Restriction of Branches) Act, 1946, and the Banking Companies (Inspection) Ordinance, 1946, shall until the 30th day of September 1948 apply also to the whole of Pakistan, and in such application references to the Central Government shall be construed as references to the Government of Pakistan and for clause (*b*) of sub-section (1) of section 5 of the said Ordinance, the following shall be substituted, namely :

' (*b*) notwithstanding anything contained in sub-section (7) of section 12 of Part II of the Pakistan (Monetary System and Reserve Bank) Order, 1947, the Government of Pakistan shall refuse to declare the banking company to be a Pakistan scheduled bank, or if the banking company has been so declared, shall by notification in the Official gazette, cancel such declaration.'

PART III

Provisions to have effect as part of the law of India

(1) Until the 30th day of September 1948, the Reserve Bank of India Act, 1934, shall have effect [with the following additions, substitutions and omissions] . . .

. . . . . .

(2) Until the 30th day of September 1948, the Government of India shall send as soon as may be to the Government of Pakistan notice of any proposal to introduce, or move an amendment to, a Bill in the Indian Legislature which affects the coinage or currency of India or the constitution or functions of the Bank.

PART IV

Adjustments between Governments and other miscellaneous Provisions

(1) (i) In this section ' Government's Bank profits ' in respect of any period means the sum of

(*a*) any amounts payable in respect of that period to the Government of India by the Bank under section 47, or sub-section (2) of section 37, of the Reserve Bank Act, and by the Issue Department under sub-section (2) of section 34 of that Act, and

(*b*) any other profits accruing in that period to the Government of India by reason of any revaluation of the gold held by the Bank, less any amount debited to the Government of India in that period under sub-section (2) of the said section 34 :

Provided that the Government's Bank profits in respect of the period commencing on the 1st day of July 1948 and ending on the

30th day of September 1948 shall be deemed to be one-quarter of the said profits in respect of the year ending on the 30th day of June 1949.

(ii) The Government of India shall pay to the Government of Pakistan that portion of the Government's Bank profits in respect of the period commencing on the 1st day of July 1947 and ending on the 30th day of September 1948 which bears to the total of such profits in respect of the said period the same proportion as the total value of the Pakistan notes in circulation in Pakistan on the 30th day of September 1948 *plus* the total value of India notes returning from circulation in Pakistan in the period commencing on the 1st day of October 1948 and ending on the 31st day of March 1949 bears to the total value of India and Pakistan notes in circulation in India and Pakistan on the 30th day of September 1948 :

Provided that if a declaration is made by or on the authority of the two Governments to the effect that they are agreed that on or about the 1st day of January 1949 India notes are still returning from circulation in Pakistan to a considerable extent, the provisions of this sub-section and of sub-section (2) of section 4 shall be construed and shall have effect as if for the references in those provisions to the 31st day of March 1949 there were substituted references to the 30th day of September 1949.

(2) (i) In respect of the period commencing on the 15th August 1947 and ending on the 30th September 1948 the Government of India shall pay to the Government of Pakistan the profit, as calculated by the Auditor-General of India, on the net amount of India subsidiary coins which are actually passed into circulation in Pakistan during that period less the loss, as calculated by the Auditor-General of India, on the destruction of any India subsidiary coins returned from Pakistan during that period and destroyed as not being fit for reissue.

(ii) If in respect of the period mentioned in sub-section (i), the amount of India subsidiary coins returning from circulation in Pakistan exceeds the amount of India subsidiary coins actually passed into circulation in Pakistan during that period, the Government of Pakistan shall pay to the Government of India the loss attributable to that fact, as calculated by the Auditor-General of India, together with the loss, as calculated by the Auditor-General of India, on the destruction of any India subsidiary coins returned from Pakistan during that period and destroyed as not being fit for reissue.

(3) (i) Any India coins other than one-rupee notes retired from Pakistan (whether from circulation, from the Bank's balances, from Treasury balances, or from small coin depots) by reason of the introduction of corresponding Pakistan coins shall be disposed of as follows :

(*a*) Coins, other than nickel brass and quaternary silver coins,

shall be accepted against payment to the Government of Pakistan of their bullion value. In addition, so long as the issue of such coins continues in India, the cost to India of minting the same amount of coin in the same form shall be paid to the Government of Pakistan.

(*b*) Nickel brass and quaternary silver coins shall be disposed of by the Government of Pakistan for their bullion contents direct.

(*c*) The Government of Pakistan shall not dispose of any coins as coin but may dispose of their bullion contents in any other manner desired by them.

(ii) One-rupee notes of the Government of India shall be exchanged into Pakistan notes before the 30th day of September 1948, and the Pakistan Government shall return the notes so exchanged to the Government of India without payment.

(4) (i) As soon after the 30th September 1948 as practicable and subject to the provisions of sub-section (3), there shall be transferred from the Issue Department of the Bank to the Government of Pakistan assets, which, as valued for the purposes of the Reserve Bank Act, have together a value equal to the total liability in respect of the Pakistan notes outstanding on that day.

(ii) India notes which may be legal tender in Pakistan on the 30th September 1948 or in respect of which the rights of encashment in Pakistan exist on that date shall be accepted by the Government of Pakistan at par until the 31st March 1949, and there shall from time to time on the demand of the Government of Pakistan be transferred from the Issue Department of the Bank to the Government of Pakistan assets which as valued for the purposes of the Reserve Bank Act, have together a value equal to the amount of notes accepted by the Government of Pakistan under this sub-section.

(iii) In transferring assets under this section, Pakistan rupee securities and the advances, if any, taken by the Government of Pakistan from the Bank shall first be set off against the liability for Pakistan notes and India notes accepted by the Government of Pakistan, and only in respect of the balance of that liability shall the other assets of the Issue Department, consisting of gold, sterling securities, India rupee coin, Pakistan rupee coin and Government of India securities be transferred in the proportions in which assets of those classes respectively may be held by the Issue Department on the 30th day of September 1948.

(iv) Any India rupee coin transferred under the foregoing provisions of this section shall be disposed of in accordance with the provisions of section 3 as if it were retired rupee coin, and any Pakistan rupee coin remaining with the Bank after the transfers under this

section shall be made over to the Government of India for disposal otherwise than as coin.

(v) The Government of Pakistan shall, if the Bank so desires, take over from the Bank all or any of the property held by the Bank in Pakistan for the purpose of carrying on its business against payment of the value of that property as shown in the books of the Bank.

(vi) The Government of Pakistan shall be entitled to

(*a*) the same fraction of the amount of the Reserve Fund of the Bank as on the 30th day of September 1948 which would accrue to the Government of India if the Bank went into liquidation on that date, as the fraction of the uncovered debt of the Government of India for which the Government of Pakistan becomes liable on the 15th day of August 1947 ;

(*b*) the same fraction of the other surplus assets of the Bank which would exist on the 30th day of September 1948 if the Bank went into liquidation on that date remaining after deducting therefrom the sums payable for a proportionate period in respect of the financial year of the Bank current on that date to the Government of India and the shareholders of the Bank, as the fraction of the assets of the Issue Department which the Government of Pakistan takes over :

Provided that any payment due under this sub-section shall be credited as a capital payment in reduction of the debt, if any, due by the Government of Pakistan to the Government of India.

(5) The agreement made in pursuance of section 45 of the Reserve Bank Act between the Bank and the Imperial Bank of India shall, so far as the context so permits, have effect subject to the following adaptations, namely :

(*a*) references to India and British India shall be construed as including references to Pakistan ;

(*b*) references to the Governor-General-in-Council in relation to his general banking business, his accounts, and sums due to or from him, and references to Government in relation to receipts and disbursements dealt with on account of Government shall be construed as including references to the Government of Pakistan and to the Provincial Governments in Pakistan ;

(*c*) references to banks included in the Second Schedule to the Reserve Bank Act shall be construed as including references to Pakistan scheduled banks.

OIIA, 1947, pp. 182-204.

14 12 *August* 1947[1]

RADCLIFFE AWARD (BENGAL)

The terms of reference of the Commission,[2] as set out in the announcement,[3] were as follows :

'The Boundary Commission is instructed to demarcate the boundaries of the two parts of Bengal on the basis of ascertaining the contiguous majority areas of Muslims and non-Muslims. In doing so, it will also take into account other factors.'

We were desired to arrive at a decision as soon as possible before the 15th of August.

After preliminary meetings, the Commission invited the submission of memoranda and representations by interested parties. A very large number of memoranda and representations was received.

The public sittings of the Commission took place at Calcutta, and extended from Wednesday, the 16th of July 1947, to Thursday, the 24th of July 1947, inclusive, with the exception of Sunday, the 20th of July. Arguments were presented to the Commission by numerous parties on both sides, but the main cases were presented by counsel on behalf of the Indian National Congress, the Bengal Provincial Hindu Mahasabha and the New Bengal Association on the one hand, and on behalf of the Muslim League on the other.

In view of the fact that I was acting also as Chairman of the Punjab Boundary Commission, whose proceedings were taking place simultaneously with the proceedings of the Bengal Boundary Commission, I did not attend the public sittings in person, but made arrangements to study daily the record of the proceedings and all materials submitted for our consideration.

After the close of the public sittings, the remainder of the time of the Commission was devoted to clarification and discussion of the issues involved. Our discussions took place at Calcutta.

The question of drawing a satisfactory boundary line under our terms of reference between East and West Bengal was one to which the parties concerned propounded the most diverse solutions. The Province offers few, if any, satisfactory natural boundaries, and, its development has been on lines that do not well accord with a division by contiguous majority areas of Muslim and non-Muslim majorities.

[1] The date is that on which the Award was published.

[2] *Chairman:* Sir Cyril Radcliffe. *Members:* (1) Mr Justice Bijan Kumar Mukherjee (Calcutta High Court) ; (2) Mr Justice Charu Chandra Biswas (Calcutta High Court) ; (3) Mr Justice A. S. M. Akram (Calcutta High Court) ; (4) Mr Justice S. A. Rahman.

[3] Governor-General's announcement, 30 June 1947.

In my view, the demarcation of a boundary line between East and West Bengal depended on the answers to be given to certain basic questions which may be stated as follows :

(1) To which state was the city of Calcutta to be assigned, or was it possible to adopt any method of dividing the city between the two States ?

(2) If the city of Calcutta must be assigned as a whole to one or other of the States, what were its indispensable claims to the control of territory, such as all or part of the Nadia river system or the Kulti rivers, upon which the life of Calcutta as a city and port depended ?

(3) Could the attractions of the Ganges-Padma-Madhumati river line displace the strong claims of the heavy concentration of Muslim majorities in the districts of Jessore and Nadia without doing too great a violence to the principle of our terms of reference ?

(4) Could the District of Khulna usefully be held by a State different from that which held the District of Jessore ?

(5) Was it right to assign to Eastern Bengal the considerable block of non-Muslim majorities in the Districts of Malda and Dinajpur ?

(6) Which State's claim ought to prevail in respect of the Districts of Darjeeling and Jalpaiguri, in which the Muslim population amounted to 2·42 per cent of the whole in the case of Darjeeling, and to 23·08 per cent of the whole in the case of Jalpaiguri, but which constituted an area not in any natural sense contiguous to another non-Muslim area of Bengal ?

(7) To which State should the Chittagong Hill Tracts be assigned, an area in which the Muslim population was only 3 per cent of the whole, but which it was difficult to assign to a State different from that which controlled the District of Chittagong itself ?

After much discussion my colleagues found that they were unable to arrive at an agreed view on any of these major issues. There were of course considerable areas of the province in the south-west and north-east and east, which provoked no controversy on either side : but, in the absence of any reconciliation on all main questions affecting the drawing of the boundary itself, my colleagues assented to the view at the close of our discussions that I had no alternative but to proceed to give my own decision.

This I now proceed to do : but I should like at the same time to express my gratitude to my colleagues for their indispensable assistance in clarifying and discussing the difficult questions involved. The demarcation of the boundary line is described in detail in the schedule which forms Annexure A to this award, and in the map attached thereto, Annexure B[1]. The map is annexed for purposes of illustration,

[1] This map is not included in this volume.

and if there should be any divergence between the boundary as described in Annexure A and as delineated on the map in Annexure B, the description in Annexure A is to prevail.

I have done what I can in drawing the line to eliminate any avoidable cutting of railway communications and of river systems, which are of importance to the life of the Province ; but it is quite impossible to draw a boundary under our terms of reference without causing some interruption of this sort, and I can only express the hope that arrangements can be made and maintained between the two States that will minimize the consequences of this interruption as far as possible.

Annexure A

(1) A line shall be drawn along the boundary between the thana of Phansidewa in the District of Darjeeling and the thana of Tetulia in the District of Jalpaiguri from the point where that boundary meets the province of Bihar and then along the boundary between the thanas of Tetulia and Rajganj ; the thanas of Pachagar and Rajganj ; and the thanas of Pachagar and Jalpaiguri, and shall then continue along the northern corner of the thana of Debiganj to the boundary of the State of Cooch Behar. The District of Darjeeling and so much of the District of Jalpaiguri as lies north of this line shall belong to West Bengal, but the thana of Patgram and any other portion of Jalpaiguri District which lies to the east or south shall belong to East Bengal.

(2) A line shall then be drawn from the point where the boundary between the thanas of Haripur and Raiganj in the district of Dinajpur meets the border of the province of Bihar to the point where the boundary between the districts of 24-Parganas and Khulna meets the Bay of Bengal. This line shall follow the course indicated in the following paragraphs. So much of the province of Bengal as lies to the west of it shall belong to West Bengal.

Subject to what has been provided in para. (1) above with regard to the Districts of Darjeeling and Jalpaiguri, the remainder of the province of Bengal shall belong to East Bengal.

(3) The line shall run along the boundary between the following thanas :

Haripur and Raiganj ; Haripur and Hemtabad ; Ranisankail and Hemtabad ; Pirganj and Hemtabad ; Pirganj and Kaliganj ; Bochaganj and Kaliganj ; Biral and Kaliganj ; Biral and Kushmundi ; Biral and Gangarampur ; Dinajpur and Gangarampur ; Dinajpur and Kumarganj ; Chirir Bandar and Kumarganj ; Phulbari and Kumarganj ; Phulbari and Balurghat. It shall terminate at the point where the boundary between Phulbari and Balurghat meets the north-south

line of the Bengal-Assam Railway in the eastern corner of the thana of Balurghat. The line shall turn down the western edge of the railway lands belonging to that Railway and follow that edge until it meets the boundary between the thanas of Balurghat and Panchbibi.

(4) From that point the line shall run along the boundary between the following thanas :

Balurghat and Panchbibi ; Balurghat and Joypurhat ; Balurghat and Dhamairhat ; Tapan and Dhamairhat ; Tapan and Patnitala ; Tapan and Porsha ; Bamangola and Porsha ; Habibpur and Porsha ; Habibpur and Gomastapur ; Habibpur and Bholahat ; Malda and Bholahat ; English Bazar and Bholahat ; English Bazar and Shibganj ; Kaliachak and Shibganj ; to the point where the boundary between the two last mentioned thanas meets the boundary between the Districts of Malda and Murshidabad on the river Ganges.

(5) The line shall then turn south-east down the river Ganges along the boundary between the Districts of Malda and Murshidabad ; Rajshahi and Murshidabad ; Rajshahi and Nadia ; to the point in the north-western corner of the District of Nadia where the channel of the river Mathabhanga takes off from the river Ganges. The District boundaries, and not the actual course of the river Ganges, shall constitute the boundary between East and West Bengal.

(6) From the point on the river Ganges where the channel of the river Mathabhanga takes off, the line shall run along that channel to the northern-most point where it meets the boundary between the thanas of Daulatpur and Karimpur. The middle line of the main channel shall constitute the actual boundary.

(7) From this point the boundary between East and West Bengal shall run along the boundaries between the thanas of Daulatpur and Karimpur ; Gangni and Karimpur ; Meherpur and Tehatta ; Meherpur and Chapra ; Damurhuda and Chapra ; Damurhuda and Krishnaganj ; Chuadanga and Krishnaganj ; Jibannagar and Krishnaganj ; Jibannagar and Hanskhali ; Maheshpur and Hanskhali ; Maheshpur and Ranaghat ; Maheshpur and Bongaon ; Jhikargacha and Bongaon ; Sarsa and Gaighata ; Gaighata and Kalaroa ; to the point where the boundary between those thanas meets the boundary between the Districts of Khulna and 24-Parganas.

(8) The line shall then run southwards along the boundary between the Districts of Khulna and 24-Parganas, to the point where that boundary meets the Bay of Bengal.

Gazette, 18 August 1947.

15 13 *August* 1947[1]

RADCLIFFE AWARD (SYLHET)

(1) I have the honour to present the report of the Bengal Boundary Commission relating to Sylhet District and the adjoining Districts of Assam. By virtue of Sec. 3 of the Indian Independence Act, 1947, the decisions contained in this report become the decision and award of the Commission.

The Bengal Boundary Commission was constituted as stated in my report dated the 12th of August, 1947, with regard to the division of the Province of Bengal into East and West Bengal.

Our terms of reference were as follows :

'The Boundary Commission is instructed to demarcate the boundaries of the two parts of Bengal on the basis of ascertaining the contiguous majority areas of Muslims and non-Muslims. In doing so, it will also take into account other factors.

In the event of the Referendum in the District of Sylhet resulting in favour of amalgamation with Eastern Bengal, the Boundary Commission will also demarcate the Muslim majority areas of Sylhet District and the contiguous Muslim majority areas of the adjoining Districts of Assam.'

(2) After the conclusion of the proceedings relating to Bengal, the Commission invited the submission of memoranda and representations by parties interested in the Sylhet question. A number of such memoranda and representations were received.

(3) The Commission held open sittings at Calcutta on the 4th, 5th and 6th days of August, 1947, for the purpose of hearing arguments. The main arguments were conducted on the one side by Counsel on behalf of the Government of East Bengal and the provincial and district Muslim Leagues, and on the other side, by Counsel on behalf of the Government of the Province of Assam and the Assam Provincial Congress Committee and the Assam Provincial Hindu Mahasabha. I was not present in person at the open sittings as I was at the time engaged in the proceedings of the Punjab Boundary Commission which were taking place simultaneously, but I was supplied with the daily record of the Sylhet proceedings and with all materials submitted for the Commission's consideration. At the close of the open sittings, the members of the Commission entered into discussions with me as to the issues involved and the decisions to be come to. These discussions took place at New Delhi.

[1] A Press Note from the Viceroy's House, 13 July 1947, declared the result of the Referendum in Sylhet. The valid votes recorded for joining East Bengal were 239,619 (against 184,041 for remaining in Assam).

(4) There was an initial difference of opinion as to the scope of the reference entrusted to the Commission. Two of my colleagues took the view that the Commission had been given authority to detach from Assam and to attach to East Bengal any Muslim majority areas of any part of Assam that could be described as contiguous to East Bengal, since they construed the words 'the adjoining Districts of Assam' as meaning any Districts of Assam that adjoined East Bengal. The other two of my colleagues took the view that the Commission's power of detaching areas from Assam and transferring them to East Bengal was limited to the District of Sylhet and contiguous Muslim majority areas (if any) of other Districts of Assam that adjoined Sylhet. The difference of opinion was referred to me for my casting vote, and I took the view that the more limited construction of our terms of reference was the correct one and that 'the adjoining Districts of Assam' did not extend to other Districts of Assam than those that adjoined Sylhet. The Commission accordingly proceeded with its work on this basis.

(5) It was argued before the Commission on behalf of the Government of East Bengal that on the true construction of our terms of reference and Section 3 of the Indian Independence Act, 1947, the whole of the District of Sylhet at least must be transferred to East Bengal and the Commission had no option but to act upon this assumption. All my colleagues agreed in rejecting this argument, and I concur in their view.

(6) We found some difficulty in making up our minds whether, under our terms of reference, we were to approach the Sylhet question in the same way as the question of partitioning Bengal, since there were some differences in the language employed, but all my colleagues came to the conclusion that we were intended to divide the Sylhet and adjoining Districts of Assam between East Bengal and the Province of Assam on the basis of contiguous majority areas of Muslims and non-Muslims, but taking into account other factors. I am glad to adopt this view.

(7) The members of the Commission were, however, unable to arrive at an agreed view as to how the boundary lines should be drawn, and after discussion of their differences, they invited me to give my decision. This I now proceed to do.

(8) In my view, the question is limited to the Districts of Sylhet and Cachar, since, of the other Districts of Assam that can be said to adjoin Sylhet, neither the Garo Hills nor the Khasi and Jaintia Hills nor the Lushai Hills, have anything approaching a Muslim majority of population in respect of which a claim could be made.

(9) Out of 35 thanas in Sylhet, 8 have non-Muslim majorities: but of these eight, two—Sulla and Ajmiriganj (which is in any event

divided almost evenly between Muslims and non-Muslims)—are entirely surrounded by preponderatingly Muslim areas, and must therefore go with them to East Bengal. The other six thanas comprising a population of over 530,000 people stretch in a continuous line along part of the southern border of Sylhet District. They are divided between two sub-divisions, of which one, South Sylhet, comprising a population of over 515,000 people, has in fact a non-Muslim majority of some 40,000 while the other, Karimganj, with a population of over 568,000 people, has a Muslim majority that is a little larger.

(10) With regard to the District of Cachar, one thana, Hailakandi, has a Muslim majority and is contiguous to the Muslim thanas of Badarpur and Karimganj in the District of Sylhet. This thana forms, with the thana of Katlichara immediately to its south, the sub-division of Hailakandi, and in the sub-division as a whole Muslims enjoy a very small majority, being 51 per cent of the total population. I think that the dependence of Katlichara on Hailakandi for normal communications makes it important that the area should be under one jurisdiction, and that the Muslims would have at any rate a strong presumptive claim for the transfer of the sub-division of Hailakandi, comprising a population of 166,536, from the Province of Assam to the Province of East Bengal.

(11) But a study of the map shows, in my judgement, that a division on these lines would present problems of administration that might gravely affect the future welfare and happiness of the whole district. Not only would the six non-Muslim thanas of Sylhet be completely divorced from the rest of Assam if the Muslim claim to Hailakandi were recognized, but they form a strip running east and west whereas the natural division of the land is north and south and they effect an awkward severance of the railway line through Sylhet, so that, for instance, the junction for the town of Sylhet itself, the capital of the District, would lie in Assam, not in East Bengal.

(12) In these circumstances I think that some exchange of territories must be effected if a workable division is to result. Some of the non-Muslim thanas must go to East Bengal and some Muslim territory and Hailakandi must be retained by Assam. Accordingly I decide and award as follows :

(13) A line shall be drawn from the point where the boundary between the thanas of Pathar Kandi and Kulaura meets the frontier of Tripura State and shall run north along the boundary between the thanas of Patharkandi and Barlekha, then along the boundary between the thanas of Karimganj and Barlekhan, and then along the boundary between the thanas of Karimganj and Beani Bazar to the point where that boundary meets the river Kusiyara. The line shall then turn to

the east taking the river Kusiyara as the boundary and run to the point where that river meets the boundary between the Districts of Sylhet and Cachar. The centre line of the main stream or channel shall constitute the boundary. So much of the District of Sylhet as lies to the west and north of this line shall be detached from the Province of Assam and transferred to the Province of East Bengal. No other part of the Province of Assam shall be transferred.

(14) For purposes of illustration a map[1] marked A is attached on which the line is delineated. In the event of any divergence between the line as delineated on the map and as described in Paragraph 13, the written description is to prevail.

Gazette, 18 August 1947.

16 12 *August* 1947[2]

RADCLIFFE AWARD (PUNJAB)

The terms of reference of the Punjab Boundary Commission,[3] as set out in the announcement,[4] were as follows :

'The Boundary Commission is instructed to demarcate the boundaries of the two parts of the Punjab on the basis of ascertaining the contiguous majority areas of Muslims and non-Muslims. In doing so, it will also take into account other factors.' We were desired to arrive at a decision as soon as possible before the 15th of August.

After preliminary meetings, the Commission invited the submission of memoranda and representations by interested parties. Numerous memoranda and representations were received.

The public sittings of the Commission took place at Lahore, and extended from Monday, the 21st of July, 1947, to Thursday, the 31st of July, 1947, inclusive, with the exception of Sunday, the 27th of July. The main arguments were conducted by Counsel on behalf of the Indian National Congress, the Muslim League, and the Sikh members of the Punjab Legislative Assembly, but a number of other interested parties appeared and argued before the Commission. In view of the fact that I was acting also as Chairman of the Bengal Boundary Commission, whose proceedings were taking place simultaneously with the proceedings of the Punjab Boundary Commission,

[1] Not included in this volume.
[2] The date is that on which the Award was published.
[3] *Chairman :* Sir Cyril Radcliffe. *Members :* Judges of the Lahore High Court, (1) Mr Din Muhammad ; (2) Mr Muhammad Munir ; (3) Mr Meher Chand Mahajan ; (4) Mr Teja Singh.
[4] Governor-General's announcement, 30 June 1947.

I did not attend the public sittings in person, but made arrangements to study daily the record of the proceedings and of all materials submitted for our consideration.

After the close of the public sittings, the Commission adjourned to Simla where I joined my colleagues, and we entered upon discussions in the hope of being able to present an agreed decision as to the demarcation of the boundaries. I am greatly indebted to my colleagues for indispensable assistance in the clarification of the issues and the marshalling of the arguments for different views, but it became evident in the course of our discussions that the divergence of opinion between my colleagues was so wide that an agreed solution of the boundary problem was not to be obtained.

I do not intend to convey by this that there were not large areas of the Punjab on the West and on the East respectively which provoked no controversy as to which State they should be assigned to : but when it came to the extensive but disputed areas in which the boundary must be drawn, differences of opinion as to the significance of the term ' other factors ', which we were directed by our terms of reference to take into account, and as to the weight and value to be attached to those factors, made it impossible to arrive at any agreed line.

In those circumstances my colleagues, at the close of our discussions, assented to the conclusion that I must proceed to give my own decision.

This I now proceed to do. The demarcation of the boundary line is described in detail in the schedule which forms Annexure A to this Award, and in the map attached[1] thereto, Annexure B. The map is annexed for purposes of illustration, and if there should be any divergence between the boundary as described in Annexure A and as delineated on the map in Annexure B, the description in Annexure A is to prevail.

Certain representations were addressed to the Commission on behalf of the States of Bikaner and Bahawalpur, both of which States were interested in canals whose headworks were situated in the Punjab Province. I have taken the view that an interest of this sort cannot weigh directly in the question before us as to the division of the Punjab between the Indian Union and Pakistan since the territorial division of the Province does not affect rights of private property, and I think that I am entitled to assume with confidence that any agreements that either of those States has made with the Provincial Government as to the sharing of water from these canals or otherwise will be respected by whatever Government hereafter assumes jurisdiction over the headworks concerned.

I wish also to make it plain that no decision that is made by this Commission is intended to affect whatever territorial claim the State

[1] This map is not included in this volume.

of Bahawalpur may have in respect of a number of villages lying between Sulemanke Weir and Gurka Ferry.

The task of delimiting a boundary in the Punjab is a difficult one. The claims of the respective parties ranged over a wide field of territory but in my judgement the truly debatable ground in the end proved to lie in and around the area between the Beas and Sutlej rivers on the one hand, and the river Ravi on the other. The fixing of a boundary in this area was further complicated by the existence of canal systems so vital to the life of the Punjab but developed only under the conception of a single administration, and of systems of road and rail communication, which have been planned in the same way.

There was also the stubborn geographical fact of the respective situations of Lahore and Amritsar, and the claims to each or both of those cities which each side vigorously maintained. After weighing to the best of my ability such other factors as appeared to me relevant as affecting the fundamental basis of contiguous majority areas, I have come to the decision set out in the schedule which thus becomes the award of the Commission.

I am conscious that there are legitimate criticisms to be made of it : as of any other line that might be chosen.

I have hesitated long over those not inconsiderable areas east of the Sutlej river and in the angle of the Beas and Sutlej rivers in which Muslim majorities are found. But on the whole, I have come to the conclusion that it would not be in the true interests of either State to extend the territories of the West Punjab to a strip on the far side of the Sutlej and that there are factors such as the disruption of railway communications and water systems that ought, in this instance, to displace the primary claims of contiguous majorities.

But I must call attention to the fact that the Dipalpur Canal, which serves areas in the West Punjab, takes off from the Ferozepore headworks and I find it difficult to envisage a satisfactory demarcation of boundary at this point that is not accompanied by some arrangement for joint control of the intake of the different canals dependent on these headworks.

I have not found it possible to preserve undivided the irrigation system of the Upper Bari Doab Canal which extends from Maddhopur in the Pathankot Tahsil to the western border of the District of Lahore, although I have made small adjustments of the Lahore-Amritsar district boundary to mitigate some of the consequences of this severance; nor can I see any means of preserving under one territorial jurisdiction the Mandi hydro-electrical scheme which supplies power in the Districts of Kangra, Gurdaspur, Amritsar, Lahore, Jullundur, Ludhiana, Ferozepore, Sheikhupura and Lyallpur.

I think it only right to express the hope that, where the drawing of a boundary line cannot avoid disrupting such unitary services as canal irrigation, railways, and electric power transmission, a solution may be found by agreement between the two States for some joint control of what has hitherto been a valuable common service.

I am conscious too that the award cannot go far towards satisfying sentiments and aspirations deeply held on either side but directly in conflict as to their bearing on the placing of the boundary. If means are to be found to gratify to the full those sentiments and aspirations, I think that they must be found in political arrangements with which I am not concerned, and not in the decision of a boundary line drawn under the terms of reference of this Commission.

New Delhi, 12 August 1947 CYRIL RADCLIFFE

Annexure A

(1) The boundary between the East and West Punjab shall commence on the north at the point where the west branch of the Ujh river enters the Punjab Province from the State of Kashmir. The boundary shall follow the line of that river down the western boundary of the Pathankot Tahsil to the point where the Pathankot, Shakargarh and Gurdaspur Tahsils meet. The Tahsil boundary and not the actual course of the Ujh river shall constitute the boundary between the East and West Punjab.

(2) From the point of meeting of the three Tahsils above mentioned, the boundary between the East and West Punjab shall follow the line of the Ujh river to its junction with the river Ravi and thereafter the line of the river Ravi along the boundary between the tahsils of Gurdaspur and Shakargarh, the boundary between the Tahsils of Batala and Shakargarh, the boundary between the tahsils of Batala and Narowal, the boundary between the tahsils of Ajnala and Narowal, and the boundary between the tahsils of Ajnala and Shadara, to the point on the river Ravi where the district of Amritsar is divided from the district of Lahore. The tahsil boundaries referred to, and not the actual course of the river Ujh or the river Ravi, shall constitute the boundary between the East and West Punjab.

(3) From the point on the river Ravi where the district of Amritsar is divided from the district of Lahore, the boundary between the East and West Punjab shall turn southwards following the boundary between the tahsils of Ajnala and Lahore and then the tahsils of Tarn Taran and Lahore, to the point where the tahsils of Kasur,

Lahore and Tarn Taran meet. The line will then turn south-westward along the boundary between the tahsils of Lahore and Kasur to the point where that boundary meets the north-east corner of village Theh Jharolian. It will then run along the eastern boundary of that village to its junction with village Chathianwala, turn along the northern boundary of that village and then run down its eastern boundary to its junction with village Waigal. It will then run along the eastern boundary of village Waigal to its junction with village Kalia, and then along the southern boundary of village Waigal to its junction with village Panhuwan. The line will then run down the eastern boundary of village Panhuwan to its junction with village Gaddoke. The line will then run down the eastern border of village Gaddoke to its junction with village Nurwala. It will then turn along the southern boundary of village Gaddoke to its junction with village Katluni Kalan. The line will then run down the eastern boundary of village Katluni Kalan to its junction with villages Kals and Mastgarh. It will then run along the southern boundary of village Katluni Kalan to the north-west corner of village Kals. It will then run along the western boundary of village Kals to its junction with village Khem Karan. The line will then run along the western and southern boundaries of village Khem Karan to its junction with village Maewala. It will then run down the western and southern boundaries of village Maewala proceeding eastward along the boundaries between village Mahaidepur on the north and villages Sheikhupura Khuna, Kamalpuran, Fatehwala and Mahewala. The line will then turn northward along the western boundary of village Sahjra to its junction with villages Mahaidepur and Machhike. It will then turn north-eastward along the boundaries between villages Machhike and Sahjra and then proceed along the boundary between villages Rattoke and Sahjra to the junction between villages Rattoke, Sahjra and Mabbuke. The line will then run north-east between the villages Rattoke and Mabbuke to the junction of villages Rattoke, Mabbuke, and Gajjal. From that point the line will run along the boundary between villages Mabbuke and Gajjal, and then turn south along the eastern boundary of village Mabbuke to its junction with village Nagar Aimanpur. It will then turn along the north-eastern boundary of village Nagar Aimanpur and run along its eastern boundary to its junction with village Masteke. From there it will run along the eastern boundary of village Masteke to where it meets the boundary between the tahsils of Kasur and Ferozepore. For the purpose of identifying the villages referred to in this paragraph, I attach a map[1] of the Kasur tahsil

[1] This map is not included in this volume.

authorized by the then Settlement Officer, Lahore District, which was supplied to the Commission by the Provincial Government.

(4) The line will then run in a south-westerly direction down the Sutlej River on the boundary between the Districts of Lahore and Ferozepore to the point where the Districts of Ferozepore, Lahore and Montgomery meet. It will continue along the boundary between the districts of Ferozepore and Montgomery to the point where this boundary meets the border of Bahawalpur State. The district boundaries, and not the actual course of the Sutlej River shall in each case constitute the boundary between the East and West Punjab.

(5) It is my intention that this boundary line should ensure that the canal headworks at Sulemanke will fall within the territorial jurisdiction of the West Punjab. If the existing delimitation of the boundaries of Montgomery District does not ensure this, I award to the West Punjab so much of the territory concerned as covers the headworks, and the boundary shall be adjusted accordingly.

(6) So much of the Punjab Province as lies to the west of the line demarcated in the preceding paragraphs shall be the territory of the West Punjab. So much of the territory of the Punjab Province as lies to the east of that line shall be the territory of the East Punjab.

Gazette, 17 August 1947.

[Lahore Division consists of six Districts, namely, Lahore, Amritsar, Gurdaspur, Sialkot, Gujranwala and Sheikhupura. Of these six Districts three, namely, Sialkot, Gujranwala and Sheikhupura go to the West Punjab ; while one, namely, Amritsar, goes to the East Punjab. The remaining two Districts, Lahore and Gurdaspur have been divided between the Provinces.—*Ed.*]

SECTION III

THE DOMINION OF INDIA

17 14 *August* 1947

INDIA (PROVISIONAL CONSTITUTION) ORDER, 1947

WHEREAS by sub-section (2) of section 8 of the Indian Independence Act, 1947 (hereafter in the recitals to this Order referred to as the said Act), it is provided that except in so far as other provision is made by or in accordance with a law made by the Constituent Assembly of the Dominion under sub-section (1) of the said section, each of the new Dominions and all Provinces and other parts thereof shall be governed as nearly as may be in accordance with the provisions of the Government of India Act, 1935, and that the provisions of that Act shall, so far as applicable and subject to any express provisions of the said Act and with such omissions, additions, adaptations and modifications as may be specified in orders of the Governor-General under the next succeeding section of the said Act, have effect accordingly.

AND WHEREAS by paragraph (*c*) of sub-section (1) of section 9 of the said Act it is provided that the Governor-General shall by order make such provision as appears to him to be necessary or expedient for making omissions from, additions to, and adaptations and modifications of, the Government of India Act, 1935, in its application to the separate new Dominions ;

AND WHEREAS by sub-section (4) of section 19 of the said Act it is provided that in the said Act, except so far as the context otherwise requires, references to the Government of India Act, 1935, include references to any enactments amending or supplementing that Act and in particular references to the India (Central Government and Legislature) Act, 1946 ;

NOW THEREFORE in exercise of the powers conferred by the said provisions of the said Act, the Governor-General is pleased to make the following Order :

(1) (i) This Order may be cited as the India (Provisional Constitution) Order, 1947.

(ii) It shall come into force on the fifteenth day of August 1947, which day is hereinafter referred to as ' the appointed day '.

(2) (i) In this Order ' India ' means the Dominion of India.

(ii) Where a provision of the Government of India Act, 1935, has been amended before the appointed day, a reference to that

provision in the Schedule to this Order shall be read as referring to the provision as in force immediately before the appointed day.

(iii) The Interpretation Act, 1889, applies for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(3) (i) As from the appointed day, the Government of India Act, 1935, including the provisions of that Act which have not come into force before the appointed day, and the India (Central Government and Legislature) Act, 1946, shall, until other provision is made by or in accordance with a law made by the Constituent Assembly of India, apply to India with the omissions, additions, adaptations and modifications directed in the following provisions of this paragraph and in the Schedule to this Order.

(ii) The following expressions shall be omitted wherever they occur, namely, 'in his discretion', 'acting in his discretion' and 'exercising his individual judgement'.

(iii) For each expression specified in the first column of the following Table, wherever that expression occurs, there shall be substituted the expression specified in the corresponding entry in the second column of the Table.

Table

existing Indian Law	existing law
existing Indian Act	existing law
Federation	Dominion
Federal Government	Dominion Government
Federal law	Dominion law
Federal Legislature	Dominion Legislature
Federated	Acceding
a Federated	an Acceding

(4) Where the Schedule to this Order requires that in any specified provision certain words shall be substituted for certain other words or that certain words shall be omitted, that substitution or omission, as the case may be, shall, unless otherwise expressly provided, be made wherever the words referred to appear in that provision.

(5) Where any instrument is in force under any provision of the Government of India Act, 1935, immediately before the appointed day, and that provision remains in force, whether with or without modifications, on and after the appointed day, the said instrument shall, so far as applicable and with any necessary modifications, remain in force as from that day as if it were an instrument of the appropriate kind duly made by the appropriate authority under the said provision as in force after that day, and may be varied or revoked accordingly.

(6) Where any law made by the Governor of a Province by virtue of section 93 of the Government of India Act, 1935, is in force

immediately before the appointed day, the said law, notwithstanding that the said section is directed to be omitted in the Schedule to this Order or that by reason of such omission a Proclamation under the said section ceases to have effect, shall remain in force for the period for which it would have remained in force if the said section had been at all material times in operation.

(7) (i) Subject to any general or special orders or arrangements affecting his case, any person who immediately before the appointed day is holding any civil post under the Crown in connection with the Affairs of the Governor-General or Governor-General in Council or of a Province other than Bengal or the Punjab shall, as from that day, be deemed to have been duly appointed to the corresponding post under the Crown in connexion with the affairs of the Dominion of India or, as the case may be, of the Province.

(ii) Notwithstanding that section 170 of the Government of India Act, 1935, is directed to be omitted in the Schedule to this Order, the person holding the office of the Auditor of Indian Home Accounts immediately before the appointed day is hereby authorized to continue, until such date as the Governor-General may specify, to perform such duties, and exercise such powers, in relation to transactions in the United Kingdom affecting the revenues of India or of any Province thereof as he was before the appointed day performing or exercising under the provisions of the said section 170.

THE SCHEDULE

I. THE GOVERNMENT OF INDIA ACT, 1935

[Summarized—for full text see *Gazette of India* dated 14 Aug. 1947]

Sections omitted entirely.

2, 4, 11-15, 24-7, 31, 39, 43-5, 52-4, 56-8, 77, 83, 85, 89, 90, 93, 95, 98, 105, 108, 110-21, 123, 139, 145-9, 152, 157-61, 165, 170-3, 177, 179-99, 232-9, 244-6, 248-52, 257-9, 261, 269, 270, 272-4, 278-89, 292-4, 300, 302, 305A, 307-10, 312-19.

Schedules omitted entirely.

I, II, VIII and IX.[1]

Sections retained unchanged.

1, 41, 49, 61, 63-6, 70, 73, 75, 79, 81, 82, 87, 100, 101, 103, 106, 122, 124, 125, 127, 128, 130, 132, 133, 137, 141, 144, 156, 164, 168, 169, 174, 203, 209, 211, 213-15, 224-7, 229, 243, 254-6, 263, 264, 268, 276, 297, 301, 304 and 305.[2]

[1] Schedules X—XV of the Act are related to Burma ; schedule XVI enumerates the laws repealed by the Act.

[2] Sections 320-476 (Part XIV of the Act) make provision for the Government of Burma, which was separated from India by the 1935 Act. Sections 477 and 478 refer to the commencement of Part II of the Act and to the earlier Acts repealed.

Sections wholly changed.

(3) *For this section substitute :*

'(3) *The Governor-General.* The Governor-General of India is appointed by His Majesty by a Commission under the Royal Sign Manual.'

(5) *For this section substitute :*

'(5) *Establishment of the Dominion.* (i) The Dominion of India established by the Indian Independence Act, 1947, shall as from the fifteenth day of August, 1947, be a Union comprising

(*a*) the Provinces hereinafter called Governors' Provinces,

(*b*) the Provinces hereinafter called Chief Commissioners' Provinces,

(*c*) the Indian States acceding to the Dominion in the manner hereinafter provided, and

(*d*) any other areas that may with the consent of the Dominion be included in the Dominion.

(ii) The said Dominion of India is hereafter in this Act referred to as " the Dominion " and the said fifteenth day of August is hereafter in this Act referred to as " the date of the establishment of the Dominion ".'

(6) *For this section substitute :*

'(6) *Accession of Indian States.* (i) An Indian State shall be deemed to have acceded to the Dominion if the Governor-General has signified his acceptance of an Instrument of Accession executed by the Ruler thereof whereby the Ruler on behalf of the State :

(*a*) declares that he accedes to the Dominion with the intent that the Governor-General, the Dominion Legislature, the Federal Court and any other Dominion authority established for the purposes of the Dominion shall, by virtue of his Instrument of Accession, but subject always to the terms thereof, and for the purposes only of the Dominion, exercise in relation to the State such functions as may be vested in them by order under this Act ; and

(*b*) assumes the obligation of ensuring that due effect is given within the State to the provisions of this Act so far as they are applicable therein by virtue of the Instrument of Accession.

(ii) An Instrument of Accession shall specify the matters which the Ruler accepts as matters with respect to which the Dominion Legislature may make laws for the State, and the limitations, if any, to which the power of the Dominion Legislature to make laws for the State, and the exercise of the executive authority of the Dominion in the State, are respectively to be subject.

(iii) A Ruler may, by a supplementary Instrument executed by him and accepted by the Governor-General, vary the Instrument of Accession of this State by extending the functions which by virtue of

that Instrument are exercisable by any Dominion authority in relation to his State.

(iv) References in this Act to the Ruler of a State include references to any persons for the time being exercising the powers of the Ruler of the State, whether by reason of the Ruler's minority or for any other reason.

(v) In this Act a State which has acceded to the Dominion is referred to as an Acceding State and the Instrument by virtue of which a State has so acceded, construed together with any supplementary Instrument executed under this section, is referred to as the Instrument of Accession of that State.

(vi) As soon as may be after any Instrument of Accession or supplementary Instrument has been accepted by the Governor-General under this section, copies of the Instrument and of the Governor-General's acceptance thereof shall be laid before the Dominion Legislature, and all courts shall take judicial notice of every such Instrument and acceptance.'

(9) *For this section substitute :*

'(9) *Council of ministers.* There shall be a council of ministers to aid and advise the Governor-General in the exercise of his functions.'

(18) *For this section substitute :*

'(18) *Constitution of the Dominion Legislature.* The powers of the Dominion Legislature under this Act shall, until other provision is made by or in accordance with a law made by the Constituent Assembly under sub-section (i) of section 8 of the Indian Independence Act, 1947, be exercisable by that Assembly, and accordingly references in this Act to the Dominion Legislature shall be construed as references to the Constituent Assembly.'

(42) *For this section substitute :*

'(42) *Power of Governor-General to promulgate Ordinances in cases of emergency.* The Governor-General may, in cases of emergency, make and promulgate Ordinances for the peace and good government of the Dominion or any part thereof, and any Ordinance so made shall, for the space of not more than six months from its promulgation have the like force of law as an Act passed by the Dominion Legislature ; but the power of making Ordinances under this section is subject to the like restrictions as the power of the Dominion Legislature under this Act to make laws ; and any Ordinance made under this section may be controlled or superseded by any such Act.'

(47) *For this section substitute :*

'(47) *Provisions as to Berar.* Berar shall continue to be governed together with the Central Provinces as one Governor's Province under this Act by the name of the Central Provinces and Berar and in the same manner as immediately before the establishment of the

Dominion ; and any references in this Act to the Dominion of India shall be construed as including a reference to Berar.'

(96) *For this section substitute :*

' (96) *The Andaman and Nicobar Islands.* The Governor-General may make regulations for the peace and good government of the Andaman and Nicobar Islands, and any regulations so made may repeal or amend any Act of the Dominion Legislature or any existing law which is for the time being applicable to the Province, and, when promulgated by the Governor-General, shall have the same force and effect as an Act of the Dominion Legislature which applies to the Province.'

(247) *For this section substitute :*

' (247) *Conditions of service of persons originally recruited by Secretary of State.* The conditions of service of all persons who, having been appointed by the Secretary of State or the Secretary of State in Council to a civil service of the Crown in India, continue on and after the date of the establishment of the Dominion to serve under the Government of the Dominion or of any Province, shall

(*a*) as respects persons serving in connexion with the affairs of the Dominion, be such as may be prescribed by rules made by the Governor-General ;

(*b*) as respects persons serving in connexion with the affairs of a Province

(i) in regard to their pay, leave, pensions, general rights as medical attendance and any other matter which immediately before the establishment of the Dominion was regulated by rules made by the Secretary of State, be such as may be prescribed by rules made by the Governor-General ; and

(ii) in regard to any other matter, be such as may be prescribed by rules made by the Governor of the Province.'

[All the other sections and schedules were consequentially modified by addition, omission or substitution of certain words or sub-sections. As most of these changes are of a minor character they are not reproduced here. They can be found in the *Gazette of India* dated 14 August 1947].

II. THE INDIA (CENTRAL GOVERNMENT AND LEGISLATURE) ACT, 1946

[Adaptations are summarized below]

[Section 1 is omitted and sections 2, 3 and 6 are slightly modified.]

Section 4. For ' both Houses of Parliament ' substitute ' the Dominion Legislature '.

After section 4 insert the following :

' 4A. *Powers of the Dominion Legislature to be Powers of the Constituent Assembly.* The powers of the Dominion Legislature under this Act

shall, until other provision is made by or in accordance with a law made by the Constituent Assembly under sub-section (1) of section 8 of the Indian Independence Act, 1947, be exercisable by that Assembly, and accordingly references in this Act to the Dominion Legislature shall be construed as references to the Constituent Assembly.'

OIIA, 1947, pp. 37-76.

18 12 *August* 1947

CROWN REPRESENTATIVE (TRANSFER OF PROPERTY AND LIABILITIES) ORDER, 1947

In exercise of the powers conferred by section 9 of the Indian Independence Act, 1947, and all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order :

(1) (i) This Order may be cited as the Crown Representative (Transfer of Property and Liabilities) Order, 1947.

(ii) It shall come into force on the twelfth day of August 1947.

(2) (i) In this Order, the expression 'property' includes all moveable and immoveable property and all choses in action, and, in particular, includes all rights subsisting under any contract.

(ii) The Interpretation Act, 1889, applies for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(3) All property which, immediately before the commencement of this Order, is vested in His Majesty for the purposes of the exercise of the functions of the Crown in its relations with the Indian States is hereby vested in His Majesty for the purposes of the Governor-General in Council ; and as from the commencement of this Order, all such property shall be under the control and management of the Governor-General in Council.

(4) All liabilities, whether arising out of a contract or otherwise, which have accrued against His Majesty's representative for the exercise of the functions of the Crown in its relations with Indian States and are outstanding immediately before the commencement of this Order shall thereafter be liabilities of the Governor-General.

OIIA, 1947, p. 28.

19 29 *August* 1947

RESOLUTION (CONSTITUENT ASSEMBLY)

(1) That with reference to the Motion by the Honorable Dr B. R. Ambedkar regarding the consideration of the Report on the Functions of the Constituent Assembly[1] under the Indian Independence Act, it is hereby resolved that :

(i) The functions of the Assembly shall be

(*a*) to continue and complete the work of Constitution-making, which commenced on the 9th December, 1946 ; and

(*b*) to function as the Dominion Legislature until a Legislature under the new Constitution comes into being.

(ii) The business of the Assembly as a Constitution-making body should be clearly distinguished from its normal business as the Dominion Legislature, and different days or separate sittings on the same day should be set apart for the two kinds of business.

(iii) The recommendations contained in para 6 of the Report regarding the position of representatives of Indian States in the Assembly be accepted.

(iv) Suitable provision should be made in the Rules of the Constituent Assembly for the election of an officer to be designated the Speaker, to preside over the deliberations of the Assembly when functioning as the Dominion Legislature.

(v) The power of summoning the Assembly for functioning as the Dominion Legislature and proroguing it should vest in the President.

(vi) Ministers of the Dominion Government, who are not members of the Constituent Assembly, should have the right to attend and participate in its work of Constitution-making, though until they become members of the Constituent Assembly they should not have any right to vote.

(vii) Necessary modifications, adaptations and additions should be made

(*a*) by the President of the Constituent Assembly to the Rules and Standing Orders of the Indian Legislative Assembly to bring them into accord with the relevant provisions of the Government of India Act as adapted under the Indian Independence Act, 1947;

(*b*) by the Constituent Assembly or the President, as the case may be, to the Rules and Standing Order to carry out the provisions of para 9 of the Report and where necessary to secure an appropriate adaptation of the relevant section of the Government of India Act to bring it into conformity with the new Rules.

ORCAD, Vol. V, No. 10, pp. 359-60.

[1] That it should take part in both constitution-making and in legislation.

20 5 *January* 1948

FEDERAL COURT (ENLARGEMENT OF JURISDICTION) ACT, 1948

WHEREAS it is expedient to provide for the enlargement of the appellate jurisdiction of the Federal Court in civil cases ;

It is hereby enacted as follows :

(1) *Short title and commencement.* (i) This Act may be called the Federal Court (Enlargement of Jurisdiction) Act, 1947.

(ii) It shall come into force on the first day of February, 1948, which day is hereinafter referred to as ' the appointed day '.

(2) *Definitions.* In this Act,

(*a*) ' High Court ' means any High Court to which the provisions of Chapter 2 of Part IX of the Government of India Act, 1935, apply ;

(*b*) ' judgement to which this Act applies ' means any judgement, decree or final order of a High Court in a civil case from which a direct appeal could have been brought to His Majesty in Council, either with or without special leave, if this Act had not been passed.

(3) *Enlargement of the Federal Court's jurisdiction.* As from the appointed day,

(*a*) an appeal shall lie to the Federal Court from any judgement to which this Act applies

(i) without the special leave of the Federal Court, if an appeal could have been brought to His Majesty in Council without special leave under the provisions of the Code of Civil Procedure, 1908, or of any other law in force immediately before the appointed day, and

(ii) with the special leave of the Federal Court in any other case ;

(*b*) in any such appeal as aforesaid it shall be competent for the Federal Court to consider any question of the nature mentioned in sub-section (1) of section 205 of the Government of India Act, 1935 ; and

(*c*) no direct appeal shall lie to His Majesty in Council, either with or without special leave, from any such judgement.

(4) *Continuance of certain proceedings in High Courts.* All proceedings and steps taken in, and orders made and certificates granted by, a High Court in connexion with an appeal to His Majesty in Council from a judgement to which this Act applies shall, unless the records pertaining to such appeal have before the appointed day been transmitted by the High Court concerned to His Majesty in Council, be deemed to be proceedings and steps taken, orders made, and certificates granted, in connexion with an appeal from that judgement to the Federal Court under this Act, and shall be concluded, or as the case may be, have effect, accordingly.

(5) *Pending applications for special leave to appeal.* Every application to His Majesty in Council for special leave to appeal from a judgement to which this Act applies remaining undisposed of immediately before the appointed day shall on that day stand transferred to the Federal Court by virtue of this Act, and shall be disposed of by that Court as if it had been an application duly made to that Court for special leave to appeal from the said judgement.

(6) *Modification of existing laws.* The provisions of the Code of Civil Procedure, 1908, and of any other law in force immediately before the appointed day relating to direct appeals in civil cases to His Majesty in Council shall, as from that day, have effect in relation to any appeal from a judgement to which this Act applies as if in the said provisions, for all references to His Majesty in Council, there had been substituted references to the Federal Court.

(7) *Savings.* The preceding provisions of this Act shall not apply to any appeal—

(*a*) which immediately before the appointed day is pending before His Majesty in Council, if the records pertaining to such appeal have before that day been transmitted by the High Court concerned to His Majesty in Council ; or

(*b*) to the bringing of which to His Majesty in Council special leave has been granted before the appointed day ;

and any such appeal may be disposed of by His Majesty in Council as if this Act had not been passed.

(8) *Registrar's certificate to be conclusive as to fact of transmission of records.* If any question arises under section 4 or section 7 whether the records pertaining to an appeal have before the appointed day been transmitted by the High Court concerned to His Majesty in Council a certificate of the Registrar of the High Court that they have been transmitted or not transmitted before the appointed day shall be conclusive evidence on the question.

Gazette, 5 January 1948.

21 28 *September* 1949

ABOLITION OF PRIVY COUNCIL JURISDICTION ACT, 1949

WHEREAS it is expedient to abolish the jurisdiction of His Majesty in Council in respect of Indian appeals and petitions, and to confer a corresponding jurisdiction on the Federal Court of India;

It is hereby enacted as follows:

Short title and commencement

(1) (i) This Act may be called the Abolition of Privy Council Jurisdiction Act, 1949.

(ii) It shall come into force on the tenth day of October, 1949 which day is hereinafter referred to as 'the appointed day'.

Abolition of Privy Council Jurisdiction

(2) (i) As from the appointed day, the jurisdiction of His Majesty in Council to entertain, and save as hereinafter provided to dispose of, appeals and petitions from, or in respect of, any judgment, decree or order of any court or tribunal (other than the Federal Court) within the territory of India, including appeals and petitions in respect of criminal matters, whether such jurisdiction is exercisable by virtue of His Majesty's prerogative or otherwise, shall cease.

(ii) The appeals and petitions aforesaid are hereinafter referred to as 'Indian appeals' and 'Indian petitions', respectively.

Repeal

(3) (i) Sections 208 and 218 of the Government of India Act, 1935, are hereby repealed.

(ii) Any legal proceedings pending by virtue of the said section 208 immediately before the appointed day, whether before His Majesty in Council or the Federal Court, shall by virtue of this Act abate on the appointed day.

Continuance of Privy Council jurisdiction in certain pending cases

(4) Nothing contained in section 2 shall affect the jurisdiction of His Majesty in Council to dispose of

(*a*) any Indian appeal or petition on which the Judicial Committee of the Privy Council has before the appointed day delivered judgment or, as the case may be, reported to His Majesty, but which has not been determined by an Order in Council of His Majesty; or

(*b*) any Indian appeal or petition on which the Judicial Committee has, after hearing the parties, reserved judgment or order; or

(*c*) any Indian appeal which has been entered before the appointed day in the list of business of the Judicial Committee for the Michaelmas sittings of the year 1949 and which after that day is not directed to be removed therefrom by or under the authority of the Judicial Committee; or

(*d*) any Indian petition which has been lodged before the appointed day in the Registry of the Privy Council.

Conferment of corresponding jurisdiction on Federal Court

(5) (i) As from the appointed day, the Federal Court shall, in addition to the jurisdiction conferred on it by the Government of India Act, 1935, and the Federal Court (Enlargement of Jurisdiction) Act, 1947, but subject to the provisions of this

section, have the same jurisdiction to entertain and dispose of Indian appeals and petitions as His Majesty in Council has, whether by virtue of His Majesty's prerogative or otherwise, immediately before the appointed day.

(ii) Notwithstanding anything contained in sub-section (i) of this section, the Federal Court shall have no jurisdiction in respect of any such appeal or petition as is referred to in section (4):

Provided that where, upon any such petition as aforesaid, special leave to appeal to His Majesty in Council is granted after the appointed day, all further steps to be taken in the appeal shall be taken in, and the appeal shall be disposed of by, the Federal Court as if the special leave to appeal had been granted on a petition made to that Court.

(iii) If any question arises whether an appeal or petition is an appeal or petition of the nature referred to in clause (*a*), (*b*), (*c*) or (*d*) of section (4), a certificate of the Registrar of the Privy Council shall be conclusive evidence on the question.

Transfer of pending appeals to the Federal Court

(6) All proceedings in respect of any Indian appeals pending before His Majesty in Council immediately before the appointed day, except those referred to in section (4), shall by virtue of this Act stand transferred to the Federal Court, and shall be disposed of by it in the exercise of the jurisdiction conferred on it by this Act.

Continuance of certain proceedings in High Courts

(7) All proceedings and steps taken in, and orders made and certificates granted by, a High Court in connexion with an Indian appeal or petition shall, except in the case of any such appeal or petition as is referred to in section 4, be deemed to be in connexion with an appeal or petition to the Federal Court from, or in respect of, the same judgement, decree or order under the provisions of this Act, and shall be concluded, or as the case may be, have effect accordingly.

Effect of orders of His Majesty in Council

(8) Any order of His Majesty in Council made on an Indian appeal or petition, whether before, on or after the appointed day, shall for all purposes have effect, not only as an order of His Majesty in Council, but also as if it were an order or decree made by the Federal Court in the exercise of the jurisdiction conferred by this Act.

Amendments of the Government of India Act, 1935

(9) (i) In section 205 of the Government of India Act, 1935 (hereinafter referred to as the said Act), for sub-section (2) the following sub-section shall be substituted, namely:

'(2) Where such certificate is given, any party in a case may appeal to the Federal Court on the ground that any

question as aforesaid has been wrongly decided and, with the leave of the Federal Court, on any other ground. '

(ii) In section 209 of the said Act, for sub-sections (1) and (2) the following sub-section shall be substituted, namely :

' (1) The Federal Court in the exercise of its appellate jurisdiction may pass such decree or make such order as is necessary for doing complete justice in any cause or matter pending before it, including an order for the payment of costs, and any decree so passed or order so made shall be enforceable throughout the territory of India in the manner provided in that behalf in the Code of Civil Procedure, 1908, or in such other manner as may be prescribed by or under a law of the Dominion Legislature, or subject to the provisions of any such law, in the manner prescribed by rules made by the Federal Court. '

(iii) In clause (*a*) of sub-section (3) of section 210 of the said Act, for the word, brackets and figure ' sub-section (2) ', the word, brackets and figure ' sub-section (1) ' shall be substituted.

(iv) In section 214 of the said Act, after sub-section (1) the following sub-section shall be inserted, namely :

' (1A) Subject to the provisions of the Code of Civil Procedure, 1908, or any law made by the Dominion Legislature, the Federal Court may also from time to time, with the approval of the Governor-General, make rules of court for regulating the manner in which any decree passed or order made by it in the exercise of its appellate jurisdiction may be enforced. '

(10) The provisions of the Code of Civil Procedure, 1908, and of any other law in force on the appointed day relating to Indian appeals and petitions shall as from that day have effect, except in relation to the appeals and petitions referred to in section 4, as if in the said provisions, for all references to His Majesty in Council, there had been substituted references to the Federal Court.

Gazette, 28 September 1949.

SECTION IV

MAKING OF THE CONSTITUTION

22 13 *December* 1946

SPEECH: PANDIT NEHRU (EXTRACT)

. . . I beg to move

'(1) This Constituent Assembly declares its firm and solemn resolve to proclaim India as an Independent Sovereign Republic and to draw up for her future governance a Constitution;

(2) Wherein the territories that now comprise British India, the territories that now form the Indian States, and such other parts of India as are outside British India and the States as well as such other territories as are willing to be constituted into the Independent Sovereign India, shall be a Union of them all; and

(3) Wherein the said territories, whether with their present boundaries or with such others as may be determined by the Constituent Assembly and thereafter according to the Law of the Constitution, shall possess and retain the status of autonomous Units, together with residuary powers, and exercise all powers and functions of government and administration, save and except such powers and functions as are vested in or assigned to the Union, or as are inherent or implied in the Union or resulting therefrom; and

(4) Wherein all power and authority of the Sovereign Independent India, its constituent parts and organs of government, are derived from the people; and

(5) Wherein shall be guaranteed and secured to all the people of India justice, social, economic and political: equality of status, of opportunity, and before the law; freedom of thought, expression, belief, faith, worship, vocation, association and action, subject to law and public morality; and

(6) Wherein adequate safeguards shall be provided for minorities, backward and tribal areas, and depressed and other backward classes; and

(7) Whereby shall be maintained the integrity of the territory of the Republic and its sovereign rights on land, sea and air according to justice and the law of civilized nations; and

(8) This ancient land attain its rightful and honoured place in the world and make its full and willing contribution to the promotion of world peace and the welfare of mankind.'

Sir, this is the fifth day of this first session of the Constituent Assembly. Thus far we have laboured on certain provisional and procedural matters which are essential. We have a clear field to work upon; we have to prepare the ground and we have been doing that these few days. We have still much to do. We have to pass our Rules of Procedure and to appoint Committees and the like, before we can proceed to the real step, to the real work of this Constituent Assembly, that is, the high adventure of giving shape, in the printed and written word, to a nation's dream and aspiration. But even now, at this stage, it is surely desirable that we should give some indication to ourselves, to those who look to this Assembly, to those millions in this country who are looking up to us and to the world at large, as to what we may do, what we seek to achieve, whither we are going. It is with this purpose that I have placed this Resolution before this House. It is a Resolution and yet it is something much more than a resolution. It is a Declaration. It is a firm resolve. It is a pledge and an undertaking and it is for all of us, I hope, a dedication. And I wish that this House, if I may say so respectfully, should consider this Resolution not in a spirit of narrow legal wording, but rather look at the spirit behind the Resolution. Words are magic things often enough, but even the magic of words sometimes cannot convey the magic of the human spirit and of a nation's passion. And so, I cannot say that this Resolution at all conveys the passion that lies in the hearts and the minds of the Indian people today. It seeks very feebly to tell the world what we have thought or dreamt of so long, and what we now hope to achieve in the near future. It is in that spirit that I venture to place this Resolution before the House and it is in that spirit that I trust the House will receive it and ultimately pass it. And may I, Sir, also, with all respect, suggest to you and to the House that, when the time comes for the passing of this Resolution, let it not be done in the formal way by the raising of hands, but much more solemnly, by all of us standing up and thus taking this pledge anew.

The House knows that there are many absentees here and many members who have a right to come here have not come. We regret that fact, because we should have liked to associate with ourselves as many people, as many representatives from the different parts of India and different groups as possible. We have undertaken a tremendous task and we seek the co-operation of all people in that task; because the future of India that we have envisaged is not confined to any group or section or province, but it comprises all the four

hundred million people of India, and it is with deep regret that we find some benches empty and some colleagues, who might have been here, absent. I do feel that they ought to come, I do hope that they will come and that this House, in its future stages, will have the benefit of the co-operation of all. Meanwhile, there is a duty cast upon us and that is to bear the absentees in mind, to remember always that we are here not to act for one party or one group, but always to think of India as a whole and always to think of the welfare of the four hundred millions that comprise India. We are all now, in our respective spheres, party men, belonging to this or that group and presumably we shall continue to act in our respective parties. Nevertheless, a time comes when we have to rise above party and think of the nation, think sometimes even of the world at large of which our nation is a great part. And when I think of the work of this Constituent Assembly, it seems to me the time has come when we should, so far as we are capable of it, rise above our ordinary selves and party disputes and think of the great problem before us in the widest and most tolerant and most effective manner so that, whatever we may produce, will be worthy of India as a whole and will be such that the world will recognize that we have functioned, as we should have functioned, in this high adventure.

There is another person who is absent here and who must be in the minds of many of us today — the great leader of our people, the Father of our Nation — who has been the architect of this Assembly and all that has gone before it and possibly of much that will follow. He is not here because, in pursuit of his ideals, he is ceaselessly working in a far corner of India. But I have no doubt that his spirit hovers over this place and blesses our undertaking.

And I stand here, Sir, I feel the weight of all manner of things crowding upon me. We are at the end of an era and possibly very soon we shall embark upon a new age; and my mind goes back to the great past of India, to the 5,000 years of India's history, from the very dawn of that history which might be considered almost the dawn of human history, till today. All that past crowds upon me and exhilarates me and, at the same time, somewhat oppresses me. Am I worthy of that past? When I think also of the future, the greater future I hope, standing on this sword's edge of the present between the mighty past and the mightier future, I tremble a little and feel overwhelmed by this mighty task. We have come here at a strange moment in India's history. I do not know, but I do feel that there is some magic in this moment of transition from the old to the new, something of that magic which one sees when the night turns into day and even though the day may be a cloudy one, it is day after all, for when the

clouds move away, we can see the sun again. Because of all this I find a little difficulty in addressing this House and putting all my ideas before it and I feel also that in this long succession of thousands of years, I see the mighty figures that have come and gone and I see also the long succession of our comrades who have laboured for the freedom of India. And now we stand on the verge of this passing age, trying, labouring, to usher in the new. I am sure the House will feel the solemnity of this moment and will endeavour to treat this Resolution which it is my proud privilege to place before it in a correspondingly solemn manner. I believe there are a large number of amendments coming before the House. I have not seen most of them. It is open to the House, to any member of this House, to move any amendment and it is for the House to accept it or reject it, but I would, with all respect, suggest that this is not the moment for us to be technical and legal about small matters when we have big things to face, big things to say and big things to do, and, therefore, I hope that the House will consider this Resolution in a broad-minded manner and not lose itself in wordy quarrels and squabbles.

I think also of the various Constituent Assemblies that have gone before and of what took place at the making of the great American nation when the fathers of that nation met and fashioned a Constitution which has stood the test of so many years, more than a century and a half, and of the great nation which has resulted, which has been built up on the basis of that Constitution. My mind goes back to that mighty revolution which took place also over 150 years ago and the Constituent Assembly that met in that gracious and lovely city of Paris which has fought so many battles for freedom. My mind goes back to the difficulties that that Constituent Assembly had to face from the King and other authorities, and still it continued. The House will remember that when these difficulties came and even the room for a meeting was denied to that Constituent Assembly, they betook themselves to an open tennis court and met there and took the oath, which is called the Oath of the Tennis Court. They continued meeting in spite of Kings, in spite of the others, and did not disperse till they had finished the task they had undertaken. Well, I trust that it is in that solemn spirit that we too are meeting here and that we too whether we meet in this chamber or in other chambers, or in the fields or in the market place, will go on meeting and continue our work till we have finished it.

Then my mind goes back to a more recent revolution which gave rise to a new type of State, the revolution that took place in Russia and out of which has arisen the Union of the Soviet Socialist Republics, another mighty country which is playing a tremendous part in the

world, not only a mighty country, but for us in India, a neighbouring country.

So our mind goes back to these great examples and we seek to learn from their success and to avoid their failures. Perhaps we may not be able to avoid failures, because some measure of failure is inherent in human effort. Nevertheless, we shall advance, I am certain, in spite of obstructions and difficulties, and achieve and realize the dream that we have dreamt so long. In this Resolution which the House knows has been drafted with exceeding care we have tried to avoid saying too much or too little. It is difficult to frame a resolution of this kind. If you say too little, it becomes just a pious resolution and nothing more. If you say too much, it encroaches on the functions of those who are going to draw up a Constitution, that is, on the functions of this House. This Resolution is not a part of the Constitution we are going to draw up, and it must not be looked upon as such. This House has perfect freedom to draw up that Constitution and when others come into this House, they will have perfect freedom too to fashion that Constitution. This Resolution, therefore, steers between these two extremes and lays down only certain fundamentals which, I do believe, no group or party and hardly any individual in India can dispute. We say that it is our firm and solemn resolve to have an Independent Sovereign Republic. India is bound to be sovereign, it is bound to be independent and it is bound to be a Republic. I will not go into the arguments about monarchy and the rest, but obviously we cannot produce monarchy in India out of nothing. It is not there. If it is to be an independent and sovereign State, we are not going to have an external monarchy and we cannot begin a search for a legal heir from among local monarchies. It must inevitably be a Republic. Now, some friends have raised the question: 'Why have you not put in the word "democratic" here?' Well, I told them that it is conceivable, of course, that a Republic may not be democratic, but the whole of our past is witness to the fact that we stand for democratic institutions. Obviously, we are aiming at democracy and nothing less than a democracy. What form of democracy, what shape it may take is another matter. The democracies of the present day, many of them in Europe and some elsewhere, have played a great part in the world's progress. Yet it may be doubtful if those democracies may not have to change their shape somewhat before long if they have to remain completely democratic. We are not going just to copy, I hope, a certain democratic procedure or an institution of a so-called democratic country. We may improve upon it. In any event, whatever system of government we may establish here must fit in with the temper of our people and be acceptable to

them. We stand for democracy. It will be for this House to determine what shape to give to that democracy, the fullest democracy, I hope. The House will notice that in this Resolution, although we have not used the word 'democratic', because we thought it obvious that the word 'republic' contains the meaning of that word and we did not want to use unnecessary words and redundant words, but we have done something much more than using the word. We have given the content of democracy in this Resolution and not only the content of democracy but the content, if I may say so, of economic democracy in this Resolution. Others might take objection to this Resolution on the ground that we have not said that it should be a Socialist State. Well, I stand for socialism and, I hope, India will stand for socialism and that India will go towards the constitution of a Socialist State and I do believe that the whole world will have to go that way. What form of socialism again is another matter for your consideration. But the main thing is that in such a Resolution, if, in accordance with my own desire, I had put in that we wanted a Socialist State, we would have put in something which might be agreeable to many and might not be agreeable to some and we wanted this Resolution not to be controversial in regard to such matters. Therefore, we have laid down, not theoretical words and formulas, but rather the content of the thing we desire. This is important. I take it there can be no dispute about it. Some people have pointed out to me that our mentioning a Republic may somewhat displease the rulers of Indian States. It is possible that this may displease them. But I want to make it clear personally, and the House knows, that I do not believe in the monarchical system anywhere, and that in the world today monarchy is a fast disappearing institution. Nevertheless, it is not a question of my personal belief in this matter. Our view in regard to the Indian States has been, for many years, first of all that the people of those States must share completely in the freedom to come. It is quite inconceivable to me that there should be different standards and degrees of freedom as between the people of the States and the people outside the States. In what manner the States will be parts of that Union is a matter for this House to consider with the representatives of the States. And I hope that, in all matters relating to the States, this House will deal with the real representatives of the States. We are perfectly willing, I take it, to deal in such matters as appertain to them, with the rulers or their representatives also, but finally when we make a Constitution for India, it must be through the representatives of the people of the States as with the rest of India, who are present here. In any event, we may lay down or agree that the measure of freedom must be the same in the States as elsewhere. It

is a possibility and personally I should like a measure of uniformity too in regard to the apparatus and machinery of Government. Nevertheless, this is a point to be considered in co-operation and in consultation with the States. I do not wish, and I imagine this Constituent Assembly will not like to impose anything on the States against their will. If the people of a particular State desire to have a certain form of administration, even though it might be monarchical, it is open to them to have it. The House will remember that even in the British Commonwealth of Nations today, Eire is a Republic and yet in many ways it is a member of the British Commonwealth. So it is a conceivable thing. What will happen, I do not know, because that is partly for this House and partly for others to decide. There is no incongruity or impossibility about a certain definite form of administration in the States, provided there is complete freedom and responsible government there and the people really are in charge. If monarchical figure-heads are approved of by the people of the State, of a particular State, whether I like it or not, I certainly would not interfere. So I wish to make it clear that so far as this Resolution or Declaration is concerned, it does not interfere in any way with any future work that this Constituent Assembly may do, with any future negotiations that it may undertake. Only in one sense, if you like, it limits our work, if you call that a limitation, i.e., we adhere to certain fundamental propositions which are laid down in this Declaration. These fundamental propositions, I submit, are not controversial in any real sense of the word. Nobody challenges them in India and nobody ought to challenge them, but if anybody should challenge them, well, we shall accept that challenge and hold our position.

Well, Sir, we are going to make a Constitution for India and it is obvious that what we are going to do in India is going to have a powerful effect on the rest of the world, not only because a new free independent nation comes out into the arena of the world, but because of the very fact that India is such a country that by virtue, not only of her large size and population, but of her enormous resources and her ability to exploit those resources, she can immediately play an important and a vital part in world affairs. Even today, on the verge of freedom as we are today, India has begun to play an important part in world affairs. Therefore, it is right that the framers of our Constitution should always bear this larger international aspect in mind.

We approach the world in a friendly way. We want to make friends with all countries. We want to make friends, in spite of the long history of conflict in the past, with England also. The House knows that recently I paid a visit to England. I was reluctant to go for reasons

which the House knows well. But I went because of a personal request from the Prime Minister of Great Britain. I went and I met with courtesy everywhere. And yet at this psychological moment in India's history when we wanted, when we hungered for messages of cheer, friendship and co-operation from all over the world, and more especially from England, because of the past contact and conflict between us, unfortunately, I came back without any message of cheer, but with a large measure of disappointment. I hope that the new difficulties that have arisen, as every one knows, because of the recent statements made by the British Cabinet and by others in authority there, will not come in our way and that we shall succeed yet in going ahead with the co-operation of all of us here and those who have not come. It has been a blow to me, and it has hurt me that just at the moment when we were going to stride ahead, obstructions were placed in our way, new limitations were mentioned which had not been mentioned previously and new methods of procedure were suggested. I do not wish to challenge the bona fides of any person, but I wish to say that whatever the legal aspect of the thing might be, there are moments when law is a very feeble reed to rely upon, when we have to deal with a nation which is full of the passion for freedom. Most of us here during many years past, for a generation or more, have often taken part in the struggle for India's freedom. We have gone through the valley of the shadow. We are used to it, and if necessity arises we shall go through it again. Nevertheless, through all this long period, we have thought of the time when we should have an opportunity, not merely to struggle, not merely to destroy, but to construct and create. And now, when it appeared that the time had come for constructive effort in a free India to which we looked forward with joy, fresh difficulties were placed in our way at such a moment. It shows that, whatever force might be behind all this, people who are able and clever and very intelligent, somehow lack the imaginative daring which should accompany great offices. For, if you have to deal with any people, you have to understand them imaginatively; you should understand them emotionally; and, of course, you have also to understand them intellectually. One of the unfortunate legacies of the past has been that there has been no imagination in the understanding of the Indian problem. People have often indulged in, or have presumed to give us advice, not realizing that India, as she is constituted today, wants no one's advice and no one's imposition upon her. The only way to influence India is through friendship and co-operation and goodwill. Any attempt at imposition, the slightest trace of patronage, is resented and will be resented. We have tried, I think honestly, in the last few months, in spite of the difficulties that have faced us, to create an

atmosphere of co-operation. We shall continue that endeavour. But I do very much fear that that atmosphere will be impaired if there is not sufficient and adequate response from others. Nevertheless, because we are bent on great tasks, I hope and trust that we shall continue that endeavour and I do hope that, if we continue, we shall succeed. Where we have to deal with our own countrymen, we must continue that endeavour even though in our opinion some of our countrymen take a wrong path. For, after all, we have to work together in this country and we have inevitably to co-operate, if not today, tomorrow or the day after. Therefore, we have to avoid in the present anything which might introduce a new difficulty in the creation of that future which we are working for. Therefore, as far as our own countrymen are concerned, we must try our utmost to gain their co-operation in the largest measure. But co-operation cannot mean the giving up of the fundamental ideals on which we have stood and on which we should stand. It is not co-operation to surrender everything that has given meaning to our lives. Apart from that, as I said, we seek the co-operation of England even at this stage even when we are full of suspicion of each other. We feel that if that co-operation is denied, it will be injurious to India, certainly to some extent, probably more so to England, and, to some extent, to the world at large. We have just come out of a world war and people talk vaguely and rather wildly of new wars to come. At such a moment is this New India taking birth — renascent, vital, fearless. Perhaps it is a suitable moment for this new birth to take place out of this turmoil in the world. But we have to be clear-eyed at this moment — we, who have the heavy task of constitution-building. We have to think of this tremendous prospect of the present and the greater prospect of the future and not get lost in seeking small gains for this group or that. In this Constituent Assembly we are functioning on a world stage and the eyes of the world are upon us and the eyes of our entire past are upon us. Our past is witness to what we are doing here and though the future is still unborn, the future too somehow looks at us, I think, and so I would beg of this House to consider this Resolution in the mighty perspective of our past, of the turmoil of the present and of the great and unborn future that is going to take place soon.

ORCAD, Vol. I, No. 5, pp. 57-62.

23 8 *August* 1947

ADVISORY COMMITTEE FOR MINORITIES
(REPORT–EXTRACT)

To The President,
Constituent Assembly of India
Dear Sir,

On behalf of the members of the Advisory Committee appointed by the Constituent Assembly on the 24th January 1947 and subsequently nominated by you, I have the honour to submit this report on minority rights. It should be treated as supplementary to the one forwarded to you with my letter No. CA/24/Com./47, dated the 23rd April 1947,[1] and dealt with by the Assembly during the April session. That report dealt with justiciable Fundamental Rights; these rights, whether applicable to all citizens generally or to members of minority communities in particular, offer a most valuable safeguard for minorities over a comprehensive field of social life. The present report deals with what may broadly be described as political safeguards of minorities and covers the following points:

(i) Representation in legislatures; joint versus separate electorates; and weightage.

(ii) Reservation of seats for minorities in Cabinets.

(iii) Reservation for minorities in the Public Services.

(iv) Administrative machinery to ensure protection of minority rights.

(2) Our recommendations are based on exhaustive discussion both in the Sub-Committee on Minorities as well as in the main Advisory Committee. From the very nature of things, it was difficult to expect complete unanimity on all points. I have pleasure in informing you, however, that our recommendations, where they were not unanimous, were taken by very large majorities composed substantially of members belonging to minority communities themselves.

Joint versus separate electorates and weightage.

(3) The first question we tackled was that of separate electorates; we considered this as being of crucial importance both to the minorities themselves and to the political life of the country as a whole. By an overwhelming majority, we came to the conclusion that the system of separate electorates must be abolished in the new constitution. In our judgement, this system has in the past sharpened communal differences to a dangerous extent and has proved one of the main

[1] See Constituent Assembly of India, *Reports of Committees* (First Series), from Dec. 1946 to July 1947, pp. 18–20.

stumbling blocks to the development of a healthy national life. It seems specially necessary to avoid these dangers in the new political conditions that have developed in the country and from this point of view the arguments against separate electorates seem to us absolutely decisive.

(4) We recommend accordingly that all elections to the Central and Provincial legislatures should be held on the basis of joint electorates. In order that minorities may not feel apprehensive about the effect of a system of unrestricted joint electorates on the quantum of their representation in the legislature, we recommend as a general rule that seats for the different recognized minorities shall be reserved in the various legislatures on the basis of their population. This reservation should be initially for a period of 10 years, the position to be reconsidered at the end of that period. We recommend also that the members of a minority community who have reserved seats, shall have the right to contest unreserved seats as well. As a matter of general principle, we are opposed to weightage for any minority community.

(5) For two reasons the application of the above principles to specific minorities was considered in detail by the committee. In the first place, it was known to us that minorities are by no means unanimous as to the necessity, in their own interests, of statutory reservation of seats in the legislatures. Secondly, the strict application of the above principles to a microscopic minority like the Anglo-Indians seemed to require very careful examination . . .

. . . . . .

(15) The minorities' representatives in the committee naturally attached importance to the provision of administrative machinery for ensuring that the guarantees and safeguards provided for the minorities both in the constitution and by executive orders are in fact implemented in practice. After considerable discussion, we have come to the conclusion that the best arrangement would be for the Centre and for each of the Provinces to appoint a special Minority Officer whose duty will be to enquire into cases in which it is alleged that rights and safeguards have been infringed and to submit a report to the appropriate legislature.

(16) We have felt bound to reject some of the proposals placed before us partly because, as in the case of reservation of seats in Cabinets, we felt that a rigid constitutional provision would have made parliamentary democracy unworkable and partly because, as in the case of the electoral arrangements, we considered it necessary to harmonize the special claims of minorities with the development of a healthy national life. We wish to make it clear, however, that our

general approach to the whole problem of minorities is that the State should be so run that they should stop feeling oppressed by the mere fact that they are minorities and that, on the contrary, they should feel that they have as honourable a part to play in the national life as any other section of the community. In particular, we think it is a fundamental duty of the State to take special steps to bring up those minorities which are backward to the level of the general community. We recommend accordingly that a Statutory Commission should be set up to investigate into the conditions of socially and educationally backward classes, to study the difficulties under which they labour and to recommend to the Union or the Unit Government as the case may be, the steps that should be taken to eliminate their difficulties and suggest the financial grants that should be given and the conditions that should be prescribed for such grants.

(17) A summary of our recommendations is attached.

Council House,
New Delhi, the 8th August 1947

Yours truly,
VALLABHBHAI PATEL
Chairman

RECOMMENDATIONS

Representation in Legislatures

(1) *Electorates.* All elections to the Central and Provincial legislatures will be held on the basis of joint electorates:

Provided that, as a general rule, there shall be reservation of seats for the minorities shown in the Schedule and the section of the Hindu community referred to in paragraph 1-A hereof in the various Provincial legislative assemblies on the basis of their population:

Provided further that such reservation shall be for 10 years, the position to be reconsidered at the end of the period.

Schedule

Group (*a*) Population less than ½ per cent in the Indian Dominion, omitting States.

(i) Anglo-Indians.
(ii) Parsees.
(iii) Plains' tribesmen in Assam, other than tea garden tribes.[1]
(*b*) Population not more than 1½ per cent.
(iv) Indian Christians.
(v) Sikhs.[2]

[1] The Committee made no recommendation as the Excluded and Partially Excluded Areas Subcommittee had not finished its consideration of the matter. However for later provisions see Articles 330–42 of the Constitution of India.

[2] The question of the Sikhs was deferred till their number in East Punjab could be determined with some certainty.

(*c*) Population exceeding 1½ per cent.

(vi) Muslims.

(1A) The section of the Hindu community referred to as Scheduled Castes as defined in Schedule I to the Government of India Act, 1935, shall have the same rights and benefits which are herein provided for minorities specified in the Schedule to paragraph (1).

(2) *Anglo-Indians.* (*a*) There shall be no reservation of seats for the Anglo-Indians, but the President of the Union and the Governors of Provinces shall have power to nominate their representatives in the Centre and the Provinces respectively if they fail to secure adequate representation in the legislatures as a result of the general election.

Parsees. (*b*) There shall be no statutory reservation in favour of the Parsee community, but they would continue to remain on the list of recognized minorities:

Provided that if as a result of elections during the period prescribed in proviso 2 to paragraph (1) above it was found that the Parsee community had not secured proper representation, their claim for reserved seats would be reconsidered and adequate representation provided should the separate representation of minorities continue to be a feature of the Constitution.

(Note.—The above recommendations represent the view taken by the representatives of the Parsee community.)

(3) *Indian Christians.* (*a*) There shall be reserved representation for Indian Christians in proportion to their population in the Central Legislature and in the Provincial legislatures of Madras and Bombay. In other Provinces, they will have the right to seek election from the general seats.

East Punjab. (*b*) In view of the special situation of East Punjab, the whole question relating to it will be considered later.

Muslims. (*c*) There shall be reservation of seats for the Muslims in the lower Houses of the Central and Provincial legislatures on the basis of their population.

(3A) The section of the Hindu community referred to as Scheduled Castes as defined in Schedule I to the Government of India Act, 1935, shall have the same rights and benefits which are herein provided for the minority community specified in paragraph 3(*c*).

(4) *Additional right to minorities.* The members of a minority community who have reserved seats shall have the right to contest unreserved seats as well.

In view of the special situation of West Bengal, the question relating to it will be considered later.

(5) *No weightage.* The minorities for whom representation has been reserved will be allotted seats on their population ratio, and there shall be no weightage for any community.

(6) *No condition for a minimum number of votes of one's own community.* There shall be no stipulation that a minority candidate standing for election for a reserved seat shall poll a minimum number of votes of his own community before he is declared elected.

(7) *Method of voting.* There may be plural member constituencies, but the voting shall be distributive, that is, each voter will have as many votes as there are members and he should give only one vote to a candidate.

Representation of Minorities in Cabinets

(8) *No reservation for minorities.* (*a*) There shall be no statutory reservation of seats for the minorities in Cabinets but a convention on the lines of paragraph VII[3] of the Instrument of Instructions issued to Governors under the Government of India Act, 1935, shall be provided in a Schedule to the Constitution.

Recruitment in Services

(9) *Due share to all minorities guaranteed.* In the all-India and Provincial services, the claims of all the minorities shall be kept in view in making appointments to these services consistently with the consideration of efficiency of administration.

(Note.—Appropriate provision shall be embodied in the Constitution or a schedule thereto to this effect.)

(10) *Position of Anglo-Indian community.* (*a*) (i) The present basis of recruitment of Anglo-Indians in the Railways, the Posts and Telegraphs and the Customs Departments shall continue unchanged for a period of two years after the coming into operation of the Federal Constitution. After that, at intervals of every two years, the reserved vacancies shall be reduced each time by 10 per cent. This shall not however bar the recruitment of Anglo-Indians in the categories of posts in which at present they have reserved places *over and above* the prescribed quota of reserved appointments, if they are able to secure them on individual merit in open competition with other communities. It shall also in no way prejudice their recruitment on merit to posts in these departments, or any other in which they have not been given a reserved quota.

(ii) After a period of ten years from the date of the coming into operation of the Federal Constitution all such reservations shall cease.

[3] VII. In making appointments to his Council of Ministers our Governor shall use his best endeavours to select his Ministers in the following manner, that is to say, to appoint in consultation with the person who in his judgement is most likely to command a stable majority in the legislature those persons (including so far as practicable members of important minority communities) who will best be in a position collectively to command the confidence of the legislature. In so acting, he shall bear constantly in mind the need for ostering a sense of joint responsibility among his Ministers.

(iii) In these services there shall be no reservation for any community after the lapse of 10 years.

(*b*) (i) The present grants to Anglo-Indian education made by the Central and Provincial governments should be continued unchanged for three years after the coming into operation of the Federal Constitution.

(ii) After the expiry of the first three years, the grants may be reduced by 10 per cent and by a further 10 per cent after the sixth year, and again by a further 10 per cent after the ninth year. At the end of the period of 10 years, special concessions to Anglo-Indian schools shall cease.

(iii) During this 10-year period, 40 per cent of the vacancies in all such State-aided Anglo-Indian schools shall be made available to members of other communities.

Working of Safeguards

(11) *Officer to be appointed.* An Officer shall be appointed by the President at the Centre and by the Governors in the Provinces to report to the Union and Provincial legislatures respectively about the working of the safeguards provided for the minorities.

(12) *Statutory Commission for backward classes.* Provision shall also be made for the setting up of a Statutory Commission to investigate into the conditions of socially and educationally backward classes, to study the difficulties under which they labour and to recommend to the Union or the Unit-Government, as the case may be, the steps that should be taken to eliminate the difficulties and the financial grants that should be given and the conditions that should be prescribed for such grants.

ORCAD, Vol. V, No. 8, pp. 266–7 and 270–3.

24 11 *May* 1949

ADVISORY COMMITTEE FOR MINORITIES
(REPORT–EXTRACT)

To The President,
Constituent Assembly of India.

Dear Sir,

The Advisory Committee on Minorities, Fundamental Rights, etc., in their report dated the 8th of August, 1947, had recommended

certain political safeguards for minorities. These were accepted by the Constituent Assembly during the August 1947 session. . . .

(2) I would recall to your mind at this stage that the Committee had observed in their report that minorities were ' by no means unanimous as to the necessity, in their own interests, of statutory reservation of seats in the legislatures'. Nevertheless, the Committee had recommended reservation of seats 'in order that minorities may not feel apprehensive about the effect of a system of unrestricted joint electorates on the quantum of their representation in the legislature'.

(3) When the above recommendations were being considered by the Assembly, events were taking place, following the partition of the country, which made it impossible to consider the question of minority rights in East Punjab, particularly in so far as the Sikhs were concerned. This question of East Punjab was accordingly postponed; and also the question whether the right to contest unreserved seats should be given to minorities in West Bengal.

(4) The Advisory Committee in their meeting held on the 24th February, 1948, appointed a special sub-Committee consisting of myself as Chairman and the

Hon'ble Pandit Jawaharlal Nehru,
Hon'ble Dr Rajendra Prasad,
Shri K. M. Munshi, and the
Hon'ble Dr B. R. Ambedkar,

as members to report on these minority problems affecting East Punjab and West Bengal. This special sub-Committee met on the 23rd November, 1948, and presented a report to the Advisory Committee. A copy of the report is attached as an Appendix.

(5) This report came up for consideration before the Advisory Committee at their meeting held on the 30th December, 1948. Some members of the Committee felt that, conditions having vastly changed since the Advisory Committee made their recommendations in 1947, it was no longer appropriate in the context of free India and of present conditions that there should be reservation of seats for Muslims, Christians, Sikhs or any other religious minority. Although the abolition of separate electorates had removed much of the poison from the body politic, the reservation of seats for religious communities, it was felt, did lead to a certain degree of separatism and was to that extent contrary to the conception of a secular democratic State. Dr H. C. Mookherjee, Mr Tajamul Husain, Shri Lakshmi Kanta Maitra and certain other members gave notices of resolutions seeking to recommend to the Constituent Assembly that there should be no reservation of seats in the legislatures for any community in India. Shri V. I. Muniswami Pillai gave notice of an amendment to the said resolutions

seeking to exclude the Scheduled Castes from the purview of the said resolutions. At that meeting I pointed out that if the members of a particular community genuinely felt that their interests were better served by the abolition of reserved seats, their views must naturally be given due weight and the matter allowed to be reopened. At the same time I was anxious that the representatives of the minorities on the Committee should have adequate time both to gauge public opinion among their people and to reflect fully on the amendments that had been proposed, so that a change, if effected, would be one sought voluntarily by the minorities themselves and not imposed on them by the majority community. Accordingly the Committee adjourned without taking any decision and we met again on the 11th of May, 1949. At this meeting, the resolution of Dr H. C. Mookherjee found the wholehearted support of an overwhelming majority of the members of the Advisory Committee. It was recognized, however, that the peculiar position of the Scheduled Castes would make it necessary to give them reservation for a period of ten years as originally decided. Accordingly the Advisory Committee, with one dissenting voice, passed the said resolution as amended by Shri V. I. Muniswami Pillai in the following form:

'That the system of reservation for minorities other than Scheduled Castes in legislatures be abolished.'

It was further decided that nothing contained in the said resolution shall affect the recommendations made by the North-East Frontier (Assam) Tribal and Excluded Areas Sub-Committee and Excluded and Partially Excluded Areas (other than Assam) Sub-Committee with regard to representation of tribals in the legislatures. The Committee also decided that the resolution should not affect the special provision made for the representation of Anglo-Indians in the legislatures.

(6) The Committee also accepted the unanimous proposal made by the Sikh representatives that the following classes in East Punjab, namely, Mazhabis, Ramdasis, Kabirpanthis and Sikligars, who suffer the same disabilities as other members of the Scheduled Castes, should be included in the list of Scheduled Castes so that they would get the benefit of representation given to the Scheduled Castes. Subject to this change and to the above mentioned resolution, the report of the special sub-Committee appointed by the Advisory Committee was approved.

(7) As a result of the above decisions, the resolutions seeking to do away with the rights of minorities to contest general seats in addition to reserved seats in Assam and West Bengal of which notices had been given by some members of the Committee, were withdrawn.

(8) The Committee are fully alive to the fact that decisions once reached should not be changed lightly. Conditions have, however, vastly changed since August 1947 and the Committee are satisfied that the minorities themselves feel that in their own interests, no less than in the interests of the country as a whole, the statutory reservation of seats for religious minorities should be abolished. The Committee accordingly recommend that the provisions of Part XIV of the Draft Constitution should be amended in the light of the decisions now taken.

Yours truly,
VALLABHBHAI PATEL
Chairman

APPENDIX

EXTRACTS FROM THE REPORT OF THE SPECIAL SUB-COMMITTEE REFERRED TO IN PARAGRAPH 4 OF THE ADVISORY COMMITTEE'S REPORT

At a meeting held on the 24th February 1948 the Advisory Committee on Minorities, Fundamental Rights etc. appointed a sub-Committee consisting of Sardar Vallabhbhai Patel as Chairman, and Pandit Jawaharlal Nehru, Dr Rajendra Prasad, Dr Ambedkar and Mr Munshi as Members, to report on certain minority problems affecting East Punjab and West Bengal. We met on the 23rd November and herewith present our report. We much regret that on account of his illness Dr Rajendra Prasad was unable to be present during our deliberations and to give us the benefit of his counsel, but we understand from him that he is in complete accord with the conclusions which we have reached.

. . . . .

(3) The most important problem referred to us is the problem of the Sikhs. We have examined carefully the demands put forward on their behalf by different organizations and individuals; these vary from suggestions that no special constitutional safeguards are necessary to the very forthright demands of the Shromani Akali Dal. In the main these demands are

(i) that the Sikhs should have the right to elect representatives to the Legislature through a purely communal electorate;

(ii) that in the Provincial Legislature of East Punjab 50 per cent of the seats and in the Central Legislature 5 per cent should be reserved for the Sikhs;

(iii) that seats should be reserved for them in the U.P. and Delhi;

(iv) that Scheduled Caste Sikhs should have the same privileges as other Scheduled Castes; and

(v) that there should be a statutory reservation of a certain proportion of places in the Army.

It will be noticed that these suggestions are a fundamental departure from the decisions taken by the Assembly in respect of every other community including the Scheduled Castes.

(4) It seems scarcely necessary for us to say that in dealing with this problem we are acutely aware of the tragic sufferings which the Sikh community suffered both before and after the partition of the Punjab. The holocaust in West Punjab had deprived them of many valuable lives and great material wealth; moreover, while in these respects the Hindus suffered equally with the Sikhs, the special tragedy of the Sikhs was that they had also to abandon many places particularly sacred to their religion. But while we fully understand the emotional and physical strain to which they have been subjected, we are clear in our minds that the question remitted to us for consideration must be settled on different grounds.

(5) The Sikhs are a minority from the point of view of numbers, but they do not suffer from any of the other handicaps which affect the other communities dealt with by the Advisory Committee. They are a highly educated and virile community with great gifts not merely as soldiers but as farmers and artisans, and with a most remarkable spirit of enterprise. There is, in fact, no field of activity in which they need fear comparison with any other community in the country, and we have every confidence that, with the talents they possess, they will soon reach a level of prosperity which will be the envy of other communities. Moreover, while, in the undivided Punjab, they were only 14 per cent of the population, they form nearly 30 per cent of the population in East Punjab, a strength which gives them, in the public life of the Province, a position of considerable authority.

(6) We have come to the conclusion that we cannot recommend either communal electorates or weightage in the Legislature which are the main demands of the Shromani Akali Dal. In the first place they are not necessary for the well-being of the Sikhs themselves for the reasons we have stated above. Indeed it seems to us that under a system of joint electorates with reserved seats and with the right to contest additional seats the Sikhs are likely to get greater representation than is strictly warranted on the population basis whereas on a system of communal electorates, their representation will be limited. The only way in which this representation could be increased beyond the population basis is to give weightage which means trenching compulsorily on what other communities legitimately regard as their right. In the second place, communal electorates and weightage are definitely retrograde from the point of view of the general interests of the country.

The demands of the Dal are, in principle, precisely those which the Muslim League demanded for the Muslims and which led to the tragic consequences with which the country is all too familiar. We feel convinced that if we are to build a strong State which will hold together in times of peace and war, of prosperity and adversity, the Constitution should contain no provision which would have the effect of isolating any section of the people from the main stream of public life. In this connexion we would recall the following resolution passed by the Constituent Assembly at its meeting held on the 3rd April, 1948 :

'Whereas it is essential for the proper functioning of democracy and the growth of national unity and solidarity that communalism should be eliminated from Indian life, this Assembly is of opinion that no communal organization which by its constitution or by the exercise of discretionary power vested in any of its officers or organs, admits to or excludes from its membership persons on grounds of religion, race and caste, or any of them, should be permitted to engage in any activities other than those essential for the bona fide religious, cultural, social and educational needs of the community, and that all steps, legislative and administrative, necessary to prevent such activities should be taken.'

It is not always easy to define communalism, but there could be little doubt that separate electorates are both a cause and an aggravated manifestation of this spirit. The demands of the Dal are thus wholly at variance with the considered judgement of the Assembly.

If the Constitution guaranteed special safeguards such as communal electorates and weightage to the Sikhs we fear that it would be impossible to justify denying the same privileges to certain other communities. The detailed arguments may vary but the main approach will be similar. We would mention in this connexion only the Scheduled Castes whose standards of education and material well-being are, even on Indian standards, extremely low and who, moreover, suffer from grievous social disabilities. They have contented themselves with the provisions approved by the Assembly and referred to in paragraph (2) above. We cannot conceive of any valid argument which would justify the inclusion in the Constitution of safeguards for the Sikhs which are not available to the Scheduled Castes. The case of the Scheduled Caste is merely illustrative. We feel convinced that to accede to the demands of the Shromani Akali Dal will lead, by an inevitable extension of similar privileges, to other communities, to a disrupting of the whole conception of the Secular State which is to be the basis of our new Constitution.

(7) We recommend accordingly that no special provision should be provided for the Sikhs other than the general provisions already

approved by the Assembly for certain other minorities and summarized in paragraph (2).

(8) The only reason why the Assembly postponed consideration of the question of giving to minorities in West Bengal the right to contest unreserved seats was that it was pointed out by the West Bengal representatives that the population structure of that Province was not known at that time. Although, on account of the recent exodus from East Bengal, any accurate estimate of the numbers of different communities in West Bengal is a matter of some conjecture, the broad picture is known clearly enough and we do not think there are any reasons why the arrangements already approved by the Assembly for other Provinces should not be applied to West Bengal.

VALLABHBHAI PATEL

ORGAD, Vol. VIII, No. 8, pp. 310-15.

25 25 *May* 1949

SPEECH: SARDAR PATEL (EXTRACT)

Sir, I have come before you to move for the consideration of the Report of the Advisory Committee which met during this month for the last time. The Committee has, after completion of its work, been dissolved. The House will remember that in August 1947, probably on the 8th of August, a report was submitted by the Advisory Committee, and the Minority Committee taking into consideration the Advisory Committee's report then submitted its proposals advising this House to adopt certain political safeguards for the minorities by way of reservations of seats in the legislatures on the basis of population and also certain other safeguards.

Now when this report was made, the House will remember that it was at a time when conditions were different and even the effect of Partition was not fully comprehended or appreciated. At that time even when the report was passed suggesting the acceptance of reservation of seats in the Legislature on a population basis, there was difference of opinion. Well, a group of people of highly nationalist tendencies led by Dr Mookherjee, Vice-Chairman of this House, from the beginning opposed such reservations in the Constitution. Rajkumari Amrit Kaur also at that time stoutly opposed these reservations, but the minorities then were apprehensive of getting the quantum of their representation due to them on the basis of population;

and the Advisory Committee, in spite of the difference of opinion, thought it necessary to allay the apprehensions of the minorities at that time, which they considered might be regarded as reasonable. The House will also recall that the representative of the Muslims in South India, Mr Pocker, the no-changer and confirmed Muslim Leaguer, then proposed an amendment in this House when the proposals were submitted to the House, for introducing or continuing the separate electorates, the effects of which have been fully known and felt all over the country and perhaps known outside too. My proposals as Chairman of the Advisory Committee were then accepted by the House practically unanimously and a general sense of appreciation was expressed by the minorities when these proposals were accepted. At a later stage we had to meet again because our proposals were incomplete in so far as the East Punjab and the West Bengal Provinces were concerned, because when the House passed the proposals in the August Session of 1947, the effect of Partition was not felt or known and the vast migrations that took place were at that time in a process of continuation and the position of the Sikhs was practically uncertain at that time. So also in Bengal the effect of Partition was not fully realized, and both the Provinces were desirous of postponing the question till the conditions were fully settled and the effects were fully realized. At a later stage in December a Committee was appointed to consider this question. A sub-committee of five persons was appointed by the Advisory Committee in which our revered President was one of the members; Pandit Jawaharlal Nehru, myself, Mr Munshi and Dr Ambedkar were other members of this Committee. This Committee met and made its report in February. When this report was made the representatives of the Sikh community wanted time to consider the report and consult their community in this matter. Also when the report was put before the Advisory Committee, the Muslim representatives, some of them, had changed their opinions after full reflection for a long period since the passing of the principles of the Constitution in the August Session of 1947. They put forward the plea that all these reservations must disappear and that it was in the interests of the minorities themselves that such reservations in the Legislature must go. It was strongly pressed by the representative from Bihar and supported by other representatives. There was then a little difference of opinion and I was anxious, and so was the Committee, that we should do nothing to take a snatch vote on a question of such vast importance. As the Sikh representatives wanted time to consider their position, we naturally adjourned and met again, during the early part of this month.

When we met this time, we found a considerable change in the attitude of the minorities themselves. Dr Mookherjee moved a motion

for the dropping of the clause on reservation of seats in the Legislature on a population basis. When this proposal was moved, Mr Muniswamy Pillai, who was representing the Scheduled Castes, moved an amendment to the effect that the provision for reservation, so far as the Scheduled Castes are concerned, may be continued for a period of ten years. The general opinion in the Advisory Committee, which was almost unanimous, was that this reservation so far as the Scheduled Castes are concerned, should be continued for that period and that Mr Muniswamy Pillai's amendment should be accepted. The Sikh representatives brought in a proposal which, to a certain extent, was an improvement on the previous position. Whatever may be the object of that proposal, the Advisory Committee thought it fit to give due consideration to the proposal of the Sikhs, because the members of the Committee always felt a sort of responsibility for the susceptibilities and sentiments of the Sikh community which has suffered vastly by the partition of the Punjab. After a full debate, the Committee came to the conclusion that the Sikh proposal to fall in line with the dropping of the reservation clause was, although diluted by another proposal which, in effect, gave them a sort of reservation on certain conditions, a great improvement. The Committee considering the whole situation came to the conclusion that the time has come when the vast majority of the minority communities have themselves realized after great reflection the evil effects in the past of such reservation on the minorities themselves, and the reservations should be dropped.

In a House of about forty members of the Advisory Committee, there was only one solitary vote against the proposal. So we thought that although these proposals were accepted by this House in August 1947, it was due to us and to the House that we should advise this House to reconsider the position and put before the House a proposal which is consistent with the proclaimed principles of this House for the establishment of a genuine democratic State based purely on nationalistic principles. Therefore, when we found the changed atmosphere, we considered it our duty to come before this House to revise this former decision, which was provisional as has been laid down by this House in several cases. It is under these circumstances that these proposals have been brought before the House. . . .

. . . . .

Therefore, although temporarily we may recognize this [fear complex], it is up to the majority community to create by its generosity a sense of confidence in the minorities; and so also it will be the duty of the minority communities to forget the past and to reflect on what the country has suffered due to the sense of fairness which the foreigner

thought was necessary to keep the balance between community and community. This has created class and communal divisions and subdivisions, which in their sense of fairness, they thought fair to create, apart from attributing any motives. We on our part, taking this responsibility of laying the foundations of a free India which shall be and should be our endeavour both of the majority — largely of the majority — and also of the minority community, have to rise to the situation that is demanded from all of us, and create an atmosphere in which the sooner these classifications disappear the better. Therefore, I will appeal to the House, particularly to the Scheduled Castes, not to resent or grudge the concession that is made in the case of the Sikhs, and I concede that this is a concession. It is not a good thing, in the interest of the Sikhs themselves. But till the Sikhs are convinced that this is wrong, I would allow them latitude, consistent with what we think to be our principles of just dealings. So far as the other communities are concerned, I feel that enough time was given when we met in February in the Advisory Committee when these proposals were brought forward on behalf of the minorities, particularly the Muslims, — enough time was given to consult their own constituencies, their communities and also other minority communities. It is not our intention to commit the minorities to a particular position in a hurry. If they really have come honestly to the conclusion that in the changed conditions of this country, it is in the interest of all to lay down real and genuine foundations of a secular State, then nothing is better for the minorities than to trust the good sense and sense of fairness of the majority, and to place confidence in them. So also it is for us who happen to be in a majority to think about what the minorities feel, and how we in their position would feel if we were treated in the manner in which they are treated. But in the long run, it would be in the interest of all to forget that there is anything like majority or minority in this country and that in India there is only one community. With these considerations, Sir, I move that the Report of the Advisory Committee be taken into consideration, as under:

'Resolved that the Constituent Assembly do proceed to take into consideration the Report dated the 11th May, 1949, on the subject of certain political safeguards for Minorities submitted by the Advisory Committee appointed by the resolution of the Assembly of 24th January, 1947.

Resolved further

(i) that notwithstanding any decisions already taken by the Constituent Assembly in this behalf, the provisions of Part XIV of the Draft Constitution of India be so amended as to give effect to the recommendations of the Advisory Committee contained in the said Report; and

(ii) that the following classes in East Punjab, namely, Mazhabis, Ramdasis, Kabirpanthis and Sikligars be included in the list of Scheduled Castes for the Province so that they would be entitled to the benefit of representation in the legislatures given to the Scheduled Castes.'

ORCAD, Vol. VIII, No. 8, pp. 269-72.

26 26 *May* 1949

SPEECH: MR MOHAMMED ISMAIL

. . . I am very glad that this decision has been taken and I welcome it. Why? Because this reservation of seats would only keep alive communalism and would be ineffectual as a safeguard for the Muslim minorities or for the matter of that for any other minorities. I congratulate the majority community, that they have not taken advantage of their superiority in numbers, by utilizing this device for their own purposes. The Muslims have been thinking for some time that this reservation was wholly incompatible with responsible Government and I may say that when provincial autonomy was introduced in the Provinces for the first time the Muslims soon began to realize that separate representation was not going to be an effective safeguard for the protection of their interests. Not only did they realize it but even before that the Muslims were not then convinced of the adequacy of this safeguard. I think it will be recalled that when Mr Jinnah put forward his famous fourteen points, he contemplated that if certain safeguards demanded were conceded elections in future would be by means of joint electorates. For some time the Muslims have been thinking that with the inauguration of responsible Government separate electorates would be out of place. I would like to point out to my friends from Madras who insist on separate electorates, the circumstances and conditions which gave birth to that system. At that time when separate electorates were claimed, there were no direct elections to the legislatures. The members were elected to the legislatures by the members of the Municipal or District Boards. There were no statutory safeguards in the Constitution. A foreign Government was in power and had an official bloc in the legislatures and the Muslims were able to use the separate electorates for their own purposes, but as I said just now, as soon as provincial autonomy came, they very soon found that separate electorate was no safeguard for their interests and they were doomed to remain in opposition,

which led to frustration. My honourable friend Mr Muhammad Saadulla has said that this reservation of seats had been given away by the solitary vote of Begum Aizaz Rasul. May I remind him in this connexion of a meeting which was held ten or twelve months ago in which many Muslim members of this Constituent Assembly took part in which it was decided that we should take steps to do away with reservation. So Begum Aizaz Rasul in casting her vote was not casting a solitary vote, but she did so on behalf of those people who had taken part in that meeting. I do not say that Sir Sayed Saadullah agreed with it, but there were ten or twelve members present who agreed that they should take steps to have this reservation done away with.

Now I would like to point out to my friends who insist on separate electorates for the purpose of safeguarding their rights that, in the Constitution today, we have justiciable fundamental rights prescribed in the Constitution. We can vindicate our rights in future not in the Legislature, but in the Supreme Court, and I say that that forum is much better from our point of view. In the legislatures party feelings run high and disinterested consideration is seldom given to such matters, but with the statutory safeguards provided for in the Constitution, we have nothing to fear and our cultural, religious and educational associations should keep a vigilant eye and see that those rights are not infringed or curtailed by appealing to the Supreme Court of Judicature. In future, I trust, the Muslim members will be able to speak on behalf of their constituencies as authoritatively as the other members. That is why I want to do away with communalism in the shape of separate electorates so that when they come here they can speak with the same authority as any other member and as a representative not only of the Muslims but also of the majority community. There is no half-way house between separate representation and territorial electorates. Reservation was an ineffective method for the protection of communal rights and I therefore give my unstinted support to this decision which does away with it. I wish to point out to my Madras friends that even twenty years back the Muslims were thinking of giving up separate electorates provided certain safeguards were provided and conceded, but in the Constitution that was framed, for instance, in the Act of 1935, no safeguards were given. The responsibility for the protection of their rights was entrusted to the Governors of the Provinces by the Instrument of Instructions, but today the conditions are different. Here we have got statutory safeguards. Why then do we want separate representation? How will it help us? Would it not always keep us from joining other parties? After all, with, communal electorates, you would have to have a communal organization to put up candidates and frame a programme and policy for

their work in the legislatures which means that the present state of affairs would continue and keep alive communalism in its worst form. Would this lead to the establishment of harmonious relations? No. I therefore think that we should give up this system although many of us who have been nurtured in the old traditions find it hard to part with rights which we have so far enjoyed. We are doing all this not for ourselves, but for the future generations of Muslims in this country. The best thing is to trust the majority. Even if we have separate electorates or reservation of seats how are we going to prevent the majority from imposing its own decisions? Merely making speeches will not save you. You will have to join some party or other if you are not to be isolated and on conditions which that party may impose. Moreover, we desire that our State should be non-communal and secular. Here is an opportunity and we should grasp it. Let us not stand in the way of the emergence of a really secular and non-communal State. I support the motion.

ORCAD, Vol. VIII, No. 9, pp. 323-4.

27 4 *November* 1948

SPEECH: DR AMBEDKAR

Mr President, Sir, I introduce the Draft Constitution as settled by the Drafting Committee and move that it be taken into consideration.

The Drafting Committee was appointed by a Resolution passed by the Constituent Assembly on August 29, 1947.

The Drafting Committee was in effect charged with the duty of preparing a Constitution in accordance with the decisions of the Constituent Assembly on the reports made by the various Committees appointed by it such as the Union Powers Committee, the Union Constitution Committee, the Provincial Constitution Committee and the Advisory Committee on Fundamental Rights, Minorities, Tribal Areas, etc. The Constituent Assembly had also directed that in certain matters the provisions contained in the Government of India Act, 1935, should be followed. Except on points which are referred to in my letter of the 21st February, 1948, in which I have referred to the departures made and alternatives suggested by the Drafting Committee, I hope the Drafting Committee will be found to have faithfully carried out the directions given to it.

The Draft Constitution as it has emerged from the Drafting Committee is a formidable document. It contains 315 Articles and 8

Schedules. It must be admitted that the Constitution of no country could be found to be so bulky as the Draft Constitution. It would be difficult for those who have not been through it to realize its salient and special features.

The Draft Constitution has been before the public for eight months. During this long time, friends, critics and adversaries have had more than sufficient time to express their reactions to the provisions contained in it. I dare say that some of them are based on misunderstanding and inadequate understanding of the Articles. But there the criticisms are and they have to be answered.

For both these reasons it is necessary that on a motion for consideration I should draw your attention to the special features of the Constitution and also meet the criticism that has been levelled against it.

Before I proceed to do so I would like to place on the table of the House, reports of three committees appointed by the Constituent Assembly: (1) Report of the Committee on Chief Commissioners' Provinces, (2) Report of the Expert Committee on Financial Relations between the Union and the States, and (3) Report of the Advisory Committee on Tribal Areas, which came too late to be considered by that Assembly though copies of these have been circulated to Members of the Assembly. As these reports and the recommendations made therein have been considered by the Drafting Committee it is only proper that the House should formally be placed in possession of them.

Turning to the main question. A student of Constitutional Law if a copy of a Constitution is placed in his hands, is sure to ask two questions. Firstly, what is the form of Government that is envisaged in the Constitution; and secondly, what is the form of the Constitution? For these are the two crucial matters which every Constitution has to deal with. I will begin with the first of the two questions.

In the Draft Constitution there is placed at the head of the Indian Union a functionary who is called the President of the Union. The title of this functionary reminds one of the President of the United States. But beyond identity of names there is nothing in common between the form of Government prevalent in America and the form of Government proposed under the Draft Constitution. The American form of Government is called the Presidential system of Government. What the Draft Constitution proposes is the Parliamentary system. The two are fundamentally different.

Under the Presidential system of America, the President is the chief head of the Executive. The administration is vested in him. Under the Draft Constitution the President occupies the same position as the King under the English Constitution. He is the head of the State but

not of the Executive. He represents the nation but does not rule the nation. He is the symbol of the nation. His place in the administration is that of a ceremonial device on a seal by which the nation's decisions are made known. Under the American Constitution the President has under him secretaries in charge of different departments. In like manner the President of the Indian Union will have under him ministers in charge of different departments of administration. Here again there is a fundamental difference between the two. The President of the United States is not bound to accept any advice tendered to him by any of his secretaries. The President of the Indian Union will be generally bound by the advice of his ministers. He can do nothing contrary to their advice nor can he do anything without their advice. The President of the United States can dismiss any secretary at any time. The President of the Indian Union has no power to do so so long as his ministers command a majority in Parliament.

The Presidential system of America is based upon the separation of the Executive and the Legislature. So that the President and his secretaries cannot be members of the Congress. The Draft Constitution does not recognize this doctrine. The ministers under the Indian Union are members of Parliament. Only members of Parliament can become ministers. Ministers have the same rights as other members of Parliament, namely, that they can sit in Parliament, take part in debates and vote in its proceedings. Both systems of Government are of course democratic and the choice between the two is not very easy. A democratic Executive must satisfy two conditions: (1) It must be a stable Executive and (2) it must be a responsible Executive. Unfortunately it has not been possible so far to devise a system which can ensure both in equal degree. You can have a system which can give you more stability but less responsibility; or you can have a system which gives you more responsibility but less stability. The American and the Swiss systems give more stability but less responsibility. The British system on the other hand gives you more responsibility but less stability. The reason for this is obvious. The American Executive is a non-Parliamentary Executive which means that it is not dependent for its existence upon a majority in the Congress, while the British system is a Parliamentary Executive which means that it is dependent upon a majority in Parliament. Being a non-Parliamentary Executive, the Congress of the United States cannot dismiss the Executive. A Parliamentary Government must resign the moment it loses the confidence of a majority of the members of Parliament. Looking at it from the point of view of responsibility, a non-Parliamentary Executive being independent of Parliament tends to be less responsible to the Legislature, while a Parliamentary Executive being more dependent upon a

majority in Parliament become more responsible. The Parliamentary system differs from a non-Parliamentary system inasmuch as the former is more responsible than the latter, but they also differ as to the time and agency for assessment of their responsibility. Under the non-Parliamentary system, such as the one that exists in the USA, the assessment of the responsibility of the Executive is periodic. It takes place once in two years. It is done by the electorate. In England, where the Parliamentary system prevails, the assessment of responsibility of the Executive is both daily and periodic. The daily assessment is done by members of Parliament, through questions, resolutions, no-confidence motions, adjournment motions and debates on addresses. Periodic assessment is done by the electorate at the time of the election which may take place every five years or earlier. The daily assessment of responsibility which is not available under the American system is, it is felt, far more effective than the periodic assessment and far more necessary in a country like India. The Draft Constitution, in recommending the Parliamentary system of Executive has preferred more responsibility to more stability.

So far I have explained the form of Government under the Draft Constitution. I will now turn to the other question, namely, the form of the Constitution.

Two principal forms of the Constitution are known to history—one is called Unitary and the other Federal. The two essential characteristics of a Unitary Constitution are : (1) the supremacy of the Central polity and (2) the absence of subsidiary Sovereign polities. Contrarywise, a Federal Constitution is marked: (1) by the existence of a Central polity and subsidiary polities side by side, and (2) by each being sovereign in the field assigned to it. In other words, Federation means the establishment of a dual polity. The Draft Constitution is a Federal Constitution, inasmuch as it establishes what may be called a dual polity. This dual polity under the proposed Constitution will consist of the Union at the Centre and the States at the periphery, each endowed with sovereign powers to be exercised in the field assigned to them respectively by the Constitution. This dual polity resembles the American Constitution. The American polity is also a dual polity, one of it is known as the Federal Government and the other the States Government and these correspond respectively to the Union Government and the States Government of the Draft Constitution. Under the American Constitution the Federal Government is not a mere league of the States nor are the States administrative units or agencies of the Federal Government. In the same way the Indian Constitution proposed in the Draft Constitution is not a league of States nor are the States administrative units or agencies of the Union

Government. Here, however, the similarities between the Indian and the American Constitutions come to an end. The differences that distinguish them are more fundamental and glaring than the similarities between the two.

The points of difference between the American Federation and the Indian Federation are mainly two. In the USA this dual polity is followed by a dual citizenship. In the USA there is a citizenship of the USA. But there is also a citizenship of the State. No doubt the rigours of this double citizenship are much assuaged by the fourteenth amendment to the Constitution of the United States which prohibits the States from taking away the rights, privileges and immunities of the citizens of the United States. At the same time, as pointed out by Mr William Anderson, in certain political matters, including the right to vote and to hold public office, States may and do discriminate in favour of their own citizens. This favouritism goes even farther in many cases. Thus to obtain employment in the service of a State or local government, one is in most places required to be a local resident or citizen. Similarly in the licensing of persons for the practice of such public professions as law and medicine, residence or citizenship in the State is frequently required; and in business where public regulation must necessarily be strict, as in the sale of liquor, and of stocks and bonds, similar requirements have been upheld.

Each State has also certain rights in its own domain that it holds for the special advantage of its citizens. Thus wild game and fish in a sense belong to the State. It is customary for the States to charge higher hunting and fishing licence fees to non-residents than to its own citizens. The States also charge non-residents higher tuition fees in State colleges and universities, and permit only residents to be admitted to their hospitals and asylums except in emergencies.

In short, there are a number of rights that a State can grant to its own citizens or residents that it may and does legally deny to non-residents, or grant to non-residents only on more difficult terms than those imposed on residents. These advantages, given to the citizen in his own State, constitute the special rights of State citizenship. Taken all together, they amount to a considerable difference in rights between citizens and non-citizens of the State. The transient and the temporary sojourner is everywhere under some special handicaps.

The proposed Indian Constitution is a dual polity with a single citizenship. There is only one citizenship for the whole of India. It is Indian citizenship. There is no State citizenship. Every Indian has the same rights of citizenship, no matter in what State he resides.

The dual polity of the proposed Indian Constitution differs from the dual polity of the USA in another respect. In the USA the

Constitutions of the Federal and the State Governments are loosely connected. In describing the relationship between the Federal and State Governments in the USA, Bryce has said:

'The Central or national Government and the State Governments may be compared to a large building and a set of smaller buildings standing on the same ground, yet distinct from each other.'

Distinct they are, but how distinct are the State Governments in the USA from the Federal Government? Some idea of this distinctness may be obtained from the following facts:

(1) Subject to the maintenance of the republican form of Government, each State in America is free to make its own Constitution.

(2) The people of a State retain for ever in their hands, altogether independent of the National Government, the power of altering their Constitution.

To put it again in the words of Bryce:

'A State (in America) exists as a commonwealth by virtue of its own Constitution, and all State authorities, legislative, executive and judicial are the creatures of, and subject to the Constitution.'

This is not true of the proposed Indian Constitution. No State (at any rate those in Part I) has a right to frame its own Constitution. The Constitution of the Union and of the States is a single frame from which neither can get out and within which they must work.

So far I have drawn attention to the differences between the American Federation and the proposed Indian Federation. But there are some other special features of the proposed Indian Federation which mark it off not only from the American Federation but from all other Federations. All federal systems including the American are placed in a tight mould of federalism. No matter what the circumstances, it cannot change its form and shape. It can never be unitary. On the other hand the Draft Constitution can be both unitary as well as federal according to the requirements of time and circumstances. In normal times, it is framed to work as a federal system. But in times of war it is so designed as to make it work as though it was a unitary system. Once the President issues a proclamation, which he is authorized to do under the Provisions of Article 275, the whole scene can become transformed and the State becomes a unitary state. The Union under the proclamation can claim if it wants (1) the power to legislate upon any subject even though it may be in the State list, (2) the power to give directions to the States as to how they should exercise their executive authority in matters which are within their charges, (3) the power to vest authority for any purpose in any officer, and (4) the power to suspend the financial provisions of the Constitution. Such a power of converting itself into a unitary State no Federation

possesses. This is one point of difference between the Federation proposed in the Draft Constitution, and all other Federations we know of.

This is not the only difference between the proposed Indian Federation and other Federations. Federalism is described as a weak if not an effete form of Government. There are two weaknesses from which Federation is alleged to suffer. One is rigidity and the other is legalism. That these faults are inherent in federalism, there can be no dispute. A federal Constitution cannot but be a written constitution and a written Constitution must necessarily be a rigid Constitution. A federal Constitution means division of sovereignty by no less a sanction than that of the law of the Constitution between the Federal Government and the States, with two necessary consequences, (1) that any invasion by the Federal Government in the field assigned to the States and vice versa is a breach of the Constitution and (2) such breach is a justiciable matter to be determined by the Judiciary only. This being the nature of federalism, a federal Constitution cannot escape the charge of legalism. These faults of a federal Constitution have been found in a pronounced form in the Constitution of the United States of America.

Countries which have adopted federalism at a later date have attempted to reduce the disadvantages following from the rigidity and legalism which are inherent therein. The example of Australia may well be referred to in this matter. The Australian Constitution has adopted the following means to make its federation less rigid:

(i) by conferring upon the Parliament of the Commonwealth large powers of concurrent legislation and few powers of exclusive legislation.

(ii) by making some of the Articles of the Constitution of a temporary duration, to remain in force only ' until Parliament otherwise provides '.

It is obvious that under the Australian Constitution, the Australian Parliament can do many things which are not within the competence of the American Congress and for doing which the American Government would have to resort to the Supreme Court and depend upon its ability, ingenuity and willingness to invent a doctrine to justify it in the exercise of authority.

In assuaging the rigour of rigidity and legalism the Draft Constitution follows the Australian plan on a far more extensive scale than has been done in Australia. Like the Australian Constitution, it has a long list of subjects for concurrent powers of legislation. Under the Australian Constitution, concurrent subjects are 39; under the Draft Constitution they are 37. Following the Australian Constitution, there are as many as six Articles in the Draft Constitution where the provisions are of a temporary duration and which could be replaced by

Parliament at any time by provisions suitable for the occasion. The biggest advance made by the Draft Constitution over the Australian Constitution is in the matter of exclusive powers of legislation vested in Parliament. While the exclusive authority of the Australian Parliament to legislate extends only to about 3 matters, the authority of the Indian Parliament as proposed in the Draft Constitution will extend to 91 matters. In this way the Draft Constitution has secured the greatest possible elasticity in its federalism which is supposed to be rigid by nature.

It is not enough to say that the Draft Constitution follows the Australian Constitution or follows it on a more extensive scale. What is to be noted is that it has added new ways of overcoming the rigidity and legalism inherent in federalism which are special to it and which are not to be found elsewhere.

First is the power given to Parliament to legislate on exclusively provincial subjects in normal times. I refer to Articles 226, 227 and 229.[1] Under Article 226 Parliament can legislate when a subject becomes a matter of national concern as distinguished from purely Provincial concern, though the subject is in the State list, provided a resolution is passed by the Upper Chamber by two-thirds majority in favour of such exercise of the power by the Centre. Article 227 gives similar power to Parliament in a national emergency. Under Article 229 Parliament can exercise the same power if Provinces consent to such exercise. Though the last provision also exists in the Australian Constitution, the first two are a special feature of the Draft Constitution.

The second means adopted to avoid rigidity and legalism is the provision for facility with which the Constitution could be amended. The provisions of the Constitution relating to the amendment of the Constitution divide the Articles of the Constitution into two groups. In the one group are placed Articles relating to (*a*) the distribution of legislative powers between the Centre and the States, (*b*) the representation of the States in Parliament, and (*c*) the powers of the Courts. All other Articles are placed in another group. Articles placed in the second group cover a very large part of the Constitution and can be amended by Parliament by a double majority, namely, a majority of not less than two-thirds of the members of each House present and voting and by a majority of the total membership of each House. The amendment of these Articles does not require ratification by the States. It is only in those Articles which are placed in group one that an additional safeguard of ratification by the States is introduced.

[1] These articles of the Draft Constitution have since been renumbered as §§ 249, 250 and 252 of the Constitution of India.

One can therefore safely say that the Indian Federation will not suffer from the faults of rigidity or legalism. Its distinguishing feature is that it is a flexible federation.

There is another special feature of the proposed Indian Federation which distinguishes it from other federations. A Federation being a dual polity based on divided authority with separate legislative, executive and judicial powers for each of the two polities is bound to produce diversity in laws, in administration and in judicial protection. Up to a certain point this diversity does not matter. It may be welcomed as being an attempt to accommodate the powers of Government to local needs and local circumstances. But this very diversity when it goes beyond a certain point is capable of producing chaos and has produced chaos in many federal States. One has only to imagine twenty different laws—if we have twenty States in the Union—of marriage, of divorce, of inheritance of property, family relations, contracts, torts, crimes, weights and measures, of bills and cheques, banking and commerce, of procedures for obtaining justice and in the standards and methods of administration. Such a state of affairs not only weakens the State but becomes intolerable to the citizen who moves from State to State only to find that what is lawful in one State is not lawful in another. The Draft Constitution has sought to forge means and methods whereby India will have Federation and at the same time will have uniformity in all basic matters which are essential to maintain the unity of the country. The means adopted by the Draft Constitution are three, namely, (*a*) a single judiciary, (*b*) uniformity in fundamental laws, civil and criminal, and (*c*) a common All-India Civil Service to man important posts.

A dual judiciary, a duality of legal codes and a duality of civil services, as I said, are the logical consequences of a dual polity which is inherent in a Federation. In the USA the Federal Judiciary and the State Judiciary are separate and independent of each other. The Indian Federation though a dual polity has no dual judiciary at all. The High Courts and the Supreme Court form one single integrated judiciary having jurisdiction and providing remedies in all cases arising under the constitutional law, the civil law or the criminal law. This is done to eliminate all diversity in all remedial procedure. Canada is the only country which furnishes a close parallel; the Australian system is only an approximation.

Care is taken to eliminate all diversity from laws which are at the basis of civic and corporate life. The great Codes of civil and criminal laws, such as the Civil Procedure Code, the Penal Code, the Criminal Procedure Code, the Evidence Act, the Transfer of Property Act, the Laws of Marriage, Divorce, and Inheritance, are placed in the

Concurrent List so that the necessary uniformity can always be preserved without impairing the federal system.

The dual polity which is inherent in a federal system is, as I have said, followed in all federations by a dual service. In all federations there is a Federal Civil Service and a State Civil Service. The Indian Federation though a dual polity will have a dual Service but with one exception. It is recognized that in every country there are certain posts in its administrative set-up which might be called strategic from the point of view of maintaining the standard of administration. It may not be easy to spot such posts in a large and complicated machinery of administration. But there can be no doubt that the standard of administration depends upon the calibre of the Civil Servants who are appointed to these strategic posts. Fortunately for us we have inherited from the past a system of administration which is common to the whole of the country and we know what are these strategic posts. The Constitution provides that without depriving the States of their right to form their own Civil Services there shall be an all-India Service recruited on an all-India basis with common qualifications, with uniform scale of pay and the members of which alone could be appointed to these strategic posts throughout the Union.

Such are the special features of the proposed Federation. I will now turn to what the critics have had to say about it.

It is said that there is nothing new in the Draft Constitution, that about half of it has been copied from the Government of India Act of 1935 and that the rest of it has been borrowed from the Constitutions of other countries. Very little of it can claim originality.

One likes to ask whether there can be anything new in a Constitution framed at this hour in the history of the world. More than a hundred years have rolled over when the first written Constitution was drafted. It has been followed by many countries reducing their Constitutions to writing. What the scope of a Constitution should be has long been settled. Similarly what are the fundamentals of a Constitution are recognized all over the world. Given these facts, all Constitutions in their main provisions must look similar. The only new things, if there can be any, in a Constitution framed so late in the day are the variations made to remove the faults and to accommodate it to the needs of the country. The charge of producing a blind copy of the Constitutions of other countries is based, I am sure, on an inadequate study of the Constitution. I have shown what is new in the Draft Constitution and I am sure that those who have studied other Constitutions and who are prepared to consider the matter dispassionately will agree that the Drafting Committee in

performing its duty has not been guilty of such blind and slavish imitation as it is represented to be.

As to the accusation that the Draft Constitution has produced a good part of the provisions of the Government of India Act, 1935, I make no apologies. There is nothing to be ashamed of in borrowing. It involves no plagiarism. Nobody holds any patent rights in the fundamental ideas of a Constitution. What I am sorry about is that the provisions taken from the Government of India Act, 1935, relate mostly to the details of administration. I agree that administrative details should have no place in the Constitution. I wish very much that the Drafting Committee could see its way to avoid their inclusion in the Constitution. But this is to be said on the necessity which justifies their inclusion. Grote, the historian of Greece, has said that:

'The diffusion of constitutional morality, not merely among the majority of any community but throughout the whole, is the indispensable condition of a government at once free and peaceable; since even any powerful and obstinate minority may render the working of a free institution impracticable, without being strong enough to conquer ascendancy for themselves.'

By constitutional morality, Grote meant 'a paramount reverence for the forms of the Constitution, enforcing obedience to authority acting under and within these forms yet combined with the habit of open speech, of action subject only to definite legal control, and unrestrained censure of those very authorities as to all their public acts; combined too, with a perfect confidence in the bosom of every citizen amidst the bitterness of party-contest that the forms of the Constitution will not be less sacred in the eyes of his opponents than in his own'.

While everybody recognizes the necessity of the diffusion of constitutional morality for the peaceful working of a democratic Constitution, there are two things interconnected with it which are not, unfortunately, generally recognized. One is that the form of administration has a close connexion with the form of the Constitution. The form of administration must be appropriate to and in the same sense as the form of the Constitution. The other is that it is perfectly possible to pervert the Constitution, without changing its form, by merely changing the form of the administration and to make it inconsistent and opposed to the spirit of the Constitution. It follows that it is only where people are saturated with constitutional morality, such as the one described by Grote the historian, that one can take the risk of omitting from the Constitution details of administration and leaving it for the Legislature to prescribe them. The question is, can we presume such a diffusion of constitutional morality? Constitutional

morality is not a natural sentiment. It has to be cultivated. We must realize that our people have yet to learn it. Democracy in India is only a top-dressing on an Indian soil, which is essentially undemocratic.

In these circumstances it is wiser not to trust the Legislature to prescribe forms of administration. This is the justification for incorporating them in the Constitution.

Another criticism against the Draft Constitution is that no part of it represents the ancient polity of India. It is said that the new Constitution should have been drafted on the ancient Hindu model of a State and that instead of incorporating Western theories, the new Constitution should have been raised and built upon village panchayats[1] and district panchayats. There are others who have taken a more extreme view. They do not want any Central or Provincial Governments. They just want India to contain so many village Governments. The love of the intellectual Indians for the village community is of course infinite if not pathetic [*laughter*]. It is largely due to the fulsome praise bestowed upon it by Metcalfe, who described them as little republics having nearly everything that they want within themselves, and almost independent of any foreign relations. The existence of these village communities each one forming a separate little State in itself has, according to Metcalfe, contributed more than any other cause to the preservation of the people of India, through all the revolutions and changes which they have suffered, and is in a high degree conducive to their happiness and to the enjoyment of a great portion of the freedom and independence. No doubt the village communities have lasted where nothing else lasts. But those who take pride in the village communities do not care to consider what little part they have played in the affairs and the destiny of the country; and why? Their part in the destiny of the country has been well described by Metcalfe himself who says:

'Dynasty after dynasty tumbles down. Revolution succeeds to revolution. Hindu, Pathan, Mughal, Marhatta, Sikh, English are all masters in turn, but the village communities remain the same. In times of trouble they arm and fortify themselves. A hostile army passes through the country. The village communities collect their little cattle within their walls, and let the enemy pass unprovoked.'

Such is the part the village communities have played in the history of their country. Knowing this, what pride can one feel in them? That they have survived through all vicissitudes may be a fact. But mere survival has no value. The question is on what plane they have survived. Surely on a low, on a selfish level. I hold that these

[1] §40 of the Constitution, however, includes village panchayats in the Directive Principles of State Policy.

village republics have been the ruination of India. I am therefore surprised that those who condemn provincialism and communalism should come forward as champions of the village. What is the village but a sink of localism, a den of ignorance, narrow-mindedness and communalism? I am glad that the Draft Constitution has discarded the village and adopted the individual as its unit.

The Draft Constitution is also criticized because of the safeguards it provides for minorities. In this, the Drafting Committee has no responsibility. It follows the decisions of the Constituent Assembly. Speaking for myself, I have no doubt that the Constituent Assembly has done wisely in providing such safeguards for minorities as it has done. In this country both the minorities and the majorities have followed a wrong path. It is wrong for the majority to deny the existence of minorities. It is equally wrong for the minorities to perpetuate themselves. A solution must be found which will serve a double purpose. It must recognize the existence of the minorities to start with. It must also be such that it will enable majorities and minorities to merge some day into one. The solution proposed by the Constituent Assembly is to be welcomed because it is a solution which serves this twofold purpose. To the diehards, who have developed a kind of fanaticism against minority protection, I would like to say two things. One is that minorities are an explosive force which, if it erupts, can blow up the whole fabric of the State. The history of Europe bears ample and appalling testimony to this fact. The other is that the minorities in India have agreed to place their existence in the hands of the majority. In the history of negotiations for preventing the partition of Ireland, Redmond said to Carson 'Ask for any safeguard you like for the Protestant minority but let us have a United Ireland.' Carson's reply was 'Damn your safeguards, we don't want to be ruled by you.' No minority in India has taken this stand. They have loyally accepted the rule of the majority which is basically a communal majority and not a political majority. It is for the majority to realize its duty not to discriminate against minorities. Whether the minorities will continue or will vanish must depend upon this habit of the majority. The moment the majority loses the habit of discriminating against the minority, the minorities can have no ground to exist. They will vanish.

The most criticized part of the Draft Constitution is that which relates to Fundamental Rights. It is said that Article 13[1], which defines fundamental rights, is riddled with so many exceptions that the exceptions have eaten up the rights altogether. It is condemned as a kind of deception. In the opinion of the critics, fundamental rights are not fundamental rights unless they are also absolute rights. The

[1] §19 of the Constitution.

critics rely on the Constitution of the United States and refer to the Bill of Rights embodied in the first ten Amendments to that Constitution in support of their contention. It is said that the fundamental rights in the American Bill of Rights are real because they are not subjected to limitations or exceptions.

I am sorry to say that the whole of the criticism about fundamental rights is based upon a misconception. In the first place the criticism in so far as it seeks to distinguish fundamental rights from non-fundamental rights is not sound. It is incorrect to say that fundamental rights are absolute while non-fundamental rights are not absolute. The real distinction between the two is that non-fundamental rights are created by agreement between parties while fundamental rights are the gift of the law. Because fundamental rights are the gift of the State it does not follow that the State cannot qualify them.

In the second place, it is wrong to say that fundamental rights in America are absolute. The difference between the position under the American Constitution and the Draft Constitution is one of form and not of substance. That the fundamental rights in America are not absolute rights is beyond dispute. In support of every exception to the fundamental rights set out in the Draft Constitution one can refer to at least one judgment of the United States Supreme Court. It would be sufficient to quote one such judgment of the Supreme Court in justification of the limitation on the right of free speech contained in Article 13[1] of the Draft Constitution. In *Gitlow* v. *New York* in which the issue was the constitutionality of a New York ' criminal anarchy ' law which purported to punish utterances calculated to bring about violent change, the Supreme Court said :

' It is a fundamental principle, long established, that the freedom of speech and of the press, which is secured by the Constitution, does not confer an absolute right to speak or publish, without responsibility, whatever one may choose, or an unrestricted and unbridled license that gives immunity for every possible use of language and prevents the punishment of those who abuse this freedom.'

It is therefore wrong to say that the fundamental rights in America are absolute, while those in the Draft Constitution are not.

It is argued that if any fundamental rights require qualification, it is for the Constitution itself to qualify them as is done in the Constitution of the United States and where it does not do so it should be left to be determined by the Judiciary upon a consideration of all the relevant considerations. All this, I am sorry to say, is a complete misrepresentation if not a misunderstanding of the American Constitution. The American Constitution does nothing of the kind. Except

[1] §19 of the Constitution.

in one matter, namely, the right of assembly, the American Constitution does not itself impose any limitations upon the fundamental rights guaranteed to the American citizens. Nor is it correct to say that the American Constitution leaves it to the Judiciary to impose limitations on fundamental rights. The right to impose limitations belongs to the Congress. The real position is different from what is assumed by the critics. In America, the fundamental rights as enacted by the Constitution were no doubt absolute. Congress, however, soon found that it was absolutely essential to qualify these fundamental rights by limitations. When the question arose as to the constitutionality of these limitations before the Supreme Court, it was contended that the Constitution gave no power to the United States Congress to impose such limitation, the Supreme Court invented the doctrine of police power and refuted the advocates of absolute fundamental rights by the argument that every State has inherent in it police power which is not required to be conferred on it expressly by the Constitution. To use the language of the Supreme Court in the case I have already referred to, it said:

'That a State in the exercise of its police power may punish those who abuse this freedom by utterances inimical to the public welfare, tending to corrupt public morals, incite to crime or disturb the public peace, is not open to question . . .'

What the Draft Constitution has done is that instead of formulating fundamental rights in absolute terms and depending upon our Supreme Court to come to the rescue of Parliament by inventing the doctrine of police power, it permits the State directly to impose limitations upon fundamental rights. There is really no difference in the result. What one does directly, the other does indirectly. In both cases, the fundamental rights are not absolute.

In the Draft Constitution the Fundamental Rights are followed by what are called 'Directive Principles'. It is a novel feature in a Constitution framed for Parliamentary Democracy. The only other constitution framed for Parliamentary Democracy which embodies such principles is that of the Irish Free State. These Directive Principles have also come up for criticism. It is said that they are only pious declarations. They have no binding force. This criticism is of course superfluous. The Constitution itself says so in so many words.

If it is said that the Directive Principles have no legal force behind them, I am prepared to admit it. But I am not prepared to admit that they have no sort of binding force at all. Nor am I prepared to concede that they are useless because they have no binding force in law.

The Directive Principles are like the Instrument of Instructions which were issued to the Governor-General and to the Governors of

the Colonies and to those of India by the British Government under the 1935 Act. Under the Draft Constitution it is proposed to issue such instructions to the President and to the Governors. The texts of these Instruments of Instructions will be found in Schedule IV[1] of the Draft Constitution. What are called Directive Principles, is merely another name for Instrument of Instructions. The only difference is that they are instructions to the Legislature and the Executive. Such a thing is to my mind to be welcomed. Wherever there is a grant of power in general terms for peace, order and good government, it is necessary that it should be accompanied by instructions regulating its exercise.

The inclusion of such instructions in a Constitution, such as is proposed in the Draft, becomes justifiable for another reason. The Draft Constitution as framed only provides a machinery for the government of the country. It is not a contrivance to install any particular party in power as has been done in some countries. Who should be in power is left to be determined by the people, as it must be, if the system is to satisfy the tests of democracy. But whoever captures power will not be free to do what he likes with it. In the exercise of it, he will have to respect these instruments of instructions which are called Directive Principles. He cannot ignore them. He may not have to answer for their breach in a Court of Law. But he will certainly have to answer for them before the electorate at election time. What great value these directive principles possess will be realized better when the forces of right contrive to capture power.

That it has no binding force is no argument against their inclusion in the Constitution. There may be a difference of opinion as to the exact place they should be given in the Constitution. I agree that it is somewhat odd that provisions which do not carry positive obligations should be placed in the midst of provisions which do carry positive obligations. In my judgment their proper place is in Schedules IIIA and IV[2] which contain Instruments of Instructions to the President and the Governors. For, as I have said, they are really Instruments of Instructions to the Executive and the Legislatures as to how they should exercise their powers. But that is only a matter of arrangement.

Some critics have said that the Centre is too strong. Others have said that it must be made stronger. The Draft Constitution has struck a balance. However much you may deny powers to the Centre, it is difficult to prevent the Centre from becoming strong. Conditions in the modern world are such that centralization of power is inevitable. One has only to consider the growth of the Federal Government in the USA which, notwithstanding the very limited powers given to it

[1] This schedule of the Draft Constitution was deleted by the Constituent Assembly.
[2] These schedules were deleted by the Constituent Assembly.

by the Constitution, has out-grown its former self and has overshadowed and eclipsed the State Governments. This is due to modern conditions. The same conditions are sure to operate on the Government of India and nothing that one can do will help to prevent it from being strong. On the other hand, we must resist the tendency to make it stronger. It cannot chew more than it can digest. Its strength must be commensurate with its weight. It would be a folly to make it so strong that it may fall by its own weight.

The Draft Constitution is criticized for having one sort of constitutional relations between the Centre and the Provinces and another sort of constitutional relations between the Centre and the Indian States. The Indian States are not bound to accept the whole list of subjects included in the Union List but only those which come under Defence, Foreign Affairs and Communications. They are not bound to accept subjects included in the Concurrent List. They are not bound to accept the State List contained in the Draft Constitution. They are free to create their own Constituent Assemblies and to frame their own constitutions. All this, of course, is very unfortunate and, I submit quite indefensible. This disparity may even prove dangerous to the efficiency of the State. So long as the disparity exists, the Centre's authority over all-India matters may lose its efficacy. For, power is no power if it cannot be exercised in all cases and in all places. In a situation such as may be created by war, such limitations on the exercise of vital powers in some areas may bring the whole life of the State in complete jeopardy. What is worse is that the Indian States under the Draft Constitution are permitted to maintain their own armies. I regard this as a most retrograde and harmful provision which may lead to the break-up of the unity of India and the overthrow of the Central Government. The Drafting Committee, if I am not misrepresenting its mind, was not at all happy over this matter. They wished very much that there was uniformity between the Provinces and the Indian States in their constitutional relationship with the Centre. Unfortunately, they could do nothing to improve matters. They were bound by the decisions of the Constituent Assembly, and the Constituent Assembly in its turn was bound by the agreement arrived at between the two negotiating Committees.[1]

But we may take courage from what happened in Germany. The German Empire as founded by Bismarck in 1870 was a composite State, consisting of 25 units. Of these 25 units, 22 were monarchical States and 3 were republican city States. This distinction, as we all

[1] Following further negotiations with the Indian Princes it became possible in July 1949 to put the Indian States and the Indian Provinces in an identical relation with the Centre, with the exceptions mentioned in §238 and C.O. No. 10, 1950 relating to Jammu & Kashmir.

know, disappeared in the course of time and Germany became one land with one people living under one Constitution. The process of the amalgamation of the Indian States is going to be much quicker than it has been in Germany. On the 15th August, 1947, we had 600 Indian States in existence. Today by the integration of the Indian States with Indian Provinces or merger among themselves or by the Centre having taken them as Centrally Administered Areas there have remained some 20/30 States as viable States. This is a very rapid process and progress. I appeal to those States that remain to fall in line with the Indian Provinces and to become full units of the Indian Union on the same terms as the Indian Provinces. They will thereby give the Indian Union the strength it needs. They will save themselves the bother of starting their own Constituent Assemblies and drafting their own separate Constitution and they will lose nothing that is of value to them. I feel hopeful that my appeal will not go in vain and that before the Constitution is passed, we will be able to wipe off the differences between the Provinces and the Indian States.

Some critics have taken objection to the description of India in Article 1 of the Draft Constitution as a Union of States. It is said that the correct phraseology should be a Federation of States. It is true that South Africa which is a unitary State is described as a Union. But Canada which is a Federation is also called a Union. Thus the description of India as a Union, though its constitution is federal, does no violence to usage. But what is important is that the use of the word Union is deliberate. I do not know why the word ' Union ' was used in the Canadian Constitution. But I can tell you why the Drafting Committee has used it. The Drafting Committee wanted to make it clear that though India was to be a Federation, the Federation was not the result of an agreement by the States to join in a Federation and that the Federation not being the result of an agreement no State has the right to secede from it. The Federation is a Union because it is indestructible. Though the country and the people may be divided into different States for convenience of administration the country is one integral whole, its people a single people living under a single *imperium* derived from a single source. The Americans had to wage a civil war to establish that the States have no right of secession and that their Federation was indestructible. The Drafting Committee thought that it was better to make it clear at the outset rather than to leave it to speculation or to dispute.

The provisions relating to amendment of the Constitution have come in for a virulent attack at the hands of the critics of the Draft Constitution. It is said that the provisions contained in the Draft make amendment difficult. It is proposed that the Constitution should

be amendable by a simple majority at least for some years. The argument is subtle and ingenious. It is said that this Constituent Assembly is not elected on adult suffrage while the future Parliament will be elected on adult suffrage and yet the former has been given the right to pass the Constitution by a simple majority while the latter has been denied the same right. It is paraded as one of the absurdities of the Draft Constitution. I must repudiate the charge because it is without foundation. To know how simple are the provisions of the Draft Constitution in respect of amending the Constitution one has only to study the provisions for amendment contained in the American and Australian Constitutions. Compared to them those contained in the Draft Constitution will be found to be the simplest. The Draft Constitution has eliminated the elaborate and difficult procedures such as a decision by a convention or a referendum. The powers of amendment are left with the Legislatures, Central and Provincial. It is only for amendments on specific matters — and they are only few — that the ratification of the State legislatures is required. All other Articles of the Constitution are left to be amended by Parliament. The only limitation is that it shall be done by a majority of not less than two-thirds of the members of each House present and voting and a majority of the total membership of each House. It is difficult to conceive a simpler method of amending the Constitution.

What is said to be the absurdity of the amending provisions is founded upon a misconception of the position of the Constituent Assembly and of the future Parliament elected under the Constitution. The Constituent Assembly in making a Constitution has no partisan motive. Beyond securing a good and workable constitution it has no axe to grind. In considering the Articles of the Constitution it has no eye on getting through a particular measure. The future Parliament . . . members will be acting as partisans . . . [when they seek] to carry amendments to the Constitution to facilitate the passing of party measures which they have failed to get through Parliament by reason of some Articles of the Constitution, which has acted as an obstacle in their way. Parliament will have an axe to grind while the Constituent Assembly has none. That is the difference between the Constituent Assembly and the future Parliament. That explains why the Constituent Assembly though elected on a limited franchise can be trusted to pass the Constitution by a simple majority and why the Parliament though elected on adult suffrage cannot be trusted with the same power to amend it.

I believe I have dealt with all the adverse criticisms that have been levelled against the Draft Constitution as settled by the Drafting Committee. I don't think that I have left out any important comment

or criticism that has been made during the last eight months during which the Constitution has been before the public. It is for the Constituent Assembly to decide whether they will accept the Constitution as settled by the Drafting Committee or whether they shall alter it before passing it.

But this I would like to say. The Constitution has been discussed in some of the Provincial Assemblies of India. It was discussed in Bombay, C.P., West Bengal, Bihar, Madras and East Punjab. It is true that in some Provincial Assemblies serious objections were taken to the financial provisions of the Constitution and in Madras to Article 226. But excepting this, in no Provincial Assembly was any serious objection taken to the Articles of the Constitution. No Constitution is perfect and the Drafting Committee itself is suggesting certain amendments to improve the Draft Constitution. But the debates in the Provincial Assemblies give me courage to say that the Constitution as settled by the Drafting Committee is good enough to . . . start with. I feel that it is workable, it is flexible and it is strong enough to hold the country together both in peace-time and in war-time. Indeed, if I may say so, if things go wrong under the new Constitution, the reason will not be that we had a bad Constitution. What we will have to say is, that Man was vile . . .

ORCAD, Vol. VII, No. 1. pp. 31–44.

28 26 *November* 1949

SPEECH: DR RAJENDRA PRASAD (EXTRACT)

I desire to congratulate the Assembly on accomplishing a task of such tremendous magnitude. It is not my purpose to appraise the value of the work that the Assembly has done or the merits or demerits of the Constitution which it has framed. I am content to leave that to others and to posterity. I shall attempt only to point out some of its salient features and the method which we have pursued in framing the Constitution.

Before I do that, I would like to mention some facts which will show the tremendousness of the task which we undertook some three years ago. If you consider the population with which the Assembly has had to deal, you will find that it is more than the population of the whole of Europe minus Russia, being 319 millions as against 317 millions. The countries of Europe have never been able to join together or coalesce even in a confederacy, much less under one unitary

Government. Here, in spite of the size of the population and the country, we have succeeded in framing a Constitution which covers the whole of it. Apart from the size, there were other difficulties which were inherent in the problem itself. We have got many communities living in this country. We have got many languages prevalent in different parts of it. We have got other kinds of difference dividing the people in the different parts from one another. We had to make provision not only for areas which are advanced educationally and economically; we had also to make provision for backward people like the Tribes and for backward areas like the Tribal Areas. The communal problem had been one of the knottiest problems which the country has had before it for a pretty long time. The Second Round Table Conference which was attended by Mahatma Gandhi failed because the communal problem could not be solved. The subsequent history of the country is too recent to require narration here; but we know this that as a result, the country has had to be divided and we have lost two big portions in the north-east and north-west.

Another problem of great magnitude was the problem of the Indian States. When the British came to India, they did not conquer the country as a whole or at one stroke. They got bits of it from time to time. The bits which came into their direct possession and control came to be known as British India; but a considerable portion remained under the rule and control of the Indian Princes. The British thought at the time that it was not necessary or profitable for them to take direct control of those territories, and to let the old Rulers continue subject to their suzerainty. But they entered into various kinds of treaties and engagements with them. We had something near six hundred States covering more than one-third of the territory of India and one-fourth of the population of the country. They varied in size from small tiny principalities to big States like Mysore, Hyderabad, Kashmir, etc. When the British decided to leave this country, they transferred power to us; but at the same time, they also declared that all the treaties and engagements they had with the Princes had lapsed. The paramountcy which they had so long exercised and by which they could keep the Princes in order also lapsed. The Indian Government was then faced with the problem of tackling these States which had different traditions of rule, some of them having some form of popular representation in Assemblies and some having no semblance of anything like that, and governing completely autocratically.

As a result of the declaration that the treaties with the Princes and paramountcy had lapsed, it became open to any Prince or any combination of Princes to assume independence and even to enter into negotiations with any foreign power and thus become islands of

independent territory within the country. There were undoubtedly geographical and other compulsions which made it physically impossible for most of them to go against the Government of India but constitutionally it had become possible. The Constituent Assembly therefore had at the very beginning of its labours, to enter into negotiations with them to bring their representatives into the Assembly so that a constitution might be framed in consultation with them. The first efforts were successful and some of them did join this Assembly at an early stage but others hesitated. It is not necessary to pry into the secrets of what was happening in those days behind the scenes. It will be sufficient to state that by August 1947 when the Independence of India Act came into force, almost all of them with two notable exceptions, Kashmir in the north and Hyderabad in the south, had acceded to India. Kashmir soon after followed the example of others and acceded. There were also standstill agreements with all of them including Hyderabad which continued the *status quo*. As time passed, it became apparent that it was not possible at any rate for the smaller states to maintain their separate independent existence and then a process of integration with India started. In course of time not only have all the smaller states coalesced and become integrated with some province or other of India but some of the larger ones also have joined. Many of the States have formed Unions of their own and such Unions have become part of the Indian Union. It may be said to the credit of the Princes and the people of the States no less than to the credit of the States Ministry under the wise and far-sighted guidance of Sardar Vallabhbhai Patel that by the time we have been able to pass this Constitution, the States are now more or less in the same position as the Provinces and it has become possible to describe all of them including the Indian States and the Provinces as States in the Constitution.

It has undoubtedly taken us three years to complete this work, but when we consider the work that has been accomplished and the number of days that we have spent in framing this Constitution, the details of which were given by the Honourable Dr B. R. Ambedkar yesterday, we have no reason to be sorry for the time spent.

It has enabled the apparently intractable problem of the States and the communal problem to be solved. What had proved insoluble at the Round Table Conference and had resulted in the division of the country has been solved with the consent of all parties concerned, and again under the wise guidance of the Honourable Sardar Vallabhbhai Patel.

At first we were able to get rid of separate electorates which had poisoned our political life for so many years, but reservation of seats

for the communities which enjoyed separate electorates before had to be conceded, although on the basis of their population and not as had been done in the Act of 1919 and the Act of 1935 of giving additional representation on account of the so-called historical and other superiority claimed by some of the communities. . . . Later even reservation of seats has been given up by the communities concerned and so our Constitution does not provide for reservation of seats on a communal basis, but for reservation only in favour of two classes of people in our population, namely, the depressed classes who are Hindus and the tribal people, on account of their backwardness in education and in other respects. I therefore see no reason to be apologetic about the delay.

The cost too which the Assembly has had to incur during its three years' existence is not too high when you take into consideration the factors going to constitute it. I understand that the expenses up to the 22nd of November come to Rs 63,96,729.

The method which the Constituent Assembly adopted in connexion with the Constitution was first to lay down its ' terms of reference ' as it were in the form of the Objectives Resolution which was moved by Pandit Jawaharlal Nehru in an inspiring speech and which constitutes now the Preamble to our Constitution. It then proceeded to appoint a number of committees to deal with different aspects of the constitutional problem. Dr Ambedkar mentioned the names of these committees. Several of these had as their Chairman either Pandit Jawaharlal Nehru or Sardar Vallabhbhai Patel to whom thus goes the credit for the fundamentals of our Constitution. I have only to add that they all worked in a business-like manner and produced reports which were considered by the Assembly and their recommendations were adopted as the basis on which the draft of the Constitution had to be prepared. This was done by Mr B. N. Rau, who brought to bear on his task a detailed knowledge of Constitutions of other countries and an extensive knowledge of the conditions of this country as well as his own administrative experience. The Assembly then appointed the Drafting Committee which worked on the original draft prepared by Mr B. N. Rau and produced the Draft Constitution which was considered by the Assembly at great length at the second reading stage. As Dr Ambedkar pointed out, there were not less than 7,635 amendments of which 2,473 amendments were moved. I am mentioning this only to show that it was not only the members of the Drafting Committee who were giving their close attention to the Constitution, but other members were vigilant and scrutinizing the Draft in all its details. No wonder that we had to consider not only each Article in the Draft, but practically every sentence and sometimes every word

in every Article. In the result, the Draft Constitution has increased in size, and by the time it has been passed, it has come to have 395 articles and 8 schedules, instead of the 243 articles and 13 schedules of the original Draft of Mr B. N. Rau. I do not attach much importance to the complaint which is sometimes made that it has become too bulky. If the provisions have been well thought out, the bulk need not disturb the equanimity of our mind.

We have now to consider the salient features of the Constitution. The first question which arises and which has been mooted is as to the category to which this Constitution belongs. Personally, I do not attach any importance to the label which may be attached to it—whether you call it Federal Constitution or Unitary Constitution or by any other name. It makes no difference so long as the Constitution serves our purpose. We are not bound to have a Constitution which completely and fully falls in line with known categories of Constitutions in the world. We have to take certain facts of history in our own country and the Constitution has not to an inconsiderable extent been influenced by such realities as facts of history.

You are all aware that until the Round Table Conference of 1930, India was completely a Unitary Government, and the Provinces derived whatever power they possessed from the Government of India. It was therefore the first time that the question of Federation in a practical form arose which would include not only the Provinces but also the many States that were in existence. The Constitution of 1935 provided for a Federation in which both the Provinces of India and the States were asked to join. But the federal part of it could not be brought into operation, because the terms on which the Princes could agree to join it could not be settled in spite of prolonged negotiation. And, when the war broke out, that part of the Constitution had practically to be abrogated.

In the present Constitution it has been possible not only to bring in practically all the States which fell within our geographical limits, but to integrate the largest majority of them in India, and the Constitution as it stands practically makes no difference so far as the administration and the distribution of powers among the various organs of the State are concerned between what were the Provinces and what were Indian States before. They are all now more or less on the same footing and, as time passes, whatever little distinction still exists is bound to disappear. Therefore so far as labelling is concerned, we need not be troubled by it.

Well, the first and the most obvious fact which will attract any observer is the fact that we are going to have a Republic. India knew republics in the olden days, but that was 2,000 years ago or

more and those republics were small republics. We never had anything like the Republic which we are going to have now, although there were empires in those days as well as during the Mughal period which covered very large parts of the country. The President of the Republic will be an elected President. We never have had an elected Head of the State which covered such a large area of India. And it is for the first time that it becomes open to the humblest and the lowliest citizens of the country to deserve and become the President or the Head of this big State which counts among the biggest States of the world today. This is not a small matter. But because we have an elected President, some of the problems which are of a very difficult nature have arisen. We have provided for the election of the President. We have provided for an elected Legislature which is going to have supreme authority. In America, the Legislature and the President are both elected and there both have more or less equal powers—each in its or his own sphere, the Legislature in the legislative sphere, and the President in the executive sphere.

We considered whether we should adopt the American model or the British model where we have a hereditary King who is the fountain of all honour and power, but who does not actually enjoy any power. All the power rests in the Legislature to which the Ministers are responsible. We have had to reconcile the position of an elected President with an elected Legislature and, in doing so, we have adopted more or less the position of the British Monarch for the President. This may or may not be satisfactory. Some people think too much power has been given to the President; others think that the President, being an elected President, should have even more powers than are given to him.

If you look at it from the point of view of the electorate which elects the Parliament and which elects the President, you will find that practically the entire adult population of the country joins in electing this Parliament and it is not only the members of the Parliament of India but also the members of the Legislative Assemblies of the States who join in electing the President. It thus comes about that, while the Parliament and Legislative Assemblies are elected by the adult population of the country as a whole, the President is elected by representatives who represent the entire population twice over, once as representatives of the States and again as their representatives in the Central Parliament of the country. But although the President is elected by the same electorate as the Central and State Legislatures, it is as well that his position is that of a Constitutional President.

Then we come to the Ministers. They are, of course, responsible to the Legislature and tender advice to the President who is bound to

act according to that advice. Although there are no specific provisions, so far as I know, in the Constitution itself making it binding on the President to accept the advice of his Ministers, it is hoped that the convention under which in England the King acts always on the advice of his Ministers will be established in this country also, and that the President, not so much on account of the written word in the Constitution but as the result of this very healthy convention, will become a Constitutional President in all matters.

The Central Legislature consists of two Houses known as the House of the People and the Council of States which both together constitute the Parliament of India. In the Provinces, or States as they are now called, we shall have a Legislative Assembly in all of them except those which are mentioned in Parts C and D of Schedule I, but every one of them will not have a second Chamber. Some of the Provinces, whose representatives felt that a Second Chamber is required for them, have been provided with a Second Chamber. But there is a provision in the Constitution that if a Province does not want such a Second Chamber to continue or if a Province which has not got one wants to establish one, the wish has to be expressed through the Legislature by a majority of two-thirds of the Members voting and by a majority of the total number of Members in the Legislative Assembly. So even while providing some of the States with Second Chambers, we have provided also for their easy removal or their easy establishment by making this kind of amendment of the Constitution not a Constitutional Amendment, but a matter of ordinary parliamentary legislation.

We have provided for adult suffrage by which the Legislative Assemblies in the Provinces and the House of the People in the Centre will be elected. It is a very big step that we have taken. It is big not only because our present electorate is a very much smaller electorate and based very largely on property qualification, but it is also big because it involves tremendous numbers. Our population now is something like 320 millions if not more and we have found from experience gained during the enrolment of voters that has been going on in the Provinces that 50 per cent roughly represent the adult population. And on that basis we shall have not less than 160 million voters on our rolls. The work of organizing election by such vast numbers is of tremendous magnitude and there is no other country where election on such a large scale has yet been held.

I will just mention to you some facts in this connexion. The Legislative Assemblies in the Provinces, it is roughly calculated, will have more than 3,800 members who will have to be elected in as many constituencies or perhaps a few less. Then there will be something

like 500 members for the House of the People and about 220 Members for the Council of States. We shall thus have to provide for the election of more than 4,500 members and the country will have to be divided into something like 4,000 constituencies. I was, the other day, as a matter of amusement, calculating what our electoral roll will look like. If you print 40 names on a page of foolscap size, we shall require something like 20 lakhs of sheets of foolscap size to print all the names of the voters, and if you combine the whole thing in one volume, the thickness of the volume will be something like 200 yards. That alone gives us some idea of the vastness of the task and the work involved in finalizing the rolls, delimiting constituencies, fixing polling stations and making other arrangements which will have to be done between now and the winter of 1950–51 when it is hoped the election may be held.

Some people have doubted the wisdom of adult franchise. Personally, although I look upon it as an experiment the result of which no one will be able to forecast today, I am not dismayed by it. I am a man of the village and although I have had to live in cities for a pretty long time, on account of my work, my roots are still there. I, therefore, know the village people who will constitute the bulk of this vast electorate. In my opinion, our people possess intelligence and common sense. They also have a culture which the sophisticated people of today may not appreciate, but which is solid. They are not literate and do not possess the mechanical skill of reading and writing. But I have no doubt in my mind that they are able to take measure of their own interest and also of the interests of the country at large if things are explained to them. In fact in some respects, I consider them to be even more intelligent than many a worker in a factory, who loses his individuality and becomes more or less a part of the machine which he has to work. I have, therefore, no doubt in my mind that if things are explained to them, they will not only be able to pick up the technique of election, but will be able to cast their votes in an intelligent manner and I have, therefore, no misgivings about the future on their account. I cannot say the same thing about the other people who may try to influence them by slogans and by placing before them beautiful pictures of impracticable programmes. Nevertheless, I think their sturdy common sense will enable them to see things in the right perspective. We can, therefore, reasonably hope that we shall have legislatures composed of members who shall have their feet on the ground and who will take a realistic view of things.

Although provision has been made for a Second Chamber in the Parliament and for Second Chambers in some of the States, it is the popular House which is supreme. In all financial and money matters,

the supremacy of the popular House is laid down in so many words. But even in regard to other matters where the Upper Chamber may be said to have equal powers for initiating and passing laws, the supremacy of the popular House is assured. So far as Parliament is concerned, if a difference arises between the two Chambers, a joint session may be held; but the Constitution provides that the number of members of the Council of States shall not be more than 50 per cent of the members of the House of the People. Therefore, even in the case of a joint session, the supremacy of the House of the People is maintained, unless the majority in that very House is a small one which will be just a case in which its supremacy should not prevail. In the case of the Provincial Legislatures, the decision of the Lower House prevails if it is taken a second time. The Upper Chamber, therefore, can only delay the passage of Bills for a time, but cannot prevent it. The President or the Governor as the case may be, will have to give his assent to any legislation, but that will be only on the advice of his Ministry which is responsible ultimately to the popular House. Thus, it is the will of the people as expressed by their representatives in the popular Chamber that will finally determine all matters. The Second Chamber and the President or the Governor can only direct reconsideration and can only cause some delay; but if the popular Chamber is determined, it will have its way under the Constitution. The Government, therefore, of the country as a whole, both in the Centre and in the Provinces, will rest on the will of the people which will be expressed from day to day through their representatives in the Legislatures and, occasionally, directly by them at the time of the general elections.

We have provided in the Constitution for a judiciary which will be independent. It is difficult to suggest anything more to make the Supreme Court and the High Courts independent of the influence of the Executive. There is an attempt made in the Constitution to make even the lower judiciary independent of any outside or extraneous influences. One of our Articles makes it easy for the State Governments to introduce separation of Executive from judicial functions and placing the magistracy which deals with criminal cases on a similar footing as Civil Courts. I am only expressing the hope that this long overdue reform will soon be introduced in the States.

Our Constitution has devised certain independent agencies to deal with particular matters. Thus it has provided for Public Service Commissions both for the Union and for the States and placed such Commissions on an independent footing so that they may discharge their duties without being influenced by the Executive. One of the things against which we have to guard is that there should be no room as far as it is humanly possible for jobbery, nepotism and favouritism.

I think the provisions which we have introduced into our Constitution will be very helpful in this direction.

Another independent authority is the Comptroller and Auditor-General who will watch our finances and see to it that no part of the revenues of India or of any of the States is used for purposes and on items without due authority and whose duty it will be otherwise to keep our accounts in order. When we consider that our Governments will have to deal with hundreds of crores, it becomes clear how important and vital this Department will be. We have provided another important authority, i.e., the Election Commissioner whose function it will be to conduct and supervise the elections to the Legislatures and to take all other necessary action in connexion with them. One of the dangers which we have to face arises out of any corruption which parties, candidates or the Government in power may practise. We have had no experience of democratic elections for a long time except during the last few years and now that we have got real power, the danger of corruption does not remain imaginary. It is, therefore, as well that our Constitution guards against this danger and makes provision for an honest and straightforward election by the voters. In the case of the Legislature, the High Courts, the Public Service Commission, the Comptroller and Auditor-General and the Election Commissioner, the staff which will assist them in their work has also been placed under their control and in most of these cases their appointment, promotion and discipline vest in the particular institution to which they belong thus giving additional safeguards about their independence.

The Constitution has given in two Schedules, namely Schedules V and VI, special provisions for the administration and control of Scheduled Areas and Scheduled Tribes. In the case of the Tribes and Tribal Areas in States other than Assam, the Tribes will be able to influence the administration through the Tribes Advisory Council. In the case of the Tribes and Tribal Areas in Assam, they are given larger powers through their District Councils and Autonomous Regional Councils. There is, further, provision for a Minister in the State Ministries to be in charge of the welfare of the Tribes and the Scheduled Castes and a Commission will also report about the way in which the areas are administered. It was necessary to make this provision on account of the backwardness of the Tribes which require protection and also because they have their own way of solving their own problems and carrying on their tribal life. These provisions have given them considerable satisfaction as the provision for the welfare and protection of the Scheduled Castes has given satisfaction to them.

The Constitution has gone into great details in the distribution of power and functions between the Union and the States in all aspects of their administrative and other activities. It has been said by some that the powers given to the Centre are too many and too extensive and the States have been deprived of power which should really belong to them in their own fields. I do not wish to pass any judgement on this criticism and can only say that we cannot be too cautious about our future, particularly when we remember the history of this country extending over many centuries. But such powers as have been given to the Centre to act within the sphere of the States relate only to emergencies, whether political or financial and economic, and I do not anticipate that there will be any tendency on the part of the Centre to grab more power than is necessary for the good administration of the country as a whole, and in any case the Central Legislature consists of representatives from the States and unless they are convinced of their over-riding necessity, they are not likely to consent to the use of any such powers by the Central Executive as against the States whose people they represent. I do not attach much importance to the complaint that residuary powers have been vested in the Union. Powers have been very meticulously and elaborately defined and demarcated in the three lists of Schedule VII, and the residue, whatever it may be, is not likely to cover any large field, and, therefore, the vesting of such residuary powers does not mean any very serious derogation in fact from the power which ought to belong to the States.

One of the problems which the Constituent Assembly took considerable time in solving relates to the language for official purposes of the country. There is a natural desire that we should have our own language, and in spite of the difficulties on account of the multiplicity of languages prevalent in the country, we have been able to adopt Hindi, which is the language that is understood by the largest number of people in the country, as our official language. I look upon this as a decision of very great importance when we consider that in a small country like Switzerland they have no less than three official languages and in South Africa two official languages. It shows a spirit of accommodation and a determination to bind and organize the country as one nation that those whose language is not Hindi have voluntarily accepted it as the official language. There is no question of imposition now. English during the period of British rule, Persian during the period of the Muslim Empire were Court and official languages. Although people have studied them and have acquired proficiency in them, nobody can claim that they were voluntarily adopted by the people of the country at large. Now for the first time in our history we have accepted one language which will be the language used all

over the country for all official purposes, and let me hope that it will develop into a national language in which all will feel equal pride while each area will be not only free, but also encouraged to develop its own peculiar language in which its culture and its traditions are enshrined. The use of English during the period of transition was considered inevitable for practical reasons and no one need be despondent over this decision, which has been dictated purely by practical consideration. It is the duty of the country as a whole now and especially of those whose language is Hindi to so shape and develop it as to enable it to be the language in which the composite culture of India can find its expression adequately and nobly.

Another important feature of our Constitution is that it enables amendments to be made without much difficulty. Even the constitutional amendments are not as difficult as in the case of some other countries, but many of the provisions in the Constitution are capable of being amended by the Parliament by ordinary acts and do not require the procedure laid down for constitutional amendments to be followed. There was a provision at one time which proposed that amendments should be made easy for the first five years after the Constitution comes into force, but such a provision has become unnecessary on account of the numerous exceptions which have been made in the Constitution itself for amendments without the procedure laid down for constitutional amendments. On the whole, therefore, we have been able to draft a Constitution which I trust will serve the country well.

There is a special provision in our Directive Principles to which I attach great importance. We have not provided for the good of our people only but have laid down in our Directive Principles that our State shall endeavour to promote material peace and security, maintain just and honourable relations between nations, foster respect for international law and treaty obligations and encourage settlement of international disputes by arbitration. In a world torn with conflicts, in a world which even after the devastation of two world wars is still depending on armaments to establish peace and goodwill, we are destined to play a great part, if we prove true to the teachings of the Father of the Nation and give effect to this directive principle in our Constitution. Would to God that He would give us the wisdom and the strength to pursue this path in spite of the difficulties which beset us and the atmosphere which may well choke us. Let us have faith in ourselves and in the teachings of the Master whose portrait hangs over my head, and we shall fulfil the hopes and prove true to the best interests of not only our country but of the world at large.

I do not propose to deal with the criticisms which relate mostly to the Articles in the part dealing with Fundamental Rights by which absolute rights are curtailed and the Articles dealing with Emergency Powers. Other Members have dealt with these objections at great length. All that I need state at this stage is that the present conditions of the country and tendencies which are apparent have necessitated these provisions which are also based on the experience of other countries which have had to enforce them through judicial decision, even when they were not provided for in the Constitution.

Whatever the Constitution may or may not provide, the welfare of the country will depend upon the way in which the country is administered. That will depend upon the men who administer it. It is a trite saying that a country can have only the Constitution it deserves. Our Constitution has provisions in it which appear to some to be objectionable from one point or another. We must admit that the defects are inherent in the situation in the country and the people at large. If the people who are elected are capable and men of character and integrity, they would be able to make the best even of a defective Constitution. If they are lacking in these, the Constitution cannot help the country. After all, a Constitution like a machine is a lifeless thing. It acquires life because of the men who control it and operate it, and India needs today nothing more than a set of honest men who will have the interest of the country before them. There is a fissiparous tendency arising out of various elements in our life. We have communal differences, caste differences, language differences, Provincial differences and so forth.

There are only two regrets which I must share with the Honourable Members. I would have liked to have some qualifications laid down for members of the Legislatures. It is anomalous that we should insist upon high qualifications for those who administer or help in administering the law but none for those who make it except that they are elected. A law-giver requires intellectual equipment but even more than that capacity to take a balanced view of things, to act independently and above all to be true to those fundamental things of life; in one word — to have character. It is not possible to devise any yard-stick for measuring the moral qualities of a man, and so long as that is not possible, our Constitution will remain defective. The other regret is that we have not been able to draw up our first Constitution of a free Bharat in an Indian language. The difficulties in both cases were practical and proved insurmountable. But that does not make the regret any the less poignant.

We have prepared a democratic Constitution. But successful working of democratic institutions requires in those who have to work them

willingness to respect the view-points of others, capacity for compromise and accommodation. Many things which cannot be written in a Constitution are done by conventions. Let me hope that we shall show those capacities and develop those conventions. The way in which we have been able to draw this Constitution without taking recourse to voting and to divisions in Lobbies strengthens that hope. It requires men of strong character, men of vision, men who will not sacrifice the interests of the country at large for the sake of smaller groups and areas in it and who will rise over the prejudices which are born of these differences. We can only hope that the country will throw up such men in abundance. I can say this from the experience of the struggle that we have had during the period of the freedom movement — that new occasions throw up new men. Not once but almost on every occasion when all leading men in the Congress were clapped into prison suddenly without having the time to leave instructions to others and even to make plans for carrying on their campaigns, people arose from amongst the masses who were able to continue and conduct the campaigns with intelligence, with initiative, and with a capacity for organization which nobody suspected they possessed. I have no doubt that when the country needs men of character, they will be coming up and the masses will throw them up.

Let not those who served in the past therefore rest on their oars, saying that they have done their part and now has come the time for them to enjoy the fruits of their labours. No such time comes to anyone who is really earnest about his work. In India today I feel that the work that confronts us is even more difficult than the work which we had when we were engaged in the struggle. We did not have then any conflicting claims to reconcile, no loaves and fishes to distribute, no power to share. We have all these now, and the temptations are really great. Would to God that we shall have the wisdom and the strength to rise above them, and to serve the country which we have succeeded in liberating. Mahatma Gandhi laid stress on the purity of the methods which had to be pursued for attaining our ends. Let us not forget that his teaching has eternal value and was not intended only for the period of stress and struggle but has as much authority and value today as it ever had before. We have a tendency to blame others for everything that goes wrong and not to introspect and try to see if we have any share in it or not. It is very much easier to scan one's own action and motives — if one is only inclined to do so — than to appraise correctly the action and motives of others. I shall only hope that all those whose good fortune it may be to work this Constitution in future will remember that it was a unique victory which we achieved by the unique method taught to us by the Father of the

Nation, and it is up to us to preserve and protect the independence that we have won and to make it really bear fruit for the man in the street. Let us launch on this new enterprise of running our independent Republic with confidence, with truth and non-violence and above all with heart within and God above. . .

It now remains to put the motion which was moved by Dr Ambedkar, to the vote of the House. The Question is: 'That the Constitution as settled by the Assembly be passed.'

ORCAD, Vol. XI, No. 12, pp. 984–95.

29 7 *January* 1950

CONSTITUTION (REMOVAL OF DIFFICULTIES) ORDER, NO. 1

In exercise of the powers conferred by clauses (1) and (3) of Article 392 of the Constitution of India, the Governor-General is pleased to make the following Order, namely:

(1) (i) This Order may be called the Constitution (Removal of Difficulties) Order, No. 1.

(ii) It shall come into force at once.

(2) During the period of six months from the commencement of this Order, the Constitution of India shall have effect subject to the following adaptations:

(i) To Article 379, the following clause shall be added, namely:

'(6) Notwithstanding anything in this Constitution the Governor-General of the Dominion of India may, at any time before the commencement of this Constitution, summon the provisional Parliament to meet after such commencement for the first session at such time and place as he thinks fit.'

(ii) For clause (1) of Article 380, the following clause shall be substituted namely:

'(1) Until a President has been elected in accordance with the provisions contained in Chapter I of Part V and has entered upon his office, such person as the Constituent Assembly of the Dominion of India shall have elected in that behalf in accordance with such rules as may be made by the President of that Assembly shall be the President of India; and the person so elected shall, before entering upon his office, make and subscribe the oath or affirmation prescribed in Article 60 in the presence of the Chief Justice of India or, in his absence, the seniormost Judge of the Supreme Court available, notwithstanding that such Chief Justice or Judge has not made and

subscribed the oath or affirmation prescribed under clause (6) of article 124.'

(iii) Article 383 shall be renumbered as clause (1) of that Article and the following clause shall be added thereto, namely:

'(2) Any such person as aforesaid shall, before entering upon the office of the Governor of the State make, the oath or affirmation prescribed in Article 159 in the presence of the Chief Justice of the High Court for that State or, in his absence, the seniormost Judge of that Court available, notwithstanding that such Chief Justice or Judge has not made and subscribed the oath or affirmation prescribed under article 219.'

Gazette, 7 January 1950.

30 25 *January* 1950

CONSTITUTION (AMENDMENT OF THE FIRST AND FOURTH SCHEDULES) ORDER, 1950

WHEREAS on divers dates between the passing of the Constitution of India and its commencement, action has been taken under the provisions of the Government of India Act, 1935, which requires amendment of the First and Fourth Schedules to the Constitution:

Now therefore, in exercise of the powers conferred by Article 391 and clause (3) of Article 392 of the Constitution, the Governor-General of the Dominion of India is pleased to make the following Order:

(1) (i) This Order may be called the Constitution (Amendment of the First and Fourth Schedules) Order, 1950.

(ii) It shall come into force at once.

(2) The following amendments shall be made in the First Schedule to the Constitution, namely:

(i) In Part A.—

(*a*) for the entry '8. The United Provinces' the entry '8. Uttar Pradesh' shall be substituted, and

(*b*) the paragraph relating to the territory of the State of West Bengal shall be omitted.

(ii) In Part B.—

(*a*) the entry '9. Vindhya Pradesh' shall be omitted; and

(*b*) for the description of the Territories of States, the following shall be substituted, namely:

'The territory of each of the States in this Part shall comprise the territory which, immediately before the commencement of this

Constitution, was comprised in, or administered by the Government of the corresponding Indian State, and in the case of the Madhya Bharat, shall also comprise the territory which, immediately before such commencement, was comprised in the Chief Commissioner's Province of Panth Piploda.'

(iii) In Part C.—

(*a*) the entry ' 4. Cooch Behar ' shall be omitted;

(*b*) entries 5 to 10 shall be renumbered as entries 4 to 9 respectively; and

(*c*) after entry 9 as so renumbered the entry ' 10. Vindhya Pradesh ' shall be inserted.

(3) The following amendments shall be made in the Fourth Schedule to the Constitution, namely:

(i) In the Table of Seats relating to States specified in Part A of the First Schedule, for the words ' The United Provinces ', the words ' Uttar Pradesh ' shall be substituted.

(ii) In the Table of Seats relating to States specified in Part B of the First Schedule, the entry ' 9. Vindhya Pradesh.....4 ' shall be omitted, and for the figures ' 53 ' the figures ' 49 ' shall be substituted.

(iii) In the Table of Seats relating to States specified in Part C of the First Schedule,

(*a*) the entry ' 6. Cooch Behar.....1 ' shall be omitted,

(*b*) entries 7 to 10 shall be renumbered as entries 6 to 9, respectively,

(*c*) after entry 9 as so renumbered, the entry ' 10. Vindhya Pradesh.....4 ' shall be inserted, and

(*d*) for the total ' 7 ' the total ' 10 ' shall be substituted.

(iv) At the end of the said Tables, for the figures ' 205 ' the figures ' 204 ' shall be substituted.

(4) In clause (1) of Article 168 of the Constitution for the words ' the United Provinces ' the words ' Uttar Pradesh ' shall be substituted.

Gazette, 25 January 1950.

31 26 *January* 1950

CONSTITUTION (REMOVAL OF DIFFICULTIES) ORDER, NO. 2

In exercise of the powers conferred by clause (1) of Article 392 of the Constitution of India, the President is pleased to make the following Order, namely:

(1) (i) This Order may be called the Constitution (Removal of Difficulties) Order, No. 2.

(ii) It shall come into force at once.

(2) The Constitution of India shall,

(*a*) until both Houses of Parliament have been duly constituted and summoned to meet for the first session under the provisions of that Constitution, have effect subject to the adaptations directed to be made therein by Part I of the Schedule to this Order;

(*b*) until the House or Houses of the Legislature of a State specified in Part A or Part B of the First Schedule to that Constitution has or have been duly constituted and summoned to meet for the first session under the provisions of the said Constitution, have effect in relation to that State subject to the adaptations directed to be made therein by Part II of the Schedule to this Order.

(3) Where the Schedule to this Order requires that in any specified provision certain words shall be substituted for other words or that certain words shall be omitted, that substitution or omission, as the case may be, shall, unless otherwise expressly provided, be made wherever the words referred to appear in that provision.

THE SCHEDULE

Article	*Adaptations*
	PART I
3	In the proviso, *omit* ' either House of '.
54	In this article, before ' The President shall be elected ' *insert* ' Subject to the provisions of Article 380 '.
55	In clause (1) after ' election of the President ' *insert* ' under Article 54 '. In clause (3) after ' election of the President ' *insert* ' under Article 54 '.
56	For this article, *substitute*: ' 56. (1) The President may, by writing under his hand addressed to the Speaker of Parliament, resign his office. *Resignation by, or removal of, President* (2) The President may, for violation of the Constitution, be removed from office by impeachment in the manner provided in Article 61.'
58	In sub-clause (*c*) of clause (1), after ' qualified for election ' *insert* ' in the case of an election under clause (2) of Article 380, as a member

Article	*Adaptations*
	of Parliament and in the case of an election under article 54'.
59	In clause (1), *omit* ' either House of ,' and for ' that House ' *substitute* ' Parliament or that House, as the case may be '.
61	In clause (1), *omit* ' either House of '. In clause (2), for ' the House ' *substitute* ' Parliament '. In clause (3), *for* ' by either House of Parliament, the other House' *substitute* 'Parliament'. In clause (4), *for* ' the House by which the charge was investigated or caused to be investigated ' *substitute* ' Parliament '.
62	*Omit.*
63	To this article *add* ' to be elected in the manner provided in Article 66 after both Houses of Parliament have been duly constituted under the provisions of this Constitution '.
64–5	*Omit.*
67–9	*Omit.*
70	*For* ' Chapter ' *substitute* ' Constitution '.
71	*Omit* ' or Vice-President '. In clause (2), *omit*, ' as the case may be '.
75	In clause (3), *for* ' the House of the People ' *substitute* ' Parliament '. In clause (5), *omit* ' either House of '.
79	Before ' There shall be a Parliament for the Union ' *insert* ' Subject to the provisions of Article 379 '.
85	In clause (1), *omit* ' The Houses of ' and for ' their ' *substitute* ' its '. In clause (2), *for* ' the Houses ' *substitute* ' Parliament ' and *for* ' either House ' *substitute* ' the Houses or either House of Parliament, as the case may be ', and *omit* sub-clause (*c*).
86	In clause (1), *omit* ' either House of ' and ' or both Houses assembled together '. In clause (2), *omit* ' either House of ' and *for* ' a House to which any message is so sent ' *substitute* ' Parliament '.

Article	*Adaptations*
87	In clause (1), *omit* ' both Houses of ' and ' assembled together '. In clause (2), *for* ' either House ' and ' the House ' *substitute* ' Parliament '.
88	*For* ' either House, any joint sitting of the Houses, and any committee of Parliament ' *substitute* ' Parliament and any committee thereof '.
89–92	*Omit.*
93	*For* this article, *substitute*: ' 93. So often as the office of Speaker or Deputy Speaker of Parliament becomes vacant, Parliament shall choose a member thereof to be its Speaker or Deputy Speaker, as the case may be.'
	The Speaker and Deputy Speaker of Parliament
94	*For* ' the House of the People ' *substitute* ' Parliament '. In clause (*c*), *for* ' members of the House ' *substitute* ' members of Parliament '. *Omit* the second proviso.
95	*For* ' the House of the People ' *substitute* ' Parliament '. In clause (2), *for* ' the House ' *substitute* ' Parliament '.
96	*For* ' the House of the People ' *substitute* ' Parliament '. In clause (2), *for* ' in the House ' *substitute* ' in Parliament '.
97	*Omit* ' to the Chairman and the Deputy Chairman of the Council of States, and ', and *for* ' the House of the People ' *substitute* ' Parliament '.
98	In clause (1), *omit* ' Each House of ' and the proviso. In clause (2), *omit* ' either House of '. In clause (3), *for* ' the House of the People or the Chairman of the Council of States, as the case may be', and *for* ' the House of the People or the Council of States ', *substitute* ' Parliament '.

Article	*Adaptations*
99	*Omit* ' either House of '.
100	In clause (1), *for* ' either House or joint sitting of the Houses ' *substitute* ' Parliament ', and *omit* ' Chairman or '. In clause (2), *omit* ' Either House of '. In clause (3), *omit* ' either House of ' and *for* ' of the House ' *substitute* ' thereof '. In clause (4), *for* ' a House ' and ' the House ' *substitute* ' Parliament '.
101	In clause (3), *omit* ' either House of ' and in sub-clause (*b*) *for* ' the Chairman or the Speaker, as the case may be ' *substitute* ' the Speaker '. In clause (4), *omit* ' either House of ' and *for* ' the House ' *substitute* ' Parliament '.
102–4	*Omit* ' either House of '.
105	In clause (2), *omit* ' either House of '. In clause (3), *omit* ' each House of ' and *for* ' committees of each House ' *substitute* ' committees thereof '. In clause (4), *omit* ' a House of '.
106	*Omit* ' either House of '.
107	*For* this article, *substitute*: ' 107. A Bill pending in Parliament shall not lapse by reason of the prorogation of Parliament.' *Provision as to pending Bills*
108–9	*Omit.*
110	*For* ' the House of the People ' *substitute* ' Parliament '. In clause (4), *omit* ' when it is transmitted to the Council of States under Article 109, and '.
111	*Omit* ' the Houses of ', *for* ' the Houses ' *substitute* ' Parliament ' and *for* ' they will reconsider ' *substitute* ' Parliament will reconsider '.
112	In clause (1), *omit* ' both the Houses of '. In clause (3), *for* sub-clause (*b*) *substitute*: ' (*b*) the salaries and allowances of the Speaker and the Deputy Speaker of Parliament'.

Article	*Adaptations*
113	In clause (1), *omit* ' either House of'. In clause (2), *for* ' the House of the People ' *substitute* ' Parliament '.
114	In clause (1), *for* ' the House of the People ' *substitute* ' Parliament '. In clause (2), *omit* ' either House of'.
115	In clause (1), *omit* ' both the Houses of ', and *for* ' the House of the People ' *substitute* ' Parliament '.
116	In clause (1), *for* ' the House of the People ' *substitute* ' Parliament '.
117	In clause (1), *omit* ' and a Bill making such provision shall not be introduced in the Council of States '. In clause (3), *omit* ' either House of', and *for* ' that House ' *substitute* ' Parliament '.
118	In clause (1), *omit* ' Each House of'. In clause (2), *for* ' the Chairman of the Council of States or the Speaker of the House of the People, as the case may be ' *substitute* ' the Speaker of Parliament '. *Omit* clauses (3) and (4).
119	*Omit* ' each House of' and ' a House of'.
120	In clause (1), *for* ' the Chairman of the Council of States or Speaker of the House of the People ' *substitute* ' the Speaker of Parliament ' and *omit* ' as the case may be,'.
123	In clause (1), *for* ' both Houses of Parliament are in session ' *substitute* ' Parliament is in session '. In clause (2), *omit* ' both Houses of', and *for* ' resolutions disapproving it are passed by both Houses, upon the passing of the second of those resolutions ' *substitute* ' a resolution disapproving it is passed by Parliament, upon the passing of that resolution ', and *omit* the *Explanation.*
124	In clause (4), *omit* ' each House of', and *for* ' that House ' *substitute* ' Parliament '.
151	In clause (1), *omit* ' each House of'.

Article	*Adaptations*
158	In clause (1), *omit* ' either House of ' and *for* ' that House ' *substitute* ' Parliament or that House, as the case may be,'.
249	*Omit.*
251	*For* ' Articles 249 and 250 ' *substitute* ' Article 250 ' and *for* ' either of the said Articles ' *substitute* ' the said Article '.
252	In clause (1), *for* ' Articles 249 and 250 ' *substitute* ' Article 250 '.
274	In clause (1), *omit* ' either House of '.
281	*Omit* ' each House of '.
312	In clause (1), *omit* ' if the Council of States has declared by resolution supported by not less than two-thirds of the members present and voting that it is necessary or expedient in the national interest so to do,'.
320	In clause (5), *for* ' each House of Parliament ' and ' both Houses of Parliament ' *substitute* ' Parliament '.
323	In clause (1), *omit* ' each House of '.
329A (new)	In Part XV, after Article 329, *insert*: ' 329A. *Certain provisions of this Part not to apply to provisional Parliament and provisional Legislatures* The provisions of Article 325 shall not apply in relation to the Legislatures of States functioning under Article 382 or Article 385 and the provisions of Article 326 and clause (*b*) of Article 329 shall not apply in relation to the provisional Parliament functioning under Article 379 and such Legislatures of States.'
338	In clause (2), *omit* ' each House of '.
340	In clause (3), *omit* ' each House of '.
348	In sub-clause (*b*) of clause (1), *for* ' either House of Parliament ' *substitute* ' Parliament '.
352	In clause (2), *omit* ' each House of ', *for* ' resolutions of both Houses ' *substitute* ' a resolution ' and *omit* the proviso.
354	In clause (2), *omit* ' each House of '.

Article	*Adaptations*
356	In clause (3), *omit* ' each House of ', *for* ' resolutions of both Houses ' *substitute* ' a resolution ' and *omit* the proviso. In clause (4), *for* ' second of the resolutions ' *substitute* ' resolution ', in the first proviso *omit* ' both Houses of ', and *omit* the second proviso.
357	In clause (1), *for* ' the House of the People ' *substitute* ' Parliament '.
359	In clause (3), *omit* ' each House of '.
361	In clause (1), *omit* ' either House of '.
368	*Omit* ' either House of ' and ' in each House ', and *for* ' that House ' *substitute* ' Parliament '.
Second Schedule	In paragraph 7, *for* ' the House of the People ' *substitute* ' Parliament ', *omit* ' and the Chairman of the Council of States ' and ' and to the Deputy Chairman of the Council of States', and *for* 'salaries' *substitute* 'salary'.
Third Schedule	In Form III, *for* ' the Council of States (or the House of the People) ' *substitute* ' Parliament/ the Council of States (or the House of the People) '.
Seventh Schedule	In List I, *For* entry 73, *substitute*: ' 73. Salaries and allowances of the Speaker, the Deputy Speaker and members of Parliament '. In entry 74, *for* ' each House of Parliament ' and ' each House ' *substitute* ' Parliament '.
	PART II
168	In clause (1), *for* ' For every State there shall ' *substitute* ' Subject to the provisions of Article 382, there shall for every State '.
172A (new)	After Article 172, *insert*: ' 172A. *Certain provisions not to apply to provisional Legislatures of States* The provisions of Articles 169 to 172 (both inclusive) shall not apply to the House or Houses of the Legislature of any State functioning under Article 382.'

Article	*Adaptations*
174	In clause (2), *omit* sub-clause (*c*).
178	For this Article, *substitute*: '178. So often as the office of Speaker or Deputy Speaker of the Legislative Assembly of a State becomes vacant, the Assembly shall choose a member thereof to be its Speaker or Deputy Speaker, as the case may be.' *The Speaker and Deputy Speaker of the Legislative Assembly*
179	*Omit* the second proviso.
182	*For* this Article, *substitute*: '182. So often as the office of Chairman or Deputy Chairman of the Legislative Council shall choose a member thereof to be its Chairman or Deputy Chairman, as the case may be.' *The Chairman and Deputy Chairman of the Legislative Council*
238	For clause (6) *substitute*: '(6) In Article 164, (i) for the proviso to clause (1), the following proviso shall be *substituted,* namely: "Provided that in the State of Madhya Bharat there shall be a Minister in charge of tribal welfare who may in addition be in charge of the welfare of the Scheduled Castes and backward classes or any other work." (ii) the following clause shall be *added* at the end, namely: "(6) The provisions of clauses (2) and (4) shall not apply in relation to a State having no House of the Legislature".' In clause (7), *for* 'For every State there shall' *substitute* 'Subject to the provisions of Article 385, there shall for every State'. After clause (7), *insert*: '(7a) In Article 172A, for the word and figure "Article 382" the word and figure "Article 385" shall be *substituted*'. After clause (11), *insert*: '(11a) After Article 212, the following shall be *inserted,* namely:

Article	*Adaptations*
	" *Special provisions for certain States.*
	212A. (1) The provisions of Articles 174 to 189 (both inclusive), 193 to 199 (both inclusive), the first proviso to Article 200, the proviso to Article 201, clause (1) and (2) and sub-clause (b) of clause (3) of Article 202 and Articles 203 to 212 (both inclusive) shall not apply to any State which has no House of the Legislature but clauses (2) and (3) shall apply in relation to such States in place of the said provisions.
	Certain provisions not to apply to States having no House of the Legislature
	(2) The Rajpramukh or other authority exercising the legislative powers in any such State as aforesaid under Article 385 shall prepare such Bills as may be deemed necessary, and the Rajpramukh shall declare as respects any Bill so prepared either that he assents to the Bill or that he withholds assent therefrom or that he reserves it for the consideration of the President.
	(3) Any expenditure from the Consolidated Fund of any such State incurred after the 31st day of March, 1950, whether expenditure charged by this Constitution on such Fund or not, shall be deemed to have been duly authorized if it is included in an Appropriation Act made under clause (2) providing for the appropriation out of the Consolidated Fund of the State of all moneys required to meet such expenditure.
	(4) Any reference in this Constitution to Acts or laws of, or made by, the Legislature of a State shall be construed as including a reference to Acts made under this article."
	(11b) To Article 213, the following clause shall be *added,* namely:
	" (4) The provisions of this Article shall not apply in relation to a State having no House of the Legislature."

Article	*Adaptations*
238A (new)	In Part VII, *after* Article 238, *insert*: '238A. Any provisions of this Constitution which relate to the laying of any regulation, report or other paper before the Legislature of a State specified in Part B of the First Schedule shall not apply in relation to any such State having no House of the Legislature.' *Certain provisions not to apply to States having no House of the Legislature*
267	In clause (2), *add* at the end: ' or by law made under Article 212A '.
333A (new)	*After* Article 333, *insert*: '333A. The provisions of Articles 332 and 333 shall not apply in relation to the Legislatures of States functioning under Article 382 or Article 385.' *Certain provisions not to apply to provisional Legislatures of States*

Gazette, 26 January 1950.

32 26 *January* 1950

PARLIAMENT (PREVENTION OF DISQUALIFICATION) ORDINANCE, 1950

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, therefore, in exercise of the powers conferred by clause (1) of Article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:

(1) *Short title and commencement.* (i) This Ordinance may be called the Parliament (Prevention of Disqualification) Ordinance, 1950.

(ii) It shall come into force at once.

(2) *Prevention of disqualification for membership.* A person shall not be disqualified for being chosen as, and for being, a member of Parliament by reason only of the fact that he holds any of the following offices of profit under the Government of India or the Government of any State, namely:

(*a*) an office of a Minister of State or a Deputy Minister, or a Parliamentary Secretary or a Parliamentary Under-Secretary; and

(*b*) an office which is not a whole-time office remunerated either by salary or fees.

Gazette, 26 January 1950.

33 24 *January* 1950

ELECTION OF THE PRESIDENT OF INDIA

President of Constituent Assembly: The next item is the announcement of the result of the elections. I call upon Shri H. V. R. Iengar, the Returning Officer and the Secretary of the Constituent Assembly to make the announcement.

Shri H. V. R. Iengar: Mr President, I have to inform Honourable Members that only one nomination paper has been received for the office of President of India. The name of that candidate is Dr Rajendra Prasad. [*Loud and prolonged cheers.*] His nomination has been proposed by Pandit Jawaharlal Nehru [*renewed cheers*] and seconded by Sardar Vallabhbhai Patel [*continued cheers*]. Under sub-rule (i) of rule 8 of the Rules for the election of the President, I hereby declare Dr Rajendra Prasad to be duly elected to the office of President of India [*prolonged cheers*].

ORCAD, Vol. XII, No. 1, pp. 2–3.

34 26 *January* 1950

PROCLAMATION OF THE REPUBLIC

Proclamation

WHEREAS the People of India, having solemnly resolved to constitute India into a Sovereign Democratic Republic, adopted, enacted and gave to themselves on the twenty-sixth day of November 1949, in their Constituent Assembly, the Constitution of India;

AND WHEREAS it has been declared by the said Constitution that India, that is, Bharat, shall be a Union of States comprising within the Union the territories which were hitherto the Governors' Provinces, the Indian States and the Chief Commissioners' Provinces;

AND WHEREAS this, the twenty-sixth day of January 1950 has been fixed for the commencement of the said Constitution;

NOW THEREFORE it is hereby proclaimed that on and from this twenty-sixth day of January 1950, India, that is, Bharat, shall be a Sovereign Democratic Republic and the Union and its component units, the States, shall exercise all powers and functions of government and administration in accordance with the provisions of the said Constitution.

26 January 1950, C. RAJAGOPALACHARI
Government House, New Delhi. Governor-General

Gazette, 26 January 1950

34(*a*)

TABLES OF REPRESENTATION

TABLE I

The final results of the elections[1] to the Indian Constituent Assembly were announced from New Delhi on 25 July 1946.

Province	Date of Voting	General seats	Muslim seats	Sikh seats	Total
Section A					
Madras	22 July	45 C.	4 L.	—	49
Bihar	22 „	28 C.+3I.	5 L.	—	36
Bombay	20 „	19 C.	2 L.	—	21
United Provinces	20 „	44 C.+3I.	7 L.+1 C.	—	55
Central Provinces	18 „	16 C.	1 L.	—	17
Orissa	17 „	9 C.	—	—	9
3 Chief Commissioners' Provinces ..	17 „	3 C.	—	—	3
Section B					
North-West Frontier	20 July	—	1 L.+2 C.	—	3
Punjab	19 „	6 C.+2U.	15 L.+1 U.	3 P.+1 C.[2]	28
Sind	11 „	1 C.	3 L.	—	4
Baluchistan	11 „	—	— 1 I.	—	1
Section C					
Bengal	17 July	25 C.+2 others[3]	32 L.+1 K	—	60
Assam	16 „	7 C.	3 L.		10
Total		213	79	4	296

[1] Excluding 93 seats reserved for Indian Princely States.
[2] The Sikh seats were filled on 8 November 1946.
[3] Scheduled Castes Federation and Communist Party.

C = Indian National Congress. L = Muslim League.
P = Panthic Board of Akali Sikhs. U = Unionist Muslim Party.
I = Independents. K = Krishak Praja Party.

TABLE II

Seats reserved in Constituent Assembly of India for Representatives of Indian States.

(1)	States taken over by the Centre	
	Vindhya Pradesh	4
	Kutch, Bhopal	2
	Tripura-Manipur	1
	Bilaspur-Himachal Pradesh	1
(2)	States merged with	
	Assam	2
	Bombay	8
	Madhya Pradesh	3
	Madras	1
	Orissa	5
	East Punjab	4
	Uttar Pradesh	2
	West Bengal	3
(3)	States integrated into Unions	
	Saurashtra	5
	Rajasthan	12
	Patiala & East Punjab States	3
	Madhya Bharat	7
	Travancore-Cochin	7
(4)	Other States	
	Mysore	7
	Hyderabad	16
	Kashmir	4
		97

TABLE III

The effect of Partition upon representation in the Constituent Assembly.

	Before Partition[1]	India after Partition	Pakistan
Assam	10	7	3 (1 G. + 2 M.)
West Bengal	60	19	—
East Bengal		—	41 (12 G. + 29 M.)
United Provinces	55	55	—
Bihar	36	36	—
Orissa	9	9	—
Central Provinces	17	17	—
Madras	49	49	—
Bombay	21	21	—
Sind	4	—	4
Baluchistan	1	—	1
*West Punjab	28	—	17 (3 G. + 12 M. + 2 S.)
East Punjab		12[2]	
North-West Frontier	3	—	3
3 Chief Commissioners' Provinces	3	3	—
Total	296	228	69

G. = General. M. = Moslem. S. = Sikh.

[1] The Muslim League members from UP, Bihar, Madras, CP and Bombay took their seats in the Constituent Assembly (India) after 29 June 1947 when it was decided that a separate Constituent Assembly was to be convened for such provinces and districts as might opt for Pakistan. Fresh elections were held in this connection in July 1947 in the Punjab, Bengal, Assam and the North-West Frontier.

[2] One additional General seat was created for East Punjab after Partition.

SECTION V(*a*)

RELATIONS WITH THE UNION

35 12 *May* 1946

CABINET MISSION'S MEMORANDUM

(1) Prior to the recent statement of the British Prime Minister in the House of Commons an assurance was given to the Princes that there was no intention on the part of the Crown to initiate any change in their relationship with the Crown or the rights guaranteed by their treaties and engagements without their consent. It was at the same time stated that the Princes' consent to any changes which might emerge as a result of negotiations would not unreasonably be withheld. The Chamber of Princes has since confirmed that the Indian States fully share the general desire in the country for the immediate attainment by India of her full stature. His Majesty's Government have now declared that if the succession Government or Governments in British India desire independence no obstacle would be placed in their way. The effect of these announcements is that all those concerned with the future of India wish her to attain a position of independence within or without the British Commonwealth. The Delegation have come here to assist in resolving the difficulties which stand in the way of India fulfilling this wish.

(2) During the interim period, which must elapse before the coming into operation of a new Constitutional structure under which British India will be independent or fully self-governing, paramountcy will remain in operation. But the British Government could not and will not in any circumstances transfer paramountcy to an Indian Government.

(3) In the meanwhile, the Indian States are in a position to play an important part in the formulation of the new Constitutional structure for India and His Majesty's Government have been informed by the Indian States that they desire, in their own interests and in the interests of India as a whole, both to make their contribution to the framing of the structure, and to take their due place in it when it is completed. In order to facilitate this they will doubtless strengthen their position by doing everything possible to ensure that their administrations conform to the highest standard. Where adequate standards cannot be achieved within the existing resources of the State they will no doubt arrange in suitable cases to form or join administrative units large enough to enable them to be fitted into the constitutional structure. It will also strengthen the position of States during this

formulative period if the various Governments which have not already done so take active steps to place themselves in close and constant touch with public opinion in their State by means of representative institutions.

(4) During the interim period it will be necessary for the States to conduct negotiations with British India in regard to the future regulation of matters of common concern, especially in the economic and financial field. Such negotiations which will be necessary whether the States desire to participate in the new Indian constitutional structure or not, will occupy a considerable period of time, and since some of these negotiations may well be incomplete when the new structure comes into being, it will, in order to avoid administrative difficulties, be necessary to arrive at an understanding between the States and those likely to control the succession Government or Governments that for a period of time the then existing arrangements as to these matters of common concern should continue until the new agreements are completed. In this matter, the British Government and the Crown Representative will lend such assistance as they can should it be so desired.

(5) When a new fully self-governing or independent Government or Governments come into being in British India, His Majesty's Government's influence with these Governments will not be such as to enable them to carry out the obligations of paramountcy. Moreover they cannot contemplate that British troops would be retained in India for this purpose. Thus as a logical sequence and in view of the desires expressed to them on behalf of the Indian States, His Majesty's Government will cease to exercise the powers of paramountcy. This means that the rights of the States which flow from their relationship to the Crown will no longer exist and that all the rights surrendered by the States to the paramount power will return to the States. Political arrangements between the States on the one side and the British Crown and British India on the other will thus be brought to an end. The void will have to be filled either by the States entering into a federal relationship with the successor Government or Governments in British India, or failing this, entering into particular political arrangements with it or them.

NOTE: The following explanatory note was issued by the Cabinet Mission in New Delhi on the date of publication (22 May 1946)—

'The Cabinet Delegation desire to make it clear that the document issued today entitled "Memorandum on States Treaties and Paramountcy presented by the Cabinet Delegation to His Highness the Chancellor of the Chamber of Princes" was drawn up before the Mission began its discussions with party leaders and represented the substance of what they communicated to the representatives of the States at their first interviews with the Mission. This is the explanation of the use of the words "Succession Government or Governments of British India" an expression which would not of course have been used after the issue of the Delegation's recent statement.'

WPIS, appendix ii.

36 29 *January* 1947

ACCEPTANCE OF THE CABINET MISSION'S PLAN

The following fundamental propositions form the basis for the States' acceptance of the Cabinet Mission's plan:

(a) (i) The entry of the States into the Union of India shall be on no other basis than that of negotiation, and the final decision will rest with each State. The proposed Union shall comprise, so far as the States are concerned, the territories of only such States or groups of States as may decide to join the Union, it being understood that their participation in the constitutional discussions will imply no commitments in regard to their ultimate decision, which can only be taken after consideration of the complete picture of the Constitution.

(ii) The States will retain all subjects and powers other than those ceded by them to the Union. Paramountcy will terminate at the close of the interim period and will not be transferred to or inherited by the new Government of India. All the rights surrendered by the States to the Paramount Power will return to the States. The proposed Union of India will, therefore, exercise only such functions in relation to the States in regard to Union subjects as are assigned or delegated by them to the Union. Every State shall continue to retain its sovereignty and all rights and powers that have not been expressly delegated by it. There can be no question of any powers being vested, inherent or implied in the Union in respect of the States unless specifically agreed to by them.

(iii) The constitution of each State, its territorial integrity and the succession of its reigning dynasty in accordance with the custom, law and usage of the State shall not be interfered with by the Union or any unit thereof, nor the existing boundaries of a State be altered except by its free consent and approval.

(iv) So far as the States are concerned, the Constituent Assembly is authorized only to settle the Union Constitution in accordance with the Cabinet Mission's plan, and is not authorized to deal with questions bearing on the internal administration or constitutions of individual States or groups of States.

(v) H.M.'s Government have made it clear that it is for the States to decide freely to come in or not as they choose.

(b) The States Negotiating Committee is the only authoritative body competent under the Cabinet Mission's plan to conduct preliminary negotiations on behalf of the States, on such questions relating to their position in the new Indian constitutional structure as the States entrust to it.

(c) While the distribution *inter se* of the States' quota of seats in the Constituent Assembly is a matter for the States to consider and decide among themselves, the method of selection of the States representatives is a matter for consultation between the States Negotiating Committee and the corresponding Committee of the British India portion of the Constituent Assembly before final decision is taken by the States concerned.

Keesing's Contemporary Archives, 1947, London, p. 8488.

37 28 *April* 1947

SPEECH: PANDIT NEHRU (EXTRACT)

. . . The House will remember that this Committee was appointed for a specific purpose — for fixing the distribution of seats of the Assembly not exceeding 93, and for fixing the method by which the representatives of the States should be returned to the Assembly. These were the definite directions given to us and we proceeded accordingly, but when we met the Negotiating Committee appointed by the Chamber of Princes, other questions were raised. We were confronted by various Resolutions passed by organizations of the Princes. We informed them that we had no authority to deal with any other matter. Our authority was limited to dealing with these two specific matters. Indeed we went a little further. We said we rather doubted the authority even of the Constituent Assembly to deal with all manner of other matters, that is to say, the Constituent Assembly as it is constituted at present. But in any event we were so anxious to get going, so anxious to remove any misapprehensions that might exist that some of us had further conversations with them and some doubts that they raised were removed in the course of those conversations; some questions that were asked were answered informally, personally if you like, on our behalf because it was not open to us to go beyond the terms of the mandate that you gave us. You will see a reference to that in the Report that is presented to you, in particular because — I am bound to make this point perfectly clear — a few important points were raised by them in the course of those discussions. As it happened, what I said in reply to those questions had more or less been said by me in this House before or by other Members of this House, and therefore I had no difficulty in saying it to them, because otherwise I would have had this great difficulty of saying anything which the House might not approve, or might

disapprove as wrong. All of us have certain views in this matter and on one of the occasions when I addressed this House in connexion with the Objectives Resolution, I referred also to the States and to the Princes and made it clear that while I, in my individual capacity, held certain views, those views did not come in the way of my stating what the Constituent Assembly stood for, and what its range of activities was going to be. I said then that, while we were deciding in favour of a Republic for the whole of India, that did not bar any State from continuing the monarchical form of government so far as that State was concerned, provided, of course, that they fitted in the larger picture of freedom and provided, as I hope, that there was the same measure of freedom and responsible government in the State. So when these questions were raised, I had no particular difficulty in answering them because in effect they had been mentioned in this House previously.

What were those questions? First, of course, was — it was an unnecessary question — as to the scope of our work, that is to say, how far we accepted the Cabinet Mission's Statement of 16 May, 1946. We have accepted it, and we are functioning in accordance with that Statement. There the matter ends. I do not know what future changes may take place and how these changes might affect our work. Anyhow we have accepted that Statement in its fullness and we are functioning accordingly.

That leads inevitably to another conclusion, viz. that such subjects as did not come within the scope of the Union were subjects to be dealt with by the Units — by the States and the Provinces — and that has been clearly laid down in the Cabinet Mission's Statement. So we said there and we made that clear. What the Union subjects might or might not be is a matter for careful consideration by this House now. But any subjects which did not come within the scope of the Union subjects necessarily are subjects left over to the Units.

Further it was stated that the business of joining the Constituent Assembly or accepting the Scheme or not accepting it was entirely their own. As Mr Panikkar has pointed out, there was no coercion, there can be no coercion either to a State, a Province or to any other part of India which is participating in this Assembly. There can be no coercion, except, of course, the coercion or compulsion of events, and that is certainly a compelling factor and a very big factor which none of us can ignore. So there is no question of compulsion; but at the same time it is true that if certain Units or parts of India decide to come in accepting their responsibilities, they get certain privileges in return, and those who do not come in do not get those privileges as they do not shoulder those responsibilities. That is inevitable. And

once that decision has been taken by a Unit, State or other, other consequences inevitably follow, possibly widening the gulf between the two: that is the compulsion of events. Otherwise it is open to any State to do as it chooses in regard to this matter of coming in or not coming in. So that matter has been made clear.

The only other important matter that was raised in this connexion was the monarchical form of government in the States. As I stated in this House previously, in the world today this system of rule by monarchy, whatever good it may have done in the past, is not a system that might be considered to be popular. It is a passing institution: how long it will last I do not know. But in this matter my opinion is of little account. What counts is what this Assembly desires in this matter, what it is going to do: and we have made it clear on a previous occasion that we do not wish to interfere in the internal arrangement of the States. It is for the people of the States to decide what they want and what they do not want. The question, in fact, does not arise in this Assembly. Here we are dealing with Union matters, subjects of fundamental rights and the like. Therefore this question of the monarchical form of government in the States did not arise here and I told them that so far as we were concerned we were not going to raise that particular subject here.

Lastly, there was the question or rather the misapprehension due to certain words in the Objectives Resolution of this Assembly, where some reference has been made to territorial boundaries being changed. The House will remember that that had no connexion with the States as such. That was a provision for future adjustments as they are bound to be involved. Further it was a provision for suitable units to come into existence, which can be units of this Indian Union. Obviously one cannot have very small units or small fractions of India to form part of the Union. Some arrangement has to be made for the formation of sizeable units. Questions arise today and will arise tomorrow even about the division of Provinces. There is very strong feeling about it. We are discussing today, though for other reasons, about the division of certain Provinces like the Punjab and Bengal. All these have to be considered; but this has nothing to do with the provision in the Objectives Resolution. The point has been settled in the Negotiating Committee that any changes in territorial boundaries should be by consent.

Those were the statements I made on behalf of our Negotiating Committee to the other Committee and those statements removed a number of misapprehensions and we proceeded ahead with the consideration of other matters.

Among the other matters was, firstly the question of the distribution of seats. We decided to refer this matter to the two Secretariats — the

Secretariat of the Constituent Assembly and that of the Chamber of Princes. We referred this matter, I think, at 1-30 p.m. one day. Those two Secretariats met, I think, at 3 p.m. the same day and by 5 p.m. they arrived at an agreed procedure. That was rather a remarkable thing which is worth remembering. It is true that the rules governing the distribution were to some extent laid down in the Cabinet Mission's Scheme — one seat per million, that is, 93 seats in all. Unfortunately, these matters of distribution are difficult and often arouse great controversies and arguments. Nevertheless these two Committees met together and I am very glad that the Secretariat of the Constituent Assembly was helped by the representatives of the States to come to an agreed solution within two hours. That showed that if we approach any of these apparently difficult problems with good will, we find solutions and we find rapid solutions too. I do not mean to say that that solution in regard to the distribution of these seats was a perfect one. Since the agreement was reached certain objections have been raised and criticisms have been made in regard to the grouping of the States here and there. Ultimately we left it to a sub-committee — a joint committee of our Negotiating Committee and the States Negotiating Committee — to consider this matter and to make such minor alterations as they thought fit and proper. . . .

The resolution I have moved is for your adoption. I shall not go into the details in regard to the distribution of the seats and the manner of selection of the delegates from the States. It was a sort of compromise. Naturally it was my desire, as it was the desire of my colleagues, that the representatives of the States should be elected by the people of the States, partly because it was the right way, and partly because it was the way in which they could be fitted with the other elected elements of this House. On the other hand, I considered it right and desirable that the States' governments should also be represented here to bring reality to the picture. The correct way and the right way ultimately will be for the State government itself to be representative of the people and then come in to represent them here. But we have to take things as they are. The States' governments, generally speaking, do not represent the people in the democratic sense. In some places they partially represent them. Anyhow, we did consider it desirable that the States' governments as such, should also be represented, though we would have liked the largest number of representatives to come from the people. Ultimately after a great deal of discussion it was decided that not less than 50 per cent of the representatives should be elected by the elected members of the assemblies where they exist, or by some other method of election which may be devised. We came to a compromise on this proportion,

though we would have liked the proportion to be higher. Some of the States have actually acted as if the proportion were higher. I submit that this compromise that we came to was an honourable compromise for all parties concerned and I think it will lead to satisfactory results so far as this House is concerned, and I commend this Resolution to the House.

Mr President, the motion is:

'The Constituent Assembly having taken the report of its States' Committee into consideration resolves that it be recorded.

The Assembly welcomes the States' representatives who have already been chosen and expresses the hope that other States who have not chosen their representatives will take immediate steps to do so in accordance with the agreed procedure.'

ORCAD, Vol. III, No. 1, pp. 350–6.

38 15 *June* 1947

SPEECH: PANDIT NEHRU (EXTRACT)

There is a great deal of talk about independence, paramountcy etc. Independence does not depend on a mere declaration by anybody but on various factors — Foreign Relations, Defence etc. It fundamentally depends on acknowledgement by other parties of that independence.

. . . If the paramountcy of the British Crown is withdrawn, as they say it is going to be withdrawn, what follows? So far as we are concerned, we do not agree with the doctrine of paramountcy as it has been declared, especially during the last dozen years, by the British Government. You will remember that this business of a Crown Representative came into existence only a dozen years ago. Paramountcy has been exercised ever since the British became a leading power in India, first by the East India Company and then later by the Government of India that succeeded it. No doubt the Crown was behind it. There was no division in the Government of India, as between that part which dealt with the Indian States and that part which dealt with the rest. The whole of the Government of India dealt with the Indian States. The distinction came in only a dozen years ago with the Act of 1935.

When there was some talk of a Federation in India, the Butler Committee and others began to talk of paramountcy vesting in the Crown, so that it was a new thing. We did not agree with that but I am not going into that question now.

As paramountcy vests in the British Crown, the British Crown ceases to exercise it; it lapses or, if you like, it returns to the States. But there is a certain inherent paramountcy in the Government of India which cannot lapse — an inherent paramountcy in the dominant state in India which must remain because of the very reasons of geography, history, defence etc., which gave rise to it when the British became the dominant power in India. If anybody thinks that it lapses, then those very reasons will give rise to it again.

It must exist, or the only alternative to it is that the various States in India should in groups or, otherwise, join the Federation or the Indian Union. Then, of course, there is no paramountcy, because presumably they join as autonomous and equal units in that Union and they share equally in the Union Legislature and the Union Executive. Presuming, of course, that those units are proper units, economic units, big enough units of the Federation, they have the same position in the Federation as any other unit, like a Province. Probably in the independent Indian Union there will be no distinction between a Province as such and an Indian State as such, but all will be States of the Union or whatever name may be given to them, so that over all those who are equal members of the Union no question of paramountcy arises.

For those who do not join, the question of paramountcy inevitably arises, because they cannot live in a void. In the declaration of 16 May it was clearly laid down that the Indian Union would consist of the Provinces and the States. It was not envisaged that any State could remain outside the Union, though it is true that a State was given a certain power, if you like, a certain freedom, to decide how to come in. But it was not envisaged that it could keep out ultimately. In the Memorandum of 12 May it was stated clearly that the States should either join the Indian Union — that was the primary thing, or, if they did not do so, they must come to some other arrangement with the Union. There is no third way out of the situation, third way meaning independence or special relation with a foreign power.

If a State does not join the Union, there will have to be some relationship with the Union and its relationship will be not one of equality but slightly lower. The relationship between the two will be that of a certain suzerain power exercising a certain measure of paramountcy and a certain other State having autonomy but within the limitations of paramountcy and suzerainty.

We desire no suzerainty or paramountcy. We want freedom for all the people of India, but it may be that for a particular period, the interim period, before other arrangements can be made and before some of the States can come into the Union, we may carry on negotiations

with them on a more or less standstill basis; all the existing arrangements continuing because if the arrangements do not continue, then there is chaos. Of course they will not continue if the States themselves take up any aggressive attitude, going beyond those arrangements.

These arrangements cannot possibly admit of the right of a State to any contact with any foreign state or in regard to the right of any independent authority to do what it would. All that is not because we wish to interfere with the States — of course we wish the people of the States well — but for another fundamental reason, that these matters affect the security of India. And we cannot permit anything to happen in India in any State which affects fundamentally the security of India, either in relation to defence arrangements or in relation to contact with foreign powers. Therefore I want this not only to be realized by the States but I want other countries and powers to realise and appreciate the situation.

. . . I should like to say and other countries to know that we will not recognize any independence of any State in India; further, that any recognition of any such independence by any foreign power, which ever it may be and wherever it may be, will be considered an unfriendly act.

The considerations of security and other interests which the Indian Union must have in every State in India cannot be overridden by any unilateral declaration of a State and, therefore, any foreign power which takes an action on the basis of that unilateral declaration will be ignoring our special interests and doing an unfriendly act to us. I am quite sure that any Government of India that comes into existence two months later will feel that way and will act that way.

Banerjee, A.C., *The Making of the Indian Constitution*, Calcutta, 1948, pp. 483–6.

39 5 *July* 1947

STATEMENT: SARDAR PATEL

It was announced some days back that the Government of India had decided to set up a Department to conduct their relations with the States in matters of common concern. This Department has come into being today and the States have been informed to this effect. On this important occasion I have a few words to say to the rulers of Indian States among whom I am happy to count many as my personal friends.

It is the lesson of history that it was owing to her politically fragmented condition and our inability to make a united stand that India succumbed to successive waves of invaders. Our mutual conflicts, and internecine quarrels and jealousies have in the past been the cause of our downfall and our falling victims to foreign domination a number of times. We cannot afford to fall into those errors or traps again. We are on the threshold of independence. It is true that we have not been able to preserve the unity of the country entirely unimpaired in the final stage. To the bitter disappointment and sorrow of many of us some parts have chosen to go out of India and to set up their own governments. But there can be no question that despite this separation a fundamental homogeneity of culture and sentiment reinforced by the compulsive logic of mutual interests would continue to govern us. Much more would this be the case with that vast majority of States which, owing to their geographical contiguity and indissoluble ties, economic, cultural and political, must continue to maintain relations of mutual friendship and co-operation with the rest of India. The safety and preservation of these States as well as of India demand unity and mutual co-operation between its different parts.

When the British established their rule in India they evolved the doctrine of paramountcy which established the supremacy of British interests. That doctrine has remained undefined to this day, but in its exercise there has undoubtedly been more subordination than co-operation. Outside the field of paramountcy there has been a very wide scope in which relations between British India and the States have been regulated by enlightened mutual interests. Now that British rule is ending, the demand has been made that the States should regain their independence. In so far as paramountcy embodied the submission of States to foreign will, I have every sympathy with this demand, but I do not think it can be their desire to utilize this freedom from domination in a manner which is injurious to the common interests of India or which militates against the ultimate paramountcy of popular interests and welfare or which might result in the abandonment of that mutually useful relationship that has developed between British India and Indian States during the last century. This has been amply demonstrated by the fact that a great majority of Indian States have already come into the Constituent Assembly. To those who have not done so, I appeal that they should join now. The States have already accepted the basic principle that for Defence, Foreign Affairs and Communications they would come into the Indian Union. We ask no more of them than accession on these three subjects in which the common interests of the country are involved. In other matters we would scrupulously respect their autonomous existence.

This country with its institutions is the proud heritage of the people who inhabit it. It is an accident that some live in the States and some in British India, but all alike partake of its culture and character. We are all knit together by bonds of blood and feeling no less than of self-interest. None can segregate us into segments; no impassible barriers can be set up between us. I suggest that it is therefore better for us to make laws sitting together as friends than to make treaties as aliens. I invite my friends, the rulers of States and their people, to the Councils of the Constituent Assembly in this spirit of friendliness and co-operation in a joint endeavour, inspired by common allegiance to our motherland for the common good of us all.

There appears a great deal of misunderstanding about the attitude of the Congress towards the States. I should like to make it clear that it is not the desire of the Congress to interfere in any manner whatever with the domestic affairs of the States. They are not enemies of the Princely Order, but, on the other hand, wish them and their people under this aegis all prosperity, contentment and happiness. Nor would it be my policy to conduct the relations of the new Department with the States in any manner which savours of the domination of one over the other; if there would be any domination, it would be that of our mutual interests and welfare. We have no ulterior motive or selfish interests to serve. Our common objective should be to understand each other's point of view and come to decisions acceptable to all and in the best interests of the country. With this object, I propose to explore the possibility of associating with the administration of the new Department, a Standing Committee representative of both the States and British India.

We are at a momentous stage in the history of India. By common endeavour we can raise the country to a new greatness while lack of unity will expose us to fresh calamities. I hope the Indian States will bear in mind that the alternative to co-operation in the general interest is anarchy and chaos which will overwhelm great and small in a common ruin if we are unable to act together in the minimum of common tasks. Let not the future generation curse us for having had the opportunity but failed to turn it to our mutual advantage. Instead, let it be our proud privilege to leave a legacy of mutually beneficial relationship which would raise this sacred land to its proper place amongst the nations of the world and turn it into an abode of peace and prosperity.

WPIS, appendix v.

40 25 *July* 1947

ADDRESS: LORD MOUNTBATTEN

It is a great pleasure and a great privilege for me to address so many Rulers, Dewans and representatives of the States of India in this historic Chamber of Princes. It is my first and my last occasion that I have the privilege of addressing you as Crown Representative.

I would like to begin with by giving you a very brief history of the negotiations I have conducted since I have been out here and the line that I have taken up about the States.

There were two distinct problems that faced me. The first was how to transfer power to British India and the second, how to fit the Indian States into the picture in a manner which would be fair and just to all concerned.

I dealt first with the problem of British India, because you will realize that until that problem was solved it was quite useless to try to start on a solution of the problem of the States. So I address my mind to that.

Here I digress. There was a universal acceptance among the States of the Cabinet Mission's Memorandum of 12th May and when the parties accepted my statement of 3rd June they fully realized that withdrawal of paramountcy would enable the States to regain complete sovereignty. That gave me a starting point from which to try and deal fairly with the States.

But before I got down to dealing with the States there was one other thing that I clearly had to do. I had to address myself to the problem of the mechanics of partition — a plan against my personal desires. As you all know, it took three years to separate Burma from India, in spite of the fact (as I can testify, as also His Highness of Bundi and others) that there are no roads running between India and Burma. Nevertheless, it took three years to arrange that partition. It took two years to separate the Province of Sind from Bombay. It took two years to separate the Province of Orissa from Bihar. Gentlemen, we decided that in less than $2\frac{1}{2}$ months we shall have to go through the partitioning of one of the biggest countries in the world with 400 million inhabitants. There was a reason for the speed. I was quite certain that while the British overlordship remained no satisfactory conclusions could be reached psychologically between the parties. So once we got the two Governments set up and separated, they would be able to try and finish off the details in an atmosphere of goodwill.

Now, the Indian Independence Act releases the States from all their obligations to the Crown. The States have complete freedom — technically and legally they are independent. Presently I will discuss the

degree of independence which we ourselves feel is best in the interests of your own States. But there has grown up during the period of British administration, owing to the fact that the Crown Representative and the Viceroy are one and the same person, a system of co-ordinated administration on all matters of common concern which meant that the sub-continent of India acted as an economic entity. That link is now to be broken. If nothing can be put in its place, only chaos can result, and that chaos, I submit, will hurt the States first — the bigger the State the less the hurt and the longer it will take to feel it — but even the biggest of the States will feel itself hurt just the same as any small State. The first step was to set up some machinery by which it was possible to put the two future Governments of India — the Dominions of India and Pakistan — into direct touch with the States. So we conceived the scheme of setting up two States Departments within the future Governments. Please note that these States Departments are not the successors of the Political Department. They have been set up simultaneously and side by side. While the Political Department exercised functions relating to paramountcy on behalf of the Crown Representatives, the States Departments are to take over those subjects gradually which have nothing to do with paramountcy but which will be concerned with relations with neighbouring States and also provide the machinery to negotiate in such matters. In India the States Department is under the admirable guidance of Sardar Vallabhbhai Patel with my own Reforms Commissioner, Mr V. P. Menon as Secretary. In Pakistan the Department is under Sardar Abdur Rab Nishtar with Mr Ikramullah as the Secretary. It was necessary to set up two States Departments, one in each Government, because the States are theoretically free to link their future with whichever Dominion they may care. But when I say that they are at liberty to link up with either of the Dominions, may I point out that there are certain geographical compulsions which cannot be evaded. Out of something like 565 States, the vast majority are irretrievably linked geographically with the Dominion of India. The problem therefore is of far greater magnitude with the Dominion of India than it is with Pakistan. In the case of Pakistan the States, although important, are not so numerous, and Mr Jinnah, the future Governor-General of Pakistan, is prepared to negotiate the case of each State separately and individually. But in the case of India where the overwhelming majority of the States are involved, clearly separate negotiation with each State is out of the question.

The first step that I took was to suggest that in the Bill before Parliament — the Indian Independence Act — a clause should be put in which would enable certain essential agreements to continue

until renounced by either side. That was only done to ensure that there should be some continuity and to see if in the short time available it was not possible to get the agreement through with every State representative. It does not replace the need for Standstill Agreements; it gives a very slight breathing space.

Now, I think it is no exaggeration to say that most Rulers and Dewans were apprehensive as to what their future would be when paramountcy lapsed. At one time it appeared that unless they joined the Constituent Assembly and accepted the Constitution when it was framed, they would be outside the organization and left in a position which, I submit, if you think it over carefully, no State could view with equanimity — to be left out having no satisfactory relations or contacts with either Dominion Government. You can imagine how relieved I was, and I am sure you will yourselves have been equally relieved, when Sardar Vallabhbhai Patel on taking over the States Department made, if I may say so, a most statesmanlike statement of what he considered were the essentials towards agreement between the States and the Dominion of India.

Let us turn for one moment to the Cabinet Mission Plan of 16th May 1946. In this Plan the proposal was that the States should surrender to the Central Government three subjects — Defence, External Affairs and Communications. That was a plan which, to the best of my belief, every Ruler and every State accepted as reasonable, fair and just. I talked with so many Rulers and everyone felt that Defence was a matter that a State could not conduct for itself. I am not talking of internal security but of defence against external aggression. I submit, therefore, that if you do not link up with one or the other of the Dominions, you will be cut off from any source of supplies of up-to-date arms or weapons.

External Affairs is inextricably linked up with Defence. External Affairs is something again which is outside the boundaries of India in which not even the greatest State can operate effectively. You can hardly want to go to the expense of having Ambassadors or Ministers or Consuls in all these foreign countries; surely you want to be able to use those of India and Pakistan. Once more I suggest that External Affairs is something that you have not dealt with since the formation of the East India Company. It would be difficult to operate and will also be a source of embarrassment for you to have to take it up and it can only be managed by those who manage the Defence of the country. I submit that if you take it up it will be a liability and not an asset.

The third subject is Communications. Communications is really a means of maintaining the life-blood of the whole sub-continent. I imagine everybody agrees that the country has got to go on. The

continuity of Communications is already provided for to a certain extent in the Indian Independence Act; and most of the representatives here have come to discuss it as item 2 on the agenda.

Therefore I am sure you will agree that these three subjects have got to be handled for you for your convenience and advantage by a larger organization. This seems so obvious that I was at a loss to understand why some Rulers were reluctant to accept the position. One explanation probably was that some of you were apprehensive that the Central Government would attempt to impose a financial liability on the States or encroach in other ways on their sovereignty. If I am right in this assumption at any rate so far as some Princes are concerned, I think I must dispel their apprehensions and misgivings. The draft Instrument of Accession which I have caused to be circulated as a basis for discussion and not for publication to the representatives of the States provides that the States accede to the appropriate Dominion on three subjects only without any financial liability. Further, that Instrument contains an explicit provision that in no other matters has the Central Government any authority to encroach on the internal autonomy or the sovereignty of the States. This would, in my view, be a tremendous achievement for the States. But I must make it clear that I have still to persuade the Government of India to accept it. If all of you would co-operate with me and are ready to accede, I am confident that I can succeed in my efforts. Remember that the day of the transfer of power is very close at hand and if you are prepared to come, you must come before the 15th of August. I have no doubt that this is in the best interests of the States, and every wise Ruler and wise Government would desire to link up with the great Dominion of India on a basis which leaves you great internal autonomy and which at the same time gets rid of your worries and cares over External Affairs, Defence and Communications.

The whole country is passing through a critical period. I am not asking any State to make any intolerable sacrifice of either its internal autonomy or independence. My scheme leaves you with all the practical independence that you can possibly use and makes you free of all those subjects which you cannot possibly manage on your own. You cannot run away from the Dominion Government which is your neighbour any more than you can run away from the subjects for whose welfare you are responsible. Whatever may be your decision, I hope you feel that I have at least done my duty by the States.

[His Excellency then proposed the following Committee for a detailed consideration of the items on the agenda.

His Highness the Chancellor, the Maharaja of Patiala.

His Highness the Maharaja of Baroda.

His Highness the Maharaja of Gwalior.
His Highness the Nawab of Bhopal.
His Highness the Maharaja of Bikaner.
His Highness the Maharaja of Nawanagar.
His Highness the Maharawal of Dungarpur.
His Highness the Maharaja of Panna.
His Highness the Maharaja of Sirmoor.
The Raja of Korea.
The Nawab of Chhatari of Hyderabad.
Sir C. P. Ramaswami Aiyer of Travancore.
Sir A. Ramaswami Mudaliar of Mysore.
Sir V. T. Krishnamachari of Jaipur.
Sir B. L. Mitter of Baroda.
Mr M. A. Srinivasan of Gwalior.
Sardar K. M. Panikkar of Bikaner.
Mr C. S. Venkatachar of Jodhpur.
Sardar D. K. Sen.
Dewan Bahadur C. P. Karunakara Menon of Cochin.
Rai Bahadur D. A. Surve of Kolhapur.
Mr B. H. Zaidi of Rampur.

His Excellency stated that the idea was to have a compact body to save time. They could split into two sub-committees, one to discuss the draft Instrument of Accession and the other to discuss the Standstill Agreements and other matters. He sincerely trusted that the other State representatives would not leave Delhi and that they would maintain daily contact with the members of the Committee to make sure that the Committee is conversant with the majority feelings in the States.]

WPIS, appendix vi.

41 25 *July* 1947

FORM OF STANDSTILL AGREEMENT

Agreement between the State of ... . and the Dominion of India.
WHEREAS it is to the benefit and advantage of the Dominion of India as well as of the Indian States that existing agreements and administrative arrangements in the matters of common concern should continue for the time being between the Dominion of India or any part thereof and the Indian States :

Now therefore it is agreed between the State and the Dominion of India that :

(1) (i) Until new agreements in this behalf are made, all agreements and administrative arrangements as to matters of common concern now existing between the Crown and any Indian State shall, in so far as may be appropriate, continue as between the Dominion of India or, as the case may be, the part thereof, and the State.

(ii) In particular, and without derogation from the generality of sub-clause (i) of this clause the matters referred to above shall include the matters specified in the Schedule to this Agreement.

(2) Any dispute arising out of this Agreement, or out of the agreements or arrangements hereby continued, shall, unless any provision is made therein for arbitration by an authority other than the Governor-General or Governor, be settled by arbitration according, as far as may be, to the procedure of the Indian Arbitration Act, 1899.

(3) Nothing in this Agreement includes the exercise of any paramountcy functions.

. ..State

Secretary to the Government of India

SCHEDULE

(1) Air communications.
(2) Arms and equipment.
(3) Control of commodities.
(4) Currency and coinage.
(5) Customs.
(6) Indian States Forces.
(7) External affairs.
(8) Extradition.
(9) Import and export control.
(10) Irrigation and electric power.
(11) Motor vehicles.
(12) National highways.
(13) Opium.
(14) Posts, telegraphs and telephones.
(15) Railways (including police and other arrangements in Railway lands).
(16) Salt.
(17) Central Excise, relief from double income-tax and other arrangements relating to taxation.
(18) Wireless.

WPIS, appendix ix.

FORM OF INSTRUMENT OF ACCESSION

Instrument of Accession of

WHEREAS the Indian Independence Act, 1947, provides that as from the fifteenth day of August, 1947, there shall be set up an independent Dominion known as INDIA, and that the Government of India Act, 1935, shall, with such omissions, additions, adaptations and modifications as the Governor-General may by order specify be applicable to the Dominion of India;

AND WHEREAS the Government of India Act, 1935, as so adapted by the Governor-General provides that an Indian State may accede to the Dominion of India by an Instrument of Accession executed by the Ruler thereof:

NOW THEREFORE I.....

Ruler of .....

in the exercise of my sovereignty in and over my said State Do hereby execute this my Instrument of Accession and

(1) I hereby declare that I accede to the Dominion of India with the intent that the Governor-General of India, the Dominion Legislature, the Federal Court and any other Dominion authority established for the purposes of the Dominion shall, by virtue of this my Instrument of Accession but subject always to the terms thereof, and for the purposes only of the Dominion, exercise in relation to the State of (hereinafter referred to as 'this State') such functions as may be vested in them by or under the Government of India Act, 1935, as in force in the Dominion of India on the 15th day of August, 1947 (which Act as so in force is hereinafter referred to as 'the Act').[1]

(2) I hereby assume the obligation of ensuring that due effect is given to the provisions of the Act within this State so far as they are applicable therein by virtue of this my Instrument of Accession.

(3) I accept the matters specified in the Schedule hereto as the matters with respect to which the Dominion Legislature may make laws for this State.

(4) I hereby declare that I accede to the Dominion of India on the assurance that if an agreement is made between the Governor-General and the Ruler of this State whereby any functions in relation to the

[1] In the case of Semi-jurisdictional and Non-jurisdictional States the following clause was added: 'and I further declare that the Dominion of India may, through such agency or agencies, and in such manner as it thinks fit, exercise in relation to the administration of civil and criminal justice in this State all such powers, authority and jurisdiction as were at any time exercisable by His Majesty's representative for the exercise of the functions of the Crown in its relations with Indian States.'

administration in this State of any law of the Dominion Legislature shall be exercised by the Ruler of this State, then any such agreement shall be deemed to form part of this Instrument and shall be construed and have effect accordingly.

(5) The terms of this my Instrument of Accession shall not be varied by any amendment of the Act or of the Indian Independence Act, 1947, unless such amendment is accepted by me by an Instrument supplementary to this Instrument.

(6) Nothing in this Instrument shall empower the Dominion Legislature to make any law for this State authorizing the compulsory acquisition of land for any purpose, but I hereby undertake that should the Dominion for the purposes of a Dominion law which applies in this State deem it necessary to acquire any land, I will at their request acquire the land at their expense or if the land belongs to me transfer it to them on such terms as may be agreed, or, in default of agreement, determined by an arbitrator to be appointed by the Chief Justice of India.

(7) Nothing in this Instrument shall be deemed to commit me in any way to acceptance of any future constitution of India or to fetter my discretion to enter into arrangements with the Government of India under any such future constitution.

(8) Nothing in this Instrument affects the continuance of my sovereignty in and over this State, or, save as provided by or under this Instrument, the exercise of any powers, authority and rights now enjoyed by me as Ruler of this State or the validity of any law at present in force in this State.

(9) I hereby declare that I execute this Instrument on behalf of this State and that any reference in this Instrument to me or to the Ruler of the State is to be construed as including a reference to my heirs and successors.

Given under my hand this..... .....day of August, Nineteen hundred and forty-seven.

.....

I do hereby accept this Instrument of Accession.

Dated this .....day of August, Nineteen hundred and forty-seven.

.....

Governor-General of India

SCHEDULE

The matters with Respect to which the Dominion Legislature may make Laws for this State.

A. *Defence.*

(1) The naval, military and air forces of the Dominion and any other armed force raised or maintained by the Dominion; any armed forces, including forces raised or maintained by an acceding State, which are attached to, or operating with, any of the armed forces of the Dominion.

(2) Naval, military and air force works, administration of cantonment areas.

(3) Arms, fire-arms, ammunition.

(4) Explosives.

B. *External affairs.*

(1) External affairs; the implementing of treaties and agreements with other countries; extradition, including the surrender of criminals and accused persons to parts of His Majesty's dominions outside India.

(2) Admission into, and emigration and expulsion from, India, including in relation thereto the regulation of the movements in India of persons who are not British subjects domiciled in India or subjects of any acceding State, pilgrimages to places beyond India.

(3) Naturalization.

C. *Communications.*

(1) Posts and telegraphs, including telephones, wireless, broadcasting, and other like forms of communication.

(2) Federal railways; the regulation of all railways other than minor railways in respect of safety, maximum and minimum rates and fare, station and service terminal charges, interchange of traffic and the responsibility of railway administrations as carriers of goods and passengers; the regulation of minor railways in respect of safety and the responsibility of the administrations of such railways as carriers of goods and passengers.

(3) Maritime shipping and navigation, including shipping and navigation on tidal waters; Admiralty jurisdiction.

(4) Port quarantine.

(5) Major ports, that is to say, the declaration and delimitation of such ports, and the constitution and powers of port authorities therein.

(6) Aircraft and air navigation; the provision of aerodromes; regulation and organization of air traffic and of aerodromes.

(7) Lighthouses, including lightships, beacons and other provisions for the safety of shipping and aircraft.

(8) Carriage of passengers and goods by sea or by air.

(9) Extension of the powers and jurisdiction of members of the police force belonging to any unit to railway areas outside that unit.

D. *Ancillary.*

(1) Elections to the Dominion Legislature, subject to the provisions of the Act and of any Order made thereunder.

(2) Offences against laws with respect to any of the aforesaid matters.

(3) Inquiries and statistics for the purposes of any of the aforesaid matters.

(4) Jurisdiction and powers of all courts with respect to any of the aforesaid matters but, except with the consent of the Ruler of the acceding State, not so as to confer any jurisdiction or powers upon any courts other than courts ordinarily exercising jurisdiction in or in relation to that State.

WPIS, appendix vii.

43 12 *May* 1949

REVISED INSTRUMENT OF ACCESSION (RAJASTHAN)

WHEREAS by Instrument of Accession executed in August 1947, the Rulers of Jaipur, Jodhpur, Bikaner and Jaisalmer States (hereinafter referred to as ' the new Covenanting States ') have acceded to the Dominion of India;

AND WHEREAS the Raj Pramukh of the United State of Rajasthan established in April 1948 by the integration of the territories of the States of Partabgarh, Kotah, Kishangarh, Jhalawar, Bundi, Tonk, Banswara, Shahpura, Dungarpur and Mewar (hereinafter referred to as ' the former Rajasthan State ') executed in May 1948 on behalf of the former Rajasthan State an Instrument of Accession whereby he accepted as matters with respect to which the Dominion Legislature may make laws for the said United State all the matters mentioned in Lists I and III of Seventh Schedule to the Government of India Act, 1935 except the entries in List I relating to any tax or duty;

AND WHEREAS by Covenant entered into in April, 1949, the Rulers of the said fourteen States have with the consent of the Government of India agreed that the former Rajasthan State should be reconstituted by the integration of the territories of all the fourteen States into a single State known as the United State of Rajasthan, referred to in this Instrument as ' the United State ';

AND WHEREAS by Article VIII of the said Covenant it is provided that the Raj Pramukh of the United State shall, as soon as practicable and in any event not later than the fifteenth day of April 1949, execute on behalf of the United State an Instrument of Accession in accordance with the provisions of Section 6 of the Government of India Act, 1935, and in place of the Instrument of Accession of the former Rajasthan State and the Instruments of Accession of the new Covenanting States, whereby he shall accept as matters in respect to which the Dominion Legislature may make laws for the United State all the matters specified in the Instrument of Accession of the former Rajasthan State;

NOW, THEREFORE, I, Maharajadhiraja Sawai Sir Man Singhji Bahadur, Raj Pramukh of the United State of Rajasthan, do hereby execute this Instrument of Accession for and on behalf of the United State; and

(1) I hereby declare that I accede to the Dominion of India with the intent that the Governor-General of India, the Dominion Legislature, the Federal Court and any other Dominion authority established for the purposes of the Dominion shall, by virtue of this Instrument of Accession but subject always to the terms thereof, and for the purposes only of the Dominion, exercise in relation to the United State such functions as may be vested in them by or under the Government of India Act, 1935, as for the time being in force in the Dominion of India (which Act as so in force is hereinafter referred to as ' the Act ').

(2) I hereby assume the obligation of ensuring that due effect is given to the provisions of the Act within the United State so far as they are applicable therein by virtue of this Instrument of Accession.

(3) I accept all matters enumerated in List I and List III of the Seventh Schedule to the Act as matters in respect of which the Dominion Legislature may make laws for the United State:

Provided that nothing contained in the said Lists or in any other provisions of the Act shall be deemed to empower the Dominion Legislature to impose any tax or duty in the territories of the United State or to prohibit the imposition of any duty or tax by the Legislature of the United State in the said territories:

Provided further that where a law of the United State with respect to one of the matters enumerated in the said List III contained any provisions repugnant to the provisions of an earlier Dominion Law or an existing law with respect to that matter, then, if the law of the United State having been reserved for the consideration of the Governor-General of India has received the assent of the Governor-General,

the law of the United State shall prevail in the United State but nevertheless the Dominion Legislature may at any time enact further legislation with respect to the same matter:

Provided further that no Bill or amendment for making any provision repugnant to any law of the United State, which having been so reserved, has received the assent of the Governor-General, shall be introduced or moved in the Dominion Legislature without the previous sanction of the Governor-General.

(4) I hereby declare that I accede to the Dominion of India on the assurance that if an agreement is made between the Governor-General and the Raj Pramukh of the United State whereby any functions in relation to the administration in the United State of any law of the Dominion Legislature shall be exercised by the Raj Pramukh, then any such agreement shall be deemed to form part of this Instrument and shall be construed and have effect accordingly.

(5) I further declare that the provisions contained in Part VI of the Act with respect to interference with water supplies shall apply in relation to the United State.

(6) The terms of this Instrument of Accession shall not be varied by any amendment of the Act or of the Indian Independence Act, 1947, unless such amendment is accepted by the Raj Pramukh of the United State by an Instrument supplementary to this Instrument.

(7) Nothing in this Instrument shall empower the Dominion Legislature to make any law for the United State authorizing the compulsory acquisition of land for any purpose, but should the Dominion for the purposes of a Dominion Law which applies in the United State deem it necessary to acquire any land the Raj Pramukh of the United State shall at the request and at the expense of the Dominion Government acquire the land or if the land belongs to the United State transfer it to them on such terms as may be agreed, or, in default of agreement, determined by an arbitrator to be appointed by the Chief Justice of India.

(8) Nothing in this Instrument shall be deemed to commit the United State in any way to acceptance of any future constitution of India or to fetter the discretion of the Government of the United State to enter into arrangements with the Government of India under any such future constitution.

(9) Save as provided by or under this Instrument nothing contained in this Instrument shall affect the exercise of any powers, authority and rights enjoyed by the Raj Pramukh or the validity of any law for the time being in force in the United State or any part thereof.

(10) The Instruments of Accession executed in August, 1947, and May, 1948, by the Rulers of the new Convenanting States and the Raj Pramukh of the former Rajasthan State are hereby cancelled.

Given under my hand this fifteenth day of April, 1949.

S. MAN SINGH OF JAIPUR
Raj Pramukh of the United State of Rajasthan

I do hereby accept this Instrument of Accession.

Dated this twelfth day of May Nineteen hundred and forty-nine.

C. RAJAGOPALACHARI
Governor-General of India

WPIS, appendix xlix, pp. 332–5.

44 *July* 1949

SUPPLEMENTARY COVENANT[1] (PATIALA AND EAST PUNJAB)

WHEREAS it is expedient that the Covenant entered into by us, the Rulers of Faridkot, Jind, Kapurthala, Malerkotla, Nabha, Patiala, Kalsia and Nalagarh, for the formation of Patiala and East Punjab States Union, should be modified for the purpose and in the manner hereinafter appearing;

WE, the said Rulers, do hereby, with the concurrence of the Government of India, enter into the following Supplementary Covenant:

Article 1

Notwithstanding anything contained in the original Covenant, the Constitution of India adopted by the Constituent Assembly of India shall be the Constitution for the Patiala and East Punjab States Union, and shall be enforced as such in accordance with the tenor of its provisions.

Article 2

(1) For Article X of the original Covenant the following shall be substituted:

'Until the commencement of the Constitution of India, the legislative authority of the Union shall vest in the Rajpramukh, who may

[1] These Covenants were signed by Saurashtra, Rajasthan, Madhya Bharat and the Patiala and East Punjab States Union, following the decisions reached at a conference of Premiers of States and States Unions, the officials of the States Ministry and of the Constituent Assembly at New Delhi on 18 July 1949.

promulgate Ordinances for the peace and good Government of the Union or any part thereof, and any Ordinance so made shall have the like force of law as an Act passed by the Legislature of the Union.'

(2) References in the other Articles of the original Covenant to the Constitution framed thereunder shall be construed as references to the Constitution of India.

Article 3

Schedule II of the original Covenant shall be omitted.

In confirmation of the above Covenant, we append our signatures, on behalf of ourselves, our heirs and successors.

Rulers of Patiala and East
Punjab States Union

The Government of India hereby concur in the above Covenant and guarantee all its provisions. In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

V. P. MENON
Secretary to the Government of India
Ministry of States

WPIS, appendix lv, pp. 374–5.

45 12 *October* 1949

SPEECH: SARDAR PATEL

Sir, it has been my endeavour to keep the House fully informed of our policy and the developments in respect of the States. Apart from the statements I have made on the floor of the House from time to time, I laid before the House in July last year a White Paper on States in which was set out in detail not only the policy pursued by the Government of India towards the States but also the various agreements and Covenants entered into with the Rulers were reproduced. In March last I placed before the House another detailed report on the policy and the working of the Ministry of States. Now that the process of integration of the States has been completed I propose to place before the House next month another State Paper which will contain a comprehensive review of all the developments which have

taken place in respect of the Indian States since this Government was called upon to face the problem of States.

The amendments which are now being proposed concerning the provisions of the Constitution applicable to the States, embody the results of the bloodless revolution which within a remarkably short period, has transformed the internal and external set-up of the States. The fact that the new Constitution specifies only nine States in Part III of Schedule I is an index to the phenomenal progress made by the policy of integration pursued by the Government of India. By integrating 500 and odd States into sizeable units and by the complete elimination of centuries-old autocracies, the Indian democracy has won a great victory of which the Princes and the people of India alike should be proud. This is an achievement which should redound to the credit of any nation or people at any phase of history.

As the House is aware, when the States entered the Constituent Assembly of India, it was thought that the constitution of the States would not form part of the Constitution of India. It was also understood that unlike the Provinces the accession of the States to the Indian Union would not be automatic but would be by means of some process of ratification of the Constitution. In the context of those commitments and the conditions then obtaining certain provisions were incorporated in the Draft Constitution, which placed the States in certain important respects on a footing different from that of the Provinces.

As a result of the policy of integration and democratization of States pursued by the Government of India since December 1947 the process of what might be described as 'unionization' of States has been greatly accelerated. Two important developments in this direction have been the extension of the legislative authority of the Dominion over the States and the federal financial integration of the States. The States had originally acceded in respect of the three subjects of Defence, Foreign Affairs and Communications only. With the formation of the Unions the legislative power of the Dominion Parliament was extended in respect of the Unions of States to all matters specified in the Federal and Concurrent Lists except those relating to taxation. The content of the accession of the State of Mysore was also likewise extended.

The gap in the financial field has now been filled by the arrangements which have been negotiated with the States on the basis of the recommendations made by the Indian States Finances Enquiry Committee. The fundamental basis of this scheme is that federal financial integration of the States is a necessary consequence of the basic conception underlying the new Constitution of the Union of India — that of

Provinces and States as equal partners. The scheme, therefore, is based upon complete equality between the Provinces and States in the following respects:

(1) The Central Government should perform the same functions and exercise the same powers in States as in Provinces;

(2) The Central Government should function through its own executive organization in States as in Provinces;

(3) There should be uniformity and equality in the basis of contributions to Central resources from Provinces and States;

(4) There should be equality of treatment as between Provinces and States in the matters of common services rendered by the Central Government, and as regards the sharing of divisible federal taxes, grants-in-aid, subsidies, and all other forms of financial and technical assistance.

The fact that these far-reaching changes in our fiscal structure are being introduced with the full concurrence of the States is in itself a great tribute to the excellent work done by the Indian States Finances Enquiry Committee under the chairmanship of Sir V. T. Krishnamachari, who brought to bear on this important problem his vast experience in Indian States.

These important developments enabled us to review the position of the States under the new Constitution and to remove from it all vestiges of anomalies and disparities which found their way into the new Constitution as a legacy from the past.

When the Covenants establishing the various Unions of States were entered into, it was contemplated that the constitutions of the various Unions would be formed by their respective Constituent Assemblies within the framework of the Covenants and the Constitution of India. These provisions were made in the Covenants at a time when we were still working under the shadow of the theory that the assumption, by the Constituent Assembly of India, of the constitution-making authority in respect of the States would constitute an infringement of the autonomy of the States. As, however, the States came closer to the Centre, it was realized that the idea of separate constitutions being framed for the different constituent units of the Indian Union was a legacy from the Rulers' polity and that in a people's polity there was no scope for variegated constitutional patterns. We, therefore, discussed this matter with the Premiers of the various Unions and decided, with their concurrence, that the constitution of the States should also form an integral part of the Constitution of India. The readiness with which the legislatures of the three States in which such bodies are functioning at present, namely, Mysore, Travancore and Cochin Union and Saurashtra, have accepted this procedure, bears testimony to the

wish of the people of the States to eschew the separatist trends of the past.

In view of these important developments it became necessary to recast a number of the provisions of the Constitution in so far as they related to the States. The amendments we are proposing have been examined by the constitution-making bodies of Mysore, Saurashtra and Travancore and Cochin Union. Some of the modifications proposed by these bodies have been incorporated in the amendments tabled before the House. Others have been dropped as a result of the discussions I have had with the representatives of these Constituent Assemblies.

It is a matter of deep regret for me that it has not been possible for us to adopt a similar procedure for ascertaining the wishes of the people of the other States and Union of States through their elected representatives. Unfortunately we have no properly constituted legislatures in the rest of the States; nor will it be possible to have legislatures constituted in them before the Constitution of India emerges in its final form. We have, therefore, no option but to make the Constitution operative in these States on the basis of its acceptance by the Ruler or the Rajpramukh, as the case may be, who will no doubt consult their Councils of Ministers. I am sure neither the honourable Members representing those States in this House nor the people of the States generally, would wish that the enforcement of the Constitution in these States should be held over until legislatures or constitution-making bodies are constituted in them. The legislatures of these States, when constituted under the new Constitution, may propose amendments to the Constitution. I wish to assure the people of these States that any recommendations made by their first legislatures would receive our earnest consideration. In the meantime I have no doubt that the Constitution framed by this House, where all the States except one are duly represented, will be acceptable to them.

In view of the special problems with which the Government of Jammu and Kashmir is faced, we have made a special provision for the continuance of the constitutional relationship of the State with the Union on the existing basis. In the case of Hyderabad State the acceptance of the Constitution will be subject to ratification by the people of the State.

As the House will see, in several respects the Constitution as it now emerges is different from the original draft. We have deleted such provisions as Articles 224 and 225, which imposed limitations on the Union's legislative and executive authority in relation to States in the federal sphere. The entries in the Legislative List which differentiated between the States and Provinces have likewise been dropped. The

legislative and executive authority of the Union in respect of the States will, therefore, be co-extensive with its similar authority in and over the Provinces. Subject to certain adjustments during the transitional period, the fiscal relationship of the States with the Centre will also be the same as that between the Provinces and the Centre. The jurisdiction of the Supreme Court will now extend to the States to the same extent as in the case of the Provinces. The High Courts of the States are to be constituted and will function in the same manner as the Provincial High Courts. All the citizens of India, whether residing in States or Provinces, will enjoy the same fundamental rights and the same legal remedies to enforce them. In the matter of their constitutional relationship with the Centre and in their internal set-up the States will be on a par with the Provinces.

I am sure the House will note with gratification the important fact that, unlike the scheme of 1935, our new Constitution is not an alliance between democracies and dynasties, but really a union of the Indian people built on the basic concept of the sovereignty of the people. It removes all barriers between the people of the States and the people of Provinces and achieves for the first time the objective of a strong democratic India built on the true foundation of a co-operative enterprise on the part of the people of the Provinces and States alike.

As the House is acquainted with trends of developments affecting the States it is not necessary for me to explain to the House the various amendments which have been tabled. There are two or three matters, however, about which I should like to make a few observations.

One of these is the proposed Article 306-B. As the House is aware, the States, as we inherited them, were in varying stages of development. In most cases the advance had to be made from the starting point of pure autocracy. Having regard to the magnitude of the task which confronted the governments of the Unions in the transitional period, and to the fact that neither the services inherited by them nor the political organizations, as they existed there, were in a position to assume, unaided, full responsibilities of the administration, we made a provision in some of the Covenants that till the new Constitution came into operation in these Unions, the Rajpramukh and the Council of Ministers shall, in the exercise of their functions, be under the general control of the Government of India and comply with the instructions issued by that Government from time to time. The stress of the transitional phase is likely to continue for some years. We are ourselves most anxious that the people of these States should shoulder their full responsibilities; however, we cannot ignore the fact that, while the administrative organization and political institutions are to be found in most of the States in a relatively less developed state,

the problems relating to the integration of the States and the change over from an autocratic to a democratic order are such as to test the mettle of long-established administrations and experienced leaders of people. We have, therefore, found it necessary that in the interest of the growth of democratic institutions in these States, no less than the requirements of administrative efficiency, the Government of India should exercise general supervision over the governments of the States till such time as it may be necessary.

It is natural that a provision of this nature which treats States in Part III differently from Part I States should cause some misgivings. I wish to assure the honourable Members representing these States, and through them the people of these States, that the provision involves no censure of any Government. It merely provides for contingencies which, in view of the present conditions, are more likely to arise in Part III States than in the States of other categories. We do not wish to interfere with the day-to-day administration of any of the States. We are ourselves most anxious that the people of the States should learn by experience. This article is essentially in the nature of a safety-valve to obviate recourse to drastic remedies such as the provisions for the breakdown of the constitutional machinery. It is quite obvious that in this matter the States, e.g. Mysore and Travancore and Cochin Union where democratic institutions have been functioning for a long time and where governments responsible to legislatures are in office, have to be treated differently from the States not conforming to these standards. In all these cases our control will be exercised in varying degrees according to the requirements of each case. The proviso to the Article gives us the necessary discretion to deal with each case on its merits.

I hope this statement which embodies our considered policy will allay any apprehension which the governments of any of these States may have concerning this Article.

Another matter about which I would like to remove misgivings is the proposed amendment to Article 3. This amendment places the States in Part III on the same footing as the States in Part I in respect of territorial readjustments. The Constituent Assembly of Mysore recommended to us that the article as already adopted by this House, which provides for prior consent of Part III States before any proposals affecting their territories are placed before the House, should remain unaltered. We have not found it possible to agree to the suggestion for the simple reason that in such matters there should be no differentiation between Part I and Part III States. I, however, take this opportunity of assuring the representatives of Mysore State that whether the Article provides for consultation or consent of the legislature

of the affected State, the wishes of the people cannot be ignored either by the Central Government or Legislature. After all, we are a democracy; the main sanction behind us is the will of the people and we cannot act in disregard of public opinion.

I now come to the proposed Article 267-A in respect of which some explanation is necessary. The Government of India have guaranteed to the Rulers of merged and integrated States payment of privy purses as fixed under the terms of the various Covenants and Agreements of Merger. Article 267-A gives constitutional recognition to these guarantees and provides for this expenditure being charged on the Central Revenues subject to such recoveries as may be made from time to time from the Provinces and States in respect of these payments.

I shall first deal with the financial aspect of these arrangements. In the past, in most of the States there was no distinction between the expenditure on the administration and the Ruler's privy purse. Even where the Ruler's privy purse had been fixed no effective steps were taken to ensure that the expenditure expected to be covered by the privy purse was not, directly or indirectly, charged on the revenues of the State. Large amounts, therefore, were spent on the Rulers and on the members of the ruling families. This expenditure has been estimated to exceed twenty crores of rupees per year.

All the agreements of merger and Covenants now provide for the fixation of the Ruler's privy purse which is intended to cover all the expenses of the Rulers and their families including the expenses of their residences, marriages and other ceremonies, etc. The privy purse guaranteed under these agreements is less than the percentage for the Deccan States under the award given by Dr Rajendra Prasad, Shri Shankerrao Deo and Dr Pattabhi Sitaramayya. It is calculated on the basis of 15 per cent on the first lakh of average annual revenue of the State concerned, ten per cent on the next four lakhs and seven and a half per cent above five lakhs, subject to a maximum of ten lakhs. The maximum figure of ten lakhs has been exceeded only in the case of some of the major States, which had been recognized as viable and the amounts fixed in such cases are payable during their lifetime only. The total annual privy purse commitments so far made amount to about four and a half crores rupees. When the amounts guaranteed to certain Rulers during their lifetime are subsequently refixed, the total annual expenditure in respect of privy purses will amount to less than four crores rupees.

Under the terms of the Covenants and the agreements entered into by the Rulers, privy purses are payable to the Rulers out of the revenues of the States concerned and payments have so far been made

accordingly. During the course of the discussions with the Indian States Finances Enquiry Committee, it was urged by most of the States that the liability for paying privy purses of Rulers should be taken over by the Centre on the ground that

(*a*) privy purses have been fixed by the Centre;

(*b*) privy purses are political in nature; and

(*c*) similar payments are not made by the Provinces.

Apart from these considerations, the position has definitely changed since the execution of the Covenants. In the first place, so far as the merged States are concerned, with their total extinction under the new Constitution of India, as separate entities, the basis of liability for privy purse payments guaranteed to the Rulers of the States will undergo a change, in that the States, from the revenues of which privy purses are payable, would cease to exist. Secondly, the term 'revenues of the State' has now to be viewed in the context of the federal financial integration of States. This integration involves a two-fold process; one, of 'functional' partition of the present composite State Governments, and the other of 'merger' of the partitioned 'federal' portions of the State governments with the present Central Government. It follows, therefore, that when the federal financial integration becomes effective, the liability in respect of privy purse payments should strictly speaking be shared on an equitable basis by the functional successors to the governments of merged and integrated States, that is, the Central Government on the one hand, and the governments of Provinces and States on the other. Having regard to all these factors, we have decided that the best course would be that these payments should constitute a charge on the Central revenues, but that, at the same time, provision should be made for the recovery of such contributions from the governments of the States during such transitional period and in such amounts as may be considered appropriate. These recoveries are to be made in accordance with the scheme for financial integration of the State.

I have already stated that the privy purse settlements made by us will reduce the burden of the expenditure on the Rulers to at least one-fourth of the previous figure. Besides, the States have benefited very considerably from the process of integration in the form of cash balances inherited by them from the Rulers. Thus, for instance, the Rajpramukh of Madhya Bharat alone has made over to the Union large sums of money yielding interest sufficient to cover a major portion of the total privy purses of the Rulers, who have joined this Union. So far as the assumption of the part of the burden by the Centre is concerned, we must remember that this arrangement flows as a consequence of the financial integration of the States, which will have

an effect of lasting character on the economy of this country. The fiscal unification of India will patch up the disruptive rents in the economy of India which rendered effective implementation of economic policies in the Provinces impossible. Thus, for instance, in the matter of income-tax evasion alone, which has been a serious matter in recent years, the gains from federal financial integration will prove very substantial. From the financial point of view, therefore, the arrangements we have made are going to benefit very materially the economy of this country.

I shall now come to the political and moral aspect of these settlements. In order to view the payments guaranteed by us in their correct perspective, we have to remember that they are linked with the momentous developments affecting the most vital interests of this country. These guarantees form part of the historic settlements which enshrine in them the consummation of the great deal of geographical, political and economic unification of India, an ideal which for centuries remained a distant dream and which appeared as remote and as difficult of attainment as ever even after the advent of Indian independence.

Human memory is proverbially short. Meeting in October, 1949, we are apt to forget the magnitude of the problem which confronted us in August, 1947. As the honourable Members are aware, the so-called lapse of paramountcy was part of the Plan announced on 3 June, 1947, which was accepted by the Congress. We agreed to this arrangement in the same manner as we agreed to the partition of India. We accepted it because we had no option to act otherwise. While there was recognition in the various announcements of the British Government of the fundamental fact that each State should link up its future with that Dominion with which it was geographically contiguous, the Indian Independence Act released the States from all their obligations to the British Crown. In their various authoritative pronouncements, the British spokesmen recognized that, with the lapse of paramountcy, technically and legally the States would become independent. They even conceded that theoretically the States were free to link their future with whichever Dominion they liked although, in saying so, they referred to certain geographical compulsions which could not be evaded. The situation was indeed fraught with immeasurable potentialities of disruption, for some of the Rulers did wish to exercise their technical right to declare independence and others to join the neighbouring Dominion. If the Rulers had exercised their right in such an unpatriotic manner, they would have found considerable support from influential elements hostile to the interests of this country.

It was against this unpropitious background that the Government of India invited the Rulers of the States to accede on three subjects of Defence, External Affairs and Communications. At the time the proposal was put forward to the Rulers an assurance was given to them that they would retain the *status quo* except for accession on these subjects. It had been made clear to them that this accession did not also imply any financial liability on the part of the States and that there was no intention either to encroach on the internal autonomy or the sovereignty of the States or to fetter their discretion in respect of their acceptance of the new Constitution of India. These commitments had to be borne in mind when the States Ministry approached the Rulers for the integration of their States. There was nothing to compel or induce the Rulers to merge the identity of their States. Any use of force would have not only been against our professed principles but would have also caused serious repercussions. If the Rulers had elected to stay out, they would have continued to draw the heavy civil lists which they were drawing before and in large number of cases they could have continued to enjoy unrestricted use of the State revenues. The minimum which we could offer to them as *quid pro quo* for parting with their ruling powers was to guarantee to them privy purses and certain privileges on a reasonable and defined basis. The privy purse settlements are therefore in the nature of consideration for the surrender by the Rulers of all their ruling powers and also for the dissolution of the States as separate units. We would do well to remember that the British Government spent enormous amounts in respect of the Marhatta settlements alone. We are ourselves honouring the commitments of the British Government in respect of the pensions of those Rulers who helped them in consolidating their Empire. Need we cavil then at the small — I purposely use the word small — price we have paid for the bloodless revolution which has affected the destinies of millions of our people?

The capacity for mischief and trouble on the part of the Rulers if the settlement with them would not have been reached on a negotiated basis was far greater than could be imagined at this stage. Let us do justice to them; let us place ourselves in their position and then assess the value of their sacrifice. The Rulers have now discharged their part of the obligations by transferring all ruling powers and by agreeing to the integration of their States. The main part of our obligation under these agreements, is to ensure that the guarantees given by us in respect of privy purse are fully implemented. Our failure to do so would be a breach of faith and seriously prejudice the stabilization of the new order.

In commending the various provisions concerning the States to the House I would ask the honourable Members to view them as a co-ordinated overall settlement of a gigantic problem. A particular provision isolated from its context may give a wholly erroneous impression. Some of us might find fault with what might appear as relics of the previous autocratic set up. I wish to assure honourable Members that autocracy in the States has gone, and has gone for good. Let us not get impatient with any particular term which might remind us of the past. The form in which the Rulers find recognition in the new Constitution of India in no way impairs the democratic set up of the States. The Rulers have made an honourable exit; it now remains for the people to fill the breach and to derive full benefit from the new order.

I take the liberty to remind the House that at the Haripura Session the Congress in 1938 defined its objective in respect of the States as follows:

'The Congress stands for the same political, social and economic freedom in the States as in the rest of India and considers the States as integral parts of India which cannot be separated. The Purna Swaraj or complete Independence, which is the objective of the Congress, is for the whole of India, inclusive of the States; for the integrity and unity of India must be maintained in freedom as it has been maintained in subjection. The only kind of federation that can be acceptable to the Congress is one in which the States participate as free units, enjoying the same measure of democratic freedom as the rest of India.'

I am sure the House will agree with me when I say that the provisions which we are now placing before the House embody in them full achievement of that objective.

ORCAD, Vol. X, No. 5, pp. 161–8.

46 24 *November* 1949

PROCLAMATION OF NEW CONSTITUTION (TRAVANCORE-COCHIN)

WHEREAS with the inauguration of the new Constitution for the whole of India now being framed by the Constituent Assembly of India, the Government of India Act, 1935, which now governs the constitutional relationship between this State and the Dominion of India will stand repealed;

AND WHEREAS, in the best interests of the United State of Travancore and Cochin, which is closely linked with the rest of India by a community of interests in the economic, political and other fields, it is desirable that the constitutional relationship established between this State and the Dominion of India should not only be continued as between this State and the contemplated Union of India further strengthened, and the Constitution of India as drafted by the Constituent Assembly of India, which includes duly appointed representatives of this State, provides a suitable basis for doing so;

AND WHEREAS by virtue of the power vesting in it under the Covenant establishing this State, the Legislative Assembly of the State has resolved that the Constitution framed by the Constituent Assembly of India be adopted by this State;

I now hereby declare and direct

That the Constitution of India shortly to be adopted by the Constituent Assembly of India shall be the Constitution for the United State of Travancore and Cochin as for the other parts of India and shall be enforced as such in accordance with the tenor of its provisions;

That the provisions of the said Constitution shall as from the date of its commencement, supersede and abrogate all other constitutional provisions inconsistent therewith which are at present in force in this State.

RAMA VARMA
Raj Pramukh

WPIS, appendix liv, p. 367.

47 25 *November* 1949

PROCLAMATION OF NEW CONSTITUTION (MYSORE)

WHEREAS by a Proclamation dated the 29th October 1947, I ordained that my Ministry should set up a Constituent Assembly composed of elected representatives of the people and entrust it with the task of framing of a Constitution Bill for the State of Mysore;

AND WHEREAS the Constituent Assembly so set up has recommended that in the Constitution of India now being framed by the Constituent Assembly of India, which includes duly appointed representatives of this State, there should be incorporated such constitutional provisions as are approved by that body for, and in relation to the governance of, this State, and that the Constitution so framed should be adopted by this State;

I now hereby ordain

That the Constitution of India shortly to be adopted by the Constituent Assembly of India shall be the Constitution for the State of Mysore as for the other parts of India and shall be enforced as such by me, my heirs and successors in accordance with the tenor of its provisions;

That the provisions of the said Constitution shall, as from the date of its commencement, supersede and abrogate all other constitutional provisions inconsistent therewith which are at present in force in this State;

That both Houses of the Legislature of Mysore as at present constituted shall be dissolved on the fifteenth day of December, 1949;

That thereafter, and until such time as the House or Houses of the Legislature of Mysore has or have been duly constituted and summoned to meet for the first session under the provisions of the Constitution of India, there shall be only one House of the Legislature to be known as the Legislative Assembly of Mysore;

That the constitution of the said Legislative Assembly of Mysore shall in all respects be the same as the constitution of the Constituent Assembly of Mysore, all members of which shall, on the sixteenth day of December, 1949, become members of the said Legislative Assembly of Mysore.

JAYA CHAMARAJENDRA WADIYAR
Bahadur of Mysore

WPIS, appendix liv, pp. 370–1.

48 16 *December* 1947

STATEMENT: SARDAR PATEL

The public has already received through the Press and over the radio a fairly clear and detailed picture of the settlement which I have reached, during the course of my visit to Orissa and C.P. and Berar, with the Rulers of Orissa and Chattisgarh States on the problem of integration of those States with their neighbouring Provinces. I feel, however, that for a correct appreciation of this important event it is necessary for me to explain the background and the policy underlying that settlement. Democratization of the administration which has long been the keynote of Congress policy towards the States, has become a pressing problem since 15th August. The Princes themselves have in many cases begun to realize the spirit of the times and have been gradually introducing measures in accord with that spirit. The progress has been in some States slow, in others it has been swift, but everywhere it has been sure.

It should be obvious to everyone, however, that even democracy and democratic institutions can function efficiently only where the unit to which these are applied can subsist in a fairly autonomous existence. Where, on account of smallness of its size, isolation of its situation, the inseparable link with a neighbouring autonomous territory, be it a Province or a bigger State, in practically all economic matters of every-day life, the inadequacy of resources to open up its economic potentialities, the backwardness of its people and the sheer incapacity to shoulder a self-contained administration, a State is unable to afford a modern system of government, both democratization and integration are clearly and unmistakably indicated.

In the world of today, where distances are fast shrinking and masses are being gradually brought into touch with latest administrative amenities, it is impossible to postpone for a day longer than necessary the introduction of measures which would make the people realize that their progress is also proceeding at least on the lines of their neighbouring areas. Delays inevitably lead to discontent, which in its turn results in lawlessness; the use of force may for a time check the popular urge for reform, but it can never succeed in eradicating it altogether. Indeed, in many of the States with which I had to hold discussions during the last two days large-scale unrest had already gripped the people; in others the rumblings of the storm were being heard. In such circumstances, after careful and anxious thought, I came to the conclusion that for smaller States of this type, placed in circumstances which I have described above, there was no alternative to integration and democratization.

At the same time I felt that their rulers had acquired by heredity and history certain claims on the people which the latter must honour. Their dignities and privileges and their means of subsistence on a reasonable standard must be assured. I have always held to the belief that the future of the Princes lies in the service of their people and their country and not in the continued assertion of their autocracy. In conformity with these ideas, I felt that, on release from an increasingly onerous and awkward responsibility but, at the same time, with their personal position and that of the ruling family fully safeguarded, they would have opportunities of service which have hitherto been denied to them and which many of them are genuinely longing for and genuinely anxious to secure, and they would cease to be the targets of continuous bitter attacks and ill-will.

The settlement which we have reached at Cuttack and Nagpur is actuated by these motives, prompted by these considerations and governed by these principles. I have no doubt that it is in the best interests of the Rulers, the people and the country at large. I am

particularly grateful to the Rulers of the States who showed a commendable appreciation of the realities of the situation and a benevolent regard for public good. To all of them, undoubtedly the decisions they have taken have involved considerable sacrifice of powers and fortune. They have accepted this sacrifice cheerfully and voluntarily in the interests of their people and the country at large. I am sure their people will react favourably to this generous response to public interests.

Throughout my discussions with the Rulers I was careful to emphasize that the solution which we suggested for the difficult problems with which we and they were equally faced, was for them to accept or reject of their own free will. There was no compulsion save that of events and of the circumstances and peculiar problems of their States. I also told them that in offering this solution we were actuated by nothing but the friendliest disposition towards them and had nothing but the ultimate good of the Princes and their people at heart. I also maintained that their voluntary surrender of most of the powers that they wielded so far would increase and not reduce the prestige that they have enjoyed and would create in the hearts of their people a place of lasting affection and regard which would redound to their glory. I am very glad that they all responded to these sentiments and would ask the people of these States to play their own part and to extend to each one of them unfailing cordiality and unstinted goodwill.

In future, if the people of these States have any grievances, they can only be against the popular representatives and leaders who would be charged with their interests and welfare, and not against the Princes. These Princes have by their act of abnegation purchased in perpetuity their right to claim the devotion of their people. I am sure that very soon the provincial governments who would be acting for the Dominion Government in discharging administrative functions in these States will turn their thoughts and energies to ameliorating the conditions of the people and to devising ways and means of associating representatives of States with the fashioning of administrative measures. Let them all realize the stakes involved — some 56,000 square miles of territory with a population of about eight million, a gross revenue of about two crores and immense potentialities for the future. It is the undisputable right of the people in these territories to modern amenities of government which should be the governing consideration in everything that we do for them. It will also be the duty of the people concerned to help and co-operate wholeheartedly with the respective provincial administrations in this process of unification and amelioration, so that they may derive the full benefit of this great achievement.

WPIS, appendix x.

49 29 *January* 1948

STATEMENT: SARDAR PATEL

As you are all aware, on the lapse of paramountcy, every Indian State became a separate independent entity and our first task of consolidating about 550 Indian States was on the basis of accession to the Indian Dominion on three subjects. Barring Hyderabad and Junagadh, all the States which are contiguous to India acceded to the Indian Dominion. Subsequently, Kashmir also came in.

With the birth of independence in India, the urge for enjoyment of similar freedom naturally inspired the people of the States, where the process of democratization of administration had not made anything like the same progress as was made in the adjoining Provinces. The result was agitation on the part of the people and occasional clashes between the Rulers and the ruled. Some Rulers, who were quick to read the writing on the wall, gave responsible government to their people, Cochin being the most illustrious example. In Travancore there was a short struggle, but there, too, the Ruler soon recognized the aspirations of his people and agreed to introduce a Constitution in which all power would be transferred to the people and he would function as a constitutional Ruler. Similarly, in Mysore there was a struggle for a short time in which the popular will triumphed eventually, and we know that there has been a complete transfer of power from the Ruler to the people.

While these big States were temporarily able to deal with popular movements, the smaller States were not able even to maintain law and order with their limited resources and with the people in opposition to the administration. This was particularly evident in the Eastern States, in one of which States, namely Nilgiri, the situation had so deteriorated as to result in the Ruler leaving the State. In another State in the same area the Ruler could not return to the capital and had to approach the Ministry of States to advise the local Praja Mandal to keep quiet as the Ministry was about to take up the question of consolidation of States. These States had formed a superficial Union which could not last as it was not based on linguistic, cultural and economic affinities. The law and order situation in some of the States was so bad as to cause apprehension to the adjoining administrations of Orissa and the Central Provinces. You know the sequence of events thereafter. I went there in the middle of December, at Nagpur, and it was decided that the best interests of the people as also of the Rulers lay in administrative integration of the States with the adjoining Provinces. As early as 1930 the Simon Commission

recommended the integration of these States with the adjoining Provinces but nothing came out of the proposal. The act of sacrifice on the part of these Rulers which this decision involved has been universally acclaimed throughout the country. The transfer of administration from the Rulers to the Provinces was smooth and peaceful and has been warmly welcomed by the people of the States except in one or two places where ugly incidents occurred. But I shall not refer to them as they were not of any consequence and do not affect the main theme, namely, that the merger of the States was carried out willingly and has caused satisfaction all round.

The merger of Eastern States electrified the whole atmosphere. The people of the States found that here was a remedy for their difficulties arising out of their limited resources and narrow outlook. The eight Deccan States which formed the United Deccan State by merging their sovereignties in the new State, a step which was then considered to be revolutionary, felt that even in the new State their life would be cramped and that they would not have the same amenities and benefits as the people of the adjoining provinces of Bombay would have with all the resources of Bombay. The Rulers, who have always been known for their progressive outlook, appreciated the weight and soundness of this view and agreed to abide by the decision of the people. The Constituent Assembly of the new State met only three days ago, i.e. on the 26 January, and has passed a resolution by an overwhelming majority in favour of merger with a Province. The merger will thus be given effect to within a few days. There are some other States in Deccan which had not joined the Union, but in these States also the movement for merger had become so strong that the Rulers could not maintain law and order and have had to approach the Central Government to take over charge of law and order pending the merger of the States in the Province of Bombay. These States are Akalkot and Jath. The Ruler of Jamkhandi was one of the earliest to read the signs of the times and had approached this Ministry more than two months ago for unqualified merger of the State in Bombay. There was thus no trouble in his State and the people had welcomed the decision and the action of the Ruler. Thus all States in the Deccan except Kolhapur will shortly take their place in the Province of Bombay to the mutual advantage of both, and to the particular advantage of the people of these States.

Next came the problem of Kathiawar.

Kathiawar is a veritable jigsaw puzzle of different jurisdictions. The States in Kathiawar comprise 13 Salute States, 107 limited jurisdictional States and 329 non-jurisdictional estates and talukas, making up 449 units altogether. The area involved is more than

22,000 square miles with a population of between 3½ to 4 millions. The administration of the States is complicated by the fact that many of them have scattered islands of territory all over the place. The Salute States of Nawanagar, Gondal and Junagadh, for instance, have respectively 9, 18 and 24 separate areas of territory. Added together, these 449 units divide the map of Kathiawar into about 860 different areas.

Because the jurisdiction changes every few miles, communications are in a primitive condition. Internal trade is rendered difficult by the export and import duties and the octrois which the various units levy, and this encourages extensive smuggling and black market operations. The administration of justice and the maintenance of law and order under these circumstances are greatly handicapped. The economic development of the region, which has great potentialities, is hampered by its political fragmentation.

This state of affairs is good neither to the State nor to its people. The late Political Department tried in its own way to solve the problem, but its measures were necessarily half-hearted and did not serve the purpose of unification. Its solution was that some of these smaller units should be attached to the bigger States. This scheme was tried out, but at best it was never a good working arrangement. In any case, the lapse of paramountcy brought this to an end.

Since I took charge of the States Department, the unification of Kathiawar has been one of the major tasks to which I have devoted myself. In the altered circumstances the Rulers of the Kathiawar States have fully recognized the difficulties in continuing the present system, and I am glad to announce that it has now been possible to work out a scheme and get the agreement of the States to it, by which the whole of the Kathiawar region will be integrated into a new State of Kathiawar as a single block of territory. There will be no separate State or thana boundry, and the whole area will be served by one government. I have called you here to explain this, but in the first place I must pay my tribute to the Rulers for their patriotic co-operation which made this task so easy of achievement.

I shall now describe briefly the main features of the new set-up.

The new State of Kathiawar is known as the United States of Kathiawar. There is a Presidium of Rulers consisting of five members, each of whom shall be the Ruler of a Covenanting State. The Rulers of Nawanagar and Bhavnagar, the two most important States in the region, are members of the Presidium in their own right. One member is elected from amongst themselves by the Rulers of the Covenanting non-Salute States. The other two members are elected by the members

of the Council of Rulers consisting of the Rulers of the Salute States other than Nawanagar and Bhavnagar.

The Council of Rulers elect one member of the Presidium to be the President or the Rajpramukh and another to be the Vice-President of the Presidium. The first elections have already taken place, and His Highness the Jam Saheb of Nawanagar, who played a notable part in bringing these negotiations to a successful conclusion, has been elected as the Rajpramukh with His Highness the Maharaja of Bhavnagar as the Vice-President. The term of office of the Rajpramukh and the Vice-President is five years.

There will be a Council of Ministers to aid and advise the Rajpramukh.

We have provided for the formation of an Interim Ministry as follows.

There is already an electoral college for Kathiawar which elects representatives to the Constituent Assembly of India. Our plan is that the same electoral college should meet not later than the 20th of February, and choose the leader of the Interim Ministry. It will be his task to constitute this Ministry.

The Covenant also makes provision for the summoning of a Constituent Assembly to draft a Constitution for the State of Kathiawar.

We have in the Covenant only provided for the basic principles regarding the Kathiawar Constituent Assembly. The details will be worked out by the new Government of the United States of Kathiawar. It is our intention that when this Constituent Assembly has been set up the Ministry should be reconstituted so as to reflect the majority opinion in the Constituent Assembly. Thereafter it will be for the Constituent Assembly to frame a permanent Constitution for the new State within the framework of this Covenant and the Constitution of India.

The Privy Purse of the Rulers has been fixed, and the amount shown against each is contained in Schedule I to the Covenant.

This Covenant, as you will have noticed, applies only to the salute States and non-salute States. There are in addition a number of talukas and thanas which are administered by the Government of India through its Regional Commissioner in Kathiawar. We have prepared a separate instrument for their signature which we hope to complete by the end of January.

The movement for merger, by which I mean either merger with the Provinces to suit geographical situations or amongst themselves, is progressing rapidly. Such a move has now the support of both the Rulers and the ruled. It is no longer a demand of the people only. You must have observed that recently the Rulers of Bundelkhand

met at Nowgong and adopted a resolution for the creation of a United States of Bundelkhand in which all the Bundelkhand States and Rewa are likely to participate. It would be a State fairly large in area, but very substantial in mineral, forest and natural resources. Mr Menon is hoping to go there on or about February 8, 1948, to have further discussions with the Rulers and the people and to help them in bringing about a State based on complete transfer of power and somewhat on the model of the State of Kathiawar.

Another region where too the Rulers and the people are thinking on similar lines is Central India or Malwa. I have just received information that the Rulers of this region are forming a unitary State on the lines of the State of Kathiawar based again on full responsible government, that is, the executive being fully responsible to the legislature and the legislature being fully representative of the people of the area. There is a similar move for Rajputana, where all the smaller States and some of the bigger ones are hoping to join to form a State of Rajasthan which will help to preserve the traditions, culture and peculiarities of life of the Rajputs. I welcome all these moves as they solve the problems of consolidation as well as responsible government at one stroke, and it is particularly gratifying to note that these moves are not impositions from above but joint and willing proposals of the Rulers and the ruled. Both the people and the Rulers have realized that grant of full responsible government is inevitable and that responsible government in a small State is just a farce. It is not possible to have a decent and modern administration except in a unit of fair size and this is what is now being attempted, I am sure, with considerable success in the country.

There will still be a number of large States unaffected by the movement for merger or Union. In these States there is a definite movement for full responsible government. As I observed before, Cochin led the way and Travancore soon followed suit, and the Interim Government introduced in Mysore has become a model for many States to follow, such as Kashmir and Gwalior. I have reason to believe that the leading Rulers of Rajputana are thinking on the same lines and will not lag behind the other Princes in trusting their people and giving them full responsible government thus enabling them to shoulder responsibilities for their own government. I expect similar constitutional changes to be introduced very shortly in Bikaner and Jaipur. It is obvious that if any State lags behind it will only do so to its own disadvantage and to the disadvantage of its people. I have no doubt that this process of consolidation and democratization will be completed very shortly, and certainly well before the new Constitution which is being framed by the Indian Constituent Assembly

comes into effect; and thus there will be no discrimination between the people of the Provinces and the people of the States in the matter of the degree of freedom enjoyed by them. All the units will thus march side by side and with equal freedom and not some as free men and some as serfs. Nobody could have visualized this transformation in the country six months ago. Mr Menon will tell you that a very senior officer of the Political Department told him just before the transfer of power that he was wasting his time over accession and standstill agreements and that not one State will accept the accession as proposed by the newly formed Ministry of States. Those officers are still alive and must be wondering how the changes that have occurred since they left have really been brought about. While I give plenty of credit to the people for this bloodless revolution in nearly one-third of the country, I have nothing but praise for the manner in which the Rulers have co-operated with us and with the people in bringing about this development. None is more conscious than myself that all this could not have been achieved but for their willing co-operation and their intense patriotism which was latent but which has just blossomed forth in all its fullness with the acquisition of independence by the country.

One State remains which is still causing us some anxiety. It is the State of Hyderabad. Its geographical situation, the composition of its people and its cultural and traditional ties with India are such that it cannot but be an integral part of India, tied to it by the same bonds which characterize the relationship today between India and the acceding States. Accession in the case of Hyderabad is inevitable and will I hope come before long. Similarly democratization which will characterize the whole country cannot be delayed or withheld in Hyderabad. The people there must get their due and I would only appeal to His Exalted Highness the Nizam to appreciate this situation and to do the right thing in time.

The time at my disposal is short and the problem is vast but I have tried to give you a bird's-eye view of the current tendencies as well as of the picture which the country is likely to take when this process of consolidation and democratization is completed, as it should be in the next few months.

Patel, Sardar, *On Indian Problems*, 1949, pp. 24–30.

50 14 *December* 1947

FORM OF MERGER AGREEMENT (ORISSA AND CHATTISGARH)

AGREEMENT made this fourteenth day of December 1947 between the Governor-General of India and the Raja of .... .

WHEREAS in the immediate interests of the State and its people, the Raja of . . is desirous that the administration of the State should be integrated as early as possible with that of the Province of Orissa/C.P. in such manner as the Government of the Dominion of India may think fit:

It is hereby agreed as follows:

Article 1

The Raja of.... . . ..hereby cedes to the Dominion Government full and exclusive authority, jurisdiction and powers for and in relation to the governance of the State and agrees to transfer the administration of the State to the Dominion Government on the 1st day of January 1948 (hereinafter referred to as ' the said day ').

As from the said day the Dominion Government will be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 2

The Raja shall with effect from the said day be entitled to receive from the revenues of the State annually for his privy purse the sum of . . . . rupees free of taxes. This amount is intended to cover all the expenses of the Ruler and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and will neither be increased nor reduced for any reasons whatsoever.

The said sum may be drawn by the Raja in four equal instalments in advance at the beginning of each quarter by presenting bills at the State Treasury or at such other Treasury as may be specified by the Dominion Government.

Article 3

The Raja shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of this agreement.

The Raja will furnish to the Dominion Government before the 1st day of January 1948 an inventory of all the immovable property, securities and cash balances held by him as such private property.

If any dispute arises as to whether any item of property is the private property of the Raja or State property, it shall be referred to such officer with judicial experience as the Dominion Government may nominate and the decision of that officer shall be final and binding on both parties.

Article 4

The Raja, the Rani, the Rajmata, the Yuvraja and the Yuvrani shall be entitled to all personal privileges enjoyed by them whether within or outside the territories of the State, immediately before the 15th day of August 1947.

Article 5

The Dominion Government guarantees the succession, according to law and custom, to the *gadi* of the State and to the Raja's personal rights, privileges, dignities and titles.

In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf and with the authority of the Governor-General of India and

Raja of has appended his signature on behalf of himself, his heirs and successors.

Raja of

Secretary to the Government of India, Ministry of States

WPIS, appendix xi.

Similar forms were adopted in the case of the East Punjab States of Pataudi, Dujana and Loharu and the Madras States of Pudukottai and Banganapalle.—*Ed.*

51 23 *January* 1948

COVENANT (KATHIAWAR)

WE, the Rulers of certain States in Kathiawar,

BEING CONVINCED that the welfare of the people of this region can best be secured by the establishment of a state comprising the

territories of the numerous States, Estates and Talukas in Kathiawar with a common Executive, Legislature and Judiciary,

AND HAVING resolved to entrust to a Constituent Assembly consisting of elected representatives of the people the drawing up of a democratic Constitution for that State within the framework of the Constitution of India to which we have already acceded, and of this Covenant,

DO HEREBY, with the concurrence and guarantee of the Government of India, enter into the following COVENANT:

Article 1

In this Covenant,

(*a*) 'Covenanting State' means any of the States mentioned in Schedule I the Ruler of which has, whether by himself or by a duly authorised representative, signed this Covenant;

(*b*) 'Covenanting Salute State' means any Covenanting State which is mentioned in Part A of Schedule I;

(*c*) 'Covenanting Non-Salute State' means any Covenanting State which is mentioned in Part B of Schedule I; and

(*d*) unless there is anything repugnant in the subject or context, references to the Ruler of a State, or the Talukdar of a Taluka, include any person or persons for the time being exercising the powers of the Ruler or Talukdar whether by reason of his minority or for any other reason.

Article 2

(1) The Covenanting States agree

(*a*) to unite and integrate their territories in one State, with a common executive, legislature and judiciary, by the name of 'THE UNITED STATE OF KATHIAWAR'; and

(*b*) to include in the United State so established, any other State, Taluka or Estate the Ruler or Talukdar of which agrees, with the approval of the Government of India, to the merger of that State, Taluka or Estate in the United State of Kathiawar.

(2) The terms of all the agreements of merger referred to in clause (*b*) of paragraph (1) of this Article shall be binding on the United State and shall be deemed to be part of this Covenant.

Article 3

(1) There shall be a Council of the Rulers of the Covenanting Salute States.

(2) There shall be a Presidium consisting of five members, each of whom shall be the Ruler of a Covenanting State and shall be not less than 21 years of age.

(3) Subject to the condition mentioned in paragraph (2) of this Article, the Rulers of Nawanagar and Bhavnagar shall be permanent members of the Presidium, one member shall be elected from among themselves by the Rulers of the Covenanting Non-Salute States, and the other members shall be elected from among themselves by the members of the Council of Rulers other than Nawanagar and Bhavnagar.

(4) The Council of Rulers shall elect one member of the Presidium to be the President, and another to be the Vice-President of the Presidium, and the President so elected shall be the Raj Pramukh of the United State.

(5) A Ruler elected as a member of the Presidium in pursuance of paragraph (3), or as the President or the Vice-President of the Presidium in pursuance of paragraph (4), of this Article shall be entitled to hold office as such member, President or Vice-President, as the case may be, for a term of five years from the date on which he enters upon the duties of that office.

(6) Notwithstanding anything to the contrary contained in the preceding paragraphs of this Article—

(*a*) the present Rulers of Nawanagar and Bhavnagar, having been elected President and Vice-President, respectively, of the Presidium by the Rulers concerned on the 17th January, 1948, shall be the first President and Vice-President, respectively, of the Presidium,

(*b*) the present Rulers of Dharangadhra, Palitana and Kotda-Sangani, having been elected members of the Presidium by the Rulers concerned on the 17th and 21st January, 1948, shall be the first elected members of the Presidium; and

(*c*) the said President, Vice-President and members of the Presidium shall, for the purposes of paragraph (5) of this Article, be deemed to have entered upon the duties of their respective offices on the 1st February, 1948.

Article 4

(1) The Raj Pramukh shall be entitled to the same salary, allowances, and other amenities enabling him to discharge conveniently and with dignity the duties of his office, as the Governor of Bombay is entitled to on the 20th January, 1948.

(2) If the Raj Pramukh is by reason of absence or illness, or for any other reason, unable to perform the duties of his office, those duties shall, until he has resumed them, be performed by the Vice-President of the Presidium. During such period the Vice-President shall be entitled to the same salary, allowances and other amenities as the Raj Pramukh.

Article 5

(1) There shall be a Council of Ministers to aid and advise the Raj Pramukh in the exercise of his functions except those under paragraph (2) of Article VII.

(2) The Ministers shall be chosen by, and shall hold office during the pleasure of, the Raj Pramukh.

(3) For the purpose of choosing the first Council of Ministers the Raj Pramukh shall convene, not later than the 20th February, 1948, a meeting of the members of the Electoral College of Kathiawar (formed for electing representatives to the Constituent Assembly of India) but excluding the members from the States of Cutch, Idar and Radhanpur.

Article 6

(1) The Ruler of each Covenanting State shall, as soon as may be practicable, and in any event not later than the 15th April, 1948, make over the administration of his State to the Raj Pramukh; and thereupon—

(*a*) all rights, authority and jurisdiction belonging to the Ruler which appertain, or are incidental, to the government of the Covenanting State shall vest in the United State of Kathiawar, and shall thereafter be exercisable only as provided by this Covenant or by the Constitution to be framed thereunder;

(*b*) all duties and obligations of the Ruler pertaining or incidental to the government of the Covenanting State shall devolve on the United State of Kathiawar and shall be discharged by it; and

(*c*) all the assets and liabilities of the Covenanting State shall be the assets and liabilities of the United State of Kathiawar.

(2) When in pursuance of any such agreement of merger as is referred to in clause (*b*) of paragraph (1) of Article II the administration of any other State, Taluka or Estate is handed over to the Raj Pramukh, the provisions of clauses (*a*) and (*b*) of paragraph (1) of this Article, and in the case of a State, the provisions also of clause (*c*) thereof, shall apply in relation to such State, Taluka or Estate as they apply in relation to a Covenanting State, with the modification that in relation to a Taluka or Estate, the references in the said clauses to the Ruler shall be construed as references to the Talukdar.

Article 7

(1) The military forces, if any, of each Covenanting State shall, as from the date on which the administration of such State is made over to the Raj Pramukh, become the military forces of the United State of Kathiawar.

(2) Subject to any directions or instructions that may from time to time be given by the Government of India in this behalf, the authority to raise, maintain and administer the military forces of the United State shall vest exclusively in the Raj Pramukh.

Provided that nothing in this Article shall be deemed to prevent the Raj Pramukh from consulting the Presidium or the Council of Ministers in regard to any of the said matters.

Article 8

Subject to the provisions of this Covenant and of the Constitution to be framed thereunder, the executive authority of the United State shall be exercised by the Raj Pramukh either directly or through officers subordinate to him; but nothing in this Article shall prevent any competent legislature of the United State from conferring functions upon subordinate authorities, or be deemed to transfer to the Raj Pramukh any functions conferred by any existing law on any court, judge, officer or local authority in a Covenanting State.

Article 9

(1) There shall be formed, as soon as may be practicable, a Kathiawar Constituent Assembly in the manner indicated in Schedule II.

(2) It shall be the duty of the said Assembly to frame a Constitution for the United State (whether of a unitary or federal type) within the framework of this Covenant and the Constitution of India and providing for a government responsible to the legislature.

(3) Until a Constitution so framed comes into operation after receiving the assent of the Raj Pramukh, the legislative authority of the United State shall vest in the Raj Pramukh, who may make and promulgate Ordinances for the peace and good government of the State or any part thereof, and any Ordinance so made shall have the like force of law as an Act passed by the legislature of the State.

Article 10

(1) The Ruler of each Covenanting State shall be entitled to receive annually from the revenues of the United State for his privy purse, the amount specified against that Covenanting State in Schedule I.

(2) The said amount is intended to cover all the expenses of the Ruler and his family including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and shall neither be increased nor reduced for any reason whatsoever.

(3) The Raj Pramukh shall cause the said amount to be paid to the Ruler in four equal instalments at the beginning of each quarter in advance.

(4) The said amount shall be free of all taxes, whether imposed by the Government of the United State of Kathiawar or by the Government of India.

Article 11

(1) The Ruler of each Covenanting State shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of his making over the administration of that State to the Raj Pramukh.

(2) He shall furnish to the Raj Pramukh within one month of the said date an inventory of all the immoveable properties, securities and cash balances held by him as such private property.

(3) If any dispute arises as to whether any item of property is the private property of the Ruler or State property, it shall be referred to such person as the Government of India may nominate, and the decision of that person shall be final and binding on all parties concerned.

Article 12

The Ruler of each Covenanting State, as also the members of his family shall be entitled to all the personal privileges, dignities and titles enjoyed by them, whether within or outside the territories of the State, immediately before the 15th day of August, 1947.

Article 13

(1) The succession, according to law and custom, to the *gaddi* of each Covenanting State, and to the personal rights, privileges, dignities and titles of the Ruler thereof, is hereby guaranteed.

(2) Every question of disputed succession in regard to a Covenanting Salute State shall be decided by the Council of Rulers after referring it to the High Court of Kathiawar and in accordance with the opinion given by that High Court.

Article 14

No enquiry shall be made by or under the authority of the State of Kathiawar, and no proceedings shall lie in any court in that State, against the Ruler of any Covenanting State, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

Article 15

The Government of Kathiawar shall, in consultation with the Government of India and the Government of Bombay, take all steps necessary to set up a Joint Advisory Council, consisting of Ministers of Kathiawar and Ministers of the Province of Bombay, for investigating and discussing subjects of common concern and making recommendations thereon, and in particular recommendations for the better co-ordination of policy and action with respect to any such subject.

Article 16

(1) The United State of Kathiawar hereby guarantee *either* the continuance in service of the permanent members of the public services of each of the Covenanting States on conditions which will be not less advantageous than those on which they were serving before the date on which the administration of that State is made over to the Raj Pramukh *or* the payment of reasonable compensation.

(2) The United State of Kathiawar further guarantees the continuance of pensions and leave salaries sanctioned by competent authorities in any of the Covenanting States to members of the public services of that State who have retired, or proceeded on leave preparatory to retirement, before the date referred to in paragraph (1) of this article.

(3) The provisions of paragraphs (1) and (2) of this Article shall apply also in relation to the public services of any other State in Kathiawar merging in the United State of Kathiawar; and the provisions of paragraph (1) shall apply also in relation to any staff of the Regional Commissioner, Western India and Gujarat States, which may be transferred to the service of the United State of Kathiawar.

Article 17

Except with the previous sanction of the Raj Pramukh, no proceedings, civil or criminal, shall be instituted against any person in respect of any act done or purporting to be done in the execution of his duty as a servant of any Covenanting State before the date on which the administration thereof is made over to the Raj Pramukh.

Article 18

Nothing in this Covenant shall be deemed to prevent the Government of Kathiawar from negotiating a Union of Kathiawar with other Gujarati speaking areas on such terms and conditions as may be agreed to by the Council of Rulers, as well as the Council of Ministers, of Kathiawar.

SCHEDULE I

Covenanting States and Privy Purse Amounts

Part A—Salute States

		Rs
(1)	Nawanagar	10,00,000
(2)	Bhavnagar	10,00,000
(3)	Porbandar	3,80,000
(4)	Dhrangadhra	3,80,000
(5)	Morvi	8,00,000
(6)	Gondal	8,00,000
(7)	Jafrabad	16,000
(8)	Wankaner	1,80,000
(9)	Palitana	1,80,000
(10)	Dhrol	1,10,000
(11)	Limbdi	1,95,000
(12)	Rajkot	2,85,000
(13)	Wadhwan	1,42,000

Part B—Non-Salute States

		Rs
(1)	Lakhtar	91,000
(2)	Sayla	62,500
(3)	Chuda	51,250
(4)	Vala	88,750
(5)	Jasdan	1,50,000
(6)	Amarnagar Thana-Devli	1,00,000
(7)	Vadia	78,250
(8)	Lathi	77,500
(9)	Muli	53,000
(10)	Bajana	65,500
(11)	Virpur	44,500
(12)	Maliya	47,500
(13)	Kota-Sangani	67,000
(14)	Jetpur	1,00,000
(15)	Bilkha	1,00,000
(16)	Patdi	20,000
(17)	Khirasra	30,000

SCHEDULE II

Provisions relating to the Kathiawar Constituent Assembly

(1) The Assembly shall consist of not more than forty-five elected representatives of the people of the United State of Kathiawar on the basis of one representative for approximately one lakh of the population:

Provided that the people of each Covenanting Salute State shall, irrespective of their number, be entitled to elect at least one representative.

(2) The United State of Kathiawar shall be divided into territorial constituencies, and the total number of seats shall be distributed among them by assigning to each constituency one or two seats as may be convenient. As far as possible the constituencies shall be so delimited as not to cut across the boundaries of any compact part of a Covenanting State.

(3) The qualifications for membership of the Assembly and for being included in the electoral rolls shall be similar to those prescribed in relation to the Provincial Legislative Assembly of Bombay, subject to necessary modifications:

Provided that no person shall be disqualified either from being chosen as, or from being, a member of the Assembly or from being included in the electoral roll of a constituency, merely because he is the Ruler of a Covenanting or other State, or the Talukdar of a Taluka or Estate.

(4) An order shall in due course be made and proclaimed by the Raj Pramukh providing, consistently with the foregoing provisions of this Schedule, for—

(*a*) the delimitation of constituencies;

(*b*) the preparation of electoral rolls;

(*c*) the qualifications for membership of the Assembly;

(*d*) the qualifications entitling persons to vote in the elections;

(*e*) conduct of the elections, including bye-elections for the filling of casual vacancies;

(*f*) corrupt practices at or in connexion with such elections; and

(*g*) the decision of doubts and disputes arising out of or in connexion with such elections.

In confirmation of the above Covenant we append our signatures, on behalf of ourselves, our heirs and successors.

Rulers of the Covenanting States

The Government of India hereby concur in the above Covenant and guarantee all its provisions. In confirmation whereof, Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

23 January 1948.

V. P. MENON
Secretary to the Government of India
Ministry of States

WPIS, appendix xxxiv.

51 (*a*)

SUPPLEMENTARY COVENANT

WHEREAS it is expedient that the Covenant entered into by us, the Rulers of Kathiawar States, for the formation of the United State of Kathiawar, subsequently renamed as the United State of Saurashtra, should be further modified for the purpose and in the manner hereinafter described :

We, the said Rulers, do hereby, with the concurrence of the Government of India, enter into the following Supplementary Covenant.

Article 1

Notwithstanding anything contained in Article 3 of the original Covenant, His Highness Maharaja Digvijaysinhji Ranjitsinhji Jadeja, Maharaja Jam Saheb of Nawanagar, shall be the President of the Presidium and the Rajpramukh of Saurashtra during his lifetime.

In confirmation of the above Covenant we append our signatures on behalf of ourselves, our heirs and successors.

Rulers of Saurashtra

The Government of India hereby concur in the above Covenant and guarantee all its provisions. In confirmation whereof, Mr Vapal Pangunni Menon, Adviser to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

Secretary of the Government of India
Ministry of States

WPIS, appendix XXV.

51 (*b*) 15 *February* 1948

SUPPLEMENTARY COVENANT (JUNAGADH)

WHEREAS the duly elected representatives of the States of Junagadh, Manavadar, Mangrol, Bantwa, Sardargarh and Babariawad (hereinafter referred to as the said States), have recommended to the Government of India and the Government of the United State of Kathiawar renamed and hereinafter referred to as the United State of Saurashtra

(*a*) that the administration of the said States be integrated with that of the United State of Saurashtra and (*b*) that the aforesaid representatives of the people of these States be enabled to participate in the Kathiawar Constituent Assembly hereinafter referred to as the Saurashtra Constituent Assembly with a view to framing a common constitution for the United State of Saurashtra and the said States;

AND WHEREAS, pending the final determination of the constitutional structure of the said State by the Saurashtra Constituent Assembly it is expedient that the Covenant entered into by the Rulers of Kathiawar States for the formation of the United State of Saurashtra (hereinafter referred to as the said Covenant) shall be so modified as to provide for

(*a*) the integration of the administration of the said States with that of the United State of Saurashtra and

(*b*) the participation of the elected representatives of the people of the said States in the Saurashtra Constituent Assembly;

We, the Rulers of the Covenanting States, do hereby, with the concurrence of the Government of India, enter into the following Supplementary Covenant:

Article 1

Words used in the Supplementary Covenant shall have the same meaning as in the said Covenant.

Article 2

The provisions of this Supplementary Covenant shall have effect notwithstanding anything to the contrary contained in the said Covenant.

Article 3

From a date to be agreed upon between the Governments of the said States and the Government of the United State of Saurashtra, with the concurrence of the Government of India, the administration of the said States shall be integrated with that of the United State of Saurashtra and thereafter the legislative and executive authority powers and jurisdiction of the United State of Saurashtra shall extend to the said States to the same extent as it extends to the territory of any Covenanting State and except the provisions of Articles 10, 11, 12, 13 and 14 and subject to Articles 4 and 5 of this Supplementary Covenant the provisions of the Covenant shall apply in relation to these States in the same manner as they apply to the Covenanting States.

Article 4

Not more than ten representatives elected by the people of the said States (of whom seven shall be elected by the people of the Junagadh State) shall be included among the members of the Constituent Assembly of Saurashtra and shall have the same rights, privileges and obligations as other members of the said Assembly.

Article 5

The Saurashtra Constituent Assembly shall frame a common constitution for the United State of Saurashtra and the said States.

In confirmation of the above Supplementary Covenant we append our signatures on behalf of ourselves, our heirs and successors.

(1) Nawanagar; (2) Bhavnagar; (3) Porbandar; (4) Dhrangadhra; (5) Morvi; (6) Gondal; (7) Jafrabad; (8) Wankaner; (9) Palitana; (10) Dhrol; (11) Limbdi; (12) Rajkot; (13) Wadhwan; (14) Lakhtar; (15) Sayla; (16) Chuda; (17) Vala; (18) Jasdan; (19) Amarnagar; (20) Vadia; (21) Lathi; (22) Muli; (23) Bajana; (24) Virpur; (25) Maliya; (26) Kota Sangani; (27) Jetpur; (28) Bilkha; (29) Patdi; (30) Khirasra; (31) Vanod.

The Government of India hereby concur in the above Supplementary Covenant and guarantee all its provisions, in confirmation whereof Mr M. K. Vellodi, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

M. K. VELLODI
Secretary to the Government of India

WPIS, appendix xxxvi.

52 15 *April* 1948

FORM OF AGREEMENT (HIMACHAL PRADESH)

AGREEMENT made this day of March, 1948 between the Governor-General of India and of

WHEREAS the of is desirous in the best interest of the said State and its people that the Government of India should take over as early as possible the administration of the said State and integrate its territories with the territories of other East Punjab Hill States so as to consolidate these territories in one administrative Unit;

AND WHEREAS it is the intention of the Government of India to unite and integrate the territories of the East Punjab Hill States in one Centrally administered Unit and to provide, as soon as practicable and subject to the provisions of the Constitution of India, for its administration through a Lieutenant-Governor, with an Advisory Council consisting of three Rulers of the East Punjab Hill State and a local Legislature with such constitution, functions and powers as the Government of India may from time to time specify;

It is hereby agreed as follows:

Article 1

The . . of hereby cedes to the Dominion Government full and exclusive authority, jurisdiction and powers for and in relation to the governance of the State and agrees to transfer the administration of the State to the Dominion Government on the day of March 1948 (hereinafter referred to as ' the said day ').

As from the said day the Dominion Government will be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 2

The . shall with effect from the said day be entitled to receive from the revenues of the State annually for his privy purse the sum of rupees free of taxes. This amount is intended to cover all the expenses of the Ruler and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and will neither be increased nor reduced for any reason whatsoever.

The said sum may be drawn by the Raja in four equal instalments in advance at the beginning of each quarter by presenting bills at the State Treasury or at such other Treasury as may be specified by the Dominion Government.

Article 3

The shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of this agreement.

The..... . . will furnish to the Dominion Government before the 25th day of April 1948 an inventory of all the immovable property, securities and cash balance held by him as such private property.

If any dispute arises as to whether any item of property is the private property of the Raja or State property, it shall be referred to such officer with judicial experience as the Dominion Government may nominate and the decision of that officer shall be final and binding on both parties.

Article 4

The . . . shall be entitled to all personal privileges enjoyed by them whether within or outside the territories of the State, immediately before the 15th day of August 1947.

Article 5

The Dominion Government guarantees the succession, according to law and custom, to the *gadi* of the State and to the personal rights, privileges, dignities and titles.

In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf and with the authority of the Governor-General of India and of has appended his signature on behalf of himself, his heirs and successors.

Dated March 194

Secretary to the Government of India
Ministry of States

WPIS, appendix xxvii.

53 4 *May* 1948

KUTCH MERGER AGREEMENT

AGREEMENT made this fourth day of May 1948 between the Governor-General of India and His Highness the Maharao of Kutch.

WHEREAS in the best interests of the State of Kutch as well as of the Dominion of India it is desirable to provide for the administration of the said State by or under the authority of the Dominion Government;

AND WHEREAS His Highness the Maharao has accepted the advice given to him by the Dominion Government in this behalf;

IT IS HEREBY AGREED, as follows:

Article 1

His Highness the Maharao of Kutch hereby cedes to the Dominion Government full and exclusive authority, jurisdiction and powers for and in relation to the governance of the State and agrees to transfer the administration of the State to the Dominion Government on the 1st day of June 1948 (hereinafter referred to as ' the said day ').

As from the said day the Dominion Government will be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 2

His Highness the Maharao shall continue to enjoy the same personal rights, privileges, dignities and titles which he would have enjoyed had this agreement not been made.

Article 3

His Highness the Maharao shall with effect from the said day be entitled to receive from the revenues of the State annually for his privy purse the sum of eight lakhs of rupees free of all taxes. This amount is intended to cover all the expenses of the Ruler and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and will neither be increased nor reduced for any reason whatsoever.

The Government of India undertakes that the said sum of rupees eight lakhs shall be paid to His Highness the Maharao in four equal instalments in advance at the beginning of each quarter from the State Treasury or at such other treasury as may be specified by the Government of India.

Article 4

His Highness the Maharao shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of this agreement.

His Highness the Maharao will furnish to the Dominion Government before the 1st day of June 1948 an inventory of all the immovable property, securities and cash balance held by him as such private property.

If any dispute arises as to whether any item of property is the private property of His Highness the Maharao or State property, it shall be referred to a judicial officer qualified to be appointed as a High Court Judge, and the decision of that officer shall be final and binding on both parties.

Article 5

All the members of His Highness' family including Her Highness the Maharani Saheba, the Rajmata, the Yuvaraja and the Yuvarani shall be entitled to all the personal privileges, dignities and titles enjoyed by them whether within or outside the territories of the State, immediately before the 15th day of August 1947.

Article 6

The Dominion Government guarantees the succession, according to law and custom, to the *gadi* of the State and to His Highness the Maharao's personal rights, privileges, dignities and titles.

Article 7

No enquiry shall be made by or under the authority of the Government of India, and no proceedings shall lie in any Court in Kutch, against His Highness the Maharao, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

Article 8

(1) The Government of India hereby guarantees *either* the continuance in service of the permanent members of the public services of Kutch on conditions which will be not less advantageous than those on which they were serving before the date on which the administration of Kutch is made over to the Government of India *or* the payment of reasonable compensation.

(2) The Government of India further guarantees the continuance of pensions and leave salaries sanctioned by His Highness the Maharao to members of the public services of the State who have retired or proceeded on leave preparatory to retirement, before the date on which the administration of Kutch is made over to the Government of India.

Article 9

Except with the previous sanction of the Government of India, no proceedings, civil or criminal, shall be instituted against any person in respect of any act done or purporting to be done in the execution of his duties as a servant of the State before the day on which the administration is made over to the Government of India.

In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf and with the authority of the Governor-General

of India and His Highness Maharaja Dhiraja Mirza Maharao Shri Madan Sinhji Sawai Bahadur, Maharao of Kutch has appended his signature on behalf of himself, his heirs and successors.

MADAN SINHJI
Maharao of Kutch

V. P. MENON
Secretary to the Government of India
Ministry of States

Dated New Delhi, 4 May 1948

WPIS, appendix xxix.

54

15 *June* 1948

COVENANT (MADHYA BHARAT)

WE, the Rulers of Gwalior, Indore and certain other States in Central India,

BEING CONVINCED that the welfare of the people of this region can best be secured by the establishment of a State comprising the territories of our respective States, with a common Executive, Legislature and Judiciary;

AND HAVING resolved to entrust to a Constituent Assembly consisting of elected representatives of the people the drawing up of a democratic Constitution for the State within the framework of the Constitution of India, to which we have already acceded, and of this Covenant,

DO HEREBY, with the concurrence and guarantee of the Government of India, enter into the following Covenant:

Article 1

In this Covenant,

(*a*) 'Covenanting State' means any of the States mentioned in Schedule I, the Ruler of which has, whether by himself or by a duly authorized representative, signed this covenant;

(*b*) 'Covenanting Major State' means the State of Gwalior or the State of Indore;

(*c*) 'Covenanting Salute State' means any Covenanting State which is mentioned in Part A of Schedule I;

(*d*) 'Covenanting Non-Salute State' means any Covenanting State which is mentioned in Part B of Schedule I; and

(*e*) unless there is anything repugnant in the subject or context, references to the Ruler of a State include any person or persons for the time being exercising the powers of the Ruler, whether by reason of his minority or for any other reason.

Article 2

(1) The Covenanting States agree—

(*a*) to unite and integrate their territories in one State with a common executive, legislature and judiciary, by the name of ' the United State of Gwalior, Indore and Malwa ' (Madhya Bharat), hereinafter referred to as ' the United State '; and

(*b*) to include in the United State any other State the Ruler of which agrees, with the approval of the Government of India, to the merger of his State in the United State.

(2) The terms of all the agreements of merger referred to in clause (*b*) of paragraph 1 of this Article shall be binding on the United State and shall be deemed to be part of this Covenant.

Article 3

(1) There shall be a Council of Rulers consisting of the Rulers of the Covenanting Salute States, the Ruler of Kurwai and one Ruler to be elected from among themselves by the Rulers of the Covenanting Non-Salute States other than Kurwai.

Provided that no Ruler who is less than twenty-one years of age shall be a Member of the Council.

(2) The Council of Rulers shall elect at a meeting, one member of the Council to be the President, another to be the Senior Vice-President and two others to be Junior Vice-Presidents of the Council: and the President so elected shall be the Raj Pramukh of the United State:

Provided that the Rulers of the Covenanting Major States shall not take part in the voting for the election of either Junior Vice-President.

(3) For the purposes of the elections referred to in the preceding paragraph, every member shall have such number of votes as is equal to the number of lakhs in the population of his State as ascertained at the last preceding census (any fraction more than half a lakh being reckoned as one lakh and any other fraction being ignored), provided that every member shall have at least one vote.

(4) A Ruler elected as the President or as a Vice-President of the Council shall be entitled to hold office as such President or Vice-President, as the case may be, for a term of five years from the date on which he enters upon the duties of that office.

(5) Notwithstanding anything contained in the preceding paragraphs of this Article the present Rulers of Gwalior, Indore, Dhar

and Khilchipur shall respectively be the first President, Senior Vice-President and Junior Vice-Presidents of the Council of Rulers, and shall enter upon the duties of their respective offices on the 11th day of May 1948; the said President and Senior Vice-President shall be entitled to hold office during their lifetime, and the said Junior Vice-Presidents shall be entitled to hold office for a term of five years from the said date.

Article 4

(1) There shall be paid to the Raj Pramukh from the revenues of the United State a sum of Rs 2,50,000 per year as consolidated allowance in order that he may be enabled to discharge conveniently and with dignity the duties of his office.

(2) There shall in each year be paid to the Senior Vice-President from the revenues of the United State a sum of Rs 2,50,000 as consolidated allowance in order to enable him to discharge conveniently and with dignity the duties of his office.

(3) There shall be paid from time to time to each Junior Vice-President such allowances as the Raj Pramukh may consider appropriate to cover expenses in travelling in the discharge of such official duties as he may be directed to perform by the Raj Pramukh.

(4) If the Raj Pramukh is, by reason of absence or illness or for any other reason, unable to perform the duties of his office, those duties shall, until he has resumed them, be performed by the Senior Vice-President. During such period the Senior Vice-President shall be entitled to the same salary, allowances and other amenities as the Raj Pramukh.

Article 5

(1) There shall be a Council of Ministers to aid and advise the Raj Pramukh in the exercise of his functions except those under Article 7.

(2) The Ministers shall be chosen by, and shall hold office during the pleasure of the Raj Pramukh.

Article 6

(1) The Ruler of each Covenanting State shall, as soon as may be practicable, and in any event not later than the first day of July 1948, make over the administration of his State to the Raj Pramukh; and thereupon—

(*a*) all rights, authority and jurisdiction belonging to the Ruler which appertain, or are incidental, to the Government of the Covenanting State shall vest in the United State and shall hereafter be

exercisable only as provided by this Covenant or by the Constitution to be framed thereunder;

(*b*) all duties and obligations of the Ruler pertaining or incidental to the Government of the Covenanting State shall devolve on the United State and shall be discharged by it;

(*c*) all the assets and liabilities of the Covenanting State shall be the assets and liabilities of the United State; and

(*d*) the military forces, if any, of the Covenanting State shall become the military forces of the United State.

(2) When, in pursuance of any such agreement of merger as is referred to in clause (*b*) of paragraph (1) of Article 2, the administration of any other State is made over to the Raj Pramukh, the provisions of clauses (*a*), (*b*), (*c*) and (*d*) of paragraph (1) of this Article shall apply in relation to such States as they apply in relation to a Covenanting State.

Article 7

(1) In this Article, 'scheduled areas' means any of the areas specified in Schedule II:

Provided that the Raj Pramukh may, in consultation with the Government of India, by proclamation direct that the whole or any specified part of a scheduled area shall cease to be a scheduled area or a part of such an area.

(2) Subject to any directions or instructions that may from time to time be given by the Government of India in this behalf, the authority—

(*a*) to make laws for the peace and good government of any scheduled area,

(*b*) to raise, maintain and administer the military forces of the United State, and

(*c*) to control the administration of the fund in Gwalior known as the Gangajali Fund and of any other existing fund of a similar character in any other Covenanting State,

shall vest exclusively in the Raj Pramukh.

(3) Until other provision is made by an Act of the Legislature of the United State the right to resume Jagirs or to recognize the succession, according to law and custom, to the rights and titles of a Jagirdar shall vest exclusively in the Raj Pramukh.

(4) Nothing in the preceding paragraphs of this Article shall be deemed to prevent the Raj Pramukh from consulting the Council of Ministers in regard to any of the matters mentioned therein.

Article 8

The Raj Pramukh shall, as soon as practicable, and in any event not later than the fifteenth day of June 1948 execute on behalf of the

United State an Instrument of Accession in accordance with the provisions of section 6 of the Government of India Act, 1935, and in place of the Instruments of Accession of the several Covenanting States; and he shall by such Instrument accept as matters with respect to which the Dominion Legislature may make laws for the United State all the matters mentioned in List I and List III of the Seventh Schedule to the said Act, except the entries in List I relating to any tax or duty.

Article 9

Subject to the provisions of this Covenant and of the Constitution to be framed thereunder the executive authority of the United State shall be exercised by the Raj Pramukh either directly or through officers subordinate to him; but the Raj Pramukh may from time to time consult the Senior Vice-President, in important matters connected with the administration of the United State. Nothing in this Article shall prevent any competent legislature of the United State from conferring functions upon subordinate authorities or be deemed to transfer to the Raj Pramukh any functions conferred by any existing law on any Court, Judge, officer or local or other authority in a Covenanting State.

Article 10

(1) There shall be formed, as soon as may be practicable, a Constituent Assembly in the manner indicated in Schedule III; and it shall be the duty of that Assembly to frame a Constitution of a unitary type for the United State within the framework of this Covenant and the Constitution of India, and providing for a Government responsible to the Legislature.

(2) The Raj Pramukh shall constitute not later than the first day of August 1948 an interim Legislative Assembly for the United State in the manner indicated in Schedule IV.

(3) Upon the formation of the Constituent Assembly referred to in paragraph (1) of this Article, the interim Legislative Assembly shall automatically be dissolved, and the legislative authority of the United State shall vest in the Constituent Assembly.

Provided that until a Constitution framed by the Constituent Assembly comes into operation after receiving the assent of the Raj Pramukh, the Raj Pramukh shall have powers to make and promulgate Ordinances for the peace and good government of the United State or any part thereof, and any Ordinance so made shall, for the space of not more than six months from its promulgation have the like force of law as an Act passed by the interim Legislative Assembly, or as the case may be, the Constituent Assembly; but any such Ordinance may be controlled or superceded by any such Act.

Article 11

(1) The Ruler of each Covenanting State shall be entitled to receive annually from the revenues of the United State for his privy purse the amount specified against that Covenanting State in Schedule I.

Provided that the sums specified in the Schedule in respect of the Rulers of Gwalior and Indore shall be payable only to the present Rulers of these States and not to their successors for whom provision will be made subsequently.

(2) The said amount is intended to cover all the expenses of the Ruler and his family including expenses of his residences, marriages and other ceremonies, etc., and shall subject to the provisions of paragraph (1) neither be increased nor reduced for any reason whatsoever.

(3) The Raj Pramukh shall cause the said amount to be paid to the Ruler in four equal instalments at the beginning of each quarter in advance.

(4) The said amount shall be free of all taxes, whether imposed by the Government of the United State or by the Government of India.

Article 12

(1) The Ruler of each Covenanting State shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State Properties) belonging to him on the date of his making over the administration of that State to the Raj Pramukh.

(2) He shall furnish to the Raj Pramukh before the first day of August 1948 an inventory of all the immovable properties, securities and cash balances held by him as such private property.

(3) If any dispute arises as to whether any item of property is the private property of the Ruler or State property, it shall be referred to such person as the Government of India may nominate in consultation with the Raj Pramukh and the decision of that person shall be final and binding on all parties concerned:

Provided that no such dispute shall be so referable after the first day of July 1949.

Article 13

The Ruler of each Covenanting State, as also the members of his family, shall be entitled to all the personal privileges, dignities and titles enjoyed by them, whether within or outside the territories of the State, immediately before the 15th day of August, 1947.

Article 14

(1) The succession, according to law and custom to the *gaddi* of each Covenanting State, and to the personal rights, privileges, dignities and titles of the Ruler thereof, is hereby guaranteed.

(2) Every question of disputed succession in regard to a Convenanting State shall be decided by the Council of Rulers after referring it to a bench consisting of all the available Judges of the High Court of the United State and in accordance with the opinion given by that High Court.

Article 15

No enquiry shall be made by or under the authority of the United State, and no proceedings shall lie in any court in the United State, against the Ruler of any Covenanting State, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

Article 16

(1) The United State hereby guarantees *either* the continuance in service of the permanent members of the public services of each of the Covenanting States on conditions which will be not less advantageous than those on which they were serving on the 15 April 1948 *or* the payment of reasonable compensation.

(2) The United State further guarantees the continuance of pensions and leave salaries sanctioned by competent authorities in any of the Covenanting States to members of the public services of that State who have retired, or proceeded on leave preparatory to retirement, and the compassionate allowances granted to dependents of deceased members of those services, before the date on which the administration of that State is handed over to the Raj Pramukh.

(3) The provisions of paragraphs (1) and (2) of this article shall apply also in relation to the public services of any other State merging in the United State.

Article 17

Except with the previous sanction of the Raj Pramukh, no proceedings, civil or criminal, shall be instituted against any person in respect of any act done or purporting to be done in the execution of his duty as a servant of any Covenanting State before the date on which the administration thereof is made over to the Raj Pramukh.

Article 18

Notwithstanding anything contained in the preceding provisions of this Covenant, the Rulers of Gwalior and Indore shall continue to have and exercise their present powers of suspension, remission or commutation of death sentences in respect of any person who may

have been, or is hereafter, sentenced to death for a capital offence committed within the territories of Gwalior or of Indore, as the case may be.

SCHEDULE I

Covenanting States and Privy Purse Amounts

Part A—Salute States

		Rs
(1)	Alirajpur	95,000
(2)	Barwani	1,45,000
(3)	Dewas (Senior)	1,45,000
(4)	Dewas (Junior)	1,80,000
(5)	Dhar	2,90,000
(6)	Gwalior	25,00,000
(7)	Indore	15,00,000
(8)	Jaora	1,75,000
(9)	Jhabua	1,27,000
(10)	Khilchipur	60,000
(11)	Narsingarh	1,15,000
(12)	Rajgarh	1,40,000
(13)	Rutlam	1,50,000
(14)	Sailana	70,000
(15)	Sitaman	48,000

Part B—Non-Salute States

		Rs
(1)	Jobat	32,000
(2)	Kathiwara	32,000
(3)	Kurwai	60,000
(4)	Mathwar	6,000
(5)	Piploda	30,000

SCHEDULE II

Scheduled Areas

(1) In Rutlam State:

Bajna Tahsil.

(2) In Sailana State:

Raoti Tahsil.

(3) In Alirajpur State:

Bhabra Tahsil, Chandpur Tahsil, Chhakatala Tahsil, Nanpur Tahsil and Rath Tahsil.

(4) In Barwani State:

Pansemal Pargana, Rajpur Pargana and Silawad Pargana.

(5) In Jhabua State:

Jhabua Tahsil, Rambhapur Tahsil, Ranapur Tahsil, Thandla Tahsil, Umrao and Minor Jagirs.

(6) In Indore State:

Misarpur Pargana, Petlawaed Pargana, Segaon Pargana and Sendhwa Pargana.

(7) In Gwalior State:

Sardarpur District.

(8) In Dhar State:

Mandu District, Kukshi District, Nimanpur District.

(9) Jobat State.

(10) Kathiwara State.

(11) Mathwar State.

NOTE. Any reference to any State, District, Tahsil, Pargana, or Jagir shall be construed as a reference to that State, District, Tahsil, Pargana, or Jagir as existing on the 1st day of April 1948.

SCHEDULE III

Provisions relating to the Constituent Assembly of the United State of Madhya Bharat

(1) The Constituent Assembly shall consist of not more than 75 elected representatives of the people of the United State on the basis of one representative for approximately one lakh of the population:

Provided that the people of each Covenanting Salute State and Kurwai shall, irrespective of their number, be entitled to elect at least one representative.

(2) The Constituent Assembly may co-opt experts and advisers to assist the Assembly in the task of constitution-making. These experts and advisers so co-opted shall speak and otherwise take part in the proceedings of the Assembly or any Committee of the Assembly of which he may be so named a member but shall not be entitled to vote.

(3) The United State shall be divided into territorial constituencies, and the total number of seats shall be distributed among them by assigning to each constituency one or two seats as may be convenient. As far as possible the constituencies shall be so delimited as not to cut across the boundaries of any compact part of a Covenanting State.

(4) The qualifications for membership of the Assembly and for being included in the electoral rolls shall be similar to those prescribed in relation to the United Provinces Legislative Assembly, subject to necessary modifications.

(5) An order shall in due course be made and proclaimed by the Raj Pramukh providing, consistently with the foregoing provisions of this Schedule, for

(*a*) the delimitation of constituencies;

(*b*) the preparation of electoral rolls;

(*c*) the qualifications for membership of the Assembly;

(*d*) the qualifications entitling persons to vote in the elections;

(*e*) conduct of the elections, including bye-elections for the filling of casual vacancies;

(*f*) corrupt practices at or in connexion with such elections; and

(*g*) the decision of doubts and disputes arising out of or in connexion with such elections.

SCHEDULE IV

Provisions relating to the Interim Legislative Assembly of the United State of Madhya Bharat

(1) The Legislative Assembly shall consist of

(*a*) forty members elected by the members of the Gwalior Legislative Assembly;

(*b*) fifteen members elected by the members of the Indore Legislative Assembly; and

(*c*) twenty members elected by an electoral college to be constituted by the Raj Pramukh in consultation with the Government of India to represent Covenanting States other than Gwalior and Indore.

(2) The election shall be by proportional representation by means of the single transferable vote.

(3) The Raj Pramukh may make rules for carrying into effect the foregoing provisions of this Schedule and securing the due constitution of the interim Legislative Assembly.

In confirmation of the above Covenant we append our signatures, on behalf of ourselves, our heirs and successors.

(1) Maharaja of Alirajpur; (2) Rana of Barwani; (3) Maharaja of Dewas (Junior); (4) Maharaja of Dewas (Senior); (5) Maharaja of Dhar; (6) Maharaja of Gwalior; (7) Maharaja of Indore; (8) Nawab of Jaora; (9) Raja of Jhabua; (10) Raja of Khilchipur; (11) Raja of Narsingarh; (12) Raja of Rajgarh; (13) Maharaja of Rutlam; (14) Raja of Sailana; (15) Raja of Sitamau; (16) Rana of Jobat; (17) Thakur of Kathiwara; (18) Nawab of Kurwai; (19) Rana of Mathwar; (20) Rawat of Piploda.

The Government of India hereby concur in the above Covenant and guarantee all its provisions. In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

Secy. to the Govt. of India
Ministry of States

WPIS, appendix xxxvii.

54(*a*)

FORM OF SUPPLEMENTARY MADHYA BHARAT AGREEMENTS

AGREEMENT made this ..... day of ..... between the Raj Pramukh of the United State of Gwalior, Indore and Malwa (Madhya Bharat) and the Nawab/Thakore of ..

WHEREAS by Covenants entered into by the Rulers of Gwalior, Indore and certain other States in Central India it has been decided to establish a United State of Gwalior, Indore and Malwa (Madhya Bharat) with a democratic constitution to be framed by elected representatives of the people;

AND WHEREAS it is in the best interests of the people of ..... State that the administration of that area should be integrated as early as possible with that of the United State of Gwalior, Indore and Malwa (Madhya Bharat);

NOW, THEREFORE, it is hereby agreed as follows with the occurrence and guarantee of the Government of India:

Article 1

In this Agreement,

'the United State' means the United State of Gwalior, Indore and Malwa (Madhya Bharat);

'the Raj Pramukh' means the Raj Pramukh of the United State of Gwalior, Indore and Malwa (Madhya Bharat);

' State' means all the territories at present under the administration of the Nawab/Thakore of .

'the Nawab/Thakore' means the Nawab/Thakore of .

Article 2

The territories at present under the administration of the Nawab/Thakore of form part of the United State of Gwalior, Indore and Malwa (Madhya Bharat).

Article 3

The Nawab/Thakore will hand over the administration of . to the Raj Pramukh on the first day of .

Article 4

As from the said first day of July, 1948,

(*a*) all rights, authority and jurisdiction belonging to the Nawab/Thakore of ..... State which appertain, or are incidental to the Government of , shall vest in the United State;

(*b*) all duties and obligations of the Nawab/Thakore appertaining or incidental, to the Government of ..... State shall devolve on the United State; and

(*c*) all the assets and liabilities of ..... State shall be the assets and liabilities of the United State.

Article 5

(1) The Nawab/Thakore shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the first day of July, 1948.

(2) He shall furnish to the Raj Pramukh before the first day of August, 1948, an inventory of all the immovable properties, securities and cash balances held by him as such private property.

(3) If any dispute arises as to whether any item of property is the private property of the Nawab/Thakore or State property, it shall be referred to such person as the Government of India may nominate, and the decision of that person shall be final and binding on all parties concerned.

Article 6

(1) The Nawab/Thakore shall, with effect from the first day of July, 1948, be entitled to receive annually from the revenues of the United State for his privy purse the sum of ..... rupees, free of taxes.

(2) The said amount is intended to cover all the expenses of the Nawab/Thakore and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and shall neither be increased nor reduced for any reason whatsoever.

(3) The said amount will be payable to the Nawab/Thakore in equal instalments at the beginning of each quarter in advance.

Article 7

The Nawab/Thakore, as also the members of his family, shall be entitled to all the personal privileges, dignities and titles enjoyed by them whether within or outside immediately before the 15th August, 1947.

Article 8

The succession, according to law and custom, to the *gaddi* of the ..... State and to the personal rights, privileges and dignities of the Nawab/Thakore is hereby guaranteed by the United State.

In confirmation whereof His Highness the Maharaja of Gwalior, the Raj Pramukh of the United State of Gwalior, Indore and Malwa (Madhya Bharat) and Nawab/Thakore of .. . . State have appended their signatures.

Raj Pramukh of the United State of
Gwalior, Indore and Malwa (Madhya Bharat)
Nawab/Thakore of

The Government of India hereby concur in the above Agreement and guarantee all its provisions. In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

Secretary to the Government of India
Ministry of States

WPIS, appendix xxxviii.

55 17 *August* 1948

ACCESSION (ASSAM)

We the rulers of the Khasi States specified below;

Having agreed to the establishment of a Federation of which all the said Khasi States are members;

And being desirous of acceding to the Dominion of India, individually as Rulers of the said Khasi States and collectively as members of the said Federation;

Do hereby declare that we accede to the Dominion of India with the intent that the Governor-General of India, the Dominion Legislature, the Federal Court and any other Dominion authority shall, by virtue of this our Instrument of Accession, but subject always to the terms thereof, and for purposes only of the Dominion, exercise in relation to the said Khasi States such functions as may be vested in them by or under the Government of India Act, 1935, as for the time being in force in the Dominion of India (which Act as so in force is hereinafter referred to as ' the Act ').

(2) We hereby assume the obligation of ensuring that due effect is given to the provisions of the Act within the said Khasi States so far as they are applicable therein by virtue of this our Instrument of Accession.

(3) Subject to the provisions of the annexed Agreement (which shall be regarded as part of this our Instrument of Accession) we

accept that the Dominion Legislature may make laws for the said Khasi States in respect of any matter.

(Signed by the Siems of the Khasi Hill States on the dates shown in the statement attached.)

I do hereby accept this Instrument of Accession.

Dated this seventeenth day of August, nineteen hundred and forty-eight.

C. RAJAGOPALACHARI
Governor-General of India

Statement showing the list of Khasi Hill States which have signed the Instrument of Accession, the date of execution of the Instrument and the date of its acceptance by the Governor-General.

Serial No.	Name of the State	Date of execution of the Instrument of Accession	Date of acceptance by the Governor-General
(1)	Khyrium State	15-12-47	17-8-48
(2)	Mylliem State	Do.	Do.
(3)	Cherra State	Do.	Do.
(4)	Nongstein State	19-3-48	Do.
(5)	Rambrai State	17-3-48	Do.
(6)	Myriam State	....	Do.
(7)	Mobosohphoh State	11-1-48	Do.
(8)	Nongspung State	....	Do.
(9)	Nongkhlaw State	15-12-47	Do.
(10)	Bhowal State	Do.	Do.
(11)	Jirang State	Do.	Do.
(12)	Makaram State	Do.	Do.
(13)	Mawasynram State	Do.	Do.
(14)	Langrin State	Do.	Do.
(15)	Mawrang State	Do.	Do.
(16)	Malai Sohmat State	Do.	Do.
(17)	Mawphlang State	Do.	Do.
(18)	Sohiong State	Do.	Do.
(19)	Lyniong State	Do.	Do.
(20)	Shella Confederacy	Do.	Do.
(21)	Mawlong State	10-3-48	Do.
(22)	Nonglwai State	15-12-47	Do.
(23)	Pamsanugut State	15-12-47	Do.
(24)	Mawdon State	Do.	Do.
(25)	Dwara Nongtynmen State	Do.	Do.

WPIS, appendix xxv.

55(*a*) 17 *August* 1948

AGREEMENT (ASSAM)

(1) The Federation of Khasi States, hereinafter referred to as 'the Federation', agrees that all existing administrative arrangements between the Dominion of India and the Province of Assam on the one hand and the Khasi States on the other hand shall, with the exceptions noted below, continue in force until new or modified arrangements have been arrived at between the respective authorities concerned.

(2) The exceptions referred to above will be as follows:

Judicial Powers—

(*a*) The Federation will set up a competent Court of the Federation to exercise the judicial functions formerly vested in the Political Officer.

(*b*) In matters of customary law there will be no appeal from the Court of the Federation. In other cases, as at present, an appeal will lie to the Governor until a High Court of Assam is established when such appeal will lie to the Assam High Court.

(*c*) The judicial authority now exercised by State Courts in respect of Khasis will be maintained.

(*d*) In regard to all non-Khasis the judicial arrangements now existing will continue for the present except that the judicial powers of the Political Officer will be vested in the Court of the Federation when its competence is recognized. Where non-Khasis have voluntarily agreed to submit to the jurisdiction of a State Court that Court will continue to be the original trying court.

(*e*) Where State Courts comply with certain conditions to be laid down they may be vested with First, Second or Third Class Powers as defined in the Criminal Procedure Code and their jurisdiction would then include both Khasis and non-Khasis. The appointment of magistrates to the States' Courts and to the Court of Federation will be subject to the approval of the Governor in regard to their judicial competence. The Chief Justice of the Assam High Court, when established, will assume this power now vested in the Governor.

Administrative Powers—

With the exception of the following three subjects all the remaining administrative functions would be common with the Central or Provincial Government under the terms of the standstill arrangement outlined in paragraph 1 above.

Exceptions: (i) Excise—Subject to agreement with the Provincial Government regarding the fixing of duty, etc.

(ii) Forests—The Chief Conservator would act in an advisory capacity to the Federation in regard to the management and control of the Forests.

(iii) Land and water rights and the revenue derived therefrom.

(3) Revenue:

The member States of the Federation have agreed that the balance of the Khasi States Deposit Account should be handed over to the Federation and that future payments to this Deposit Account should also be made over to the Federation until fresh arrangements have been reached in regard to the contributions to be paid to the Federation by individual States.

(4) Khasi Territory in the Province:

The Federation request that all possible help should be given to facilitate the unification of all Khasi territory.

All Khasi villages which desired to rejoin States of which they had formerly formed a part should be allowed to do so.

Other Khasi territory in the Province should, if they desired, be allowed to join the Federation as units.

(5) Legislation:

In matters of legislation concerning subjects of common interest passed by the Assam Legislature there should be some machinery either by representation in that Legislature or otherwise set up whereby the legislation, where necessary, can be adopted or modified to suit the conditions and circumstances existing in the Khasi Hill.

WPIS, appendix xxvi.

56 21 *March* 1949

BARODA MERGER AGREEMENT

AGREEMENT MADE THIS twenty-first day of March 1949 between the Governor-General of India and His Highness the Maharaja of Baroda.

WHEREAS in the best interests of the State of Baroda as well as of the Dominion of India it is desirable to provide for the administration of the said State by or under the authority of the Dominion Government,

IT IS HEREBY AGREED AS FOLLOWS:

Article 1

His Highness the Maharaja of Baroda hereby cedes to the Dominion Government full and exclusive authority, jurisdiction and powers for

and in relation to the governance of the State and agrees to transfer the administration of the State to the Dominion Government on the 1st day of May 1949 (hereinafter referred to as ' the said day ').

As from the said day the Dominion Government will be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 2

His Highness the Maharaja shall continue to enjoy the same personal rights, privileges, dignities and titles which he would have enjoyed had this agreement not been made.

Article 3

His Highness the Maharaja shall with effect from the said day be entitled to receive from the revenues of the State annually for his Privy Purse the sum of Rs 26,50,000 (Rupees twenty-six lakhs and fifty thousand only) free of all taxes. This amount is intended to cover all the expenses of the Ruler and his family, including expenses on account of his secretariat and personal staff, maintenance of his residences, marriages and other ceremonies, etc., and will neither be increased nor reduced for any reason whatsoever:

Provided that the sum specified above shall be payable only to the present Ruler of the State of Baroda and not to his successors for whom provision will be made subsequently by the Government of India.

The Government of India undertakes that the said sum of Rupees twenty-six lakhs and fifty thousand shall be paid to His Highness the Maharaja in four equal instalments in advance at the beginning of each quarter from the State treasury or at such other treasury as may be specified by the Government of India.

Article 4

His Highness the Maharaja shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of this agreement.

His Highness the Maharaja will furnish to the Dominion Government before the 31st day of March 1949 an inventory of all the immovable property, securities and cash balance held by him as such private property.

If any dispute arises as to whether any item of property is the private property of His Highness the Maharaja or State property, it shall be referred to a judicial officer qualified to be appointed as a High Court Judge, and the decision of that officer shall be final and binding on both parties.

Article 5

All the members of His Highness' family shall be entitled to all the personal privileges, dignities and titles enjoyed by them whether within or outside the territories of the State, immediately before the 15th day of August 1947.

Article 6

The Dominion Government guarantees the succession, according to law and custom to the *gaddi* of the State and to His Highness the Maharaja's personal rights, privileges, dignities and titles.

Article 7

No enquiry shall be made by or under the authority of the Government of India, and no proceedings shall lie in any Court in Baroda, against His Highness the Maharaja, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

Article 8

(1) The Government of India hereby guarantees *either* the continuance in service of the permanent members of the Public Services of Baroda on conditions which will be not less advantageous than those on which they were serving before the date on which the administration of Baroda is made over to the Government of India *or* the payment of reasonable compensation.

(2) The Government of India further guarantees the continuance of pensions and leave salaries sanctioned by His Highness the Maharaja to members of the public services of the State who have retired or proceeded on leave preparatory to retirement, before the date on which the administration of Baroda is made over to the Government of India.

Article 9

Except with the previous sanction of the Government of India, no proceedings, civil or criminal shall be instituted against any person in respect of any act done or purporting to be done in the execution of his duties as a servant of the State before the day on which the administration is made over to the Government of India.

In confirmation whereof Mr Vapal Pangunni Menon, Adviser to the Government of India in the Ministry of States has appended his signature on behalf and with the authority of the Governor-General of India and His Highness Farzand-i-Khas-i-Daulat-i-Inglishia

Maharaja Sir Pratap Singh Gaekwar Sena Khas Khel Shamsher Bahadur, G.C.I.E., Maharaja of Baroda has appended his signature on behalf of himself; his heirs and successors.

PRATAP SINGH GAEKWAR
Maharaja of Baroda

V. P. MENON
Adviser to the Govt. of India
Ministry of States

New Delhi on 21 March 1949

WPIS, appendix xix.

57 26 *December* 1949

VINDHYA PRADESH MERGER

AGREEMENT made this 26th day of December 1949 between the Governor-General of India and the Rulers of the States forming the United State of Vindhya Pradesh.

WHEREAS in March 1948 the Rulers of certain States in Bundelkhand and Baghelkhand entered into a Covenant whereby they agreed to unite and integrate the territories of their States into one State by the name of the United State of Vindhya Pradesh;

AND WHEREAS for divers reasons the administration of the said territories could not be conducted in the manner contemplated in the said Covenant;

AND WHEREAS the parties to the present agreement are convinced that a proper administration of the said territories could only be secured by leaving it to be provided by the Government of India in such manner as it may think fit;

IT is hereby agreed as follows:

Article 1

As from the first day of January, 1950, the Covenant entered into in March 1948 by the Rulers of certain States in Bundelkhand and Baghelkhand for the formation of the United State of Vindhya Pradesh (hereinafter referred to as 'the Covenant') shall stand abrogated.

Article 2

As from the aforesaid day, the United State of Vindhya Pradesh shall cease to exist, and all the property, assets and liabilities of that

State, as well as its rights, duties and obligations, shall be those of the Government of India.

Article 3

The Ruler of each of the States specified in the Schedule to this agreement (hereinafter referred to as 'the Covenanting States') hereby cedes to the Government of India, with effect from the aforesaid day, full and exclusive authority, jurisdiction and powers for, and in relation to, the governance of that State; and thereafter the Government of India shall be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 4

(1) The Ruler of each Covenanting State shall be entitled to receive annually from the Government of India for his privy purse the amount specified against that Covenanting State in the Schedule to this Agreement.

(2) The said amount is intended to cover all the expenses of the Ruler and his family including expenses on account of personal staff, maintenance of his residences, marriages and other ceremonies, etc., and shall neither be increased nor reduced for any reason whatsoever.

(3) The said amount shall be free of all taxes and shall be paid in four equal instalments in advance at the beginning of each quarter.

Article 5

The Ruler of each Covenanting State, as also the members of his family shall be entitled to all the personal privileges, dignities and titles enjoyed by them, whether within or outside the territories of that State, immediately before the 15th day of August 1947.

Article 6

The Government of India guarantees the succession, according to law and custom, to the *gaddi* of each Covenanting State, and to the personal rights, privileges, dignities and titles of the Ruler thereof.

Article 7

(1) The Ruler of each Covenanting State shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of his making over the administration of that State to the Raj Pramukh in pursuance of the Covenant.

(2) If any dispute arises as to whether any item of property is the private property of the Ruler or State property, it shall be referred

to a judicial officer to be nominated by the Government of India, and the decision of that officer shall be final and binding on all parties concerned.

Article 8

No inquiry shall be made by or under the authority of the Government of India, and no proceedings shall lie in any Court, against the Ruler of any Covenanting State, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

Article 9

(1) The Government of India hereby guarantees *either* the continuance in service of the permanent members of the Public Services of the United State of Vindhya Pradesh on conditions which will not be less advantageous than those on which they were serving on 1st December 1949, *or* the payment of reasonable compensation *or* retirement on proportionate pension.

(2) The Government of India further guarantees the continuance of pensions and leave salaries sanctioned by competent authorities in the United State of Vindhya Pradesh to members of Public Services of that State who have retired or proceeded on leave preparatory to retirement before the date referred to in paragraph (1) of this Article.

(3) The Government of India hereby reaffirms the guarantees given by the United State of Vindhya Pradesh in paragraphs (1) and (2) of Article 15 of the Covenant establishing that State.

Article 10

Except with the previous sanction of the Government of India no proceedings, civil or criminal, shall be instituted against any person in respect of any act done or purported to be done in the execution of his duties as a servant of any Covenanting State before the date on which the administration thereof was made over to the Raj Pramukh in pursuance of the Covenant.

Article 11

The Ruler of Rewa has entered into this Agreement both as the Ruler of the Covenanting State of Rewa and as the Raj Pramukh of the United State of Vindhya Pradesh.

THE SCHEDULE

Covenanting States and Privy Purse Amounts

Part A—Salute States

		Rs
(1)	Ajaigarh	74,700
(2)	Baoni	46,850
(3)	Baraundha	14,500
(4)	Bijawar	70,700
(5)	Chhatrapur	1,00,350
(6)	Charkhari	95,900
(7)	Datia	1,54,300
(8)	Maihar	56,500
(9)	Nagod	55,400
(10)	Orchha	1,85,300
(11)	Panna	1,47,300
(12)	Rewa	10,00,000
(13)	Samthar	51,800

Part B—Non-Salute States

(1)	Alipura	28,150
(2)	Banka Pahari	3,000
(3)	Beri	7,750
(4)	Bhaisaunda	5,600
(5)	Bihat	5,600
(6)	Bijna	3,000
(7)	Dhurwai	5,000
(8)	Garrauli	10,050
(9)	Gaurihar	15,000
(10)	Jaso	8,600
(11)	Jigni	5,950
(12)	Kamta Rajaula	5,000
(13)	Khaniadhana	15,600
(14)	Kothi	15,400
(15)	Lugasi	10,100
(16)	Naigawan Rebai	5,000
(17)	Pahra	5,300
(18)	Paldeo (Nayagaon)	10,400
(19)	Sarila	18,650
(20)	Sohawal	25,900
(21)	Taraon	5,850
(22)	Tori Fatehpur	7,000

In confirmation whereof Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf of, and with the authority, of, the Governor-General of India, and the Rulers of the Covenanting States have appended their signatures on behalf of themselves, their heirs and successors.

.....

Rulers of Vindhya Pradesh

V. P. MENON

Secretary, Ministry of States

WPIS, appendix xxxiii.

58 24 *December* 1947

EXTRA-PROVINCIAL JURISDICTION ACT, 1947

WHEREAS by treaty, agreement, grant, usage, sufferance and other lawful means, the Central Government has, and may hereafter acquire, jurisdiction in and in relation to areas outside the Provinces of India;

It is hereby enacted as follows:

(1) *Short title.* This Act may be called the Extra-Provincial Jurisdiction Act, 1947.

(2) *Definitions.* In this Act,

(*a*) 'extra-provincial jurisdiction' means any jurisdiction which by treaty, agreement, grant, usage, sufferance or other lawful means the Central Government has for the time being in or in relation to any area outside the Provinces;

(*b*) 'jurisdiction' includes rights, power and authority.

(3) *Exercise of jurisdiction.* (i) It shall be lawful for the Central Government to exercise extra-provincial jurisdiction in such manner as it thinks fit.

(ii) The Central Government may delegate any such jurisdiction as aforesaid to any officer or authority in such manner and to such extent as it thinks fit.

(4) *Power to make orders.* (i) The Central Government may, by notification in the official Gazette, make such orders as may seem to it expedient for the effective exercise of any extra-provincial jurisdiction of the Central Government.

(ii) Without prejudice to the generality of the powers conferred by sub-section (i), any order made under that sub-section may provide—

(*a*) for determining the law and procedure to be observed, whether by applying with or without modifications all or any of the provisions of any enactment in force in any Province or otherwise;

(*b*) for determining the persons who are to exercise jurisdiction, either generally or in particular cases or classes of cases, and the powers to be exercised by them;

(*c*) for determining the courts, judges, magistrates and authorities by whom, and for regulating the manner in which, any jurisdiction

auxiliary or incidental to or consequential on the jurisdiction exercised under this Act is to be exercised within any Province; and

(*d*) for regulating the amount, collection and application of fees.

(5) *Validity of acts done in pursuance of jurisdiction.* Every act and thing done, whether before or after the commencement of this Act, in pursuance of any extra-provincial jurisdiction of the Central Government in an area outside the Provinces shall be as valid as if it had been done according to the local law then in force in that area.

(6) *Evidence as to existence or extent of jurisdiction.* (i) If in any proceeding, civil or criminal, in a Court established in the Provinces or by the authority of the Central Government outside the Provinces, any question arises as to the existence or extent of any extra-provincial jurisdiction of the Central Government, the Secretary to the Government of India in the appropriate department shall, on the application of the Court, send to the Court the decision of the Central Government on the question, and that decision shall for the purposes of the proceeding be final.

(ii) The Court shall send to the said Secretary, in a document under the seal of the Court or signed by a judge of the Court, questions framed so as properly to raise the question, and sufficient answers to those questions shall be returned to the Court by the Secretary and those answers shall on production thereof be conclusive evidence of the matters therein contained.

(7) *Repeal and saving.* (i) The Extra-Provincial Jurisdiction Ordinance, 1947 (XV of 1947) is hereby repealed.

(ii) Any order made, anything done or any action taken in exercise of any power conferred by or under the said Ordinance shall be deemed to have been made, done or taken in exercise of powers conferred by or under this Act as if this Act had commenced on the 27th day of August, 1947.

Gazette, 24 December 1947.

59 19 *January* 1948

BOMBAY (ENLARGEMENT OF AREA AND ALTERATION OF BOUNDARIES) ORDER, 1947

WHEREAS by section 290 of the Government of India Act, 1935, as adapted by the India (Provincial Constitution) Order, 1947, it is provided that the Governor-General may by order increase the area, and alter the boundaries, of any Province and make such provisions

as the Governor-General may deem necessary or proper for any supplementary, incidental or consequential matters;

AND WHEREAS it is expedient that certain areas outside the Dominion of India should be included therein and made part of the Province of Bombay;

AND WHEREAS in accordance with the provisions of the said section 290 the Governor-General has ascertained the views of the Government of the Province of Bombay both with respect of the proposal to make the order and with respect to the provisions to be inserted therein;

NOW THEREFORE in exercise of the powers conferred on him by the said section and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:

(1) (i) This Order may be cited as the Bombay (Enlargement of Area and Alteration of Boundaries) Order, 1947.

(ii) It shall come into force at once.

(2) (i) The areas specified in the succeeding paragraph are hereby included in the territories of the Dominion of India.

(ii) The areas referred to in the preceding paragraph are:

(*a*) the areas comprised in the Estates which on the first day of July, 1947, were included in the Vatrak Kantha thana of the Baroda, Western India and Gujarat States Agency and were known by the following names:

(i) Ged, (ii) Polajpur, (iii) Morvad, (iv) Koprupur, (v) Mahisa, (vi) Porda and (vii) Dana; and

(*b*) the area known as Dangs.

(3) The said areas shall form part of the Province of Bombay and the boundaries of that Province shall be so altered as to comprise within them the said areas.

(4) (i) The areas comprised in the Estates of Ged, Polajpur and Morvad shall form part of the district of Ahmedabad, the areas comprised in the Estates of Koprupur, Mahisa, Porda and Dana shall form part of the district of Kaira, and the said areas shall be administered accordingly.

(ii) All enactments in force in any of the aforesaid districts, and all notifications, orders, schemes, rules, forms and bye-laws issued, made or prescribed under such enactments and in force in any of the aforesaid districts, shall extend to and be in force in the areas included in that district by the preceding paragraph.

(5) (i) The area known as the Dangs shall for the time being form a separate district of the Province of Bombay and be administered accordingly.

(ii) The Governor may, by order notified in the official Gazette of the Province, make such provision as appears to him to be necessary or expedient,

(*a*) for extending to the said area the application of any laws for the time being in force in the Province or any part thereof;

(*b*) for removing difficulties arising in connexion with the absorption of the said area in the Province; and

(*c*) generally for the proper administration of the said area.

(iii) Any order made under this Article may be made so as to be retrospective to any date not earlier than the date of the commencement of this Order.

(iv) Any order made under this Article shall be subject to the same powers of repeal and amendment as laws of the Provincial Legislature.

(v) No order shall be made by the Governor under this Article after the expiration of six months from the date of the commencement of this Order.

MOUNTBATTEN OF BURMA
Governor-General of India

C. C. DESAI
Addl. Secy.

WPIS, appendix xv.

60 27 *July* 1949

STATES' MERGER (GOVERNORS' PROVINCES) ORDER, 1949

WHEREAS full and exclusive authority, jurisdiction and powers for and in relation to the governance of the Indian States specified in the Schedules annexed hereto are exerciseable by the Dominion Government;

AND WHEREAS it is expedient to provide by order made under section 290A of the Government of India Act, 1935, for the administration of the said States together with the adjoining Governors' Provinces;

AND WHEREAS the views of the Governments of the said Provinces have been ascertained both with respect to the proposal to make such an Order and with respect to the provisions to be inserted therein;

NOW, THEREFORE, in the exercise of the powers conferred by the said section 290A, the Governor-General is pleased to make the following Order:

(1) (i) This Order may be cited as the States' Merger (Governors' Provinces) Order, 1949.

(ii) It shall come into force on the first day of August, 1949.

(2) In this Order, unless there is anything repugnant in the subject or context,

(*a*) ' absorbing Province ', in relation to a merged State, means the Province specified in the heading of the Schedule in which that State is specified;

(*b*) ' appointed day ' means the date of the commencement of this Order;

(*c*) ' central purposes ' means the purposes of Government relatable to any of the matters mentioned in the Federal Legislative List;

(*d*) ' law ' includes any ordinance order, bye-law, rule or regulation having the force of law;

(*e*) ' merged State ' means any of the States specified in the Schedules, and in the case of Baroda, includes also the area known as Kutchigarh situated in Okhamandal;

(*f*) ' Schedule ' means a Schedule to this Order.

(3) As from the appointed day, the States specified in each of the Schedules shall be administered in all respects as if they formed part of the Province specified in the heading of that Schedule; and accordingly, any reference to an Acceding State in the Government of India Act, 1935, or in any Act or Ordinance made on or after the appointed day shall be construed as not including a reference to any of the merged States, and any reference in any such Act or Ordinance as aforesaid to a Province specified in a Schedule to this Order shall be construed as including the territories of all the States specified in that Schedule.

(4) All the law in force in a merged State or in any part thereof immediately before the appointed day, including orders made under section 3 or section 4 of the Extra-Provincial Jurisdiction Act, 1947 (XLVII of 1947), shall continue in force until repealed, modified or amended by a competent legislature or other competent authority:

Provided that no orders shall be made under the said Act by any authority on or after the appointed day in relation to the governance of any of the merged States.

(5) (i) All property, wherever situate, which, immediately before the appointed day, is vested in the Dominion Government for purposes of the governance of a merged State shall, as from that day, vest in the Government of the absorbing Province, unless the purposes for which the property is held immediately before that day are central purposes.

(ii) A certificate of the Dominion Government signed by a Secretary to the Government shall be conclusive as to whether the purposes for which any property is held immediately before the appointed day are central purposes.

(6) Arrears of any taxes outstanding in a merged State immediately before the appointed day shall be deemed to be due to, and may

be recovered by, the Dominion Government or the Government of the absorbing Province, according as the proceeds of any such tax imposed after the appointed day would be due to, and recoverable by, the Dominion Government or the Government of the absorbing Province.

(7) (i) All liabilities in respect of such loans, guarantees and other financial obligations of the Dominion Government as arise out of the governance of a merged State, including in particular the liability for the payment of any sums to the Ruler of the merged State on account of his privy purse or to other persons in the merged State on account of political pensions and the like, shall, as from the appointed day, be liabilities of the absorbing Province, unless the loan, guarantee or other financial obligation is relatable to central purposes.

(ii) A certificate of the Dominion Government signed by a Secretary to that Government shall be conclusive as to whether any loan, guarantee or other financial obligation arising out of the governance of a merged State is relatable to central purposes.

(8) Without prejudice to the special provisions contained in Article (7), any contract made or deemed to be made before the appointed day by, or on behalf of, the Dominion for purposes connected with the governance of a merged State shall, as from that day, have effect as if it had been made by, or on behalf of, the absorbing Province, unless it is wholly or in part for central purposes.

(9) Any proceedings which, if this Order had not been made, might lawfully have been brought in a merged State by or against the Dominion shall, in the case of any liability arising before the appointed day or arising under any contract made before that day, be brought—

(*a*) by or against the Dominion, if the proceedings could have been brought by or against the Dominion had the liability arisen after the appointed day or, as the case may be, arisen under a contract made after the appointed day, and

(*b*) otherwise, by or against the absorbing Province.

(10) If, immediately before the appointed day, any proceedings are pending in a merged State to which the Dominion is a party and if those proceedings would have been brought by or against the absorbing Province under Article (9) had they been brought after the appointed day, the absorbing Province shall be deemed to be substituted in those proceedings for the Dominion, and the proceedings shall continue accordingly.

(11) (i) Notwithstanding anything contained in the Fifth Schedule to the Government of India Act, 1935—

(*a*) the total of seats in the Legislative Assemblies of the Provinces specified below shall be as follows:

Madras	214
Bombay	233
Bihar	151
Central Provinces and Berar	128
East Punjab	82
Orissa	91

(*b*) the total of seats in the Legislative Council of Bombay shall be increased by 10 and shall be not less than 38 and not more than 40.

(ii) Save as provided in this Article none of the provisions contained in the Fifth or the Sixth Schedule to the Government of India Act, 1935, shall apply in relation to the additional seats created by paragraph (1) of this Article.

(iii) The allocation of the additional seats among the merged States for purposes of the nomination hereinafter provided shall be as shown in the Schedules.

(iv) As soon as may be practicable after the appointed day, the Governor-General shall, by order in writing, nominate duly qualified persons to fill the additional seats and represent the people of the State or group of States to which those seats are allocated.

(v) A person shall not be qualified to be nominated under this Article if he—

(*a*) is subject to any disqualification under section 69 of the Government of India Act, 1935; or

(*b*) in the case of a seat in the Legislative Assembly, is less than 25 years of age, and in the case of a seat in the Legislative Council, is less than 30 years of age; or

(*c*) has not for a period of at least 180 days in the previous financial year resided in a house in the State or group of States to which the seat is allocated.

(vi) Every order made under paragraph (4) of this Article shall be communicated to the Governor of the Province concerned, who shall cause it to be notified in the official gazette of the Province and communicated to the Speaker of the Legislative Assembly or, as the case may be, the President of the Legislative Council and to each of the persons nominated by the order.

(vii) If any of the additional seats created by paragraph (1) of this Article becomes vacant, it shall be filled by nomination of the Governor-General in accordance with paragraphs (4), (5) and (6) of this Article.

THE SCHEDULES

[See Articles 2(e) and 11(3)]

SCHEDULE I

States merged in the Province of Madras

Names of States	*No. of seats in the Legislative Assembly*
Pudukkottai	2
Banganapalle	
Sandur	

SCHEDULE II

States merged in the Province of Bombay

No. of seats in the Legislative Council	*Names of States*	*No. of seats in the Legislative Assembly*
4	Baroda	23
1	Rajpipla	6
	Baria	
	Chhota-Udepur	
	Bhaderwa	
	Sanjeli	
	Tharad	
	Wao	
	Ambaliara	
	Ghodasar	
	Ilol	
	Khatosan	
	Khadal	
	Mohanpur	
	Punadra	
	Ranasan	
	Sudasna	
	Valasna	
	Varsoda	
	Vasna	
	Malpur	
	Mansa	
1	Idar	6
	Vijayanagar	
	Danta	
	Palanpur	
	Radhanpur	
	Bansda	2
	Dharampur	
	Jawhar	
	Surgana	

SCHEDULE II—CONTD.

No. of seats in the Legislative Council	*Names of States*	*No. of seats in the Legislative Assembly*
	Cambay	1
	Sachin	
1	Sant	2
	Lunawada	
	Jumbugodha	
	Balasinor	
1	Kolhapur	8
	Sangli	2
	Jath	1
	Kurundwad (Jr.)	2
1	Kurundwad (Sr.)	
	Miraj (Jr.)	
	Miraj (Sr.)	
	Aundh	1
	Phaltan	
	Bhor	1
	Janjira	1
	Akalkot	1
	Sawantwadi	2
1	Jamkhandi	2
	Mudhol	
	Ramdurg	
	Savanur	
	Wadi	

SCHEDULE III

States merged in the Province of Behar

Names of States	*No. of seats in the Legislative Assembly*
Kharsawan	1
Seraikella	

SCHEDULE IV

States merged in the Central Provinces & Berar

Names of States	*No. of seats in the Legislative Assembly*
Bastar	4
Kanker	1
Raigarh	2
Surguja	3
Jashpur	1
Changbhakar	1
Korea	
Chhuikhadan	3
Kawardha	
Khairagarh	
Nandgaon	
Makrai	

SCHEDULE IV—CONTD.

Names of States	*No. of seats in the Legislative Assembly*
Sakti	2
Sarangarh	
Udaipur	

SCHEDULE V

States merged in the Province of East Punjab

Names of States	*No. of seats in the Legislative Assembly*
Loharu	1
Dujana	
Pataudi	

SCHEDULE VI

States merged in the Province of Orissa

Names of States	*No. of seats in the Legislative Assembly*
Mayurbhanj	6
Bamra	1
Dhenkanal	2
Kalahandi	4
Nayagarh	1
Patna	4
Bonai	3
Gangpur	
Keonjhar	4
Nilgiri	
Athgarh	3
Baramba	
Daspalla	
Hindol	
Khandpara	
Narsingpur	
Ranpur	
Tigiria	
Pal-Lahara	
Talcher	
Athmallik	3
Baudh	
Rairakhol	
Sonepur	

C. RAJAGOPALACHARI
Governor-General
K. V. K. SUNDARAM
Secretary

WPIS, appendix xliv.

61 29 *November* 1949

STATES' MERGER (UNITED PROVINCES) ORDER, 1949

WHEREAS full and exclusive authority, jurisdiction and powers for and in relation to the governance of the Indian States of Banaras, Rampur and Tehri-Garhwal are exercisable by the Dominion Government;

AND WHEREAS it is expedient to provide by Order made under section 290A of the Government of India Act, 1935, for the administration of the said States in all respects as if they formed part of the United Provinces;

AND WHEREAS for the aforesaid purpose it is expedient to amend the States' Merger (Governors' Provinces) Order, 1949, and the States' Merger (Chief Commissioners' Provinces) Order, 1949;

AND WHEREAS the views of the Government of the United Provinces have been ascertained both with respect to the proposal to make such an Order and with respect to the provisions to be inserted therein;

NOW, THEREFORE, in exercise of the powers conferred by the said section 290A and of all other powers enabling him in this behalf the Governor-General is pleased to make the following Order:

(1) This Order may be cited as the States' Merger (United Provinces) Order, 1949.

(2) In article (2) of the States' Merger (Governors' Provinces) Order, 1949 (hereinafter referred to as the Principal Order), *for* clause (*b*) the following clause shall be *substituted*, namely:

'(*b*) "appointed day", in relation to the States specified in Schedules I to VI, means the first day of August, 1949, and in relation to the States specified in Schedule VII, the first day of December, 1949;'

(3) In paragraph (i) of Article (11) of the Principal Order,

(*a*) in clause (*a*), *after* the entry relating to Orissa, the following entry shall be *inserted*, namely:

' United Provinces . 232 ';

(*b*) in clause (*b*), the following words shall be *added* at the end, namely:

' and the total of seats in the Legislative Council of the United Provinces shall be increased by 1 and shall be not less than 58 and not more than 60 '.

(4) *After* Article (11) of the Principal Order, the following Article shall be *inserted*, namely:

' (12) As from the appointed day,

(*a*) the jurisdiction of the High Court at Allahabad shall extend to the whole of the merged State of Rampur (hereinafter referred to as " Rampur ") as it extends to the United Provinces;

(*b*) the Bengal, Agra and Assam Civil Courts Act, 1887, shall extend to, and be in force in, Rampur as it extends to, and is in force in, the United Provinces;

(*c*) the Ijlas-e-Humayun, the High Court of Rampur and the other Civil Courts in Rampur (hereinafter referred as " existing Civil Courts ") shall cease to function, and are hereby abolished;

(*d*) the Charter relating to the High Court of Rampur given by His Highness the Nawab of Rampur in July, 1948, shall stand repealed;

(*e*) all proceedings (including proceedings for confirmation of sentences of death) pending before the Ijlas-e-Humayun immediately before the appointed day shall stand transferred to the High Court at Allahabad and shall be heard and decided by that Court as if they had been proceedings instituted or commenced in that Court or submitted to it for confirmation of a sentence of death by a Sessions Judge subordinate to that Court, in accordance with sub-section (2) of section 31 of the Code of Criminal Procedure, 1898;

(*f*) all civil suits, execution cases and other proceedings (other than proceedings in company matters) instituted or commenced in the High Court of Rampur in the exercise of its original civil jurisdiction and pending before that High Court immediately before the appointed day shall stand transferred to the District Judge, Rampur;

(*g*) all criminal trials instituted or commenced in the High Court of Rampur in the exercise of its original criminal jurisdiction and pending before that High Court immediately before the appointed day shall stand transferred to the Sessions Judge, Rampur;

(*h*) every appeal, case and other proceeding (other than proceedings to which clause (*f*) or (*g*) applies, but not excluding proceedings in company matters) pending before the High Court of Rampur immediately before the appointed day shall stand transferred to the High Court at Allahabad, unless it be an appeal in a criminal proceeding and the sentences appealed against is a sentence of fine only or is a sentence of imprisonment for a period not exceeding five years, whether with or without fine, in which case it shall stand transferred to the Sessions Judge, Rampur;

(*i*) all the powers and jurisdiction which under the law for the time being in force in Rampur were immediately before the appointed day exercisable by the High Court of Rampur in the exercise of its original jurisdiction shall be exercised by the District Judge, Rampur, or the Sessions Judge, Rampur, as the case may be;

(*j*) where any existing Civil Court by reason of its abolition under clause (*c*) of this Article, ceases to have jurisdiction with respect to any suit or proceeding, any proceeding in relation to that suit or proceeding which, if that Court had not ceased to have jurisdiction,

might have been had therein, may be had in the Court to which the business of the former Court has been transferred under this Article;

(*k*) all suits and proceedings pending immediately before the appointed day before any of the existing Civil Courts shall stand transferred to the lowest Court, established under the Bengal, Agra and Assam Civil Courts Act, 1887, as extended to Rampur, which would have jurisdiction to try or dispose of such suit or proceeding;

(*l*) appeals from decrees and orders passed by the existing Civil Courts, but not appealed against before the appointed day, shall—

(i) in cases where such appeals would, before that day, have lain under the law in force in Rampur to the High Court of Rampur, lie to the High Court at Allahabad;

(ii) in cases where such appeals would, before that day, have lain, under the law in force in Rampur, to any other existing Civil Court, lie to the corresponding Court established under this Article;

(*m*) any appeal from an order passed in a criminal case, but not appealed against before the appointed day, shall—

(i) if it is an appeal against an order passed by a magistrate and the appeal would, before such date, have lain under the law in force in Rampur to the High Court of Rampur, lie to the Sessions Judge, Rampur;

(ii) if it is an appeal against an order passed by the High Court of Rampur in the exercise of its original criminal jurisdiction, lie to the High Court at Allahabad;

(*n*) nothing contained in clauses (*l*) and (*m*) shall be construed to extend the period of limitation to which any such appeal may be subject on the day immediately before the appointed day;

(*o*) all decrees passed and orders made before the appointed day by the High Court of Rampur or by any of the existing Civil Courts and all sentences or orders passed in the exercise of criminal jurisdiction by the High Court of Rampur shall be deemed, for the purpose of execution, to have been passed or made by the corresponding court established under and in accordance with the provisions of this Article;

(*p*) in so far as this Article makes no provision or insufficient provision, the High Court at Allahabad may make such order for the transfer of suits, cases or proceedings pending before the High Court of Rampur or an existing Civil Court to itself or to any Court in Rampur subordinate to it, and where any case, suit or proceeding is so transferred, the Court to which it is transferred shall hear and dispose of the same as if it had been a case, suit or proceeding transferred to it, in accordance with the law for the time being in force; and

(*q*) the abolition of the Ijlas-e-Humayun, the High Court of Rampur or the existing Civil Courts under clause (*c*) of this Article shall not

prejudice or affect the continued operation of any notice served, injunction issued, direction made or proceedings taken before the appointed day by such Ijlas or Court under the powers then conferred upon it.

Explanation. In clauses (*l*) and (*o*), the expression "corresponding Court" means a Court in which the case or proceeding in which the sentence or order was passed would have lain if the case or proceeding had been instituted after the appointed day.'

(5) In the Schedules to the Principal Order, the following Schedule shall be *added* at the end, namely:

SCHEDULE VII

States merged in the United Provinces

No. of seats in the Legislative Council	*Names of States*	*No. of seats in the Legislative Assembly*
1	Rampur	2
	Banaras	2
	Tehri-Garhwal	2

(6) (i) In Article (2) of the States' Merger (Chief Commissioners' Provinces) Order, 1949, *for* the words 'Bhopal, Bilaspur and Rampur', in both the places where they occur, the words 'Bhopal and Bilaspur' shall be *substituted.*

(ii) The Amendments made by paragraph (i) of this Article shall have effect as from the first day of December, 1949.

C. RAJAGOPALACHARI
Governor-General
K. V. K. SUNDARAM
Secretary

WPIS, appendix xlv.

62 22 *January* 1950

STATES' MERGER (CHIEF COMMISSIONERS' PROVINCES) ORDER, 1950

WHEREAS full and exclusive authority, jurisdiction and powers for, and in relation to, the governance of the Indian States of Manipur, Tripura and Vindhya Pradesh are exercisable by the Dominion Government;

NOW, THEREFORE, in the exercise of the powers conferred by section 290A of the Government of India Act, 1935, and of all other powers

enabling him in that behalf, the Governor-General is pleased to make the following Order:

(1) (i) This Order may be cited as the States' Merger (Chief Commissioners' Provinces) Order, 1950.

(ii) It shall come into force on the 23rd day of January, 1950, which day is hereinafter referred to as ' the appointed day '.

(2) (i) As from the appointed day, each of the States of Manipur, Tripura and Vindhya Pradesh shall be administered in all respects as if it were a Chief Commissioner's Province, and shall respectively be known as the Chief Commissioner's Province of Manipur, Tripura and Vindhya Pradesh.

(ii) The said Chief Commissioners' Provinces are hereinafter referred to as ' the new Provinces '.

(3) As from the appointed day, any reference to an Acceding State in the Government of India Act, 1935, or in any Act or Ordinance made on or after the appointed day, shall be construed as not including a reference to any of the States specified in Article 2 and any reference in any such Act or Ordinance as aforesaid to the Chief Commissioners' Provinces shall be construed as including a reference to the new Provinces.

(4) All the law in force in any of the new Provinces or in any part thereof immediately before the appointed day, including orders made under section (3) or section (4) of the Extra Provincial Jurisdiction Act, 1947 (XLVII of 1947), shall continue in force until repealed, modified or amended by the Dominion Legislature or other competent authority.

Provided that no orders shall be made under the said Act by any authority on or after the appointed day in relation to the administration of any of the new Provinces or any part thereof.

For the purposes of this Article ' law ' includes any ordinance, order, bye-law, rule or regulation having the force of law.

C. RAJAGOPALACHARI
Governor-General
K. V. K. SUNDARAM
Secretary

WPIS, appendix xlviii.

63 26 *December* 1949

MERGED STATES (LAWS) ACT, 1949

WHEREAS by Orders under section 290A of the Government of India Act, 1935 (26 Geo. 5, c. 2), provision has been made for the administration

of certain areas either as if they formed part of an adjoining Governor's Province or as if they were a Chief Commissioner's Province;

AND WHEREAS it is expedient to provide that certain laws should be extended to, and by virtue of such extension, be in force in, the said areas;

It is hereby enacted as follows:

(1) *Short title and commencement.* (i) This Act may be called the Merged States (Laws) Act, 1949.

(ii) It shall come into force on the 1st day of January, 1950.

(2) *Definitions.* In this Act,

(*a*) the expressions 'absorbing Province' and 'merged State' have the same meanings as in the States' Merger (Governors' Provinces) Order, 1949, as amended by the States' Merger (United Provinces) Order, 1949; and

(*b*) the expression 'new Provinces' means the Chief Commissioners' Provinces constituted by the States' Merger (Chief Commissioners' Provinces) Order, 1949, as amended by the States' Merger (United Provinces) Order, 1949.

(3) *Extension of laws.* (i) The Acts, Ordinances and Regulation specified in the Schedule[1] are hereby extended to, and shall be in force in, all the new Provinces.

(ii) So much of any of the Acts, Ordinances and Regulation specified in the Schedule as extends to any absorbing Province and relates to matters with respect to which the Dominion Legislature has power to make laws for a Governor's Province is hereby extended to, and shall be in force in, all the merged States which are now administered as part of that Province.

(iii) If any of the said Acts, Ordinances and Regulation as in force in any absorbing Province immediately before the commencement of this Act is subject to any amendments made by the Legislature of that Province, that Act, Ordinance or Regulation shall be deemed to be extended to, and to be in force in, all the merged States which are now administered as part of that Province, subject to so much of the said amendments as relate to matters with respect to which the Dominion Legislature has power to make laws for a Governor's Province.

(4) *Interpretation of laws as extended.* In any Act, Ordinance or Regulation specified in the Schedule, notwithstanding anything contained in the General Clauses Act, 1897 (X of 1897),

(*a*) any reference, by whatever form of words, to the Acceding States shall be construed as not including a reference to any of the merged States or to any of the States (other than the United State of Saurashtra) mentioned in the States' Merger (Chief Commissioners'

[1] The Schedule is omitted from this volume.

Provinces) Order, 1949 as amended by the States' Merger (United Provinces) Order, 1949;

(*b*) any reference, by whatever form of words, to Indian British subjects shall be deemed to include a reference to persons who, immediately before the 1st day of August, 1949, were subjects of any of the merged States or of any of the States (other than the United State of Saurashtra) mentioned in the States' Merger (Chief Commissioners' Provinces) Order, 1949, as amended by the States' Merger (United Provinces) Order, 1949;

(*c*) any reference, by whatever form of words, to the Provinces generally or to the Chief Commissioners' Provinces generally shall be construed as including a reference to the new Provinces; and

(*d*) any reference, by whatever form of words, to an absorbing Province shall be construed as including a reference to the merged States which are now administered as part of that Province.

(5) *Repeal of corresponding laws.* If immediately before the commencement of this Act there is in force in any of the new Provinces or merged States an Act, Ordinance, Regulation or other law corresponding to an Act, Ordinance or Regulation specified in the Schedule, whether such Act, Ordinance or Regulation is in force by virtue of an Order under the Extra-Provincial Jurisdiction Act, 1947 (XLVII of 1947), or by virtue of any other legislative power, such corresponding law shall upon the commencement of this Act,

(*a*) in a new Province, stand repealed, and

(*b*) in a merged State, stand repealed to the extent to which the law relates to matters with respect to which the Dominion Legislature has power to make laws for a Governor's Province.

(6) *Savings.* (i) The repeal by section (5) of this Act of any corresponding law in force in the new Provinces or merged States immediately before the commencement of this Act shall not affect—

(*a*) the previous operation of any such law, or

(*b*) any penalty, forfeiture or punishment incurred in respect of any offence committed against any such law, or

(*c*) any investigation, legal proceeding or remedy in respect of any such penalty, forfeiture or punishment,

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(ii) Subject to the provisions of sub-section (1), anything done or any action taken, including any appointment or delegation made, notification, order, instruction or direction issued, rule, regulation, form, bye-law or scheme framed, certificate, patent, permit or licence granted or registration effected, under such corresponding law shall

be deemed to have been done or taken under the corresponding provision of the Act, Ordinance or Regulation as now extended to, and in force in, the new Province or merged State and shall continue in force accordingly unless and until superseded by anything done or any action taken under the said Act, Ordinance or Regulation.

(7) *Powers of Courts and other authorities for purposes of facilitating application of laws.* For the purpose of facilitating the application in any of the new Provinces or merged States of any Act, Ordinance or Regulation specified in the Schedule, any Court or other authority may construe any such Act, Ordinance or Regulation with such alterations, not affecting the substance, as may be necessary or proper to adapt it to the matter before the Court or other authority.

Gazette, 26 December 1949.

64 25 *January* 1950

PROVINCES AND STATES (ABSORPTION OF ENCLAVES) ORDER, 1950

WHEREAS certain small areas forming part of certain Provinces or Acceding States are surrounded by the territories of certain other Provinces or Acceding States;

AND WHEREAS it is expedient that these enclaves should be included in, and form part of, the Provinces or Acceding States by the territories of which they are surrounded;

AND WHEREAS the Central Government has full and exclusive authority, jurisdiction and powers for, and in relation to, the governance of the enclaves forming part of the Acceding States;

AND WHEREAS in accordance with the provisions of Sections 290, 290A and 290B of the Government of India Act, 1935, the Governor-General has ascertained the views of the Governments of the Provinces concerned both with respect to the proposal to make the Order and with respect to the provisions to be inserted therein;

NOW, THEREFORE, in exercise of the powers conferred on him by the said sections and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Order:

(1) (i) This Order may be cited as the Provinces and States (Absorption of Enclaves) Order, 1950.

(ii) It shall come into force on the twenty-fifth day of January, 1950.

(2) In this Order,

(*a*) ' appointed day ' means the date of the commencement of this Order;

(*b*) ' enclave ' means any area specified as such in any of the Schedules[1] to this Order;

(*c*) ' unit ' means a Governor's Province, a Chief Commissioner's Province or an Acceding State specified in any of the Schedules to this Order;

(*d*) ' surrendering unit ' and ' absorbing unit ', in relation to an enclave specified in a Schedule mean, respectively, the units specified as such above that enclave in that Schedule;

(*e*) ' Schedule ' means a Schedule to this Order.

(3) (i) As from the appointed day, every enclave specified in the First Schedule shall cease to form part of the surrendering unit, and shall be included in, and form part of, the absorbing unit.

(ii) The boundaries of each of the surrendering units specified in the First Schedule shall be so altered as to exclude from them the enclaves therein specified under it; and the boundaries of each of the absorbing units therein specified shall be so altered as to comprise within them the enclaves therein specified under it.

(4) As from the appointed day,

(*a*) every enclave specified in the Second Schedule shall cease to form part of the surrendering unit, and the boundaries of that unit shall be so altered as to exclude from them that enclave; and

(*b*) every such enclave shall be administered in all respects by the absorbing unit as if it formed part of that unit.

(5) As from the appointed day every enclave specified in the Third Schedule shall be administered in all respects as if it formed part of the absorbing unit.

(6) All property and assets within an enclave which, immediately before the appointed day, vested in the Government of the surrendering unit shall, as from that day, vest in the Government of the absorbing unit.

(7) All rights, liabilities and obligations, whether arising out of a contract or otherwise, of the Government of a surrendering unit in relation to an enclave shall, as from the appointed day, be the rights, liabilities and obligations, respectively, of the Government of the absorbing unit.

(8) All laws in force in an enclave immediately before the appointed day shall, as from that day, cease to be in force in that enclave, and all laws in force in the absorbing unit shall, as from that day, extend to, and be in force in, that enclave:

[1] The Schedules are omitted from this volume.

Provided that anything done or any action taken under the laws in force in the enclave before the appointed day shall be deemed to have been done or taken under the corresponding law extended to, and in force in, that enclave as from the appointed day.

Explanation. In this article ' law ' includes any Act, Ordinance or Regulation, and any notification, order, schedule, rule, form or bye-law issued, made or prescribed under any Act, Ordinance or Regulation.

(9) (i) The Government of each of the absorbing units shall, by order notified in the official gazette, provide for the administration of the enclaves, either by constituting them or any part of them into one or more new districts, or by making them or any part of them part of one or more existing districts, or partly by one and partly by the other of the said methods, and may make such further provisions as appears to it to be necessary or expedient for removing the difficulties arising in connection with the absorption of the enclaves in the unit.

(ii) Any Order made under this Article may be made so as to be retrospective to any date not earlier than the appointed day.

(iii) Any Order made under this Article shall be subject to the same powers of repeal and amendment as laws of the legislature of that unit.

(iv) No order shall be made under this Article after the expiration of six months from the appointed day.

THE FIRST SCHEDULE [omitted]

[*See* Article 3]

Enclaves Transferred from one Province to another Province

THE SECOND SCHEDULE [omitted]

[*See* Article 4]

Enclaves Transferred from a Province to an Acceding State

THE THIRD SCHEDULE [omitted]

[*See* Article 5]

Enclaves Transferred from an Acceding State to a Province.

WPIS, appendix li.

64(*a*)

TABLES

STATEMENT I MERGED STATES

No.	Date of merger	Names of States	No. of States	Province with which merged	Areas in sq. miles	Population in thousands
(1)	1-1-1948	Athgarh, Athmalik, Bamra, Baramba, Baudh, Bonai, Daspalla, Dhenkanal, Gangpur, Hindol, Kalahandi, Keonjhar, Khandpara, Narsingpur, Nayagarh, Nilgiri, Pal Lahara, Patna, Rairakhol, Rampur, Sonepur, Talchar, Tigiria.	23	Orissa	23,637	4,048
(2)	1-1-1948	Bastar, Changbhakar, Chhuikhadan, Jashpur, Kankar, Kawardha, Khairagarh, Korea, Nandgaon, Raigarh, Sakti, Sarangarh, Surguja, Udaipur.	14	C.P. & Berar	31,598	2,820
(3)	1-2-1948	Makrai	1	Do.	151	14
(4)	23-2-1948	Loharu	1	East Punjab	226	28
(5)	23-2-1948	Banganapalle ..	1	Madras	259	45
(6)	3-3-1948	Pudukkottai ..	1	Do.	1,185	438
(7)	3-3-1948	Dujana	1	East Punjab	91	31
(8)	8-3-1948	Akalkot, Aundh, Bhor, Jamkhandi Jath, Kurundwad (Junior), Kurundwad (Senior), Mudhol, Ramdurg, Sangli, Janjira, Phaltan, Savanur, Savantwadi, Wadi Jagir, Miraj (Senior), Miraj (Junior).	17	Bombay	7,651	1,693
(9)	7-4-1948	Pataudi	1	East Punjab	53	22
(10)	10-6-1948	The 17 full jurisdictional Gujarat States of Balsinor, Bansda, Baria, Cambay, Chhota Udaipur, Dharampur, Jawhar, Lunawada, Rajpipla, Sachin, Sant, Idar, Radhanpur,	144	Bombay	17,680	2,624

No.	Date of merger	Names of States	No. of States	Province with which merged	Areas in sq. miles	Population in thousands
(10)	10-6-1948 (*contd.*)	Vijayanagar, Palanpur, Jambhugodha, Surgana and non-jurisdictional thanas, estates and talukas of Gujarat.	144	Bombay	17,680	2,624
(11)	18-5-1948	Seraikella, Kharsawan	2	Bihar	623	205
(12)	6-11-1948	Danta	1	Bombay	347	31
(13)	1-1-1949	Mayurbhanj ..	1	Orissa	4,034	991
(14)	5-1-1949	Sirohi[1]	1	Bombay	1,994	239
(15)	1-3-1949	Kolhapur	1	Bombay	3,219	1,092
(16)	1-5-1949	Baroda	1	Bombay	8,236	2,855
(17)	1-4-1949	Sandur	1	Madras	158	16
(18)	1-8-1949	Tehri-Garhwal ..	1	U.P.	4,516	397
(19)	15-10-1949	Benares	1	U.P.	866	451
(20)	1-12-1949	Rampur	1	U.P.	894	477
(21)	1-1-1950	Cooch Behar ..	1	W. Bengal	1,321	641
		Total[2] ..	216		108,739	19,158

[1] Since partitioned between Bombay and Rajasthan.

[2] *Add* :—

17-8-1948	.. ..	Khasi Hill States	15	Assam	3,788	213

The following Table may be also of interest:

Province	States Merged	Area (sq. miles)	Population
Assam	15	3,788	213,000
West Bengal	1	1,321	641,000
Bihar	2	623	205,000
Bombay	165	39,127	8,534,000
Central Provinces	15	31,749	2,834,000
Madras	3	1,602	499,000
Orissa	24	27,671	5,039,000
East Punjab	3	370	81,000
United Provinces	3	6,276	1,325,000
Total ..	231	112,527	19,371,000

64(*b*)

STATEMENT II CENTRALLY ADMINISTERED AREAS

No.	Date of merger	Names of States	No. of States	Name of Area	Areas in sq. miles	Population in thousands
(1)	15-4-1948	The Punjab Hill States of Baghal, Baghat, Balsan, Bashahr, Bhajji, Bija, Darkoti, Dhami, Jubbal, Keonthal, Kumharsain,	21	Himachal Pradesh	10,600	935

No.	Date of merger	Names of States	No. of States	Name of Area	Areas in sq. miles	Population in thousands
(1)	15-4-1948 (*contd.*)	Kunihar, Kuthar, Mahlog, Sangri, Mangal, Sirmur, Tharoch, Chamba, Mandi and Suket.	21	Himachal Pradesh	10,600	935
(2)	1-6-1948	Kutch	1	Kutch	8,461	501
(3)	12-10-1948	Bilaspur	1	Bilaspur	453	110
(4)	1-6-1949	Bhopal	1	Bhopal	6,921	785
(5)	15-10-1949	Tripura	1	Tripura	4,049	513
(6)	15-10-1949	Manipur	1	Manipur	8,620	512
(7)	1-1-1950	Ajaigarh, Baoni, Baraundha, Bijawar, Chhatarpur, Charkari, Datia, Maihar, Nagod, Orchha, Panna, Rewa, Samthar, Alipura, Banka-Pahari, Beri, Bhaisaundha, Bihat, Bijna, Dhurwai, Gaurihar, Garrauli, Jaso, Jigni, Kamta-Rajaula, Khaniadhana, Kothi, Lugasi, Naigawan-Rebai, Pahara, Paldeo, (Nayagaom) Sarila, Sohawal, Taraon and Tori-Fatehpur.	35	Vindhya Pradesh	24,600	3,569
		Total ..	61		63,704	6,925

64(*c*)

STATEMENT III STATES CONSTITUTED INTO UNIONS

No.	Date of merger	Names of States	No. of States	Name of Union	Areas in sq. miles	Population in thousands
(1)	15-2-1948	222 Units including the jurisdictional States of Nawanagar, Bhavnagar, Porbandar, Dhrangadhra, Morvi, Gondal, Jafrabad, Rajkot, Wankaner, Palitana, Dhrol, Chuda, Limbdi, Wadhwan, Lakhtar, Sayla, Vala, Junagadh,	222	Saurashtra	21,062	3,556

No.	Date of merger	Names of States	No of States	Name of Union	Areas in sq. miles	Population in thousands
(1)	15-2-1948 (*contd.*)	Manavadar, Jasdan, Amarnagar (Thana Devli), Vadia, Lathi, Muli, Bajana, Virpur, Maliya, Kotda-Sangani, Jetpur, Bilkha, Patdi and Khirasra.	222	Saurashtra	21,062	3,556
(2)	7-4-1949	Jodhpur, Jaipur, Bikaner, Jaisalmer, Alwar, Bharatpur, Dholpur, Karauli, Banswara, Bundi, Dungarpur, Jhalawar, Kishengarh, Kotah, Partabgarh, Shahpura, Tonk and Udaipur.	18	Rajasthan	1,28,424	13,085
(3)	15-6-1948	Alirajpur, Barwani, Dewas (Senior), Dewas (Junior), Dhar, Gwalior, Indore, Jaora, Jhabua, Khilchipur, Narsingarh, Rajgarh, Ratlam, Sailana, Sitamau, Jobat, Kathiawara, Kurwai, Mathwar, Piploda, Muhammadgarh, Pathari, and the Bhumia Estates of Nimkhera, Jamnia and Rajgarh.	25	Madhya Bharat	46,710	7,141
(4)	20-8-1948	Patiala, Kapurthala, Malerkotla, Faridkot, Nabha, Jind, Nalagarh and Kalsia.	8	Patiala and East Punjab States Union	10,099	3,424
(5)	1-7-1949	Travancore and Cochin	2	Travancore-Cochin	9,155	7,493
		Total ..	275		411,692	62,387

64(*d*)

STATEMENT IV STATES WHICH ACCEDED TO THE INDIAN UNION WITHOUT LOSING THEIR JURIDICAL ENTITY

Date	State	Area	Population
9-8-1947	Mysore	29,458	7,329,000
26-10-1947	Jammu & Kashmir	84,471	4,021,000
17-9-1948	Hyderabad	82,313	16,338,000
	Total ..	196,242	27,688,000

64(*e*)

STATEMENT V ANNUAL PRIVY PURSE GUARANTEED TO RULERS OF INDIAN STATES

States merged in Bombay

	Rs		Rs
Ambaliara ..	26,000 (provisional)	Tharad	35,000 (provisional)
Balasinor	68,000	Vakhtapur.. ..	4,700
Bansda	1,60,000	Likhi	2,690 (provisional)
Baria	2,25,000		
Bhaderva	29,300 (provisional)	Mandva	18,720 (provisional)
Cambay	1,38,000	Dedhrota	2,140 (provisional)
Chhota Udepur ..	2,12,000		
Danta	92,000	Hapa	2,560 (provisional)
Dharampur ..	1,50,000		
Ghodasar	22,600	Sathamba	18,800
Idar	3,28,000	Umeta	19,200 (provisional)
Ilol	8,750 (provisional)	Magodi	6,700
Jambughoda ..	70,000	Palaj	3,500
Jawhar	1,24,000	Tajpuri	2,530 (provisional)
Khadal	14,500		
Katosan	12,100	Prempur	2,860 (provisional)
Lunawada ..	1,31,000		
Malpur	40,600	Kurundwad (Junior) (two shareholders)	56,000
Mohanpur ..	15,310 (provisional)	Akalkot	73,783
Mansa	40,000 (provisional)	Savanur	30,316
		Miraj (Senior) ..	85,800
Palanpur	2,75,000	Miraj (Junior) ..	50,454
Punadra	8,100	Mudhol	55,300
Radhanpur ..	1,29,000	Phaltan	1,40,442
Ranasan	17,100	Sangli	2,62,639
Rajpipla	3,97,946	Aundh	75,212
Sachin	72,000	Ramdurg	32,486
Sant	1,12,000	Bhor	89,042
Sudasna	28,000 (provisional)	Jamkhandi ..	91,163
		Jath	49,924
Surgana	30,000	Kurundwad (Senior)	49,924
Valasna	10,660 (provisional)	Sawantwadi ..	1,07,500
		Wadi Jagir ..	6,000
Varsoda	12,500	Janjira	1,33,500
Vasna	15,100	Baroda	26,50,000*
Vijayanagar ..	50,000	Kolhapur	10,00,000
Wao	30,520 (provisional)		
Sanjeli	29,150 (provisional)	Total ..	82,23,121

* The amount fixed in this case is only for the lifetime of the present Ruler.

Annual Privy Purse guaranteed to Rulers of Indian States—contd.

States merged in Bihar

	Rs
Kharsawan ..	33,000
Seraikhela ..	88,900
Total ..	1,21,900

States merged in Madras

Banganapalle ..	53,900
Pudukkottai ..	2,66,500
Sandur	90,000
Total ..	4,10,400

States merged in Uttar Pradesh

Tehri Garhwal ..	3,00,000
Banaras	2,80,000
Rampur	7,00,000 (Rs 6,60,000 for successors)
Total ..	12,80,000

States constituting Rajasthan

Alwar	5,20,000
Bharatpur	5,02,000
Dholpur	2,64,000
Karauli	1,05,000
Banswara	1,26,000
Bundi	2,81,000
Dungarpur ..	1,98,000
Jhalawar	1,36,000
Kishengarh ..	1,36,000
Kotah	7,00,000
Mewar	10,00,000
Partabgarh ..	1,02,000
Shahpura	90,000
Tonk	2,78,000
Jaipur	18,00,000*
Jaisalmer	1,80,000
Bikaner	17,00,000*
Jodhpur	17,50,000*
Lawa	12,500
Kushalgarh ..	34,775
Nimrana	15,000
Sirohi	2,12,600 (a portion merged in Bombay)
Total ..	1,01,42,875

States constituting Saurashtra

Nawanagar ..	10,00,000
Bhavnagar	10,00,000
Porbandar	3,80,000
Dhrangadhra ..	3,80,000
Morvi	8,00,000
Gondal	8,00,000
Jafrabad	16,000
Wankaner ..	1,80,000
Palitana	1,80,000
Dhrol	1,10,000
Limbdi	2,30,000
Rajkot	2,85,000
Wadhwan	1,42,000
Lakhtar	91,000
Sayla	62,500
Chuda	51,250
Vala	88,750
Jasdan	1,50,000
Amarnagar Thana Devli	1,00,000
Vadia	78,250
Lathi	77,500
Muli	53,000
Bajana	65,500
Virpur	44,500
Maliya	47,500
Kota Sangani ..	67,000
Jetpur	1,21,536
Bilkha	1,00,000
Patdi	20,000
Khirasra	30,000
Vanod	38,430
Barwala	36,510
Katodia	192
Lodhika	15,690
Vasavad	34,400
Jalia Devan ..	16,135
Zainabad	33,800
Vithalgadh ..	(Under consideration)
Total ..	69,26,443

States merged in the Punjab

Loharu	50,000
Dujana	34,000
Pataudi	48,000
Total ..	1,32,000

States merged in Orissa

Athgarh	36,100
Athmallik	48,500
Bamra	95,300
Baramba	22,700
Baudh	69,300
Bonai	52,800
Daspalla	33,500
Dhenkanal ..	89,700
Gangpur	1,35,100
Hindol	32,000
Kalahandi ..	1,14,000

* The amounts fixed in these cases are only for the lifetime of the present Rulers.

Annual Privy Purse guaranteed to Rulers of Indian States—contd.

States merged in Orissa—contd.

	Rs
Keonjhar	1,11,500
Khandpara ..	33,600
Mayurbhanj ..	3,27,400
Narsinghpur ..	28,100
Nayagarh	62,800
Nilgiri	40,000
Pal Lahara ..	25,000
Patna	2,49,600
Rairakhol	29,700
Ranpur	25,000
Sonepur	76,700
Talcher	62,500
Tigiria	11,200
Total ..	18,12,100

States merged in Madhya Pradesh

Nandgaon ..	3,53,650
Bastar	2,10,100
Kankar	68,700
Udaipur	50,000
Sakti	29,000
Chhuikhadan ..	20,300
Raigarh	1,72,600
Kawardha ..	63,800
Sarangarh ..	63,600
Korea	2,78,700
Khairagarh ..	1,02,300
Surguja	1,45,300
Jashpur	66,300
Changbhakar ..	17,300
Makrai	25,000
Total ..	16,66,650

State merged in West Bengal

Cooch Behar ..	8,50,000 (Rs 7,00,000 for successors)
Total ..	8,50,000

States constituting Travancore-Cochin

Travancore ..	18,00,000*
Cochin	2,35,000
Total ..	20,35,000

States constituting the Patiala and East Punjab States Union

Patiala	17,00,000*
Kapurthala ..	2,70,000
Nabha	4,10,000
Jind	3,28,100
Faridkot	3,81,400
Kalsia	65,000
Nalagarh	60,000 (Rs 45,000 for successors)
Malerkotla ..	1,10,000
Total ..	32,24,500

States constituting Madhya Bharat

Gwalior	25,00,000*
Indore	15,00,000*
Alirajpur	95,000
Barwani	1,45,000
Dewas (Senior) ..	1,45,000
Dewas (Junior) ..	1,80,000
Dhar	2,90,000
Jaora	1,75,000
Jhabua	1,27,000
Jobat	32,500
Kathiawara ..	32,000
Khilchipur ..	60,000
Kurwai	60,000 (Rs 48,000 for successors)
Narsingarh ..	1,15,000
Rajgarh	1,40,000
Ratlam	1,50,000
Sailana	70,000
Sitamau	48,000
Mathwar	6,000
Piploda	30,000
Pathari	18,250
Muhammadgarh ..	12,000
Nimkhera	20,000
Jamnia	12,000
Rajgarh	5,000
Total ..	59,67,750

States merged to form centrally administered areas

Himachal Pradesh

Tharoch	18,100
Chamba	1,38,000
Mandi	2,20,000
Suket	60,000
Keonthal	39,700
Sirmur	1,35,000
Baghat	80,000
Balsan	11,250
Bashahr	80,000
Jubbal	1,01,000
Mahlog	16,500
Dhami	15,760
Bhajji	16,000

* The amounts fixed in these cases are only for the lifetime of the present Rulers.

Annual Privy Purse guaranteed to Rulers of Indian States—contd.

Himachal Pradesh—Contd.

	Rs
Kuthar	9,000
Kumarsam	15,500
Baghal	18,700
Mangal	3,000 (Rs 2,400 for successors)
Kunihar	4,200 (Rs 3,600 for successors)
Darkoti	3,000 (Rs 2,400 for successors)
Sangri	4,200 (Rs 3,600 for successors)
Beja	3,000 (Rs 2,400 for successors)
Delath	3,000 (Rs 2,400 for successors)
Ratesh	3,000 (Rs 2,400 for successors)
Rawingorh	3,000 (Rs 2,400 for successors)
Dhadi	3,000 (Rs 2,400 for successors)
Ghund	4,200 (Rs 3,600 for successors)
Khaneli	4,400
Madhap	5,200
Theog	20,000
Koti	27,250
Khaniadhana	15,600
Kothi	15,400

Vindhya Pradesh

Ajaigarh	74,700
Baoni	46,850
Baraundha	14,500
Bijawar	70,700
Chhatarpur	1,00,350
Charkhari	95,900
Datia	1,54,300
Maihar	56,500
Nagod	55,400
Orchha	1,85,300
Panna	1,47,300
Rewa	10,00,000
Samthar	51,800
Alipura	28,150
Banka Pahari	3,000
Beri	7,750
Bhaisaunda	5,600
Bihat	5,600
Bijna	3,000
Dhurwai	5,000
Garrauli	10,050
Gaurihar	15,000
Jaso	8,600
Jigni	5,950
Kamta Rajaula	5,000
Lugasi	10,100
Naigawan Rebai	5,000
Pahara	5,300
Paldeo (Nayagaon)	10,400
Sarila	18,650
Sohawal	25,900
Taraon	5,850
Tori Fatehpur	7,000
* *Bhopal*	11,00,000 (Rs 9,00,000 for successors)
Bilaspur	70,000
Kutch	8,00,000
Tripura	3,30,000
Manipur	3,00,000
Total	59,40,460

States which have not been affected by merger schemes

Hyderabad	50,00,000†
Mysore	26,00,000†
Total	76,00,000

WPIS appendix lix.

* Italicized names are those of certain centrally administered areas.
† The amounts fixed in these cases are only for the lifetime of the present Rulers.

65 8 *August* 1949

TREATY OF FRIENDSHIP BETWEEN INDIA AND BHUTAN

WHEREAS a treaty relating to the promotion of, and fostering the relations of friendship and neighbourliness was signed at Darjeeling on the 8th day of August 1949 by representatives of the Government of India and of the Government of His Highness the Druk Gyalpo, Maharaja of Bhutan, which Treaty is, word for word, as follows :

Article 1

There shall be perpetual peace and friendship between the Government of India and the Government of Bhutan.

Article 2

The Government of India undertakes to exercise no interference in the internal administration of Bhutan. On its part the Government of Bhutan agrees to be guided by the advice of the Government of India in regard to its external relations.

Article 3

In place of the compensation granted to the Government of Bhutan under Article 4 of the treaty of Sinchula and enhanced by the treaty of the eighth day of January 1910 and the temporary subsidy of Rupees one lakh per annum granted in 1942, the Government of India agrees to make an annual payment of Rupees five lakhs to the Government of Bhutan. And it is further hereby agreed that the said annual payment shall be made on the tenth day of January every year, the first payment being made on the tenth day of January 1950. This payment shall continue so long as this treaty remains in force and its terms are duly observed.

Article 4

Further to mark the friendship existing and continuing between the said Governments, the Government of India shall, within one year from the date of signature of this treaty, return to the Government of Bhutan about thirty-two square miles of territory in the area known as Dewangiri. The Government of India shall appoint a competent officer or officers to mark out the area so returned to the Government of Bhutan.

Article 5

There shall, as heretofore, be free trade and commerce between the territories of the Government of India and of the Government of

Bhutan ; and the Government of India agrees to grant the Government of Bhutan every facility for the carriage, by land and water, of its produce throughout the territory of the Government of India, including the right to use such forest roads as may be specified by mutual agreement from time to time.

Article 6

The Government of India agrees that the Government of Bhutan shall be free to import with the assistance and approval of the Government of India, from or through India into Bhutan, whatever arms, ammunition, machinery, war-like material or stores may be required or desired for the strength and welfare of Bhutan, and that this arrangement shall hold good for all time as long as the Government of India is satisfied that the intentions of the Government of Bhutan are friendly and that there is no danger to India from such importations. The Government of Bhutan, on the other hand, agrees that there shall be no export of such arms, ammunition etc., across the frontier of Bhutan either by the Government of Bhutan or by Private individuals.

Article 7

The Government of India and the Government of Bhutan agree that Bhutanese subjects residing in Indian territories shall have equal justice with Indian subjects, and that Indian subjects residing in Bhutan shall have equal justice with the subjects of the Government of Bhutan.

Article 8

(1) The Government of India shall, on demand being duly made in writing by the Government of Bhutan, take proceedings in accordance with the provisions of the Indian Extradition Act, 1903 (of which a copy shall be furnished to the Government of Bhutan), for the surrender of all Bhutanese subjects accused of any of the crimes specified in the first schedule of the said Act who may take refuge in Indian territory.

(2) The Government of Bhutan shall, on requisition being duly made by the Government of India, or by any officer authorised by the Government of India in this behalf, surrender any Indian subjects, or subjects of a foreign power, whose extradition may be required in pursuance of any agreement or arrangements made by the Government of India with the said power, accused of any of the crimes, specified in the first schedule of Act XV of 1903, who may take refuge in the territory under the jurisdiction of the Government of Bhutan, and also any Bhutanese subjects who, after committing any of the crimes referred to in Indian territory shall flee into Bhutan, on such

evidence of their guilt being produced as shall satisfy the local court of the district in which the offence may have been committed.

Article 9

Any differences and disputes arising in the application or interpretation of this treaty shall in the first instance be settled by negotiation. If within three months of the start of negotiations no settlement is arrived at, then the matter shall be referred to the Arbitration of three arbitrators, who shall be nationals of either India or Bhutan, chosen in the following manner—

(1) One person nominated by the Government of India;

(2) One person nominated by the Government of Bhutan;

(3) A Judge of the Federal Court, or of a High Court in India, to be chosen by the Government of Bhutan, who shall be chairman.

The Judgment of this tribunal shall be final and executed without delay by either party.

Article 10

This treaty shall continue in force in perpetuity unless terminated or modified by mutual consent.

Done in Duplicate at Darjeeling this eighth day of August, one thousand nine hundred and forty-nine, corresponding with the Bhutanese date the fifteenth day of the sixth month of the Earth-Bull year.

Text supplied by the Ministry of External Affairs, New Delhi.

NOTE : Before the conclusion of this treaty India's relations with Bhutan were governed by the Sinchula Treaty of 1865 as amended by the Treaty of 1910 between the British Indian Government and the Maharajah of Bhutan. Bhutan does not belong to the category of Indian States in the usual sense of the term; Bhutan and Sikkim have special treaty relations with the Indian Union.—*Ed.*

SECTION V (*c*)

JUNAGADH

66 25 *September* 1947

GOVERNMENT COMMUNIQUÉ

The State of Junagadh is situated in the midst of other States which have acceded to the Dominion of India and its territories are interlaced with the territories of these States. For example, inside Junagadh itself, there are territories of the States which have acceded to the Dominion of India; similarly islands of Junagadh State territory exist inside Bhavnagar, Nawanagar, Gondal and Baroda. The railway and posts and telegraph services of Junagadh are an integral part of the Indian system. The railway, police, telephone and telegraph are administered by the Dominion of India. The State has a population of approximately 671,000 of whom about 543,000 or 81 per cent are non-Muslims.

Although, theoretically, the termination of paramountcy left the Indian States free to accede to either of the Dominions, it had always been recognized that in practice this freedom would be recognized with due regard to geography. This was made clear by H.E. the Governor-General of India at the conference which he held with the representatives of states on July 25, and this has been the essence of the policy pursued by the Government of India. A representative of Junagadh was present at this conference, and participated in its discussions. In his public statements H.H. the Nawab has adhered to the principle of the solidarity of Kathiawar. Junagadh, however, never attempted to negotiate terms of accession with the Dominion of India. On the other hand, without any warning it was announced that the State had acceded to the Dominion of Pakistan and that this accession had been accepted. Prior to the announcement, there were indications that Junagadh intended to accede to Pakistan. The Government of India immediately represented to the Government of Pakistan that the matter should be decided according to the wishes of the people of the State. No reply was received either to this, or to a subsequent communication. The Government of India therefore decided to depute Mr V. P. Menon, Secretary, Ministry of States, to Junagadh, with a personal message to H.H. the Nawab. The Diwan conveyed to Mr Menon His Highness's inability to see him. He could only see the

Diwan, who made the suggestion that the matter should be discussed at a conference with the representatives of the Dominions of India and Pakistan, at which Junagadh should also be represented.

The suggestion for a conference has not been followed up either by the Dominion of Pakistan or the State of Junagadh. Meanwhile the Government of India have received representations from several acceding States and areas in Kathiawar that they apprehend danger to their security and that large numbers of Hindus are fleeing from Junagadh State. In any case it is clear that the accession of Junagadh to the Dominion of Pakistan must, because of the geographical situation of the State, and the interlacing of its communications with the surrounding States which have acceded to the Dominion of India, be a source of constant friction between Junagadh and the surrounding States, between Junagadh and the Dominion of India and ultimately between the Dominions of India and Pakistan.

The Government of India are determined to find a solution to this problem. Their sole aim is to see tranquillity maintained throughout Kathiawar. This can be achieved if relations between all States are harmonious and the relationship of Junagadh to either of the two Dominions is left to be determined by a free expression of the will of the people of the State. To ascertain these wishes the Government of India have suggested a referendum. They adhere to that suggestion. They are, and will always be, willing to find a solution to this complicated and delicate problem by friendly discussions with the Dominion of Pakistan and the State of Junagadh. They have an obligation to protect the interests of the States within and around Junagadh which have acceded to the Indian Dominion. This responsibility they will fully and faithfully discharge.

PIB Release.

66(*a*) 5 *October* 1947

GOVERNMENT COMMUNIQUÉ

The effect of the accession of Junagadh State to Pakistan and the policy of the Government of India to deal with the situation thus created were set out in a Press Communiqué dated September 25. The Government of India remain of the opinion, that in the circumstances in which it was made, they cannot accept the accession of Junagadh to Pakistan.

They disagree entirely with the claims and contentions of Pakistan in regard to Babariawad and Mangrol. They consider that the stationing of Junagadh forces in Babariawad and Mangrol, both of which have acceded to the Indian Union, is an unjustified and provocative act of aggression and must ask that these forces be withdrawn.

The Government of India and the Government of Pakistan have declared their determination in the joint statement issued on September 20 to rule out war, and the Government of India true to this declaration have no desire to take any steps which might aggravate an already difficult situation.

It is their wish to find a solution of this problem by friendly discussion with the Dominion of Pakistan and the State of Junagadh. That solution must necessarily be one which enables the Government of India to discharge their responsibilities to the States acceding to the Indian Dominion.

The Government of India have an obligation to protect the interests of those States which have acceded to the Indian Dominion and this responsibility they shall fully and faithfully discharge. In view of the policy adopted by Junagadh State and in particular the acts of aggression in relation to Babariawad and Mangrol, a number of States in Kathiawar which have acceded to the Indian Dominion have specifically asked for help and protection from the Dominion of India.

In response to these requests the Government of India have decided to send a detachment of troops to Kathiawar. The troops will proceed at once to Porbandar. Other armed forces belonging to the States acceding to the Dominion of India will also be employed for guarding the frontiers between Junagadh and other States. The purpose of this dispatch and allocation of Dominion troops is to reassure the people of the States which have acceded to the Dominion of India and to convince them that the Government of India will do all that lies in their power to protect their legitimate interests.

The Government of India are most anxious that all possibility of conflict between their forces and the forces of the States co-operating with them on the one hand and the forces of Junagadh on the other should be avoided. It is, therefore, necessary that Junagadh forces should at once be withdrawn from Babariawad and Mangrol. It is also necessary that these forces should make no attempt to reach the islands of Junagadh territory by passing through the territories of States which have acceded to the Indian Dominion.

As a reciprocal measure of precaution the forces of the Indian Dominion and the acceding States have been instructed not to enter the territory of Junagadh or to seek passage through Junagadh territory, even to reach those States which have acceded to the Indian Dominion.

Instructions have also been issued to them not to enter, for the present, Mangrol or Babariawad territories, although the Government of India hold that these territories belong to the Indian Dominion and have to be protected.

The Government of India wish to reaffirm that all they seek is an amicable settlement of the Junagadh issue and of the connected issues of Babariawad and Mangrol. Any decision involving the fate of large numbers of peoples must necessarily depend on the wishes of these people. This is the policy which the Government of India accept in its entirety and they are of the opinion that a dispute involving the fate of any territory should be decided by a referendum or plebiscite of the people concerned. This is a method at once democratic, peaceful and just.

They suggest, therefore, that the issues regarding Junagadh should be decided by a referendum or plebiscite of the people of the State. Such a referendum or plebiscite should be held under impartial auspices, to be determined by the parties concerned.

The Government of India therefore invite the Government of Pakistan to comply with their suggestion that the deadlock that has arisen in regard to Junagadh should be resolved by a plebiscite or referendum of the people of the State.

PIB Release.

67 8 *November* 1947

SHAH NAWAZ TO SARDAR PATEL

I am grateful to you for granting an interview to our representative. We accept your advice, but are distressed to find I am not allowed sufficient time to bring back Nawab Saheb from Karachi and take steps for a people's government. Being pressed by circumstances, we have asked the Regional Commissioner, Rajkot to assist in keeping law and order and avoiding bloodshed, without prejudice to an honourable settlement of issues involved. His Highness from Karachi wires to avoid bloodshed at any cost and has invited me to meet him at once at Karachi.

Statesman, New Delhi, 12 November 1947.

68 8 *November* 1947

DEWAN OF JUNAGADH TO REGIONAL COMMISSIONER, RAJKOT

Dear Mr Buch,

After discussions with Mr Samaldas Gandhi at Rajkot on October 27, Major Harvey Jones, Senior Member of the Junagadh State Council, brought certain proposals to me for the consideration of the Council. The Council was prepared to accept them under protest, but before a final reply could be given to Mr Samaldas Gandhi, it was thought necessary to ascertain the opinion of the leading members of the public.

A meeting was held and the leaders unanimously expressed the view that instead of handing over the administration to the Indian Union through the so-called Provisional Government, it should be directly given over to the Indian Union through the Regional Commissioner at Rajkot.

The Junagadh Government has therefore requested that in order to avoid bloodshed, and to preserve the dynasty, you should be approached to give your assistance to the administration, particularly with a view to preserving law and order, which is threatened by aggressive elements from outside. This arrangement is sought pending an honourable settlement of the several issues involved in Junagadh's accession.

We have already wired to Lord Mountbatten, Mahatmaji, the Prime Minister and the Deputy Prime Minister of the Indian Union, the Hon'ble Abul Kalam Azad, the Governor-General of Pakistan and the Prime Minister of Pakistan.

I hope you will kindly respond to this request.

Yours sincerely,
DEWAN OF JUNAGADH

Statesman, New Delhi, 12 November 1947.

69 9 *November* 1947

GOVERNMENT COMMUNIQUÉ

The following telegram has been sent today (Sunday) by the Prime Minister of India, Pandit Jawaharlal Nehru, to the Prime Minister of Pakistan, Mr Liaquat Ali Khan:

'Our Regional Commissioner at Rajkot was approached yesterday by Harvey Jones, Senior Member of the Junagadh State Council and

member-in-charge of Junagadh State Forces, with a letter from Junagadh Dewan, Sir Shah Nawaz Bhutto, appealing to the Government of India to take over Junagadh administration. This request was made in order to save the State from complete administrative breakdown and pending honourable settlement of several issues involved in Junagadh accession.

Sir Shah Nawaz has stated in his letter that he had already telegraphed to you to this effect. We have considered this request and with a view to avoiding chaos in the State and its repercussions, have agreed to take over the administration of Junagadh with immediate effect. We have issued instructions to that effect to our Regional Commissioner at Rajkot, text of which runs as follows:

" Buch from Menon (Secretary, States Ministry): Letter of Sir Shah Nawaz Bhutto of Junagadh dated 8 November addressed to you and brought personally by Harvey Jones, Senior Member of the Junagadh State Forces (Council), offering immediate handing over Junagadh administration has been considered by the Government of India. They consider that in view of the unanimous request of the Junagadh State Council, supported by public of Junagadh whose views were ascertained by the Council at a meeting held in Junagadh on October 7, and also in view of the complete breakdown of administration resulting in chaotic conditions in the State, you should take over the administration forthwith and ensure peace and order at the earliest possible moment. Pakistan Government is being informed from here." '

Statesman, New Delhi, 12 November 1947.

70 11 *November* 1947

GOVERNMENT OF PAKISTAN COMMUNIQUÉ (EXTRACTS)

Junagadh is a small State with an area of approximately 4,017 miles and a population of about 8 lakhs. It formally acceded to Pakistan on 15 September 1947. The ruler of the State is a Muslim whose dynasty has ruled for over 300 years. The State has a sea-board with 16 ports of which at least two are ports of call for steamers. By sea route Junagadh is approximately 300 miles from Karachi.

As soon as it was known that Junagadh was acceding to Pakistan the Indian Government raised objections on the ground that Junagadh was not physically contiguous to Pakistan and that its population was predominantly Hindu. They further alleged that the accession of

Junagadh to Pakistan was calculated 'to cause disruption in the integrity of India by extending the influence and boundaries of Pakistan' and was an encroachment on India's sovereignty and territory and was inconsistent with the friendly relations that should exist between the two Dominions.

Simultaneously with these protests, in reply to which Pakistan restated its well-known policy, the Indian Government sent detachments of Indian troops to the borders of Junagadh and encouraged the neighbouring Hindu States, which had acceded to India, to do likewise. At the same time, in an attempt to starve the Junagadh State into submission, a rigorous economic blockade involving a stoppage of all vital supplies including food, cloth and coal, was imposed by the Indian Dominion through whose territory the only railway line leading to Junagadh passes. Lines of communications including telegraph, which were being held by the Dominion of India in accordance with the general standstill agreement between the two Dominions, were operated in such a manner that it became impossible for the State or the Muslim population of Junagadh to communicate with the outside world. Pakistan's request to hand over the communications within the State were ignored. Side by side a strong press campaign calculated to disrupt the morale of the State administration and to create panic among the population was launched both inside and outside the State.

On 18 September 1947 the Pakistan Government protested to the Government of India against sending troops to the borders of Junagadh and warned them that any encroachment on Junagadh territory would amount to a hostile act against Pakistan. . . .

Meanwhile apparently in order to gain some semblance of justification for an otherwise completely untenable case the Government of India persuaded certain feudatory Chiefs and Jagirdars within the State of Junagadh to sign Instruments of Accession with the Government of India, in spite of the fact that they had no independent status to do so and their accession followed automatically that of Junagadh whose vassals they were. . . .

Another line of attack was adopted by setting up the so-called 'Provisional Government' with headquarters first at Bombay and later on at Rajkot, which claimed the right to liberate the so-called oppressed non-Muslim population of the Junagadh State. To Pakistan's protests in this connexion the Government of India at first gave most unsatisfactory and evasive replies and subsequently no replies at all.

. . . About this time at a meeting between the Prime Ministers of the two Dominions suggestions were made that the whole affair might be settled by discussion. Although legally and constitutionally the

accession of Junagadh was unexceptionable, in an endeavour to help find a peaceful solution the Pakistan Government readily expressed its willingness to have such a discussion and even offered to discuss conditions and circumstances in which a plebiscite or referendum should be held in any State or States. It was however pointed out that unless troops were withdrawn by the Government of India and [its] aggressive attitude abandoned no useful purpose could be served by a discussion. This the Government of India never clearly agreed to and in fact continued to bring in more troops.

Meanwhile the so-called Provisional Government began operating extensively with a trained body of men using automatic weapons including armoured cars. . . . Instead of curbing the activity of the Provisional Government [the Government of India] themselves proceeded to occupy Sardargarh and Bantwa.

The climax was reached when Indian Dominion troops entered the small State of Manavadar, occupied the Palace, shot dead a palace guard, took the Chief in custody and removed him to an unknown destination. . . . Shortly afterwards, while negotiations were still going on regarding the possibility of peaceful settlement, the Government of India sent troops to occupy Babriawad and Mangrol in spite of a clear understanding that this would not be done.

Not content with this, active support was given to the so-called Provisional Government in their depredations which became extensive about this time. . . . Evidence received from unimpeachable sources clearly proves that a majority of the armed members of the so-called Azad Fauj were soldiers of India's regular armed forces, of which a whole brigade was stationed in Kathiawar with the sole object of breaking the resistance of the State.

This has now been achieved. According to reports of 7 November a force of 20,000 of the so-called Azad Fauj equipped with tanks, armoured cars and other modern weapons marched on to Junagadh and gave an ultimatum to the Dewan to surrender. The Dewan of Junagadh had no alternative before him in the matter against such odds and decided to hand over the administration to the Indian Union temporarily pending honourable settlement of the issues involved. The Government of India readily accepted the invitation and have declared that ' they did so in order to avoid disorder and the resulting chaos '. They have invited Pakistan to attend a conference with a representative of the Nawab of Junagadh in order to discuss the question of referendum or plebiscite and other allied matters effecting Junagadh.

It is quite clear that if the Government of India had already meant to assist the State without any ulterior motive, they could have easily

stopped the illegal activities of the so-called Provisional Government forces which were throughout using either Indian territory or territory of States which had acceded to India for their operations against Junagadh. The Indian Government's activities throughout have been directed towards forcing the State to renounce its accession to Pakistan and all kinds of weapons have been used by them to achieve this end. Conditions were carefully and deliberately created in and around Junagadh which made it impossible to run the administration. The Pakistan Government were fully aware of what was coming, but in their anxiety to give no possible excuse to the Government of India for invasion, which they had obviously been looking for, they advised the State authorities to act with the utmost caution and themselves refrained from sending a single soldier to Junagadh. . .

It has been made quite clear to the Government of India that the Pakistan Government have no intention of recognizing the military *coup d'état* performed by the Indian Dominion and cannot regard the occupation as anything but an unwarranted violation of Pakistan territory. Neither the Dewan or for that matter the Ruler himself has any authority to negotiate any settlement, temporary or permanent, with the Indian Dominion. With regard to the Government of India's suggestion to hold a conference, the Pakistan Government considers that, without an immediate withdrawal of Indian troops, the reinstatement of the Nawab's administration and restoration by India of normal conditions in and around the borders of Junagadh including a stoppage of the so-called Provisional Government, the proposed conference would be meaningless.

Pakistan Times, Lahore, 13 November 1947.

71 11 *November* 1947

RÉSUMÉ OF ADDRESS: MAHATMA GANDHI

Addressing the prayer gathering this evening Gandhiji said that the previous day he had given them the news about the entry into the Junagadh State of the Provisional Government in answer to the request of the Prime Minister and Deputy Prime Minister of Junagadh. He did so partly in astonishment and partly in joy for he was not prepared for what appeared to be such a happy ending of the struggle of, and on behalf of, the Junagadh people. Gandhiji expressed also the fear that the joy would be premature if the request made by the Junagadh authorities had not the *imprimatur* of Qaid-e-Azam Jinnah. They

could not, therefore, but feel painfully surprised to find that the Pakistan authorities resented this occupation of Junagadh by the Provisional Government on behalf of its ryots and demanded ' the withdrawal of Indian troops from the State territory and relinquishment of the administration to the rightful Government and stoppage of violence and invasion of the State by people from the Indian Union '. They further contended that neither the Ruler nor the Diwan was legally entitled to negotiate any settlement, temporary or permanent, with the Dominion of India, and that the action of the Government of India was ' a clear violation of the Pakistan territory and a breach of international law '.

Accession to the Union

According to the statements in the Press the day before, he could see no breach of international law and no occupation by the Union Government. So far as he could see there was no unlawfulness about the whole of the movement of the Provisional Government on behalf of the people of Junagadh. The Union Government had certainly lent the use of its troops at the request of the Kathiawad Princes for the safety of Kathiawad as a whole. Therefore, he detected no unlawfulness about the whole transaction, nor did he see any justification for what appeared to him to be a volte face on the part of the Prime Minister of Junagadh. The way he looked at the whole thing was this—the Nawabsaheb of Junagadh had no authority to accede to Pakistan without the consent of his people, of whom 85 per cent, he was told, were Hindus. The sacred hill of Girnar with all its temples was part of Junagadh on which the Hindus had spent a lot of money and which was visited by thousands of pilgrims from all over India. In Azad Hind the whole of it belonged to the people. Nothing of it belonged to the Princes as individuals. Their claim could only be sustained by their being trustees of the people and, therefore, producing the authority of the people for every transaction. That they had not realized their representative capacity and that the ryots in the States, with honourable exceptions, had not yet realized their capacity as true owners, in the aggregate, of the States they inhabited, derogated nothing from the doctrine he had enunciated. If, therefore, anybody had the legal right to accede to one or the other of the two Dominions, it was the ryots belonging to a particular State, and if the Provisional Government did not at any stage represent the ryots of Junagadh, they became usurpers to be driven out by both the Dominions, and neither Dominion could stand before the world to justify accession by a Prince in his individual capacity. In that sense he held that the accession by the Nawabsaheb of Junagadh was *ab initio* void, unless the ryots of Junagadh could be

proved to have set the seal upon the accession by the Nawabsaheb. To which Dominion Junagadh would finally accede could only be decided, in case of dispute, by a properly conducted referendum without the use of violence, or show of it, accompanying the process. The attitude taken by the Pakistan Government and now also by the Prime Minister of Junagadh created a curious situation. Who was to decide upon the right or the wrong of the case for Pakistan and the Union Government? Appeal to the sword was not to be thought of. The only honourable way out was the ancient method of arbitration in the usual manner. There were enough men and women in India who could shoulder the burden. If, however, the parties could not agree upon arbitration by Indians, he for one had no objection to any impartial person from any part of the world.

Kashmir and Hyderabad

Finally, what Gandhiji said about Junagadh equally applied to Kashmir and Hyderabad. Neither the Maharajasaheb in Kashmir nor His Exalted Highness the Nizam had any authority to accede to either Dominion, without the known consent of their people. This was, so far as he knew, made clear in the case of Kashmir. If the Maharaja alone had wanted to accede, Gandhiji could not defend such accession. The accession was provisionally agreed to by the Union Government because both the Maharaja and Sheikh Abdulla, speaking for the people of Kashmir and Jammu, wanted it. Sheikh Abdulla came on the scene because he claimed to represent the people of Kashmir and Jammu, not merely the Muslims but the whole of the people.

Division of Kashmir?

He had heard whispers that Kashmir could be divided into two parts, Jammu going to the Hindus and Kashmir to the Muslims. He could not think of such divided loyalties and splitting up Indian States into so many parts. He hoped, therefore, that wisdom would rule all India and an ugly situation would be avoided without delay if only for the sake of the lakhs of Indians who felt compelled to become helpless refugees.

Gandhi, M. K., *Delhi Diary*, Ahmedabad, 1948, pp. 161-4.

72 12 *November* 1947

SPEECH: SARDAR PATEL (EXTRACTS)

. . . The real purpose of my visit to Kathiawad is the disentanglement of the many knotty problems which the sudden collapse of

authority in Junagadh has created not only for the people of Junagadh but the whole of Kathiawad.

You know how the Nawab of Junagadh had left the State without a shot being fired. The trouble had been brought upon the Nawab's head by the wrong advice he received from the people who were bent upon mischief and by machinations of the Pakistan Government itself....

Rampur, which was the first to declare its accession to the Indian Dominion, witnessed the first fruits of Pakistan's malevolence. We met this challenge resolutely and resistance collapsed. Then they sought a foothold in Junagadh. We warned them, we begged of them, we reasoned with them, but obstinacy was not conquered. We could not be blind to the consequences which this interference with our affairs entailed, and with the affairs of the States which had acceded to us long before they took the final plunge into Junagadh. It was with this idea of safeguarding the rights of the acceding States and the peace of Kathiawad that we had to take precautionary measures and send troops to Manavadar, Mangrol and Babariawad.

Even then we had no intention of marching our troops into Junagadh territory, but then the ' Provisional Government ' led by Mr Samaldas Gandhi took a hand. They took village after village and reached Kuntyana. It was then that the advisers of the Nawab, who had already fled, realized that the game was up. They left, leaving the people, who had financed them, in utter predicament.

The Dewan's decision to hand over the administration to the Indian Dominion was reached after Major Harvey Jones had been denied assistance by the Pakistan Government and after the Council and the people had been taken into consultation. It was no hasty decision but a calculated move to accept the inevitable. The Dewan informed the Pakistan Government of what he was doing. We waited for 24 hours to see how Pakistan would react. But there was no response whatsoever. We then decided to march in in order to preserve the peace in Junagadh but also to forestall its adverse repercussion in the whole of Kathiawad.

I emphatically repudiated Pakistan's contention that the Dewan had no authority to take the action that he did. He had the assent of the Nawab of Junagadh and the backing of the people. What other authority under any conception of sovereignty did the Dewan need in support of his action?...

Patel, Sardar, *On Indian Problems*, 1949, pp. 6-7.

73 13 *November* 1947

SPEECH: SARDAR PATEL (EXTRACTS)

. . . I also congratulate the members of the Junagadh Administration who had realized, before it was too late, which way the right course lay and in which direction the path of rectitude pointed. However, those who wrongly advised the Nawab were not true to the salt which they had eaten . . . .

Negotiations had been conducted by responsible men of the Junagadh State for the accession of the State to the Indian Union. The Ruler professed attachment to the majority of the subjects and the Princes of Kathiawad with whom he had the most friendly relations. But shortly afterwards, moves were initiated in the reverse direction and the Nawab's eyes were turned to Pakistan. He has gone whither he cast his longing eyes. Let him remain there.

The State does not belong to any individual. Paramountcy has been eliminated, certainly not by the efforts of the Princes, but by that of the people. It is therefore the people who have got the right to assert themselves and the Nawab cannot barter away the popular privilege of shaping its destiny.

Pakistan attempted to set-off Kashmir against Junagadh. When we raised the question of the settlement of this problem in a democratic way, Pakistan at once told us they could consider this matter if we applied that policy to Kashmir State. Our reply was that we would agree to Kashmir if they agreed to Hyderabad. Pakistan, however, pointed out that they had no say in the matter. Nevertheless, whenever Hyderabad has been in difficulties there is always a trek of the leaders of the Ittehad ul-Muslemin to Mr Jinnah . . . . The Ittehad ul-Muslemin is trying to play the same game as the advisers of the Nawab of Junagadh had played . . . .

I emphatically repudiate the right of any outside authority like Pakistan to interfere with the popular will within our territory. The Indian Dominion forces have come to Junagadh not at the request merely of the Dewan, but also at the behest of the people of Junagadh whose will the Dewan himself had ascertained before inviting India to take over the administration. It was, therefore, at the express desire and will of the people of Junagadh that the Indian army marched into Junagadh . . . . It is on this sanction that we justify the present move of the Indian Dominion and it is on this sanction that we can conclusively justify our action to the world at large.

Patel, Sardar, *On Indian Problems*, 1949, pp. 9–11.

74 24 *February* 1948

PRESS COMMUNIQUÉ OF THE GOVERNMENT OF INDIA (MINISTRY OF STATES)

The referendum in Junagadh and other smaller States has now been completed. The voting in favour of accession to India is virtually unanimous.

Every polling booth has been supervised by a Committee consisting of both Hindus and Muslims. The secrecy of the ballot has been scrupulously observed and freedom of voting fully ensured.

The Government of India is grateful to Mr Nagarkar for the efficient and impartial way he has conducted the plebiscite. The franchise for the referendum is more liberal than that adopted for the Bombay Legislative Assembly.

The results of the voting are as follows:

	No. of voters on electoral rolls	Voted for India	Voted for Pakistan
Junagadh	200,569	190,779	91
Mangrol	12,997	11,833	8
Manavadar..	8,680	8,436	11
Bantwa (*Barā*)	1,427	1,091	10
Bantwa (*Chhotā*)	1,432	1,412	..
Sardargarh Taluka	3,393	3,241	2
Babariawad	5,880	5,392	8

PIB Release.

75 13 *April* 1948

JUNAGADH ADMINISTRATION (PROPERTY) ACT, 1948

WHEREAS on or about the 9th day of November 1947 the administration of the State of Junagadh was handed over to the Central Government;

AND WHEREAS it is necessary to provide for the vesting of certain property belonging to the said State in the Administrator thereof, and for certain incidental matters;

It is hereby enacted as follows:

(1) *Short title.* This Act may be called the Junagadh Administration (Property) Act, 1948.

(2) *Definition.* In this Act 'Administrator' means the person appointed by the Central Government to be the Administrator of the State of Junagadh.

(3) *Vesting and disposal of property and powers of Administrator.* (i) Notwithstanding anything contained in any law for the time being in force, the property described in the Schedule[1], whether in the name of His Highness the Nawab of Junagadh, or the Dewan or the Private Secretary to His Highness the Nawab of Junagadh, or the Manager and Engineer-in-Chief, Junagadh State Railway, or the Chief Accounts Officer, Junagadh State, or any other person whatsoever or in the name of more than one of them shall be deemed on and from the 9th day of November 1947 to have vested in the Administrator, and the Administrator shall, as from that date, hold and be entitled to and have the power to deal with and dispose of the said property as such Administrator.

(ii) Without prejudice to the generality of the foregoing provisions, the Administrator shall have the power to

(*a*) receive and give full and effectual discharge for or in respect of the bank deposits, securities and shares described in the Schedule;

(*b*) sell, transfer or otherwise dispose of or deal with such property.

(4) *Issue of duplicate securities.* Notwithstanding anything contained in any law for the time being in force, the Reserve Bank of India shall issue to the Administrator duplicate securities in his name in lieu of the securities specified in Part II of the Schedule as if the securities so specified had been lost, and such duplicate securities shall have the same effect as if they had been issued under section 11 of the Public Debts (Central Government) Act, 1944 (XVIII of 1944).

(5) *Transfers otherwise than by Administrator void.* Any transfer of, or dealing with, any of the property described in the Schedule after the 8th day of November 1947, otherwise than by the Administrator, shall be, and shall always be deemed to have been, void and of no effect.

(6) *Bar of jurisdiction.* (i) No Court shall have jurisdiction to entertain any suit or other proceeding in respect of any of the property described in the Schedule or to enforce any liability in respect thereof, otherwise than at the instance of the Administrator.

(ii) Any claim in respect of such property by any person other than the Administrator may be submitted to the Central Government, whose decision in the matter shall be final.

(7) *Protection of action taken under this Act.* No suit, prosecution or other legal proceeding shall lie against the Central Government, the Reserve Bank of India, any bank or company named in Parts I and III of the Schedule or any person for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act.

[1] The Schedule is omitted from this volume.

(8) *Power of the Central Government to add to the Schedule.* The Central Government may from time to time add to the items of property included in the schedule by notification in the official Gazette and on such notification such property shall be deemed to have been always included in the schedule.

(9) *Repeal of Ordinance No. XXX of 1947.* (i) The Junagadh Administration (Property) Ordinance, 1947, is hereby repealed.

(ii) Anything done or any action taken in exercise of any power conferred by or under the said Ordinance shall, so far as it is not inconsistent with this Act, be deemed to have been done or taken in exercise of the powers conferred by or under this Act as if this Act had commenced on the 24th day of December, 1947.

Gazette, 13 April 1948.

SECTION V(*d*)

HYDERABAD

76 8 *August* 1947

NIZAM TO VICEROY (EXTRACT)

I am writing to you to make plain the position of my State in the negotiations which are in progress at Delhi. It has always been my desire and the desire of Hyderabad to make the fullest contribution to the prosperity and welfare of India as a whole. Indeed I recognize that the States have a great opportunity to exercise a stabilizing influence; both because of their relative freedom from communal strife and because the States represent the section of India which at present has the greatest experience of administration. When it was contemplated that India, on gaining its independence, would become a single Union, I was quite ready to take my share in the defence of the sub-continent and to make arrangements for the foreign policy of Hyderabad to be directed in general conformity with the foreign policy of India. The partition of India, however, has gravely complicated the problem for my State. As Your Excellency knows, while Hyderabad is necessarily closely concerned in various ways with what will now become the Dominion of India, there are also many ties between my State and the future Pakistan Dominion. It will be within Your Excellency's knowledge also that in this State, which my ancestors and I have ruled for more than two centuries, there has been little communal disturbance and the cleavage on religious grounds has always been much less acute than in British India. It is my earnest wish to pursue a policy which will enable this freedom from discord and disorder to continue, and for this purpose I must take into account the importance of maintaining good relations with both the new Dominions. It is not yet clear how far or in what manner the Indian Dominion and the Pakistan Dominion will consult and co-operate on matters of common concern or how closely their policies can be integrated on the essential subjects of External Affairs and Defence. I understand that this is a matter which, it is recognized, cannot be resolved before the 15 August 1947. It is not possible for me to contemplate an organic union with either of the Dominions until I am more fully informed on these matters. I am bound at this stage to wait

and see how the relations between the two Dominions are regulated and developed.

(3) . . . I have always been resolutely opposed to a policy of isolation for my State and although, in present circumstances, I cannot contemplate bringing Hyderabad into organic union with either of the two new Dominions, I am still ready and willing to see Hyderabad play its proper part in the defence of the Indian sub-continent and to have the conduct of the External Affairs of my State undertaken in general conformity with the Foreign Affairs of the whole sub-continent. My difficulty is how to accomplish this purpose in friendly co-operation with both the new Dominions. I have naturally and necessarily taken into account the fact that the Dominion of India is my neighbour and I am fully prepared (in accordance with the Attorney-General's suggestion) to enter into a treaty with them whereby a suitable arrangement is made in respect of land communication, so that all-India standards are recognized, and through communications and mutual interchange facilities are assured, and Hyderabad contributes an agreed number of troops to the defence of the Dominion. Moreover, I should be willing to agree in this treaty to conduct the External Affairs of my State in general conformity with the foreign policy of the Dominion of India. But it would be necessary for me to provide against the possibility, which I earnestly hope will never arise in fact, that the two new Dominions might pursue a mutually hostile policy. In that case, it would be unthinkable for my State to pursue a hostile policy towards the Dominion of Pakistan and it would have to be provided that Hyderabad in such an event would remain neutral. Further, Hyderabad already has an Agent-General in the United Kingdom and must reserve the right to appoint representatives to act for Hyderabad elsewhere if and when it wishes to do so.

(4) It is a matter of deep satisfaction to me that both the new Dominions will be within the family of the British Commonwealth of Nations. I should want a provision inserted in the Treaty whereby if unhappily either party should at some future date decide to secede from the Commonwealth the other party should be free to review the provisions of the Treaty. For, in spite of the provisions of Section 7 of the Indian Independence Act, I cannot believe that, after more than a century of faithful alliance, it is the intention of the British Government to throw my State out of the Empire against my will.

(6) It is even more surprising that negotiations should be refused on the subject of Berar. His Majesty's Government and the new States Department have unequivocally recognized my sovereignty over Berar and also my legal right to the reversion of administration over the territory on 15 August 1947. I should be prepared to arrange

for the continuance of the *status quo* for the time being to enable the whole problem to be reasonably and amicably settled. But those responsible for the new Dominion wholly refuse to negotiate in the matter, unless I first agree to accede and this, for reasons which I have already explained, I decline to do. I learn (though I find it hard to believe) that in defiance of my admitted rights the new Dominion of India mean to start their career by seizing my territory.[1]

(7) I cannot but regard this refusal to negotiate except on terms that Hyderabad first agrees to accede as coercion and pressure to join and a compulsion to a hurried decision. And I hope that even at this late hour, through the good offices of Your Excellency as Crown Representative with special responsibilities to see that H.M.G's pledges to the State are honourably fulfilled, this policy may be reversed. For it is utterly inconsistent with the declared pledges and policy of H.M.G.

(8) Such a treaty as I have suggested would have to cover various other matters, among them a Customs Agreement which would take into account the provisions of the Commercial Treaty of 1802 which has long been a matter of dispute between H.M.G. and myself. But it is not necessary to elaborate such provisions in this letter, because if the principle of a treaty on the basis of my proposals in this letter is accepted, I do not doubt that with anxiety on both sides to resolve our difficulties in a spirit of reasonable accommodation, we shall be able to reach a concluded agreement without undue difficulty or delay. . . .

WPH Supplement, pp. 3-4.

77 12 *August* 1947

VICEROY TO NIZAM

I have received Your Exalted Highness' letter of 8th August, 1947, in which you offer to negotiate with the Dominion of India for a treaty in which you would make provision for the conduct of Hyderabad's foreign policy in general conformity with that of the Dominion of India, for the contribution of troops to the defence of the Dominion and for suitable agreements about Communications. I recognize Your Exalted Highness' special problems in Hyderabad and your willingness to co-operate with the Dominion of India in these three essential fields. As you know, the anxiety of the Dominion is to achieve

[1] The *status quo* in Berar was, in fact, maintained up to August 1948 by a loose temporary arrangement.

stability which they feel cannot be adequately secured unless all the States which are situated within their borders are prepared to come into organic union with them. I myself, as I have told your Negotiating Committee and your Adviser, believe that accession to the Union would be to the mutual advantage of the Dominion and your State. But I fully understand your difficulties and I have no wish to hurry you to a decision. In the circumstances, although I shall cease to be Crown Representative on the 15 August, I have secured the assent of those who will be responsible for the Government of the Dominion to my continuing negotiations with Your Exalted Highness for a further period of two months, during which I hope we shall be able to reconcile our views. During this period the offer to accede on the terms which I have already proposed will (as a special exception) remain open in the case of Hyderabad.

(2) I have noted what Your Exalted Highness writes about Standstill Agreements and Berar and I am in a position to assure you that the Dominion of India are quite agreeable to the continuance of the *status quo* in Berar for the time being, while negotiations continue, and to the continuance of existing administrative arrangements, whether or not a formal agreement is reached dealing with this subject. I learn that Your Exalted Highness is concerned lest a decision not to accede in present circumstances would be treated as a hostile act by the Dominion and your State might be subjected to blockade, but I am satisfied that the leaders of the new Dominion have no intention of applying such pressure.

On the contrary the fact that recently they consented to my consulting Your Exalted Highness before appointing a new Governor of the Central Provinces and Berar shows how careful they have been to respect the constitutional position. Further they intend to continue to maintain the correct constitutional position after 15 August, 1947, as appears from this proposed adaptation of the 1935 Act in this respect; the adaptation has been shown to your Constitutional Adviser.

78 29 *November* 1947

NIZAM TO GOVERNOR-GENERAL

I regret that we have not been able to reach a final agreement as to the eventual nature of the association between Hyderabad and the Dominion of India. As Your Excellency knows, I have not been

prepared to contemplate accession to either Dominion, but short of this, I have been ready to negotiate with your Government upon any other basis. I am now enclosing a Standstill Agreement which I am prepared to execute if Your Excellency's Government are also prepared to sign it. It is a disappointment to me that after such protracted negotiations we are unable to do more for the present than carry on existing arrangements subject to such changes as the departure of paramountcy imposes. On the other hand it is essential to put an end to the present state of uncertainty and the fact that the agreement now to be executed is to endure for a year means that both Governments will be able to turn their attention more fully to the problems of administration without constant preoccupation with the question of our constitutional relationship. To that question we shall eventually have to return, but I am confident that, if during the next year our association in accordance with the terms of the Standstill Agreement is marked by goodwill on both sides, we shall be more likely at the end of that period to reach a satisfactory agreement as to the nature of our long-term association. I regard this Standstill Agreement accordingly as founded upon the principle of good neighbourliness and I am sure that Your Excellency and your Government will approach it in the same spirit. By executing this Standstill Agreement I am in no way permanently prejudicing my rights as an independent sovereign, but I am of course conscious that I am in some important respects suspending the exercise of certain of these rights during the currency of the Agreement.

(2) It is plain that an Agreement in this general form will necessitate a good deal of adjustment in regard to particular arrangements. In this connexion I learn that your Government is prepared as soon as possible to negotiate with mine arrangements for the posts, telegraphs and telephones within Hyderabad to be worked as a Hyderabad system in harmony with the Dominion system. There are, in addition, problems about the Hyderabad Forces, both in regard to the troops and their equipment, which our Governments will need to discuss in the light of the fact that on 15 August, 1947, the Hyderabad Forces and Police available for the maintenance of internal order could no longer rely upon the backing of the troops stationed in and near the State by the Paramount Power. This question has already been discussed with the late Military Adviser-in-Chief and with his successor, and I have no doubt that Your Excellency's Government will have no objection to making any necessary adjustments in these respects and indeed in other cases of the same character (having their origin in the exercise of paramountcy functions) which are already apparent or which may come to light in giving effect to the general provision

contained in Article I of the Standstill Agreement. So far as arms and equipment are concerned, I understand Your Excellency's Government are ready and willing to provide Hyderabad with the necessary requirements of its Forces and Police. It is only if for any reason the Dominion Government cannot supply such requirements within a reasonable time that I shall approach other sources of supply, and then only after previous intimation to your Government.

(3) There is also the question which has been much discussed between my Delegation and the representatives of your Government about diplomatic and trade representatives for Hyderabad abroad. I am prepared to execute the Agreement on the understanding that the Government of the Dominion will take no objection to the maintenance of the Hyderabad Agent-General in the United Kingdom or to the appointment of similar representatives in any other country. I shall be prepared to arrange for the complete co-ordination of the work of these representatives with the diplomatic and commercial representatives of the Dominion of India in such countries and to inform you in advance of any representatives whom I may decide to appoint. I am confident that Your Excellency's Government will be equally ready to co-operate with mine in regard to the import and export trade of Hyderabad.

(4) There are several matters which have been outstanding between us for some time and which I should like to see cleared out of the way as soon as the Agreement comes into force:

(i) No paramountcy functions remain to be exercised; nor was the Hyderabad Residency retained except as a house for the British Resident when there was one in the past. In these circumstances I should be glad if your Government would now hand it over to Hyderabad. Suitable arrangements can be immediately made about the Treasury and your Treasury officials.

(ii) It is urgently necessary that arms, equipment, and, in particular, ammunition, should be immediately made available to Hyderabad. We have had no supplies since July and the shortage is interfering with the training of the Hyderabad Army.

(iii) In the same way, there has been difficulty in securing the importation of 'soft' vehicles for the use of the Army and, in the special circumstances of Hyderabad, you will appreciate the importance of mobility having regard to the areas to be covered.

(iv) I understand that the last of the Dominion troops stationed in Hyderabad will be removed in the course of the next month and I shall be glad of confirmation on this matter.

(v) The transfer to Hyderabad of all jurisdiction within the State was agreed in principle before the 15 August, 1947, and was largely

effected before that date and has continued since. There are however some points still outstanding in this regard in relation to Police jurisdiction on part of the railways which run through the State. I assume that such jurisdiction will be immediately restored to Hyderabad.

(5) It is of course manifest that my rights in regard to such matters as currency, coinage and postal rights are in no way impaired by the Standstill Agreement but I should be glad if Your Excellency would give me an express assurance that the rights to which I have just referred continue undiminished.

(6) I should like to take this opportunity of suggesting that, in relation to passports, the Dominion of India should agree, as a matter of convenience in a question which is becoming urgent, to the Chief Secretary of my Government or some other appropriate officer issuing passports to Hyderabad subjects which would be countersigned by the Dominion.

(7) I am sure that in entering into this Agreement both our Governments intend to do all they can to prevent and discourage subversive movements and propaganda in the territory of the other.

(8) I know well Your Excellency's interest in all steps taken to abate communal antagonism. It may therefore be of interest to you to know that, in conformity with earlier declarations on my part, I propose to issue a Firman in the immediate future expressing my firm resolve to protect the lives, rights and interests of all my subjects alike, irrespective of caste or creed.

WPH Supplement, pp. 12-14.

79 29 *November* 1947

GOVERNOR-GENERAL TO NIZAM

I acknowledge with thanks the receipt of Your Exalted Highness's letter dated 29th November and the Agreement. While my Government and I note that Your Exalted Highness has no intention of acceding to Pakistan, we very much regret that you should have been unable to execute an Instrument of Accession with India. Both my Minister for States in his Statement of the 5 July and I myself in my speech of the 25 July to the representatives of the States have made it clear that it is the earnest desire of the Government of India to maintain the sovereignty of the States and to work with them as full partners in the administration of the three subjects proposed for accession. My Government cordially reciprocate your hope that,

given goodwill on both sides, the working of the Standstill Agreement will provide a basis for a satisfactory long-term solution. Placed as Hyderabad is, its interests are inextricably bound up with those of India; and my Government hope that before the present Agreement expires, it will be possible for Hyderabad to accede to the Dominion of India.

(2) My Government will be prepared to discuss with your representative as soon as possible the question of handing over the posts, telegraphs and telephones; and also the future strength and equipment of the Hyderabad Forces.

As regards the supply of arms and equipment, the Dominion Government will be able to supply your legitimate requirements.

(3) My Government have no objection to your maintaining an Agent-General in London and appointing similar representatives elsewhere if necessary. In this connexion they are very glad to have your assurance, to which you will appreciate that the Government of India attach great importance, that the activities of such representatives will be fully co-ordinated with those of the representatives of the Dominion of India and will be confined to matters properly relating to trade and commerce.

The Government of India are certainly prepared to co-operate with Hyderabad fully in regard to its import and export trade.

(4) As regards the points raised in para. 4 of your letter, my Government have authorized me to say as follows:

(i) My Government gladly agree that the Residency buildings at Hyderabad will be returned to your Government as soon as alternative accommodation promised by you is made available for our Treasury and officials employed there.

(ii) My Government will take the necessary action in regard to the early supply of arms and ammunition for which an indent has been received from your Government.

(iii) My Government will help your Government in securing the vehicles that they require.

(iv) It is the definite intention of my Government that the troops at present stationed inside Hyderabad territory should be progressively withdrawn according to an agreed programme and that the withdrawal should be completed by the end of February 1948 at the latest.

(v) On the points remaining to be settled regarding the retrocession of jurisdiction, these can be discussed with my Government by your representative as soon as he is appointed.

(5) I am authorized to assure Your Exalted Highness that your rights in regard to currency, coinage and postal matters will in no way be impaired by the Standstill Agreement.

(6) My Government will take up the question of passports mentioned in para. 6 of your letter. They are fully prepared to assist you in this respect.

(7) With reference to paras. 7 and 8 of your letter, the Government of India desire to assure Your Exalted Highness that it is their earnest desire to promote communal harmony and to maintain peace and security, and they will co-operate whole-heartedly with you to that end.

(8) I enclose the Agreement duly signed by me.

WPH Supplement, pp. 16-17.

80 29 *November* 1947

HYDERABAD, STANDSTILL AGREEMENT

AGREEMENT made this Twenty-ninth day of November Nineteen Hundred and Forty-seven between the Dominion of India and the Nizam of Hyderabad and Berar.

WHEREAS it is the aim and policy of the Dominion of India and the Nizam of Hyderabad and Berar to work together in close association and amity for the mutual benefit of both, but a final agreement as to the form and nature of the relationship between them has not yet been reached;

AND WHEREAS it is to the advantage of both parties that existing agreements and administrative arrangements in matters of common concern should, pending such final agreements as aforesaid, be continued;

NOW, THEREFORE, it is agreed as follows:

Article 1

Until new agreements in this behalf are made, all agreements and administrative arrangements as to matters of common concern, including External Affairs, Defence and Communications, which were existing between the Crown and the Nizam immediately before the 15 August 1947, shall, in so far as may be appropriate, continue as between the Dominion of India (or any part thereof) and the Nizam.

Nothing herein contained shall impose any obligation or confer any right on the Dominion

(i) to send troops to assist the Nizam in the maintenance of internal order;

(ii) to station troops in Hyderabad territory except in time of war and with the consent of the Nizam which will not be unreasonably

withheld; any troops so stationed to be withdrawn from Hyderabad territory within 6 months of the termination of hostilities.

Article 2

The Government of India and the Nizam agree for the better execution of the purposes of this Agreement to appoint Agents in Hyderabad and Delhi respectively, and to give every facility to them for the discharge of their functions.

Article 3

(i) Nothing herein contained shall include or introduce paramountcy functions or create any paramountcy relationship.

(ii) Nothing herein contained and nothing done in pursuance hereof shall be deemed to create in favour of either party any right continuing after the date of termination of this Agreement, and nothing herein contained and nothing done in pursuance hereof shall be deemed to derogate from any right which, but for this Agreement, would have been exercisable by either party to it after the date of termination hereof.

Article 4

Any dispute arising out of this Agreement or out of agreements or arrangements hereby continued shall be referred to the arbitration of two arbitrators, one appointed by each of the parties, and an umpire appointed by those arbitrators.

Article 5

This agreement shall come into force at once and shall remain in force for a period of one year.

In confirmation whereof the Governor-General of India and the Nizam of Hyderabad and Berar have appended their signatures.

MIR OSMAN ALI KHAN
Nizam of Hyderabad and Berar

MOUNTBATTEN OF BURMA
Governor-General of India

WPH Supplement, pp. 14-15.

81 29 *November* 1947

SPEECH : SARDAR PATEL

With your permission, Sir, I should like to make a statement on the result of the negotiations with the Hyderabad Government on the future relationship between that State and the Government of India. The House will recall that I stated on the floor of this House that this was the last phase of these negotiations. I am happy to say that an agreement has been reached and I lay on the table of the House a copy of the Agreement, signed this morning, as well as a copy of the collateral letters exchanged between His Exalted Highness and His Excellency the Governor-General.

As the House is aware, it was in July last that we initiated negotiations with the States for their accession to the Dominion of India, which due to the spirit of co-operation evinced by the Rulers resulted in the accession before the 15 August of all States except Hyderabad, Kashmir and Junagadh. We had negotiations with representatives of His Exalted Highness the Nizam also at the same time. I do not wish to take the House through the many phases of the negotiations. I need only say that when 15 August came no agreement could be reached. At the same time, His Exalted Highness the Nizam was anxious not to break off negotiations and accordingly at his request we decided to give him an extension of two months within which to finalize his attitude. When the negotiations were resumed, His Excellency the Governor-General, with the concurrence of the Cabinet, undertook to continue them on our behalf. He had several meetings with the delegations sent by His Exalted Highness, and about a month ago a complete agreement had resulted; but owing to developments of which the House is aware the old delegation resigned and a new one was sent by His Exalted Highness the Nizam in its place. During the negotiations with the new delegation we adhered to the stand we had already taken up, and finally the agreement which we have now succeeded in obtaining from the present delegation is exactly the same as we had negotiated with the old one.

Under this settlement, all agreements and administrative arrangements on matters of common concern which formerly existed between the Crown Representative and the Hyderabad State, except the Paramountcy functions, are to be continued as between the Government of India and the Hyderabad State for a period of one year. These agreements and arrangements cover a wide variety of matters including the three subjects on which accession of all the States has been accepted, viz., Defence, External Affairs and Communications.

I know that Honourable Members would have been much more gratified if as a result of these talks His Exalted Highness had found it possible for the State of Hyderabad permanently to accede to the Indian Dominion. Such an accession would have been in accord not only with our cherished desire but also with the interests of both the Indian Dominion and the Hyderabad State. We, however, fully appreciated the internal difficulties in the State and, consistent with our policy to secure agreement, not by coercion, but as far as possible with the maximum degree of goodwill on both sides and with due regard to the overall position in India, we felt that an agreement of this nature, even for a limited period, would have considerable advantages over the absence of any agreement whatsoever. The period of one year would enable both of us to forge closer relations and would, it is hoped, pave the way for permanent accession.

The settlement makes it clear that Hyderabad does not propose to accede to Pakistan. This, if I may say so, is only right, for, placed as Hyderabad is, its destiny is inextricably bound up with that of India.

I fully realize that Honourable Members of this House as well as the public outside have been considerably concerned over the happenings in the State in recent months. Now that accord has been reached, I am sure it will have a wholesome effect on the existing situation and will exercise a beneficial influence in the relations between the two communities, both in the State and outside. We can thus put these happenings back in the past and look forward to a relationship in which amity and cordiality will prevail. An atmosphere will thus be created which will enable people who have left the State to return to their homes. I am also certain that as this settlement is intended to serve as the basis of friendly and cordial relations it will be worked in that spirit. We on our part will do our best to secure this end.

I would also like to refer briefly to the fact that proposals for constitutional reforms are now engaging the attention of His Exalted Highness. On this as well as on the question of final accession, I hope he will readily agree that in the ultimate analysis it is the will of the people that should guide his judgement. There are unmistakable signs in several other States of the triumph of this principle and I feel certain that His Exalted Highness will, as becomes a Ruler of his pre-eminent position, set an example which others can follow.

Finally, I am sure the House would like me to place on record our sense of appreciation of all that His Excellency the Governor-General has done in bringing about such a happy conclusion to the prolonged negotiations.

WPH Supplement, pp. 47-8.

82 23 *March* 1948

MINISTRY OF STATES TO PRIME MINISTER (HYDERABAD)

I am directed to address you on the relations between the Government of India and His Exalted Highness the Nizam's Government.

(2) The Government of India consider that a position has been reached in the discussions relating to the Standstill Agreement when definite and prompt steps have to be taken to prevent the relations between the two Governments as well as the security of the areas on both sides of the Hyderabad border from deteriorating further.

(3) The Government of India have given the most careful consideration to the views which have been placed before them by you and other representatives on behalf of His Exalted Highness' Government at the various discussions which have taken place since January, 1948. They have come to the conclusion that His Exalted Highness' present Government have failed to carry out the obligations under the Standstill Agreement as hereinafter stated:

(i) They have committed a breach of the existing agreements and arrangements relating to External Affairs:

(*a*) by giving a loan of twenty crores to a foreign power, to wit, the Pakistan Government;

(*b*) by appointing a Public Relations Officer in Pakistan (now recalled).

(ii) They have also failed to carry out their obligations relating to Defence, that is to say:

(*a*) by repudiating the obligations arising out of the Indian States Forces Scheme, 1939;

(*b*) by increasing the strength of the State Forces without the approval of the Government of India;

(*c*) by failing to forward an annual return in respect of the Police Forces;

(*d*) by supporting and taking assistance from the *Razakars*, a private army of irregulars, functioning in collaboration with the Military and the Police of Hyderabad.

(iii) They have further committed a breach of the agreements and arrangements in respect of communications by entering into an agreement with the United Press of America for setting up a transmitting and/or receiving station at Hyderabad without the concurrence of the Government of India.

(iv) They have further committed a breach of the agreements and arrangements as to other matters of common concern in the following respects:

(*a*) by making the use of Indian currency for cash transactions illegal in the State;

(*b*) by banning the export of gold and groundnuts and other oil-seeds.

(4) We have already brought these breaches to your notice in our discussions, but regret that so far they have not been set right.

(5) His Exalted Highness' Government will appreciate that as soon as the Standstill Agreement was executed the Government of India began to perform an essential part of the Standstill Agreement by withdrawing the Indian Army stationed at Bolaram. Practically the whole of it had been withdrawn by the end of February. The Government of India are also anxious to fulfil their other obligations. His Exalted Highness' Government are aware that obligations under the Standstill Agreement are reciprocal. The Government of India therefore expect that His Exalted Highness' Government will fully co-operate with them by forthwith taking action in order to fulfil their obligations under the Standstill Agreement in the following manner, that is to say,

(*a*) by withdrawing twenty crores loan notes handed over to the Pakistan Government;

(*b*) by agreeing to a joint Commission being appointed to examine and determine the agreements and arrangements relating to matters of Defence;

(*c*) by furnishing a return of the strength, organization and equipment of the Police in the form in which it used to be done prior to 15 August 1947;

(*d*) by banning the organization of *Razakars*;

(*e*) by repealing the Ordinance making the use of Indian currency for cash transactions illegal in the State;

(*f*) by cancelling the ban on the export of gold, groundnuts, and other oil-seeds; and

(*g*) by cancelling the agreement, if any, with the United Press of America as regards the transmitting and/or receiving stations for foreign news.

(6) The peculiar position of *Ittehad-ul-Musslemeen* in Hyderabad and of the Communists on the border causes the gravest concern to the Government of India. They consider that in the interests of peace inside the State and on both sides of the border the *Ittehad-ul-Musslemeen* should be banned and its organizations wound up. If the activities of the *Ittehad* are not immediately stopped, it is apprehended that a very grave situation will develop involving the security not only of Hyderabad State, but also of the adjoining Provinces of the Central Provinces, Bombay and Madras.

(7) I am accordingly to request that His Exalted Highness' Government will take prompt and definite steps to fulfil their obligations arising out of the Standstill Agreement and to ban the *Ittehad* as suggested. The Government of India will appreciate a very early reply indicating the action which His Exalted Highness the Nizam's Government decides to take, or has taken, in respect of the various matters set out in this letter.

WPH Supplement, pp. 22-4.

83 5 *April* 1948

PRIME MINISTER, HYDERABAD, TO
PRIME MINISTER, INDIA

In reply to the letter addressed to me by the Secretary to the Ministry of States of the Government of India and dated the 23 March 1948, which was delivered to me personally by the Agent-General of the Government of India on the 26 March 1948 on the relations between the Government of India and the Nizam's Government, the Nizam and His Government are as anxious as the Government of India to prevent the relations between the two Governments, as well as the security of the areas on both sides of the Hyderabad border, from deteriorating further. The Nizam's Government would be glad to see the Standstill Agreement implemented henceforward with that goodwill on both sides, which, as the Nizam observed in his collateral letter accompanying the Agreement, would make it more likely that at the end of the period a satisfactory agreement could be reached as to the nature of our long-term association. In the meantime I am sure that you will appreciate that goodwill will not be promoted by attempts, by economic pressure or otherwise, to coerce the Nizam into the abandonment of his right to independent status which he has consistently asserted since the 15 August 1947.

(2) You will permit me to say at the outset that this Government finds little encouragement, from the point of view of improving relations between the two Governments, in the marked change between the tone of the letter, to which I am replying, with its increased catalogue of alleged breaches and its growing demands upon this State, and the more reasonable and amicable atmosphere which prevailed during the discussions between the Hyderabad delegation and the Governor-General as recently as the 2 and 4 March 1948. This Government hopes that after the full and candid reply, which I am now sending,

the way may be open to a return to a more friendly interchange of views. During those discussions the so-called Pakistan loan of 20 crores was treated as the most important outstanding obstacle to good relations and I undertook (at the suggestion of the Governor-General) to ask the Pakistan Government not to put the securities in question on the market during the currency of the Standstill Agreement. I have accordingly done so. Nobody then suggested that the Hyderabad Government should ' withdraw twenty crore loan notes handed over to the Pakistan Government'. Yet that is the first demand contained in the letter under reply—see paragraph 5 (*a*). To take another instance, no one suggested at Delhi that ' the *Ittehad-ul-Musslemeen* ', a political party which has been established in the State for many years, ' should be banned and its organizations wound up '. Yet that is the demand made in paragraph 6 of the letter of the 23 March. These are but two examples which illustrate the change of attitude which the Government of India has now adopted. Others will emerge in the course of this reply.

(3) Before dealing in detail with the specific allegations in the letter I must draw attention to paragraph 5 of it, in which the Government of India treats the withdrawal of the Indian Army stationed at Bolaram as the performance of ' an essential part of the Standstill Agreement '. I am sure that your Government appreciates that the presence of non-Hyderabadi troops in the State up to the 15th August 1947 was justified, and indeed required, by reason of the treaties between the British Government and the Nizam. Those treaties were unilaterally denounced by the British by Section 7 of the Indian Independence Act. Thereafter (as was constantly pointed out by the Nizam to the Governor-General and never denied) there was no justification for the retention of Indian Army troops within the State. It is true that, in spite of the Nizam's protests, such troops were still in Bolaram when the Standstill Agreement was signed more than three months later, on the 29 November 1947 and that, not unnaturally in the circumstances, the Nizam in his letter to the Governor-General of the same date, in speaking of ' several matters which have been outstanding between us for some time ' said [in paragraph 4 (iv)] that he understood that the last of the Dominion troops stationed in Hyderabad would be removed in the course of the next month; and that the Governor-General in his reply of the same date [paragraph 4(iv)] assured the Nizam of the intention of His Government to complete the withdrawal by the end of February 1948 at latest. But the Government of India would have had no right to keep them in Hyderabad, whether or not the Standstill Agreement had been signed. All that Article 1 of that agreement did in this connexion was expressly to prevent the Dominion from acquiring any such right.

(A) BREACHES OF THE STANDSTILL AGREEMENT BY THE GOVERNMENT OF INDIA

(4) Paragraph (5) of the letter goes on to express the anxiety of the Government of India to fulfil their other obligations. It is added that obligations under the Standstill Agreement are reciprocal. If by this the Government of India intends to introduce the principle of reciprocal obligations in the Indian Contract Act, in order to excuse breaches by the Government of India of their obligations under the Standstill Agreement, we are advised, and shall so contend if and when the matter goes to arbitration, that this doctrine has no application in the circumstances of this case. Moreover, the Nizam's Government has faithfully performed its obligations under the Agreement, as they understand them. There are (as appeared in Delhi and will appear in the course of this letter) differences of opinion as to the nature and extent of the obligations of Hyderabad under the Agreement. But the Nizam's Government is ready and willing, if it is found to have erred in its interpretation of those obligations, to carry them out as ascertained in the manner prescribed in the Agreement itself. But it has great difficulty in understanding what prevents or has prevented the Government of India from carrying out some of its obvious, admitted and fundamental obligations under the Agreement. Let me instance cases not only covered within the terms of the Agreement itself but by reason of their importance, specifically referred to in the collateral letters of the same date on the faith of which the Agreement was executed.

(*i*) *Supply of arms and equipment*

(5) In paragraph (2) of the Nizam's letter to the Governor-General dated the 29 November 1947, the Nizam wrote that he understood that the Government of India was ready and willing to provide Hyderabad with the necessary requirements of its forces and police, so far as arms and equipment were concerned, and added in paragraph (4)(ii) that it was urgently necessary that arms, equipment and in particular ammunition should be immediately made available to Hyderabad, which had had no supplies since July 1947. The Governor-General in paragraph (4)(ii) of his letter of the same date gave an assurance that he was authorized by his Government to say that it would take the necessary action in regard to the early supply of arms and ammunition, for which an indent had been received from the Nizam's Government. Four further months have now elapsed and not a rifle nor a round of ammunition has been supplied to Hyderabad.

(ii) Supply of Soft Vehicles

(6) In paragraph (4) (iii) of the Nizam's letter he mentioned as one of the matters he would like to see cleared out of the way as soon as the Agreement came into force, the fact that there had been difficulty in securing the importation of soft vehicles for the use of the army and that, in the special circumstances of Hyderabad, the Governor-General would appreciate the importance of mobility having regard to the areas to be covered. The Governor-General replied in paragraph (4) (iii) of his letter that his Government would help the Nizam's Government in securing the vehicles that they required. Nevertheless an embargo against the entry of such vehicles into the State has persisted during the four months that have elapsed since the signing of the Agreement.

(iii) The Import and Export Trade of Hyderabad

(7) In paragraph (3) of the Nizam's letter he said that he was confident that the Government of India would be ready to co-operate with the Nizam's Government in regard to the import and export trade of Hyderabad. The Governor-General replied in paragraph (3) of his letter that the Government of India was certainly prepared to co-operate with Hyderabad fully in regard to its import and export trade. Nevertheless it is a matter of common knowledge, and has not indeed been denied in the course of the recent talks, that all types of vehicles (in addition to those mentioned above), essential parts of plant and machinery for Government use and for private business in the State and even medical requirements, including chlorine for the treatment of water supply, have been held up in the territory of the Indian Union (while very large demurrage charges have been incurred) right down to the present date. There has been no sort of co-operation to assist the import and export trade of Hyderabad. On the contrary, there has been abundant evidence obvious to the most casual enquiry that, in addition to official bans in some Provinces, every impediment has been put in the way of the admission of all kinds of capital as well as consumer goods essential for the life of the State.

(iv) Berar

(8) Among the agreements as to the matters of common concern which were existing between the Crown and the Nizam immediately before the 15 August 1947, was the Agreement of 1936 in relation to Berar. The Nizam pointed out in paragraph (6) of his letter of the 8 August 1947 to His Excellency the Crown representative, that

His Majesty's Government and the new States Department had unequivocally recognized his sovereignty over Berar and also his legal right to the reversion of administration over the territory on the 15 August, 1947. This position, which is based on the agreement of October, 1936, and Section 47 of the Government of India Act, 1935, was never challenged. On diverse occasions after the 15 August, 1947, attention was drawn by the Nizam's Government to the fact that in breach of the provisions of the Berar Agreement the Nizam's Flag was no longer being flown in Berar and that a new oath of allegiance was being used which contained no reference to him. No reply to this protest was vouchsafed except that the matter was under consideration. In fact, in spite of Article 1 of the Standstill Agreement no attempt has been made to carry out the provisions of the Berar Agreement. Moreover, without any reference to the Nizam's Government, there has been included in the draft Constitution of India prepared by the Drafting Committee a provision in Part I, Clause 1, to the effect that the territory of India includes the territories of the States for the time being specified in Part I of the First Schedule. Part I of the First Schedule includes the territories known immediately before the commencement of ' this Constitution ' as the Governor's Provinces of the Central Provinces and Berar. In other words, so far from carrying out the agreements and administrative arrangements existing between the Crown and the Nizam immediately before the 15 August 1947 in regard to Berar, the Government of India appears to intend to annex the territory in question, without reference to the Nizam, whose sovereignty over it and right to the reversion of the administration have never been challenged. In the view of the Nizam's Government this constitutes a serious breach of the Standstill Agreement.

(*v*) *Authorization of Air Service in Hyderabad*

(9) It was always acknowledged by the British Government that no aircraft could lawfully fly over the territories of Hyderabad without the concurrence of the Nizam's Government. Nevertheless, in February 1948, the Government of India authorized a new service operated by the Indian Overseas Airways to be instituted and regularly carried out from Madras to Nagpur *via* Bangalore and Hyderabad with effect from the 28 February 1948, without obtaining the concurrence of the Nizam's Government. The service was, in fact, inaugurated by the Agent-General of the Government of India in Hyderabad in person and is still in regular operation in spite of the protest of the Nizam's Government.

(*vi*) *Subversive Movements*

(10) The fundamental basis of the Standstill Agreement was mutual goodwill. This was expressed in several passages in the collateral letters. In particular I would remind you of paragraph (7) of the Nizam's letter in which he said that he was sure that in entering into the Agreement both Governments intended to do all they could to prevent and discourage subversive movements and propaganda in the territory of the other. The Governor-General in paragraph (7) of his reply agreed that his Government would co-operate wholeheartedly. Nevertheless camps have been allowed to be established in the areas bordering on Hyderabad from which raiders, armed with modern weapons, Sten guns, Bren guns and the like, make frequent incursions into the State, derailing trains and destroying life and property, with a view to shattering the peace and tranquillity of Hyderabad for political ends. At the same time propaganda hostile to the State has frequently been put out from India by press, radio and even in speeches by responsible members of the Government.

(B) ANSWERS TO CHARGES AGAINST HYDERABAD

(*i*) *The so-called Pakistan Loan*

(11) I turn now to the specific allegations which are contained in paragraph (3) of the letter. The first, namely (i) (*a*), alleges a breach in relation to External Affairs by giving a loan of 20 crores to a ' foreign power ', to wit, the Pakistan Government. This is a matter which has been fully discussed between the parties and upon it there is a difference of opinion between our respective Governments as to whether there has been any breach of the Standstill Agreement. The Hyderabad Government, at a time before the Standstill Agreement had been included, took the view, which it still maintains, a view based upon precedent when the British were here, that it was entitled to make an investment in securities issued or to be issued by a foreign country. Moreover, in making the so-called loan to Pakistan it left much the greater part of the debt of the old Government of India with the Indian Union. Further the transaction took place at a time when relations between the two Dominions had not become so strained as they became later, and when a friendly act to one Dominion was not, it was hoped, necessarily to be regarded as unfriendly to the other. The point, however, which the Nizam's Government desires to stress at this juncture is that, as pointed out in paragraph (2) above, I have already taken the steps which the Governor-General himself recommended in order to reach an amicable settlement.

(ii) The appointment of a Public Relations Officer in Pakistan

(12) I must confess to some surprise that you have thought it necessary under paragraph (i) (*b*) to refer again to the appointment of a Public Relations Officer in Pakistan. Mr Menon conceded during the discussions with the Governor-General at the beginning of March that it was open to Hyderabad to appoint an Agent-General to Pakistan and that this officer could properly have a Public Relations Officer appointed to serve under him. The complaint was that the Public Relations Officer was appointed first. The Hyderabad Government thereupon recalled him. It seems idle at this stage to debate whether there was in this matter any breach of the Standstill Agreement, since the procedure for dealing with such cases has already been amicably settled.

(iii) Defence generally

(13) Before dealing with the allegations of breaches contained in paragraph (3)(ii) of the letter in the sphere of Defence, I would point out that at Delhi it was agreed that a meeting with Major-General Chaudhri should be arranged to discuss the question of the size of the Hyderabad Army: see the Minutes of the meeting of the 4 March 1948, page 5. Since then I have had talks on the subject with the Agent-General of the Government of India in Hyderabad who said, after we had discussed certain figures suggested by me, that if a friendly atmosphere was there, he did not see any difficulty in the Government of India agreeing to a reasonable figure and it was agreed that further details should be discussed between the Chief of General Staff, India (i.e., Major-General Chaudhri) and the Army authorities of Hyderabad: see the minutes of these talks (which took place as recently as the 16 and 17 March) paragraph 2. I know of no reason why these discussions between the military authorities should not take place at once and I am anxious that they should. Meanwhile I would remind you that when the British went, they repudiated (as stated above) their treaty obligations with Hyderabad. Under the treaties they had bound themselves to maintain some 10,000 troops in the State and 8,000 at call, who were specifically available for the protection of the State and dynasty against internal disorder. It has now become necessary for Hyderabad to provide further forces to take the place of these troops. Before the British went, the matter was discussed with the Military Adviser-in-Chief, who agreed that a substantial increase would be necessary. Indeed in July 1946, while the British forces were still available, General Moore, Military Adviser-in-Chief, had observed that the Regular Forces of Hyderabad were insufficient to meet present commitments,

if they were called upon to meet them all at the same time. In November 1946 the Commander-in-Chief, India, during a visit to Hyderabad, reviewed the whole position and endorsed the views of the Military Adviser-in-Chief as to the future strength of the Hyderabad Army. However, I made it clear at Delhi that, quite apart from any question of legal rights, Hyderabad had no desire to maintain a force beyond its requirements for internal security or such as could conceivably constitute any sort of menace to the Indian Union. I pointed out that the question was not simply one of numbers but of equipment also. Hyderabad needed considerable numbers because the area, over which they might have to be dispersed, was large. But there was no intention to have that Army equipped for any sort of offensive action. In these circumstances it is most desirable that the consultations, upon which we agreed, should take place without delay. I further made it plain that we should be ready to provide facilities to enable the Indian Union to satisfy itself that we were keeping within the agreed figures.

(iv) The Indian States Forces Scheme

(14) Turning in these circumstances to the allegations contained in paragraph 3 (ii) of the letter I would suggest that all that you can reasonably ask is conceded in what I have said in paragraph (12) above. As to paragraph 3 (ii) (*a*), the letter does not particularize the obligations and the repudiation to which it refers, and this makes it difficult to deal with the allegation. Throughout our negotiations it has been made clear that Hyderabad is willing to contribute a substantial force to the defence of India, unless (which God forbid) war should break out between India and Pakistan. But it is of course quite another thing to admit that the Indian States Forces Scheme, 1939, applies still to Hyderabad. The Indian States Forces Scheme, the successor to the Imperial Service Forces Scheme, was a scheme under which the States assisted the Paramount Power; as such paramountcy has gone and with it this obligation. I would add that in any case Hyderabad made reservations to the 1939 Scheme protecting its position about withdrawal from it.

(v) Size of the State Forces

(15) In paragraph 3 (ii) (*b*) it is alleged that by increasing the strength of the State Forces without the approval of the Government of India we have failed in carrying out our obligations in relation to Defence. Again particulars are not given but I assume, since the matter is relied on as a breach of the Standstill Agreement, that you are referring to some alleged increase since the 29 November, 1947. There has in fact been no increase since that date, but in any case

there was no limitation on the size of the State Forces in August 1947, and I understood that the Deputy Prime Minister made a statement to this effect recently in the Constituent Assembly in relation to all States. In any event the substance of this complaint will be met when the size of the State Forces is determined as a result of the contemplated discussions.

(*vi*) *Annual Return of Police*

(16) So far as the allegation in paragraph 3 (ii) (*c*) is concerned, the Agent-General of the Government of India in Hyderabad has since been furnished with the return so as to enable the necessary arms and equipment to be supplied, although we do not regard this return as strictly necessary according to the practice prevailing on the 15 August, 1947.

(*vii*) *The* Razakars

(17) The assertion in paragraph 3 (ii) (*d*) that the Hyderabad Government supports the *Razakars* is quite unwarranted, though it is true that in several instances the *Razakars* have resisted the raiders who have entered State territories from the surrounding Provinces and caused grave damage to life and property in the border districts. The question of the *Razakars* cannot be considered in isolation. A policy in regard to them can only be carried out as part of a concerted scheme for dealing with the whole problem of the border districts. I have on several occasions indicated my willingness to take any necessary action in this regard in consultation and co-operation with the other Governments concerned, but I have not been afforded the opportunity of such consultation. If the State Forces and Police are adequately armed and equipped to enable them to cope with the raiders, and the Provincial Governments co-operate with Hyderabad, the whole *raison d'être* of the *Razakars* will disappear.

(*viii*) *Agreement with United Press of America for Receiving Station*

(18) In paragraph 3 (iii) of the letter complaint is made of a breach in respect of communications by Hyderabad entering into an agreement with the United Press of America for setting up a transmitting and/or receiving station at Hyderabad without the concurrence of the Government of India. There is no such agreement for a transmitting station nor is there any question of installing a transmitter. I cannot believe that you take exception to an arrangement under which we receive news and programmes through this well-known American Agency. There could, I should have thought, be no objection to it even in the case of a private person apart from any question of licences which does not arise here.

(*ix*) *The Currency Regulation*

(19) In paragraph 3 (iv) (*a*) it is alleged that the Hyderabad Government has committed a breach of the Agreement by making the use of Indian currency for cash transactions illegal in the State. This is a case upon which we were able to reach accord in Delhi. I undertook to introduce legislation modifying the recent ordinance so as to allow the use of Indian currency for bona fide requirements of travellers — see the Minutes of the 4 March 1948, page 6. Since my return the necessary amendment has been made and published. I took this course because I was anxious to reach an accommodation with the Government of India and to remove causes of suspicion. But if the matter is still to be debated as a matter of law, I am advised that the Ordinance was one which Hyderabad would have been fully entitled to pass during the time of the British. In those days not only was the B. G. [British Government] rupee not legal tender, but its use was in one important field forbidden by law under penalty — under the Hyderabad Agricultural Markets Act II, passed in 1930. But this is one of the matters upon which, if there is still any substance in the difference between us, Hyderabad would of course be willing to accept and act on an arbitration award under the Agreement.

(*x*) *The Ban on Exports*

(20) In paragraph 3 (iv) (*b*) Hyderabad is alleged to have committed a breach by banning the export of gold and groundnuts and other oil-seeds. So far as the export of gold is concerned, the ban has been in force since 1942 without any objection from the Government of India. So far as oil-seeds other than groundnuts are concerned, no such embargo is now in force. There was never more than a temporary suspension of export. In regard to groundnuts, as you are aware, Hyderabad has an exportable surplus of this commodity. The State have the the right to decide, as a matter of internal policy, how much groundnuts or other seed to retain for manufacture into finished articles for export. Of the balance, it must be free to use part for trade with the Indian Union and part for acquiring foreign exchange. The matter was discussed in the recent Delhi talks — see Minutes of March 4. 1948, page 6 — and it was agreed that the question should be discussed between me and the Ministers for Finance and Commerce of the Government of India. I have already had a preliminary talk with the Minister of Finance and have no reason to doubt that we shall be able to reach a satisfactory arrangement in further talks.

(c) ANSWER TO GOVERNMENT OF INDIA'S REQUESTS

(21) I have in the course of the foregoing paragraphs indicated the readiness of the Nizam's Government to co-operate with the Government of India to carry out the Standstill Agreement and the practical steps they are taking and are prepared to take for this purpose. Nevertheless for the sake of convenience I will recapitulate these steps under the headings given in paragraph (5) of the letter from the States Ministry:

(*a*) In respect of the matter of the so-called loan to the Pakistan Government I have taken the action in this regard suggested by the Governor-General in the Delhi Conference.

(*b*) I have in the course of this letter and the discussions which are referred to in it, expressed the anxiety of the Hyderabad Government to have the size of its forces determined after the consultation already suggested between General Chaudhri and the Army authorities in the State. I do not see any necessity for the appointment of a Joint Commission to examine and determine the agreements and arrangements relating to matters of Defence. I should prefer as a speedier and more convenient course to have these matters also discussed between the appropriate officers, military and civil, of the two Governments. It may well be, and indeed it so appears from a perusal of the letter under reply, that there is a difference of opinion about the interpretation of the Standstill Agreement in regard to these questions, for instance Article 1. If so and if we cannot reach agreement by discussion, the Hyderabad Government will be anxious to have the matter settled by arbitration as provided by the Agreement.

(*c*) The return of the strength, etc., of the Police has been rendered.

(*d*) I have said in paragraph (17) above that the question of *Razakars* ought to be considered in relation to the problem of the border districts as a whole.

(*e*) The amendment of the Currency Ordinance which was agreed upon in the Delhi Conference has been made and published.

(*f*) The ban on export of gold represents the continuance of an embargo put on such export long before the departure of the British and I hope that your Government will, on reconsideration, agree that it constitutes no breach of the Agreement. The ban on the export of surplus oil-seeds, other than groundnuts, has been removed. The ban on the export of groundnuts should be the subject of discussion between me and the appropriate Ministers of the Government of India as agreed in the Delhi discussion.

(*g*) There is no agreement between the Hyderabad Government and the United Press of America as regards a transmitting station. It is hoped that, on reconsideration, the Government of India will agree that there can be no legitimate objection to the installation of the receiving station.

(22) The Nizam's Government is unable to agree that the *Ittehad-ul-Musslemeen* should be banned and its organizations wound up, as suggested in paragraph (6) of the letter from the States Ministry. This is, of course, a matter concerning the internal policy of the State. The *Ittehad* is, as I have said in paragraph (2) above, a long established political party in the State, being the sole political organization of Mussulmans, and the Nizam's Government, which is not banning any other political organizations in the State (except the Communist Party, as in India), is satisfied that there are no grounds whatever to justify proscribing the *Ittehad-ul-Musslemeen.*

(D) APPOINTMENT OF ARBITRATORS UNDER THE AGREEMENT

(23) I have dealt in the foregoing paragraphs fully and frankly with the allegations and requests summarized in the letter from the States Ministry, in the hope that your Government will appreciate that we are genuinely anxious to remove the sources of disagreement and suspicion. The Nizam's Government is anxious to carry out fully its obligations under the Standstill Agreement, as they are ascertained to be. I have, in the course of this letter drawn attention to questions upon which the two Governments do not at present see eye to eye as to the extent and character of their respective obligations. Meantime, the economic blockade of Hyderabad is being tightened every day, and a propaganda war of nerves is being carried on against us at full blast. Our latest reports are that troop concentrations are taking place in the Indian Union all round Hyderabad and there have been instances of military personnel of the Union Government going about in our territory in mufti with concealed weapons. Nevertheless we want a friendly settlement and I, on my part, would like to do all that is humanly possible to achieve this end, so long as it is consonant with our dignity and honour. If I have not succeeded in removing the sources of disagreement and if you do not think that further discussions would remove them, I have to draw your attention to Article 4 of the Agreement which provides that any dispute arising out of the Agreement or out of Agreements or arrangements thereby continued should be referred to arbitration. It seems to the Nizam's Government that arbitration, as provided for in that Article, is the proper course in the circumstances which have arisen, to resolve our difficulties. I am, therefore, to suggest that, to ensure the smooth working of the Agreement from now onwards, both Governments should agree to submit to arbitration all outstanding points between them, which can no doubt be formulated without delay by the appropriate officers of our respective Governments.

WPH Supplement, pp. 24-32.

84 15 *May* 1948

MINISTRY OF STATES TO PRIME MINISTER, HYDERABAD

I am directed to acknowledge the receipt of your letter dated the 5 April 1948, to the Honourable the Prime Minister of India.

(2) The Government of H.E.H. the Nizam are aware that the conclusion of a Standstill Agreement for one year, without the accession of the State to the Dominion of India, is an exceptional arrangement to which the Government of India have not agreed in the case of any other State. In the case of Hyderabad, the Government of India acquiesced in such an arrangement out of consideration for the special circumstances of the State, and in the hope that during the period of the Agreement the State would be able to settle its internal difficulties so as to make it possible for it to accede to the Dominion of India.

(3) The Government of India regret to note that, while they themselves have spared no efforts to implement the Standstill Agreement in the spirit in which it was concluded, the Government of H.E.H. the Nizam have acted in violation of the Agreement almost from the moment of its conclusion. There has been much technical argument on the question whether any one of these acts is an infringement of the terms of particular provisions of the Agreement (although it is difficult to see what technicalities can justify the Hyderabad Government in, for instance, placing orders overseas for arms and ammunition except through, or without obtaining the prior consent of, the Government of India; and that in quantities far in excess of anything that the State, according to its own calculations, requires). The Government of India, however, have no doubt that all these acts go counter to the spirit and essence of the Agreement, as is clear from the fact that they have all had the intention and effect of emphasizing the sovereignty of Hyderabad and its separateness from India, particularly in matters concerning External Affairs and Defence, whereas the Standstill Agreement required that the *status quo* (including the position of Hyderabad as a State in association with India and having no external status) should be maintained. And the Government of India believe that any impartial observer will agree with their view on this question.

(4) The Government of H.E.H. have suggested that the points in dispute should be referred to arbitration, and it is no doubt true that the Standstill Agreement provides for such reference. But, considering the large number of points on which differences have already emerged, it is clear that the arbitration on these points would take up all that

remains of the period of one year for which the Agreement is to run, leaving little scope for the implementation of the award of the arbitrator. Reference to arbitration, moreover, could be regarded as a practical solution only if the Hyderabad Government were agreeable to taking certain steps immediately which could be regarded as a genuine token of that Government's desire to maintain cordial and friendly relations with the Government of India.

(5) The most urgent of these steps are

(*a*) to declare illegal and to disband the *Razakars*, the volunteer organization of the *Ittehad-ul-Musslemeen*; and

(*b*) to ensure that the press and radio controlled by the Government of Hyderabad cease forthwith from propaganda hostile to the Government of India.

(6) The Government of India find it difficult to reconcile the assurances of friendliness and good-will towards India of H.E.H.'s Government, contained in your letter, with the attitude of your Government towards the *Razakar* organization. It is suggested in your letter that the *Razakars* (who have been responsible for many acts of violence not only in the State of Hyderabad itself, but also in the territories of the Dominion of India) have a recognized part to play in the internal security arrangements of the State, which indicates that they function with the support and sympathy of H.E.H.'s Government. The information in the possession of the Government of India, however, shows that the activities of the *Razakars* are in fact directed towards the following purposes:

(*a*) suppressing all opposition in the State by violent methods;

(*b*) terrorizing the border areas of the three neighbouring Indian Provinces by irresponsible acts of violence;

(*c*) conducting virulent propaganda against India; and

(*d*) organizing and mobilizing Muslims in some parts of India against the Government of India.

The Government of India cannot but take extremely grave notice of such activities especially when they take place in its own territories; and the close association between H.E.H.'s Government and the *Razakars* becomes therefore a matter seriously affecting the relations between the two Governments.

(7) The Government of India also observe that while frequent complaints have been made by your Government of Communist incursions upon Hyderabad State territory, it is reported that that Government have recently removed the ban, which they had earlier imposed, upon the Communist party.

(8) The Government of India cannot regard it as friendly behaviour towards India for the Government of Hyderabad to allow broadcasts

over the Hyderabad radio and articles in the press whose tone and contents are consistently hostile to India and designed to confirm the people of Hyderabad State and India in their apprehension that the Government of Hyderabad are not desirous of continued friendly relations with the Government of India.

(9) The Government of India have shown great forbearance in the face of such openly provocative actions in the hope that the hostility and violence would be a passing phase and that friendliness and cordial relations, the desirability of which the Hyderabad Government have invariably accepted, would soon take their place. It would appear, however, that this attitude has been taken as a sign of weakness. Nothing could be more unfortunate.

(10) The Government of India further regret to note that H.E.H.'s Government have throughout the last five months adopted an attitude not conducive to a lasting solution of the Indo-Hyderabadi problem. While failing to implement the Standstill Agreement, your Government have unequivocally declined so much as to discuss the question of accession; and, in spite of assurances, they have also declined to announce the grant of responsible Government in the State, to summon a Constituent Assembly, or even to reconstruct the present Government, thus shutting out all sections of the people of Hyderabad from a voice in its government, except the *Ittehad-ul-Musslemeen*, which represents only a section of the 14 per cent Muslim population of the State. On the other hand, your Government is in active association with the *Ittehad*, and the *Razakar* organization is being strengthened with the direct assistance of your Government.

(11) While maintaining the closest relations with Pakistan, your Government have embarked on activities which endanger not only the tranquillity of South India, but threaten communal relations throughout India.

(12) I am to say that the Government of India, after giving the whole matter their most careful consideration, have come to the conclusion that if conditions are to improve rapidly—and rapid improvement has now become absolutely essential—it is imperative that H.E.H. the Nizam's Government should take immediate steps to put an end to the activities of the *Razakars*. The Government of India are convinced that this is the only way in which peace and normal conditions can be re-established in Hyderabad and its neighbourhood, and cordial relations restored between the Government of India and Hyderabad. They hope that on an objective consideration of the situation, H.E.H. the Nizam will agree with this view.

(13) H.E.H. the Nizam will also appreciate that the Government of India have responsibility to their own citizens and must therefore

take effective action for safeguarding the security and essential interests both of India and of her people.

WPH Supplement, pp. 38-40.

85 15 *June* 1948

GOVERNOR-GENERAL TO NIZAM

It gives me very great pleasure to be able to write to you at last when the long and protracted negotiations between Hyderabad and India are drawing to their successful conclusion because Mr Laik Ali is taking down to you today the final papers which have been agreed up here, subject to Your Exalted Highness' ratification.

The situation has not been easy to hold here, and we are all agreed that the matter must be concluded today, Tuesday, without fail in the interest of good feeling and friendship.

I only have five days left in India, and they are very fully taken up indeed with meetings and farewell lunches, receptions and dinners. It will be difficult to find the time to come to Hyderabad, but I am so anxious to be able to express the goodwill of India in person to you before I go, that I will somehow find the time to get down even if it is only for two or three hours, for I should much like to renew our acquaintance before I leave.

I. (DRAFT) LETTER

From—Prime Minister of India.

To—Prime Minister of Hyderabad.

In connexion with the Agreement which has today been signed between the Government of India and the Government of Hyderabad, I have to state that:

(1) The Government of India will do their utmost to ensure that the flow of goods of all kinds at present held up between Hyderabad and India is resumed and maintained.

(2) The Government of India wish to collaborate on a joint basis in the economic development of Hyderabad, and to afford all facilities to this end.

(3) It is not the policy of the Government of India that there should be any unfair discrimination against Hyderabad in the working of the new Agreement.

(4) In the course of discussions the representatives of the Hyderabad Government raised the questions of:

(*a*) Hyderabad having freedom of control over overseas export and import trade under its own authority, the transactions thereof being conducted through the Reserve Bank of India.

(*b*) The question of Hyderabad becoming a member of some international organizations, i.e., Food Organization, Postal Union, Health Organization, International Monetary Fund.

These questions cannot be considered in isolation and have to be decided with reference to the constitution of these organizations and the Government of India's relations with them. The Government of India, however, is prepared to consider these matters sympathetically with the representatives of the Hyderabad Government.

II. (DRAFT) FIRMAN

(1) After protracted discussions between my Government and the Government of India, I am now in a position to announce the lines of my policy. I am most anxious to put an end to the uncertainties which prevail as to the nature of the relationship between Hyderabad and the Dominion of India. The views of the Dominion of India have been made clear to me and mine are well known to them. I have now decided to consult the will of my people upon the question whether Hyderabad should accede to India. I shall, therefore, take a plebiscite in Hyderabad on the basis of adult franchise. In order to ensure that the plebiscite is fairly conducted, I shall arrange for it to be held under the supervision of some impartial and independent body. I shall accept the result of the plebiscite whatever it may be.

(2) But I am satisfied that more is required than the holding of a plebiscite, in order to restore confidence and tranquillity. I have, therefore, decided to instruct my Government to proceed in accordance with the following principles. In doing so, they will appreciate that the re-establishment of goodwill between India and Hyderabad is the object of my policy and is of greater importance than the terms of any agreement which may be reached between India and Hyderabad in accordance with these principles.

(i) It is my intention to introduce responsible Government in Hyderabad and to that end to establish a Constituent Assembly early in 1949.

(ii) In the meantime, there should be a reconstitution of my Government as a result of which a new Interim Government will be formed, in consultation with the leaders of the major political parties.

(iii) My Government has been able to reach agreement with the Government of India on the nature of the interim relationship between Hyderabad and India pending the holding of the plebiscite. This agreement, which involves some modification of the existing Standstill

Agreement, has been embodied in a separate document signed by my Prime Minister.

III. (DRAFT) HEADS OF AGREEMENT

(1) The Nizam's Government agree that they will, on the request of the Government of India, pass legislation similar to the legislation of the Government of India on any matter enumerated in the schedule attached.

(2) If the Nizam's Government fails to pass the required legislation with due despatch, the Nizam himself will forthwith pass the necessary ordinance under his own powers.

Defence

(3) The Dominion Government agree to fix the strength of the Hyderabad Army at a figure not exceeding an overall strength of 20,000. The provisions of the Indian State Forces Scheme of 1939 will apply *mutatis mutandis* to these Forces and the Government of India undertake to supply arms, ammunition and equipment on the scale and conditions laid down in the Scheme. The Government of India will have the right of periodical inspection and the Nizam's Government will also give all facilities in regard to such inspection and furnish such information and returns as they may be requested to do by the Government of India from time to time.

(4) The Nizam's Government agree to limit their irregular forces to 8,000 in addition to ceremonial and household guards. The Hyderabad Government agree that all other formations of a military character shall be disbanded. Progressive steps will be taken for the disbandment of the *Razakars* within three months; rallies, parades, demonstrations and speeches by *Razakars* will cease forthwith.

(5) It is agreed that the Government of India will not station their armed forces inside Hyderabad State; if in an emergency the Government of India wish to station their forces inside the State for the period of a state of emergency declared in India by the Government of India Act, 1935, this will be agreed to by the Hyderabad Government. In such an event it is further agreed that the Government of India will be willing to pay to Hyderabad nominal compensation for the occupation of buildings in the State and for other services.

(6) If in any emergency as above, Indian Army units are stationed in the Hyderabad State they will be subject to the appropriate Dominion law governing the armed forces of the Dominion.

External Relations

(7) It is agreed that Hyderabad's external relations with any foreign country shall be conducted by the Government of India.

Hyderabad will, however, have freedom to establish trade agencies in order to build up commercial, fiscal and economic relations with other countries; but these agencies will work under the general supervision of and in the closest co-operation with the Government of India. Hyderabad will not have any political relations with any country.

Continuance of Existing Agreements and Arrangements

(8) Subject to the above paragraphs, the existing agreements and administrative arrangements in regard to matters of common concern shall continue and will be given effect to by both sides. The said agreements and arrangements shall not cease to have effect on 29 November 1948, as was provided in Article 5 of the Standstill Agreement of 29 November 1947.

On behalf of the Government of India	On behalf of the Government of Hyderabad

15 June 1948.

SCHEDULE

(*a*) *Defence*

(1) Any armed forces raised or maintained by Hyderabad whether within or without the State.

(2) Naval, military and air force works.

(3) Arms; firearms; ammunition.

(4) Explosives.

(*b*) *External Affairs*

(1) External affairs; the implementing of treaties and agreements with other countries; extradition.

(2) Admission into, and emigration and expulsion from, Hyderabad, including in relation thereto the regulation of the movements in Hyderabad of persons who are not Hyderabad subjects.

(3) Naturalization.

(*c*) *Communications*

(1) Posts and telegraphs, including telephones, wireless, broadcasting and other like forms of communication.

(2) Railways of the Government of India in the State; the regulation of the Nizam's State Railways in respect of safety, maximum and minimum rates and fares, station and service terminal charges, interchange of traffic and the responsibility of railway administrations as carriers of goods and passengers; the regulation of other railways in

the State in respect of safety and the responsibility of the administrations of such railways as carriers of goods and passengers.

(3) Aircraft and air navigation; regulation and organization of air traffic and aerodromes; provisions for the safety of aircraft; carriage of passengers and goods by air.

WPH Supplement, pp. 50-3.

86 16 *June* 1948

NIZAM TO GOVERNOR-GENERAL

I am most grateful to Your Excellency for your letter of fifteenth June sent through my Prime Minister who has also presented to me a full report over the points on which there have been differences. I greatly appreciate the efforts which Your Excellency has all along made to bridge the gulf between India and Hyderabad and it is my earnest wish that a settlement of the Indo-Hyderabadi problem is soon arrived at. At this crucial stage I found it necessary to consult my Council over the issues involved. The most serious difference found is in the draft Firman which has now been materially altered by omitting the words, ' on a basis which I shall consider later,' in para. (2) sub-para. (i) which were already agreed previously through Monckton, and by completely changing the wording of sub-para. (ii) which gives it a different complexion altogether from the original draft received from Delhi. These changes were found in the final copies given to my Prime Minister yesterday towards the end of his meeting with you and which he discovered on his return. There is also the very vital issue of freedom in trade, economic and fiscal matters which have been left over for sympathetic consideration without accepting it even in principle which has been our inherent right. There is no provision regarding arbitration which as already existing in the Standstill Agreement is necessary so as to provide for amicable settlement of any possible differences in future. Under the circumstances the Council find themselves unable to recommend the acceptance of the revised draft and taking the situation in the country into account, I am in full agreement with my Council. I still hope it will be possible for Your Excellency to consider over the above points and accommodate Hyderabad's views so as to arrive at a satisfactory agreement. I shall be glad to arrange a further visit of my Minister to assist in the matter if necessary. I wish again to express my deep sense of appreciation for the interest Your Excellency has taken in these matters.

WPH Supplement, p. 54.

87 17 *June* 1948

NIZAM TO GOVERNOR-GENERAL

As Your Excellency knows Sir Walter Monckton flew down from Delhi during the night and has seen me this morning. He has satisfied me that the changes in the draft Firman to which I referred in my telegram of sixteenth June were contained in drafts which he saw on Monday fourteenth June and that he thought that my Prime Minister had received copies on the afternoon of the same day. In these circumstances I am anxious to take the first opportunity of correcting the impression contained in my telegram that the changes were not made known to my representatives in Delhi until the last moment. Many drafts were being prepared upon both sides and the members of my delegation were constantly engaged in discussions with Your Excellency and various representatives of your Government so that a misunderstanding on this matter could easily arise. My telegram had to be sent when Sir Walter Monckton was in Delhi. If he had been here the mistake could not have arisen.

(2) Although the negotations have been protracted and we all want to reach a final agreement I am afraid it is impossible to do so within a day or two. We are now within sight of settlement on most of the important issues but there remain questions upon which agreement must be reached before the final result which we both desire can be achieved. I cannot doubt that we could reach accord on the outstanding questions of phraseology in the Firman but my Council are also greatly troubled about the refusal of India to agree even in principle to fiscal freedom and control over Hyderabad's overseas and export trade being secured to the State. My Prime Minister drew attention to this important matter at an earlier stage in his discussions with Pandit Nehru and yourself. Later a draft giving effect to our suggestion was furnished to Mr Menon. I can understand that the subject is one which will require examination in detail but I must ask for the principle to be conceded. Further my Council cannot advise me to agree to leaving India free to station troops except in the border areas of the State whenever India chooses to declare a state of emergency. I should be found very ready to co-operate in any grave emergency. There is also the question of arbitration to which I referred in my previous telegram.

(3) While for these reasons I cannot accept the drafts in their present form I earnestly hope that negotiations will be continued and a settlement reached in a very short time. Hyderabad will always owe much of its success in finding a happy compromise to Your Excellency's

readiness to help us on our way and for this we shall always be grateful.

WHP Supplement, pp. 54-5.

88 17 *June* 1948

STATEMENT: PANDIT NEHRU

There are two documents being distributed to you. One is the draft heads of agreement and the other is the draft Firman. That is to say, if things had occurred as we had hoped the draft heads of agreement would have been signed on behalf of the Governments of India and Hyderabad. The Firman was of course something which the Nizam would have issued on his own account. But as certain things were important from our point of view, the issue of the Firman became in a sense a part of the draft heads of agreement. You will notice that these papers are heads of agreement, the Schedule of subjects—Defence, External Affairs and Communications—which refer to the legislation which might be passed at the instance of the Government of India, and lastly the draft Firman. This was the last document that was presented in the course of conversations. There were changes made in the original proposals which were being discussed.

I might also inform you that it was proposed to give a collateral letter to the Hyderabad Government just to make one or two things clear which were fairly obvious. For instance, in that collateral letter I would have mentioned that the Government of India—on this agreement being concluded—would do their utmost to ensure the flow of goods of all kinds to Hyderabad. Secondly, the Government of India wish to collaborate on a joint basis in the economic development of Hyderabad and to afford more facilities to the same. Thirdly, that it is not the policy of the Government of India that there should be any unfair discrimination against Hyderabad in the working of the new agreement. Then there was a question raised about certain trade matters and certain international organizations, food, etc. We said in regard to that that these questions could not be considered in isolation and have to be decided with reference to the constitution of the various organizations and the Government of India's relations with them, but that we were prepared to consider them later. That is the gist of the collateral letter. In effect, there was nothing very new in it except to remove the apprehension that there is going to be any discrimination against Hyderabad after the conclusion of the agreement.

We discussed during the last week or ten days various proposals; gradually they were varied here and there and ultimately they took shape in this way. Meanwhile there were, I think, at least two visits to Hyderabad of the representatives of state taking back these proposals in some form or another and the impression we had was that these proposals were agreed to by their representatives here, to begin with, apart from changes in language here and there. In fact, we made it clear to them even before they came here on the last occasion that there was not much point in their taking the trouble to come here unless they accepted the basis of these proposals, and also unless they came here with full plenipotentiary authority to come to an agreement. It was really on that basis that we were proceeding.

As I said, the principal matters contained in these proposals were more or less accepted by their representatives here. In fact, we thought we were going to sign them when we were told that they wanted to take them back again to Hyderabad to consult the Nizam. Now, I should like to tell you that one of our great difficulties in this business has been dealing with persons who cannot say ' yes ' or ' no ' definitely, who continually want to fly back to Hyderabad in spite of the fact that they are connected by telephone and they are continually telephoning to each other. This sort of thing made it very difficult to get on and numerous wholly unnecessary delays have taken place. Anyhow, the position at present is that these heads of agreement, etc., have not been accepted by the Hyderabad Government or the Nizam. They have not said that negotiations are over; in fact, they have suggested in another telegram which came just an hour ago that they would like to carry on the talks, but as the draft stands at present they are unable to agree to it. That is what they have stated.

Now, so far as we are concerned we have given naturally a great deal of thought to this matter, not now but for the last few months. We have been criticized, as all of you know very well. To some extent it has been said about the Government of India that we are weak and feeble in dealing with the Hyderabad situation; to some extent, a few persons have said that we wield the big stick too much. So far as Indian opinion is concerned, I think it is pretty well unanimous in criticizing us that we have been rather lax. It has not been merely a question of coming to a political or economic agreement with the Hyderabad State, but of facing a dynamic situation, a situation which is giving rise to continuous troubles in the border areas as well as in Hyderabad itself and which may develop seriously and bring trouble in wider areas. Well, it is not for me to enter into a long explanation in justification of the attitude of the Government of India in this matter, but I would like to say that I stand by every thing that the

Government of India have done in this matter and I think that the criticisms are not justified, or are based on insufficient data or an insufficient realization of any action that might have been taken in the past.

We have stated fairly clearly in the past what our basic attitude towards Hyderabad is. It is this, that Hyderabad, situated as it is, cannot conceivably be independent. India can never agree to it whatever happens and whatever the consequences are to Hyderabad's independence. That is point number one. This is not because of sentimental reasons, not because of just an emotional approach to the problem, but for highly practical reasons of geography and other reasons which would lead to incessant conflict. If Hyderabad is not to be independent in the real sense of the term—I am not talking at the moment of internal autonomy which, in fact, our Provinces have and our Unions of States have—a large area like Hyderabad would inevitably be an autonomous area in the Indian Union. It would, in fact, be a partner in the Indian Union with exactly equal rights as any other Province or State or Union of States.

It is not, therefore, a question of any kind of suppression of Hyderabad or the people of Hyderabad, Hindu or Muslim, by the Indian Union. It is a partnership with equal rights.

If there is not to be that accession, what is the alternative? If you leave out independence, the only alternative is paramountcy. There is no other alternative. Paramountcy, meaning practically for the Indian Union as such all the rights which accession would give, without that free partnership of the Hyderabad State in the Indian Union which would give the State a big share in the shaping of its own and India's destiny. So the alternatives were only accession or paramountcy. Third, if you like conflict. It may be that in the process of reaching any of these things, we may slightly delay. We may take a step here and there in order to avoid conflict, in order to bring about a peaceful solution of the problem. That is only a temporary stage leading to a certain goal. But essentially those were the only two things that could be aimed at.

We dislike paramountcy. It has a bad odour about it, and, of course, the States dislike it even more. We do not want to revert to the paramountcy of the old British Government and, although so far as the Indian Union is concerned it would not lose by it, still it would be a bad precedent and it would affect our whole conception of the Indian States as they are growing up as free partners in the Indian Union. So paramountcy was not liked either by us or by the State concerned (Hyderabad). So we ruled it out of the picture. Therefore, all that remained was accession in so far as relations of Hyderabad and India

were concerned. But again, we realized fully that it was not desirable to force the pace—to bring about coercion and compulsion into the picture—and to proceed without agreement. Hence all these delays.

I am quite convinced in my own mind that we were right in not trying to force the pace. Of course, circumstances forced the pace. That is true and they will force the pace. But it was against our policy to bring about accession by compulsion exercised by the Indian Union. I shall admit, of course, that to some extent, directly or indirectly, compulsion did function. But that compulsion, even though it functioned, really was not meant to compel accession but was for other reasons. For instance, we stopped the inflow of arms and war-like material for obvious reasons, these being that from all the accounts we had, the Hyderabad Government tried its utmost to increase its army, arm it—both regulars and irregulars—to get as much war-like material as possible from the four quarters of the globe. That they did not succeed as much as they wanted to was for no lack of effort on their part but for other reasons. Why should the Hyderabad Government make these frantic efforts to arm itself, to increase its army and irregulars etc.? Who is it going to fight? Obviously the only opponent could be the Indian Union!

Again, we saw the rise of these *Razakars* as they are called, the fighting wing of the *Ittehad-ul-Musslemeen*. Not only these *Razakars* grew strong in numbers but they started operations in Hyderabad State, on the borders, and sometimes across the borders, which became progressively more and more harmful and dangerous to the people there and across the border. We have got now in our files hundreds of reports of the depredations of *Razakars* inside and outside Hyderabad State. I know, and you all know, that certain groups of persons, communists and others, retaliated or of their own free will carried on their aggressive tactics against Hyderabad State. But generally speaking these *Razakars* practically made the Nizam's Government cease to function in large areas. Or else you may consider them a wing of the Nizam's Government which they presume to be and they function as such. And indeed, the present Council of the Nizam is controlled and dominated over by the *Ittehad-ul-Musslemeen* and the *Razakars*, so that to isolate the *Razakars* or the *Ittehad* people from the Nizam's Government was not justified. These things were happening.

When we see these attempts to get arms from Europe and America and other places; when we see these arms being smuggled occasionally, and when we notice the growth of the *Razakar* movement, it is patently impossible for us to allow arms to go there. We stopped

them so far as we could and we succeeded in a large measure. The stoppage of these arms and other things led also to stoppage of other things that might be used for war purposes, for instance, some kinds of transport. I see that there was certainly compulsion; but, as I said, it was not exercised for accession at all but simply because we could not afford to see large armies grow up there and harass the population of the Indian Union and of Hyderabad itself.

We did not want to compel accession in any way. We were satisfied that there was no other way out for Hyderabad, no other reasonable and sensible way out, and that they would see the logical sequence of events and come to agreement with us. We did not even mind some delay and it was for this reason that 7 or 8 months ago we came to a Standstill Agreement with Hyderabad. Properly interpreted, the Standstill Agreement gave us to a large extent the substance of accession. We did something after the Standstill Agreement, you may remember, that was of major consequence. That was withdrawal of our armed forces from Hyderabad State. If we wanted to compel Hyderabad State, the last thing that we should have done was to withdraw our armed forces sitting in the heart of Hyderabad as our armour there. We withdrew them. That in itself showed that we wished to honour the Standstill Agreement, and we hoped that it would lead, in the course of the year, to a peaceful settlement between us and Hyderabad. It didn't. On the one side the *Razakars* continued their depredations etc., as a consequence, on our side there was stoppage of goods from going into Hyderabad.

I need not remind you of the kind of activities and speeches that have been delivered by leaders of the *Ittehad-ul-Musslemeen* and the *Razakars* in Hyderabad. It is not a question of an individual speaking rather wildly. That can happen in any country. We have plenty of people in India who occasionally speak irresponsibly and rather wildly. But when responsible leaders of organizations intimately connected with Government and, in fact, controlling the Government, make those speeches, then it is entirely a different matter. The leader of the *Ittehad*, the President, occasionally, in fact frequently, delivered himself of sentiments which exhibit his desire to march with his *Razakars* to Delhi and capture the Red Fort. He has also delivered speeches in which he has stated that if the Indian Union did not behave properly he will massacre all the Hindus in Hyderabad, all the non-Muslims—rather a big thing to say, when it will amount to massacring roughly about 83 or 84 per cent of the population of a large State! He has threatened that if we go there, that is, if we take an army or something there, we will find the bones of millions of Hindus etc., and ashes of them.

Obviously, this kind of thing is not peaceful fare. It has a bad effect on the people of Hyderabad. It has a bad effect on the people of the whole of India. One can well understand how this led to anger all over India—anger at a person who dared to say these things; anger also at a Government that tolerated these things, and in fact, not merely tolerated but encouraged in a sense those groups. All this happened.

I think the Government of India would have been justified from all the canons of national or international law to take action when this kind of military preparation, border attacks etc., took place, and all this kind of speeches were being delivered without any check or hindrance.

Why didn't we do so? Some action of course we took at the borders, but we generally refrained. We held our hand, much to the disgust of many of our people who naturally felt strongly about it; much to the disgust, I might tell you, of several of our Provincial Governments who themselves were suffering all these depradations of the *Razakars*. We held our hand because we hoped to come to a peaceful settlement and because we had to think of all the possible kinds of action that we might take. We did not wish to be hustled because a certain irresponsible person in Hyderabad was misbehaving or a number of irresponsible persons there were misbehaving.

We did not look upon Hyderabad State, in spite of what the Nizam's Advisers may say, as anything but a part of India. We did not think of the Hindus and Muslims of Hyderabad State as anything but Indians. We did not want to do anything which would bring sorrow and misery to those people in Hyderabad State as well as people outside the State. It was easy enough to take military action and it might have been well justified, but it would have led undoubtedly to misery and sorrow in Hyderabad State, not perhaps so much of our doing, but as we knew and as the threats were there, of other people's doing in Hyderabad State. It would have led to reactions in India. Well, no country and no responsible Government can lightly undertake something which would bring such misery so long as there is another way out of the difficulty. And so, deliberately we restrained our hands, exercising pressure continuously, and in a sense making ourselves ready for any emergency, but nevertheless hoping to have an agreement which would avoid any conflict leading to this misery. I think we were justified in doing that, and I think that so long as there is any chance, our Government will always be justified in doing that.

I want to tell you quite clearly and plainly—and through you to the Indian people—that this Government of India will, of course, stand up for the honour of India and the honour of the Indian people,

the good of India and the Indian people, but it will stand up for peace to the utmost, not only because we think that is a right policy, but because we still, I hope, have some memory of what our great departed leader stood for.

The Hyderabad Government has not accepted these terms, though it still talks about carrying on negotiations.

So far as we are concerned, these terms are the utmost limit to which we can go. No change in them is possible or permissible. If the Hyderabad Government is prepared to accept them, it can accept them still, but obviously the situation is not a static one. It is a dynamic one and it changes both inside and outside Hyderabad, and as a responsible Government we have to take note of that fact and keep ready for any contingency. We are not going to be hustled, we are not going to rush into anything till we are convinced that nothing else remains. If these terms are acceptable still, well and good; but these terms are not going to be varied. That is the position.

In a sense you may say that thus far there has been no absolute break. Certainly, on our part there is no question of that. In fact the representatives of Hyderabad here agreed to these terms. It is only the same people in Hyderabad that later raised objections and continue to raise the same objections; some of them are fantastic and some of them of greater substance. The odd thing is that some of the objections they raise are never mentioned here by anybody, they are raised there subsequently, others are casually raised but not pressed because they know that we could not accept their objection.

I do not know that I have very much more to add except one or two things. Naturally all of us have been working hard for this agreement, because we felt in our hearts that it would be good for all concerned—India, Hyderabad and the people all over this great country—and it is a great disappointment that irresponsible persons who do not seem to realize the consequence of their own actions, who apparently live in an isolated condition and in a glass-house, not knowing what happens outside, should proceed in this way as the Hyderabad authorities have done. I feel very sad about it, but I wish to tell you that I am not at all worried or excited about it. I have the satisfaction that we have done our utmost. I am not prepared to say that our resolution will not bear fruit even now. But the fruit is this (the draft agreement) and nothing else. That should be perfectly clear.

We are not going to discuss any matter with the representatives of the Hyderabad Government any more, but if they wish to sign on the dotted line they are welcome to do so. There is no question of further protracted negotiations to change this and that. We have made that perfectly clear. I said that we tried our best, but I may pay a tribute

to the Governor-General for his efforts to bring about peace. In fact all of us who have been concerned in this here in Delhi worked hard, but somehow when people go to Hyderabad things change and the atmosphere changes, and one gets back into some medieval world in some medieval age which is totally ignorant of the modern age and modern conditions.

I have talked about the relations of India and Hyderabad, but there is one other aspect and a most important aspect of these relations, and that is responsible government in Hyderabad. You will notice from that draft Firman that four things are mentioned there: (*a*) plebiscite, (*b*) responsible government, (*c*) constituent assembly and (*d*) interim government. The Firman does not go very far except to refer to them. But it was and it is highly important that the principle of full responsible government should be accepted and given effect to. We cannot come to an agreement with any State except on the basis of democratic freedom in that State. We cannot come to an agreement with Hyderabad unless we know that a responsible and democratic form of government will prevail there. Indeed it is not a question of our coming to an agreement or not. It is inconceivable that when the whole of India—States and Provinces—have adopted or are adopting this full responsible and democratic form of government Hyderabad should still continue to live in the 13th or 14th century. It just cannot happen.

The only question is whether the change-over should be done peacefully and co-operatively or by trouble on a big scale. Our attempt was that the Hyderabad Government should realize that this was inevitable and should give effect to it. For our part we suggested to them to discuss this matter with the leaders of the popular movement there and temporarily at least to come to terms with them till a constituent assembly decides further. We did not wish to impose our will even in that matter, but all that we insisted upon was that ultimately the people of Hyderabad should decide whatever form of government they wanted. Of course we were quite sure that they would decide in favour of some democratic form but it was for them to decide. If they came to any other agreement and the constituent assembly wished otherwise, we would not have come in the way. Naturally we cannot impose anything but it was quite essential that this aspect of internal reform must also be accepted. We were agreeable at this stage for that acceptance to be rather bald without any details, as in this draft Firman. Thus far they have not accepted this. So I hope that the Hyderabad Government and the Hyderabad people will realize completely and fully that what we have said now is the last word on the subject in essence, in the sense that it cannot be whittled down in

any way. But as time flows on, it may not be enough; that is a different matter, and time flows rather fast.

Further again this propaganda, that the *Razakars* and the *Ittehad* have been carrying on, that India is out to eliminate and exterminate the Muslims of Hyderabad is fantastic nonsense.

The Muslims of Hyderabad will have their position as individuals exactly as anyone else in Hyderabad; and Hyderabad as a State will be, if and when it accedes completely, an equal partner in the Indian Union.

If this does not take place and unfortunately the situation develops in such a way as to lead to conflict, the results of that are also obvious. There can be only one result and it will not be a result to the liking of the present Government or authorities in Hyderabad, and it will not be a result which is put down in the draft terms of agreement. But if it is possible still to have a peaceful solution, we will have it.

[Asked about the policy that the Government of India would follow, Mr Nehru said :]

Apart from trying to achieve this settlement, there is the economic blockade to some extent. There is also the tightening up of the border defence—instructions to our Army to pursue any raider who might come across and to punish them. Thus far we have been following this policy. Now, that other steps might or might not be taken will naturally depend on circumstances. Naturally, we shall function for the benefit of India, at the same time avoiding as much possibility of big scale trouble as possible.

[He also appealed to the people of Hyderabad, and more specially to the non-Muslims there, not to come out of Hyderabad, but to remain there. He said :]

It just does no good to them or to anybody else if they run away from Hyderabad. It is always wrong to run away from anywhere, and more particularly now, it would be wrong for them. It would be just playing into the hands of those who wish them ill. They should remain where they are.

Indn. Inf., Vol. 23, No. 234.

89 23 *August* 1948

NIZAM TO GOVERNOR-GENERAL

I am grateful to your Excellency for forwarding His Majesty the King's letter with your forwarding letter of August 21, which I received

last night. His Majesty had expressed his earnest hope and prayer that a peaceful solution of the difficulties which had arisen may be found. On my part I would like to assure Your Excellency once again that Hyderabad sincerely wishes to remain on friendly terms with India and entertains no ill feeling whatsoever, as after all, both India and Hyderabad have to live as good neighbours in peace and tranquillity. I would always welcome any honourable settlement satisfactory to both parties. I shall greatly value your personal contribution in this regard.

Statesman, New Delhi, 9 September 1948.

90 31 *August* 1948

GOVERNOR-GENERAL TO NIZAM

I thank your Exalted Highness for your telegram acknowledging due receipt of His Majesty the King's letter sent by me from Bangalore. I write this after returning to Delhi. I need not assure you that I am entirely in favour of a peaceful settlement of all conflicts, wherever they may arise. I have therefore been greatly distressed by the course of developments in Hyderabad and repeated failures of attempts to bring about a peaceful settlement. It is for my Government to deal with this as with other matters. But I would have no hesitation to do all in my power to help a peaceful settlement.

The most urgent phase of the problem as I see it, and as I know my Government see it, is the state of insecurity and alarm that prevails. That is the urgent issue. Allowing for exaggeration there is no doubt that unrestrained activities of private armies allowed to be armed with weapons and enjoying the support of the official authorities created a state of terror for the vast majority of the people in Hyderabad and on the borders thereof. There has rapidly grown a feeling of utter insecurity among all classes of people and a demand for intervention by the Indian Union.

It is morally impossible for the people of India to ignore the conditions prevailing in Hyderabad and affecting its people, as well as endangering the peace of South India. It is not possible to allow the sense of terror and insecurity to continue. Disturbances of civil economy consequent on this movement of migrating people, breakdown of trade, commerce and communications that have followed with a necessary corollary of insecurity of life and honour and property are intolerable in view of the position of Hyderabad right in the centre of

India. It appears to me clear and it must be equally clear to your Exalted Highness that to allow this to go on will spell ruin. It is important to remember in the confusing context of today that there is no conflict between the interests of the people of India and the people of Hyderabad. In the present as well as in the future the interests of all concerned are common and the Government of India have repeatedly given assurances that in any political solution your Exalted Highness's prestige and position will be safeguarded. I would request your Exalted Highness to ponder over the situation and to do something courageous and wise to terminate the present state of alarm and insecurity and to restore full confidence and normal conditions of life and business. There is no loss of dignity involved in doing what the happiness of the people demands.

In order effectively to terminate the state of alarm, which has made public opinion so clamorous for armed intervention and to restore general confidence I would endorse the suggestion reported to have been made for this purpose by Sir Mirza Ismail, who came here on your Exalted Highness' encouragement and on your behalf. He is a statesman of wide experience and balanced judgement, with intimate knowledge of affairs relating to Hyderabad and what is more is as concerned in the welfare of your Exalted Highness as in the welfare of the people of this land including Hyderabad.

Your Exalted Highness should ban the *Razakars* and, as Sir Mirza Ismail advised, invite the re-posting of adequate military forces of the Government of India in Secunderabad so that there should be no doubt in the public mind in Hyderabad and outside as to the security of person and property and the basis for friendship may be laid. This should be entirely on your Exalted Highness' own initiative. I see no other effective way of restoring security and confidence. The steps which you have recently taken serve only to add to the irritation of previous dilatory procedure without bringing in substantial good. What is required is speedy decision and friendly trust, not controversy and delay.

This letter is purely personal and from one whom it has pleased your Exalted Highness to trust as a true friend. The happiness of our people is within easy reach. May God guide us both.

Statesman, New Delhi, 9 September 1948.

91 *7 September* 1948

SPEECH: PANDIT NEHRU (EXTRACT)

. . . For over a year now, we have been making earnest attempts to come to a peaceful and satisfactory settlement with the Government of Hyderabad. In November last, our efforts led to a Standstill Agreement for a year. We hoped that this would be followed up soon by a final and satisfactory settlement. In our view, this settlement could only be based on the establishment of responsible government in the State and accession to India. That accession meant, of course, that the State would be an autonomous unit in the Indian Union enjoying the same powers and privileges as other autonomous units. What we offered Hyderabad was, in fact, an honourable partnership in the great brotherhood of the Indian Union.

Popular responsible government in Hyderabad or in any other State or Province of India has long been our objective and we are glad to say that it is very near fulfilment all over India, except for the State of Hyderabad. It was inconceivable to us that, in the modern age, and in the heart of India which is pulsating with a new freedom, there should be a territory deprived of this freedom and indefinitely under autocratic rule.

As for accession, it was equally clear to us that a territory like Hyderabad, surrounded on all sides by the Indian Union and with no outlet to the rest of the world, must necessarily be part of that Indian Union. Historically and culturally, it had to be a part, but geographic and economic reasons were even more peremptory in this matter and they could not be ignored, whatever the wishes of particular individuals or groups of individuals. Any other relationship between Hyderabad and the rest of India would involve continuing suspicion and, therefore, an ever-present fear of conflict. A State does not become independent by merely declaring itself to be so. Independence connotes certain relationships with independent States and recognition by them. India could never agree to Hyderabad having independent relations with any other power for that would endanger her own security. Historically, Hyderabad has at no time been independent. Practically, in the circumstances of today, it cannot be independent.

Further, in conformity with the principles that we have repeatedly proclaimed, we were agreeable that the future of Hyderabad should be determined after a reference to its people provided that such a reference was made under free conditions. It cannot possibly be made under the conditions of terror which prevail in Hyderabad today.

Our repeated attempts at a settlement, which came near to success on one or two occasions, ended unfortunately in failure. The reasons for this were obvious to us; there were sinister forces at work in Hyderabad State which were determined not to allow any agreement with the Indian Union. These forces, led by completely irresponsible persons, have progressively gained in strength and now completely control the Government. The resources of the State were and are being mobilized for war in every way. The State army has been increased and irregular armies have been allowed to grow up rapidly. Arms and ammunition were smuggled in from abroad; this process, in which a number of foreign adventurers have been taking a prominent part, is continuing. No country, situated as India is, would have tolerated these warlike preparations by a State in the very heart of India. Nevertheless, the present Government of India patiently continued negotiations in the hope that they would lead to some settlement. The only other step they took was to prevent, in so far as they could, the flow of warlike material into Hyderabad.

The private armies that grew up in Hyderabad, notably the *Razakars*, have become more and more aggressive and brutal within the State and sometimes, across the borders in India. I do not propose to give a full account of this here as full particulars are available partly in the White Paper on Hyderabad which the Deputy Prime Minister presented to the House earlier during the session, and partly in other published documents. This growing terrorism and frightfulness inside Hyderabad State against all those, Muslims and non-Muslims, who are opposed to the *Razakars* and their allies, both official and non-official, has produced a very grave situation and has had its repercussions on the bordering areas of the Union and in India generally. At the present moment, our immediate and most anxious preoccupation is this mounting wave of violence and anarchy inside Hyderabad state.

A full account of *Razakar* activities will take long. I shall mention only some recent incidents and a few figures. The inhabitants of a village inside the State, which, under the spirited leadership of its headman, had offered stout resistance to these gangsters, were, when resistance became impossible owing to the exhaustion of ammunition, put to the sword and the village itself burnt. The brave headman was decapitated and his head carried about on a pole. In another village, men, women and children were collected in one spot and shot dead by the *Razakars* and the Nizam's police.

A large party of villagers fleeing in bullock carts to some haven of safety in India was brutally attacked; the men were beaten up and the women abducted. A train was held up, the passengers looted and

a number of coaches burnt. The House is aware of the attacks on our troops seeking to enter our enclaves within State territory and of *Razakar* incursions into our own villages along the border.

According to a report received yesterday, *Razakars* and a unit of the regular Hyderabad army with armoured cars went into action against Indian troops on Indian territory. They were repulsed; one armoured car was destroyed and one officer and 85 other ranks taken prisoner. The incident further illustrates the mounting aggression against India.

Since this provocative campaign of violence started, according to information which has so far reached us, over 70 villages have been attacked inside the State, about 150 incursions have occurred into our territory, hundreds of persons have been killed, a large number injured and many women raped or abducted, 12 trains attacked, property worth over a crore of rupees looted. Hundreds of thousands have fled the State in order to seek refuge in the neighbouring Provinces of India.

The House will agree that no civilized government can permit such atrocities to continue to be perpetrated with impunity within the geographical heart of India; for this affects not only the security, honour, life and property of the law-abiding inhabitants of Hyderabad, but also the internal peace and order of India. We cannot have a campaign of murder, arson, rape and loot going on in Hyderabad without rousing communal passion in India and jeopardizing the peace of the Dominion. Let the House consider what our predecessors in the Government of India would have done in these circumstances. For far less, they would have intervened drastically; the lapse of the Paramountcy of the British Crown cannot alter the organic interrelation of Hyderabad and the power whose responsibility for the security of India as a whole is, and should continue to be, unquestioned, or the mutual obligations of the one to the other. We have been patient and forbearing in the hope that good sense would prevail and a peaceful solution be found. This hope has proved to be vain and not only is peace inside the State or on its borders nowhere in sight but peace elsewhere in India is seriously threatened.

We have been criticized for having been too patient and too forbearing. That criticism may have some justification. But we have tried to act on the principle that no effort should be spared at any time to avoid conflict and to secure a settlement by peaceful methods. Except in the last resort, any other course would be a sad contradiction of the ideals and principles to which we have repeatedly pledged ourselves from the beginning to the termination of our struggle for freedom from foreign rule. But we cannot blind ourselves to cruel

facts or shirk the hard responsibilities that such facts might impose. At the present moment, let me repeat, the issue that compels immediate priority is that of security of life and honour in Hyderabad and the stoppage of the brutal terrorism that persists in the State. Other issues may well be taken up later, for indeed peace and order are essential for the consideration of other questions.

The Hyderabad Government have demonstrated both their unwillingness and their incapacity to put down the terrorism that has made the life of the law-abiding citizens of the State so extremely insecure that large numbers of them are fleeing to the neighbouring Provinces and States. We feel that internal security in Hyderabad will not be assured at this stage unless our troops are stationed at Secunderabad as they used to be until India withdrew them early this year. In reply to a recent letter from the Nizam, His Excellency the Governor-General made this suggestion to His Exalted Highness who has replied that no such action is necessary as conditions in Hyderabad are entirely normal. This, of course, is contrary to all known facts and we have now asked the Nizam for the last time to disband the *Razakars* immediately and, as suggested by His Excellency the Governor-General, to facilitate the return of our troops to Secunderabad, in such strength as may be necessary to restore law and order in Hyderabad State. If they are so stationed, there will be a sense of security in the people and the terrorist activities of private armies will cease.

May I add a few words more. First of all I should like to state in this House and place before the country that we have tried to look upon this question of Hyderabad as far as possible entirely away from the communal point of view and I should like the country to look upon it in this non-communal way. I know, as I have just stated, that communal passions have been roused. But it should be the business of all of us, to whatever religion or community we might belong, to lift this question away from the communal plane and to consider it from other, and, I think more valid and more basic points of view.

We wish to send our troops to Secunderabad to ensure security in Hyderabad, the security of all the people there, whether they are Hindus or Muslims, or they belong to any other religion or group. If subsequently freedom comes to Hyderabad, it must come to all equally and not to a particular group. Therefore I would like to lay stress on this and I would like those organs of public opinion who can influence the public at any time and more specially during times of stress and strain, always to look upon this question from the communal aspect. Also, whatever steps we may have to take in the nature of police action or other, our instructions are going to be definite and

clear that any kind of communal trouble from any side will be most sternly dealt with.

There has been, as I mentioned to this House, a large migration from Hyderabad of terror-stricken people. I do not know how many have come out, but in the Central Provinces even now there are large camps of tens of thousands. Probably several hundred thousand people may have come out in the course of the last two months. Now, if I may give advice—although the giving of this advice means the assumption of a certain responsibility—I would give this advice and take the risk, that people should not migrate from Hyderabad or from any part, wherever they may be. . .

ORCA(L)D, 1948, Vol. VII(II), pp. 1137-9.

92 17 *September* 1948

BROADCAST: NIZAM

My beloved people: I have great pleasure in informing you that I have sent the following message to His Excellency Mr Rajagopalachari, Governor-General of India:

'My Government has tendered their resignation and have asked me to take the political situation in my purview. In answer to this I told them that I was sorry that this was not done earlier and it was impossible for me to do anything at this critical juncture. However I have ordered a cease-fire to my troops and also have ordered to ban the *Razakars* and allow the Indian Union to occupy Bolarum and Secunderabad tomorrow.'

Further, till I have had an opportunity of appointing a Prime Minister and appointing a regular ministry, I hereby constitute the following Committee: His Highness the Prince of Berar, Major-General El Edroos, Commander; Nawab Din Yar Jung, Commissioner of Police; Mr Ramachar, ex-Minister; Mr Abu-ul-Hassan Syed Ali, ex-President Ittehad-ul-Musslemeen; Mr Panna Lal.

I am also calling Sir Mirza Ismail, Nawab Zain Yar Jung and Dewan Bahadur Aravamuda Ayyangar as soon as communications are resumed and will take the opportunity of consulting them to enable me to meet the situation which has arisen on account of the dislocation and resignation of the Ministry.

I have also issued orders immediately to release Swami Ramanand Tiratha, President of the State Congress, who, I am sure, will help Hyderabad in this crisis. I have also ordered the cancellation of orders

and warrants against members of the Central Committee of Action of the State People's Congress.

I have also had consultations with my friend Mr Munshi, India's Agent-General. I take this opportunity to acknowledge the help he rendered to me on this occasion.

I appeal to all my beloved people irrespective of caste and creed to maintain calm and patience. I am confident that once law and order is restored in Hyderabad it would not be difficult to arrive at an arrangement with the Government of India under which my people, whose welfare is my only concern, can live in peace and harmony with the rest of the people of India.

I have also ordered my representatives of my old Ministry who are now prosecuting the appeal on behalf of Hyderabad before the Security Council of the United Nations, not to press it, and I am opening a new chapter of friendship with India.

I need not assure my people that I will try to maintain the best traditions of the Asaf Jahi dynasty of looking after my people irrespective of caste and creed.

Statesman, New Delhi, 18 September 1948.

93 23 *September* 1948

BROADCAST: NIZAM

Leaders and friends in Islamic countries, several delegations calling themselves Hyderabad Delegations sent out by the Laik Ali Ministry have been carrying on a campaign against India's so-called misdeeds which in fact have merely restored my freedom to deal with Hyderabad's destinies in a manner consistent with the traditions of the Asafia Dynasty and in the best interests of Hyderabad. I am, therefore, placing before the world the true facts of the situation.

In November last, a small group which had organized itself into a quasi-military organization hostile to Hyderabad's best traditions surrounded the house of my Prime Minister, the Nawab of Chhatari, in whose wisdom I had complete confidence, and the house of Sir Walter Monckton my Constitutional Adviser, and thus by duress compelled the Nawab of Chhatari and my other trusted Ministers to resign and forced the Laik Ali Ministry on me.

This group with Kasim Razvi at its head, which had no stake in the country nor any record of service behind it, by methods reminiscent

of Hitlerite Germany took possession of the State, spread terror among all elements of society, Muslim and non-Muslims that refused to bend their knees to it, committing arson and loot on a large scale, particularly on Hindus, and rendered me completely helpless.

For some time I was anxious to come to an honourable settlement with India, which India was agreeable to; but this group in its ambition to found an Islamic State in which the Muslims alone of Hyderabad should have citizenship rights, forced me to reject the offers made by the Government of India from time to time.

I am a Muslim and am proud to be a Muslim but I know that Hyderabad cannot remain apart from India. My ancestors never made any difference between the 86 per cent Hindus and the 23 per cent Muslims in the State. The relations, political, social and religious, between the two communities were the most cordial ever found anywhere in India. This object was attained as a result of the policy which my ancestors and I pursued in the past.

During the eight months this group was in power, aided by the *Razakars*, it brought about the most intense communal hatred which unfortunately in the position that I was placed in I could not prevent. When the crisis which they created came about, this group while professing its determination to fight to the last man and last round vanished. When the Indian Army was about 40 miles from Hyderabad the Ministry resigned leaving me to save the situation as best as I could.

I have around me my old and trusted Muslim officers who, whatever the régime, have always contributed their best to build up the State. I have no fear from the Indian Union. I know and have always known that the Indian Union is a secular State. In the very nature of things Hyderabad whose 86 per cent of the people are Hindus cannot possibly become an Islamic State. In the meantime thousands of fanatic outsiders brought from abroad lured by money and prospects of loot, who were let loose in the State, are still out of hand.

The city of Hyderabad was saved from their havoc because of the discipline and the exemplary behaviour of the Indian Army. The administration is now in the hands of a military Governor to whom I have asked my people to give the fullest support. He is Major-General J. N. Chaudhuri of the Indian Army.

I have issued orders dissolving all the delegations sent out by the Laik Ali Ministry and I warn Muslims all over the world not to be victims of their interested propaganda.

Indn. Inf., Vol. 23, No. 239.

94 20 and 28 *September* 1948

SPEECHES: INDIAN REPRESENTATIVE, SECURITY COUNCIL

I

20 September 1948

We have received official news from our Government that our troops have entered Secunderabad, the second city of Hyderabad, thus returning to the position they occupied before their withdrawal last February in accordance with the ' Standstill ' Agreement then concluded with the Government of Hyderabad.

We have also received a telegram which we have tried, somewhat unsuccessfully, to communicate to the Hyderabad delegation. The telegram reads as follows:

' Our Agent-General in Hyderabad wishes the following message passed immediately to Nawab Moin Nawaz Jung, President of the Hyderabad delegation to the United Nations. Begins: " Dated 18 September 1948, addressed to Nawab Moin Nawaz Jung, President Hyderabad delegation United Nations, Plaza Hotel, Paris: I order you to withdraw the Hyderabad case from the Security Council. Signed, Nizam VII ".'

As I said, we have tried to contact the delegation in order to deliver this message to its leader. However, we were unable to do so, and we have left the message with the Secretary of the Hyderabad delegation.

I also have a message from my Government regarding the present position in Hyderabad. The members of the Security Council may wish to know what the position really is. The telegram reads as follows:

' Evidently position in regard to Hyderabad has been greatly misunderstood. Hyderabad's complaint was not withdrawn under pressure from us . . . .'

This has reference to reports in some newspapers in England to the effect that the complaint was withdrawn under pressure and as part of the surrender terms. My Government states emphatically that that was not the case; that there was no question of our asking the Nizam to withdraw the petition, but that the action was taken by the Nizam himself.

The telegram continues:

' . . . Long before Indian Army reached Hyderabad, Nizam dismissed his Government which had made the reference to the Security Council. Again before our Army reached Hyderabad, Nizam announced the withdrawal of the complaint. The Indian Army entered Secunderabad with the consent of His Exalted Highness the Nizam. The Nizam's State forces are co-operating with the Indian Army in

maintaining law and order in the State. Old civil administration also functioning as before and fully co-operating with our Army. Hardly any changes have been made. For the present our Army Commander is in formal charge to tide over the period of transition and to maintain order.

' Order is generally maintained throughout the State except for some *razakars* in distant places giving trouble. The Nizam's State forces are co-operating in dealing with this situation . . . .'

That is the position as it has been reported to us.

I should also like to state that the position was explained by me very briefly at the last meeting of the Security Council and that, unless I feel bound to do so in view of any remarks that may be made later, I do not propose to expatiate on that position further. Our position has been that our troops had to enter Hyderabad in order to prevent atrocities which were being committed on Hyderabad soil; to prevent border incidents; to prevent repercussions in the provinces adjoining Hyderabad and indeed in the rest of the Dominion of India. That our forces have entered without much trouble is an indication not of the lack of preparedness of the other side, but of the overwhelming goodwill which the people of Hyderabad extended to our forces. That is the position at the present time.

I do not know what the desire of the Security Council will be in this matter. However, we have already taken the position that Hyderabad is not competent to bring a complaint of this kind before the Security Council, and the instructions which the Nizam has issued to the Hyderabad delegation—which none of us, I believe, has any reason to doubt, although the Hyderabad delegation states that it has not yet received those instructions—in my opinion conclude the matter.

I leave it to the President to advise us as to the future course of action, and I hope I shall be permitted to make any remarks which I may find it necessary to make in the light of what may be said by members of the Security Council.

II

28 September 1948

The question to which the President has asked us to confine ourselves is how far the letter received from His Exalted Highness the Nizam, withdrawing the complaint from the Security Council and withdrawing the authorization of the delegation which had come on his behalf at an earlier stage, is genuine.

The gentleman on the opposite side of the Council table did not produce a single fact which in any way can throw doubt on this statement, but, on the other hand, has indulged in a series of attacks on the

Government of India, suggestions, innuendos and reflections which I feel bound to take note of very sharply, through bowing to the President's decision. I shall confine my statement mainly to the question of the validity of the withdrawal of the delegation's powers by the Nizam and of the validity of the withdrawal of the complaint brought by the Nizam before the Security Council.

It is natural that some members of the Security Council, whose sense of caution is very much developed—like my old and esteemed friend from Syria, whom we have known from the days of San Francisco, and who has shown on more than one occasion that innate caution which has helped us at other stages—should have raised this question before this august assembly. I value that sense of caution. I place importance on the fact that the Security Council, having responsible duties, should, as far as possible, see whether the material placed before it is genuine material.

My only regret is that this sense of caution was not exercised at an earlier stage; that the representative of Syria did not think of examining the credentials of the original delegation that came from Hyderabad—of examining, not the genuineness of the Nizam's signature, because that is admitted to be correct on both occasions, but how far the Nizam was a free agent then to have sent out this delegation and how far he is a free agent now to have cancelled the responsibility that was given to that delegation.

These are not idle words, and it is in no sense of frivolity that I am suggesting that it would have been well for the Council to have examined the question of the genuineness of credentials at a very much earlier stage indeed. For I propose to show to the Council—and, I hope, to the satisfaction of at least most members of the Council—that it was then that the Nizam was not a free agent and that it is now that he is a free agent, acting on his own responsibility, judging of his own interests and trying to come to a conclusion concerning his own welfare, the welfare of his people and the welfare of the State.

There have been so many references to reports in newspapers that I hope the President will forgive me if I quote an extract from a broadcast made by the Nizam himself, which was heard all over the world and certainly all over India—and the genuineness of the Nizam's voice, if not of his sentiments, cannot be questioned—broadcast reports of which also have appeared in most of the English newspapers and in some of the continental press.

In a broadcast that the Nizam made on 23 September, he stated:

'...several delegations calling themselves Hyderabad's delegations have been carrying on a campaign against India's so-called misdeeds,... which, in fact, have merely restored my freedom to deal with

Hyderabad's destinies in a manner consistent with the traditions of the Asafiah dynasty and the best interests of Hyderabad. In November last '—and I want the Security Council to mark these words—' a small group which had organized a quasi-military organization hostile to Hyderabad's best traditions surrounded the house of my then Prime Minister, the Nawab of Chhatari, in whose wisdom I had complete confidence, and the house of Sir Walter Monckton, my constitutional adviser, and thus by duress compelled the Nawab of Chhatari and other trusted ministers to resign.... This group, with Kasim Razvi at its head '—he is the head of the *razakars*, the gangsters whom I described on a previous occasion—' ... took possession of the State, spread terror into all elements of society, Muslims and non-Muslims, that refused to bend their knees to it....'

I am aware that doubt might be thrown on the genuineness of the sentiments expressed by the Nizam in this broadcast. There may be some who still feel that these are not the real sentiments of the Nizam but that situated as he is, surrounded as his State is, helpless as his position now is, the Nizam made this broadcast and that this is one more piece of evidence to show the helplessness of the Nizam. I am aware that that suggestion will be made. If there is a suggestion from any quarter that this broadcast is not a statement of fact, or is not a genuine expression of what the Nizam has felt and is feeling, I should like to quote from two documents produced by the delegation of Hyderabad before this august body. These are documents not prepared by me, not invented for the occasion, documents for which I do not hold myself responsible, but for which the delegation of Hyderabad holds itself responsible. They will substantiate how correct the statement of the Nizam is. I refer to the big volume (S/1001) which has been placed before the members of the Security Council, and I shall read from page 82 of that volume. On 8 April this year the Governor-General of India, Lord Louis Mountbatten, sent a letter to the Nizam of Hyderabad. This letter is printed on pages 82 and 83 of this document. I shall read short extracts:

' Sir Walter Monckton brought me your letter of 5 April. I hope that you will treat this reply to certain points which you raised in it on a strictly personal basis.'

' On a strictly personal basis '—the distinction will be apparent from the next sentence:

' As you well know, I am now a constitutional Governor-General, and my official views are those of my Government.'

Quite right. Lord Louis Mountbatten carried out that constitutional position after 15 August 1947, but in this letter he steps out of that constitutional position as Governor-General.

'I thought, nevertheless, that a useful purpose might perhaps be served if I were to convey to you some of my own personal feelings and thoughts on the present situation.'

That is on 8 April 1948. The letter goes on.

'I am firmly of the belief that this spirit would have prevailed from the commencement of the Standstill Agreement, and that you and I would be seeing it grow even now, if only that most unfortunate incident, which took place in Your Highness's capital city on the night of 27 October, had not occurred.'

What is that incident? The letter goes on:

'I refer to the occasion when your delegation, of which the Nawab of Chhatari (your Prime Minister at that time), Sir Sultan Ahmed, Nawab Ali Nawaz Jung, and Sir Walter Monckton, were then members, were unfortunately unable to leave Hyderabad for Delhi as intended. I need not enter into the full details of this incident and the part which the police played in it. These facts are as well known to Your Exalted Highness as they are to me. But I must reiterate my firm belief that, if these methods of coercion had not been permitted to interfere with the carrying out of Your Exalted Highness's wishes at so crucial a moment, the story of relations between India and Hyderabad would have been written by a very different and far happier pen.'

That tragic incident led to all the difficulties. Gangsterism won the day, the Nizam was rendered helpless, his Prime Minister and Ministers made to resign, and the *coup d'état* was then accomplished. Again, this was not merely a letter sent privately to the Nizam under sealed covers. The same incident was referred to by His Excellency Lord Louis Mountbatten to a representative delegation from Hyderabad which went to him on 9 June of this year, a delegation headed by the Prime Minister of Hyderabad who took the place of the Nawab of Chhatari when the *coup d'état* was effected, and who was, till the other day, Prime Minister of Hyderabad and who resigned on the 17th and made it inevitable for the Nizam to take matters into his own hands for the first time.

I am again quoting from the documents furnished by the Hyderabad delegation, and the members of the Security Council will find this on page 132 of that document. The substance of the interview is contained in two documents exchanged between the parties and I am referring to the one produced by the Hyderabad Prime Minister and the former Hyderabad delegation:

'Note of an interview on the afternoon of 9 June 1948, between the Governor-General of India and the Hyderabad delegation (Sir Walter Monckton was also present).'

The relevant portion of the interview is this: 'The Governor-General, Lord Louis Mountbatten, emphasized that any solution put forward must be one likely to gain for Hyderabad India's goodwill. He recalled how the present Standstill Agreement had been signed in a spirit of ill-will. When his Exalted Highness had not acceded by 15 August, he, the Governor-General, Lord Louis Mountbatten, had obtained a two months' extension for the negotiations to continue. At, or rather just after, the end of this period a draft standstill agreement had been prepared. If it had been signed by the original Hyderabad delegation'—that is the Nawab of Chhatari and the Ministers who were obliged to resign by the *coup*—'it would have worked out in a spirit of friendship, but at the end of November a *coup* was engineered in Hyderabad, with the knowledge of Nawab Moin Nawaz Jung'—the honourable gentleman opposite—'and caused India to lose her faith in Hyderabad completely.' This was Lord Louis Mountbatten's feeling.

'Nawab Moin Nawaz Jung then came to Delhi and suggested reversion to a previous draft standstill agreement—a most gauche manoeuvre. Finally, Nawab Moin N. Jung agreed to the Standstill Agreement in the form the previous delegation had approved, but by then goodwill and good faith had started to disappear.'

Does that not bear out completely what the Nizam said in his broadcast: that from that date in November when he was obliged to dismiss a ministry in which he had full confidence, the Ministry of the Nawab of Chhatari, a first ranking politician among Muslims in India, Sir Sultan Ahmed, once a member of the Governor-General's Council, Sir Walter Monckton and the others, he was left a lone person in all the negotiations? He tried to adjust them, but finally threw up his hands in despair.

When that happened the Nizam became not a free agent but a person under the control of a set of gangsters, as I have said before.

Today, when he has been released from the *razakars* and is in a position to take his own view of the situation, to look after himself and his dynasty, to look after his people, to bring about the happy relations which were disturbed and more than disturbed during the last eight months, the Nizam is sweetly, suavely, and simply alleged by the gentleman opposite not to be a free agent. What justification is there for making such an allegation? What proof has been brought by the honourable gentleman opposite to show that the Nizam is not a free agent?

In the paper he has put before us (S/1015) he makes a number of allegations. First and foremost, he says:

'. . . in view of the strict censorship and complete blackout of impartial news, the Security Council may find it desirable to appoint its own observers . . .'

Blackout? Strict censorship? The representative of Hyderabad has given more news to the Security Council than I was possessed of. And where did he get it? But, as this allegation was made, I took the opportunity of telephoning to my Prime Minister, Pandit Jawaharlal Nehru, this morning and asking whether there was any truth in the allegation, and the Prime Minister has asked me categorically to state there is no truth in the allegation of censorship or blackout. It is totally and absolutely false that there is any blackout of news from Hyderabad or India today regarding Hyderabad. It is totally and unalterably and absolutely false that there is any censorship of the kind regarding Hyderabad news. The Prime Minister told me this morning that scores of journalists, reporters and representatives of newspapers were all over Hyderabad. He said frankly that on those four or five days when the forces were marching into Hyderabad there was censorship, and necessarily so. But after that date—after the 18th—there has been no censorship of any kind. This is again one of those allegations freely made to prejudice the members of a body like the Security Council or the General Assembly.

What is the position today? In view of what the representative of Hyderabad has said, I feel that I must speak very sharply. I have here telegram after telegram in which it is stated that all the normal functions as they existed before the 17th or 18th are being carried on by the officers of the Hyderabad Government. Hyderabad and Secunderabad, the two biggest cities, are under the control of the police and the military commanded by the original Commander-in-Chief of the Hyderabad forces.

General El Edroos [*vide* p. 354—ED.], the chief administrator whom the Government of India has appointed—undoubtedly from Bombay—addressed only the other day the secretaries and departmental heads of the Nizam's Government, all of whom are in their key positions today, and said that all he required was a non-political atmosphere among the officials and the carrying out of civil administration for the benefit of the people of the State.

It is true that a few officers have been removed. Certain officers whose political contacts with the gangsters were completely proved, whose sympathies with them were established, were removed from office. And was it not right that if tranquillity were to be restored, those doubtful officials should be, for the time being, set apart so that others could take their place?

As regards the withdrawing of credentials from agents-general abroad, I have a very serious piece of information. Only the other day, on the 20th of this month, the Westminster Bank, which had £1,004,000 to the credit of the Hyderabad Government, had the amount transferred

to a 'high official of another State' on the authorization of a person here in Paris who could not have made that authorization—or should not have made it, in view of what had happened in Hyderabad.

Is it any wonder that in the interests of the people of the State, in the interests of the Government, in the interests of the Nizam, until conditions are better known, until individuals more loyal accept, not in lip-sympathy, not in words, but with heart and spirit, their allegiance to the Nizam, there should be a check on the activities of those individuals abroad? What is more natural than that the Nizam, seeing how he was situated in the past, how prominent men abroad were associated with the régime in which his own free will was restricted, should cancel the credentials of delegations or withdraw the power of authorization from agents-general appointed abroad until their loyalty was more firmly established?

I have shown you one instance where such loyalty was open to doubt.

Let me conclude very briefly with one observation. The erstwhile representative of Hyderabad said that he did not know whether adult franchise would be established, whether the will of the people would be ascertained. He went further and said that in June 1948 they had offered a scheme of election by adult franchise, or referendum by adult franchise, and that it was not accepted by the Government of India. The world knows, and the members of the Security Council know, that if there is one method of ascertaining the will of the people to which the leaders of India today are pledged, to which the Government of India is pledged, to which the Constituent Assembly—which is now drawing up the constitution of India—is pledged, it is the method of ascertaining the wishes of the people through adult franchise.

Allow me to quote from one of our publications, *The White Paper of the Indian Government on Hyderabad*:

'The plebiscite cry is the latest addition to Hyderabad's propaganda armoury. It is a glaring instance of the Goebbels technique of harping on a big lie in the hope that some ignorant folk will swallow it. The suggestion to hold a plebiscite to decide the issue of Hyderabad's accession was made as early as 27 August 1947 by the Government of India.'

It was on 27 August 1947, not in 1948, and it was made by the Governor-General of India, Lord Louis Mountbatten, in his telegram of the same date to the Nizam, and it was based on the letter of the States Minister, Sardar Patel, to Lord Louis Mountbatten, in which it was stated:

'If the Nizam's Government are still unable to decide the course in the only right direction in which it lies, His Exalted Highness must

agree to submit the issue to the judgement of the people and abide by their decision. We on our side will be content to accept whatever might be the result of such a referendum.'

In the face of that, to come here and say to the members of the Security Council that the referendum is not accepted by India and that the Nizam is under duress is to speak the language of absurdity. The Nizam under then available advice replied: 'I should like to point out that the problems of the constitutional position of Hyderabad are such that the question of the referendum does not arise.'

Yes, it is all very easy to tell the Security Council such tall stories as the gentleman has, when the Security Council does not have the history of the whole case, as for natural reasons one would wish them to have, and when you are leaving the Council because your authority has been withdrawn, to tell them, in a statement: 'We asked for a referendum but this mighty Government of India will not allow it.'

I feel that the time has come for the Security Council to take its decision. I submit that for the first time since the last eight or ten months, the Nizam has acted as an independent agent. I submit that he has come to the conclusion that this matter should not be further pursued in the best interests of himself, in the best interests of his dynasty, and in the best interests of the people of Hyderabad who are one with the people of the rest of the Dominion of India, and in the best interests of the State.

Emphasis has been laid on the fact that there is a special culture, a special tradition, a special something illusory about Hyderabad which separates it from the rest of India. I come from a part of the country which is very close to Hyderabad. Mysore is on one side. Today I am associated with its administration, and associated with it very deeply. Madras is on the other side, and that is my home province. The innumerable ties of kinship, of association, of friendliness, of common culture, and educational ties which exist between the people of Hyderabad State and the people of Madras are something that the most casual observer, even the globetrotter, will be impressed with. Until the other day, education in Hyderabad was tied up with Madras University, and colleges in Hyderabad were affiliated to that University. Education determines culture; a common culture is inevitable where a system of common education exists.

The Security Council has therefore to consider whether any further useful purpose would be served by keeping this matter on the agenda; whether, with the genuine withdrawal of the case, as I have attempted to show, by His Exalted Highness the Nizam, the cause of peace will not be better served by dropping the matter. I doubt whether that good-will for which the honourable gentleman pleaded will really be

brought about by pursuing this matter. Pursuit will inevitably and ultimately be vain indeed. It will only create reactions locally; it will prejudice the Hyderabad people themselves against certain persons in authority.

I think the Security Council, which is essentially intended to promote peace, will be doing the only right and justifiable thing by refraining from indulging in technical discussions and casuistry about independent States and invasion, and Italy and Abyssinia, and the big fish and the little fish. Sometimes the little fish even try to swallow the big fish, ridiculous as that may seem. The Security Council's intervention might then be called for; there have been instances of attempts on the part of little fish to swallow big fish.

I wonder whether it would not be the wisest thing for the Security Council to let the matter drop and to allow peace to prevail in my country, including Hyderabad. I can show you thousands of telegrams from prominent Muslims in the Dominion of India, from scores of *Jamait-ul-ulemas*—religious associations of Muslims—offering thanks to the Government of India because the canker has finally been removed which was making it difficult for proper relations to be established between Hindus and Muslims, which was spoiling the cordial relations between these two peoples because of natural suspicions as to where their sympathies lay in reference to Hyderabad.

There is a new bond of friendship today between Hindu and Muslim all over India and Hyderabad. A new cordiality has been established. We want to live in peace, in brotherhood, in amity. The Hyderabad difficulty, which was embittering relations and poisoning the atmosphere, has happily ended. Will not the Security Council therefore assist in the restoration of communal concord in my country, of amity between all sections of the people?

Taking the world situation as it is today, will the Security Council not appreciate that, by so doing, it will strengthen India as a whole and perhaps help it to contribute in some small measure to the cause of international peace?

[Ref. p. 351 : *Not* General El Edroos but Mr D. S. Bakhley was Indian Civil Administrator.—ED.]

Security Council Official Records (Third Year), 20 and 28 September 1948, Nos. 111 and 112.

95 22 *September* 1948

SECRETARY-GENERAL, UNITED NATIONS

I have today addressed the following letter to the Secretary-General, United Nations Organization, Paris : This morning I read with surprise

in the newspapers that Mr Zahir Ahmad stated before the Security Council that no instructions had been received by him asking him to withdraw the Hyderabad case from the Security Council. As a matter of fact, on 18 September 1948, I sent a message which was duly communicated to Nawab Moin Nawaz Jung ordering him to withdraw Hyderabad's case from the Security Council.

I also asked my Agent-General in New Delhi to get in touch with Nawab Moin Nawaz Jung and communicate to him the said order. To resolve all doubts in the matter, I now formally address this letter to you and request you to note that the complaint made by my Government to the Security Council has been withdrawn by me. I would add for your information that on 17 September 1948, the Ministry at whose instance the said complaint was made, resigned and I personally, assumed charge of my State. The Delegation to the Security Council which had been sent at the instance of the said Ministry has now ceased to have any authority to represent me or my State.

NIZAM THE SEVENTH

Indn. Inf., Vol. 23, No. 239.

96 16 *February* 1949

SCHEDULED SECURITIES (HYDERABAD) ACT, 1949

WHEREAS it is expedient to provide for the control of the transfer of certain securities and for the issue of duplicate securities in respect thereof;

It is hereby enacted as follows:

(1) *Short title.* This Act may be called the Scheduled Securities (Hyderabad) Act, 1949.

(2) *Definitions.* In this Act,

(i) 'Bank' means the Reserve Bank of India;

(ii) 'scheduled security' means any Government security specified in the Schedule to this Act, but does not include any duplicate security issued under the provisions of section (4);

(iii) 'transfer', in relation to a scheduled security, includes the transfer of any interest in the scheduled security.

(3) *Title to scheduled security not affected by previous transfers.* The Bank shall not, without the approval in writing of the Central Government, recognise for any purpose any transfer of a scheduled security otherwise than to the Government of Hyderabad made or purported to have been made before the 31st day of December, 1948, and

notwithstanding any transfer so made or purported to have been so made and notwithstanding anything contained in any law for the time being in force, the scheduled security shall be deemed to be, and always to have been, vested in the Government of Hyderabad.

(4) *Issue of duplicate securities.* (i) Notwithstanding anything contained in any law for the time being in force, the Bank shall issue to the Government of Hyderabad duplicate securities payable to that Government in lieu of the scheduled securities[1] as if such securities had been lost, and such duplicate securities shall have the same effect as if they had been issued under section 11 of the Public Debt (Central Government) Act, 1944 (XVIII of 1944).

(ii) On the issue of duplicate securities under sub-section (i), all rights or remedies vested in or enforceable by any person in respect of the scheduled securities, in lieu of which such duplicate securities have been issued, shall be deemed to be extinguished.

(iii) The Bank shall impound all scheduled securities which are or have been presented to it and cancel the same.

(5) *Bar of jurisdiction.* No suit or other legal proceeding for the enforcement of any rights or remedies in respect of any scheduled security shall be instituted in any Court save with the previous consent of the Central Government.

(6) *Protection of action taken in good faith.* No suit, prosecution or other legal proceeding shall lie against the Central Government, the Bank or any person for anything done or intended to be done in good faith in pursuance of the provisions of this Act.

(7) *Repeal of Ordinance XXXVII of 1948.* (i) The Scheduled Securities (Hyderabad) Ordinance, 1948 (XXXVII of 1948), is hereby repealed.

(ii) Notwithstanding such repeal, anything done or any action taken in exercise of any power conferred by or under the said Ordinance shall be deemed to have been done or taken in exercise of the powers conferred by or under this Act, as if this Act had commenced on the 31st day of December, 1948.

Gazette, 16 February 1949.

97 19 *May* 1949

STATEMENT: INDIAN REPRESENTATIVE, SECURITY COUNCIL

I am very grateful to the members of the Security Council for giving me this opportunity to amplify what has been stated in regard

[1] Totalling Rs 20 crores. *Ed.*

to the issue of competence in the letter which members have already received. When I speak of competence I prefer to say that the question I am arguing is the competence of Hyderabad to make this complaint. I do not wish to be discourteous in any way and although it comes to the same thing I would rather not refer to the competence of the Security Council to hear Hyderabad. I hope to be very brief.

Let us see where we stand now. This case started as a complaint by Hyderabad on 21 August 1948, under Article 35(2) of the Charter of the United Nations. That article reads:

'A state which is not a member of the United Nations may bring to the attention of the Security Council or of the General Assembly any dispute to which it is a party if it accepts in advance for the purpose of the dispute the obligations of pacific settlement provided in the present charter.'

You will notice that the article opens with the words 'A state'. Hyderabad has never been a state in the international sense as I shall explain presently. India contended and still contends that Hyderabad was not competent to move the Security Council under the article in question.

While the issue of competence thus raised was pending, India was forced to take certain action in Hyderabad to put an end to the prolonged lawlessness and disorder which was disturbing not only Hyderabad itself but also the adjoining districts of India. When I say lawlessness and disorder, I am not using an idle phrase.

The disclosures made at the trial of Sydney Cotton which has just concluded in London will probably come to the members of the Security Council as a surprise, although I am distressed to say that they will not be a great surprise to the people in India.

Cotton was convicted two days ago and was ordered to pay a fine for gun running in Hyderabad. It is to be noted that he pleaded guilty according to the evidence at the trial. The trial was held in a London Court. The offences related to the carrying of arms and ammunition of war at the Warrangal airfield in Hyderabad State on 10 July 1948. I ask the members of the Council to note the date, 10 July 1948; at least a month before Hyderabad made its complaint to the Security Council. Cotton first went to Hyderabad and met General El Edroos, who was in charge of the Hyderabad Army.

I am mentioning the facts which came out at the trial. General El Edroos gave Cotton letters to Pakistan officials asking them to assist by giving landing facilities. Arms and ammunition were always described as fruit and vegetables and anti-aircraft guns as cheese. Cotton met an official of the Pakistan Defence Department—the name has been given but I do not wish to repeat it here—at the offices of

Cotton's firm in London. Another Pakistan official was also present at the meeting. His name also has appeared in the evidence but I would rather not mention it here.

The next meeting took place on 20 May at Secunderabad. Giving the details of the contract, which is said to have been destroyed when Hyderabad capitulated, an official witness said that the sum of £1,400,000 was to be paid to the firm. There was also mention of payment to certain officials in Karachi. The contract was finalized at the house of the Hyderabad Agent-General in Karachi on 27 May, that was nearly three months before Hyderabad's complaint to the United Nations.

From the start until June 2, daily air trips carrying arms and ammunition were made and the effort was speeded up towards the end of June. On July 10 a plane was flown into Warrangal carrying 920 rifles or sten guns and 64 boxes of ammunition, each box containing 1,000 rounds. That was the particular transaction for which Cotton was convicted.

I ask the members of the Security Council to note the dates. The contract was finalized on 27 May 1948, and the complaint was dated 21 August 1948.

The operation which India was compelled to take did not start until about the middle of September. In these circumstances the surprise is not that India acted but that she did not act earlier. India was ultimately driven to take action. The operations lasted only three or four days because the people of the State were really behind them. At the end of this period the Ministry which had authorized the complaint resigned and the Ruler, the Nizam, withdrew the complaint. The letter of withdrawal addressed by him to the Secretary-General on 22 September 1948, concluded as follows:

'To resolve all doubts in the matter, I now formally address this letter to you and request you to note that the complaint made by my Government to the Security Council has been withdrawn by me. I would add for your information that on 17 September 1948, the Ministry at whose instance the said complaint was made resigned and I personally assumed charge of my State. The delegation to the Security Council which had been sent at the instance of the said Ministry has now ceased to have any authority to represent me or my State.'

On 5 October 1948, the Nizam followed this up with a 'Firman', or decree, in the following terms:

'It has been brought to my notice and I have also seen in the foreign Press that statements have been made to the effect that I am acting under duress and that I am not allowed free movement, in short, that I am not a free agent in any matter. This is absolutely incorrect.

On the contrary my relations with the Indian Union and the Military administration are extremely cordial. No pressure of any kind is being brought on me. In fact I am paid all the respect and the courtesy due to the high position I hold as head of the State.'

It will thus be clear that whatever action India took was in effect directed not against the head of the State nor, of course, against its people, but against a particular set of ministers who were kept in power by a military organization known as the *Razakars*. How did these ministers get into power? I shall not use my own words but shall borrow Lord Mountbatten's. ' They got into power by engineering a *coup* in November, 1947', which caused India completely to lose her faith in Hyderabad.

The document in which these words appear has been printed in Hyderabad's Complaint, Second Volume, Page 135. What were the methods which these ministers used? Once again let me quote from a letter written to the Nizam by Lord Mountbatten who, referring to certain incidents which had happened shortly before the above *coup*, said :

' If these methods of coercion had not been permitted to interfere with the carrying out of Your Exalted Highness's wishes at so crucial a moment the story of the relations between India and Hyderabad would have been written by a very different and far happier pen.'

These are Lord Mountbatten's words and the document appears in Hyderabad's Complaint, Second Volume, Page 83.

What support did they [the *Razakars*] enjoy? Once more I shall not use any words of my own because I represent one particular side in this controversy. I shall quote again from Lord Mountbatten's letter to the Nizam, written on April 8, 1948, nearly five months after the *coup* :

' You will have noticed that during the course of the last few months the ruler of nearly every State in this sub-continent which is in relationship with the Dominion of India has introduced or has declared his intention of introducing in the near future truly responsible and representative Government. I say " nearly every State " for there is one exception—Hyderabad.

It is impossible for any fair-minded person in the outside world to view the present Government of Hyderabad but as one representing and indeed dominated by a party which commands the support of only a part of the minority community in the State. I am not saying this as Governor-General of India. I am saying it as an impartial observer and as a well-wisher of Hyderabad.'

What did those particular ministers do while in power? That they could not maintain law and order has already been stated; but they

also made pretty free with State funds. I have here a list of pecuniary transactions, not exhaustive, running to over 2½ million pounds, that is 10 million dollars, which, to put it mildly, require a good deal of explanation. Some of them find a sinister explanation in the facts that have just come to light in the course of Sydney Cotton's trial.

Let me repeat the action which India was forced to take was not directed against the people of Hyderabad or even against the Ruler but against the Fascist clique which had usurped power and was misusing it in a manner that threatened the tranquillity of India as well as of Hyderabad itself. As soon as these men resigned and the Nizam was free to assume charge he withdrew the complaint which they had made to the United Nations.

I ask, Mr President, is there anything of international significance in all this? Do not let us be led away by words. This complaint is not really by Hyderabad but by certain individuals who had once usurped a little brief authority in Hyderabad and have now lost it. They have ceased to represent the Ruler. They never represented the people. Whatever dispute or situation they created in Hyderabad has now come to an end and conditions are gradually settling down to normal. The Nizam and his officers have been co-operating with the Indian authorities in Hyderabad for the restoration of law and order.

No Hindu-Muslim clashes have been reported during the last two or three months. Relations between the two communities are cordial. Various goodwill missions have toured Hyderabad which were led by prominent Muslims from various parts of India. There is no ban or restriction on the entry of any visitor into Hyderabad. Press representatives from India and abroad have visited the State without let or hindrance.

The future of the State and its relationship with India are matters which have been left to be decided by the people. Arrangements are in train for convening a Constituent Assembly for this purpose. Electoral rolls based on adult franchise are under preparation. It is hoped that all arrangements for elections to the Constituent Assembly will be completed by this autumn.

Meanwhile a distinguished retired British official who was Sir Mohammad Zafrullah's Secretary when Sir Mohammad Zafrullah was Law Member in the Government of India, nine or ten years ago—I refer to Sir George Spence—has been appointed by the Government of India as an Adviser to the Hyderabad Administration. This will show to the Security Council how anxious the Government of India is to see that even the provisional Administration is conducted in accordance with the highest standards with no discrimination against any particular section of the people.

I referred a moment ago to the question whether Hyderabad is a State for international purposes. Up to the passing of the Indian Independence Act in 1947, it had beyond controversy no international existence. The fact is so well known that it is unnecessary to cite any authority. It has, however, been contended by some persons that it became an independent State as the result of the Indian Independence Act.

It is on this footing that its position has sometimes that sought to be assimilated to that of Indonesia. There is not the slightest analogy between the two cases. The Indonesian Republic has been granted *de facto* recognition as a state by several countries, by the United States of America, by the United Kingdom, by Egypt, by India and by other countries. But no country has ever recognized Hyderabad, either *de jure* or *de facto*, as an independent state. During the debate on the Indian Independence Act the Attorney-General of the United Kingdom, the very country that passed this Act, speaking in the House of Commons, said:

' This at least can be said with certainty that we do not propose to recognize the states '—that is the Indian States—' as separate international entities on August 15 when the bill comes into operation.'

Thus even the United Kingdom which knew intimately all the facts relating to the Indian States, including Hyderabad, declined to recognize them as becoming international entities upon the passing of the Indian Independence Act. It should be remembered that from November 1947 onwards there has been a Standstill Agreement or an equivalent arrangement under which the Dominion of India has exclusive charge of Hyderabad's foreign relations. That is one great difference between Hyderabad and the Indonesian Republic.

The other difference is equally important. I am sure that the members of this Security Council are familiar with the map of India. There is a chain of Indian States stretching in a line from North to South and East to West. If Hyderabad and the rest of them can claim to be independent states as a result of the Indian Independence Act and if they can become independent by virtue of their own claim, irrespective of recognition by any other country, then there will be an end of India.

Indonesia is not in the heart of the Netherlands as Hyderabad and the other Indian States are in the heart of India. As someone has said ' You can live without your appendix and be the healthier for it, but you cannot live without your heart.' I should like to make this perfectly clear that India cannot possibly recognize any of these Indian States lying within her borders as independent any more than the United States of America can allow the independence of her southern States.

Let us not forget that the trouble in Burma started with a claim of independence by a certain state of the Union. With this object lesson in front of her India cannot possibly agree to be dismembered or disintegrated by allowing any of these Indian States to claim international statehood. Hyderabad was not a State in the international sense before the Indian Independence Act. She is not one now by virtue of the Standstill Agreement and the arrangements that followed it, and she cannot be one at any time in the future if India is to live. We cannot defy or ignore geography.

It follows that any dispute with Hyderabad is not an international dispute. All matters relating to Hyderabad are now dealt with regularly by the Government of India, as matters of domestic concern. Questions are put and answers are given in all such matters in the Indian Constituent Assembly to which the Government of India is responsible.

India has at present, even after the partition of Pakistan, a population of something like thirty million Muslims, and no Government can possibly afford to ill-treat so large and influential a population or indeed any section of it. They have been granted representation according to their numbers in the Indian Constituent Assembly. The Indian Cabinet is a composite one. It contains seven Hindus, two Muslims, two Christians, two members of the Scheduled Castes or the so-called Untouchables, and one Sikh.

Any genuine grievance of the Muslims in any part of India can be voiced by any Muslim or other member in the Constituent Assembly which is at once a safeguard against incorrect or exaggerated statements and a means of prompt redress where the facts call for redress.

In recent months there has sprung up a very salutary practice of what are called Inter-Dominion conferences between India and Pakistan to discuss problems such as the rehabilitation of refugees, the treatment of minorities and so on.

May I ask whether any useful purpose is served in the circumstances which I have described, by keeping the subject of Hyderabad any longer on the agenda of this Council? As I have said, what has happened or what is happening in Hyderabad cannot be said to be a matter of international concern. Not only that but adequate constitutional means of redress exist in India itself for any matters requiring redress.

These recurrent attempts to agitate the subject in this Security Council which is thousands of miles away from the actual scene of events can, I submit, serve no useful purpose. They merely give opportunity for statements which inflame communal passions in India and disturb India's internal tranquillity.

Quite apart from any question of jurisdiction, if the Security Council desires any information on any specific points from India, there should be no great difficulty in supplying it. But I respectfully urge that to retain this subject any longer on the agenda of this Security Council is neither necessary nor desirable, apart from the question of competence on which I have already said a great deal.

Indn. Inf., Vol. 24, No. 255.

98 23 *November* 1949

HYDERABAD FIRMAN

WHEREAS in the best interests of the State of Hyderabad, which is closely linked with the rest of India by a community of interests in the economic, political and other fields, it is desirable that a constitutional relationship should be established between this State and the contemplated Union of India;

AND WHEREAS the Constitution of India, as drafted by the Constituent Assembly of India, provides a suitable basis for this State to enter into such a constitutional relationship with the Indian Union as also for reordering the internal constitutional structure of the State;

I hereby declare and direct—

That the Constitution of India shortly to be adopted by the Constituent Assembly of India shall be the Constitution for the State of Hyderabad as for the other parts of India, and shall be enforced as such by me, my heirs and successors in accordance with the tenor of its provisions and that the provisions of the said Constitution shall, as from the date of its commencement, supersede and abrogate all other constitutional provisions inconsistent therewith which are at present in force in this State.

(2) I further declare that the above decision which I have taken after mature consideration in order to ensure for the people of Hyderabad the benefits of an honourable partnership in a united and democratic India, shall, in view of its far-reaching consequences, be subject to ratification by the people of this State whose will as expressed through the Constituent Assembly of the State proposed to be constituted shortly must finally determine the nature of the relationship between this State and the Union of India, as also the Constitution of the State itself.

NIZAM VII

WPIS, appendix liv, pp. 369-70.

AGREEMENT WITH THE NIZAM

AGREEMENT made this twenty-fifth day of January, 1950, between His Excellency the Governor-General of India (which expression shall include the Government of India and his and its successors in office) and His Exalted Highness the Nizam of Hyderabad (which expression shall include his heirs, executors, administrators and assigns).

WHEREAS it has been decided that the Constitution of India adopted by the Constituent Assembly of India shall be the Constitution for the State of Hyderabad as for the other parts of India and shall be enforced as such in accordance with the tenor of its provisions;

AND WHEREAS it is expedient that the rights, privileges and dignities, including the dynastic succession and the privy purse, of His Exalted Highness the Nizam of Hyderabad shall be determined by agreement between him and the Government of India;

IT IS HEREBY agreed as follows:

Article I

(1) His Exalted Highness the Nizam of Hyderabad shall, with effect from the first day of April 1950, be entitled to receive annually for his privy purse the sum of Rs 50,00,000 (Rupees fifty lakhs), free of all taxes:

Provided that the sum specified above shall be payable only to the present Nizam of Hyderabad for his lifetime, and not to his successors, for whom provision will be made subsequently by the Government of India.

(2) The said amount is intended to cover all the expenses of His Exalted Highness the Nizam of Hyderabad and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies etc., and will neither be increased nor reduced for any reason whatsoever.

(3) The said amount shall be payable to the Nizam of Hyderabad in four equal instalments at the beginning of each quarter in advance.

(4) The payment of the said amount as herein provided is guaranteed by the Government of India.

Article II

(1) His Exalted Highness the Nizam of Hyderabad shall be entitled to the full ownership, use and enjoyment of all the jewels, jewellery, ornaments, shares, securities and other private properties, moveable as well as immoveable (as distinct from State properties) belonging to him on the date of this Agreement.

(2) His Exalted Highness the Nizam of Hyderabad had furnished to the Government of India lists of all the moveable and immoveable properties held by him as such private properties.

(3) If any dispute arises as to whether any item of property is the private property of His Exalted Highness the Nizam of Hyderabad or State property, it shall be referred to such independent person as the Government of India may nominate and the decision of that person shall be final and binding on all concerned.

Article III

His Exalted Highness the Nizam of Hyderabad and the members of his family shall be entitled to all the personal privileges, dignities and titles enjoyed by them whether within or outside the territories of the State immediately before the fifteenth day of August, 1947.

Article IV

The Government of India guarantees the succession according to law and custom to the *gaddi* of the State and to the personal rights, privileges, dignities and titles of His Exalted Highness the Nizam of Hyderabad.

In confirmation whereof, Mr Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf and with the authority of the Governor-General of India and His Exalted Highness Nawab Sir Mir Osman Ali Khan Bahadur, the Nizam of Hyderabad, has appended his signature on behalf of himself, his heirs, and successors.

MIR OSMAN ALI KHAN
Nizam VII

V. P. MENON
Secretary, Ministry of States

WPIS, appendix lvii.

SECTION V(*e*)

100 18 *October* 1947

KASHMIR

JAMMU AND KASHMIR GOVERNMENT TO GOVERNOR-GENERAL AND PRIME MINISTER, PAKISTAN

Ever since August fifteenth, even in spite of agreement to observe Standstill Agreements on matters on which agreements existed on August fourteenth with British India, increasing difficulties have been felt not only with regard to supplies from West Punjab of petrol, oils, food, salt, sugar and cloth. Working of postal system has been most detrimental to people as well as the administration. Savings Bank Accounts refused to be operated. Postal Certificates not cashed. Cheques by Branches here of West Punjab Banks not honoured; even Imperial Bank Branch hard put to meet obligations owing failure of remittances from Lahore currency office. Motor vehicles registered in the State have been held up at Rawalpindi. Railway traffic from Sialkot to Jammu has been discontinued. While the State has afforded safe passage to about one lakh Muslim refugees from Pathankot to Sialkot, the Rawalpindi people have murdered and wounded in cold blood over 180 out of party of 220 Kashmiri nationals being conveyed to Kohala at State's request. People armed with modern long range firearms have entered Poonch in thousands and committed horrors on non-Muslims murdering, maiming, looting them and burning their houses as well as kidnapping women. Instead co-operation asked for through every possible local as well as Provincial authorities and Central authority, paper promises made have not been actually followed by more rigorous action than before. Press and Radio of Pakistan appear actually to have been licensed to pour volumes of fallacious, libellous and false propaganda. Smaller feudatory States have been prompted to threaten even armed interference in the State. Even private people in Pakistan are allowed to wire unbearable threats without any check by the Pakistan Dominion Post Offices. To crown all the State is being blamed for acts which actually are being committed by Pakistan people. Villages are being raided from Sialkot end in addition to actual infiltration in Poonch. The Government cannot but conclude that all is being done with the knowledge

and connivance of local authorities. The Government also trusts that it would be admitted that these acts are extremely unfriendly if not actually bordering on inimical. Finally the Government wish to make it plain that it is not possible to tolerate this attitude longer without grave consequences to the life, property of the people which it is sacredly bound to defend at all costs. The Government even now hopes that you would personally look into the matter and put a stop to all the iniquities which are being perpetrated. If unfortunately this request is not heeded the Government fully hope that you would agree that it would be justified in asking for friendly assistance and oppose trespass on its fundamental rights.

WPJK, pp. 9-10.

101 19 *October* 1947

FOREIGN MINISTER, PAKISTAN, TO PRIME MINISTER, JAMMU AND KASHMIR

We are surprised at the contents and tone of your telegram, dated 18 October 1947. Instead of taking immediate and effective action in regard to specific complaints made by us in our telegrams, dated 12 October, you have put forward vague allegations of infiltration by people of Pakistan into Kashmir and have accused the border people of manufacturing bad relations. We emphatically and categorically deny the allegations and accusations. People travel to and from between Kashmir and Pakistan in the normal course of business but the allegations regarding the free distribution of arms and ammunitions to Pakistan area adjoining the State borders and the infiltration of armed men into State territory are incorrect. On the other hand there is mounting evidence of ruthless oppression of Muslims in Kashmir State and of raids into Pakistan territory by armed Dogra gangs and non-Muslim refugees from the Punjab. The most recent report is that of an attack on Chamna Khurd village by Dogra army personnel where they exchanged fire with the Police killing the Head Constable. Large numbers of armed Sikhs as well as Hindus belonging to the Rashtriya Seva Sangh have gone to Kashmir with the object of repeating the tactics they followed in East Punjab to kill, terrorise and drive out Muslims. In fact exodus of Muslims from the State has already started. The Pakistan Government must take a most serious view of a state of affairs in which the Muslims in Kashmir are suppressed and forcibly driven out.

We are astonished to hear your threat to ask for assistance. Presumably meaning thereby assistance from an outside power. The only object of this intervention by an outside power secured by you would be to complete the process of suppressing the Muslims to enable you to join the Indian Dominion as *coup d'état* against the declared and well-known will of the Mussalmans and others who form 85 per cent of the population of your State. We must earnestly draw your attention to the fact that if this policy is not changed and the preparations and the measures that you are now taking in implementing this policy are not stopped the gravest consequences will follow for which you alone will be held responsible.

As regards the alleged action of the West Punjab Government in blocking the passage of petrol, cloth and food and in stoppage of transport, we have already informed you that the West Punjab Government have been asked to provide you with all reasonable assistance in these matters. It is entirely wrong to attribute difficulties in transport which have risen owing to circumstances beyond the control of the West Punjab Government to the unfriendly intentions of that Government or to regard it as an act of coercion on your Government in taking a decision about the accession of the State. We have already sent a Special Officer to discuss with you the problems arising in respect of these matters and to settle ways and means of adjusting the difficulties.

Having regard to gravity of the situation we have carefully considered your suggestion to have an impartial enquiry made into the whole affair. We appreciate the suggestion and ask you immediately to nominate your representative on this Enquiry Committee. On hearing from you we shall nominate our representative without delay so that the Committee can proceed at once with a thorough enquiry into the whole matter. In the meantime we hope that every effort will be made on both sides to restore cordial relations between us.

WPJK, pp. 10-11.

102 20 *October* 1947

GOVERNOR-GENERAL, PAKISTAN TO MAHARAJA, JAMMU AND KASHMIR

I have received telegram of 18 October from your Prime Minister regarding the situation in Kashmir which I regret was released to the Press before it reached me and before I could deal with it. My Government have already been in communication with your Government

and I deplore that your Prime Minister should have resorted to the tone and language adopted in his telegram to me which embodies a threat to seek outside assistance and is almost in the manner of an ultimatum. This is hardly the way for any responsible and friendly Government to handle the situation that has arisen. On 15 October your Prime Minister sent a telegram to my Government making similar allegations in the same offensive manner as have been repeated in his telegram of 18 October now addressed to me without waiting for the reply to his earlier telegram from my Government. My Government have already replied to that telegram on 18 October and this reply shows clearly that your Government's wholly one-sided and *ex parte* allegations cannot be supported. Since your Government have released to the Press the telegram addressed to me under reply, my Government have no other course left open and have therefore decided to release to the Press their reply referred to above refuting your Government's allegations. The allegation in the telegram under reply that the Standstill Agreement has not been observed is entirely wrong. The difficulties that have been felt by your administration have arisen as a result of the widespread disturbances in the East Punjab and the disruption of communications caused thereby particularly by the shortage of coal. These difficulties have been felt acutely by the West Punjab Government themselves. The difficulties with regard to banking facilities were caused by lack of staff. Threat to enlist outside assistance shows clearly that the real aim of your Government's policy is to seek an opportunity to join the Indian Dominion as a *coup d'etat* by securing the intervention and assistance of that Dominion. This policy is naturally creating deep resentment and grave apprehension among your subjects, 85 per cent of whom are Muslims. The proposal made by my Government for a meeting with your accredited representative is now an urgent necessity. I would also repeat that I endorse the suggestion made in your Prime Minister's telegram of 15 October and accepted by my Government in their reply of 18 October to have an impartial enquiry made into the whole affair.

WPJK, pp. 11-12.

103 21 *October* 1947

FOREIGN MINISTER, PAKISTAN, TO PRIME MINISTER, JAMMU AND KASHMIR

In our telegram, dated 12 October 1947, we drew your attention to the grave situation in Poonch. Reports since received indicate that

a reign of terror has been let loose in Poonch and that terrible atrocities are being committed by Dogra troops operating in Poonch area. Large numbers of refugees are crossing from Kashmir territory into Pakistan and they relate stories of inhuman barbarity. Serious anxiety regarding safety of their families in Poonch area is being felt by Pakistan Military personnel whom it is exceedingly difficult to reassure in absence of any clear reports or assurances from you. Request immediate detailed report of conditions and assurances of security for Muslim life and property.

WPJK, p. 12.

104 22 *October* 1947

MINISTER FOR EXTERNAL RELATIONS, JAMMU AND KASHMIR, TO FOREIGN MINISTER, PAKISTAN

Your telegram regarding Poonch. Facts reverse of what alleged. People from across border Rawalpindi and Hazara District causing trouble which has been extended by them from this morning to Muzaffarabad district of Kashmir Province as well. Pakistan Government can put end to feelings of resentment of Pakistan Army people belonging to this State whose relations in consequence of disturbances created by Pakistan people are displaced and put to inconvenience. Allegations of reign of terror created by Dogra are not related to facts. On other hand copies of telegrams from minority communities suffering most at the hands of invaders are reproduced below for information.

Telegram Public Poonch *begins* Hindus and Sikhs in danger of being completely wiped out rebels fifteen miles from city crisis increases every moment *ends.*

Telegram Hindus Sikhs Poonch *begins* situation extremely grave four Rajput families numbering thirty-six ruthlessly butchered at Baral near Palandari fate of thousands of surrounding villages unknown thick clouds of smoke visible refugees in thousands pouring every day villages fifteen miles distant ablaze raiders at gates of city pray arrange immediate aerial survey and despatch sufficient reinforcement and save *ends.*

WPJK, pp. 12-13.

105 26 *October* 1947

FOREIGN MINISTER, INDIA, TO PRIME MINISTER, UNITED KINGDOM, AND PRIME MINISTER, PAKISTAN

From Prime Minister, India.

(1) A grave situation has developed in the State of Kashmir. Large numbers of Afridis and other tribesmen from the Frontier have invaded State territory, occupied several towns and massacred large numbers of non-Muslims. According to our information, tribesmen have been equipped with motor transport and also with automatic weapons and have passed through Pakistan territory. Latest news is that the invaders are proceeding up the Jhelum valley road towards the valley of Kashmir.

(2) We have received urgent appeal for assistance from the Kashmir Government. We would be disposed to give favourable consideration to such request from any friendly State. Kashmir's northern frontiers, as you are aware, run in common with those of three countries, Afghanistan, the USSR and China. Security of Kashmir, which must depend upon its internal tranquillity and existence of Stable Government is vital to security of India, especially since part of southern boundary of Kashmir and India are common. Helping Kashmir, therefore, is an obligation of national interest to India. We are giving urgent consideration to the question as to what assistance we can give to the State to defend itself.

(3) I should like to make it clear that question of aiding Kashmir in this emergency is not designed in any way to influence the State to accede to India. Our view which we have repeatedly made public is that the question of accession in any disputed territory or State must be decided in accordance with wishes of the people and we adhere to this view. It is quite clear, however, that no free expression of the will of the people of Kashmir is possible if external aggression succeeds in imperilling the integrity of its territory.

(4) I have thought it desirable to inform you of the situation because of its threat of international complications.

WPJK, pp. 45-6.

106 26 *October* 1947

MAHARAJA, JAMMU AND KASHMIR, TO GOVERNOR-GENERAL, INDIA

I have to inform Your Excellency that a grave emergency has arisen in my State and request immediate assistance of your Government.

As Your Excellency is aware, the State of Jammu and Kashmir has not acceded to either the Dominion of India or to Pakistan. Geographically my State is contiguous to both the Dominions. It has vital economic and cultural links with both of them. Besides my State has a common boundary with the Soviet Republic and China. In their external relations the Dominions of India and Pakistan cannot ignore this fact.

I wanted to take time to decide to which Dominion I should accede, whether it is not in the best interest of both the Dominions and my State to stand independent, of course with friendly and cordial relations with both.

I accordingly approached the Dominions of India and Pakistan to enter into a Standstill Agreement with my State. The Pakistan Government accepted this arrangement. The Dominion of India desired further discussion with representatives of my Government. I could not arrange this in view of the developments indicated below. In fact the Pakistan Government under the Standstill Agreement are operating the Post and Telegraph system inside the State.

Though we have got a Standstill Agreement with the Pakistan Government, that Government permitted steady and increasing strangulation of supplies like food, salt and petrol to my State.

Afridis, soldiers in plain clothes, and desperadoes, with modern weapons, have been allowed to infiltrate into the State at first in Poonch area, then in Sialkot and finally *en masse* in the area adjoining Hazara district on the Ramkote side. The result has been that the limited number of troops at the disposal of the State had to be dispersed and thus had to face the enemy at several points simultaneously and it has become difficult to stop the wanton destruction of life and property and looting. The Mahoora Power House which supplies the electric current to the whole of Srinagar has been burnt. The number of women who have been kidnapped and raped makes my heart bleed. The wild forces thus let loose on the State are marching on with the aim of capturing Srinagar, the summer capital of my Government, as a first step to overrunning the whole State.

The mass infiltration of tribesmen drawn from the distant areas of the NWF Province coming regularly in motor trucks using Mansehra-Muzzafarabad road and fully armed with up-to-date weapons cannot possibly be done without the knowledge of the Provincial Government of the NWF Province and the Government of Pakistan. In spite of repeated appeals made by my Government no attempt has been made to check these raiders or stop them from coming to my State. In fact both the Pakistan Radio and Press have reported these occurrences. The Pakistan Radio even put a story that a Provisional Government has been set up in Kashmir. The people of my State, both the Muslims and non-Muslims, generally have taken no part at all.

With the conditions obtaining at present in my State and the great emergency of the situation as it exists I have no option but to ask for help from the Indian Dominion. Naturally, they cannot send the help asked for by me without my State acceding to the Dominion of India. I have accordingly decided to do so and I attach the Instrument of Accession for acceptance by your Government. The other alternative is to leave my State and my people to freebooters. On this basis no civilised Government can exist or be maintained. This alternative I will never allow to happen so long as I am the Ruler of the State and I have life to defend my country.

I may also inform Your Excellency's Government that it is my intention at once to set up an Interim Government and ask Sheikh Abdullah to carry the responsibilities in this emergency with my Prime Minister.

If my State has to be saved immediate assistance must be available at Srinagar. . . .

WPJK, pp. 46-7.

107 27 *October* 1947

GOVERNOR-GENERAL OF INDIA TO MAHARAJA, JAMMU AND KASHMIR (EXTRACT)

Your Highness's letter, dated the 26th October, has been delivered to me. . . . In the special circumstances mentioned by Your Highness, my Government have decided to accept the accession of Kashmir State to the Dominion of India. Consistently with their policy that, in the case of any State where the issue of accession has been the subject of dispute, the question of accession should be decided in accordance with the wishes of the people of the State, it is my

Government's wish that, as soon as law and order have been restored in Kashmir and her soil cleared of the invader, the question of the State's accession should be settled by a reference to the people. Meanwhile, in response to your Highness's appeal for military aid, action has been taken today to send troops of the Indian Army to Kashmir to help your own forces to defend your territory and to protect the lives, property and honour of your people.

My Government and I note with satisfaction that your Highness has decided to invite Sheikh Abdulla to form an Interim Government to work with your Prime Minister.

WPJK, pp. 47-8.

108 30 *October* 1947

GOVERNMENT OF PAKISTAN COMMUNIQUÉ

The Government of Pakistan have considered carefully the situation that has arisen on the accession of Kashmir to the Indian Dominion and the simultaneous despatch of Indian troops to that state.

In his letter of 26 October to the Governor-General of India, H.H. the Maharaja explained that the reason why he wished to accede to the Indian Dominion, in spite of his reluctance to come to a hasty decision on this point, was in order to obtain the help of India to repel the Pathan raiders that have invaded his state and the Governor-General in his reply made it clear that it was these *special circumstances* which led the Government of India to accept his accession. H.H. also mentioned that although he had asked both the Dominions to come to a standstill agreement with his state, only Pakistan had done so. He alleged that Pakistan had not kept that agreement. The Government of Pakistan cannot accept the version of the circumstances in which Kashmir acceded to the Indian Dominion. The Government of Pakistan have constantly and repeatedly tried to reach a better understanding with Kashmir to prevent friction between the two States. His Highness' Government have ignored or rejected all these approaches. On 2 October the Prime Minister of Pakistan suggested to the Kashmir Premier that all questions outstanding between the two States including that of supplies under the Standstill Agreement and mutual accusation of border raids should be discussed by representatives of the two Governments. The Prime Minister of Kashmir replied that at that moment he was too busy to discuss these matters. Nevertheless, the Pakistan Government sent a representative of their

Ministry of Foreign Affairs to Srinagar to discuss these matters with the State.

The Prime Minister, however, refused to hold discussions with him and he had to return. On 15 October, the Prime Minister of Kashmir in a telegram to the Prime Minister of Pakistan threatened that unless Pakistan agreed to an impartial enquiry into the matters in dispute between the two states in order to restore cordial relations, he would be compelled to ask for outside assistance to withstand aggression and unfriendly acts of Pakistan on the people on his border. The Prime Minister of Pakistan at once accepted the proposal for an impartial enquiry and asked the Prime Minister of Kashmir to nominate a representative for this purpose. The Government of Kashmir have since then made no further reference to this matter. On 18 October, without waiting for a reply to his previous telegram, the Prime Minister of Kashmir in a communication to the Governor-General of Pakistan repeated his charges against Pakistan and concluded by saying that he wished to make it plain that the attitude of the Government of Pakistan could be tolerated no longer and expressed the hope that the Governor-General would agree that he was justified in asking for friendly assistance to oppose the trespass on the fundamental rights of the state.

On 28 October the Governor-General replied, calling attention to the repeated attempts of Pakistan to improve its relations with Kashmir and asked the Prime Minister of Kashmir to come to Karachi and talk things over with him. No reply has so far been received to this protest. The Governor-General also pointed out that the threat to call in outside help amounted almost to an ultimatum and showed that the real aim of the Kashmir Government's policy was to seek an opportunity to join the Indian Dominion by means of a *coup d'état.*

In the opinion of the Government of Pakistan the course of these negotiations clearly shows that the Kashmir Government had never any intention of maintaining friendly relations with Pakistan and that at any rate as early as 15 October they had made up their mind to call in outside assistance, presumably after ascertaining the attitude of the Government of India by secret negotiations which have been going on for weeks.

The correspondence between the two Governments closed with the Governor-General's telegram of 20 October to discuss matters with the Prime Minister of Kashmir and the Pathan raid into Kashmir occurred on 22 October. The Government of Pakistan cannot, therefore, accept H.H.'s version that this raid was the reason for H.H.'s request for the help of Indian troops in return for his accession. The Government of Pakistan also note that Indian troops arrived in Kashmir at 9 a.m. on

the day on which the Governor-General of India sent his letter accepting the State's accession.

In his telegram of 2 October the Prime Minister of Pakistan told the Kashmir Government that Pakistan was ready to do everything in its power to implement the standstill agreement with Kashmir, and explained that the failure to send essential supplies to the State under that agreement was due to dislocation of communications because of the disturbances in the Punjab. The Kashmir Government have ignored these explanations and have merely repeated their wanton charge that the standstill agreement was broken by Pakistan, for which there is no justification whatsoever.

The Government of Pakistan consistently denied the raiding into Kashmir territory by people from Pakistan. On the other hand, there is conclusive evidence that Kashmir troops were used in an attack first in Poonch and later to massacre Muslims in Jammu and for the attack on Muslim villages in Pakistan near the border. Early in October, women and children in Poonch sought refuge in Pakistan and there are at present about one lakh Muslim refugees in the West Punjab from Jammu.

Villages both in Poonch and in Jammu have been burnt as evidenced by the smoke seen rising from them. Mortar and automatic weapons have been used to drive Muslims out from their villages. Recently over 17,000 Muslim corpses were counted in all the villages in the West Punjab and raiders from Jammu into that province have left behind them military vehicles and the bodies of the soldiers in uniform.

The Muslims of Kashmir State did nothing to justify this oppression which seems to be an order as a matter of state policy, on the model of what happened in August and September in the East Punjab. It is only because of this action by the state that Kashmir is disturbed, and this well-concerted action was purposely resorted to in order to create an excuse for calling in troops from India.

It is this action that has led to the raid of Pathans into Kashmir. The Government of Pakistan only with the greatest difficulty prevented the Pathans' incursion into the West Punjab to take revenge for what happened in the East Punjab.

The attack on Poonch and the massacre in Jammu further added to inflame all the more the Pathan feeling and made the raid on Kashmir inevitable unless the Government of Pakistan by the use of troops were prepared to create a situation in the NWFP which might have had incalculable results on peace and order.

The sending of Indian troops to Kashmir in cover of accession has further intensified and inflamed the feelings of the tribes.

Under these circumstances, it is clear to the Government of Pakistan that the Pathan raid was provoked by the use of Kashmir troops to attack and kill Muslims in Kashmir and Jammu and for this the policy of the Government of Kashmir was solely responsible. The Kashmir Government must have been fully aware of the inevitability of the Pathan reaction. Their deliberate refusal to consider several suggestions that the Government of Pakistan made for a meeting of the representatives of both to handle the situation jointly by friendly co-operation, and, at the same time, their conspiracy with the Indian Government to enable them to use this raid as the occasion for putting into effect the pre-planned scheme for the accession of Kashmir *coup d'état* and for the occupation of Kashmir by India troops with the object of holding down the people of Kashmir who have been driven to rebellion by this well-calculated and carefully planned aggression. . . .

. . . In the opinion of the Government of Pakistan, the accession of Kashmir to the Indian Union is based on fraud and violence and as such cannot be recognized.

The reference to a plebiscite in Kashmir is merely put forward to mislead, as it ostensibly seems effective, but as a practical proposition it remains on paper. If the Indian Government are allowed to act freely and unfettered as they please by virtue of having already occupied Kashmir and landed their troops there, then this Eldorado of plebiscite will prove a mirage.

Dawn, Karachi, 31 October 1947.

109 30 *October* 1947

ADDRESS: MAHATMA GANDHI (RÉSUMÉ)

Referring to the situation in *Kashmir*, Mahatma Gandhi said in his post-prayer speech that when the Maharaja in his distress wished to accede to the Indian Union, the Governor-General could not reject his proposal. He and his Cabinet sent troops by air to Kashmir telling the Maharaja that the accession was provisional upon an impartial plebiscite being taken by the Kashmiris, irrespective of religion.

The Maharaja had wisely appointed Sheikh Abdullah his Minister, with all powers accruing to the office. It had pleased him (Gandhi) to read in the papers that the Sheikh had risen to the occasion and made a response to the invitation.

What was the situation? It was stated that the rebel armies composed of the Afridis and the like under able officers were advancing towards

Srinagar, burning and looting villages along the route, destroying even electric power houses thus leaving Srinagar in darkness. It was difficult to believe that this could take place without some kind of encouragement from the Pakistan Government. He did not have all the data to come to a judgment as to the merits of the case. Nor was it necessary for this purpose. All he knew was that it was right on the part of the Union Government to rush troops, even a handful, to Srinagar. That must save the situation to the extent of giving confidence to the Kashmiris, especially to Sheikh Abdullah, who was affectionately called, Sher-e-Kashmir. The result was in the hands of God. Men could but do or die. They would not shed tears if the little Union force was wiped out, like the Spartans, bravely defending Kashmir. Nor would he mind if Sheikh Abdullah and his Muslim, Hindu and Sikh comrades, men and women, died at their post in the defence of Kashmir. That would be a glorious example to the rest of India. Such heroic defence would, in fact, show the whole of India that they should forget that Hindus and Muslims and Sikhs were ever enemies. Then, they would realise that not all Muslims, Hindus and Sikhs were fiends.

Statesman, New Delhi, 30 October 1947.

**

110 31 *October* 1947

COMMUNIQUÉ: PRIME MINISTER OF JAMMU AND KASHMIR

The Pakistan Government's press-note issued from Karachi has contradicted certain statements contained in my statement issued to the press detailing circumstances that led to the immediate accession of Jammu and Kashmir to the Indian Dominion. I have no intention to enter into any controversy with that Government over the details and the assertions contained in the press-note as it would not lead to any useful purpose. It is, however, necessary to correct certain glaring mis-statements contained in that note.

It is wholly wrong to say that I had declined to interview the Envoy of the Pakistan Government sent to Srinagar. Major Shah, who is closely related to the Chief Justice, Sir Abdur Rashid, was the Envoy. He discussed the matter with my predecessor, General Janak Singh, and the Deputy Prime Minister, Mr Batra, at some length for a day. When I took over on 15 October I at once had an interview and had a very friendly talk with him. I made it quite clear that no negotiations were possible at that stage unless a favourable and friendly

atmosphere was created in which such negotiations could be carried out.

I told him in the clearest possible language that unless the economic blockade was removed and raids from the West Punjab on the State border stopped, it was not possible to carry on friendly negotiations and that such an attitude on the part of the Pakistan Government would force us to accede to the Indian Dominion. I further made it clear that I could not negotiate a treaty and discuss the question of accession under coercion and duress.

Finally, the interview ended with the remark that if a gesture of goodwill to a certain extent was made by the Pakistan Government I would reciprocate to a much larger extent and would pay a visit to Karachi to meet the Quaid-e-Azam and the Premier of Pakistan. I wonder how in these circumstances the press-note states that the interview was refused with the representative of the Pakistan Government by the Premier of Kashmir.

The second mis-statement that needs correction is: I was invited in a telegram sent by the Quaid-e-Azam to H.H. to come to Karachi for discussion and I gave no reply. I have got the original telegram with me and I have read it and re-read it and have found no invitation to me from Karachi. Possibly, the Pakistan Government keeps different copies of telegrams other than issued to other Governments. If any such message came to H.H. from the Quaid-e-Azam, it could not have been ignored. H.H. and myself were touring the State and we got the telegram on the 24th when the actual military invasion of the State had started. A reply to the telegram after the invasion was considered unnecessary.

It has been suggested that the Kashmir Government showed discourtesy in not showing its willingness to receive a visit from the Quaid-e-Azam in September last before I took up office here. I have ascertained the circumstances about the question. The Quaid-e-Azam wanted to spend a fortnight in Kashmir to recover his health. No political talks were indicated in the request made by the Military Secretary. As the conditions were unsatisfactory in the State capital owing to agitation of the Muslim Conference (Muslim League) against the State, the Military Secretary was informed that it would be embarrassing to the Darbar to have the Quaid-e-Azam in Srinagar which might fan the agitation and create unnecessary worry to the Quaid-e-Azam and he might not have the rest that he wanted by visiting Kashmir.

It was also pointed out that in suggesting the postponement of the visit the Government also wished to avoid the possibility of any unpleasant incident which might take place owing to conflict which existed

actively in the various political parties. The Quaid-e-Azam appreciated the view-point of the State. No discourtesy to the Quaid-e-Azam was intended. H.H.'s Government could not be guilty of any disrespect to the Governor-General of the neighbouring Dominion.

In the end, I wish to repeat that it is wholly wrong that the question of accession was already decided and the State Government was seeking an opportunity and an excuse to accede to the Indian Dominion. On the other hand, the State Government was keen to keep an attitude of neutrality till normal conditions in the State and outside were restored and it wanted friendly relations with both the Dominions. But circumstances forced the Government to take an immediate decision and the sole responsibility for what happened is on the Pakistan Government's own policy of coercion by invasion.

Hindustan Times, New Delhi, 1 November 1947.

111 2 *November* 1947

SPEECH: PANDIT NEHRU

I want to speak to you tonight about Kashmir, not about the beauty of that famous valley, but about the horror which it has had to face recently. We have passed through very critical days and the burden of taking vital and far-reaching decisions has fallen upon us. We have taken those decisions and I want to tell you about them.

The neighbouring Government, using language which is not the language of Governments or even of responsible people, has accused the Government of the Indian Union. I cannot emulate that language nor have I any desire to do so, for I speak for a responsible Government and a responsible people. I agree that there has been fraud and violence in Kashmir but the question is: ' who is responsible for it? ' Already considerable parts of the Jammu and Kashmir State have been overrun by raiders from outside, well-armed and well-equipped, and they have sacked and looted the towns and villages and put many of the inhabitants to the sword. Frightfulness suddenly descended upon this lovely and peaceful country and the beautiful city of Srinagar was on the verge of destruction.

I want to say at once that every step that we have taken in regard to Kashmir has been taken after the fullest thought and consideration of the consequences and I am convinced that what we have done was the right thing. Not to have taken those steps would have been a betrayal of a trust and cowardly submission to the law of the sword with its accompaniment of arson, raping and slaughter.

For some weeks past we had received reports of infiltration of raiding bands into the State territory of Jammu Province. Also of a concentration of armed men near the border of Kashmir with the North-West Frontier Province. We were naturally concerned about this not only because of our close ties with Kashmir and her people but also because Kashmir is a frontier territory adjoining great nations and therefore we were bound to take interest in the developments there. But we were anxious not to interfere and we took no step whatever to intervene even though a part of Jammu Province was overrun by these raiders.

It has been stated that there were raids from the Jammu side across the Pakistan border and that there was communal trouble in Jammu and Muslims were killed and driven away. In the past we have not hesitated to condemn evil whoever might have committed it, whether Hindu or Sikh or Muslim, and so if Hindus or Sikhs or any functionaries of the State misbehaved in Jammu Province, certainly we condemn them and regret their deeds.

But I have before me a detailed list of 95 villages in the Jammu Province which have been destroyed by the raiders from Pakistan. Bhimbar, a considerable town, had also been sacked and destroyed. Other towns are besieged and a considerable part of Poonch and Mirpur areas is in possession of the raiders. Does this indicate that aggression took place from the Kashmir side on to West Punjab or does it not show that there has been continuous organised aggression from West Punjab into Kashmir State? These raiders possess the latest type of modern arms. It is reported that they have used flame-throwers and a disabled tank has been discovered with them.

About this time we were asked by the Kashmir State to provide them with arms. We took no urgent steps about it, and although sanction was given by our States and Defence Ministries, actually no arms were sent.

On the night of 24 October I learnt of another raid, this time from the Abbottabad-Mansara Road which enters Kashmir near Muzaffarabad. We were told that armed and well-equipped persons in over one hundred lorries had broken in, had sacked Muzaffarabad and killed many persons there, including the District Magistrate, and were proceeding along the Jhelum Valley road towards Srinagar. The State forces were spread out in small numbers all over the State and they could not stop this armed and well-organised raid. The civil population, Hindu and Muslim, fled before the raiders.

It was on the 24th night that for the first time a request was made to us on behalf of the Kashmir State for accession and military help. On the 25th morning we considered this in the Defence Committee but no decision was taken about sending troops in view of the obvious

difficulties of the undertaking. On the 26th morning we again considered this matter. The situation was even more critical then. The raiders had sacked several towns and had destroyed the great Power House at Mahoora which supplies electricity to the whole of Kashmir. They were on the point of entering the valley. The fate of Srinagar and the whole of Kashmir hung in the balance.

We received urgent messages for aid not only from the Maharaja's Government but from representatives of the people, notably that great leader of Kashmir, Sheikh Mohammed Abdullah, the President of the National Conference. Both the Kashmir Government and the National Conference pressed us to accept the accession of Kashmir to the Indian Union. We decided to accept this accession and to send troops by air, but we made a condition that the accession would have to be considered by the people of Kashmir later when peace and order were established. We were anxious not to finalise anything in a moment of crisis, and without the fullest opportunity to the people of Kashmir to have their say. It was for them ultimately to decide.

And here let me make clear that it has been our policy all along that where there is a dispute about the accession of a State to either Dominion, the decision must be made by the people of that State. It was in accordance with this policy that we added a proviso to the Instrument of Accession of Kashmir.

We decided to send troops on the afternoon of 26 October. Srinagar was in peril and the situation was urgent and critical. Our staff worked hard that day and night, and at day-break on the 27th our troops went by air. They were small in numbers to begin with, but immediately on arrival they rushed into action to stop the invader. Their gallant Commander, a brave officer of our Army, was killed the next day.

Since then troops and equipment have been flown over daily, and I should like to express my high appreciation and the appreciation of my Government for the fine work which our staff have done, as well as the pilots and the air crews who have thrown themselves into this adventure with heart and soul. The airlines have co-operated with us fully and to them also I am grateful. Our young men have shown how they can rise to the occasion in a moment of crisis to serve their country.

Srinagar was in peril and the invader was almost on its doorstep. There was no administration left there, no troops, no police. Light and power had failed and there were a vast number of refugees there, and yet Srinagar functioned without obvious panic and the shops were opened and people went about the streets. To what was this miracle due? Sheikh Abdullah and his colleagues of the National Conference and their unarmed volunteers, Muslim and Hindu and Sikh, took

charge of the situation, kept order and prevented panic. It was a wonderful piece of work that they did at a moment when the nerves of most people might have failed them. They did so because of the strength of their organization, but even more so because they were determined to protect their country from the ruthless invader who was destroying their country and trying to compel them by terrorism to join Pakistan. Whatever the future may hold, the people of the Valley of Kashmir have exhibited during these past few days remarkable courage, capacity for organization and unity.

It would be well if this lesson was understood by the whole of India which has been poisoned by communal strife. Under the inspiration of a great leader, Sheikh Abdullah, the people of the Valley, Muslim and Hindu and Sikh, were together for the defence of their common country against the invader. Our troops could have done little without this popular support and co-operation.

The Maharaja of Kashmir deserves to be congratulated on his decision to make Sheikh Abdullah the head of the administration at this critical juncture. That was a wise step which other rulers might well follow—making their people trustees and defenders of freedom.

It must be remembered, therefore, that the struggle in Kashmir is a struggle of the people of Kashmir under popular leadership against the invader. Our troops are there to help in this struggle, and as soon as Kashmir is free from the invader, our troops will have no further necessity to remain there and the fate of Kashmir will be left in the hands of the people of Kashmir.

We have passed through days of peril not only for Kashmir but for the whole of India. That peril is less now, but it is by no means over and many dangers confront us. We have to be very vigilant and well prepared for whatever may happen. The first step in this preparation is to put an end completely to every manner of communal strife in India, and to stand up as a united nation to face every danger which might threaten our freedom. External danger can only be faced effectively when there is internal peace and order, and an organized nation.

We talk about the invaders and raiders in Kashmir, and yet these men are fully-armed and well-trained and have competent leadership. All of them have come across and from Pakistan territory. We have a right to ask the Pakistan Government how and why these people could come across the Frontier Province or West Punjab, and how they have been armed so effectively. Is this not a violation of International Law and an unfriendly act towards a neighbour country? Is the Pakistan Government too weak to prevent armies marching across its territory to invade another country, or is it willing that this should happen? There is no third alternative.

We have asked the Pakistan Government repeatedly to stop these raiders from coming, and to withdraw those who have come. It should be easy for them to stop them, for the roads into Kashmir are very few and have to pass over bridges. We on our part have no intention of using our troops in Kashmir when danger of invasion is passed.

We have declared that the fate of Kashmir is ultimately to be decided by the people. That pledge we have given, and the Maharaja has supported it, not only to the people of Kashmir but to the world. We will not, and cannot back out of it. We are prepared when peace and law and order have been established to have a referendum held under international auspices like the United Nations. We want it to be a fair and just reference to the people, and we shall accept their verdict. I can imagine no fairer and juster offer.

Meanwhile we have given our word to the people of Kashmir to protect them against the invader and we shall keep our pledge.

WPJK, pp. 52-5.

112 4 *November* 1947

SPEECH: PRIME MINISTER OF PAKISTAN

I am speaking to you tonight from my sick-bed. I wish to talk to you about Kashmir, because the affairs of Kashmir have reached a critical phase and have now assumed international importance, and because I know that Kashmir is uppermost in your mind as it is in mine.

In the exhilaration of self-styled gallantry and valour some erstwhile sympathisers of the oppressed people of Kashmir seem to have forgotten the history of this beautiful land. Let us, therefore, briefly recall it for their benefit.

This piece of God's earth along with the human beings inhabiting its hills and valleys was, under the infamous Amritsar Treaty, sold by the British to a Dogra chieftain for the paltry sum of Rs 75 lakhs.

The present Maharaja inherits the people of Kashmir from the forefathers as though they were so many cattle. It is this immoral and illegal ownership that the gallantry and valour of Indian troops is defending today by spilling the blood of the suppressed slaves who had been bartered away by the British.

During the past 100 years of Dogra rule, this highly gifted and most attractive race of Kashmiris has been dragged down to the lowest depths of misery. In recent years they have made many attempts to

fight for their freedom. Time and again they had been thwarted but time and again they have risen to defy tyranny.

The fight is not yet at an end. But I would like my listeners to know that today the people of Kashmir are fighting not only for their freedom, but also for their very existence. For their misfortunes have, in recent months, taken on a darker side. They have been caught in the meshes of a widespread plan for the extermination of Muslims. This plan has succeeded in Alwar, in Bharatpur, in Patiala, in Faridkot, and in Kapurthala. And all these you will note are States that have acceded to the Indian Union.

Only yesterday Muslims formed the majority of the population in Kapurthala. There are hardly any left there now. When we asked the Indian Government to protect the Muslims in these States, we were told that these events were the States' internal affairs and the Indian Government could not interfere. After the massacre of Muslims in East Punjab and the East Punjab States, the forces of annihilation turned to Jammu and Kashmir.

Towards the end of September the INA and the Rashtriya Sewak Sangh shifted their headquarters from Amritsar to Jammu, and thousands of Sikh refugees, so-called, began to infiltrate into Kashmir. These so-called Sikh refugees came from East and not West Punjab. They came armed with modern weapons and were provided with more weapons by the State authorities. They set about their foul business in Jammu and Poonch repeating the horrible drama that they had enacted in East Punjab and with the same type of characters playing the leading roles.

In the beginning of October, news of the bestial deeds perpetrated on the innocent people of Kashmir began to trickle through. In a short time the trickle became a torrent. Burning villages could be seen from the Murree Hills. Thousands of terror-stricken refugees poured into Pakistan.

It was at this stage that the people of Kashmir, in sheer desperation, turned on their oppressors. Kashmiris, and especially the inhabitants of Poonch, have many relatives in Hazara and in West Punjab. Consequently feelings in certain parts of Pakistan rose very high and some people from the North-West Frontier Province and the tribal area, stirred by the atrocities in Kashmir, rushed to the aid of their brethren. It is the oppressed, enslaved and entrapped people of Kashmir and their sympathisers, struggling for their freedom and now for their lives, whom the Indian Government is helping to wipe out. The declared object of the Indian Government is to strengthen the Maharaja's hands. How bloodstained these hands are is quite well-known to the leaders of India, even though they may choose to forget this fact now.

The stress had deliberately been shifted to the so-called raiders, as if the people of Kashmir themselves had suddenly slipped off their minds the memory of the century-old oppression, and had overnight become enamoured of, their tyrannical oppressors. To present the rebellion of an enslaved people to the world as an invasion from outside simply because some outsiders have shown active sympathy with it, is a dishonest rewriting of history.

Much has been made of modern arms that are alleged to have been used against the Army and a tall structure of insinuation and innuendo has been built on this detail. It is, however, forgotten that many of those who are fighting the invading troops of India come from the 60,000 ex-Army men of Poonch who are not incapable of capturing the arms of their enemy.

Let us, therefore, not be misled by the laboured picture, so elaborately drawn, of the ' gallant ' Indian Army saving the beautiful land of Kashmir and its people from invading hordes. It is not invading hordes but the patriots of Kashmir that the Indian Army is shooting and bombing. It is not Kashmir but a tottering despot that the Indian Government and their camp-followers are trying to save.

In his broadcast, the Prime Minister of India has been tilting at windmills. The armies of Pakistan have not marched into Kashmir as the armies of India, in one guise or another, marched into Junagadh and Manavadar when these States acceded to Pakistan. The Indian Government regarded the accession of Junagadh to Pakistan as a threat to their security.

The accession of Kashmir to India is a much greater threat to the security of Pakistan. We do not recognise this accession. The accession of Kashmir to India is a fraud, perpetrated on the people of Kashmir by its cowardly Ruler with the aggressive help of the Indian Government.

The release of Sheikh Abdullah who had been convicted of treason, and the continued imprisonment of Muslim Conference leaders who had been convicted of mere technical offences, is only a part of the conspiracy. When the history of this tragic episode comes to be written, it will reveal the treachery of many self-styled patriots and lovers of justice. But the patriots of Kashmir will sooner or later prick this bubble, no matter how strong the forces arrayed against them. Our heart goes out to them our brethren in this mortal struggle, for the choice before them now is freedom or death. If the plans of their enemies succeed, they will be exterminated as Muslims in various other parts of India have been exterminated. It is presumably after such extermination that the Indian Government propose that a referendum should be held. What use is a referendum after the voters have been driven away from their homes or silenced in death?

The world knows how we have consistently and repeatedly tried to reach a better understanding with the Kashmir Government. The Kashmir Government have ignored or rejected all these approaches. On 2 October I suggested to the Prime Minister of Kashmir that all questions outstanding between the two States, including that of supplies under the Standstill Agreement and mutual accusations of border raids, should be discussed by representatives of the two Governments. The Prime Minister of Kashmir replied that at the moment he was too busy to discuss these matters. Nevertheless we sent a representative to Srinagar to discuss these matters with the State. The Prime Minister, however, refused to hold discussions with him and he had to return.

On 14 October the Prime Minister of Kashmir in a telegram to me threatened that unless Pakistan agreed to an impartial inquiry he would be compelled to ask for outside assistance to withstand the unfriendly act of Pakistan people on his border. I at once accepted the proposal for an impartial inquiry, and asked the Prime Minister of Kashmir to nominate a representative for this purpose.

The Government of Kashmir have since made no further reference to this matter. On 20 October Mr Jinnah, in reply to a telegram from the Kashmir Government, called attention to the repeated attempts of Pakistan to improve its relations with Kashmir and asked the Prime Minister of Kashmir to come to Karachi and talk things over. No reply was sent to this request.

Mr Jinnah also pointed out that the threat to call in outside help amounted almost to an ultimatum, and showed that the real aim of the Kashmir Government's policy was to seek an opportunity to join the Indian Union by means of a *coup d'état.*

The refusal of the Kashmir Government to send a representative to discuss things and to nominate a representative for an impartial inquiry and their failure to reply to Mr Jinnah's invitation to the Prime Minister to come to Karachi, their deliberate causing of disturbances in their State by employing their troops to attack Muslims, the fact that by 9 a.m. on the morning of the day on which Kashmir's accession was accepted Indian airborne troops had landed in Srinagar, clearly show the existence of a plan for accession against the will of the people, possible only by occupation of the country by Indian troops.

Even though all sorts of accusations were made against Pakistan by the Kashmir Government (and it was to redress these alleged wrongs that the Indian Government claims to have sent military aid to the Kashmir Government) yet at no stage did the Indian Dominion ask the Pakistan Government about these accusations and allegations or try to find a solution of this problem by joint consultation. It was

only after India had accepted Kashmir's accession and sent forces into Kashmir that the Pakistan Government was informed of the action.

After the unwarranted occupation of Kashmir by the Indian Government, Mr Jinnah proposed that an immediate conference should be held in Lahore. It was to be attended by the Governors-General and the Prime Ministers of the two Dominions and the Maharaja and his Prime Minister. This invitation was accepted and the conference was to be held on 29 October. At the last minute the conference was postponed as Pandit Nehru fell ill. It was arranged then that the conference should be held on 1 November and attended by the Governors-General and the two Prime Ministers. This conference also did not take place because on the morning of 1 November, again at the last minute, we were informed that Pandit Nehru was not well enough to come to Lahore.

In this way the idea of the conference receded into the background so far as the Indian Dominion is concerned. If the Indian Government really wanted to discuss this most vital and urgent matter, surely the Deputy Prime Minister could have come in place of Pandit Nehru.

On 1 November, Lord Mountbatten came to Lahore alone to attend the meeting of the Joint Defence Council and took the opportunity to see Mr Jinnah. At this meeting certain suggestions were made to Lord Mountbatten, but no further communication has been received by me or Mr Jinnah from the Indian Government. Instead, Pandit Nehru has chosen to hurl across the world reckless accusations against the Pakistan Government, regardless of true facts. His broadcast was arranged after Lord Mountbatten's return to Delhi, and what the validity of his accusation is I have already told you. That is where the matter stands today. The issues are for you and the world to judge.

WPJK, pp. 56-60.

113 25 *November* 1947

SPEECH: PANDIT NEHRU

I am glad to have this opportunity of explaining to the House the course of events that have led to our intervention in Kashmir with the aid of armed forces, and the attitude of the Government of India to the grave problems that have arisen in that State.

The House is aware that on the lapse of Crown Paramountcy on 15 August, this year, Kashmir did not accede to either Dominion.

We were of course vitally interested in the decision that the State would take. Kashmir, because of her geographical position with her frontiers marching with three countries, namely, the Soviet Union, China and Afghanistan, is intimately connected with the security and international contacts of India. Economically also Kashmir is intimately related to India. The caravan trade routes from Central Asia to India pass through Kashmir State.

Nevertheless we did not put the slightest pressure on the State to accede to the Indian Dominion because we realised that Kashmir was in a very difficult position. We did not want a mere accession from the top but an association in accordance with the will of her people. Indeed we did not encourage any rapid decision. Even in regard to a Standstill Agreement no speedy steps were taken by us although the matter was under consideration, even though Kashmir had entered into a Standstill Agreement with Pakistan soon after 15 August.

We learnt later that serious external pressure was being applied on Kashmir by the Pakistan authorities' refusing to send to Kashmir supplies vital to the needs of the people, such as foodgrains, salt, sugar and petrol. Thus an attempt was being made to strangle Kashmir economically and thus force her to accede to Pakistan. This pressure was serious because it was not easy for Kashmir to obtain these essential supplies from India on account of the difficulty of communications.

In September news reached us that tribesmen of the North-West Frontier Province were being collected and sent to the Kashmir border. In the beginning of October events took a grave turn. Armed bands moved into Jammu Province from the neighbouring districts of West Punjab, committed serious acts of depredation on the local inhabitants, burnt villages and towns and put a large number of people to death. Refugees from these areas poured into Jammu.

On the Jammu side of the border the local inhabitants, who are chiefly Hindu and Rajput in that area, took retaliatory measures and drove out the Muslims living in those border villages. In these border conflicts a very large number of villages were destroyed or burnt by both parties on either side of the frontier.

The raiders from West Punjab into Jammu Province were increased in numbers and spread out over that province. The Kashmir State Army which had to meet these raids at numerous points soon found itself broken into small fragments and gradually ceased to be a fighting force. The raiders were highly organized, had competent officers and modern arms. They succeeded in occupying a considerable part of Jammu Province, more especially in the Poonch Area. Poonch Town, Mirpur, Kotli and some other places held out.

About this time the State authorities asked us to supply them with arms and ammunition. We agreed to do so in the normal course. But in fact no supply was made till events took a more serious turn. Even at this stage no mention was made of accession to India.

The leader of the popular organisation in Kashmir, Sheikh Mohammad Abdullah, President of the Kashmir National Conference, was released from prison during this period and we discussed the situation in Kashmir with him as well as with representatives of the Maharaja of Kashmir. We made it clear to both of them that while we would welcome the accession of Kashmir we did not want any hurried or forced accession and we would rather wait for the people to decide. Sheikh Abdullah was himself of this opinion.

On 24 October we heard that large armed bands consisting both of tribesmen from the Frontier and ex-servicemen had broken through Muzaffarabad and were marching to Srinagar. These raiders had crossed Pakistan territory and they were equipped with Bren Guns, Machine Guns, mortars and flame-throwers, and had at their disposal a large number of transport vehicles. They moved rapidly down the valley, sacking and burning and looting all along the way. We gave earnest consideration to this situation in our Defence Committee on 25 and 26 October. The position on the 26th morning was that the raiders were marching towards Srinagar and there was no military detachment capable of stopping them. They had been stopped for two days near Uri by the State forces under a gallant commander who raised this advance to the point of death. These two days thus gained were very valuable.

We were asked at this stage, both on behalf of the Maharaja and Sheikh Abdullah, to accept the accession of the State to the Indian Union and to intervene with the armed forces of the Union. An immediate decision was necessary, and in fact it is now clear that if we had delayed the decision even by 24 hours Srinagar would have fallen and would have suffered the tragic fate that befell Muzaffarabad, Baramulla and other places. It was clear to us that we could not possibly accept under any circumstances this ruin of Kashmir by brutal and irresponsible raiders. This would have been a surrender to frightfulness and fanaticism of the worst type and it would have had the most serious consequences all over India. To intervene at that stage was no easy matter and was full of risks and danger. Yet we decided to face this risk and intervene because any other course would have meant ruin to Kashmir and danger to India.

In accepting the accession, however, we made it perfectly clear to the Maharaja that his Government must be carried on in future according to the popular will and that Sheikh Abdullah should be

charged with the formation of an interim Government on the new model adopted in Mysore. Sheikh Abdullah, in our opinion, had undoubtedly the support of the large majority of the people of Kashmir, Muslims, Hindus and Sikhs. Further, we made it clear that as soon as law and order had been restored in Kashmir and her soil cleared of the invaders, the question of the State's accession should be settled by reference to the people.

I shall not detain the House by dealing with the course of the military campaign that followed. The facts are well-known and redound to the credit of our military organization, our troops and our airmen. It must be remembered also that our operations have been very largely based on air transport in difficult circumstances. Our civil airlines and their air crews functioned with remarkable success.

One fact, however, which contributed to our success at least as much as the military operations was the maintenance, under the leadership of Sheikh Abdullah, of the civil administration and the morale of the civil population. The civil population, completely unarmed, with the enemy within a few miles of the city, behaved in a manner which showed extraordinary courage and coolness. They did so because they had a great leader and because Hindus, Muslims and Sikhs all joined together under him to throw back the enemy and to save Kashmir, their common heritage. This fact is one of the most remarkable events of recent times in India and one from which the rest of the country may take a profitable lesson. It was certainly a factor of the most vital importance in the saving of Srinagar.

The present position is that our troops have relieved Poonch and are within 8 miles of Kotli. The terrain in which they are functioning is difficult and mountainous and the roads and approaches have been destroyed by the raiders. Progress is therefore slow. In this Poonch area occupied by the raiders, several massacres of the non-Muslim inhabitants have taken place involving large numbers of persons.

I should like to say here that certain events happened near Jammu early in November which I regret very deeply. The Muslim convoys of evacuees were being taken away from Jammu when they were attacked by non-Muslim refugees and others and a large number of casualties were inflicted. The troops escorting them did not play a creditable role. I might add that none of our troops were present or had anything to do with this. We have issued the most stringent orders to our troops to protect the people, to function with impartiality and indeed to make friends with the local population. I am glad to say that they have carried out these instructions.

The House is aware that the Pakistan Government has protested emphatically against our action in Kashmir. In doing so they have

used language which is not becoming in any government and have alleged fraud and conspiracy on our part. I need only say that I am completely convinced that every action that the Government of India have taken in regard to Kashmir has been straight and above board and I can defend it at any time before the world. We have indeed been over-scrupulous in this matter so that nothing may be done in the passion of the moment which might be wrong. The behaviour of our army has all along been good and worthy of our traditions.

I cannot say this of the Pakistan Government. Their case is that the genesis of the trouble was extensive killing of Muslims in Eastern Punjab and Kashmir and that the raid on Kashmir was a spontaneous reaction to this on the part of the tribesmen. I think this is completely untrue. I regret deeply that in parts of Jammu Province Muslims were killed and driven out. This of course had nothing to do with our government or our forces. But this mutual killing has been a very tragic feature during these past months in the Punjab, and Jammu was powerfully affected by this. We have sufficient evidence in our possession to demonstrate that the whole business of the Kashmir raids both in Jammu Province and in Kashmir proper was deliberately organised by high officials of the Pakistan Government. They helped the tribesmen and ex-servicemen to collect, they supplied them with implements of war, with lorries, with petrol, and with officers. They are continuing to do so. Indeed their high officials openly declare so. It is obvious that no large body of men could cross Pakistan territory in armed groups without the goodwill, connivance and active help of the authorities there. It is impossible to escape the conclusion that the raids on Kashmir were carefully planned and well-organized by the Pakistan authorities with the deliberate object of seizing the State by force and then declaring accession to Pakistan. This was an act of hostility not only to Kashmir but to the Indian Union. It is only necessary to see the semi-official organs of the Muslim League and the Pakistan Government to find out the attitude of that Government. If we had allowed this scheme to succeed, we would have been guilty of betrayal of the people of Kashmir and a grave dereliction of duty to India. The results of these on the communal and political situation all over India would have been disastrous.

The Pakistan Government have proposed a simultaneous withdrawal of our forces and the raiders from Kashmir. This was a strange proposal and could only mean that the raiders were there at the instance of the Pakistan Government. We cannot treat with freebooters who have murdered large numbers of people and tried to ruin Kashmir. They are not a State, although a State may be behind them. We have gone to Kashmir to protect the people and as soon as this duty is

discharged our forces need not remain there and we shall withdraw our forces. We cannot desert the people of Kashmir till danger is passed. If the Pakistan Government is sincere, they can stop the entry of these raiders and thus accelerate the return of peace and order. After that let the people of Kashmir decide and we shall accept their decision. But if this armed conflict continues, no opportunity is given for the people to decide by peaceful means and the decision gradually takes shape by the sacrifice and power of the people in this conflict.

In order to establish our bona fides we have suggested that when the people are given the chance to decide their future this should be done under the supervision of an impartial tribunal such as the United Nations Organisation.

The issue in Kashmir is whether violence and naked force should decide the future or the will of the people. The raiders, encouraged by Pakistan, have sought to enforce by the sword accession to Pakistan against the obvious wishes of large numbers of the people in Kashmir. We cannot permit a success of this method to achieve political ends. It is a tragedy that Pakistan should ally itself to such methods instead of devoting herself to the urgent tasks of economic and social reconstruction.

Kashmir has gone through fire and I am sure that the House would like me to communicate their sympathy to the people of Kashmir for the tribulation they have been going through in recent weeks. This fair land which nature has made so lovely has been desecrated by people who have indulged in murder, arson, loot and foul attacks on women and children. The people have suffered greatly from shortage of the most vital necessities of life and yet, under the inspiring lead of Sheikh Abdullah, they have stood together in the hour of calamity and showed to the rest of India an example of what communal unity can achieve. Whatever the future may hold, this chapter in the history of Kashmir will be worth reading and we shall never regret that in their hour of distress we have been able to be of assistance to this gallant people. Kashmir and India have been bound together in many ways from ages past. These last few weeks have forged a new link which none can sunder.

WPJK, pp. 68-71.

114 12 *December* 1947

PRIME MINISTER, INDIA, TO PRIME MINISTER, PAKISTAN

(1) Ever since my return from Lahore, I have given the most earnest thought to the settlement of all outstanding matters in dispute between

India and Pakistan. My colleagues share my desire for such a settlement which is essential for the well-being of both India and Pakistan. It is our good fortune that agreements have already been arrived at in regard for many matters in controversy. But you will appreciate that it is difficult to make any progress if conflict and suspicion continue between the two countries. Such conflict is likely to affect all our other relations and may lead to a deterioration of the situation.

(2) The major cause of this conflict at present is Kashmir. We have discussed this matter with you at great length without resolving our differences or finding a way out of the impasse. I need not reiterate the arguments which have been repeatedly advanced in support of our position. You are fuliy seized of them.

(3) We have given further thought, in the light of our discussion in Lahore, to the question of inviting the United Nations to advise us in this matter. While we are prepared to invite UN observers to come here and advise us as to the proposed plebiscite, it is not clear in what other capacity the United Nations' help can be sought. According to your own declaration to us, you are not parties to the present struggle in Kashmir. We cannot treat with irregular invaders as a State. No Government can deal with such raids which have brought death and destruction to Kashmir, except through military means. We owe an obligation to the people of Kashmir to restore peaceful and normal conditions and we have pledged ourselves to this end. We would gladly co-operate in an attempt to restore peace by settlement.

(4) I trust that you will appreciate the logic and reasonableness of our position and our earnest desire to find a solution which is honourable to all concerned. I hope to meet you when you visit Delhi on 22 December to attend the next meeting of the Joint Defence Council and to discuss this matter further with you. I confess, however, that I find myself unable to suggest anything beyond what I have offered already, namely, to ask the UNO to send impartial observers to advise us regarding the plebiscite.

I hope that your health continues to improve.

WPJK, p. 73.

115 16 *December* 1947

PRIME MINISTER, PAKISTAN, TO PRIME MINISTER, INDIA

Your telegram dated 12 December.

As you know I am most desirous for a settlement of all matters in dispute between India and Pakistan. So are my colleagues. And I

agree with you that major issue outstanding between the two Dominions is Kashmir and as I pointed out before also Junagadh. During our discussions in Delhi and Lahore I explained to you how vital a place Kashmir occupies in relation to Pakistan. The security of Pakistan is bound up with that of Kashmir, and ties of religion, cultural affinity and economic interdependence bind the two together still closer. The security and well-being of people of Kashmir is of highest importance to people of Pakistan. We are therefore vitally interested in peaceful and honourable conditions for people of Kashmir so that freed from all pressure, external or internal, they might of their own free will decide to which Dominion they wish to accede. The test of any course of action would therefore be whether it leads to creation of conditions in which a really free plebiscite can be held. To my mind, the problem can only be solved by an act of statesmanship in the light of basic realities of situation and not by legal disputations as to how Pakistan is party to dispute or how UNO can be brought in. I hope when we meet on 22 December we shall be able to discuss matter in this spirit.

Many thanks for your enquiry about my health. I am feeling better now.

WPJK, pp. 73-4.

116 22 *December* 1947

PRIME MINISTER, INDIA, TO PRIME MINISTER, PAKISTAN

(1) On various occasions, I have drawn your attention to the aid which the raiders into Kashmir State are deriving from Pakistan. They have free transit through Pakistan territory. They are operating against Kashmir from bases in Pakistan. Their modern military equipment could only have been obtained from Pakistan sources; mortars, artillery and Mark V mines are not normally the kind of armament which tribesmen possess. Motor transport, which the raiders have been using, and the petrol required for it, could also be obtained in Pakistan only. Food and other supplies are also secured from Pakistan; indeed, we have reliable reports that the raiders get their rations from military messes in Pakistan. According to our information, large numbers of these raiders are receiving military training in Pakistan, which could only be under officers of the Pakistan Army.

(2) The forms of aid, enumerated in the preceding paragraph, which the raiders are receiving, constitute an act of aggression against

India because they are being used against a State which has acceded to the Indian Dominion. The Government of India, while protesting against the action of the Pakistan Government in furnishing or allowing such assistance to be furnished, and urging that the Pakistan Government should stop such help and at least urge the raiders to withdraw, has so far taken no action itself which might involve entry by Indian forces into Pakistan territory. They have been hoping, all these weeks, though with diminishing hope, that the Pakistan Government themselves would put a stop to aid to the raiders which is of the nature of help to India's enemies. Since protests have failed to bear fruit, the Government of India now formally ask the Government of Pakistan to deny to the raiders:

(i) All access to and use of Pakistan territory for operations against Kashmir;

(ii) all military and other supplies;

(iii) all other kinds of aid that might tend to prolong the present struggle.

(3) The Government of India have always desired and still earnestly desire to live on terms of friendship with Pakistan. They sincerely hope that the request which they have now formally made will be acceded to promptly and without reserve. Failing such response, they will be compelled to take such action, consistently with the provisions of the United Nations Charter, as they may consider necessary to protect their interests, and to discharge their obligations to the Government and people of Kashmir.

WPJK, pp. 74-5.

117 30 *December* 1947

PRIME MINISTER, PAKISTAN, TO PRIME MINISTER, INDIA

(1) Please refer to your demi-official letter, dated the 22nd December, in which you have brought formal charges against the Pakistan Government for aiding and abetting the so-called 'invaders' of Kashmir in their fight against the forces of the Maharaja and of the Indian Dominion.

(2) Despite the ominous hint contained in paragraph three, I trust I am right in assuming that your letter is not an 'Ultimatum' but a forerunner of a formal reference of the matter to the UNO. If so, nothing could be more welcome, for, you will recollect, this is exactly what the Pakistan Government has been suggesting throughout

as the most effective method of ironing out our mutual differences. I am therefore sincerely glad to find that you propose at last to adopt this particular line of approach to our problems.

(3) I must, however, confess my disappointment that your proposal apparently restricts the reference to the single issue of Kashmir. The episode of Kashmir considered by itself would look like a sentence torn out of its context. It is but an act in the unparalleled tragedy which is being enacted before our eyes ever since the announcement of the scheme of partition. A reference to the UNO therefore in my opinion must cover much larger ground and embrace all the fundamentals of the differences between the two Dominions. As I see it, it is neither Kashmir alone nor Junagadh and Manavadar, nor even the terrible tragedy of wholesale massacres of Muslim men, women and children in extensive areas of the Indian Dominion, but a totality of these horrors and iniquities, indicating but one consistent, sinister pattern which should rightly form the subject matter of international investigation. If the root causes of the evil which is vitiating our relations are not determined and removed it is much to be feared that fresh incidents will continue to threaten the peace not only between the two Dominions, but in a much wider field.

(4) The case of Kashmir is simple and our attitude has been explained frankly and repeatedly both in our communications to you and our official statements to the press. The Pakistan Government has not accepted and cannot accept the so-called ' accession ' of the Jammu and Kashmir State to India. We have said it before and repeat that the ' accession ' was fraudulent inasmuch as it was achieved by deliberately creating certain conditions, with the object of finding an excuse to stage the ' accession '. It was based on violence because it furthered the plan of the Kashmir Government to liquidate the Muslim population of the State. The accession was against the well-known will of an overwhelming majority of the population and could not be justified on any grounds whether moral or constitutional, geographical or economic, cultural or religious.

(5) The sole responsibility for the disturbances which occurred in the State must squarely lie on the Maharaja and his Government who, despite the advice tendered by the Pakistan Government, persisted in their policy of repression of Muslims. Repression was followed by resistance, particularly in the area of Poonch which is inhabited by a large number of ex-soldiers. The resistance in its turn was met with more repression till the Dogra savagery supported by the brutality of Sikh and Rashtriya Sewak Sangh bands created a reign of terror in the State. This state of affairs naturally aroused strong feelings of sympathy throughout Pakistan, particularly among the Muslims

living in the contiguous areas who had numerous ties of relationship with the persecuted people of the State. Some of these people went across to assist their kinsmen in their struggle for freedom and indeed for existence itself. The stage was thus set for the pre-planned intervention by the forces of the Indian Dominion to quell this spontaneous popular rising against the culmination of the age-long tyranny of the Dogra rule. The repeated warnings of the Pakistan Government went unheeded. This hasty and ill-advised action completely changed the picture and the Frontier tribesmen, a ferociously freedom-loving people, naturally took up the challenge in support of their Kashmiri co-religionists fighting for their survival and liberation. If the Government of India had extended to the Pakistan Government the courtesy of consulting it before embarking on its enterprise and suddenly landing troops in Kashmir, or even notifying Pakistan of its proposed action, thus providing an opportunity for discussion and consultation, it might have been possible to avert the tragedy of Kashmir. The action of the Government of India served to swell the torrent of popular resentment until it became impossible for the Pakistan Government to stem it without embarking on large-scale military operations.

(6) As regards the charges of aid and assistance to the ' invaders ' by the Pakistan Government we emphatically repudiate them. On the contrary, and solely with the object of maintaining friendly relations between the two Dominions, the Pakistan Government have continued to do all in their power to discourage the tribal movements by all means short of war. This has caused bitter resentment throughout the country, but despite a very serious risk of large-scale internal disturbances the Pakistan Government has not deviated from the policy.

In view of this background it would not be surprising if some nationals of Pakistan were taking part in the struggle for the liberation of Kashmir along with the forces of the Azad Kashmir Government. You must have already heard of an International Brigade composed of representatives of many nations in the world who are likewise fighting on the side of the Azad Kashmir Government. In regard to the modern military equipment that you allege to be in the possession of the Azad Kashmir forces, our information is that these forces are poorly equipped and such few modern weapons as they might possess have either been captured from the Dogra and Indian troops or have been in the possession of the ex-soldiers of Poonch since the days of the British. As you know there are large numbers of Poonchis in the Pakistan Army and if some of them while on leave in their homes rendered assistance to their kith and kin in defence of their hearths and homes, it is scarcely to be wondered at.

(7) On the contrary, it is the Indian Government which must answer the charge of conspiracy with the Maharaja of Kashmir in repudiation of the very principles on which it had only one month before opposed Junagadh's accession to Pakistan. The plea that the accession is only temporary pending restoration of peaceful conditions is too flimsy to stand examination, particularly in the light of recent negotiations in the course of which a perfectly fair and workable plan of withdrawal of opposing forces followed by a referendum under impartial aegis, suggested by us, was turned down by your Government. But all this fits in with the general 'pattern' of the India Government's political attitude towards Pakistan ever since it became evident that Partition was the only possible solution of our constitutional problems.

(8) The story begins as early as the middle of 1946, following the demonstration of Muslim solidarity throughout the country after the last provincial elections. It became clear that Pakistan was the unalterable goal of the Muslims. The inevitability of the partition of the country which now became evident to all gave rise to a wave of deep resentment among the Hindu and Sikh population of the sub-continent. As a direct result of this, severe communal rioting occurred in several towns and provinces of India such as Calcutta, Noakhali, Bihar, Bombay, Garhmukteshwar, Rawalpindi, Lahore and Amritsar. Such communal strife had not been unknown previously, but what was astonishing was the unprecedented scale of killings that took place in Bihar and Garhmukteshwar, proving beyond doubt the existence of a well-settled plan of extermination of the Muslims. It was during these disturbances that the Rashtriya Sewak Sangh came to be known as the author of some of the most brutal massacres. The orgy of blood, however, died down in due course, but, as later events proved, only temporarily.

(9) The political activity which took place in the early part of 1947 produced a lull, but soon after the Partition plan was announced on 3 June 1947, clear indications began to be received that the country was going to be plunged into a blood bath by the fanatical Sikhs and the militant Hindu groups headed by the Rashtriya Sewak Sangh who had made no secret of their opposition to the Partition scheme, in spite of its being accepted by the representatives of all the three major communities.

(10) The process of Partition itself was marked by all manner of obstructions aimed at depriving Pakistan of its rightful share of financial and other assets. Even in cases in which agreement was reached the implementation was delayed or sabotaged.

(11) At this stage the main chain of events which eventually brought untold suffering to millions of people of East Punjab, Rajputana

and the United Provinces was set in motion with a carefully prepared attack on a special train carrying Pakistan Government employees and their families from Delhi to Karachi on 9 August 1947. As the plan unfolded itself, it became clear that the Sikhs, encouraged and actively assisted by the Hindus, had determined to liquidate by violent and bloody means the entire Muslim population of East Punjab. The object of the plan was to kill or drive out Mussalmans in order to settle the Sikh population which was being pulled out of West Punjab under a planned scheme. The *modus operandi* was to disarm the Muslim population and then to leave it at the mercy of armed bands who were actively assisted by the army and the police. There is abundant evidence that this plan had the full support and active assistance not only of the officers of the Provincial Government but also of the Sikh States such as Patiala, Kapurthala, and Faridkot. Alwar and Bharatpur had already set the example in eliminating their entire Muslim population, but they were soon outdone. Kapurthala, which like Kashmir was a Muslim-majority State, has today not a single Muslim left. Similarly large tracts of Muslim-majority areas which under the Boundary Award had been most unjustly included in East Punjab were depopulated. The whole country was ravaged by fire and sword, vast numbers were butchered and countless women were abducted. Indeed decency forbids mention of some crimes committed against women. Millions were forcibly and ruthlessly driven out of their homes. The process went on sector by sector and culminated in the tragedy that was enacted in Delhi, the capital of India. According to the Government of India itself, there was a complete breakdown of administration for a number of days. The destruction and desecration of mosques, tombs and holy places and forcible conversions on a mass scale were special features of these happenings.

(12) This plan of liquidation of the Muslim population is still proceeding despite the pious professions of the Government of India. The latest example of this is provided by the happenings in the holy city of Ajmer. The Government of Pakistan find it difficult to believe that under the circumstances the Government of India are innocent of all complicity in this vast scheme of ' genocide ' started by the Sikhs and Hindus and encouraged and supported by persons in authority as a means of destroying the newly created State of Pakistan. The Mussalmans of India are being subjected to calculated insults and humiliations. All sorts of tests of loyalty are being demanded from them. The one on which particular emphasis is laid is that they should denounce Pakistan and try to undo the Partition and express their readiness to fight Pakistan on the side of India in the event of war between the two Dominions. It is a matter for deep regret that even

today responsible members of the Government of India, including yourself, openly declare their intention or hope of bringing Pakistan back into the Indian Union, well knowing that this can be done only through conquest by arms. Such an attitude can only mean that Hindu and Sikh leaders, while giving their agreement to the Partition plan, did so without any intention of permitting its implementation and, further, that India is determined to undo the settlement by all means available at its disposal. In other words Pakistan's very existence is the chief *casus belli* so far as India is concerned. It is this impossible position which manifests itself time and again in all of India's dealings with Pakistan, whether political, economic or financial and unless an effective remedy is found, it is difficult to see how a direct clash can be avoided with the best will in the world.

(13) The events which took place following the announcement of the accession of Junagadh and Manavadar States to Pakistan lend further support to the contention of the Pakistan Government that the Government of India intend by all possible means at their disposal to destroy Pakistan.

In accordance with the agreed scheme of Partition and the Indian Independence Act, 1947, Indian States were under no compulsion to join either of the two Dominions. Notwithstanding this clear provision, the Government of India, by a combination of threats and cajolery, forced a number of States into acceding to the Indian Union. The Rulers of Junagadh and Manavadar were similarly threatened with dire consequences but they stood firm and exercised their right of joining Pakistan in preference to India. This was the signal for India to launch with full force her attack, using every possible weapon in order to force the States against their will, to change their affiliation. Protests were made to the Pakistan Government, pointing out that a State which had a Hindu-majority population could not accede to Pakistan, as the country had been divided on a communal basis. Another reason given was that Junagadh was not physically contiguous to Pakistan and that its accession to Pakistan was calculated to cause disruption in the integrity of India. Simultaneously with these protests, the Government of India put large bodies of Indian troops on the borders of Junagadh and encouraged the neighbouring Hindu States, which had acceded to India, to do likewise. In clear violation of the Standstill Agreement, the Junagadh State was subjected to an economic blockade involving stoppage of all vital supplies, including food, cloth and coal, into the State territory. Lines of communication, including railway and telegraph, were operated in such a manner that it became impossible for the State or the Muslim population of Junagadh to communicate with the outside world. A strong press-campaign,

calculated to destroy the morale of the State administration and to create panic among the population, was launched both inside and outside the State.

Another line of attack was adopted by setting up the so-called ' Provisional Government ' with headquarters first at Bombay and later at Rajkot, which claimed the right to liberate the non-Muslim population of the Junagadh State. The so-called ' Azad Fauj ' of the ' Provisional Government ' was created and armed by the officers of the Indian Dominion. The ' Provisional Government ' not only proceeded to seize by force State property in Rajkot, but by methods of sheer ' gangsterism ' created conditions in which it became impossible for the State administration to function. At this point the Government of India sent its troops and occupied the State under the plea of an alleged ' invitation ' by the Dewan. Since then an orgy of murder, arson, rape and loot has been let loose in Kathiawar by the military forces of India in exactly the same manner as in Northern India and hundreds of thousands of Muslims have had to flee from the State. According to newspaper reports, Mr Samaldas Gandhi, the head of the so-called provisional government, has openly thanked a member of your government for all the assistance received. All this was done in sheer disregard of the international code of conduct and ordinary neighbourly decency. In the interest of peace between the two Dominions Pakistan refrained from sending a single soldier to Junagadh. Occupation by force of Junagadh, which is Pakistan territory, is a clear act of aggression against Pakistan.

(14) In the case of Manavadar even the thin camouflage of a semblance of justification was not considered necessary and the State was taken under military occupation without the slightest explanation being given. A similar fate befell the Talukdari States of Sardargarh Bantva, Sultanabad and Mangrol. The unfortunate rulers of some of these States have been kept in detention and have been subjected to considerable pressure to wean them from their affiliation to Pakistan.

(15) This brief account of India's dealings with a friendly State can leave no doubt in the mind of any impartial person that the new India does not feel herself bound by any moral or international code of rules. The military *coup d'etat* by which the occupation of Junagadh and Manavadar and other States was achieved is of one piece with the general scheme of destroying the integrity and the very existence of Pakistan to which reference has been made. We have formally drawn your attention to the various acts of hostility culminating in actual seizure of Pakistan territory by the India Government in Junagadh, but have not received even the courtesy of a reply. Perhaps, now that you propose to take the case of Kashmir to the UNO, you

would be good enough to let us know why in spite of our clear request you have not withdrawn from the territories of Junagadh, Manavadar and Mangrol, etc.?

In this connection it is of interest to note that the arguments advanced by India for refusing to accept the accession of Junagadh to Pakistan have been conveniently and completely ignored in connection with the accession of Kashmir to the Indian Dominion. This again is fully in keeping with the general political attitude of India towards Pakistan.

(16) These are not the only examples of aggression against Pakistan territory. Numerous raids by armed bands, assisted by the police and military, have taken place across the border into Pakistan. The Royal Indian Air Force have made repeated attacks on Pakistan territory causing damage to life and property.

(17) Another illustration of the same attitude is provided by the refusal of the India Government to implement the recent financial agreement of all outstanding cases which had been referred to the Arbitral Tribunal. The India Government is deliberately withholding the payment of rupees fifty-five crores of the cash balances which is the legal due of the Pakistan Government according to this agreement. This is the latest manifestation of their desire to strangle Pakistan financially and economically which characterized the Partition proceedings. In the case of military stores there has been a similar refusal to implement the agreement. The Supreme Commander, who was appointed as a neutral authority under the Joint Defence Council to carry into effect the partition of the armed forces and military stores, was forced, despite the protestations of the Pakistan Government, to leave by your government long before he could complete his task. At the time this was done the Indian representatives on the Joint Defence Council pledged the word of the India Cabinet that Pakistan would receive her due share of military shares. This pledge like other similar pledges of the India Government has not been honoured and the slight trickle of military stores to Pakistan shows signs of stopping altogether.

(18) To sum up, our counter-charges against the Dominion of India are as follows:

(i) That India has never wholeheartedly accepted the Partition scheme but her leaders paid lip service to it merely in order to get the British troops out of the country;

(ii) That India is out to destroy the State of Pakistan which her leaders persistently continue to regard as part of India itself;

(iii) That the systematic sabotage against the implementation of Partition, the stoppage of such essential requirements as coal and rail transport, the deliberate withholding of Pakistan's share of funds

and arms and equipment, the wholesale massacres of Muslim population are all designed towards one aim, namely, the destruction of Pakistan;

(iv) That India's forcible occupation of Junagadh, Manavadar and other States in Kathiawar which had acceded to Pakistan, as well as the fraudulent procurement of the accession of Jammu and Kashmir State are acts of hostility against Pakistan whose destruction is India's immediate objective.

(19) I however note with pleasure your assurance that the Government of India have always desired and still earnestly desire to live on terms of friendship with Pakistan. On behalf of the Pakistan Government I fully and sincerely reciprocate this desire. I am constrained, however, to observe that the Government of India have at no stage afforded any practical proof of their desire to live on terms of friendship with Pakistan, more particularly in the case of Junagadh and Kashmir. On my side I can assure you that the earnest desire of the Government of Pakistan to live on terms of friendship with India has in many instances restrained the Government of Pakistan from taking action which would not only have been legally justifiable, but was in several instances urgently called for, and yet was not adopted in the hope that the attitude of the Government of India might even during these later stages be more favourably affected towards Pakistan. I find it more and more difficult to persuade myself to continue to entertain that hope. The course of events, very briefly set out above, would normally have been treated as a chain of aggression justifying extreme action on the part of the aggrieved Government. Now that your letter of 22 December 1947 has indicated an intention on the part of the Government of India to invite the intervention of the United Nations, a course which the Pakistan Government has so far ineffectively suggested to the Government of India, for the resolving of their differences, I have taken this opportunity to invite your attention to the main heads of the differences between the two Governments that stand in the way of an amicable adjustment of our relations. It is my most earnest hope that these differences may be speedily composed and that our relations will thereafter ever continue to be on the most cordial, co-operative and friendly basis. I trust you will agree that the intervention of the United Nations, whatever form it is to take, should be invited in respect of all these matters, so that all pending differences may be speedily resolved.

WPJK, pp. 80-6.

118 5 *February* 1948

SPEECH: SHEIKH ABDULLAH, PRIME MINISTER, JAMMU AND KASHMIR (EXTRACT)

... We have been fighting against the maladministration of that State since 1931: we have been demanding democratization of the Government there. But how is it that today Pakistan has become the champion of our liberty? I know very well that in 1946, when I raised the cry of ' Quit Kashmir ', the leader of the Pakistan Government, who is the Governor-General now, Mr Mohammad Ali Jinnah, opposed my movement, declaring that this movement was a movement of a few renegades and that Muslims as such had nothing to do with the movement.

The Muslim Conference, which has been talked about so much, opposed my movement and declared its loyalty to the Prince. The representative of Pakistan now says that Sheikh Abdullah, once the supporter of ' Quit Kashmir ', has joined hands with the Maharaja of Kashmir, and that in one of my public speeches I had declared that I wanted the Maharaja to be the ruler of both Jammu and Kashmir, not the Ruler of Jammu only.

My speech has been misquoted and I should like to correct it. I did deliver that speech in Jammu, which is the winter capital of the State, but it was in a different context. As the members of the Security Council have already heard from the head of my delegation, some massacres did occur in the Jammu Province. After the Kashmir Province was raided by the tribesmen, and after thousands of Hindus and Sikhs were uprooted from the villages and towns in the Kashmir Province and found their way into the Jammu Province, there was some very bad retaliation. I could not go to Jammu Province to control that situation, because I was busy with the raiders in Kashmir Province. However, as soon as I had some time, I flew down to Jammu Province, addressed a gathering of 60,000 Hindus and Sikhs in Jammu City, and gave them some plain advice.

I told them clearly that this policy of retaliation would bring no good to them as Hindus and Sikhs and would bring no good to their leader, because while they could retaliate in one or two districts where they formed the majority, and could even wipe out the Muslim population in these one or two districts, the State happens to have a population which is 80 per cent Muslim and it would be impossible for them to wipe out the entire Muslim population. The result would be that the Prince, whom they wanted to support, would remain the Prince of only two districts, and not of the entire State of Jammu and Kashmir.

I told them that, if they wanted him to be Prince of Jammu and Kashmir, they would have to change their behaviour.

That was the speech I delivered, and that was the context in which it was made. However, I have already stated how this trouble started. It is probable that the representative of Pakistan would admit that, when India was divided into two parts, my colleagues and I were all behind prison bars. The result of this division of India was to start massacres on either side. Where Muslims in West Punjab formed the majority, the killing of Hindus and Sikhs started, and this was retaliated to in East Punjab. All along our border, massacres of Hindus and Sikhs, on the one hand, and Muslims, on the other hand, were a daily occurrence. But the State of Jammu and Kashmir, and its people, kept calm. The result was that thousands of refugees, both Muslims and Hindus, sought refuge in our State and we rendered every possible help to all of them.

Why was that so? It was because my organization and I never believed in the formula that Muslims and Hindus form separate nations. We did not believe in the two-nation theory, nor in communal hatred or communalism itself. We believed that religion had no place in politics. Therefore, when we launched our movement of ' Quit Kashmir ' it was not only Muslims who suffered, but our Hindu and Sikh comrades as well. That created a strong bond of unity between all the communities, and the result was that while Hindus, Sikhs and Muslims were fighting each other all along the border, the people of Jammu and Kashmir State, Muslim, Hindu and Sikh alike, remained calm.

The situation was worsening day by day and the minority in our State was feeling very nervous. As a result, tremendous pressure was brought to bear upon the State administration to release me and my colleagues. The situation outside demanded the release of workers of the National Conference, along with its leader, and we were accordingly set free.

Immediately following our liberation from the prison, we were faced with the important question of whether Kashmir should accede to Pakistan, accede to India, or remain independent, because under the partition scheme these three choices were open to us as, indeed, they were open to every Indian State. The problem was a very difficult one, but I advised the people of my country that although the question was very important, to us it was of secondary consideration. The all important matter for us was our own liberation from the autocratic rule of the Prince, for which we were fighting and had been fighting for the past 17 years.

We had not achieved that goal, and therefore I told my people that we must do so first. Then, as free men, we should have to decide

where our interests lay. Being a frontier State, Jammu and Kashmir borders touch both Pakistan and India, and there are advantages and disadvantages for the people of Kashmir attached to each of the three alternatives to which I have referred.

Naturally, as I have indicated, we could not decide this all important issue before achieving our own liberation, and our slogan became ' Freedom before Accession '. Some friends from Pakistan met me in Srinagar. I had a heart-to-heart discussion with them and explained my point of view. I told them in plain words that, *whatever had been the attitude of Pakistan towards our freedom movement in the past, it would not influence us in our judgment. Neither the friendship of Pandit Jawaharlal Nehru and of the Congress nor their support of our freedom movement would have any influence upon our decision if we felt that the interests of four million Kashmiris lay in our accession to Pakistan.*

I requested them not to precipitate this decision upon us, but to allow us time, supporting our freedom movement. I added that once we were free they should allow us an interval to consider the question of accession. I pointed out that India had accepted this point of view and was not forcing us to decide. We had, in fact, entered into a Standstill Agreement with both Pakistan and India, but the leader of the Indian delegation has already explained to the Security Council what Pakistan did to us.

While I was engaged in these conversations and negotiations with friends from Pakistan, I sent one of my colleagues to Lahore, where he met the Prime Minister of Pakistan, Mr Liaquat Ali Khan, and other high dignitaries of the West Punjab Government. He placed the same point of view before them and requested that they should allow us time to consider this vital question, first helping us to achieve our liberation instead of forcing us to declare our decision one way or the other. Then, one fine morning while these negotiations were proceeding, I received news that a full-fledged attack had been launched by the raiders on Muzaffarabad, a frontier town in the Kashmir Province.

The representative of Pakistan has stated that immediately upon my release I went down to Delhi to negotiate the accession of Kashmir to India. That is not a fact. He probably does not know that while in gaol I was elected President of the All-India States People's Conference, and that immediately upon my release I had to take up my duties. Accordingly, I had called a meeting of the executive of that Conference in Delhi, a fact which I had conveyed to the Prime Minister of Pakistan. Indeed, I had told the Prime Minister of Pakistan that immediately upon my return from Delhi I should take the opportunity of meeting him personally to discuss my point of view with him. I did not go to

Delhi to conclude any agreement on behalf of Kashmir because, although released, I was still considered a rebel.

I might inform the representative of Pakistan that although I am beyond doubt the head of the administration of Kashmir State, I am not the Prime Minister. I am head of the emergency administration, and that not because the Maharaja of Kashmir wished it. In fact, I do not know whether the Maharaja wishes it even now. I hold the position because the people of my country wish me to be at the helm of affairs in Jammu and Kashmir State.

When the raiders came to our land, massacred thousands of people—mostly Hindus and Sikhs, but Muslims too—abducted thousands of girls, Hindu, Sikh and Muslim alike, looted our property and almost reached the gates of our summer capital, Srinagar, the result was that the civil, military and police administrations failed.

The Maharaja, in the dead of night, left the capital along with his courtiers, and the result was absolute panic. There was no one to take over control. In that hour of crisis, the National Conference came forward with its 10,000 volunteers and took over the administration of the country. They started guarding the banks, offices and houses of every person in the capital. This is the manner in which the administration changed hands. We were *de facto* in charge of the administration. The Maharaja, later on, gave it a legal form.

It is said that Sheikh Abdullah is a friend of Pandit Jawaharlal Nehru. Yes, I admit that. I feel honoured that such a great man claims me as his friend. And he happens to belong to my own country; he is also a Kashmiri. Blood is thicker than water. If Jawaharlal gives me that honour, I cannot help it. He is my friend.

But that does not mean that because of his friendship I am going to betray the millions of my people who have suffered along with me for the last seventeen years and sacrifice the interests of my country. I am not a man of that calibre . . . .

Security Council Official Records, Third Year, Nos. 16-35, pp. 18-21.

119 5 *March* 1948

PROCLAMATION: MAHARAJA, JAMMU AND KASHMIR

In accordance with the traditions of my dynasty I have, from time to time, provided for increasing association of my people with the administration of the State with the object of realising the goal of full

responsible government at as early a date as possible and in pursuance of that object have, by the Jammu and Kashmir Constitution Act of 1996[1] (XIV of 1996) established a constitutional government with a Council of Ministers, a Legislature with a majority of elected members and an Independent Judiciary;

I have noted with gratification and pride the progress so far made and the legitimate desire of my people for the immediate establishment of a fully democratic constitution based on adult franchise with a hereditary Ruler from my dynasty as the constitutional head of an Executive responsible to the Legislature;

I have already appointed the popular leader of my people, Sheikh Mohammad Abdullah, as the Head of the Emergency Administration;

It is now my desire to replace the Emergency Administration by a popular Interim Government and to provide for its powers, duties and functions, pending the framing of a fully democratic Constitution;

I accordingly hereby ordain as follows:

(1) My Council of Ministers shall consist of the Prime Minister and such other Ministers as may be appointed on the advice of the Prime Minister. I have by Royal Warrant appointed Sheikh Mohammad Abdullah as the Prime Minister with effect from the 1st day of March 1948.

(2) The Prime Minister and other Ministers shall function as a Cabinet and act on the principle of joint responsibility. A Dewan appointed by me shall also be a member of the Cabinet.

(3) I take this opportunity of giving once again a solemn assurance that all sections of my people will have opportunities of service, both civil and military, solely on the basis of their merits and irrespective of creed or community.

(4) My Council of Ministers shall take appropriate steps, as soon as restoration of normal conditions has been completed, to convene a National Assembly based upon Adult suffrage, having due regard to the principle that the number of representatives from each voting area should, as far as practicable, be proportionate to the population of that area.

(5) The Constitution to be framed by the National Assembly shall provide adequate safeguards for the minorities and contain appropriate provisions guaranteeing freedom of conscience, freedom of speech and freedom of assembly;

(6) The National Assembly shall, as soon as the work of framing the new constitution is completed, submit it through the Council of Ministers for my acceptance.

[1] This year is according to the Hindu *Vikrami* era.

(7) In conclusion I repeat the hope that the formation of a popular Interim Government and the inauguration, in the near future, of a fully democratic Constitution will ensure the contentment, happiness and the moral and material advancement of my beloved people.

ORCA(L)D, 1948 Vol. III, p. 1656.

120 1 *January* 1949

INDIAN GOVERNMENT COMMUNIQUÉ

Recently, Dr Alfredo Lozano, a member of the UN Commission for India and Pakistan, accompanied by M Samper, his alternate, and Dr Erik Colban, Personal Representative of the Secretary-General of the United Nations, visited New Delhi and Karachi to discuss with the two Governments certain proposals to supplement Part III of the Commission's Resolution of 13 August 1948. These proposals dealt with certain principles to govern the holding of a plebiscite in Jammu and Kashmir after normal conditions had been restored. The Commission felt that the acceptance of these proposals by both Governments would enable the implementation, without delay, of Parts I and II of the Commission's Resolution of 13 August 1948. Dr Lozano's mission succeeded and he returned to New York on 26 December to report to the Commission, which is due to meet again on 3 January.

The Commission's announcement of its latest proposals should shortly be forthcoming. In view, however, of the fact that, with the acceptance of these proposals, there remained no reason for a continuation of hostilities until the Commission's formal announcement, the Government of India authorised their Commander-in-Chief, General Sir Roy Bucher, to inform General Sir Douglas Gracey, Commander-in-Chief, Pakistan, that Indian troops would cease fire provided that the Commander-in-Chief, Pakistan, could give assurance of immediate effective reciprocal action on his part. The Commander-in-Chief, Pakistan, having given, with the authority of his Government, the assurance asked for, a cease-fire has been ordered to take effect from one minute before midnight of 1 January 1949.

The Government of India sincerely hope that this decision, which is being implemented on the 1st day of the new year, may bring to the people of Jammu and Kashmir, lasting peace, and to the peoples of India and Pakistan, a sense of closer friendship.

PIB Release.

121 25 *November* 1949

PROCLAMATION: MAHARAJA, JAMMU AND KASHMIR

WHEREAS with the inauguration of the new Constitution for the whole of India now being framed by the Constituent Assembly of India, the Government of India Act, 1935, which now governs the constitutional relationship between this State and the Dominion of India will stand repealed;

AND WHEREAS, in the best interests of this State, which is closely linked with the rest of India by a community of interests in the economic, political and other fields, it is desirable that the constitutional relationship established between this State and the Dominion of India, should be continued as between this State and the contemplated Union of India; and the Constitution of India as drafted by the Constituent Assembly of India, which includes duly appointed representatives of this State, provides a suitable basis for doing so;

I now hereby declare and direct—

That the Constitution of India shortly to be adopted by the Constituent Assembly of India shall in so far as it is applicable to the State of Jammu and Kashmir, govern the constitutional relationship between this State and the contemplated Union of India and shall be enforced in this State by me, my heirs and successors in accordance with the tenor of its provisions;

That the provisions of the said Constitution shall, as from the date of its commencement, supersede and abrogate all other constitutional provisions inconsistent therewith which are at present in force in this State.

KARAN SINGH
Yuvaraj
Regent of Jammu & Kashmir

C. GANESAN
Deputy Secretary

WPIS, appendix liv, pp. 371-2.

122 26 *January* 1950

CONSTITUTION (APPLICATION TO JAMMU AND KASHMIR) ORDER, 1950

In exercise of the powers conferred by clause (1) of article 370 of the Constitution of India, the President, in consultation with the

Government of the State of Jammu and Kashmir, is pleased to make the following Order, namely:

(1) (i) This Order may be called the Constitution (Application to Jammu and Kashmir) Order, 1950.

(ii) It shall come into force at once.

(2) For the purposes of sub-clause (*b*) (i) of clause (1) of article 370 of the Constitution, the matters specified in the First Schedule to this Order, being matters in the Union List, are hereby declared to correspond to matters specified in the Instrument of Accession governing the accession of the State of Jammu and Kashmir to the Dominion of India as the matters with regard to which the Dominion Legislature may make laws for that State; and accordingly, the power of Parliament to make laws for that State shall be limited to the matters specified in the said First Schedule.

(3) In addition to the provisions of article 1 and article 370 of the Constitution, the only other provisions of the Constitution which shall apply in relation to the State of Jammu and Kashmir shall be those specified in the Second Schedule to this Order, and shall so apply subject to the exceptions and modifications specified in the said Schedule.

THE FIRST SCHEDULE

(*See paragraph 2*)

[*Note.*—The number of each item is that of the corresponding entry in the Union List from which several are omitted.]

(1) Defence of India and every part thereof including preparation for defence.

(2) Naval, military and air forces; and other armed forces of the Union.

(3) Delimitation of cantonment areas, local self-government in such areas, the constitution and powers within such areas of cantonment authorities and the regulation of house accommodation (including the control of rents) in such areas.

(4) Naval, military and air force works.

(5) Arms, firearms, ammunition and explosives.

(6) Atomic energy for the purpose of defence and mineral resources necessary for its production.

(9) Preventive detention for reasons connected with Defence, Foreign Affairs or the security of India.

(10) Foreign Affairs; all matters which bring the Union into relation with any foreign country.

(11) Diplomatic, consular and trade representation.

(12) United Nations Organisation.

(13) Participation in international conferences, associations and other bodies and implementing of decisions made thereat.

(14) Entering into treaties and agreements with foreign countries and implementing of treaties, agreements and conventions with foreign countries.

(15) War and peace.

(16) Foreign jurisdiction.

(17) Naturalisation and aliens.

(18) Extradition.

(19) Admission into, and emigration and expulsion from, India; passports and visas.

(20) Pilgrimages to places outside India.

(21) Piracies and crimes committed on the high seas or in the air; offences against the law of nations committed on land or on the high seas or in the air.

(22) Railways, but as respects any railway owned by the State of Jammu and Kashmir, and either operated by that State or operated on its behalf otherwise than in accordance with a contract with the State by the Government of India, limited to the regulation thereof in respect of safety, maximum and minimum rates and fares, station and service terminal charges, inter-change of traffic and the responsibility of the railway administration as carriers of goods and passengers, and as respects any railway which is wholly situate within the State and does not form a continuous line of communication with a railway owned by the Government of India, whether of the same gauge or not, limited to the regulation thereof in respect of safety and the responsibility of the railway administration as carriers of goods and passengers.

(25) Maritime shipping and navigation, including shipping and navigation on tidal waters; provision of education and training for the mercantile marine and regulation of such education and training provided by States and other agencies.

(26) Lighthouses, including lightships, beacons and other provision for the safety of shipping and aircraft.

(27) Ports declared by or under law made by Parliament or existing law to be major ports, including their delimitation, and the constitution and powers of port authorities therein.

(28) Port quarantine, including hospitals connected therewith; seamen's and marine hospitals.

(29) Airways, aircraft and air navigation; provision of aerodromes; regulation and organisation of air traffic and of aerodromes; provision for aeronautical education and training and regulation of such education and training provided by States and other agencies.

(30) Carriage of passengers and goods by railway, sea or air.

(31) Posts and telegraphs, telephones, wireless, broadcasting and other like forms of communication.

(41) Trade and commerce with foreign countries. . . .

(72) Elections to Parliament, and the offices of President and Vice-President; the Election Commission.

(73) Salaries and allowances of members of Parliament, the Chairman and Deputy Chairman of the Council of States, and the Speaker and Deputy Speaker of the House of the People.

(74) Powers, privileges and immunities of each House of Parliament and of the members and the committees of each House; enforcement of attendance of persons for giving evidence or producing documents before committee of Parliament or commissions appointed by Parliament.

(75) Salaries and allowances of the Ministers for the Union; the salaries, allowances, and rights in respect of leave of absence and other conditions of service of the Comptroller and Auditor-General.

(76) Audit of the accounts of the Union.

(77) Constitution and organisation of the Supreme Court, and the fees taken therein; persons entitled to practise before the Supreme Court.

Extension of the powers and jurisdiction of members of a police force belonging to any State to railway areas outside that State. . . .

(93) Offences against laws with respect to any of the matters aforesaid.

(94) Inquiries and statistics for the purpose of any of the matters aforesaid.

(95) Jurisdiction and powers of all courts, except the Supreme Court, with respect to any of the matters aforesaid, but, except with the consent of the State Government, not so as to confer any jurisdiction or powers upon any courts other than courts ordinarily exercising jurisdiction in, or in relation to, the State; admiralty jurisdiction.

(96) Fees in respect of any of the matters aforesaid, but not including fees taken in any court.

THE SECOND SCHEDULE

(See paragraph 3)

Provisions of the Constitution applicable	Exceptions	Modifications
Part V ..	Articles 72(1)(*c*), 72(3), 133, 134, 135, 136, 138, 145(1)(*c*) and 151(2).	(1) Articles 80 and 81 shall apply subject to the modification that the representatives of the State in the Council of States and the House of the People, respectively,

THE SECOND SCHEDULE—*contd.*

Provisions of the Constitution applicable	Exceptions	Modifications
		shall be chosen by the President in consultation with the Government of the State.
		(2) Articles 149 and 150 shall apply subject to the modification that the references therein to the State shall be construed as not including the State of Jammu and Kashmir.
Part XI	.. Articles 247 to 252 clauses (3) and (4) of article 257 and articles 260, 262 and 263.	(1) Clause (1) of article 246 shall apply subject to the provisions of paragraph 2 of this Order, and clauses (2) and (3) of article 246 shall not apply in relation to the State.
		(2) Clause (1) of article 259 shall apply subject to the modification that after the words 'until Parliament by law otherwise provides', the words 'and the concurrence of the State to such law has been obtained' shall be deemed to be inserted.
Part XII	.. Articles 264 and 265, clause (2) of article 267, articles 268 to 281, clause (2) of article 283, articles 286 to 291, 293, 295, 296 and 297.	(1) Article 266 shall apply only in so far as it relates to the Consolidated Fund of India and the public account of India.
		(2) Articles 282 and 284 shall apply only in so far as they relate to the Union or the public account of India.
		(3) Articles 298, 299 and 300 shall apply only in so far as they relate to the Union or the Government of India.
Part XV	.. Articles 325 to 329.	Article 324 shall apply only in so far as it relates to elections to Parliament and to the offices of the President and Vice-President.
Part XVI	.. Articles, 332, 333 and 337 to 342.	(1) Article 330 shall apply only in so far as it relates to seats reserved for Scheduled Castes.
		(2) Article 334 shall apply only in so far as it relates to the House of the People.

THE SECOND SCHEDULE—*concld.*

Provisions of the Constitution applicable	Exceptions	Modifications
		(3) Article 335 shall apply only in so far as it relates to the Union.
Part XVII ..	Nil	The provisions of this Part shall apply only in so far as they relate to the official language of the Union and to proceedings in the Supreme Court.
Part XIX ..	Articles 362, 363 and 365.	(1) Article 361 shall apply only in so far as it relates to the President. (2) Article 364 shall apply only in so far as it relates to the laws made by Parliament.
Part XX ..	Nil	Article 368 shall apply subject to the additional proviso : 'Provided further that no such amendment shall have effect in relation to the State of Jammu and Kashmir unless applied by order of the President under clause (1) of article 370.'
Part XXI ..	Articles 369, 371 and 373, clause (4) of article 374, articles 376 and 378 and clause (2) of article 388.	(1) In clause (3) of article 379 after the words 'Minister for any such State', the words 'other than the State of Jammu and Kashmir' shall be deemed to be inserted. (2) Article 389 shall apply only in so far as it relates to Bills pending in the Dominion Legislature. (3) Article 390 shall apply only in so far as it relates to the Consolidated Fund of India.
Part XXII ..	Nil	Nil.
First Schedule ..	Nil	Nil.
Second Schedule	Paragraph 6	Nil.
Third Schedule ..	Forms V, VI, VII & VIII.	Nil.
Fourth Schedule	Nil	Nil.
Eighth Schedule	Nil	Nil.

WPIS, appendix lvi.

SECTION VI

MAHATMA GANDHI'S FAST AND ASSASSINATION

123 12 *January* 1948

ADDRESS: MAHATMA GANDHI (EXTRACT)

One fasts for health's sake under laws governing health, fasts as a penance for a wrong done and felt as such. In these fasts, the fasting one need not believe in *ahimsa*. There is, however, a fast which a votary of non-violence sometimes feels impelled to undertake by way of protest against some wrong done by society and this he does when he as a votary of *ahimsa* has no other remedy left. Such an occasion has come my way.

When on 9 September I returned to Delhi from Calcutta, it was to proceed to the West Punjab. But that was not to be. Gay Delhi looked a city of the dead. As I alighted from the train I observed gloom on every face I saw. Even the Sardar, whom humour and the joy that humour gives never desert, was no exception this time. The cause of it I did not know. He was on the platform to receive me. He lost no time in giving me the sad news of the disturbances that had taken place in the Metropolis of the Union. At once I saw that I had to be in Delhi and 'do or die'. There is apparent calm brought about by prompt military and police action. But there is storm within the breast. It may burst forth any day. This I count as no fulfilment of the vow to 'do' which alone can keep me from death, the incomparable friend. I yearn for hearty friendship between the Hindus, Sikhs and Muslims. It subsisted between them the other day. Today it is non-existent. It is a state that no Indian patriot worthy of the name can contemplate with equanimity. Though the Voice within has been reckoning for a long time, I have been shutting my ears to it, lest it may be the voice of Satan, otherwise called my weakness. I never like to feel resourceless; a *satyagrahi* never should. Fasting is his last resort in the place of the sword—his or other's. I have no answer to return to the Muslim friends who see me from day to day as to what they should do. My impotence has been gnawing at me of late. It will go immediately the fast is undertaken. I have been brooding over it for the last three days. The final conclusion has flashed upon me and it makes me happy. No man, if he is pure, has anything more precious to give than his life. I hope and pray that I have that purity in me to justify the step.

I ask you all to bless the effort and to pray for me and with me. The fast begins from the first meal tomorrow. The period is indefinite and I may drink water with or without salts and sour limes. It will end when and if I am satisfied that there is a reunion of hearts of all the communities brought about without any outside pressure, and from an awakened sense of duty. The reward will be the regaining of India's dwindling prestige and her fast fading sovereignty over the heart of Asia and, therethrough, the world. I flatter myself with the belief that the loss of her soul by India will mean the loss of the hope of the aching, storm-tossed and hungry world. Let no friend, or foe if there be one, be angry with me. There are friends who do not believe in the method of the fast for the reclamation of the human mind. They will bear with me and extend to me the same liberty of action that they claim for themselves. With God as my supreme and sole counsellor, I felt that I must take the decision without any other adviser. If I have made a mistake and discover it, I shall have no hesitation in proclaiming it from the house top and retracing my faulty step. There is little chance of my making such a discovery. If there is clear indication, as I claim there is, of the Inner Voice, it will not be gainsaid. I plead for all absence of argument and inevitable endorsement of the step. If the whole of India responds or at least Delhi does, the fast might be soon ended.

But whether it ends soon or late or never, let there be no softness in dealing with what may be termed as a crisis. Critics have regarded some of my previous fasts as coercive and held that on merits the verdict would have gone against my stand but for the pressure exercised by the fasts. What value can an adverse verdict have when the purpose is demonstrably sound? A pure fast, like duty, is its own reward. I do not embark upon it for the sake of the result it may bring. I do so because I must. Hence, I urge everybody dispassionately to examine the purpose and let me die, if I must, in peace which I hope is ensured. Death for me would be a glorious deliverance rather than that I should be a helpless witness of the destruction of India, Hinduism, Sikhism and Islam. That destruction is certain if Pakistan ensures no equality of status and security of life and property for all professing the various faiths of the world and if India copies her. Only then Islam dies in the two Indias, not in the world. But Hinduism and Sikhism have no world outside India. Those who differ from me will be honoured by me for their resistance however implacable. Let my fast quicken conscience, not deaden it. Just contemplate the rot that has set in in beloved India and you will rejoice to think that there is an humble son of hers who is strong enough and possibly pure enough to take the happy step. If he is neither, he is a burden on earth. The

sooner he disappears and clears the Indian atmosphere of the burden the better for him and all concerned.

I would beg to all friends not to rush to Birla House nor try to dissuade me or be anxious for me. I am in God's hands. Rather, they should turn the searchlights inwards, for this is essentially a testing time for all of us. Those who remain at their post of duty and perform it diligently and well, now more so than hitherto, will help me and the cause in every way. The fast is a process of self-purification . . . .

Gandhi, M. K., *Delhi Diary*, Ahmedabad, 1948, pp. 330-3.

124 14 *January* 1948

ADDRESS: MAHATMA GANDHI

Continuing his speech without any reference to the dictated notes, Gandhiji said, ' Cablegrams and telegrams are pouring in from far and near. Some, in my opinion, weighty and congratulating me on my resolve and entrusting me to God. Some others in friendliest terms appealing to me to abandon the fast and assuring me that they would befriend their neighbours irrespective of caste and creed and try to carry out the spirit of my message that accompanied the fast. I am asking Shri Pyarelalji to give a few selections, from the abundance which is hourly increasing, to the Press. They are from Hindus, Muslims, Sikhs and others. If those who have given me assurances—some of the senders represent associations and groups—carry them out faithfully, they will certainly have contributed largely to the hastening of the stoppage of the fast. Shrimati Mridulabehn asks the following question from Lahore, where she is in touch with the Pakistan authorities as also the common Muslims: "There are friends here who are very anxious about Gandhiji's health and are eager to know what Gandhiji would like them to do on this side and what he expects from his Muslim friends in Pakistan, including those who are in political parties and in Government service." It is pleasing to think that there are Muslim friends who are anxious about my health and more so to know that they are eager for the information that Shrimati Mridulabehn seeks. To all senders of the messages and to the seekers in Lahore, I wish to say that the fast is a process of self-purification and is intended to invite all who are in sympathy with the mission of the fast themselves to take part in the process of self-purification, whether they are in the service of the Pakistan Government or whether they are members of political parties or others.

You have heard of the cowardly attack on the Sikhs in Karachi. Innocent men, women and children were butchered, looted and others have had to flee. Now comes the news of an attack on a refugee train at Gujarat. The train was carrying non-Muslim refugees from the Frontier Province. Large numbers are reported to have been killed and women abducted. It distresses me. How long can the Union put up with such things? How long can I bank upon the patience of the Hindus and Sikhs in spite of my fast? Pakistan has to put a stop to this state of affairs. They must purify their hearts and pledge themselves that they will not rest till the Hindus and Sikhs can return to and live in safety in Pakistan.

Supposing that there is a wave of self-purification throughout India, Pakistan will become *pak*. It will be a State in which past wrongs will have been forgotten, past distinctions will have been buried, the least and the smallest in Pakistan will command the same respect and the same protection of life and property that the Qaid-e-Azam enjoys. Such a Pakistan can never die. Then and not till then shall I repent that I ever called it a sin, as I am afraid I must hold today, it is. I want to live to see that Pakistan, not on paper, not in the orations of Pakistani orators, but in the daily life of every Pakistani Muslim. Then the inhabitants of the Union will forget that there ever was any enmity between them and if I am not mistaken, the Union will proudly copyPakistan and if I am alive I shall ask her to excel Pakistan in well-doing. The fast is a bid for nothing less. Be it said to the shame of those of us who are in the Union that we have readily copied Pakistan's bad manners.

Before I ever knew anything of politics in my early youth, I dreamt the dream of communal unity of the heart. I shall jump in the evening of my life, like a child, to feel that the dream has been realized in this life. The wish for living the full span of life, portrayed by the seers of old and which they permit us to set down at 125 years, will then revive. Who would not risk sacrificing his life for the realization of such a dream? Then we shall have real *Swaraj*. Then, though legally and geographically we may still be two States, in daily life no one will think that we were separate States. The vista before me seems to me to be, as it must be to you, too glorious to be true. Yet like a child in a famous picture, drawn by a famous painter, I shall not be happy till I have got it. I live and want to live for no lesser goal. Let the seekers from Pakistan help me to come as near the goal as it is humanly possible. A goal ceases to be one, when it is reached. The nearest approach is always possible. What I have said holds good irrespective of whether others do it or not. It is open to every individual to purify himself or herself so as to render him or her fit for that land of promise.

I remember to have read, I forget whether in the Delhi Fort or the Agra Fort, when I visited them in 1896, a verse on one of the gates, which when translated reads: 'If there is paradise on earth, it is here, it is here, it is here.' That Fort, with all its magnificence at its best, was no paradise in my estimation. But I should love to see that verse with justice inscribed on the gates of Pakistan at all the entrances. In such a paradise, whether it is in the Union or in Pakistan, there will be neither paupers nor beggars, nor high nor low, neither millionaire employers nor half-starved employees, nor intoxicating drinks or drugs. There will be the same respect for women as vouchsafed to men and the chastity and purity of men and women will be jealously guarded. Where every woman except one's wife, will be treated by men of all religions, as mother, sister or daughter according to her age. Where there will be no untouchability and where there will be equal respect for all faiths. They will be all proudly, joyously and voluntarily bread labourers. I hope everyone who listens to me or reads these lines will forgive me if stretched on my bed and basking in the sun, inhaling life-giving sunshine, I allow myself to indulge in this ecstasy. Let this assure the doubters and sceptics that I have not the slightest desire that the fast should be ended as quickly as possible. It matters little if the ecstatic wishes of a fool like me are never realized and the fast is never broken. I am content to wait as long as it may be necessary, but it will hurt me to think that people have acted merely in order to save me. I claim that God has inspired this fast and it will be broken only when and if He wishes it. No human agency has ever been known to thwart, nor will it ever thwart the Divine Will.'

Gandhi, M. K., *Delhi Diary*, Ahmedabad, 1948, pp. 339-43.

125 15 *January* 1948

STATEMENTS: MAHATMA GANDHI

In his dictated message Gandhiji said:

'Newspaper men sent me a message two hours after my prayer speech of last evening, asking to see me, as they had some doubts to be cleared. After a heavy day's work I felt disinclined out of some exhaustion to see them for discussion. I therefore told Shri Pyarelalji to inform them to excuse me and further tell them that they should put down the questions in writing and send them to me next morning. They did so. This is the first question:

" Why have you undertaken the fast when there was no disturbance of any kind in any part of the Indian Dominion? "

' What was it if it was not a disturbing disturbance for a crowd to make an organized and a determined effort to take forcible possession of Muslim houses? The disturbance was such that the police had reluctantly to resort to tear gas and even to a little shooting if only overhead, before the crowd dispersed. It would have been foolish for me to wait till the last Muslim had been turned out of Delhi by subtle undemonstrative methods, which I would describe as killing by inches.

' The second question is :

" You have stated that you could not give any reply to the Muslims who came to you with their tale of fear and insecurity and who have complained that Sardar Patel, who is in charge of Home Affairs, is anti-Muslim. You have also stated that Sardar Patel is no longer a ' yes-man ' as he used to be. These factors create the impression that the fast is more intended to bring about a change of heart in the Sardar and thereby amounts to a condemnation of the policy of the Home Ministry. It would be helpful if you can clear the position."

' As to this I feel that my reply was precise, not admitting of more interpretations than one. The suggested interpretation never crossed my mind. If I had known that my statement could bear any such interpretation, I should have dispelled the doubt in anticipation. Many Muslim friends had complained of the Sardar's so-called anti-Muslim attitude. I had, with a degree of suppressed pain, listened to them without giving any explanation. The fast freed me from this self-imposed restraint and I was able to assure the critics that they were wrong in isolating him from Pandit Jawaharlal Nehru and me, whom they gratuitously raise to the sky. This isolation did them no good. The Sardar had a bluntness of speech which sometimes unintentionally hurt, though his heart was expansive enough to accommodate all. Thus my statement was meant deliberately to free a life-long and faithful comrade from any unworthy reproach. Lest my hearers should go away with the idea that my compliment carried the meaning that I could treat the Sardar as my " yes-man " as he was affectionately described, I balanced the compliment by adding the proviso that he was too masterful to be anybody's " yes-man ". When he was my " yes-man ", he permitted himself to be so named because whatever I said instinctively appealed to him. Great as he was in his own field and a very able administrator, he was humble enough to begin his political education under me because, as he explained to me, he could not take to the politics in vogue at the time I began my public career in India. When power descended on him, he saw that he could no longer successfully apply the method of non-violence which he used to wield with signal success. I have made the discovery that what I

and the people with me had termed non-violence was not the genuine article but a weak copy known as passive resistance. Naturally, passive resistance can avail nothing to a ruler. Imagine a weak ruler being able to represent any people. He would only degrade his masters who, for the time being, had placed themselves under his trust. I know that the Sardar could never betray or degrade his trust.

'I wonder if with a knowledge of this background to my statement, anybody would dare call my fast a condemnation of the policy of the Home Ministry. If there is any such person, I can only tell him that he would degrade and hurt himself, never the Sardar or me. Have I not before now said emphatically that no outside power can really degrade a man? He only can degrade himself. Though I know that this sentence is irrelevant here, it is such a truth that it bears repetition on all occasions. My fast, as I have stated in plain language, is undoubtedly on behalf of the Muslim minority in the Union, and therefore it is necessarily against the Hindus and Sikhs of the Union and the Muslims of Pakistan. It is also on behalf of the minorities in Pakistan as in the case of the Muslim minority in the Union. This is a clumsy compression of the idea I have already explained. I cannot expect the fast taken by a very imperfect and weak mortal, as I truly confess I am, to have the potency to make its protegés proof against all danger. The fast is a process of self-purification for all. It would be wrong to make any insinuation against the purity of the step.

'The third question is:

"Your fast has been undertaken on the eve of the meeting of the United Nations Security Council and soon after the Karachi riots and the Gujarat massacre. What publicity the latter incidents received in the foreign Press is not known. But undoubtedly, your fast has overshadowed all other incidents. And Pakistan representatives would not be worth their reputation if they do not seize the opportunity to declare that the Mahatma has undertaken the fast to bring sanity among his Hindu followers, who have been making the life of the Muslims in India impossible. Truth takes a long time to reach the four corners of the globe. But in the meantime your fast may have the unfortunate effect of prejudicing our case in the eyes of the United Nations."

'This question does not demand or need any elaborate answer. From all I have known of the powers and people outside India, I make bold to say that the fast has created only a healthy impression. Outsiders who are able to take an impartial and unbiassed view of what is happening in India cannot distort the purpose of the fast, which is meant to bring sanity to all those who inhabit both the Union and Pakistan. It is impossible to save the Muslims in the Union if the

Muslim majority in Pakistan do not behave as decent men and women. Happily for the cause, the Muslims of Pakistan, as Shrimati Mridulabehn's enquiry of yesterday made clear, have become wide awake to a sense of their duty. The United Nations know that my fast aids them to come to a right decision and to give the right guidance to the newly made two Dominions.'

Gandhi, M. K., *Delhi Diary*. Ahmedabad, 1948, pp. 343-8.

126 15 *January* 1948

STATEMENT: PANDIT NEHRU

[The Indian Union had agreed to allocate Rs 75 crores to Pakistan out of the cash balances to help the latter to make a start. It was felt that the Arbitral Tribunal should not have allocated so big an amount to Pakistan, and it was hoped that this generosity on the part of the Indian Union would have reciprocal response. The Deputy Prime Minister, Sardar Patel, made it clear that this financial deal was linked with the overall settlement of all outstanding issues. But in the meantime, in Kashmir Pakistan waged virtually an undeclared war against India; and lest the Rs 55 crores (Rs 20 crores having already been paid out of the 75 crores) should be spent against India in Kashmir, it was withheld pending the settlement of the Kashmir issue. It became another cause of bitterness between India and Pakistan. When Mahatmaji began his fast on 13 January 1948 and appealed to the nation to remove the ill-will, prejudice, and passion which poisoned the relations between India and Pakistan, the Government of India decided to pay the amount due, namely, Rs 55 crores to Pakistan immediately as a gesture of goodwill to that State and as their contribution 'to the non-violent and noble effort made by Gandhiji'. On 18 January Mahatma Gandhi terminated his fast in response to the pledge given by the citizens of Delhi through the peace committees that they would banish communalism from their hearts and from the country.—ED.]

The Government's decision in regard to the payment of the cash balances to Pakistan has been taken after the most careful thought and after consultation with Gandhiji. I should like to make it clear that this does not mean any change in our unanimous view about the strength and validity of the Government's position as set out in various statements made by distinguished colleagues of mine. Nor do we accept the facts or arguments advanced in the latest statement of the Finance Minister of Pakistan.

We have come to this decision in the hope that this generous gesture, in accord with India's high ideals and Gandhiji's noble standards, will convince the world of our earnest desire for peace and goodwill. We earnestly trust also that this will go a long way towards producing a situation which will induce Gandhiji to break his fast. That fast, of course, had nothing to do with this particular matter, and we have thought of it because of our desire to help in every way in easing the present tension.

Six months ago we witnessed a miracle in Calcutta where ill-will changed overnight into goodwill, through the alchemy of a similar fast. The alchemist who worked this change was described by our Governor-General as ' the one-man boundary force ' which succeeded when the boundary force of 50,000 men in West Punjab did not succeed in keeping the peace. This unarmed knight of non-violence is functioning again. May the same alchemy work again in India and elsewhere!

We have sought to remove one major cause of dispute and argument between India and Pakistan and we hope that other problems will also be resolved. But let it be remembered that the people of Kashmir are suffering from a brutal and unprovoked invasion, and we have pledged ourselves to help them to gain their freedom. To that pledge we shall hold and we shall do our utmost to redeem it. We seek their freedom not for any gain to us, but to prevent the ravishing of a fair country and a peaceful people.

Jawaharlal Nehru, *Independence and After*, 1949, pp. 71-2.

127 16 *January* 1948

ADDRESS: MAHATMA GANDHI

In his message to the prayer gathering Gandhiji said:

' It is never a light matter for any responsible Cabinet to alter a deliberate, settled policy. Yet our Cabinet, responsible in every sense of the term, has with equal deliberation yet promptness unsettled their settled fact. They deserve the warmest thanks from the whole country, from Kashmir to Cape Comorin and from Karachi to the Assam frontier. And I know that all the nations of the earth will proclaim this as one which only a large-hearted Cabinet like ours could rise to. This is no policy of appeasement of the Muslims. This is a policy, if you like, of self-appeasement. No Cabinet worthy of being representative of a large mass of mankind can afford to take any step merely because it is likely to win the hasty applause of an unthinking

public. In the midst of insanity, should not our best representatives retain sanity and bravely prevent a wreck of the ship of State under their management? What then was the actuating motive? It was my fast. It changed the whole outlook. Without the fast, they could not go beyond what the law permitted and required them to do. But the present gesture on the part of the Government of India is one of unmixed goodwill. It has put the Pakistan Government on its honour. It ought to lead to an honourable settlement not only of the Kashmir question but of all the differences between the two Dominions. Friendship should replace the present enmity. Demands of equity supersede the letter of law. There is a homely maxim of law which has been in practice for centuries in England that when common law seems to fail, equity comes to the rescue. Not long ago there were even separate courts for the administration of law and of equity. Considered in this setting, there is no room for questioning the utter justice of this act of the Union Government. If we want a precedent, there is a striking one at our disposal in the form of what is popularly known as the MacDonald Award. That Award was really the unanimous judgment of not only the members of the British Cabinet, but also of the majority of the members of the Second Round Table Conference. It was undone overnight as a result of the fast undertaken in the Yeravda prison.

'I have been asked to end the fast because of this great act of the Union Government. I wish I could persuade myself to do so. I know that the medical friends who, of their own volition and at considerable sacrifice, meticulously examine me from day to day are getting more and more anxious as the fast is prolonged. Because of defective kidney function they dread not so much my instantaneous collapse as permanent after-effects of any further prolongation. I did not embark upon the fast after consultation with medical men, be they however able. My sole guide, even dictator, was God, the Infallible and Omnipotent. If He has any further use for this frail body of mine, He will keep it in spite of the prognostications of medical men and women. I am in His hands. Therefore, I hope you will believe me when I say that I dread neither death nor permanent injury, even if I survive. But I do feel that this warning of medical friends should, if the country has any use for me, hurry the people up to close their ranks. And like brave men and women, that we ought to be under hard-earned freedom, we should trust even those whom we may suspect as our enemies. Brave people disdain distrust. The letter of my vow will be satisfied if the Hindus, Muslims and Sikhs of Delhi bring about a union, which not even a conflagration around them in all the other parts of India or Pakistan will be strong enough to break. Happily,

the people in both the Dominions seem to have instinctively realized that the fittest answer to the fast should be a complete friendship between the two Dominions, such that members of all communities should be able to go to either Dominion without the slightest fear of molestation. Self-purification demands nothing less. It will be wrong for the rest of the two Dominions to put a heavy strain upon Delhi. After all, the inhabitants of the Union are not superhuman. In the name of the people, our Government have taken a liberal step without counting the cost. What will be Pakistan's counter gesture? The ways are many if there is the will. Is it there? '

Gandhi, M. K., *Delhi Diary*, Ahmedabad, 1948, pp. 348-51.

128 18 *January* 1948

ADDRESS: MAHATMA GANDHI (RÉSUMÉ)

Speaking through the microphone from his bed at 5-20 p.m. on Sunday, Gandhiji said that he had earlier dictated a message for the prayer audience which would be read out to them.

It was a happy day for him and for all of them. He was glad that due to their kindness he could break his fast on the auspicious day of Guru Govindsingh's birthday anniversary. He could never forget the kindness which was daily being showered on him by the inhabitants of Delhi, the Pakistan sufferers and the Government and administrative authorities, since the fast began. He had experienced the same love at Calcutta. He could not forget the help that he had received from Shaheedsaheb in restoring peace in Calcutta. But for him, he (Gandhiji) would not have stopped in Calcutta. People had many suspicions about Shaheedsaheb's bona fides still. They should forget the past and learn the duty of having friendly feelings towards all and being inimical to none. The crores of Muslims were not all angels nor were all the Hindus and Sikhs. There were good and bad specimens among all communities. Would they be less than friendly towards the so-called criminal tribes amongst them?

Muslims were a numerous community scattered all over the world. There was no reason why they, who stood for friendship with the whole world, should not be friends with the Muslims. He was not a fortune-teller, but God had given him intellect and understanding enough to know that if for some reason or other they could not be friends with the Muslims of the Union, the Muslims of the whole world would be antagonized and they would lose India. Then India,

including both the Dominions, would once again pass under foreign domination.

He had received the good wishes and blessings of numberless men and women. He had been assured that the Hindus, Muslims, Sikhs, Parsis, Jews, Christians and others who lived in Delhi would all live together as brothers. They would never quarrel among themselves again and in this assurance sufferers from Pakistan had also joined. This was no small matter. If the auspicious beginning was continued, it was bound to ensure peace in India and thence in Pakistan. This was not one man's work, but all, young and old, men and women, had to co-operate sincerely in the effort. If this was not the meaning of the breaking of his fast, he had not done well in breaking it. Then they would have fulfilled the letter and killed the spirit. What was possible in Delhi was possible in the rest of the Union and if communal peace reigned in the whole of the Union, Pakistan was bound to follow suit. They should shed all fear. Every Muslim child should feel safe among the Hindus and Sikhs. Up till now our face was turned towards Satan, now he hoped it would be turned Godward. If they did so, the Union would lead the way to world peace. He did not wish to live for any other purpose. Mere lip service was no good. They must install God in their hearts. God was one, whatever the name given to Him. The realization of this truth should end all enmity and intolerance.

Let the Hindus decide once for all that they would not quarrel. He would advise the Hindus and Sikhs to read the *Quran* as they read the *Gita* and the *Granth Saheb*. To the Muslims he would say that they should read the *Gita* and the *Granth Saheb* with the same reverence with which they read the *Quran*. They should understand the meaning of what they read and have equal regard for all religions. This was his life-long practice and ideal. He claimed to be a *sanatani* Hindu, though he was not an idolater in the accepted sense. But he could not despise those who worshipped idols. The idol-worshipper saw God in the stone image. God was omnipresent. If it was wrong to seek God in a stone how was it right to seek Him in a book called the *Gita*, the *Granth Saheb* or the *Quran*? Was not that also idol worship? By cultivating tolerance and respect they would be able to learn from all. Then they would forget the communal differences and live together in peace and amity. The disgraceful incidents where men and women were thrown out of moving trains, would then cease to occur. People would freely and fearlessly move about in the Union. He would never be at peace with himself till Pakistan was just as safe for the Hindus and Sikhs and the Pakistan sufferers could return to their homes with honour and dignity, and the Muslims to theirs in the Union.

In his written message Gandhiji said:

'I embarked on the fast in the name of Truth whose familiar name is God. Without living Truth God is nowhere. In the name of God we have indulged in lies, massacres of people, without caring whether they were innocent or guilty, men or women, children or infants. We have indulged in abductions, forcible conversions and we have done all this shamelessly. I am not aware if anybody has done these things in the name of Truth. With that same name on my lips I have broken the fast. The agony of our people was unbearable. Rashtrapati Dr Rajendrababu brought over a hundred people representing the Hindus, Muslims, Sikhs, representatives of the Hindu Mahasabha, the Rashtriya Swayamsevak Sangh and representatives of refugees from the Punjab, the Frontier Province and Sind. In this very representative company were present Zahid Hussainsaheb, the High Commissioner for Pakistan, the Chief Commissioner of Delhi and the Deputy Commissioner, General Shah Nawazkhan, representing the Azad Hind Fouj (INA). Pandit Nehru, sitting like a statue, was of course there, as also Maulanasaheb. Dr Rajendrababu read a document in Hindustani signed by these representatives, asking me not to put any further strain on them and end the agony by breaking the fast. Telegrams after telegrams have come from Pakistan and the Indian Union urging me to do the same. I could not resist the counsel of all these friends. I could not disbelieve their pledge that come what may, there would be complete friendship between the Hindus, Muslims, Sikhs, Christians, Parsis and Jews, a friendship not to be broken. To break that friendship would be to break the nation.

'As I write, comforting telegrams are deluging me. How I wish that God will keep me fit enough and sane enough to render the service of humanity that lies in front of me! If the solemn pledge made today is fulfilled, I assure you that it will revive with redoubled force my intense wish and prayer before God that I should be enabled to live the full span of life doing service to humanity till the last moment. That span according to learned opinion is at least one hundred and twenty-five years, some say one hundred and thirty-three. The letter of my vow has been fulfilled early, beyond expectation, through the great goodwill of all the citizens of Delhi, including the Hindu Mahasabha leaders and the Rashtriya Swayamsevak Sangh. The result could not be otherwise when I find that thousands of refugees and others have been fasting since yesterday. Signed assurances of heart friendship have been pouring in upon me from thousands. Telegraphic blessings have come from all over the world. Can there be a better sign of God's hand in this act of mine? But beyond the letter of fulfilment of my solemn vow lies its spirit without which the letter killeth.

The spirit of the vow is sincere friendship between the Hindus, Muslims and Sikhs of the Union and a similar friendship in Pakistan. If the first is assured, the second must follow, as sure as day follows night. If there is darkness in the Union, it would be folly to expect light in Pakistan. But if the night in the Union is dispelled beyond the shadow of a doubt, it cannot be otherwise in Pakistan, nor are signs wanting in that direction. Numerous messages have come from Pakistan, not one of dissent. May God, who is Truth, guide us as He has visibly guided us during all these six days.'

Gandhi, M. K., *Delhi Diary*. Ahmedabad, 1948, pp. 353-8.

129 26 *January* 1948

ADDRESS: MAHATMA GANDHI (EXTRACTS)

This day, 26 January, is Independence Day. This observance was quite appropriate when we were fighting for Independence we had not seen nor handled. Now! We have handled it and we seem to be disillusioned. At least I am, even if you are not.

What are we celebrating today? Surely not our disillusionment. We are entitled to celebrate the hope that the worst is over and that we are on the road to showing the lowliest of the villager that it means his freedom from serfdom and that he is no longer a serf born to serve the cities and towns of India but that he is destined to exploit the city dwellers for the advertisement of the finished fruits of well-thought-out labours, that he is the salt of the Indian earth, that it means also equality of all classes and creeds, never the domination and superiority of the major community over a minor, however insignificant it may be in number or influence. Let us not defer the hope and make the heart sick. Yet what are the strikes and a variety of lawlessness but a deferring of the hope? These are symptoms of our sickness and weakness. Let labour realize its dignity and strength. Capital has neither dignity nor strength compared to labour. These the man in the street also has. In a well-ordered democratic society there is no room, no occasion, for lawlessness or strikes. In such a society there are ample lawful means for vindicating justice. Violence, veiled or unveiled must be taboo. Strikes in Cawnpore, coal mines or elsewhere mean material loss to the whole society not excluding the strikers themselves. I need not be reminded that this declamation does not lie well in the mouth of one like me who has been responsible for so many successful strikes. If there be such critics they ought not to forget that then there was neither independence nor the kind of legislation we have now. I wonder

if we can remain free from the fever of power politics or the bid for power which afflicts the political world, the East and the West. Before leaving this topic of the day, let us permit ourselves to hope that, though geographically and politically India is divided into two, at heart we shall ever be friends and brothers helping and respecting one another and be one for the outside world.

Decontrol of cloth has been welcomed in all quarters. There never was scarcity of cloth. How can there be when there is enough cotton and enough hands in the land for spinning and weaving? Equally welcome is the removal of control on firewood and coal. It is remarkable that there is now a glut in the market of *gur*, the poor man's supply for caloric deficiency. There would be no remedy of glut nor of reaching places outside the boundary of production unless there is quick locomotion.

The subject of corruption . . . is not new. Only it has become much worse than before. Restraint from without has practically gone. Corruption will go when the large number of persons given to the unworthy practice realize that the nation does not exist for them but that they do for the nation. It requires a high code of morals, extreme vigilance on the part of those who are free from the corrupt practice and who have influence over corrupt servants. Indifference in such matters is criminal. If our evening prayers are genuine, they must play no mean part in removing from our midst the demon of corruption.

Gandhi, M. K., *Delhi Diary*. Ahmedabad, 1948, pp. 380-3.

[NOTE.—On 12 January 1948, Mahatma Gandhi had announced his intention to fast to death unless the tension between the Hindu and the Muslim communities was reduced and he was satisfied that no further disturbances between the two communities would take place. The fast started on the next day, and was continued until the 18 January, when it was broken at the insistent request of a large number of leaders of the two communities, who assured Mahatma Gandhi that no further fighting would take place between the two communities. Two days later, while addressing an audience at his prayer meeting, a hand-grenade was thrown in the neighbourhood by a West Punjab Hindu refugee, but it exploded harmlessly at a distance of about 30 yards from him. This person was later arrested. The Government of India pressed Mahatma Gandhi in vain not to expose himself to such dangers. Ten days later, while he was addressing another prayer meeting, a Mahratta Brahmin from Poona approached him, made obeisance, and then fired three shots at him in rapid succession. These shots proved fatal and Mahatma Gandhi expired a couple of hours later the same evening.—ED.]

130 30 *January* 1948

BROADCAST: PANDIT JAWAHARLAL NEHRU

Friends and comrades, the light has gone out of our lives and there is darkness everywhere and I do not quite know what to tell you and how to say it. Our beloved leader, Bapu as we called him, the Father of the Nation, is no more. Perhaps I am wrong to say that. Nevertheless, we will not see him again as we have seen him for these many years. We will not run to him for advice and seek solace from him and that is a terrible blow not to me only but to millions and millions in this country. And it is a little difficult to soften the blow by any advice that I or anyone else can give you.

The light has gone out, I said and yet I was wrong. For the light that shone in this country was no ordinary light. The light that has illumined this country for these many years will illumine this country for many more years and a thousand years later, that light will still be seen in this country and the world will see it and it will give solace to innumerable hearts. For that light represented something more than the immediate present. It represented the living truth and the eternal man was with us with his eternal truth reminding us of the right path, drawing us from error, taking this ancient country to freedom.

All this has happened. There is much more to do. There was much more for him to do. We could never think that he was unnecessary or that he had done his task. But now, particularly when we are faced with so many difficulties, his not being with us is a blow most terrible to bear.

A mad man has put an end to his life, for I can only call him mad who did it, and yet there has been enough of poison spread in this country during the past years and months and this poison has had effect on people's minds. We must face this poison. We must root out this poison and we must face all the perils that encompass us and face them not madly or badly but rather in the way that our beloved teacher taught us to face them. The first thing to remember now is that no one of us dare misbehave because we are angry. We have to behave like strong determined people, determined to face all the perils that surround us, determined to carry out the mandate that our great teacher, and our great leader has given us, remembering always that if, as I really believe, his spirit looks upon us and sees us nothing would displease him so much as to see that we have indulged in unseemly behaviour or in violence.

So we must not do that. But that does not mean that we should be weak but rather that we should in strength, and in unity face all the

troubles that are in front of us. Unity, I said: we must hold together and all our petty troubles and difficulties and conflicts must be ended in the face of this great disaster.

That great disaster is a symbol to us to remember of the big things of life and to forget the small things. We have thought too much of the small things. Now the time has come again; as in his life, in his death, he has reminded us of the big things of life, the living truth, and if we remember that then it will be well with us and well with India.

And while we pray, the greatest prayer that we can offer is to pledge to dedicate ourselves to the truth, and to the cause for which this great countryman of ours lived and for which he has died. That is the best prayer that we can offer him and his memory. That is the best prayer that we can offer to India and ourselves. JAI HIND.

Homage to Mahatma Gandhi, All India Radio, 1948, pp. 9-10.

131 30 *January* 1948

BROADCAST: SARDAR VALLABHBHAI PATEL

Just now my dear brother, Pandit Jawaharlal Nehru has spoken to you. My heart is aching. What shall I say to you? My tongue is tied. This is a day of sorrow, shame and agony for India. Today I went to Gandhiji at about 4 p.m. and was with him for about an hour. At 5 p.m. he pulled out his watch and reminded me that it was his prayer time. So as usual punctually he set out from his room towards the place of prayer. Hardly had I reached my home when somebody broke the dreadful news to me that Gandhiji was shot at thrice by a Hindu young man in the prayer ground. I immediately hurried back to Birla House and was near Gandhiji. His eyes were closed, but his face was as calm and serene as before. I could even detect a streak of compassion and forgiveness over his ebbing face. In a short while Gandhiji was no more and thus ended his life pilgrimage.

For some time past Gandhiji was looking a disappointed man and you know he resorted to fast at last. It were better if he had expired during his fast. But perhaps we all had to suffer the present shame and agony. Last week a Hindu youth tried to attack him with a bomb. Even that he escaped. At last, it seems, his time had come and the Almighty called him to his presence.

Friends, the occasion demands not anger, but earnest heart-searching from us all. If we give vent to our understandable anger, it would mean

that we have forgotten our beloved master's teachings so soon after his death. And let me say, we haltingly followed our master even in his lifetime. Therefore, I beseech you all in humility to stand firm and together, unshaken by violent impulses of the moment. This is a time of the severest trial for us all. We have to prove worthy of our great master. A very heavy responsibility rests on us all now. So heavy a responsibility that it might even break many of us. Indeed Gandhiji was a pillar of strength and a source of inspiration to the nation. And in his death, we who were his closest associates have suffered an irreparable loss. Gandhiji is gone, but Gandhiji will live in our hearts for ever.

For even though his mortal frame will turn into ashes to-morrow, at 4 p.m., Gandhiji's imperishable teachings will abide with us. I even feel that Gandhiji's immortal spirit is still hovering over us and will continue to watch over the nation's destiny in the future also. The mad youth who killed him was wrong if he thought thereby he was destroying his noble mission. Perhaps God wanted Gandhiji's mission to fulfil and prosper through his death.

I am sure Gandhiji's supreme sacrifice will wake up the conscience of our countrymen and evoke a higher response in the heart of every Indian. I hope and pray that it may be given to us to complete Gandhiji's mission. At this solemn moment, no one of us can afford to waver or lose his or her heart. Let us all stand united and bravely face the national disaster that has overtaken us. Let us all solemnly pledge ourselves afresh to Gandhiji's teachings and ideals.

Homage to Mahatma Gandhi, All India Radio, 1948, pp. 11-12.

132 1 *February* 1948

BROADCAST: MRS. SAROJINI NAIDU

Like Christ of old on the third day he has risen again in answer to the cry of his people and the call of the world for the continuance of his guidance, his love, his service and inspiration. And while we all mourn, those who loved him, knew him personally, and those to whom his name was but a miracle and a legend, though we are all full of tears and though we are full of sorrow on this third day when he has risen from his own ashes, I feel that sorrow is out of place and tears become a blasphemy. How can he die, who through his life and conduct and sacrifice, who through his love and courage and faith has taught

the world that the spirit matters, not the flesh, that the spirit has the power greater than the powers of the combined armies of the earth, combined armies of the ages? He was small, frail, without money, without even the full complement of garment to cover his body, not owning even as much earth as might be held on the point of a needle, how was he so much stronger than the forces of violence, the might of empires and the grandeur of embattled forces in the world? Why was it that this little man, this tiny man, this man with a child's body, this man so ascetic, living on the verge of starvation by choice so as to be more in harmony with the life of the poor, how was it that he exercised over the entire world, of those who revered him and those who hated him, such power as emperors could never wield?

It was because he did not care for applause; he did not care for censure. He only cared for the path of righteousness. He cared only for the ideals that he preached and practised. And in the midst of the most terrible disasters caused by the violence and greed of men, when the abuse of the world was heaped up like dead leaves, dead flowers on battlefields, his faith never swerved in his ideal of non-violence. He believed that though the whole world slaughter itself and the whole world's blood be shed, still his non-violence would be the authentic foundation of the new civilization of the world and he believed that he who seeks his life shall lose it and he who loses his life shall find it.

His first fast in 1924 with which I was associated was for the cause of Hindu-Muslim unity. It had the sympathy of the entire nation. His last fast was also for the cause of Hindu-Muslim unity, but the whole nation was not with him in that fast. It had grown so divided, it had grown so bitter, it had grown so full of hate and suspicion, it had grown so untrue towards the tenets of the various creeds in this country that it was only a section of those who understood the Mahatma, who realised the meaning of that fast. It was very evident that the nation was divided in its loyalty to him in that fast. It was very evident that it was not any community but his that disapproved so violently and showed its anger and resentment in such a dastardly fashion. Alas for the Hindu community, that the greatest Hindu of them all, the only Hindu of our age who was so absolutely and unswervingly true to the doctrine, to the ideals of the philosophy of Hinduism should have been slain by the hand of a Hindu! That indeed, that indeed is almost the epitaph of the Hindu faith that the hand of a Hindu in the name of Hindu rights and a Hindu world should sacrifice the noblest of them all. But it does not matter. It is a personal grief, that is loss, day in and day out, year and year out, for many of us who cannot forget, because for more than 30 years some of us have been so closely associated with him that our lives

and his life were an integral part of one another. Some of us are indeed dead to the faith; some of us indeed have had vivisection performed on us by his death, because fibres of our being, because our muscles, veins and heart and blood were all intertwined with his life.

But, as I say, it would be the act of faithless deserters if we were to yield to despair. If we were indeed to believe that he is dead, if we were to believe that all is lost, because he has gone, of what avail would be our love and our faith? Of what avail would be our loyalty to him if we dare to believe that all is lost because his body is gone from our midst? Are we not there, his heirs, his spiritual descendants, the legatees of his great ideals, successors of his great work? Are we not there to implement that work and enhance it and enrich and make greater achievements by joint efforts than he could have made singly? Therefore, I say the time is over for private sorrow.

The time is over for beating of breasts and tearing of hair. The time is here and now when we stand up and say, ' We take up the challenge,' to those who defied Mahatma Gandhi. We are his living symbols. We are his soldiers. We are the carriers of his banner before an embattled world. Our banner is truth. Our shield is non-violence. Our sword is a sword of the spirit that conquers without blood. Let the peoples of India rise up and wipe their tears, rise up and still their sobs, rise up and be full of hope and full of cheer. Let us borrow from him, why borrow, he has handed it to us, the radiance of his own personality, the glory of his own courage, the magnificent epic of his character. Shall we not follow in the footsteps of our master? Shall we not obey the mandates of our father? Shall not we his soldiers carry his battle to triumph? Shall we not give to the world the completed message of Mahatma Gandhi? Though his voice will not speak again, have we not a million, million voices to bear his message to the world, not only to this world, to our contemporaries, but to the world generation after generation? Shall sacrifice be in vain? Shall his blood be shed for futile purposes of mourning? Or, shall we not use that blood as a *tilak* on our foreheads, the emblem of his legion of peace-loving soldiers to save the world? Here and now, here and now, I for one before the world that listens to my quivering voice pledge myself and you, as I pledged myself more than 30 years ago, to the service of the undying Mahatma.

What is death? My own father, dying, just before his death with the premonition of death on him, said: ' There is no birth. There is no death. There is only the soul seeking higher and higher stages of truth.' Mahatma Gandhi who lived for truth in this world has been translated, though by the hand of an assassin, to a higher stage of the truth which he sought. Shall we not take up his place? Shall not our

united strength be strong enough to preach and practise, his great message for the world? I am here one of the lowliest of his soldiers, but along with me I know stand his beloved disciples like Jawaharlal Nehru, like his trusted followers and friends Vallabhbhai Patel, Rajendra Babu, who was like St John in the bosom of Christ, and those others of his associates who at a moment's notice flew from all ends of India to make this last homage at his feet. Shall we not all take up his message and fulfil it? I used to wonder very often during his many fasts in which I was privileged to serve him, to solace him, to make him laugh, because he wanted the tonic laughter of his friends—I used to wonder, supposing he died in Sevagram, supposing he died in Noakhali, supposing he died in some far off place, how should we reach him? It is therefore right and appropriate that he died in the city of kings, in the ancient site of the old Hindu empires, in the site on which was builded the glory of the Moghuls, in this place that he made India's capital wresting it from foreign hands, it is right that he died in Delhi; it is right that his cremation took place in the midst of the dead kings who are buried in Delhi, for he was the kingliest of all kings. And it is right also that he who was the apostle of peace should have been taken to the cremation ground with all the honours of a great warrior; far greater than all warriors who led armies to battle was this little man, the bravest, the most triumphant of all. Delhi is not only today historically the Delhi of seven kingdoms; it has become the centre and the sanctuary of the greatest revolutionary who emancipated his enslaved country from foreign bondage and gave to it its freedom and its flag. May the soul of my master, my leader, my father rest not in peace, not in peace, but let his ashes be so dynamically alive that the charred ashes of the sandalwood, the powder of his bones, be so charged with life and inspiration that the whole of India will after his death be revitalised into the reality of freedom.

My father, do not rest. Do not allow us to rest. Keep to us our pledge. Give us strength to fulfil our promise, your heirs, your descendants, your stewards, the guardians of your dreams, the fulfillers of India's destiny. You, whose life was so powerful, make it so powerful in your death [for] from mortality you have passed mortality by a supreme martyrdom in the cause most dear to you.

Homage to Mahatma Gandhi, All India Radio, 1948, pp. 13-17.

SECTION VII

INDIAN NATIONAL CONGRESS PARTY

133 15 *November* 1947

SPEECH: ACHARYA KRIPALANI, PRESIDENT, INDIAN NATIONAL CONGRESS (EXTRACT)

There is yet another problem to which I wish to invite your attention, and that is the problem of the Congress objective and of the Congress Organization. Now that the basic aim of the Congress, which was the achievement of independence by peaceful and legitimate means, may be taken to have been achieved, should the Congress as an organisation and as a political party continue to exist and if so what should be its programme? I have no doubt in my mind that the need of the Congress to function as a well-knit, disciplined political party is as great today as ever. Even in the recent communal frenzy, it is congressmen who have kept themselves comparatively free from the prevalent hysteria and by their influence helped the various provincial governments to maintain the peace and whatever communal harmony there is. Nor is there in India to-day another political party that can immediately and effectively fill the gap, were the Congress to disappear from the scene. Moreover, the Congress in the course of its struggle for freedom under Gandhiji's leadership has evolved a concept of freedom which comprehends a programme of social and economic reconstruction, not yet realized. We believed not only in an India freed of British rule but in a non-violent democratic society built on decentralised economy which will eliminate economic exploitation of one class by another without investing the State with the monopoly of political and economic exploitation, which is what happens in the centralised economy of a communist or a fascist state. This concept was symbolized in the Charkha on our flag.

To work out the scheme of decentralisation, the Congress under Gandhiji's lead created the Charkha, Gram Udyog and the Talimi Sanghas. Does the Congress yet hold to the principles and policies underlying these associations? Or do we consider that the three institutions, brought into being by resolutions of the Congress, merely represent the unpractical fads of Gandhiji which we accepted as the price of his leadership? In the former case, the Congress Governments, now that they wield effective power, must carry out the policies

worked out by these associations and profit by their knowledge and experience. In the latter case, we must be honest enough to admit that these policies being unpractical are no longer acceptable to our Governments and cannot be given effect to by them. The Congress might then dissociate itself from these associations by some kind of declaration or resolution. Not to take either course is to create confusion within the Congress and uncertainty in the nation.

On the other hand, we may not forget that if India is to survive as a free nation in the modern world of aggressive ambitions and heavy armaments, and since the nation seems to have decided that the State cannot be based upon pure non-violence, India must have a powerful army and certain heavy basic industries. We have then to review the whole structure of our economy and finally make up our minds as to what sort of a State we want. That it shall be a democratic state we are all agreed. But what sort of a democratic state? Do we believe in a capitalist economy with its unlimited scope for private enterprise and unrestricted profits? Or do we envisage State socialism of the orthodox Western pattern, with its highly centralised economy, state-ownership of all means of production, and the supremacy of the bureaucrat? Or shall we utilise such wisdom as Gandhiji has taught us and experiment with an unorthodox pattern of socialist economy, where industry will as far as possible be decentralised and such enterprises as cannot be so decentralised will be run either on a co-operative basis or owned or controlled by the State? In either case, whether of the orthodox or unorthodox pattern, we have to ask: Have we an adequate, efficient and irreproachably honest army of civil servants who can be trusted to plan, manage or control production and distribution on behalf of the State?

I know that our leaders who before they took over the Government used to denounce the civil service as inefficient and corrupt have suddenly discovered its virtues. We take their word for it, though there is a general suspicion that the services, even where they are loyal to their present bosses, have not changed their attitude to their real masters, the public. However, the unfortunate fact remains that red-tapism, jobbery, corruption, bribery, black-marketing and profiteering are as rampant to-day as they were in the days of the British.

Even more unfortunate is the evidence of decay in the calibre and morale of our political workers. The unity that held us together in the days of struggle and suffering is being increasingly marred by factions and divisions based more on personal rivalry than on any discoverable principles. The spirit of sacrifice and idealism that sustained us and made us what we were is being replaced by competition in power politics. It is tragic that we should disintegrate at a

time when we need all our strength, unity and moral resources to justify the hopes that the nation has reposed in us. For if the salt loseth its savour, wherewith shall it be salted?

All these are questions which we must ponder and to cope with which we must mobilize all our moral and material resources.

This brings me to the issue which demands consideration in the present context. It has perturbed my mind ever since my election as President of this organization. What should be the relation of the Congress Executive or the Working Committee to the Government at the centre? This is a matter which is bound to affect for good or ill not only the character of the Central Government in the new set-up but the position of the Congress in the country. The indefiniteness of this relation has already caused confusion in the minds of Congressmen and the general public who do not know and cannot yet understand where the responsibility for any particular decision or the want of it lies.

How is the Congress to give to the Government its active and enlightened co-operation unless its highest executive or at least its popularly chosen head is taken into full confidence on important matters that affect the nation? If there is no free and full co-operation between the Governments and the Congress organization the result is misunderstanding and confusion, such as is prevalent to-day in the ranks of the Congress and in the minds of the people. Nor can the Congress serve as a living and effective link between the Government and the people unless the leadership in the Government and in the Congress work in the closest harmony. It is the party which is in constant touch with the people in villages and in towns and reflects changes in their will and temper. It is the party from which the Government of the day derives its power. Any action which weakens the organization of the party or lowers its prestige in the eyes of the people must sooner or later undermine the position of the Government. If therefore the present confusion is not checked in time, I am afraid the Congress as an organization will speedily disintegrate and its place in the national life will be captured by some other organization, may be militant communalism, or by the communist party.

I have discussed this problem with my colleagues in the Working Committee on more than one occasion and have also sought Gandhiji's light on it. While no one disputes the necessity of a close and harmonious co-operation between the Government and the Congress Executive, the difficulty is how to achieve it. The need for this co-operation is recognised in theory but I find it missing in practice. It may be due to the fact that all of us are not united on basic policies. Or it may be that this co-operation is lacking because I who happen to

be President of the organization do not enjoy the confidence of my colleagues in the Central Cabinet. If that is so, then I should be the last person to stand in the way of what is necessary in the interest of this nation. If by eliminating myself I could make room for this co-operation between the Government and my successor, none would be happier than myself. I sought Gandhiji's advice and he agreed with me that under the circumstances I was justified in resigning. And so I placed my resignation before the Working Committee. But in view of the critical situation then prevailing in the country my colleagues were unwilling to relieve me of my responsibility. In deference to their wishes I agreed to continue. Any longer continuance is I feel dangerous both for the Congress and the country.

Realizing the critical situation in the country, a heavy responsibility rests on the shoulders of my colleagues in the Government. They are tried and trusted leaders of the people and are guided in their action by the highest motive of service to the nation. I am therefore loth to take any step that may divert the attention of the people from the immediate task of strengthening the State. Nevertheless by allowing the present confusion in the relation between the Working Committee and the Government to continue, we shall in the long run weaken both the Government and the Congress. I therefore want you to consider this question calmly and dispassionately and after hearing all viewpoints and weighing all considerations, to give a clear and positive directive which must in future govern this relation. In your discussion you will please avoid the personal factor. It has no place in considering the present situation. You will also treat my decision as irrevocable.

You have also to decide about the composition of the Working Committee. It is to-day overweighted with members who occupy office in the Government, either Central or Provincial. Last year when you left the discretion to the President in the matter, it was the feeling of the House that not more than a third of the Committee should consist of such members. I respected this wish of the House in forming my Working Committee last year but since then several of my colleagues have accepted office and the original proportion has been upset. At present a majority of members of the Working Committee are in Government. I would like you to give my successor a clear directive in this matter of the composition of the Working Committee.

I know that by resigning at this critical juncture I am taking a grave decision. It is possible that my point of view may not be appreciated. It is even possible that my motive may be misunderstood. But I must take that risk if I am to be true to myself and to the charge

that is placed in my hands. I must therefore efface myself. I do so in the assurance that the national interests which we all hold so dear will be safe in our leaders' hands. *Vande Matram.*

Text supplied by All India Congress Committee, New Delhi.
Congress Bulletin No. 6, Dec. 1947, pp. 9-12.
[Proceedings of A.I.C.C. meeting at New Delhi, 15-17 Nov. 1947.]

134 11–17 *November* 1947

CONGRESS COMMITTEE RESOLUTIONS

1. *Elimination of Foreign Rule and the Fundamental Policy of the Congress*

The All-India Congress Committee welcomes the elimination of foreign rule in India and the establishment of a free and independent state and a government responsible to the people of the country. The achievement of freedom is the culmination of the long struggle of the Indian National Congress and outcome of the sufferings and tribulations of the Indian people. Freedom brings responsibility and new burdens and problems.

The freedom achieved was not the kind that the Congress had envisaged during its long history. It has been accompanied by secession of parts of the country and disasters of unparalleled magnitude. Hardly was Free India born when grave crisis overtook it and events happened which have besmirched her fair name and brought death and desolation to vast numbers of innocent people in circumstances too tragic for words. There have been arson and loot and murder on a mass scale in West Punjab, North-West Frontier Province, Baluchistan, East Punjab and adjoining areas. The Committee cannot find words strong enough to condemn these inhuman acts by whatever community perpetrated. It extends its sympathy to all those who have been the innocent victims of this colossal tragedy.

At this moment of crisis, it is necessary that the Congress should again declare its faith and policy in clear terms and that the people as well as the Government should follow that policy unswervingly. Even though the Congress agreed to a division of the country in the hope which has thus far proved vain, that thereby internal conflicts might cease, it has never accepted the theory that there are two or more nations in India. It has firmly believed in the whole of India as a nation, bound together by indissoluble cultural and historical links which had been further strengthened in the course of the national struggle for freedom. It was on the basis of this faith that the Congress grew up as a national institution open to all Indians without reference

to creed or religion. India is a land of many religions and many races and must remain so. Nevertheless, India has been and is a country with a fundamental unity, and the aim of the Congress has been to develop this great country as a whole as a democratic secular state where all citizens enjoy full rights and are equally entitled to the protection of the State, irrespective of the religion to which they belong. The Constituent Assembly has accepted this as the basic principle of the Constitution. This lays on every Indian the obligation to honour it.

The Congress wants to assure the minorities in India that it will continue to protect, to the best of its ability, their citizen rights against aggression. The Central Government, as well as the Provincial Governments, must accordingly make every effort to create conditions wherein all minorities and all citizens have security and opportunity for progress. All citizens must also on their part not only share in the benefits of freedom but also shoulder the burdens and responsibility which accompany it, and must above all be loyal to India.

The All-India Congress Committee calls upon all Congressmen and the people of India to adhere strictly to these well-established principles of the Congress and not to allow themselves to be diverted into wrong channels by passion or prejudice or by the tragic events that have happened. The real good and progress of India have yet to be achieved, and this can only be done by adhering to the ideals and policy of the Congress and discarding and opposing all false doctrines which have done so much mischief to India and her people.

2. *Refugees and Evacuees*

The tragic events that have taken place in recent months in the Punjab and elsewhere have resulted in vast migrations of populations, and consequently in tremendous suffering to millions of people. New problems of relief and rehabilitation have arisen of a magnitude which is unparalleled in history. The Government of India have faced these problems with courage and determination. Nevertheless it is necessary to state clearly what the national policy should be in dealing with these problems.

The AICC has looked with disfavour on this large-scale migration which brings suffering to millions, upsets the nation's economy, and does violence to the ideal which the Congress has held since its inception. It is of opinion that these migrations should be discouraged and conditions should be created both in the Indian Dominion and in Pakistan for minorities to live in peace and security. If such conditions are created, the desire to migrate to another part of the country will disappear. In the opinion of the Committee, it is wrong to coerce

Hindu and Sikh inhabitants of Pakistan into leaving their homes and migrating to the Indian Union, and Muslims of the Indian Union into migrating to Pakistan.

While it is impossible to undo all that has been done, every effort should be made to enable the evacuees and refugees from either Dominion ultimately to return to their homes and to their original occupations under conditions of safety and security. Those who have not left their homes already should be encouraged to stay there unless they themselves desire to migrate, in which case facilities for migrating should be made available. It is the duty of the Central Government of the Indian Union and the Government of Pakistan to negotiate on this basis and to create conditions which would enable the evacuees and refugees to return with safety.

In any event, the policy to be followed in the Indian Union is to protect the minorities still residing there and to prevent their removal by force or by creating circumstances which compel evacuation.

During these disorders large numbers of women have been abducted on either side and there have been forcible conversions on a large scale. No civilized people can recognize such conversions, and there is nothing more heinous than abduction of women. Every effort should therefore be made to restore women to their original homes with the co-operation of the Government concerned.

The AICC has noted with satisfaction the declarations made on behalf of the Governments of the two Dominions and East and West Punjab that forcible conversions will not be recognized and that they would co-operate in the recovery of abducted women.

Such being the policy of the Congress, the refugees in the Indian Union are entitled to every care and attention from the authorities and the people within the Union as long as they have to remain there. They are not to be regarded as interlopers grudgingly placed upon charity. They will have the same rights and be under the same obligations as any other citizen. Where they are living in camps, they will be expected to render some social service in co-operation with fellow-refugees, subject to the rules framed for the good government of the camp. Sanitary and other services should be performed by the inmates of the camps under instructions from those fitted for the work and who will themselves take part in these services. Refugees should be engaged in productive work as far as possible on a co-operative basis.

Refugees from West Punjab shall as a rule be accommodated in East Punjab. Those from the other parts of Pakistan shall be accommodated in places that the Central Government, in co-operation with the Provincial Governments, may consider more suitable. Those from a particular locality should, as far as possible, be kept together.

In this task the provincial Governments should offer their full co-operation and should take in and make suitable arrangements for as many refugees as they can.

No house, not vacated willingly by a Muslim, shall be used for the accommodation of the refugees, except by proper legal authority.

Movements of refugees, which are already taking place by train, convoy or otherwise, should be regulated in accordance with the policy laid down above and no one should be sent away unless he expresses his desire to migrate.

This principle should apply also to the States which have acceded to the Indian Union and from which a large number of Muslims have been evacuated or driven out.

The AICC trusts that the Central Government of the Indian Union, the East Punjab and West Bengal Governments, and the Governments of the States affected by these migrations will give effect to the policy indicated above and will issue directions to all their officers to act strictly in accordance with it.

Congress Bulletin No. 6, 31 Dec. 1947, pp. 13-14, 15-17.

3. *Objectives and Economic Programme Committee*

Political independence having been achieved, the Congress must address itself to the next great task, namely, the establishment of real democracy in the country and a society based on social justice and equality. Such a society must provide every man and woman with equality of opportunity and freedom to work for the unfettered development of his or her personality. This can only be realized when democracy extends from the political to the social and the economic spheres. Democracy in the modern age necessitates planned central directions as well as decentralization of political and economic power, in so far as this is compatible with the safety of the State, with efficient production and the cultural progress of the community as a whole. The smallest territorial unit should be able to exercise effective control over its corporate life by means of a popularly elected Panchayat. In so far as it is possible, national and regional economic self-sufficiency in the essentials of life should be aimed at. In the case of industries, which in their nature must be run on a large-scale and a centralized basis, they should belong to the community, and they should be so organized that workers become not only co-sharers in the profits but are also increasingly associated with the management and administration of the industry. Land, with its mineral resources, and all other

means of production as well as distribution and exchange must belong to and be regulated by the community in its own interest.

Our aim should be to evolve a political system which will combine efficiency of administration with individual liberty, and an economic structure which will yield maximum production without the creation of private monopolies and the concentration of wealth, and which will create a proper balance between urban and rural economies. Such a social structure can provide an alternative to the acquisitive economy of private capitalism and the regimentation of a totalitarian state.

Congress Bulletin No. 6, 31 Dec. 1947, pp. 20-21.
Text supplied by All India Congress Committee, New Delhi.

135 18–19 *December* 1948

CONGRESS COMMITTEE RESOLUTIONS

1. *Foreign Policy*

The National Congress has, even while it was struggling for the freedom of India, associated itself with progressive movements and struggles for freedom in other countries. India's liberation was viewed as a part of the larger freedom of all the countries and peoples of the World. In particular, the Congress has stood in the past for the ending of all imperialist domination and colonial exploitation of any country or people, and has opposed fascism and all other tendencies which suppress the human spirit.

The achievement of independence brought new responsibilities to India in international affairs and it became necessary to develop direct and clear contacts with other nations. The Congress welcomes these contacts and trusts that these will lead to mutual understanding and co-operation and the promotion of world peace.

The foreign policy of India must necessarily be based on the principles that have guided the Congress in past years. These principles are the promotion of world peace, the freedom of all nations, racial equality, and the ending of imperialism and colonialism. In particular, the Congress is interested in the freedom of the nations and peoples of Asia and Africa who have suffered under various forms of colonialism for many generations.

With a view to advance the cause of world peace and co-operation, India associated herself with the United Nations. This Congress

declares its full adherence to the principles underlying the Charter of the United Nations.

It should be the constant aim of the foreign policy of India to maintain friendly and co-operative relations with all nations and to avoid entanglements in military or similar alliances which tend to divide up the world in rival groups and thus endanger world peace. Maintaining her freedom of action in foreign affairs and in the economic development of the country, India should continue to function as a member State of the United Nations, co-operating with other states in the maintenances of peace and freedom.

In view of the attainment of complete independence and the establishment of the Republic of India, which will symbolize that independence and give to India the status among the nations of the world that is her rightful one, her present association with the United Kingdom and the Commonwealth of Nations will necessarily have to change. India, however, desires to maintain all such links with other countries as do not come in the way of her freedom of action and independence, and the Congress would welcome her free associations with the independent nations of the Commonwealth for the common weal, and the promotion of world peace.

India is especially concerned with her neighbour countries of Asia, and the Congress trusts that closer bonds of fellowship and co-operative effort for the maintenance of the freedom of Asian nations and their progress will be developed.

2. *Foreign Possessions in India*

The chequered course of India's history during the last two hundred years or more has left certain foreign possessions in various parts of the country. These foreign possessions continued for this long period because India herself was under alien domination.

With the establishment of Independence in India, the continued existence of any foreign possession in India becomes anomalous and offends against the conception of India's unity and freedom. Therefore it has become necessary for these possessions to be politically incorporated in India, and no other solution can be stable or lasting or in conformity with the will of the people. The Congress trusts that this change will be brought about soon by peaceful methods and the friendly co-operation of the Governments concerned. The Congress realizes that during this long period, administrative, cultural, educational and judicial systems have grown up in these foreign possessions, which are different from those prevailing in the root of India. Any change-over, therefore, must take these factors into consideration and

allow for a gradual adjustment which will not interfere with the life of the people of the area concerned. The Congress would welcome the present cultural heritage of these possessions to be continued, in so far as the people of those possessions derive benefit from it and for a measure of autonomy to be granted, whenever possible, so as to enable the people of these possessions to maintain their culture and institutions within the larger framework of free India.

Congress Bulletin No. 1, January 1949, pp. 20-21.
Text supplied by All India Congress Committee, New Delhi.

SECTION VIII

OTHER PARTIES

136 19-21 *March* 1948

RESOLUTIONS OF THE SOCIALIST PARTY

1. *Condolence (Death of Mahatma Gandhi)*

This Conference of the Socialist Party expresses its profound shame and sorrow at the tragic assassination of Mahatma Gandhi, and offers its deep homage to the Father of the Indian people.

During the more than twenty-five years that India was blessed by his unique leadership, Gandhiji strove to emphasize those new social values which alone give a reality to social reconstruction.

By his insistence upon right means for securing the ends of social justice, Gandhiji had provided for the downtrodden people of the world with a powerful weapon of social change. (*Satyagraha* is a technique which can invest a struggle with that moral elevation which no force can undermine.)

Gandhiji's stress upon a common basis of citizenship without respect for religious difference, provincial and caste exclusiveness or economic inequalities provides a foundation of national progress without resorting to aggression or retaliation. Both India and Pakistan can only find harmony and strength to the extent that this uniform citizenship is realized in fact.

Gandhiji lived his personal as well as social life in terms of the well-being of the starving millions of his countrymen. By his identification with the poorest villager and outcaste, Gandhiji provided an acid test of every policy.

The socialist movement in this land is greatly enriched by Gandhiji's patient efforts to establish these new social values. The Socialist Party gratefully acknowledges this heritage and pledges itself to be true to these principles of social progress which Gandhiji has upheld so nobly in life and death.

2. *Political Situation*

The political situation in India has changed materially since the last Conference of the Party at Kanpur.

The accent that the Congress put on negotiations as against resistance as the method of achieving freedom in the final lap of the struggle has inevitably exacted a heavy price. The Mountbatten Plan, while it has clothed India with freedom, has partitioned the country and has involved her in all the tragic consequences of partition including the uprooting and mass murder and migration of millions of people.

One of the major consequences of the Mountbatten Plan has been a serious realignment of class forces in the country. The partition, with its emphasis on communities, has accentuated the climate of communalism and has brought to the fore factors and forces favouring communalism and other centrifugal tendencies.

Another fundamental assumption of the Mountbatten Plan was a distinction between British and Indian India and the equating of sovereignty with the Princes to the exclusion of the people in the States. The unfolding of this assumption has confronted free India with serious difficulties in many States, crucially in Kashmir, Hyderabad and Junagadh.

Thus, the infant State finds itself at the mercy of forces of conflict and disruption from within and without, and its survival and strength become the governing criteria of all policies.

The realignment of political and class forces brought about by the enforcement of the Mountbatten Plan has developed four main political currents. The first, and the most dangerous, represents the communal forces backed by the wealth and influence of vested rights. Its contribution to the freedom struggle was negative and obstructive, yet it has gained immensely through the achievements of freedom through partition. The communal reflexes are being shamelessly exploited by these political forces, and the culmination of their efforts was the cruel assassination of Mahatma Gandhi. These reactionary forces seek to blast the democratic and secular basis of the Indian State, they strive to sap rational thinking and foster mass irrationalism. They constitute, with their medieval outlook, subterranean and irrational methods, indifference to all human values save the crudest and rawest instincts, the most serious menace to the foundations of the new State.

The second current, equally adventurist, though at the other end of the political gamut, gains strength from this rampant reaction. This current is embodied in the Communist Party. The diehard upholders of the *status quo* create precisely those conditions in which the Communists can thrive by appealing crudely to the baulked class forces and sentiments. The Communists are a grave source of danger because they pursue their ends with little regard to the stability and integrity of the State. As in 1942, so again in 1948, the lodestar of

Communist thought and action is not the welfare and greatness of the people of India.

Both these extreme fringes of India's political line-up are alike in their intolerance of democracy, in their unconcern about the stability and survival of the State. It is the prime task of the Socialist Party to isolate these fringes from the main stream of India's political life.

This leaves the two main political currents, the Congress and the Socialist Party. The Congress is incapable of further changing its class character and becoming an instrument of socialism because of its total identification with government and its refusal to support the social struggles of the masses. The revolutionary tradition of the Congress was built up during struggles, when it was always opposing the government of the day. The Congress will have to free itself from its present identification with Government if it is to become the instrument of social change. It cannot obviously do that.

It is in this context of a Congress that is unable to sustain its revolutionary tradition that the need for another party arises. For stability can never be attained under the existing conditions of grave economic inequalities and privations without fundamentally redefining the pattern of our economic institutions. Only a socialist State can ensure a solid foundation to political stability. There is, therefore, no other way open to the forces of democratic socialism except to march ahead with the triumphant banner of a socialist State.

The Congress is in danger, because of its authoritarian bias, of being overwhelmed by anti-secular, anti-democratic forces of the right. Hence for the maintenance of a democratic climate, an opposition becomes necessary. The Socialist Party alone can provide this opposition which continues the tradition of identification with the struggles of the dispossessed. We must not however overlook the possibility that the atmosphere conducive to democracy may not evolve in the country, in which case the Socialist Party will have to mobilize the people for the capture of power.

The pervasive sway of finance capitalist interests over State policy must be fought and broken with firmness. It is through a sustained support of all partial struggles against an unjust *status quo*, as well as by an ever-active effort to revitalize the mass democratic organs of the working classes that the Socialist Party must lay the foundations of its real strength.

It must be remembered that the Socialist Party can grow to maturity if it avoids the mistakes of the Congress. It must avoid being purely negative and critical. It must never take the easy ' way out ' of relying on administrative action as the sole motive force of social change. Only the democratic organizations and the sharpening of the

consciousness in fields and factories can bring real strength to the Socialist Party.

The Socialist Party, while carrying out this task, must nevertheless give its fullest support to those common efforts which strengthen the democratic fabric of our political life. It must join hands with the progressive and democratic elements in the Congress to disrupt and defeat the grip of communal reaction as well as provincial and caste rivalries so as to strengthen the forces of democracy. The secular democratic basis of the State is a heritage of the Congress and the Socialist Party alike.

3. *Civil Liberties*

The liberty of the citizen is a cardinal feature of the democratic State. This liberty, however, can only be claimed by those who have no extra-territorial loyalties. Any abuse of liberty to defeat the democratic basis of society can never be permitted, nor can the claim to enjoy the privileges of democratic freedom be conceded to those who employ terrorist, fascist or totalitarian methods.

While this Conference of the Socialist Party fully subscribes to this fundamental view of civil liberties and extends its support to the Government in dealing with those who by undemocratic methods threaten to subvert the State, it deplores the encroachments on civil liberties of the people made by the Provincial and States Governments in the country. The fundamental freedoms of speech, press and association, are being hedged in on every side, and are being denied on the slightest pretext. All criticism is resented, and the dangerous tendency of equating a critic with a traitor or a criminal is developing. News Services and Broadcasting are deliberately used for partisan ends by the party in power. Official positions are being utilized to build up volunteer organisations of the Congress Party, by banning other non-communal, non-military volunteer bodies like the Rashtra Seva Dal, and by according special facilities to the Congress Dal. Similar influences and pressures are at work to foster Congress-dominated labour organizations and to obstruct the efforts of independent parties and persons to organize the workers. Peasant and labour workers, who do not belong to the official Congress group, are being thwarted in many ways, and Sections 144 and 107 of the CrPC (Criminal Penal Code) and 379 of the IPC and the Public Safety Act, are used to restrict their activities and even to deprive them of their liberty.

Denial of civil liberties becomes a habit to the mind that begins to equate the governing party with the country as a whole. Such totalitarian tendencies need to be checked in the interest of India's infant democracy. If encroachments on fundamental rights and liberties

continue, liberty-loving Indians will be compelled to resort to the classic weapon of *satyagraha* to safeguard the freedoms of the people.

The Socialist Party is pledged to safeguard the civil liberties and the democratic rights of our people. This Conference appeals to all freedom-loving men in the country to band together in a Civil Liberties Union to make the rights and liberties of every Indian the sacred responsibility of our entire people.

4. *Congress and the Socialist Party*

The Socialist Party began its career in 1934 as a party organically linked with the Congress. The Socialists recognized the primacy of national struggle and acknowledged the pivotal position of the Congress in that struggle. They desired, in the interest of the national movement itself, a clarification of the aims and objectives of the Congress and strove to put socialistic content in the national policies of the Congress. They also desired to strengthen the national movement by linking the Congress with class organizations of workers and peasants. While the Congress response to the efforts varied from time to time, it throughout functioned as a national front embracing diverse parties and groups professing different ideologies and social philosophies. With the achievement of freedom, the role of the Congress as a joint front of the Indian people has come to an end. The Congress leaders themselves desire to convert the great organisation into a compact party. The new constitution of the Congress specifically outlaws, for the first time in its historic career, organized groups and parties from functioning in the Congress. Once the decision to become a party asserts itself, the national or multi-class character of the organization disappears. It then inevitably becomes a party of one class or the other. The Congress effort at becoming a multi-class party in fact results in refusing to become a party of the working people. The constitutional changes, as well as the inner logic of development sketched above, therefore, end the long period of organic association of the Socialists with the Congress.

This Conference of the Socialist Party, while it calls upon its members to withdraw from the Congress, hopes that the Congress will remain a progressive organization sharing common political ideals, loyalties and memories with the Socialist Party.

5. *States*

In order to preserve their own autocracy against people's sovereignty, the Princely States turned into centres of communal and caste reaction with the advent of freedom, as they were the seats of foreign reaction under British rule. In the interest of the States people themselves, but

even more so of the Indian people as a whole, the unbroken people's sovereignty now established in Delhi must soon find direct expression in the territories of the States, so that no princely groups are left to conspire against the internal and external security, nor is one Indian forced to acknowledge another as his prince. An urgency attaches to this task, for the Princely States must, together with other communal bodies, bear the guilt of the assassination of Mahatma Gandhi.

This Conference of the Socialist Party welcomes the policy of removing the smaller Princes and of the merging of these territories into neighbouring provinces, but it must record its criticism of the manner in which the medium States are being unified, so that while a step in the direction of unification is taken, the Princes got an access to their strength and are further consolidated. In respect of the bigger States, the policy pursued is wholly unsatisfactory.

This Conference advocates a seven-point plan for immediate execution in respect of all Princely States:

(1) All States armies to be abolished and direct units of the Indian Army to be recruited and administered, without recognition of communal or caste distinctions.

(2) Customs barriers and permit restrictions to be erased so as to allow free movement of persons and goods.

(3) The States Ministry must give up the old British tradition still governing the triangular relations of the India Government, the Princes and the States' people.

(4) New provinces to be created, with power vesting wholly in the people, and States not large enough to form a separate province should be merged with the neighbouring Indian province.

(5) Interim ministries as are being set up should contain none other than people's representatives and all jagirdari and princely interests must be excluded.

(6) Arrangements to be made for early general elections on the basis of adult franchise and without any privileged constituencies.

(7) The States' people must be permitted the liberties of meeting, association, publication and organization.

In Princely States which are near the frontier and where an explosive communal situation exists, the States Ministry can call upon the people to slow their struggles only if it is able and willing to curb these Princes and is also in a position to provide scope to the people for cleansing their territories of the communal poison.

This Conference extends its fullest support to the States' people in their effort and struggles to rid themselves of autocracy. It expresses its firm belief that the country shall soon be one, politically,

administratively and economically. For the realization of this belief and of the immediate six-point plan, the Socialist Party shall strive.

6. *Hyderabad*

This Conference of the Socialist Party extends its greetings and support to the people of Hyderabad who are striving to overthrow the domination of the autocratic and bigoted régime of a feudal dynasty which has never enjoyed paramount status in the Indian polity.

The Socialist Party views with grave concern the postponement of this vital issue of the sovereignty of the people of Hyderabad and refuses to recognize the prerogative of the Nizam to rule over the one crore and sixty-five lakhs of people of the State, according to his caprice. It refutes the effort to clothe the present régime in Hyderabad as a Muslim Government. The straightforward issue here, as elsewhere, is between people's sovereign rights against the autocratic claims of an effete dynasty.

The Standstill Agreement needlessly prolongs the Nizam's power and thus it postpones the question of the establishment of a fully responsible government of the people of the State who alone can determine the issue of accession. In view of the repeated breaches of this Agreement by the Nizam, by his deliberately hostile attitude to the Indian Union as exemplified by the 20-crore loan to Pakistan, the misuse of the wireless and the secret imports of arms, the Government of India must now end the period of make-believe negotiations.

The Party condemns the excesses of the *Ittehad-ul-Musselmeen* as calculated to endanger the lives, property and honour of thousands of peace-loving Muslims as well as Hindus in the State who are anxious to live in peace and co-operation. Only a people's representative government can establish law and order in Hyderabad.

This Conference congratulates the people of Hyderabad and particularly the students and workers for their valiant sacrifices and heroism and extends to them its wholehearted support in their great struggle.

7. *International Situation*

This Annual Conference of the Socialist Party is alarmed at the rapidly worsening relations between the two power-blocs and, more particularly, at the absence of an effective combination of democratic socialism to achieve peace and world government. The hope that India would play a part in creating this combination is receding and her Government is being reduced to the role of negative policies and narrow pursuits.

The Socialist Party proclaims once again that a world government can be created only when the different peoples have achieved comparative equality of economic status. Such a status cannot be achieved by peoples and parties which think in terms of preserving and improving on the old. The existing civilization, with its division of nations and men into the possessors and the dispossessed, its intermittent wars, its atomic weapons, its veto powers and, above all, its inability to move on to new foundations of thought and living, is doomed. The world is anxiously waiting for a people and a government which will take the lead in building a new civilization and in announcing the new message and are willing to concede to the world state a sovereign status.

The Socialist Party makes a fervent appeal to the newly established States of Asian peoples to reconstruct with the greatest rapidity their economic and cultural living on the basis of democratic socialism. Such internal reconstruction alone will give them the right to initiate, intervene and arbitrate on behalf of the new civilization in world councils. The Socialist Party must also emphasize the need to admit at once the Asian nations into the UNO.

However, the immediate task of the Socialist Party is to take the lead in the formation of a bloc of Asian countries and Egypt on the basis of a common defensive alliance, strong enough to resist the encroachments of both the power-blocs.

It is also imperative to remove the last vestige of imperialist domination in Asia, for the continued existence of this domination would inevitably lead to an attempt to involve the Asian countries in a war between the power-blocs.

Not only in the interests of their own peoples but also to save the world from the creeping danger of war, the socialist parties of Asia must strive urgently to achieve socialist governments in their different countries.

An unstable peace of not yet three years, and the world stands again on the threshold of war. Experience of the Indian Government's pursuits of national and international ends in world councils has convinced the Socialist Party that a people striving to build socialism and their government can alone pursue these ends. India must make her choice between being pulled down as at present into the depths of isolation and war or of building up the befriended strength of democratic socialism. The choice is urgent.

8. *May Day*

This Conference of the Socialist Party appeals to the Government of India to declare the First of May a public holiday. The Conference

further appeals to the working people of India to observe the May Day as a great festival of international working class solidarity.

Text supplied by the Socialist Party of India, Central Office, Bombay.

137 *March* 1948

REPORT OF THE GENERAL SECRETARY OF THE SOCIALIST PARTY

I LOOKING BACK

This is a historic conference, as you are about to take a decision here that should mark a new beginning for the socialist movement in the country and greatly influence the course of national politics.

At such an historic occasion, therefore, I may be pardoned if in this Annual Report I look back at the years past and assess our successes and failures, and also place before you certain suggestions for the future.

Having come into existence in 1934, the Party is passing through the fourteenth year of its life. During these years the Party has grown steadily, till it is today in respect of popular support—though its membership is still confined to a small band of active workers—the second largest political party in the country.

Up till now, and except for the Bombay Municipal elections, the Party has not functioned as an independent political party. Though it has had its separate membership, constitution and rules, and functioned among the working class and the peasantry independently, politically it functioned as a part of the Congress. In other words, for purposes of political action, the Party was not separate from the Congress; and on political issues the Party did not go beyond propagating its views and putting them before Congress committees. Being in a minority, the policies that the Party sponsored in the Congress were, more often than not, rejected. This gave rise to the impression that the Party always played a negative role. But its role appeared to be negative, not because the policies it advocated were negative, but because, being in a minority, it was not in a position to get them accepted by the Congress, i.e., to make them the basis of positive action. A minority, or for that matter, an opposition, must perforce appear to play a negative role till it acquires sufficient strength to become the majority.

The fact is that on every major issue that came up before the country, the Party had a positive policy. The year the Party came into being saw the resurgence of a ' parliamentary mentality ' in the Congress—five years after Pandit Motilal Nehru had declared at the Lahore Congress that his experiments with parliamentarism without freedom, had finally convinced him of its futility. In 1934, even before the Congress had formally called off (individual) civil disobedience, Doctors Ansari and Bidhan Roy had raised aloft the standard of a new Swaraj Party. In May 1934 the AICC succumbed to this manœuvre, and not only withdrew civil disobedience but decided that the Congress should contest the forthcoming elections to the Central Assembly.

The first ' negative ' role of the Party, which was born a day before the AICC met at Patna, was to oppose this parliamentary mentality and fruitless incursion into the ineffective and shadowy Central Legislative Assembly. The Party's plea was that such a step would divert the nation's attention from the main job of preparing for the next struggle, and would fritter away the energies of national workers in vapid debate.

Another ' negative ' policy to which I wish to refer here is the opposition of the Party to the acceptance of ministerial responsibility under the Act of 1935. The Party, however, was not alone in this opposition; Pandit Nehru himself and other leading Congressmen had opposed that policy. On the initiative of the Party, an anti-ministry committee of Congressmen had been formed with Sardar Sardul Singh Caveeshar, who had resigned his seat on the Working Committee on that issue, as chairman and Mr Rafi Ahmed Kidwai and Mr M. R. Masani as joint secretaries. Masani was then a joint secretary of the All-India Party.

That opposition was also a ' negative ' stand. Looking back, however, and in spite of the gap of years, I still believe that it was wrong to have accepted office then. While it yielded no advantages, it gave birth to a mentality of power politics within the Congress that threatens now to become its undoing.

It is not my purpose here to review the work of the Party during this whole period when the Party functioned within the Congress. My purpose rather is to look back and assess the work done. When I do this, I find that most of our time during these years was taken up with Congress work or with our efforts to influence the Congress.

I should like to point out here that while we often played the role of a left minority within the Congress, there were many occasions on which we were completely at one with the majority. Particularly during periods of national struggle, members of the Party acted as zealous soldiers of the Congress and worked as one team with other

Congressmen. This positive aspect of our work is often overlooked by critics.

Summing up the total result of our work within the Congress, one might say that we acted as a check on the politics of compromise; we strengthened the organization as an instrument of struggle; and we were able to produce a climate of socialism within the Congress. The fact that every Congressman today is anxious to describe himself as a socialist, whether or not he is actually one, is a tribute to the work of our Party.

There is one criticism, however, regarding our work within the Congress that I should like to make here. Looking back, it seems to me that we would have done well to associate ourselves with the constructive work of the Congress to a far greater extent than we did. We were responsible—and I more than others perhaps—in creating the feeling that all constructive work was unrevolutionary and, for socialists, a waste of time. I should like to put on record that that was an immature and mistaken view. Possibly, if we had come into the field of constructive work we might have developed aspects or types of it that would perhaps have enriched it. But whether that would have happened or not, there is no doubt that we have impoverished ourselves a great deal by keeping out of that valuable field of activity, which would have given us experience and wider mass contact and enabled us to understand rural India in a more intimate manner.

While most of our time was taken up with our work within the Congress, our activities were not restricted to the Congress alone. From the beginning there were two main departments of our work: one within the Congress, the other without. While most of our political work was within or around the Congress, work that dealt with economic and class issues was all done independently of it. The building up of class organizations of workers and peasants so as to conduct through them the struggle for the removal of class injustice and the fulfilment of immediate class demands was from the beginning placed in the forefront of the Party's programme. It was rightly believed that this would prepare the masses not only for the ultimate achievement of socialism but also for the immediate struggle against imperialism.

At the time the Party was formed the trade union movement was split into three national organizations: the All-India Trade Union Congress, the Communist red TUC and the National Federation of Trade Unions. Out of these we selected the AITUC to work with, because politically this body was nearest to us. An agreement was early signed between the Party and the AITUC according to which the former undertook to affiliate its unions with the latter and treat

it as the central organization of labour, and the latter pledged to support the Party as the political party of the working class.

At the same time, in full concurrence with the AITUC the Party raised the slogan of trade union unity and played a considerable part in bringing the three national bodies together. The united body took the name of the AITUC, as this was the name of the parent body from which the other two had split away.

After the agreement with the AITUC and till the three bodies had combined, the Party was the dominant group in the AITUC. This was the result, not so much of new trade union work done under Party auspices, as of the fact that many leading trade unionists came over and joined the Party. While it must be admitted that the trade union work done then by Party members was not much to boast of, it should be remembered that the claims of the freedom movement were so heavy and most of us were so intimately connected with it, that there was little time to attend to other work. It was only after the August Revolution, when there was a large influx of new blood into the Party, that we were able to spread out in the trade union movement. The Party can well be proud of the work that has been done subsequently in this field. It is a pity that a great deal of the work done in the Punjab has perished due to the recent disasters that have visited both parts of that unhappy land.

The post-war split in the AITUC caused by communist methods is too recent to require detailed treatment. It is a pity that the trade union movement should be so split. But when political policies diverge so greatly and unscrupulous means are used to exploit labour for political ends, a split becomes inescapable. Had the Congress not attempted, in the name of applying Gandhian principles to the labour movement, to drag labour behind the Government, the non-communist forces in the trade union movement might at least have stood together. But the sectarian and authoritarian methods of the INTUC have left no choice to these forces but to stand outside. It appears to me inevitable that they should come together in another national organization of labour.

In spite of the fact that the peasantry in this country is so oppressed and exploited, there was no peasant organization worth the name when the Party came into existence. Spasmodic peasant movements there had been, such as the movement of the Oudh peasantry in the UP. There was also a Kisan Sabha in Bihar which had been formed by the Provincial Congress in 1929 to fight certain tenancy legislation which the provincial dyarchy and zamindari interests together had sponsored. It was mainly on the initiative of the Party, assisted powerfully by Swami Sahajanand Saraswati and later by Professor N. G. Ranga,

that the All-India Kisan Sabha was created. At the beginning the communists were not in the picture, but when the disastrous policy of socialist unity was translated into action, they too trooped in. Thereafter, the history of this organization has been one unbroken tale of intrigues and splits: a tale, sadder than that of the AITUC. One of the difficult questions before the Party today is that of the proper organizational form to be given to the peasant movement. Should we carry on with the same old Kisan Sabhas, which are political platforms rather than class organizations, or should a better form of organization be devised? I hope this Conference will find the right answer to this question.

There were two other fields of activity of the Party of which mention might be made: student and volunteer movements. Wherever the Party formed volunteer bodies outside the Congress volunteer organizations, the work has survived the passage of years. And now one task awaiting us is to integrate all these provincial and district bodies into a national organization.

The student movement did not escape the inevitable results of communist affections. The All-India Students' Federation, in the formation of which the Party played a notable part, soon became a platform of the Communist Party, resulting in an inevitable split. The Students' Congress, over which the Party has had considerable influence, played a fine role in the freedom movement. But today there is again confusion in the student movement. I hope all non-communist students will be able to hold together, on the one hand, and on the other, will refuse to walk into the communist parlour lured by the false slogan of unity. I have always held that Party members should keep out of the scramble for office and position in the Students' Congress. Recent events have further strengthened me in this view. It appears to me to be more profitable for our student comrades to form socialist students' clubs for study and discussion, and to do specific Party jobs.

This hurried assessment of past work would be incomplete without a reference to the disastrous policy of socialist unity that the Party followed almost from its birth. The results of that policy are too well-known—at any rate, they have already been related in a Party publication—to require further narration here. Communist bad faith and double-dealing have not yet allowed the Party to recover its strength in the South. But though the results of that policy were disastrous, it was worthwhile having made that mistake because it taught us a valuable and unforgettable lesson. No theory, nor the experiences of other countries, could have enabled us to understand and know the communists so intimately as we were able to understand and know

them through our own painful experience. The lessons of that shall guide us now when once again the slogan of left unity is being blared forth from communist trumpets.

I shall close this review after dealing with two common criticisms that are made of our past work.

There are some who have tried to trace the underlying cause of the civil strife that has been raging in the country during the last many months to the cult of violence that was preached during the August Revolution. This is an over-simplification. The civil strife in origin was not spontaneous but a planned and directed movement; and its roots go down to imperialist policies. The theory and strategy of the strife have drawn liberally upon European fascism and were much influenced by the human disintegration caused by totalitarianism and the world war. In a small measure, some of the dark aspects of the August movement might be responsible for recent disorders; and while that may be granted, it is necessary for our social doctors to attend to another symptom of the present national malaise. Along with civil strife, there is visible on every side a sudden deterioration in the standards of public conduct. Men who till the other day talked of the high ideals of non-violence and truth seem suddenly to have put all their ideals away and are found submerged in the game of power politics, nepotism, and some even in corruption. Why is this so? Why is it that even our nationalism has proved in so many cases to be only skin deep? Why is communalism creeping into our hearts, and why provincialism, caste-feeling and other kindred poisons? I submit that the reason is that the non-violence and truth that many so loudly professed were merely make-believes and convenient covers and not articles of faith. It seems to me that it was better to have believed in the clean weapon of violence than to have used non-violence and truth as mere cloaks. I am not justifying violence, which too, it should be remembered, has its own moral limits; all that I am saying is that while violence may lead to harmful results, false non-violence might do greater harm.

Another criticism that has recently been made is that we always failed to anticipate events or that our estimate of future events has more often than not turned out to be false. For instance, it is said that history proved us wrong when we suggested that the settlement with the Cabinet Mission was not going to bear any fruit and that another conflict was unavoidable with the British. In the same way, we are accused of wrong judgment when we boycotted the Constituent Assembly on the ground that it was not to be the final authority to draft the constitution of free India. It is easy, as the common saying goes, to be wise after the event; but there are apparently some whom even events do not seem to teach wisdom.

I fail to see how our judgement has been falsified by history. I have no doubt that had we not given up our fundamentals, a conflict with the British was inescapable. What the form of that conflict would have been it is difficult to tell. But, after the conspiracy hatched by Wavell and Jinnah had succeeded, the Congress had clearly no alternative but to throw overboard the entire agreement and go into the wilderness again. That was avoided at a great price, a price that none of us ever thought the Congress would agree to pay in any circumstances.

The whole strategy of the Socialist Party and our reading of the situation were based on the assumption that the Congress would never accept partition. If partition had not been accepted, the Congress had no alternative but to resign from the Interim Government and face the British once again on the issue of full independence and undivided India. It is true that the Congress had accepted, with the concurrence of its socialist wing, the principle of self-determination. But that principle was to be applied after the British had quit and not with their help and under their aegis. When the Congress accepted partition, it accepted partial and not complete independence. One would have thought that those who did this would at least have fairness enough not to accuse others of wrong anticipation of events.

I repeat once again that had the Congress not deviated from its true path and compromised with its principles, there was no alternative for it but to follow the course of action that the Socialist Party had suggested.

Coming to the Constituent Assembly, it has been suggested that, having once boycotted the Constituent Assembly, we now feel sorry that we have been left out of the picture. People are wont to judge others by the same standards of conduct as their own. As far as we are concerned, we do not at all regret having boycotted the Assembly. We were anxious by doing so to make it clear to the country that the whole basis of compromise with the British was wrong and should be rejected *in toto*. To accept a part of that compromise and reject the whole would have been the height of political opportunism. As events developed, and the Muslim League walked out of the Constituent Assembly, it was clear that what remained of that body was no longer capable of drafting the constitution of free India. The only thing that remained to be done then was, as I have said above, to tear up the whole agreement with the British, to get out of the Interim Government and of the Constituent Assembly, and to call finally a real Constituent Assembly elected by the people. The assembly would then have become the centre of revoluntionary power and challenged the British authority to a final showdown. The Socialist

Party would have heartily co-operated with such an assembly and taken full responsibility for enforcing its decisions.

We were told that such a course of action would have led to civil war, which the acceptance of Pakistan would avoid. We replied that, in the first place, the risk should be taken, and, in the second place, acceptance of Pakistan would not remove but accentuate that risk. Easily gained power, however, was too much of a temptation to be resisted, with what tragic results history has already shown. And yet there are people who boast of their victory and their wisdom and accuse others of talking hot air.

The Socialist Party, as any other body, has made mistakes but the stand it took on the deal with the British was surely not one of these. In fact, that was a stand of which the Party may ever be proud.

II LOOKING AHEAD

I shall now deal with a question which after a long career of controversy is approaching its final answer. We have long debated the question: within or without the Congress? There have been weighty arguments on both sides, but the weight has lately been shifting to one side alone. Some weeks ago I had published an article examining the pros and cons of this question, and indicating the inclination of my own mind.

Since that article was written, developments have further clarified the issues involved. The AICC at its last sitting adopted certain fundamental principles of a new constitution of the Congress. These principles make it clear that the Congress is no longer to remain a national front—not even at the time of a national crisis. The Congress is to become now a party and the Indian National Congress which stood for the whole nation and fought for its freedom and received the allegiance of all sections of the people is no more, or lives only in name. Logically the name too should have gone, so that the great traditions associated with that name should have been kept unsullied by party politics.

In these circumstances the Party must leave the Congress. That is the clear demand of the needs of Indian socialism.

There is another set of very weighty considerations which, too, point to the same conclusion. In the article referred to, a passing reference was made to the need for an opposition party. That need has grown in the weeks that have elapsed since.

The presence of Gandhiji in our midst was a powerful guarantee of civil liberties and people's freedoms. In his absence the dangers

of authoritarianism and totalitarianism have grown. These dangers would further be accentuated if there were no opposition party in the country—a party whose patriotism and faith in democracy were out of question.

Those in Government are individually good men and undoubtedly wish to serve their country, but while a few among them are ardent democrats, others have shown scant regard for the liberties of the people. The old administrative machine, which was tuned to British authoritarianism and taught to disregard the popular will and the popular good, is still functioning much as before. In fact, wags like to sum up the present situation in the quip: The British have gone, the ICS have come.

In the days of the British, the Congress was the conscience of the people and their tribune. Now, the Congress is so identified with the Government that it has lost the power to protect the rights of the people. As a matter of fact, its main task to-day is to defend the Government and justify to the people its every act—right or wrong.

The result of all this is a frightful situation. Criticism, even fruitful criticism, is resented and sought to be suppressed. There have been instances in which publishers have been hauled up before authority and ticked off for giving publicity to offending, though truthful, news or views. Means of propaganda that are in the hands of the State, such as the AIR, have been used for party ends by the party in power. Administrative authority is exercised illegitimately to curb the activities of political workers who become thorns in the side of supporters of the Government. There are examples of trade union workers being put into prison on the recommendation of INTUC bosses. Liberal use is being made of Sections 144 and 107 of the Criminal Procedure Code to put down political rivals. The Public Safety Acts are being misused to the same ends. There have been cases of persons showing sympathy for the Socialist Party and contributing to its funds being threatened with dire consequences. Members of the Services are being reduced to the position of lackeys of the party in power. While the Services, except those in commercial, industrial or other similar public undertakings, should be kept out of politics in the sense that their members should not take an active part in party politics, they should have full freedom to belong to the party of their choice—provided the party is an open political party functioning within the law—and to subscribe to it, and cast their votes for it at elections. This right is being denied to-day, and there are ridiculous instances in which even school teachers have been asked to keep out of politics! As we advance towards socialism, ever widening sectors of citizens would be brought within the sphere of Government employment, and if all of these were to be

denied opportunities to participate in politics, we would end up in a dreadful totalitarian system in which no other party than the party in power had any chance to exist. In view of all these very serious considerations, the need for an opposition party becomes imperative. One-party rule or at any rate the absence of a popular opposition party, which itself believes in democracy and is loyal to the country and the State, is sure to encourage the growth of totalitarianism, particularly in view of the fact that present disturbed conditions have vested the Executive with very large powers.

In the conditions existing in the country today, the Socialist Party alone can fulfil the need for a popular opposition party. This is not said in boasting, but as an objective statement of fact.

Thus taking into consideration all the aspects of the question, the conclusion we reach is that we must leave the Congress now and function as an independent political party. I have no doubt that this conclusion will commend itself to you all.

The decision to separate from the Congress places on us heavy responsibilities. I should like here in all humility to lay down certain principles which should guide us in our new career.

First of all, our decision to break away from the Congress will cause serious anxiety to many friends, who may have no interest in party politics but are deeply concerned over the future of the nation. I refer to those friends particularly who believe that at a moment of national crisis it was not parting of ways that was necessary but joining of hands.

We must set the minds of these friends at rest and allay their anxiety. We have not been familiar in this country with parliamentary government and, necessarily, with the nature of democratic opposition. The sense in which we are prone to understand an opposition is the sense in which the Congress was an opposition to the British Government. The Congress used the method of direct action to destroy the British Government in India root and branch. That cannot be the nature of an opposition in a democracy. In a democracy the party in power and the party in opposition (assuming it is a democratic party itself) are both united in their loyalty to the State and pursuit of democratic methods; in times of national crisis, both parties bury the hatchet and, while keeping their identities and organizations apart, join hands to serve the nation together. In a democracy an opposition party is not an anti-national party; rather, it is always a party that advocates a different, and according to it, a better way of serving the nation than the party in power. During the British period, to be anti-Congress was to be anti-national, because the Congress stood for the nation as against the foreigner. Now in a free India we must accustom

the people to the idea that to be opposed to the Congress is not to be opposed to the nation, but rather to be opposed to certain policies and methods of government and to advocate alternative policies. Further, to be opposed to the Congress means to attempt by democratic methods to replace it as the party in power.

That the country is passing through a great internal crisis and there are external dangers of incalculable gravity no one can deny. At such a time all parties in the State, sharing common objectives and common ideals, should come together and co-operate in facing the crisis. There is much in common between the Congress and the Socialist Party: their faith in secular democracy brings them nearer together than any other two parties in the country. This naturally means that the Socialist Party shall ever be ready to fight for the defence of the State and of democracy and against the forces of communalism and reaction; and, in this fight it would be happy always to join hands with the Congress.

It would be our job to reassure the country of all this by deeds rather than words.

May I finally say in this connexion that I am conscious that when we leave the Congress we shall leave behind many friends and valued comrades with whom our bonds of personal and ideological attachment will never snap. Even when working outside, it shall be our endeavour to strengthen their hands; and I hope that by functioning as an opposition we shall make their task lighter and their path easier.

I seek your indulgence now to bear with me in examining a problem that has deeply worried me of late. The problem is that of methods or means. It is important for us, both in the light of our impending decision to break away from the Congress and of the tragic events that have recently taken place.

In the West, opposition parties do not consider it wrong to use lies and falsehood to bring the rival party into disrepute; they do not consider it wrong to practise bribery and corruption to achieve favourable results at elections. There are certain parties, which go much beyond lies and corruption. For them, even murder, loot and arson are a part of political strategy. We have witnessed this strategy unfold its bottomless tragedies in the past months.

From time immemorial there have been politicians who have preached that there is no such thing as ethics in politics. In the old times, however, this amoralism did not spread its corrupting influence beyond a small class that played at politics, and the mass of the people were left uncorrupted by what the leaders and ministers of State did. But since the rise of totalitarianism, which includes both fascism-nazism and Stalinism, this principle has been applied on a mass scale

and every individual in society has been affected by it. This has resulted in such an eclipse of moral values from social life that not only its political sector has been darkened but every sector of human life including even family life.

Since the victory of Stalinist methods in Russia, it has been commonly believed that there is no room for moral values in Marxism, and it is usual for a socialist who talks of such matters to be branded as a renegade or, at the least, a deviationist. I should therefore like to state before you in the clearest possible terms that I for one have come to believe that for the achievement of socialism a strict regard for means is of the highest importance. Socialism means different things to different persons, but if by socialism we mean a form of society in which the material needs of every individual are satisfied and also in which the individual is a cultured and civilized being, is free and brave, kind and generous, then, I am absolutely clear that we will never reach this goal except by strict adherence to certain human values and standards of conduct. It is too often believed that all would be well only if there were no exploitation in society and everyone was well-fed and clothed and housed. But a society of well-fed and clothed and housed *brutes* is a far cry from socialism.

There were many things that Mahatma Gandhi taught us. But the greatest thing he taught us was that means are ends, that evil means can never lead to good ends and that fair ends require fair means. Some of us may have been sceptical of this truth but recent world events and events at home have convinced me that nothing but good means will enable us to reach the goal of a good society, which is socialism.

When, in a statement the other day, I talked of the need of spiritual regeneration, some of you might have thought perhaps that I had been so deeply shaken by recent happenings that I was trying to escape from the hard realities of life. Those of you who might have thought so are completely mistaken. I have no knowledge of matters spiritual, if the term is understood in a religious or metaphysical sense. I have not suddenly come to acquire faith in something called the spirit or the soul or Brahman. Such philosophy as I have is earthy and human. I am concerned merely with the problem of the type of men I should like to live with in society. Clearly, I do not like to live in a society of liars and murderers, of men who have no kindness in them, no tolerance, no fellow-feeling.

No one can say what human nature is; but this much can be said that it is what you make of it. A good man is not born. He becomes good by training. Therefore, if the aim of our Party is not only to produce well-fed, well-clothed and well-housed animals, but also to

produce good men, then I say that all our political work must be inspired by certain ethical values. I hope that you will give this viewpoint the consideration it deserves.

I crave your indulgence again to permit me to examine another problem from a somewhat unorthodox point of view.

There is a view held by some that all politics are power politics. I consider this to be a disastrous point of view.

I shall examine here two important aspects of this way of thinking. First, let us see how it affects Party organization. Those who hold this view should logically make every attempt—I do not say that they are actually doing so—to secure power within the Party itself. And power, according to this view, being the quintessence of politics, the use of every kind of means may be considered justified to secure power, including means such as lying, scandal-mongering and cheating at Party elections. Clearly—and I hope all of us would agree—such means could only result in the complete disintegration of the Party. I, therefore, hope and pray that every one of us will reject all such means and eschew all quest for power within the Party. It is human to yearn for recognition and aspire for positions of influence and leadership. But one should be content to reach these positions by virtue of one's work and service done to the cause.

The second aspect of this view which I wish to examine here has a far deeper and wider significance. The theory that all politics are power politics has the necessary underlying basis—though this may not be obvious to the protagonists of this theory—that the State is the only instrument of social good. In other words, those who subscribe to this theory believe—unless they are mere self-seekers, in which case unworthy of notice—that they must capture the State in order to be able to serve society and bring about the social transformation they desire.

I reject this view completely. The Congress today has captured the State, but every thinking Congressman will agree that the Congress would completely undermine itself if it depended on the State for every effort at social change and development. In fact, the view is growing among the constructive workers in the Congress that they must cut themselves off from the parliamentary machine and function independently so as to serve both society and the State.

The experience of totalitarian countries, whether fascist or communist, has shown that if the State is looked upon as the sole agent of social reconstruction, we get nothing but a regimented society in which the State is all-powerful and popular initiative is extinct and the individual is made a cog in a vast inhuman machine. Such a society is surely not the objective of our party; nor could a society of this

nature ever be an intermediate stage in the evolution of the democratic socialist society that is our aim.

Democracy requires that the people should depend as little as possible on the State. And, both according to Mahatma Gandhi and Karl Marx, the highest stage of democracy is that in which the State has withered away. Totalitarianism, as distinct from a transitional ' dictatorship' of millions of toilers over a small defeated class of vested interests, can hardly be a half-way house to full democracy. It is necessary for the growth of full democracy that popular effort has the freest possible chance, and that the people, through varied kinds of economic and cultural organizations and institutions, are enabled and encouraged to improve their condition and manage their affairs.

Accordingly, the type of mind that I should like to see develop within the Party is one that would make every one of us indifferent to whether one is Prime Minister of the Republic or a trade union or other field-worker. I believe that whether or not we have the government in our hands, if we succeed by constructive work in creating a sound trade union movement capable of running industry; in educating the working class in the arts of citizenship; in creating co-operative communities in the villages; in mobilizing the youth and children as voluntary servants of the nation; in creating cultural influences that go down even to the most backward sections of the people; if we succeed in eradicating caste, superstition and bigotry; if we succeed in enlisting the co-operation of hundreds of thousands of selfless workers to whom the seats of power offer no attraction—if we succeed in all this, we shall also succeed in building up a socialist society. In this event, the State will inevitably become a socialist State, and will play its inevitable and appointed role, which would go little beyond the imprimatur of the law on what has already been accomplished, or on what cannot be prevented from happening. The State in this manner will only be an instrument in the hands of a popular socialist movement—i.e., of the people organized independently of the State for a socialist way of living—rather than the source and fountain-head of all authority and will.

These observations are of particular significance in the context of the historic decision we are about to take. The temptation for members of an opposition party to look always to the seats of power is great. We must keep this temptation in check. We must remember to-day, and never forget it in the coming years, that it would be by constructive work, rather than by the tactics of a parliamentary opposition; by positive service rather than by exploiting the mistakes and faults of others, that we would succeed in establishing a democratic socialist society.

I might refer here briefly to an important corollary to what I have said above. In a revolutionary party, i.e., a party that aims at fundamental social change, there are always a parliamentary wing and a wing made up of field-workers. A time inevitably comes when a conflict arises between these wings as to which should dominate the other. Such a conflict has already arisen within the Congress, which at least has had a revolutionary past; and the victory has already gone to the parliamentary wing. In this event, the field or constructive workers of the Congress would probably separate and form themselves into an independent body of social servants. We, on the other hand, should so develop our Party that constructive and parliamentary work are integrated together and the constructive workers have the dominant voice. Only then could the Party become a fit instrument of full democracy.

Before I close I feel I should say something about the problem of left unity. Since the reorganization of the Party, the problem has often come up for discussion at Party meetings and in the Statement of Policy there is a clear declaration about our relations with the Communist Party. Recently a meeting of something like eighteen left parties and groups was held at Patna where a sort of a consolidation was formed. The question has thus been raised again, and members of the Party have wondered what our policy should be. I should like to deal with this question of left unity in two parts: (1) unity with the Communist Party and (2) unity with the others.

As far as the Communist Party is concerned, our policy has been unambiguous. World events have underlined that policy. The fact that communist parties are subservient to Russia has received the endorsement of current history—the latest proof coming from Czechoslovakia. Those whose eyes even Czechoslovakia has not opened can be nothing else than conscious tools of the communists.

Is unity possible with the fifth columnists of a foreign power? We may be as friendly as we wish to the foreign power itself; but surely we would be mortgaging the freedom of our country if we let foreign agents grow in prestige and influence.

Recent developments have also shown up the character of communist 'democracy'. In the Statement of Policy, we have said that we not only differ from the communists on the question of loyalties but also on that of objectives: whereas we aim at democratic socialism the communists believe in totalitarianism. To that the communists reply that they have their own form of democracy. What that form is in reality has once again been demonstrated in Czechoslovakia. Prof. Laski has described it in a recent confession of disillusionment, and further touches to that picture have been given by the march of time.

Communist democracy is so perfect that democrats like Jan Masaryk cannot survive its foulness and Beneš, the head of the State, cannot be allowed to be at large.

The third basic difference between the Socialist and Communist parties to which the Statement of Policy refers, is the difference regarding methods. Reverting to Czechoslovakia again, communist methods are in full bloom there for all those but the blind to see. In our own country those methods are once again being unfolded. A lying propaganda has been let loose against our Party by the communist press and its various fronts. I have a personal taste of this propaganda as President of the Railwaymen's Federation. As long as the communists subscribed to the slogan, ' Nehru Sarkar Zindabad,' every settlement with the Railway Board was welcome as a great victory. Now, when their line has been reversed, and they are out to strike at the very roots of the Indian State, settlements no less generous, are being described as a sell-out and I am personally being attacked as having been bought out by the Railway Board. That is the kind of method this party follows, while raising simultaneously the slogan of left unity. There can be nothing in common between our and communist methods.

The conclusion, therefore, at which I arrive is that unity with the Communist Party must be resolutely ruled out if the Socialist Party seriously believes in freedom and democratic socialism.

In this connection, I must warn you all that as elsewhere in the world, the communists are going to take advantage of the democratic character of our Party to infiltrate into it, to plant their stooges within it and try to split it and finally destroy it. If you are not vigilant, if you are taken in by their special pleading, if even for a moment you come to believe in their bona fides, you open the door to the ruin of the Party. Every one of you must be on guard and must make the people aware of the communist menace. There are signs that suggest an Eastern Cominform. This makes the communist menace more menacing.

After the fifteenth of August the tasks of our Party are constructive. We have to build up a new India. The communists, on the other hand, are not interested in building up anything at all. Their interest is in creating disturbances and troubles so as to exploit them to popularize their party, and to weaken the Indian State. A strong India, becoming the focus of a third force, will not suit the communists and they will do everything in their power to prevent the regeneration of their country. So much for the communists.

As far as other left groups are concerned, it would be necessary to go into the programme and policy of each group and then only the

question of unity can be settled. Just because a group is dubbed leftist, it need not follow that we must work with it. There are several leftist groups in the country whose difference with the Communist Party is as narrow as between Tweedledum and Tweedledee. These groups accept *in toto* the objective of totalitarianism and the amoralism of communist methods. Their only quarrel with the communists is that they do not worship Stalin but they have other Gods to worship and their attitude towards Russia is only a little removed from subservience. Further, the appreciation that some of these left groups have of the situation in India is fundamentally different from ours. For instance, there are groups which say that the Nehru Government is a Kerensky Government which has to be overthrown by violence; and these groups endeavour towards that end. In these circumstances how is unity with these groups possible?

I have always held, and nothing has happened recently to compel me to change that view, that there is only one method by which the left can consolidate its forces and acquire sufficient strength to challenge the right and play an effective part in national politics. A number of small leftist groups, each with its own denominational dogmas and petty rivalries, banded together in a loose consolidation can hardly give the type of united lead to the masses that would be necessary. Differences and jealousies would arise and would ever be a source of weakness. Any fundamental issue may threaten to disrupt it. The left, if it has to become a political force, must be organized within the folds of one single party, which should have strength enough to lead the people on the basis of a consistent programme of action. Without any sense of partiality, merely as a statement of objective fact, I state that today the Socialist Party is the only party in the country which can play this role. Now, when we are emerging as an independent party, I have no doubt that we shall invite such leftist groups or individuals as may agree with the basic policies of the Party to join forces with it and build up one single socialist movement in the country. I have no doubt the Socialist Party would welcome with open arms all such leftists as may agree to join forces.

I had intended to place before you some suggestions about the structure of the new party. But this has not been possible, I shall only say that the whole structure of the Party must change, enabling it to become a mass party and properly representative of the organized masses. I am sure that you would recommend steps to be taken to examine this problem and evolve a new constitution for the Party.

I have not attempted in this policy report to deal with national problems and suggest policies in that behalf. The Conference will no doubt deal with it in its resolutions. My purpose here has been merely

to deal with certain questions over which my mind has been exercised so that you may share my thoughts. Whether you will endorse all that I have said is too much for me to say, but I hope you will give your serious consideration to the views I have placed before you.

Text supplied by the Socialist Party of India, Central Office, Bombay.

138 4-6 *October* 1949

POLICY STATEMENT OF THE SOCIALIST PARTY

PICTURE OF SOCIALISM

The Objective of Socialism

(1) Till freedom was achieved, socialism was a secondary issue: national independence came first. After the achievement of freedom, the issue of socialism takes the centre of the stage. The national front against imperialism dissolves and the Socialist Party steps forward as the instrument of social revolution. From being the left wing of the national movement, the Party becomes the vanguard of the toiling masses in their struggle for a new world. What is the picture of this new social order and how is it to be achieved? These are the questions which must be answered now and the basic policy of the Party stated clearly at this moment of historic departure.

(2) The Party constitution defines the objectives of the Party as being (*a*) the establishment of a democratic socialist society in India; (*b*) the eradication of imperialism, racialism, colonialism and other forms of national oppression and economic inequality among nations and the creation of a democratic socialist world.

(3) After more than a hundred years of socialist thought and action, there was no need to elucidate these concepts further. But in the years past conflicting pictures of socialism have been drawn which makes it necessary to redefine these concepts and to make a choice.

Totalitarian Communism

(4) The main choice today is between democratic socialism and totalitarian communism. In totalitarian communism, to which it is wrong to apply the name of socialism, every other but the ruling party is suppressed; there is no opposition permitted to the Government, i.e., to the bureaucracy in power; the trade unions are not independent organizations of the workers but subordinate limbs of the all-powerful State with no right to strike or to take any other action independent of the State and the ruling party. Under such 'socialism', as

totalitarian communism is sometimes called, the individual is not free and enjoys no protection against arbitrary loss of his already restricted freedom, his job or even his life. The State in such a system acquires an unchallenged control over the life, liberty and happiness of its 'subject'. On the other hand, thanks to the single-party system, the State passes entirely out of the democratic control of the community of workers and becomes a tool in the hands of the ruling clique of the only party in existence. Party leaders and leaders of industry, agriculture and the armed forces become a class, apart from the mass of workers, perpetuating themselves through a system of special privilege, drawing incomes far in excess of ordinary wages and ruling in the name of the workers but wholly beyond their control.

Democratic Socialism

(5) The Socialist Party rejects such 'socialism'. The socialist society which it aims at is a society in which there is the fullest economic and political democracy. It is an axiom of Marxism that there can be no socialism without democracy. Therefore, in the socialist society of our conception the individual, i.e., the worker, is free and the State has no power to deprive him of his rights and privileges except through due processes of law. Further, in such a society, the trade unions are free and may even exercise, if need be, their right to strike; other voluntary organizations of workingmen are also free; political parties other than the party in power may be formed and may function freely. The State has no monopoly over the press, the radio or other means of propaganda. Associations of workingmen, their parties, collectives, co-operatives, municipalities and other corporate bodies of workers have their own press and means of propaganda and the State Press is open to every individual worker, whose right to criticise or oppose the Government, or any limb or servant of it, is guaranteed by the Constitution. In such a society, economic power, i.e., the power to plan production, the power to determine the conditions of work, prices, the distribution of the national produce between saving and spending and between the forms and grades of these—all these powers—are held not exclusively by the State bureaucracy, but shared by trade unions, co-operatives and other suitable representative bodies of workingmen. In such a society, the servants of the State, particularly on the higher levels, including police officers and magistrates, are elected by appropriate constituents and are subject to recall by the same. No incomes in such a society are much removed from the ordinary wage-level and the children of the higher grade of wage-earners have no special privileges or opportunities. Government and management of economic affairs are made as simple as possible, enabling immediate

participation in these activities of the greatest possible part of the community.

(6) These are the basic principles of democratic socialism to which the Party adheres, and which shall guide its future policy. But these principles do not in any way complete the picture of socialism which the Party has in view; they merely state the conditions that will prevent socialism from being submerged by totalitarianism.

Failure of Social Democracy

(7) While the experiences of the inter-war years in Europe brought out the defects of totalitarian communism, they also demonstrated the weaknesses, particularly during the German Revolution, of Social Democracy. The Social Democratic movement in Germany and elsewhere in Europe exhibited an utter lack of decision in revolutionary and critical moments. When history demanded decision, revolutionary action, Social Democracy afraid of violence and disorder and inhibited by doctrinaire ideas, forswore its historical role and allowed capitalism to re-entrench itself under the garb of democracy and constitutionalism. This weak-kneed policy and the disastrous mistakes and disruptive tactics of world communism ultimately made possible the enthronement of Nazism.

(8) The Socialist Party, therefore, while firmly believing in democratic socialism and fully aware of the dangers of totalitarian communism, adheres steadfastly to the path of revolution. The Party sees no conflict between democracy and revolution. The bourgeois revolution was the mother of bourgeois democracy; so, the social revolution is the mother of socialist democracy.

Abolition of Capitalism and Feudalism and the Emergence of One Class or Classless Society

(9) Capitalist society is based on exploitation of labour for private profit. In free capitalism the degree and manner of this exploitation are determined by the capitalist class. Under controlled capitalism, this task is performed mainly by the State; but then the State itself is very largely controlled by the capitalist class. Therefore, the result of State control of profits, wages and prices in a capitalist society makes little difference to the economic basis of that society. In a socialist society, that basis is completely, basically altered. In this society, there is no capitalism, i.e., there is no class of private owners of productive property to which labour power may be applied for the production of more property. The abolition of capitalism might be achieved by an insurrection or through a democratic process. Whatever the process, in a socialist society there is no capitalist class in existence.

Nor is there any other exploiting class, such as the class of landlords and capitalist farmers. The disappearance of the exploiting classes means that there is only one class left in society—the class of workers whether they work in fields, factories, offices or in the professions. The State in such a society is a workers' state and, if the democratic forms of political and economic life already described are in existence, it may not be turned into a bureaucratic or totalitarian state.

Socialization of Production

(10) The property that under capitalism belonged to the capitalist and the landlord belongs under socialism to the worker not individually, but corporately. In other words the State, its subordinate limbs, the municipalities, village communities, co-operatives and similar corporate bodies become the property owners, and, together, the managers and directors of all economic activities. All large-scale industries, such as defence and basic industries, are owned and managed by the State; consumption industries and industries of small and middle sizes are owned by other corporate bodies. Land is owned by the village community as a whole from which individual cultivators hold within certain minimum and maximum limits of acreage; and the actual farming is done through co-operatives or individual cultivators working as members of a co-operative society.

Socialization of Trade and Banking

(11) Trading establishments too become the property of the State or the co-operatives who carry on all the trade, except very small neighbourhood trade that may be left in the hands of individuals. All banking is in the hands of the State.

Industrialization and Development of Technology and Science

(12) The economic organization of present society is geared to the need of creating private profit. In socialist society, the purpose of economic activities is to produce goods and services for the satisfaction of human wants. India is poor beyond description. Not enough of goods and services are being produced to go round. Even if the few who are in a privileged position at present did not misappropriate the share of their fellowmen, there is not enough to satisfy even the primary needs of the population. It is obvious therefore that production must increase manifold.

(13) But production cannot increase unless human labour is made more productive by the use of science and technology. Furthermore, in socialism the aim is not merely to increase the productivity of human labour but also to make it less irksome and fatiguing and

to leave to the labourer more time for rest, recreation and the pursuit of happiness. Thus, both to make labour more productive and less toilsome, it is necessary to make the greatest possible use of science and technology.

Large v. *Small Industry*

(14) In this context the controversy that ceaselessly rages regarding large industry and handicrafts is beside the point. The aim in socialist society is to attain the highest possible standard of living, materially and culturally. Therefore science, technology, art, all are pressed into service to achieve that aim. All forms of production—large, small, concentrated, dispersed—are made subservient to the needs of production, employment, health and aesthetics.

Planned Economic Development

(15) In capitalist society, production is not adjusted to the needs of the community but to the dictates of the market, which, in its turn, reflects not social needs but the relationship between spending and saving, in other words, the relationship between wages and profits. Therefore, capitalist production is wasteful and planless.

(16) In socialist society, as production has to satisfy the needs of society, it is adjusted to those needs. That is to say, a plan is drawn up in accordance to social needs and production follows the plan.

Decentralized and Regional Planning

(17) There is, however, a danger in planning. It has been found that, if completely centralized, planning leads to bureaucratism and dictatorship. But the very nature of planned economy is such that in certain spheres, as key industries, imports and exports, currency, finance, prices of basic commodities, reinvestment, etc., central planning is imperative. Yet, if the evils of regimentation are to be avoided, it is necessary to leave as much local initiative as possible in the matter of regional planning, particularly with respect to commodities locally consumed. At the same time, the Central Planning Authority too should be so constituted as to be a representative body; that is to say, it should consist not only of the representatives of the Central Government but also of the Provincial Governments, the trade unions and the co-operatives.

Village and Town

(18) In capitalist economy, particularly in India, the villagers are a prey to the cities. In socialist India, this conflict is removed and the exploitation of the village by the money economy of capitalism

is stopped. There is no discrepancy in the standards of living of the rural and urban areas and the peasant and worker both receive equal values for their labour.

Abolition of the Princes

(19) With the formation of the two Indian Dominions, the Princely States have joined one Dominion or the other. In socialist India, the princes and feudal lords have no place. Whether the Princes and their vassals go as a result of revolution or by the votes of their peoples, they will have to go before socialism is fully established.

Tribal Peoples

(20) The tribal peoples of India are on different cultural levels, and all are backward economically and politically. Taking advantage of their backwardness, foreign missions have tried systematically to denationalize them. The tribal peoples are an integral part of the Indian nation; but their distinctive culture entitles them to regional autonomy and the fullest cultural freedom.

Religion

(21) While socialism is a rational way of life, it does not interfere with religion. Religion would be completely free in socialist India.

Caste

(22) In India, apart from economic inequalities, there are social inequalities, particularly among one of the communities, namely the Hindus. The system of caste is anti-social, undemocratic and tyrannous, inasmuch as it divides men into high and low, touchable and untouchable, curtails human liberties and interferes with economic activities. In socialist India, this system cannot exist and no distinction or discrimination based on caste is permitted.

Woman

(23) Woman in present-day society is suppressed and exploited. In socialism, woman is the equal of man, and no distinction or discrimination based on sex exists.

Socialism

(24) Here then is our picture of socialist society. It is a democratic society where everyone is a worker and all men are equal, including women; where there are equal opportunities for all and wages do not differ so much as to create distinctions of class; where all wealth is owned by the community; where progress is planned; where labour is joyful and fruitful; where life is richer, fuller, beautiful.

World Socialism

(25) Our picture of socialism is unrealisable in full except on a global basis. Socialism defines a world order, a social epoch, and its frontiers are not geographic. Socialism in one part of the world and anti-socialism in the other have no meaning except that the times are transitional. But ultimately there is only one world, and that is the world of socialism. Hence world socialism is our objective, and we work with other democratic socialist forces to remove from world society the impediments to world socialism, namely, imperialism, racialism, colonialism, other forms of national oppression and economic inequality.

II TRANSITION TO SOCIALISM

(26) The society described above cannot be created all at once. Present society is far removed from socialism. Therefore, there must be a period, short or long, of transition from the present to the ideal.

Class Struggle: The Motive Force of Social Change

(27) The forces that drive society toward socialism are the forces generated by the struggle of classes. It is not merely socialist intellectuals who by the powers of logic and persuasion bring about socialism. Socialist intellectuals play an important part in the process, but they do not provide the motive force. That force is provided by the working class and the other exploited classes in capitalist society who struggle against their exploiters in order to improve their position and to free themselves from exploitation. This struggle leads them ultimately to destroy the social system that upholds and sanctions their exploitation and to establish a society free from exploitation, i.e., a socialist society. The intellectuals who identify themselves with the exploited class give ideal or ideological expression to this struggle and the objectives it drives at in a more or less elemental manner. In brief, the class struggle is the motive force in the transition to socialism.

Two Stages of Transition

(28) Looked at as a historical process, this transition has two stages; one, the stage where the class struggle leads to the capture of power by socialists; the other, when the socialists in power build up socialism.

Insurrectionary or Democratic Method

(29) In theory, State power can be captured by either of two methods, i.e., by an insurrectionary overthrow of the State in existence

or by democratic means. It is necessary to define both these terms to avoid misunderstanding.

Insurrectionary Means

(30) Insurrectionary means must be distinguished from terroristic action, putschism or conspiratorial violence. Insurrectionary means become inevitable when a small class of privileged and vested interests rules by force over the entire people, who cannot be rid of the rulers except through a violent overthrow. It is important to remember that any violent action against the State is not insurrection nor a preparation for it. Insurrection is an armed rising of the people, rather than the sporadic violence of a band of conspirators. An insurrection succeeds only when it has the backing of the people and the active participation of at least the more awakened among them. In other words, an insurrection is not an insurrection unless the people participate in it: otherwise, it is, at the best, the terrorism of a revolutionary élite. It follows that in order to prepare for an insurrection, it is futile to throw bombs and commit murder and loot and arson. What is needed is to awaken and organize and move the toiling masses. The essence of the socialist methodology lies in this technique of mass awakening and mobilization. To put it historically, for an insurrection to take place and to succeed, the philosophy and technique of the Narodnaya Volya must be transformed into the philosophy and technique of the Russian Social Democratic Labour Party.

Democratic Means

(31) Likewise, care should be taken not to confuse democratic means with mere constitutional or parliamentary means. Though the first include the second, they are far wider in scope. Civil resistance, *satyagraha,* strike (in certain circumstances) are not constitutional means. Yet they are democratic means. Likewise, mere constitutionalism is not concerned with building up of class organisations, such as trade unions, and in sharpening the class struggle, or in constructive work such as the development of the co-operative movement or the workers' educational movement. A constitutionalist or parliamentary party is little more than an election machine. A democratic party too has its election machine, but it is much more than that. It has its trade union work and other similar work among the peasantry and the lower middle class and its co-operative and other constructive and educational work. Nor is all this work aimed at mere electoral victory, but at laying the foundations of socialism within the womb of present society. The socialist government alone cannot build up socialism, but the people as a whole, working through their trade unions, peasant

panchayats, co-operatives, youth, cultural and other popular organisations must do it.

(32) Democratic means can be used for the capture of State power only where full political democracy is functioning and the working class, the peasantry and the lower middle class have reached a high level of maturity and have created a powerful political party. Where these conditions do not exist, democratic methods must be ineffective and inadequate and sometimes dangerous.

(33) When the first stage is complete, i.e., when State power has been captured, socialists may proceed to build up socialism either in a democratic manner or through a dictatorship of the proletariat, i.e., of the toiling masses who in India include workers, peasants and the poor middle class. The democratic method can succeed only where the danger of counter-revolution does not exist, i.e., the danger that the old ruling classes would overthrow the socialist state by force and establish their dictatorial rule.

In Present Circumstances only Democratic Means Correct and Effective

(34) In India the course towards socialism seems to be fairly set. The framework of Indian democracy is nearly complete, and, though the picture is not that of full political democracy, there is large scope for democratic functioning. There is going to be adult franchise, and, though there are limitations, civil liberties under the new constitution shall exist to a degree where the socialist movement may grow steadily. The existing restrictions on the people's liberties are no doubt an impediment but their effect can be exaggerated. Further enlargement of democracy is dependent largely on the growth of the socialist movement itself. The stronger this movement grows the fuller shall be our democracy. On the other hand, the more irresponsible does left wing infantilism become, the greater the danger of fascism and reaction. The Socialist Party is thus no mere tool in the hands of circumstances. Rather the Party is itself a considerable factor in the shaping of circumstances. Taking into account the entire situation in the country and the future possibilities, democratic means appear to be the only correct means to follow, the only means that can be effective. It is possible that events, beyond our control, might conspire to transform radically the existing situation, making democratic means impossible to follow and rendering them ineffective. Even in that eventuality, though it appears to be highly unlikely, the present means in the present circumstances would so strengthen the forces of socialism and give it such a mass basis and such a broad-based organisational instrument, that it would be easy for the movement to adjust itself to the new situation and adopt even insurrectionary means effectively.

Democratic Transition or Dictatorship of the Proletariat

(35) The new State in the hands of Socialists becomes an instrument for building up of a socialist society. The State might function democratically, or it might be compelled to suppress the liberties of those who might threaten its existence. If the socialist movement has succeeded in mobilising an adequately large sector of the toiling masses and if the influence over them of the propertied classes has been destroyed, the new State would have so broad a basis and such stability that the danger of counter-revolution should be inconsiderable. The building up of socialism can then proceed on democratic lines. If, on the other hand, the new State is threatened and insecure, the counter-revolutionary elements in society would be suppressed by force. In other words, a dictatorship of the proletariat would have to be established. Such a dictatorship, however, shall not be the dictatorship of a single class, or worse, of a single party. Under this dictatorship of the proletariat, all the classes forming the proletariat shall share in the state power, and all the parties of the proletariat except those that believe in totalitarianism shall function in complete freedom; only the anti-proletarian elements being disenfranchised and their liberties suppressed.

Our Primary Task

(36) As stated above, the motive force in the transition to socialism is the struggle of the classes. In India, the working class, the peasantry, the toiling middle class, are neither organised nor fully aware of their historical role, i.e., of their role in the transition to socialism nor has their struggle become a central fact in the political and economic life of the country. Large sectors of the toiling masses are today wholly under the sway of irrational, undemocratic, anti-socialist forces, such as the forces of caste and communalism. Socialism would remain a distant dream till the masses are weaned away from these influences and made aware of their true interests and their historic destiny. Therefore, the primary task of the socialist movement today is the creation of the class organizations of the toiling people and the development of their class consciousness and of their struggle for freedom from want and exploitation and social injustice.

Constructive Activities

(37) In a democratic climate, and working with democratic means, the struggle of the exploited classes and their efforts to emancipate and equip themselves for the task of governance and management of society assume other forms than merely class organization. There are all manner of constructive and cultural activities which take

the class struggle to varied fields and fronts and push forward the transition to socialism. The most important of these activities is co-operation in all its forms. Among other activities may be mentioned workers' education; youth movement; cultural programmes; adult literacy; campaign against caste, untouchability and communalism; voluntary association for self-help such as to build village roads, wells, tanks, bunds, etc., and other similar work. The importance of these co-operative and cultural activities should not be underestimated and they should form as important a part of our work during the transitional period as the development of the class organisations.

III POLICY WITH REGARD TO INDIAN STATES

People's Aspirations

(38) With the end of British rule in India, the Princely States lost the basis of their existence. The Princes of these States had allied themselves in law and in spirit with the foreign rulers. The struggle against these Princes therefore formed an integral part of the wider struggle against foreign tyranny. Through their long struggle of thirty years the people of India learned to aspire for the removal of the princely order, for the political and administrative unity of the country as a whole, for the growth of democratic institutions throughout the land and for the regrouping of States either to merge with the existing provinces or to form new provinces where possible.

Integration only the Beginning of a New Order

(39) The integration of five hundred and odd states, achieved in less than two years, constitutes a landmark in the advance of Indian polity and realisation of people's aspiration. However the disappearance of these States as separate entities is not the final step in the political integration of this land. It is only the beginning of a new order in which the States and Provinces find a new basis of further advance.

Re-drawing the Administrative Map

(40) Together with the Provinces they have now to be regrouped so as to achieve administrative and economic efficiency and to serve the claims of language, geography and the sub-groups of Indian culture. According to this formula the Socialist Party welcomes the constitution of Madhya Bharat and Rajasthan. It further proposes the formation of the new provinces of Karnatak, Kerala, and Gujarat. The other Unions and States must be abolished to merge with these and other existing Provinces. Many of the States have been left in their original shape and the Unions that have been formed cannot be

justified on rational grounds. The position of centrally administered States such as Bhopal, Rampur, Himachal Pradesh, Manipur and Cooch-Behar is anomalous. Similarly there is no *raison d'être* for the Unions of Pepsu, Vindhya Pradesh, USTC and Saurashtra as separate administrative units. The Vindhya Pradesh Union should as a whole be merged either in UP or CP. In no case should it be split up.

Disintegration of Hyderabad Essential

(41) In accordance with the common pattern for the reconstitution of provinces, the Socialist Party does not believe in the continuance of Hyderabad as a single administrative unit. Hyderabad is a province of three languages, and an autocratic dynasty had held it together regardless of the desires of the people. The power of that dynasty is now gone and Hyderabad must be broken up into its natural parts; the Telugu area should go to the Province of Andhra, the Marathi area to the Province of Maharashtra and Kannada speaking area to Karnatak. Such a break-up of Hyderabad and the association of its different units in natural fraternity with the neighbouring provinces will realise the aspirations of the people and release their energies.

Paradox of Popular Ministries without Legislatures

(42) The complete integration of the States involves their rapid democratization. Yet in Saurashtra, Pepsu and Rajasthan the paradox of popular Ministries without Legislatures continues under the dispensation of the States' Ministry. In the States and Unions of States, where Assemblies have been formed, the principle of free election was vitiated by the prevalence of the conditions of semi-serfdom and restricted franchise. This wrong must be immediately set right.

Nomination of People's Representatives Denial of Democracy

(43) The population of the States which have been merged into the existing provinces have no say whatsoever in the administration of these Provinces and are therefore left in a state of inferior citizenship. The Socialist Party emphatically protests against the arbitrary decision of the Congress Government to shelve the issue of elections in the merged States, which alone could have given the feel of freedom to the people and to nominate their chosen men as people's representatives to the Legislative Assemblies. Any attempt to whittle down the establishment of full democratic institutions must be resisted by the people.

Abolish Distinction between Prince and Commoner

(44) The Government of India's policy with regard to the powers and status of the Princes, such as continue to be rulers or Rajpramukhs

in their States and such as have been removed has halted the revolution in the States. As long as the distinction between the Prince and the commoner lasts either in power or in status, democracy is painfully inadequate. The Prince must be shorn of his princehood and elevated to be a free citizen of India. The Government of India have not only allowed this vital principle to be compromised but have also fixed hereditary allowances and pensions of Rajpramukhs and deposed Princes at excessively high figures, a fact which reduces to mockery all calls to austerity and hard work. Their allowances must therefore be scaled down to bring them in conformity with the general pattern of austerity. In some cases, Princes have appropriated to themselves State properties and a large part of such usurpation has taken place in recent months. The Government of India must set up committees consisting of High Court Judges to enquire into the Princely properties.

Common Organic Law throughout the Land

(45) The Socialist Party welcomes the measures taken by the Government of India in order to bring about integration of the States in the matter of finance, and armed forces. The barriers of customs duties must disappear and the federal authority must fully prevail in regard to army, currency, permits, taxation and industrial development. A number of Constituent Assemblies have been set up, which must be scrapped and the same organic law enforced in the States as in other Provinces. Any compromise on this question will inevitably jeopardise Indian unity.

Enlargement of People's Rights and Liberties

(46) The fundamental rights of the citizen in these States are still curtailed and sometimes nullified by numberless bad laws and practices. The constitution of India must guarantee full civil liberties all over the land and meanwhile all laws and measures which hamstring the people of these States must go. For the growth of democracy, it is likewise necessary that the Jagirdari system which gives a large vested interest in land and also some ruling powers to a small set of Jagirdars must be abolished immediately. In these Jagirdari and Princely areas, men are still held in serfdom and then transferred as slaves. The right of life, liberty and pursuit of happiness must immediately and inalienably belong to every man and woman in these States and all institutions and practices which deny to the people the right to govern themselves must be removed.

Urgent Administrative Reforms

(47) The administrative jungles which the Princely territories represent today must speedily be cleared up. Administrative services

must be standardised, their power and responsibility fixed and a system of appointment by examination and merit through Public Service Commissions be instituted. In most of the States bad laws and lax administration prevail as of yore. Laws must immediately be standardised and brought in line with the rest of the country. Legislation on labour and agriculture must conform to all-India standards. Recommendations of the Pay Commission, Factory Laws, dearness allowance scales and the like must be put into operation. The labour and kisan movements must be brought in line with the mass movement in the other parts of the country. Working class efforts to achieve minimum wage, social security must be encouraged. Likewise, expenditure on agricultural uplift and tenancy laws of the all-India pattern must prevail. The co-operative movement also should be encouraged and rules of registration regularised.

States are Retarded Areas in the Indian Union

(48) The States constitute today the backward areas in the Indian Union. There is terrible cultural backwardness, paucity of trained personnel and absence of democratic consciousness. No facts and reliable statistics with regard to various aspects of the economic life in the States are available today. In the matter of food statistics, they are described as non-reporting areas. The absence of statistical material is bound to defeat the attempts to introduce a planned economy. Special attention must therefore be given in order to bring these areas to the level of more advanced regions. Otherwise these areas will become cause of future disruption and disintegration.

Foreign Settlements a Threat to India's Integrity

(49) The political and administrative integrity of India is obstructed by the existence of foreign settlements even more than by the princely States. The Portuguese settlement in Goa has already made itself infamous by suppressing the people's revolt for freedom and for unity with India, by exiling five brave Goans to a fortress prison in Portugal and further by the recentmost sentence of fifteen years rigorous imprisonment each to four Goans for the simple offence of making a speech. These foreign settlements must go. While the Government of India should indeed convince the Portuguese and French Governments of the undesirability, for the sake of decent international relationships, of their persisting to suppress a part of the Indian people, the Socialist Party must assert that this is not a matter for diplomacy alone and that it is the inalienable right of the people in these settlements to revolt against foreign tyranny, and that it is equally the right and duty of the Indian people as a whole to support such revolts.

IV LABOUR POLICY

Pivotal Role of the Working Class

(50) In the achievement of Socialist order of society, working class has an important and increasingly responsible role to play. The labour policy of the Party therefore forms the core of the Party's policy-statement.

Workers' Cultural Backwardness

(51) The Labour Movement in our country suffers from the social and cultural backwardness of the working class as also from the legacy of disruption and disunity in the past. The working class can realise its historic destiny only to the extent it is able to overcome these initial disabilities.

Trade Union Unity possible only on Sound Principles

(52) The Socialist Party, in the past, took a leading part in bringing together within the folds of a common organization trade union movements that had got splintered by other parties. Experience has however shown that such unity is artificial and it is neither lasting nor effective in enabling the workers to play a significant part in society. Real unity can be realised only on the basis of new crystallisation of labour, on the basis of sound organisation built on sound policy. It is a slow yet sure process.

Free and Democratic Trade Unionism

(53) Only free and democratic trade unionism can have the vitality to survive splits and splinter movements. These Unions must be free from the control of employers, Government and political parties. Both the Communists and Congressmen have entered the Labour Movement with the intention of subordinating it to their political and party ends. The inadequacy of the AITUC and the INTUC is thus fundamental. The first has sacrificed the interests of the working class over and again to the needs and demands of the political exigencies of the Communist Party. The INTUC has been brought into being to subserve the needs of the Congress Party in power, of shackling the working-class to the needs and requirements of the Congress Party.

(54) Vital Labour Movement is based upon free and democratic trade unionism. The principles of such trade unionism have been ably defined in the Manifesto of the Hind Mazdoor Sabha. The manifesto lays down as its central principle that the working class should play an increasingly significant role in the affairs economic and political of the country. To achieve this the trade unions must enjoy

freedom from the domination of government, employer or political party. The trade unions in their turn must assure the fullest democracy to its members. The trade union movement must strive for the realisation of the principles of Industrial Democracy and must further all efforts at the political organization of the working people. Because the Sabha is built upon these sound principles, it deserves the support of the Socialist Party.

Hind Mazdoor Sabha

(55) Anxious as the Socialist Party is to develop free and democratic trade unionism in the country, it directs its members working in different trade unions to exert their democratic influence towards uniting the trade unions in the country in the Hind Mazdoor Sabha.

International Solidarity

(56) The Socialist Party likewise favours an international solidarity of free and democratic trade unions. The coming together of such trade unions on a world scale deserves our support.

National Industrial Unions

(57) If the workers are to play an important part, it is necessary to have a sound trade union movement that would be free from the weaknesses that have clung to trade union movement so far.

(58) The major weakness of Trade Unionism has been the fragmentation, or small size, of the unions. It is necessary to discourage factory unions and foster nation-wide unions. The Party must work for the creation of national industrial unions with locals for different factories and trade councils for different localities. Such national industrial unions would be able to realize uniformity of wage rates and of conditions of work over the vast country and provide guidance to constituent units in strike as in normal times. Only national industrial unions can meet the employers, who are well organised, on an equal footing.

(59) Technicians and the members of the supervisory staff in many industries are forming their own unions. This development should be welcomed and efforts must be made to bring about a greater co-ordination between the unions of the workers and those of the technicians and the supervisory staff.

(60) The national industrial unions should have full-time paid officials and organisers. Honorary work cannot give trade unionism the services it requires. The officials and organisers should be adequately paid if responsible work is to be expected from them. It is equally necessary to develop the trade union leadership from among the workers themselves.

(61) The trade union movement can fulfil its manifold responsibilities only if the unions have adequate finance. The membership fees should be large enough to meet the various demands on the trade union movement.

New Tasks and New Responsibilities

(62) Trade Unions are being called upon to shoulder new responsibilities; the original and fundamental task of collective bargaining for members has to be continued and developed. The machinery of consultation provides new opportunities to trade unions, and with the development of planned economy the trade unions will have to pool the experiences of the workers and impart its benefit to industry.

(63) The demand for workers' share in the control of industry is made for two reasons: the worker's wages and conditions of work are ultimately determined by the organisation and output of productive processes. Unless he has an effective say in organising the productive processes his economic and social improvement will not go far. Secondly, the worker has functional interest in his job. As political democracy enriches his citizenship so industrial democracy enriches his satisfaction in and from work. It is the business of new trade unionism to restore to the worker the joy in work that transition from craft economy to factory economy has taken away.

(64) Industrial democracy must be fostered not merely because it will improve and augment production but also because it will enrich work for the worker.

Political Base of Working Class Movement

(65) The position the industrial workers occupy in the economic life gives them a pivotal position in the struggle for socialism. Without their participation, social transformation cannot be realized. Political democracy can broaden into social democracy only to the extent the workers assume responsibility. The Socialist Party must therefore be rooted in the working class. The Party units in industrial areas must be composed of the best elements in the working class. A two-way relationship must therefore grow up between the Party and the trade unions. Each must support the other and become the warp and woof of the common fabric of socialism.

(66) In the European countries different relationships have grown between the trade unions and working class parties. In Great Britain the trade union movement nurtured the Labour Party to maturity. In Imperial Germany the relationship was just the reverse. The political organizations of workers under Lasalle and Liebknecht, from the beginning, dominated the trade union movement. In the

Latin countries the political and the functional organizations of the working class often came in conflict and it is no accident that France gave birth to Syndicalism. In Russia, under the totalitarian philosophy of the Bolsheviks, the trade unions are shorn of all independent powers and are mere appendages of the Party in power.

Collective Affiliation

(67) The new constitution of the Socialist Party, with its provision for collective affiliation of class organisation to the Party, provides organic links between the political party of the workers and their trade unions. Collective affiliation assures the control of the Party by the organised forces of the working people.

Schools of Democracy

(68) In India, where we are striving to realize democratic socialism, the trade unions, together with co-operatives, must become the principal schools of democracy for the working class. They are the means for training the working class for assuming responsibilities in political and economic spheres. The trade unions and works committees must train the workers in the art of industrial management and organization. The test of a successful union is the ability to control an industry that it has imparted to its members. In socialist economy, it must be remembered, that the trade unions and co-operatives will share the responsibility of the governance and administration of industry.

Workers' Education Movement

(69) The Party in conjunction with trade unions, must develop a Workers' Education Movement that will remove the cultural backwardness of the working class.

(70) A demand must be made on the government and the employers to provide facilities to the workers for technical training. A scheme on the model of the Training-Workers-in-Industry scheme in Britain should be prepared to train the worker in the workshop. This will go a considerable way in meeting the needs of our industries for trained personnel.

(71) The Party must endeavour through trade unions, labour colleges and cognate organizations to build up a cadre that will be able to shoulder the responsibilities of nationalized industries.

(72) The Party's labour policy is directed towards winning through trade unions, co-operatives, labour colleges and works committees, the total allegiance of the working class for the establishment of a new social order based on free and equal life.

V FOREIGN POLICY

Objectives of Foreign Policy

(73) The Socialist Party stands for the ideals of (i) World Government and (ii) Peace. The pursuit of this twin objective necessitates adoption of a positive foreign policy. This policy comprises four elements: (i) freedom of peoples, (ii) democracy and social justice, (iii) comparatively equal returns to human labour throughout the world, and (iv) active neutrality.

Freedom of Peoples

(74) The first principle is clear enough. The Party has always stood for the freedom of the colonial peoples. All Asia is astir today and many countries have regained their freedom. But vast areas of Africa and some countries of Asia are still under foreign domination. Therefore, the struggle for freedom has to continue until the last vestige of imperialist domination has been destroyed. The Socialist Party will support all popular movements aimed at achieving this end.

(75) While the world is moving in the direction of greater and wider integration of peoples, the nascent nations in Asia and Africa in the last lap of their freedom struggle are manifesting an alarming tendency to disintegrate. Self determination has unfortunately spelt partition, destruction of secular democracy and elevation of religious and racial communities to statehood. Interested groups and foreign influences have deliberately fostered and are continuing this process of disintegration. Such a development will be the undoing of socialism and must therefore be countered by the fostering of wider loyalties and preference for ever widening federations.

Social and Economic Aspects of the Freedom Movements

(76) The achievement of national independence is not enough. The people of these countries should strive to reconstruct their economies and raise their standard of living through economic planning and elimination of economic inequalities. There is a great danger of people exchanging one form of slavery for another. Wage slavery may go. But if it is replaced by forced labour on a mass scale or the discipline of the labour camp as in Russia, freedom will necessarily remain incomplete. Labour must therefore be free and the frontiers of freedom and civil liberty be enlarged. In short the life of the people has to be reorganised on the basis of democratic socialism. The movements of freedom from foreign rule everywhere and particularly in East Asia have been more than the effort to overthrow foreign rule. They have also been economic and social movements directed against the old

order, specially the feudal order which allied itself with foreign rule everywhere. The progress of the peoples towards socialism in Asia is not restricted to the working class as in European countries; the exploited classes which have hitherto struggled for freedom and are now struggling for socialism are as much farmers and city dwellers as factory labourers. Such a general advance of the Asian and other peoples towards socialism opens out a wholly new and glorious perspective for world socialism.

Economic Advancement of the Retarded Peoples

(77) The overriding fact in the world today is the inequality of nations. This inequality does not merely consist in the political dependence of some nations, but also in the disparity in the productivity of human labour between advanced industrial countries and retarded economics of Asia and Africa. Unless this disparity is removed there will not be a real world order. Today the return to human labour is extremely unequal. The ratio between the advanced countries and backward peoples would approximately be 20 to 1. For this it is not necessary to depress the advanced countries. What is required is to introduce new technique in backward countries and raise their productivity. Increased output per man-hour of labour demands better and adequate tools and tolerable living conditions. In fact this effort to bring the productivity of the colonial people on a par with those of the advanced countries is the sheet-anchor of a progressive foreign policy.

Policy of Active Neutrality

(78) The policy of neutrality the Socialist Party stands for, is not a passive or negative policy. What the Party is advocating is a policy of active and positive neutrality. India must not isolate herself. She should seek to extend the sphere of this neutrality by bringing in countries which desire peace and want to keep aloof from the conflict of Power-blocs and thus form a Third Camp—the Camp of Peace. This policy has to be understood in the context of the present international situation.

Power-politics and International Tension

(79) The world situation is characterised today by the creation of two powerful blocs—the Anglo-American Bloc and the Russian Bloc and their struggle for World domination. The destruction of the Japanese and German empires during the Second World War created a vacuum over certain areas of the earth and this gave a new impetus to the rivalry of great powers. The antagonism between the Anglo-

American bloc and the Russian bloc is an expression of their attempt to project their respective influence wherever such a vacuum existed.

'Democratic' and 'Socialist' Blocs

(80) The Socialist Party is unable to accept the popular characterisation of either of the dominant power-blocs. The Anglo-American bloc is commonly described as a political democracy and the Russian bloc as an economic democracy or a socialist dictatorship. These are at best partial truths. Democracy and socialism are interrelated terms and therefore it would be wrong to characterise the Anglo-American system as democratic and the Russian system as socialist. In the United States and Western Europe they have indeed introduced a democratic method such as representative institutions and elections, but their democratic effort is far from adequate. Likewise Soviet Russia has abolished private ownership in the means of production and established planned economy but she has centralised economic power and the mass of the population is not only denied democratic freedom and civil liberties but also the full use of economic power. Thus there being neither political liberty nor economic democracy in Russia it would be wrong to describe it as socialist.

(81) The Russian economy is not adequately industrialized and she is at present engaged in a primitive accumulation of capital. In order to speed up the accumulation of the means of production, Russia is trying to expand and distribute the burden of this accumulation over an ever-larger territory. The expansionist urge of the Anglo-American bloc stems from their economic system, which is predominantly capitalist and in which the problem is to employ gainfully the accumulated surplus. Politically, the expansionist urges of these power-blocs take the form of an effort as in the case of Russia, to incorporate as many States as possible within the Soviet political system and therein establish totalitarian rule of the Communist Parties subservient to Moscow, and in the American sphere of influence to bring pressure so as to retard social change and preserve the capitalist system. Thus there are distinctions and differences in the character of and the methods adopted by these power-blocs but basically their approach is the same; both are expansionist. It is sometimes said that whereas the Russian bloc is rigid and homogeneous the Anglo-American bloc is heterogeneous. It is true that some countries in the Anglo-American bloc such as the United Kingdom are trying to socialise their internal economies but similarly fissures have lately appeared in the supposedly rigid Russian system too, as exemplified by the excommunication of Tito by the Cominform.

Victory of Neither Bloc Will Spell Emancipation of Mankind

(82) The extension of the Anglo-American influence to all parts of the earth will make the American system ' almighty on this planet ' and will not allow the Socialist Parties to develop and eventually challenge the supremacy of capitalism. On the other hand incorporation of the world in the Soviet sphere will put the Kremlin-controlled Communist Parties in power everywhere and destroy the democratic and socialist forces. From this analysis it will be clear that victory of neither of the Power blocs will lead to the emancipation of mankind. And therefore, no choice or preference is indicated. India should not therefore do anything that is likely to increase the influence of either of these blocs but strive to create a Third Camp of active neutrality and try to expand the area of this Third Camp as far as possible. The policy of building up the Third Camp has two aspects. It has to be carried out on two levels, Governmental and popular.

Third Camp of Peace

(83) The Government of India should enter into non-aggression pacts and treaties of enduring friendship with as many countries as possible and also achieve a network of regional alliances including East Asian countries, the Arab League, our western neighbours and others. On the popular level the Socialist Party will try to strengthen the forces of Peace throughout the world. A broad popular movement for World Federal Government must be built up. A nucleus already exists in the shape of the People's World Congress. Its programme includes constructive service on an international scale and direct political and economic action to prevent aggression and war and eventual convening of a World Constituent Assembly. The Socialists have to play a vital part in the development of this movement. The Socialist Party will also associate with the activities of European and other Socialist Parties and participate in their Conferences such as the COMISCO (International Socialist Conference). It will also develop contacts with freedom movements in Asia and Africa. The organization of regional socialist co-operation will pave the way for the creation of a wider and real international Socialist Movement.

Commonwealth Link Inconsistent with Neutrality

(84) If India is to play its part in world affairs effectively it will have to avoid all such associations and commitments as are likely to compromise this fundamental policy. It is clear that India's membership of the British Commonwealth even in its new form is inconsistent with the basic policy of active neutrality. It has meant in practice

passive lining up of India with Anglo-America on every vital issue. It has robbed our country of independent initiative in the matter of foreign policy. The policy of peace as outlined above demands that India come out of the British Commonwealth which still maintains colonial domination and racial discrimination and which strategically, economically and politically is a part of the Anglo-American bloc.

Fight for Peace

(85) Paradoxically enough the Governments who are arming themselves to the teeth and are feverishly preparing for war shout about peace. But it is clear that those who refuse to accept the fundamentals herein outlined cannot be called friends of Peace. The World today is living under the shadow of War and the fight for peace has to be carried on not only by the Socialists but all other progressive elements.

(86) In pursuance of this policy of peace India cannot but take active interest in the UNO. It is true that the United Nations Organisation cannot basically reduce national sovereignties. Its decisions are taken on the basis of the world as it is, with the armed forces and other sources of power in different countries so widely varying. Such decisions are at best amending expedients. They can check a malady but cannot remove it. They cannot bring nations under an international sovereignty, for they are powerless to alter materially the differences in economy and armed strength of different nations. The Socialist Party nevertheless feels that India's membership of the UNO should be continued.

Indian Government's Failure to Play Positive Role in UNO

(87) India has not however played a positive role in the UNO up till now. It has failed to give a lead on issues of world significance. It has particularly failed to raise questions of social justice and world freedom on the platform of the UNO. The Government of India could have for instance declared that distinctions between the victors and the vanquished should go and that every country in the world, no matter whether it had lost a war, should have its own national government. It should have renounced reparations from Germany and Japan. It should have demanded the withdrawal of foreign authority and armies of occupation whether in Germany, Korea, Japan, Bulgaria, Hungary, Rumania, Indonesia, Viet-Nam, Malaya, and territories of the African people and the reconstitution of national authority. It should be India's endeavour to remove the serious limitations from which the UNO suffers and to transform it into an instrument of effective international co-operation.

Relationship of Peace Policy and Social Change at Home

(88) India's failure in this respect springs from the refusal of the Government to initiate a policy of social justice at home. Foreign policy is an extension and projection of internal policy in the international field. A foreign policy of equality, freedom and peace must in the opinion of the Socialist Party be linked up with the effort to achieve a new social order in our country. Two years have passed since the achievement of freedom, but very little has been done in the matter of bringing about radical social changes. We have not introduced economic planning to reduce inequalities of wealth and raise the standard of living of the people. The absence of this new emphasis in our internal efforts has robbed our foreign policy of that ideological core and emotional drive which alone can substitute military might and economic power as an instrument of foreign policy.

Foreign Capital and Planned Development

(89) India must embark upon a plan of increasing the productivity of our people. Foreign capital should be welcome provided no strings are attached and further that all such aid is brought in by the Government. Private import of capital will lead to the creation of international cartels and forge new chains of slavery. The emphasis should therefore be on the planned and productive utilisation of our own resources. At the same time this effort must be linked up with regional co-operation. National barriers must be broken and we should henceforth think in terms of ever larger groupings of nations. A force of the oppressed people of the world, based on a common loyalty, has to be created, not for aggressive purposes but to resist expansionism directed against Asia, Africa and other areas of the world, not to depress Europe or any other part of the world but to elevate the retarded peoples and to enable them to achieve equality of status with others. This will be a stepping stone to World Government.

The Way to World Government

(90) The only way to achieve World Government is the one here outlined. Returns to man's labour must be made fairly equal, wherever he may live. Not merely full employment but equally productive employment is the key to a World State. The constituent parts of the world must first reach equality in power and then in prosperity and so shall be set on the road to World Government.

Picture of the New World

(91) The Socialist Party will work for an international organisation in which peace is not precariously sought at the expense of principles,

in which issues are decided on the merits of the case and not on the strength of weapons, secret or other, in which no country can cancel the judgement of mankind, where fear and threats of war do not prevail and where men and women of different countries plan, through their chosen delegates of equal authority, lives of plenty and joy and dignity, none higher than the other.

VI POLICY REGARDING THE COMMUNIST PARTY

Communist Party Betrays Socialist Unity

(92) The Party, almost from its birth, believed in socialist unity, and conceived it mainly in terms of unity between itself and the Communist Party of India. This policy of socialist unity continued till as late as the Ramgarh Congress, i.e., till March 1940. But at Ramgarh this policy was changed when the National Executive decided to expel the Communists from the Party. That decision was taken after the experience of many years had conclusively shown that the Communists wanted not unity but just the opposite, that is to say, the disruption and ultimate dissolution of the Socialist Party. The Communists do not consider any party other than their own to be either revolutionary or socialist; accordingly, a policy of unity is to them only a means of infiltration into other parties in order either to capture or destroy them. So there can never be unity with the Communists.

Anti-National Role of the Communist Party

(93) But the war years revealed a yet more fundamental obstacle to unity or co-operation with the Communist Party. These years showed conclusively, what was previously only vaguely felt, that the Communist parties all over the world are completely under the control of the Russian Government. Their policies everywhere are attuned to the policies of that government and, under the ideological cloak of communism, they function everywhere as its permanent and loyal fifth column.

Communist Party is a Party of Civil War

(94) The Communists in this country, as elsewhere, are often described as leftists, but they are neither leftists, nor rightists; they are merely Russian nationalists; and they swing from either extreme to the other with the utmost ease, as dictated by the swings in Russian policy. Whether they support Britain or oppose her; whether they are for Pakistan or against it; whether they are friendly to the Indian National Congress or hostile; whether they shout *Nehru Sarkar*

Zindabad or *Murdabad*, they are never guided by Marxism or the interests of the Indian people, but by the demands of Russian policy. Thus, having no loyalty to their country and to their people, they naturally do not hesitate to create conditions of chaos and anarchy. It would be apt, accordingly, to describe the Communist Party as a *party of civil war*. There are times when the struggle of classes does break out in a civil war. But at all times and under all conditions the tactics of the Communist Party are those of civil war.

Communist Party and Democratic Socialism

(95) There is a third basic difference between the Socialist Party and the Communist Party. The Socialist Party aims at the establishment of democratic socialism, whereas the objective of the Communist Party is totalitarian communism. The Socialist Party desires to establish a proletarian democracy, a *Kisan Mazdoor Raj*, while the Communists desire to establish the dictatorial rule of their party over the workers and peasants. There can be nothing in common between the two parties working for such divergent aims.

Denunciation of the Communist Party is not Hostility to Soviet Russia

(96) Denunciation of the Communist Party as a Russian fifth column is represented by the communists as hostility to Russia herself and they denounce the Socialist Party as anti-Russian. The Socialist Party has no hostility towards Russia. Rather, the Party believes that India, in her own interest, must live on the friendliest possible terms with Russia as with America or any other country. While the Party shall always endeavour to promote this friendship, it wishes to make it clear that this friendship must always be on the basis of complete equality and that free India will never brook any interference with her affairs by any country, however friendly.

VII LEFT UNITY

Meaning of Left Unity

(97) The question of unity among parties of the left is often raised. It is necessary therefore to state the policy of the Party in this regard. There can be no question but that unity of the left is desirable and every effort should be made to this end. But this unity must be brought about on a sound and durable basis.

(98) First, let us point out that the term 'left' is used rather promiscuously. For the purposes of this chapter, we have adhered to this popular usage.

(99) Left unity might mean one of two things: (*a*) a political integration of leftist parties with a view to bring into existence a single consolidated party of the left; (*b*) joint action of the leftist parties at a given moment to achieve certain results.

(100) It is wrong to describe mere joint action as left unity. Such action might be found desirable for certain purposes, but it is important to remember that in itself it would not be left unity. Real unity of the left can mean only the political integration of the left parties. This is a slow process and it requires for its success certain basic conditions. Only those parties can come together and form a united party who agree among themselves on fundamental policy and methodology.

Two Trends in the Left Movement

(101) The left parties in India can be divided mainly into two groups. One group is of those parties which do not accept democratic means nor believe that democracy and socialism are interrelated and that the one cannot exist without the other. These parties believe further in an inevitable violent revolution, and do not concede that socialism could ever be brought about through democratic means. They believe again that of the two power blocs in the world the Russian bloc represents the forces of social revolution and socialism, and therefore they are opposed to the idea of a Third Camp and neutrality as between these blocs and want India to line up definitely with Soviet Russia. Apart from the Communist Party, there are other parties in this group, which though they denounce the former, nevertheless take their inspiration from it and form its tail.

(102) On the other hand are left parties which believe that, in the objective conditions of present-day India, democratic means are the only means to follow and, further, that a socialist society in which there is no democracy is a fraud upon socialism. These parties further believe that both of the power blocs are expansionist and the victory of neither would spell the emanicipation of mankind and the creation of a free, egalitarian world society. Therefore, these parties put their faith in the Third Camp of peace, freedom and democracy.

Unity Impossible Between Democratic and Totalitarian Parties

(103) It is clear that between these two main groups unity is impossible. There is no doubt however that the parties which accept either of these fundamentals must come together sooner or later: the near-communists must ultimately be absorbed by the Communist Party or disintegrate, and likewise the democratic socialists must ultimately come within the fold of the Socialist Party or wither away. This development will take some time and there will have to be a

period of clarification, but of the ultimate result there cannot be any doubt. Which of these forces—the totalitarian or the democratic—will be the stronger in the left movement in this country, depends very largely on what the Socialist Party does today and on objective conditions, national and international. As things are today, there seems to be no doubt that the future of this country lies with democratic socialism.

Towards a United Socialist Movement

(104) To all the democratic socialist forces in this country we extend a cordial welcome to join the Socialist Party in building up a united socialist movement. Two socialist parties have already merged with the Party and a considerable part of another. Every effort shall be made to continue this process and it is hoped that as the mass basis of the Party broadens this process would be further facilitated.

Text supplied by the Socialist Party of India, Central Office, Bombay.

139 28 *February*–6 *March* 1948

GENERAL THESIS OF THE COMMUNIST PARTY (EXTRACT)

II CHANGES IN INDIA DURING WORLD WAR II AND ECONOMIC BASIS OF COLLABORATIONIST POLICY OF THE BOURGEOISIE

. . . Indian Big Business was counting on India's sterling balances amounting to Rs 1,600 crores for large-scale import of capital goods without any difficulty about securing foreign exchange. The bourgeoisie thought that it could successfully negotiate a deal over this vast sum and secure capital goods at the earliest opportunity.

But the British and American imperialists have joined hands to repudiate the major part of these sterling debts and forced India to agree to it for the sake of paltry concessions or the release of a very small part of it.

The British, of course, never intend to pay back the sterling balances but only hold out the bait of releasing part of them as a weapon to secure new economic bargains.

America also wants that India should not be paid back the major part of these balances so that she does not get capital goods to any appreciable extent and her bourgeoisie is made dependent on American or British mercies.

The terms of the Anglo-American Loan Agreement of 6 December 1945, entered into between the Government of the United States and the United Kingdom, lay down in clause 10:

'The settlements with the sterling area countries will be on the basis of dividing these accumulated balances into three categories: (1) balances to be released at once and convertible into any currency for current transaction; (2) balances to be similarly released by instalments over a period of years beginning in 1951; and (3) balances to be adjusted as a contribution to the settlement of war and post-war indebtedness and in recognition of the benefits which the countries concerned might be expected to gain from such a settlement.'

The sub-clause (3) is an open proposal to liquidate a substantial part of the balances with the bait that benefits might follow from such a settlement.

Thus the British and American imperialists are using the very debt which Britain owes to India to beat India down, to force India to scale it down in return for some benefits in the shape of capital goods, or in the alternative, to stick to her debt and forego any benefits. Immediately, that is, till India has not made a final settlement, they are not releasing any part of the balances for importing capital goods, though a part is released to import food at extortionate prices.

In order that India should be able to pay for the import of capital goods, when they are not paid out of the balances, India must export her own products to other countries and earn sufficient dollar or sterling. In the absence of a foreign loan, or utilisation of the sterling balances, India has no other way of importing capital goods except what she earns through her exports.

The sum earned by India through exports is too little to finance the requirements of Big Business and it is thus brought to face the bitter truth that for its very existence it is dependent on America or Britain. It will have to wait for years if it were to depend on mere exports for financing its need of capital goods. In fact, it will not be able to replace old machinery for years this way.

The refusal to pay back the balances, the insistence on financing imports of capital goods through foreign exchange earned in exports, are devices of imperialism to strengthen the economic dependence of India on the British and American imperialists and force the Indian bourgeoisie down to servile economic agreements.

They are also instruments of drawing the Indian bourgeoisie into the Anglo-American economic net, baiting it by the offer of larger export markets in Anglo-American colonies.

The repeated entreaties for releasing at least a part of the sterling balances show the dependence of the Indian bourgeoisie on imperialist mercies.

The Indian bourgeoisie itself is already in need of foreign markets in view of the falling Indian market due to the economic crisis. It knows that unless some outlet is given Indian industry might collapse in a big way.

But this dependence on foreign markets is nothing but dependence on the colonies and semi-colonies of Britain or America, which enables the latter to force down any conditions before access to these markets is given. The foreign exchange earned through this trade will constitute a mere trifle in relation to India's capital requirements and will constantly goad Indian Big Business to shed all the formal trappings of independence and come as a beggar for alms and completely depend on imperialism.

Indian Big Business itself, in its ambition, is looking to widespread foreign markets—to the entire South East Asia—and looking upon itself as the inheritor of the mantle thrown off by Japan. The Indian bourgeoisie realises that its plan of expansion cannot be realised without foreign markets, and members of the Union Government are already talking about exports to South East Asiatic countries. The desire to exploit the peoples of South East Asia with the help of imperialists is one of the most powerful factors in bourgeois politics. The need for foreign markets is the logical conclusion of a desire to develop industries on a capitalist basis with the colonial order kept intact.

Both for its immediate needs—replacement, immediate exports to avoid collapse of industry—and its big plans of expansion of industry, import of capital goods, finding of new markets, release of sterling balances, the national bourgeoisie needs collaboration with imperialism, as without imperialism it will not even be able to run its industry regularly, nor expand it.

The businessmen know that these are the crucial years when either industry expands, new markets are captured before the other nations suffering from war devastation come out as competitors, or they go bankrupt. That is why they need collaboration very badly.

This desire for collaboration, therefore, takes the shape of retaining the colonial order and willingly inviting foreign capital for joint concerns. They agree to make wide and sweeping concessions to foreign capital in return for securing access to other colonial markets.

The secret of the joint concerns, planned by Indian big businessmen but not yet executed, is this. The Indian capitalists finding no other way of getting capital goods are prepared to accept the most extortionate terms from the monopolists of these goods.

The full meaning of this collaboration is seen in the terms demanded by imperialism and accepted by the Indian bourgeoisie.

Foreign capital through the Havana Trade Pact is demanding full equality, full compensation in case the State takes over any concern; that no measures of nationalisation be carried through, a demand which the Indian Government, itself opposed to nationalisation, has found easy to satisfy through its recent statement of policy when it says that there will be no nationalisation for five years; it demands that no discrimination be made between home and foreign capital; that tariff walls be not raised against foreign capital without previous consultation; and that full security be offered to it, meaning security against labour and State intervention.

These terms, accepted by the Indian bourgeoisie, were openly put in the several speeches of the arrogant American Ambassador to India, Dr Grady. Speaking in April 1947 in New York, Dr Grady demanded a fundamental reorganisation of India's taxation structure to suit the needs of the American imperialists for unhampered exploitation of India.

'He was of the opinion that the obstacles to maximum economic co-operation such as the present complicated tax structure that hampered the conduct of manufacturing operations in India by foreign companies could be removed by treaties or agreements'—in short, the State should not encroach through taxation on the profits of the foreign concerns.

Demanding a war on protective tariffs, etc., in the name of world recovery and American assistance and sympathy, Dr Grady stated (Calcutta, 28 October 1947):

'Until there is truly one world trading system with bilateralism, preferences and all other forms of exclusive trade advantage eliminated or at least in the process of progressive reduction, world prosperity will be shackled. . . .'

Speaking in November 1947 in Calcutta, Dr Grady said: 'that he was not in a position to state what attitude the Export and Import Bank would take for advancing loans to India if the Government of India decided to go ahead with wholesale plans of nationalisation. But if a middle course between private enterprise and State institutions was followed then he believed there would not be much difficulty. . . .'
—thus openly coming out against any genuine nationalisation.

To these insolent demands the reply of the Indian Union Government has been one of meek acceptance with only verbal modifications here and there.

Speaking to the Associated Chambers of Commerce in Calcutta on December 1947, Pandit Nehru said:

'We cannot have any special privilege for any foreign interest in India. There is a large field especially for the next few years and we

want co-operation with other countries during the process of India's development, and I think British and other foreign interests that exist in India will and should have this large field open to them.'

This open welcome to foreign interests, seeking to dominate India, though verbally qualified by a declaration of no special privileges, shows how the Government is begging for foreign help.

In practice it accepts one by one all the terms which the foreign capitalists want.

At the Industries Conference, which met in January 1948 in New Delhi, the Government gave a secret understanding to the Indian capitalists that there would be no nationalisation for at least five years to come, thus accepting the demand of Dr Grady. The resolution which the Conference passed on foreign capital kept quiet on all the insolent demands made, and contended itself by saying that the conditions under which foreign capital is invested in India should be regulated by national interests, and private deals between Indian and foreign capitalists should have the formal approval of the Government.

What results from this is not industrial revolution, not the freeing of agrarian economy from feudal bondage, but the establishment of a few industrial concerns as give some outlet to the accumulated capital without endangering the interests of Anglo-American imperialism; the establishment of such concerns as fits in with the Anglo-American scheme of exploiting the world and drawing India into its war plans.

If this is welcomed by the bourgeoisie it only reveals the narrow and anti-national character of its intentions. But for the mass of the people it only means continuation of feudal exploitation, low wages, no industrial revolution, but continued poverty, unemployment, crisis and famine—the price of tying India to the capitalist order, of collaboration and joint exploitation. That is where the Indian bourgeoisie, and the national leadership which represents it, are taking India—to economic dependence on the Anglo-Americans, subservience to them and to growing poverty for the people.

The collaboration thus represents an economic and political alliance against the democratic revolution through which alone the people can liberate themselves from the yoke of the colonial order, of landlordism, of the Princes and of foreign and home capitalists. It is directed against the agrarian revolution, against the nationalisation of industries, a living wage and planning, and against the widespread industrial expansion which can only be realised on the basis of nationalisation. It is calculated to guard the present order with the bourgeoisie playing the role of a junior partner to imperialism. . . .

III POST-WAR REVOLUTIONARY UPSURGE AND NEW POLICIES OF IMPERIALISM AND INDIAN BOURGEOISIE—NEW CLASS ALIGNMENT

The deep economic crisis and the intensified imperialist exploitation of the war years, which have brought unbearable suffering and starvation to the broad masses of the toiling and common people and sharpened their political consciousness and militancy, continued to operate as a mighty force in the post-war years behind the rising revolutionary fight of the masses.

Despite the secret military plans to crush the struggle which British imperialist statesmen hatched behind the curtain, while they publicly talked of a peaceful transfer of power and of quitting India; despite their backstair intrigues to pitch the Congress and League against each other and provoke a fratricidal war; despite the compromising, disruptive and anti-struggle policies pursued by the Congress and League leaderships; the tempo, the sweep and the militancy of the struggles of the workers and employees in the cities, of the peasants and tenant-serfs in the countryside, of the common people in the feudal autocratic States went on rising steadily in 1945-6.

The tide of the struggle swept even into the armed forces leading to mutinies and rebellions, strikes and hartals in the imperial armies. Gandhi's non-violent India, guarded by the bourgeoisie for more than a quarter century against any militant action, now suddenly resorted to arms. The development of the struggles into armed clashes signified a new stage of the revolutionary struggle—the final phase when the toiling masses and the common people rise in defiance of imperialism and the victory of the democratic revolution becomes imminent.

The second characteristic feature of the situation was the great role played by the working class in these struggles—economic and political. The strikes of the working class became the great cohesive and centralising force when the bourgeoisie was abjuring struggle and the National Congress was withdrawing from it. In fact, many of the glorious struggles took place in the teeth of opposition from national leaders.

The developing strikes for economic demands and the mass participation of the working class in the political protest strikes were leading the entire struggle in the direction of an all-India general strike, supported by the armed forces and government servants.

India has never seen such a sweep; never seen the armed forces collapsing so easily before popular pressure; never seen the working class fighting with such abandon and courage.

It was the eve of the total collapse of imperialism.

The heroic fighting spirit of the striking workers was shown in the ease with which the workers responded to the call for protest strikes

on every national and anti-imperialist issue. It was seen in the rapid spread of strike enthusiasm to other employees, to bank clerks, peons, primary teachers and to government servants.

A similar movement started in the armed forces. In 1945 when it was known that tens of thousands of the captured patriotic INA men were being maltreated in several concentration camps, and when the victory-mad imperialists launched a treason trial against the INA leaders, the whole country rose in flaming indignation and demanded their unconditional release.

In November 1945 the students and the workers of Calcutta became the spearhead of big protest hartals and strike demonstrations. They marched under the joint flags of the Congress, the League and the Communist Party and were fired upon by the police and the military. It was then that the first martyrs of the post-war period fell.

In January 1946 the British Commander-in-Chief had to bow down before the popular storm and release the INA prisoners.

Hard on the heels of the Release-INA demonstrations, and powerfully influenced by them, came the discontent in the ranks of the Royal Indian Navy and the Royal Indian Air Force.

The naval officers, bewildered and panic-stricken by strike for their demands in the ships and shore establishments. [*sic*] They demonstrated for their demands in the city, demanded the release of INA men and the withdrawal of the Indian troops from Indonesia. They ran up the Congress, League and Red Flags on their ships.

The naval officers, bewildered and panic-stricken by the new revolutionary spirit in the navy, sought to suppress them by arrests and bullets. [*sic*] Then it was that these navy men seized their ships and fired back. By their heroic, though short-lived, resistance the navy men of Bombay and Karachi heralded the beginning of a new period of revolutionary upheaval. Their revolutionary spirit and united action sent a thrill through the ranks of all branches of the Indian armed forces.

Men of the RIAF struck in several places in fraternal solidarity with the RIN. The Indian troops, wherever they were called out against the revolting men, refused to fire.

The Indian working class, led by the Communist Party, instinctively saw in the naval rising a historic turning point in our freedom struggle and supported it by total protest strikes and hartals in Bombay, Calcutta, Trichinopoly, Madras and Madura.

The total strike and hartal in Bombay on February 22, 1946, which came as an instantaneous counter-challenge to Admiral Godfrey's insolent threat to destroy the revolting navy and despite the opposition of Sjt. Vallabhbhai Patel and the Congress leadership, struck panic

into the hearts of the imperialists. They called out White troops with tanks and armoured cars to spread terror and murder in the streets. Over 200 citizens fell victims to their bullets in two days.

The naval rising and the great solidarity action staged by the advance guard of the Indian working class in its support were not isolated incidents. They were a flaming signal which announced to the world that a volcanic discontent, an anti-imperialist urge, was smouldering in the minds of the Indian people and their armed forces, ready to be united and harnessed for the final annihilation of the rotten structure of the imperialist-feudal rule.

One has only to recapitulate the striking events and mass actions of the first six months of 1946 to be convinced of the truth of this.

Within a week of the RIN strike, more than 300 military sepoys stationed at Jubbulpore struck work and paraded throughout the streets with all the three flags, Congress, League and Red (March 4).

On March 8 the workers and citizens of Delhi observed a protest strike and hartal against the victory celebrations. The Town Hall was attacked and set on fire.

On March 18 the Gurkha soldiers of Dehra Dun revolted in protest against insulting remarks by officers.

Delhi policemen went on hunger strike for wage increase and the military was used to arrest them.

Policemen of Allahabad went on hunger strike in protest against ration cut (March 19).

Ten thousand Bihar policemen went on strike on April 3.

Side by side with this beginning of insurrectionary atmosphere in the armed forces and the police, a tremendous strike wave was rising among the working class.

This terrific pace of events in the rest of India was producing the first repercussions among the peoples of the feudal autocratic States.

The people of Kashmir launched in May 1946 a movement for the end of the autocracy of the Dogra House and for the immediate introduction of a democratic constitution. The Ruler promptly arrested Sheikh Abdulla and unleashed a reign of terror against the Kashmiri people, who, however struck back and performed marvels of heroic resistance.

It was clear that a new round of States' people's struggles this time for the final abolition of Princely autocracy, was being heralded by the fighting people of Kashmir, and the people of the rest of India were preparing to support them.

Thus the countrywide movement which grew round the demand for the release of the INA men and the naval rising of February marked the beginning of a new period which was not just of mounting

discontent and unrest but one which immediately placed on the agenda the democratic revolution and the task of vanquishing imperialism and its collaborators.

The paralysis of the imperialist system was seen not only in the breakdown of its economic structure, the poverty and hunger it created, but in the disintegration of the armed and the police forces which were no longer able to resist the popular pressure and revolutionary upheaval.

Imperialism saw the writing on the wall and opened negotiations with the two bourgeois parties, the Congress and the League. But it was not only imperialism that was frightened by the menace of the approaching revolution. The bourgeois leaderships of the National Congress and the Muslim League clearly saw that the struggle of the masses was getting beyond control and was bringing to the forefront the working class and the exploited masses. They, therefore, were eager for compromise and began to attack the militant struggles of the people.

The policies pursued by the leaderships of the Congress and the Muslim League corresponded to the bourgeois vested interests which they represent and not the anti-imperialist and democratic aspirations of the vast masses that they claim to lead.

Both the leaderships resiled [*sic*] in panic from the manifestations of mass upheaval against the imperialist-feudal rule and were ready to welcome the Cabinet Mission as soon as it was announced and to seek co-operation with imperialism.

When the Cabinet Mission came with its plan, the Congress leadership turned even more anti-struggle. Its Ministries let loose a wave of repression against the working class and peasant struggles. It set its face against the struggles of the States' peoples in order to appease the Princes and betrayed the struggle of the Kashmiri people. Instead of rejecting the plan with its non-sovereign constitution-making body and retention of the Princes, as a plan of masked British domination and as one based on the imperialist policy of divide and rule, it accepted it with minor criticisms.

The leadership of the National Congress, representing the interests of the Indian capitalist class, thus betrayed the revolutionary movement at a time when it was on the point of overthrowing the imperialist order. It only exploited the movement to win the maximum concessions possible for its own selfish interests and disrupted for the time being the growing revolutionary movement. By detaching the Congress from the movement, by isolating these spontaneously developing militant struggles, by repressing them, the national leadership played the game of disrupting the battle against imperialism and pursued a policy of suppressing it.

The leadership of the Muslim League, representing the interests of the Muslim capitalists and landlords, had always played a disruptive and anti-national role through its policy of communalism, its slogan of division of India and its general policy of obstructing the national emancipatory struggle headed by the Congress. The Muslim League leadership capitalised the backwardness of the Muslim masses and the failure of the national reformist leadership to draw the Muslim masses into the common struggle, and succeeded in giving the freedom urge of the Muslim masses a distorted expression. The hypocritical talk of 'Muslim freedom', of saving the Muslims from the Hindus, stood exposed when in connection with the RIN strike in Bombay, Mr Jinnah came out against the participation of Muslim workers and people in the common demonstration, and betrayed his fear of independent mass action.

Throughout this period the Muslim League did its best to keep the Muslim masses away from the developing revolutionary wave but did not always succeed. It had sometimes to start demonstrations on its own (demonstration in Calcutta for the release of INA prisoner Rashid Ali) to give an outlet to the anti-imperialist sentiment of the Muslim masses. The Muslim League leadership was concentrating only on blackmailing the Congress and through obstruction to secure its separatist demand of Pakistan.

It also, therefore, readily took to negotiations on the basis of the Cabinet Mission's Plan. The Muslim League leadership thus betrayed the revolutionary movement and revealed itself once more as an agency of upper-class interests, out to sell the freedom movement for its own selfish gains.

British imperialism, standing in immediate need of erecting a barrier to the revolutionary movement, saw the necessity of placating the Congress to the utmost limit. It realised that only by using the Congress leadership against the revolutionary movement could the imperialist order be saved.

At the same time, having drawn the Congress into negotiations, imperialism fully exploited the fear of the Congress leaders of revolution, their need for economic help from Britain, their conflict with the League, and the independent existence of the Princely autocracy, to make them willingly accept the Mountbatten Plan.

The original Cabinet Mission Plan did not provide for direct partition; this was a concession made to Congress pressure. But as soon as the purely Congress-manned Interim Government came into existence the pressure of riots was worked up, taking advantage of the 'Direct Action' launched by the League. Pressure was also worked later through Cabinet members of the Muslim League, when it after-

wards joined the Government, making it impossible for the Congress to function the Government. The leaders of the Congress were thus forced to accept partition of India.

Real Face of the Mountbatten Award

The Mountbatten Award comes as a culmination of the betrayal of the revolutionary struggle by the National Congress and the League leaderships.

Though the bourgeois leaderships parade the story that independence has been won, the fact is that the freedom struggle has been betrayed and the national leadership has struck a treacherous deal behind the back of the starving people, betraying every slogan of the democratic revolution.

The Mountbatten Plan partitioned India. The national bourgeois leaderships of the Congress and the Muslim League, which had always opposed the solution of the communal problem on the basis of the just and revolutionary principle of self-determination of nationalities, accepted the imperialist solution of partition on the basis of religion. This enabled imperialism to organise the ghastliest riots and mass butchery of minorities, creating permanent hostility between Hindus and Muslims, and to work up war fever between the two States when required in imperialist interest. The partition is a ready-made weapon to organise riots and side-track the revolutionary movement by war appeals. It is one of the biggest attacks on the unity and integrity of the democratic movement and is also used to weaken the bourgeoisie of both the States *vis-à-vis* imperialism.

Secondly, the plan keeps the Princes, the age-old friends of the imperial order, intact and enhances their bargaining power, enabling the national leaders to parade their accession as a great triumph, for the Princes are now supposed to be independent.

Thirdly, the leading economic strings are still in the hands of the imperialists, who successfully use them to make the bourgeoisie move against the masses, crush the democratic revolution and establish a new line-up of imperialism, Princes, landlords, and the bourgeoisie.

The Mountbatten Plan is the expression of this alliance against the democratic revolution—an alliance which seeks to drown the revolution in blood. It crowns the process of bourgeois vacillation with final capitulation. It is the fruit of the national leadership's compromising policy, culminating in an avowedly anti-national, anti-people and anti-revolutionary policy.

What the Mountbatten Plan has given to the people is not real but fake independence. Through this award British imperialism

partitioned India on communal lines and gave to the bourgeoisie an important share of State power, subservient to itself.

Britain's domination has not ended, but the form of domination has changed. The bourgeoisie was so long kept out of State power and in opposition to it; now it is granted a share of State power in order to disrupt and drown the national democratic revolution in blood.

The supreme organs of the State, the army, the navy, the air force, and the bureaucracy, are controlled by the servitors of imperialism. They are dominated by upperclass elements, officered by them, by old bureaucrats who have pronounced pro-British sympathies and bitterly hate all democratic advance. And the final imperialist control will be registered through military missions and military advisers, 'willingly accepted' by the Indian Government.

The behaviour of the military, the police and the civil service in face of the riot offensive of communal elements clearly demonstrates how anti-popular, anti-democratic and pro-imperialist elements control these organs of the State—elements on which the bourgeoisie safely relies for the law and order of collaboration.

At the same time the representatives of the bourgeoisie, the traditional leaders of the national movement, are handed over the reins of government, while being dominated by imperialism through trade pacts and an open military alliance which is in the process of formation.

The Mountbatten Award does not really signify a retreat of imperialism but its cunning counter-offensive against the rising forces of the Indian people. This is demonstrated by the communal carnage and the set-back to the democratic and anti-imperialist struggles after August 15.

British imperialism was forced to change the forms of its domination as a result of the growing popular upsurge for freedom and democracy during the war and post-war days. Faced with the alternative of quitting India, it has given a share of power to the capitalists and landlords in order to be able to remain. To parade this new status as national freedom or as national advance is to shield imperialist designs and the subservience of the national bourgeoisie.

National Government and the People

The deeds and actions of the 'National Government' since August 15 fully prove this understanding of the purpose behind the Mountbatten Plan.

The establishment of the Central Government headed by Pandit Nehru has not solved a single problem of the democratic revolution. Its establishment does not mean that the Indian people have won

either freedom or independence, nor does it ensure that they will be moving in the direction of democracy and freedom for the people.

On the contrary, the Government has already made a big move in the opposite direction—against the interests and freedom of the people. It is linking itself with the Anglo-American bloc of imperialist Powers—a bloc which seeks to crush all democratic revolutions and to create satellite States. It is manoeuvring to find an advantageous position for itself in the Anglo-American bloc.

The recent acts of the National Government prove beyond doubt that its policy is to suppress freedom and democracy.

The Constituent Assembly, manned by the same leaders as lead the National Government, is preparing an authoritarian constitution. The working class and the Indian people will not get anything except the right to vote at long intervals and that too only for the provincial assemblies. The constitution framed by the Constituent Assembly will be a constitution for the upper classes to rule the oppressed millions in the interests of joint exploitation by the Indian and British capitalists.

The constitution provides for arrest without warrant and detention without trial; it authorises the provincial Governors to act in their discretion, legislate by ordinance and rule by proclamation, thus usurping the powers of the legislature and overruling them in the name of grave emergency.

It includes the reactionary provision for second chambers in provinces and allows for nomination of members to the Council by the Governor, thus ensuring that the vested interests and their upper-class spokesmen will have a dominant voice in the Chamber.

The model constitution for provinces further does not accept the basic right of linguistic national units to self-determination, thus expressing clearly the reactionary bourgeois interests which seek to dominate the different nationalities.

It does not provide for proportional representation, without which the progressive political parties and the various minority groups cannot get fair representation. It does not provide for freedom and self-determination of the tribal and other backward peoples enabling the formation of autonomous regions or provinces, without which these backward people cannot economically and culturally protect and develop themselves.

Under the constitution the basic and fundamental rights of the toilers, such as right to work, right to a living wage, equal pay for equal work, right to old-age, sickness and unemployment aid, are denied and do not find a place in the fundamental rights which the new State of India is bound by the constitution to guarantee and protect.

While these rights of the mass of toilers are not guaranteed, the property and the privileges of the vested interests are specifically granted protection by a clause in the fundamental rights that no property of a person or corporation shall be taken over for public use except by payment of compensation, thus preventing through a constitutional guarantee all plans of nationalisation of industries including foreign concerns.

The Government is carrying out the plan of Indian Big Business to oppose nationalisation, suppress the workers and demand more production through longer hours of work; intensification of labour and rationalisation; freezing of wages in the name of stopping the wage-price spiral; sabotaging the implementation of gains secured by the workers (railway agreement); holding forth no hope of legislation for a living wage, social security or curtailment of management's power of dismissal; assuring the capitalists of full freedom to loot the people in the name of building a ' mixed economy ', while slandering the workers for the fall in production, demanding an increase in the hours of work. In short, it is passing the burden of the crisis on to the shoulders of workers to keep up capitalist profits.

The control of the Government by the national leadership has placed an additional and powerful weapon in its hands to sabotage the revolutionary struggles against Princely autocracy. It has persistently raised illusions that Princely autocracy can be fought through governmental pressure and has utilised them to enter into accession agreements with the Princes which keep autocracy intact. By parading accession as a big triumph, attention is sidetracked from the democratic struggles inside the States. The latest act of betrayal is the Standstill Agreement with the Nizam.

In a number of bigger States the bourgeois leadership has used the popular movements against Princedom to get limited constitutional reforms which do not give power to the people but give a minor share of power to the bourgeoisie. In exchange it has joined hands with the Princes to defend feudal exploitation and oppression of the people and to disrupt and suppress all popular democratic movements.

The policy that the Government follows can only be described as one of supporting feudal reaction and sabotaging the revolutionary anti-feudal, anti-imperialist struggle.

In the matter of civil liberties and democratic rights, the provincial Governments, under the guidance of the Central Government, have passed the blackest acts—Public Safety Acts—which are freely used against the rising workers' and peasants' movements and against the students; hundreds are detained without trial, externed or interned.

The leadership of the Central Government has applied the brake to the agrarian legislation of the provincial Ministries, which itself was an attempt to cheat the peasant in the name of the abolition of landlordism. Saddled with compensation and with no provision for land to the tiller, the legislation is not even a mild reform, retains landlordism under different forms, and is an attempt to split the peasant movement and disrupt the growing forces of the agrarian revolution. It is an attempt to broaden the basis of the present bourgeois Government.

In the matter of minorities, the Government follows a communal policy, which is essentially the bourgeois way of inciting majority-minority conflict. This leads it to practice discrimination and favouritism against the minorities, depriving them of their fundamental democratic rights, and to retreat before the more ruthless and direct incitement of communal conflict by feudal-imperialist reaction, which has resulted in the mass murder of minorities in certain areas.

The admission of Hindu Sabha leader, Shyamaprosad Mukherjee, into the Cabinet and the retention of Akali leader, Baldev Singh, in the important position of Defence Minister, taken together with the open encouragement given to communal reaction show how the Government itself wanted to use the weapon of communal division, even before the mass massacres had started in the Punjab.

Thus for the Government, the oppression of the minorities is a conscious and deliberate policy.

This policy, carried to its greatest lengths by Sardar Patel with his praise of the openly communal Princes (Patiala, Bharatpur, Nawanagar) and of the RSS, and his viciously communal incitement of Hindus against the Muslims and Pakistan, has lent added strength to these forces. The result is seen in the assassination of Mahatma Gandhi by a leading organiser of the RSS.

So determined are the leaders of the Government to utilise and safeguard their use of this communal weapon that even after the assassination of Mahatma Gandhi, every effort is made to screen and protect reaction; angry people demonstrating against them are arrested and even shot down, a farce is enacted of arresting some of them—while in reality every occasion is utilised to find an excuse to say a good word for the communalists and save them from the anger of the masses.

The arrests of Hindu Mahasabha leaders, etc., took place because the angry masses set the pace and compelled the Government to take steps against these communalists.

Even the banning of the RSS by the National Government has been carried through due to the tremendous mass indignation against

it, and is only a cover for its continued policy of shielding and allying with that organisation and the elements behind it.

According to Pandit Nehru's own statement this policy does not lead to any differences inside the Cabinet; even on this issue there are no political differences, but only temperamental differences. This should be enough to demonstrate the strong pull of communal reaction on the National Government.

Government's Economic Policy

While refusing to develop the industries of our country by nationalising key and vital industries, the Government, at the same time, is encouraging the export drive in the interests of Indian Big Business and at the expense of the people. This is a part of the plan of collaboration with the Anglo-American bloc, since these export markets can only be secured in collaboration with the imperialists. By securing foreign exchange through these exports, Indian Big Business wants to purchase machinery for new industries with the help of the Anglo-American imperialists. Thus, again, it has to depend on the Anglo-American capitalists for its industries.

This double economic dependence on the Anglo-American capitalists, both for the market for Indian products and for purchasing new machinery, necessitates a servility and abject surrender to them; and Big Business, helped by the Government, is preparing to sell out India's future to the Anglo-American imperialists.

The latter are demanding a number of concessions and fundamental rights—no discrimination against foreign capital, no nationalisation, no tariffs which are not agreed to, joint concerns for the exploitation of the Indian people, full security to them—all of which are embodied in the Draft Trade Charter being discussed at Havana and disclose that Indian Big Business and the Government are mortgaging Indian economy to Anglo-American capital in their selfish interests. The natural result of this is not only economic but indirect political domination, so that both the economy and political freedom of India are being mortgaged to the Anglo-American monopolists.

Government's Foreign Policy

The foreign policy of the Government follows the class interests it represents. From the very beginning Pandit Nehru adopted a line of forming a so-called third bloc—a line which represents the interests of Big Business inasmuch as it kept India away from the democratic camp and opened the way to the imperialist camp.

Recent events have torn off the mask of neutrality from the Government's foreign policy. On all crucial issues the Indian delegation

has taken an anti-democratic and pro-imperialist stand—Korea, 'Little Assembly,' Ukraine. On the question of Ukraine it allowed itself to be exploited by the USA and took the hypocritical stand that India stood against Ukraine because South East Asia was not represented.

On the questions crucial for the peoples of Asia in particular, e.g., the American-directed Kuomintang war against the Chinese people and the French colonial war in Viet Nam, it has remained silent and refused to act; while on the question of the Japanese Peace Treaty, it has virtually lined up with Anglo-American imperialism. Over the American-backed Dutch war against the Indonesian people, it has approved of the betrayal of the Indonesian freedom-struggle, achieved through the latest truce, put through by the US-sponsored and dominated Good Offices Committee and welcomed by President Truman.

Foreign policy depends on economic policy and India is also rapidly lining herself up with the Anglo-American bloc in matters of foreign policy. Her diplomats are already uttering anti-Soviet slanders, e.g., Sir Maharaj Singh's statement on war propaganda.

The British imperialists are giving open hints about an anti-Soviet bloc including the overseas territories of Britain, indicating that the role that India will have to play is to support the Western bloc economically, especially with her raw materials.

Speaking in the House of Commons on January 22, Mr Bevin, Britain's Foreign Minister, stated in connection with the formation of a bloc of Western European Powers:

'The overseas territories of these countries (Britain, France, Holland, etc.) should be brought within this Union, so that this tremendous co-operation would stretch through Europe, the Middle East and Africa to the Far East. . . . The Western organisation of Europe must be economically supported. That involves the closest possible collaboration with the Commonwealth and overseas territories, not only the British, but the French, Dutch, Belgian and Portuguese territories overseas. These territories are large primary producers and are capable of great development.'

Along with this come reports about an alliance of South East Asian countries—embracing India, Pakistan, Burma and Ceylon and in agreement with Britain—an alliance of an entirely 'defensive' nature; the aim of this 'bloc' as openly reported is to 'prevent the spread of communism in South East Asia,' which really means suppressing all struggles for freedom and democracy in South East Asia and bringing these countries directly into the imperialist camp. The Indian bourgeoisie, which is playing the role of chief agent of the imperialists for

the formation of this bloc, wants all South East Asian countries to fall in line with them, that is, give up the struggle for freedom and join the imperialist camp, because it wants to prevent the Indian people from being affected by the revolutionary struggle in these countries and also because it wants to get some foothold in these markets, with the help of imperialism, by keeping the colonial order intact.

There are also reports about military missions from Britain coming to India to keep her defence properly organised; reports which openly state that British statesmen do not want India or Pakistan to have any defence policy out of the orbit of the British Commonwealth, i.e., independent of British imperialism.

That is where the Government and Big Business are dragging India—from the freedom struggle to the Anglo-American camp.

New Role of the Bourgeoisie

How is it that a Government headed by the national leaders and one which came to power on the crest of a wave of popular struggles should pursue these policies?

That is so because the national leaders, who headed the popular struggles all these years and who are now in the government, represent the class interests of the national bourgeoisie, the industrial bourgeoisie.

The leaders of the Government including Pandit Nehru and Sardar Patel represent the interests of the Indian capitalist class, and the formation of the Government after August 15—after what is known as the transfer of power, but which in reality is the sharing of power—has meant an immense change in the position of the national bourgeoisie *vis-à-vis* the people and their struggles.

Formerly the national bourgeoisie and its leaders had to rely on the masses, mass struggles, etc., to secure concessions, share in power, etc., to advance their own interests. The bourgeoisie was excluded from political power, it had no real opportunity to develop industries and had no political power over the people.

The post-war revolutionary upsurge forced imperialism to change its strategy, in order to be able to strike at the democratic forces all the more ferociously.

Imperialism makes big concessions to the bourgeoisie and hands it over governmental power to rule the Indian people in its own narrow selfish interests.

At the same time, the State it has won is dependent on imperialism and is a satellite State.

In the new State, therefore, the national bourgeoisie shares power with imperialism, with the latter still dominant indirectly.

This is the secret behind the reactionary policy of the National Government. The bourgeoisie has ceased to play an oppositional role; it has renounced mass struggles to get concessions from imperialism; it is now depending on the new State and its control over the Indian people to use them as pawns in its bargaining with imperialism, whenever differences and conflicts arise. These conflicts will be solved at government level by offering new concessions to imperialism through Customs, lowering of tariffs, securing of joint concerns, etc.

The bourgeoisie, therefore, has turned its face away from the masses, and gone over to collaboration. That is why its Government consistently adopts an anti-mass, anti-democratic policy.

In the past, the bourgeoisie, and the national leadership which represents it, were in opposition to imperialism; now they have given up that opposition. This is the new change brought about by the transfer of power on August 15.

Henceforward the march of the democratic revolution will have to proceed directly in opposition to the bourgeois Government and its policies, and the bourgeois leadership of the Congress.

Game behind the Riot Offensive

The fact that the Government is manned by popular leaders and that it arose on the crest of a wave of mass struggles has concealed the class character of the Government and the change in the position of its class.

The riot offensive, inspired and engineered by the imperialists and their feudal reactionary agents, and their denunciation of the National Government has led many people to believe that the feudal reactionaries were attacking a revolutionary Government and that it was the business of the people to line up unconditionally behind the Government. This is a totally wrong understanding of the situation.

The unleashing of communal riots in the Punjab, UP and the Indian States, the massacre of tens of thousands of innocent Hindus, Sikhs and Moslems, the forcible extermination and expulsion of minorities, the terrible sufferings and hardships inflicted on innocent men, women and children, and the economic chaos arising from all this, were pre-planned and organised by the imperialist-feudal counter-revolutionary forces. The object was to disrupt and drown the people's democratic revolution in blood. The main attack was against the people who were moving forward through strikes, armed conflicts and revolts of States' peoples to a democratic revolution.

The attempt of the forces of counter-revolution was to sidetrack the revolutionary discontent into communal channels, disorganise the people and through it consolidate a line-up of all the vested interests

against the mass movement, a line-up in which the bourgeoisie will move more to the Right, allying with feudal and communal interests all the more, so that a stronger front against the masses, could be created.

This was to be achieved by strengthening the openly communal elements inside the Government, to appease Hindu communal reaction and surrender to the Princes on the question of maintenance of autocracy, by strengthening the consistent communal policy of Sardar Patel and checking the inconsistent and vacillating policy of Pandit Nehru.

There is no doubt that the deeply laid plot of counter-revolution very nearly succeeded in creating confusion, vacillation and demoralisation in the ranks of the people and of political parties. The main objectives were forgotten and a tendency to line up behind the Government in panic was noticed.

The imperialists and their agents would precisely like such a lining-up of the working class and democratic forces behind the Government, as it would lead to the giving up of all efforts to carry through the democratic revolution and to the doing away with all opposition and criticism of the Government in its policy of combating all national democratic advance.

For such a policy ensures the success of their strategy. Why are riots on a mass scale possible today? Precisely because the national bourgeois leadership has, through its anti-national compromise, disorganised the forces of revolution and allowed the reactionaries to divert the discontent.

Communal riots are the direct result of the imperialist conspiracy and bourgeois compromise. Imperialism has strengthened the basis of communal riots in four ways: (i) partition which made one community hostile to another; (ii) fixation of boundaries in a manner that roused communal bitterness to its height; (iii) independent position for the States which could manoeuvre between India and Pakistan and play one against the other in a most vicious manner; and (iv) communal poisoning of most of the army chiefs and bureaucrats, which has resulted in the use of the State machinery for spreading riots.

Imperialism is instigating communal riots in order to create conditions in which the national bourgeois leadership will be increasingly forced to submit to imperialist domination, and the common toiling people will be forced to submit to the leadership of the upper classes. It also aims at smashing people's unity and crushing all democratic movements.

Fascist elements like the RSS, Hindu-Moslem-Sikh communal reactionaries and bureaucratic administrators trained up by

imperialism are the chief agents for provoking riots. The Princes and landlords are at the head of them. But the bourgeoisie, including sections of the leaderships of the Congress and the League, has also played a leading part in communal riots, though certain sections of the Congress and the League leaderships have taken a stand against them.

Sections of the national bourgeois leadership also provoke riots as a matter of policy—as part of their policy towards the minorities. The policy of compromise with British imperialism, the policy of relying on it in the conflict between the Indian Union and Pakistan, leads straight to the massacre of minorities as a weapon of intimidating the Government of the other Dominion. The massacre of Muslims, for instance, is a part of the game of intimidating Pakistan, of replying to anarchy with anarchy—a game which suits the interests of the British excellently. The minorities have become a big pawn in the game of power politics of the compromisers.

A section of the bourgeois leadership encourages and protects communal armed bands for using them against political opponents and democratic movements and for strengthening the Princes and other vested interests; they even incorporate communal armed bands into the police, Home Guard and army.

Another section of the bourgeois leadership, while continuing the policy of compromise and thus creating conditions for riots is scared by riots when they actually occur, due to the disorganisation of administration, trade, etc. They take only palliative measures to stop the extreme forms of riots and anarchy.

The workers, peasants and progressive intelligentsia are the most determined forces that resist all riots, just because riots smash all democratic movements. In fighting riots, they must make use of all opportunities including the government measures to combat them.

But until the bourgeois policy of collaboration with imperialism and feudalism and its hostility to the principle of self-determination are successfully defeated, riots will take place again and again.

Not only communal riots, but other kinds of riots between one nationality and another, between the advanced castes and backward castes, between the tribal people and others, will also take place until full democracy and self-determination of the people are achieved and the imperialist hold over the organs of the State is completely smashed.

A determined fight against the reactionary policy of the Congress and the League leaderships is, therefore, essential to end the possibility of all riots. An end to these riots can only be brought about by complete elimination of imperialist domination and full democratic progress.

Unmask the Compromisers and Communalists

The policy of compromise with feudalism and imperialism has already bred riots and will breed more riots. Compromise feeds counter-revolution, and it is so in the case of India also.

The hands of all national leaders are equally tainted with compromise and they are all responsible for the mounting offensive of the communal elements.

Unless their compromising policies are exposed before the people, unless the people see the connection between them and the riot offensive and push their policies back, the feudal-imperialist offensive cannot be defeated.

It is, therefore, wrong to draw basic distinctions between different national leaders on the question of their approach to the communal problem. Sardar Patel who takes an openly communal stand, and Pandit Nehru who comes out against riots and for the protection of the Moslem minority also, both move in the vicious circle created by compromise. In the final analysis, Pandit Nehru has no independent line and has to fall in line with Sardar Patel.

Pandit Nehru's own stand, which regards Hindu communalist reaction only as a reaction to Moslem communalism, and does not see in it the forces of counter-revolution; his indulgence in threats of reprisals against Pakistan on the Kashmir issue; his failure to take a bold stand against the Hindu Mahasabha and the RSS even after Gandhiji's assassination; his full acquiescence in the policy of the Central and provincial Governments of utilising this assassination in order to strike at the democratic, revolutionary and really anti-communal forces in the country—all these only show that Nehru has completely surrendered to Patel's policy.

The Party will utilise every opportunity to fight riots and will make use of every measure taken by the Government to stop riots. It will regard riots as an offensive against the revolution but, at the same time, will have no illusion that the National Government can or will fight against riots.

In doing this, it is, no doubt, the duty of the Party to utilise every anti-riot utterance of men like Nehru and counteract the openly communal policy of other leaders. Such utterances, acts and propaganda have some importance inasmuch as they enable us to expose more easily men like Patel who are nearest to feudal reaction.

Patel and Nehru

Not only on the question of riots but also on the question of democratic policies, there exist illusions about Nehru.

Nehru is seen as a fighter against Patel's policies and almost made to appear as the leader of the democratic forces. Every verbal opposition of Nehru to Patel is magnified. It is thus that an illusion is created that if Nehru's hands are strengthened as against Patel, the Government will be transformed into an instrument of the people's will.

This estimate of Nehru is anti-Marxist and serves to tie down the masses to the bourgeois leadership. It must be clearly understood that Nehru is as much a representative of the bourgeoisie as Patel is. They both defend the class policies and interests of the bourgeoisie which is now collaborating with imperialism.

Today, Nehru is following the same policy as Patel. It is so in the matter of foreign policy, of the States, of decontrol, of industrial policy, etc. He often outdoes Patel on vital issues. He denounces strikes of the working class as a stab in the back.

In fact all shades of difference within the bourgeois camp (such as those between Nehru and Patel) are entirely subordinated to the new basic realignment of the class as a whole, namely, its role of collaboration with imperialism. Both Nehru and Patel represent this collaborationist class, and all differences between them are being and will be solved within the fundamental framework of the collaborationist policy of that class as a whole. The working class cannot go forward without fighting the policy of this class. That is why today it is anti-Marxist for the working class to base its strategy on ' differences ' within the bourgeois camp such as ' Patel-Nehru ' differences.

It is thus clear that the Central Government, manned by leaders of the National Congress, is the avowed enemy of the national democratic revolution. Marxism-Leninism has always taught that in the period of declining capitalism—of the general crisis of capitalism—the bourgeoisie cannot lead the democratic movement to victory, that it betrays it and goes over to the opposite camp, and that it is the working class which must lead it.

National Leaders and the Masses

We must remember that those in charge of the Government are still looked upon by the majority of the people as their leaders and the Government is still looked upon as a National Government in contrast to the previous imperialist Government.

The masses do not yet realise that the National Government is collaborating, that the country is being sold to Anglo-American imperialism, that the policies of the leadership are leading to riots, that the Government is being run in the interests of Big Business; they still believe it to be a freedom Government and are the victims of national sentiments and national illusions about the Congress

leadership. The trusting masses of our country, though they are getting rapidly disillusioned with the National Government, have not yet lost their faith in Nehru, their faith in the Congress, and though repeatedly betrayed, they yet cling to old illusions.

Any criticism of the National Government which does not take into account these sentiments about it is likely to defeat its purpose.

If in criticising the policies of the Government, we do not base ourselves on concrete instances, if we do not patiently argue on the basis of a series of such instances and bring the masses to the point at which they can for themselves see the truth about our characterisation of the policies of the National Government; if we do not take into consideration the strong ties of loyalty that still bind the people to the Congress, our criticism will not impress the people and will not succeed in its aim of making them break away from their collaborating leaders.

At the same time, the rapid economic deterioration and disillusionment of the masses have created conditions for the successful unmasking of these reactionary policies—conditions which did not exist in the past.

To be able to move the masses into action for the fulfilment of the democratic aims, the working class must tear them away from the bourgeois leadership and build a new movement based on a new understanding of national unity.

V AGAINST IMPERIALIST-BOURGEOIS CONSPIRACY FORGE A NEW CLASS ALLIANCE . . . PROGRAMME OF DEMOCRATIC FRONT . . .

Masses Fight Back

The establishment of the Congress Ministries and subsequently of the National Government, the communal offensive launched by reaction, and the disruptive role played by the Congress have not diminished the post-war upsurge. Its causes lie deeper than the mere formation of government, for, they directly follow from the exploitation of the Indian masses which has reached unbearable proportions.

Though the Congress leaders in the beginning were successful in creating new hope among the people that things could be remedied through the National Government, the process of disillusionment has been quickened since August 15, and the upsurge is asserting itself more and more. Through their common fights and day-to-day struggles, through their co-operation for their demands, all these sections more and more come to realise that their poverty and exploitation can be ended only by a triumph of the democratic movement. Never was

there so much understanding of the main slogans of the democratic movement: abolition of landlordism and land to the tiller; abolition of autocracy; nationalisation of key industries and a living wage as the cornerstone of any stable life for the people.

But today the people in their disillusionment are learning something more, and that is, that a Government manned by leaders in whom they had utmost faith cannot discharge a single responsibility and cannot give them either land, peace or bread. More and more the people are coming to the conclusion that the National Government is guided by the vested interests; more and more they are seeing the link between the Indian capitalists and the national leaders. Out of this disillusionment will come the demand for another government, and it is the duty of the Communist Party to consciously guide the people in fighting for that demand boldly and decisively.

The programme of the democratic movement can be implemented only when the State power belongs to classes which are interested in full democracy and from which all opponents of democracy are excluded. Such a State will be based on the alliance of workers, peasants and the oppressed petty bourgeoisie, under the leadership of the working class. It will be a people's democratic State based on the alliance of anti-imperialist classes, workers, peasants and the oppressed petty bourgeoisie, under the leadership of the working class, and from which all collaborationists and exploiting elements are excluded. It will be based upon direct rule of the toiling people in place of the present bureaucratic system.

The existing correlation of forces, in which every step forward of the popular struggle is to be taken not only in opposition to imperialism but in opposition to the bourgeoisie also, clearly shows that the old phase of the bourgeois democratic revolution is over, a phase in which the bourgeoisie was in the anti-imperialist camp. Today the entire trend of events demands a democratic State of workers, toiling peasants and the oppressed petty bourgeoisie as the only rallying slogan to surge forward to the defeat of imperialism and its bourgeois allies, and emancipation of the people. It means that the people's democratic revolution has to be achieved for the completion of the tasks of democratic revolution and the simultaneous building up of Socialism. This can be assured by establishing firmly the leadership of the working class over the other sections of the toiling people.

New Class Alliance

To defeat the bourgeois-imperialist conspiracy, to defeat the combine of imperialism, feudalism and the bourgeoisie, it is necessary to marshal the forces of the revolutionary people in a new way, that is, to forge a

new alliance of all the classes for whom the success of the democratic revolution is vital. The democratic State cannot be realised without such an alliance and unity of the people.

The spontaneous movement of the workers, peasants and middle classes against economic exploitation and political repression itself gives the form of the new front. It is the duty of the working class and the Communist Party to combine this growing upsurge into a new Democratic Front reflecting the unity of the fighting masses. The basis of this new Democratic Front is the common struggle against exploitation and political subjection. The Front will, therefore, include the fighting masses and all those fighting organisations which help it to go forward against the treacherous policy of the national bourgeoisie and the designs of imperialism.

The Communist Party, the working class and the mass organisations led by the Communist Party will be the core of this Front. The militant following of the Left parties and all genuine Leftists in these parties will be important partners in the Front. The Front will grow by drawing inside it the entire fighting masses as well as the anti-imperialist following of the Congress and the League so that the broadest unity of the common people can be built in the struggle for freedom and democracy.

It must be clearly understood that though the Front will include several political parties, trade unions, kisan sabhas, student and youth organisations and other bodies, it will not be a mere coalition of several organisations. On the contrary, it must become the genuine fighting alliance of the masses against imperialism, feudalism and the bourgeoisie.

For building such a Front the Communists shall seek the co-operation of all Left parties and elements. They will strive to establish unity of action with Left parties. But the cardinal thing for the Communists to remember is that the struggle for building the Democratic Front is inseparable from the struggle to establish working class hegemony, that is, to win the peasantry and the petty bourgeoisie for the fighting programme and policy of the working class.

It must also be stressed that in course of its development the Democratic Front will have to be directed, through persistent struggle for a common programme and progressive realisation of working class leadership, towards a disciplined and firmly united mass political organisation functioning democratically and based solidly on the unity of the people.

The Democratic Front, therefore, must not be looked upon as an organisation representing a top alliance between Left parties. It is a Front based on the masses. It is an alliance between the working

class, the peasantry and the progressive intelligentsia. This Front becomes strong and capable of decisive action to the extent that it becomes unified both politically and organisationally under working class leadership, to the extent that the working class secures the confidence of its allies and is able to win them for its programme and policy.

Unless the Communists realise all this, there is every danger of repeating the mistakes of the past, of Right opportunism masquerading as Left unity, and making the working class trail behind the vacillating class.

Under the impact of the crisis and as the result of growing disillusionment with the Government, larger and larger sections of masses will be set in motion. The process of radicalisation will be hastened even among the most backward strata. It will be the task of the Democratic Front to draw all these sections into the common movement, forge the fighting alliance of the people, co-ordinate and integrate the various partial struggles and develop them as part of the fight for the ending of imperialist-feudal-bourgeois domination. Only under the firm guidance of the working class and only by developing as the united mass organisation of the fighting people, the Democratic Front can carry out these tasks.

United Front with left Parties

The United Front of Left parties in the present situation will be a powerful lever to build the new Front, disillusioning and activising the Congress and League masses, the States' peoples and other sections, and in building a united movement for the democratic revolution.

The independent strength of the Communist Party of India and the general Leftward swing of the people enhance immensely the strength of Left forces and make them the base and spearhead of the new unity.

The Communist Party must, therefore, seek immediate agreements with Left parties for joint action, for common understanding of the problems of the democratic movement and for building a front against the compromisers and their real masters. At the same time, the Party must note that discredited and dishonest elements and groups sometimes come forward as a Left force, exploiting the anti-capitalist and anti-imperialist anger of the masses. The Party must expose and fight such groups, especially groups having connections with organisations or professing policies which are internationally accepted as counter-revolutionary.

The building of the Democratic Front is a process of struggle. It advances through a series of joint campaigns and partial struggles,

jointly conducted, and through local united fronts between the Party and the local Congress and League masses— even committees wherever possible—between the Left parties and the Congress and League masses at other places, between the Party and other mass organisations in still other places. The fundamental basis, however, is the independent activity of the proletarian Party and its capacity to lead struggles of the masses and draw new masses into the fighting arena. The core of the new Front will be the Communist Party together with the mass organisations led by the Party, trade unions, kisan sabhas and students' and youth organisations. Round this must be gathered the militant following of the Left parties, vast masses from the Congress, the League, the States Praja Mandals, etc., so that a broad Democratic Front takes shape to meet the new situation.

In many provinces organised Left groups do not exist. There are thousands of unattached Leftists in all provinces. Unity of the Left parties is a weapon of drawing these thousands into the common front for joint action. In the South we must devote special attention to the unorganised Left; for Left unity will mean drawing these unattached thousands into the common fight. In other provinces also, Left unity ought to be an instrument of attracting unorganised Leftists who will now find an effective platform and instrument for implementing their Left aspirations. It will also attract other progressive Congressmen on specific issues.

Congress, League and the Democratic Front

The relation of the Congress and the League to the Democratic Front must be properly understood.

Both these organisations command the loyalty of lakhs of people, of vast sections of the anti-imperialist masses. Desperate attempts will be made by the leadership of these two organisations to keep these masses away from the struggle for the democratic revolution and from the Democratic Front by exploiting old loyalties and the memories of the anti-imperialist struggles. The forces of the democratic movement will be weak and paralysed if the bourgeois leaderships succeed in keeping the masses under the influence of these organisations away from the Democratic Front.

The Communist Party must devote the utmost attention to winning these masses away from the influence of the bourgeois leaders, through propaganda, joint campaigns and joint struggles.

Great and vital importance, therefore, attaches to bringing the masses of these two organisations inside the Democratic Front, in opposition to their leaders. It is, therefore, essential that the Leftists who are associated with these organisations should carry on a persistent

battle, both inside and outside these organisations, to unmask the policies of the leaderships and win over the masses for the democratic revolution and for joining the Democratic Front.

The Congress with its sixty-year old tradition of anti-British fight, and with the memories of national battles that it rouses, sways lakhs of anti-imperialists who earnestly desire to move forward. The name of the Congress is today used by the bourgeois leaders to keep popular opinion behind them in support of their collaborationist policy. What the people are unable to accept from the Central Government and the Provincial Ministries, is pushed through the Congress and public criticism is paralysed.

To abandon the fight for the Congress masses, to ignore their important role in the Democratic Front, will be tantamount to making a present of lakhs of people to the bourgeois leaders. Every attempt must be made to win over the Congress masses, to carry the fight against the bourgeois leadership right inside the Congress organisation itself on every burning issue. The Congress leadership, however, will neither accept the programme of the Democratic Front nor come into the Front, because it represents the bourgeoisie as a class and that class has gone collaborationist. But it is vital to win the Congress masses for the democratic movement. The Communist Party, therefore, attaches great importance to the work of consistent anti-imperialists and democrats inside the Congress, the work of disillusioning the masses and pressing forward for a democratic programme.

The Socialist Party

The Communist Party of India must take into consideration both the importance of the united front of the Left and its limitations.

Under the stress of the crisis and the militancy of the masses, under the stress of the August struggle and disillusionment of large sections of Congressmen with the Right-wing leadership, Left-minded elements strongly opposed to the capitalists are drawn to the Socialist Party. In places like Bombay, the Socialist Party has also a working class base. In places like Calcutta, it counts among its members old trade union leaders. It has got a large number of honest elements in its ranks who seek to work among the kisans, workers, students, to build mass organisations.

The Right-wing Congress leadership itself is afraid of the Socialist Party and at the same time wants to woo it.

The strength of the Socialist Party comes from the ranks who are overwhelmingly drawn from the petty bourgeoisie. The ranks hate the capitalists, are dissatisfied with the Nehru Government and

the compromise, and want to move forward. They consider themselves Socialist; in fact they are Left nationalists. Nonetheless, their urge for Socialism is real and though they are kept away from it by the misleading policies of their leadership, they constitute a current orientating towards the proletariat.

The building up of the united front of the Left involves the winning over of their ranks for the common task of pushing forward the democratic revolution and establishing a democratic State.

But the aspirations and the orientations of the Left ranks must be separated from the leadership and the programme of the Socialist Party. The ranks are being poisoned by the anti-working-class theories and formulations of the Socialist leadership, are given a distorted idea about Socialism and the international situation and are continually poisoned against the Communist Party and the revolutionary movement. Sharp exposure of the 'Socialism' of the Socialist leaders, their theoretical presumptions, their anti-Soviet and anti-Communist line, and their stand on Indian questions is an integral part of the struggle to build the united front of the Left.

In exposing the Socialist leadership it must be remembered that the leadership, barring the four or five at the top, has no uniform policy. In such cases a differentiated approach should be made.

The programme and policy laid down by the top leaders of the Socialist Party, including Jaiprakash Narain, Achyut Patwardhan, Ram Manohar Lohia and Ashoka Mehta, clearly reveal that behind the talk of Socialism lurks the sinister design to exploit the Left discontent of the ranks to transform the Socialist Party into a bourgeois constitutional party—His Majesty's constitutional Opposition, so to say. Both their international outlook and their national outlook reveal the same thing.

In its recent programme which is supposed to be a transitional programme to Socialism, the first stage in India's evolution towards Socialism, the party suggests a banal programme of administrative reforms, the high water-mark of its democracy not going beyond responsibility of the executive to the legislature. It requires an amazing boldness in these days to parade mere responsibility to the legislature as transitional steps to Socialism.

While the programme prattles about India being a republic, of expropriation of private property and enterprise 'with or without compensation,' it nowhere mentions struggle as being necessary for it. It pins its faith in constitutional opposition and acts as if the democratic revolution is already complete, the people are in power, and all that remains to be done is to take transitional steps to Socialism.

It openly preaches the illusion that Socialism may be achieved by constitutional means. It covers its advocacy of constitutionalism by calling it ' democratic means'.

In their demands for constitutional rights the Socialist leaders do not include the right of self-determination of national units like Andhra, Tamilnad, Maharashtra, and reveal that they have learnt nothing from recent Indian history.

In their economic programme they suggest the possibility of compensation before nationalising private property and they do not necessarily demand immediate nationalisation of heavy industries. On the contrary, their demand is immediate or early nationalisation, thus seeking an excuse to postpone nationalisation.

They talk of abolition of landlordism, living wage, etc., but having given up all struggle to change the social order, not having the courage to demand nationalisation at least in their programme, everything else becomes just the words of a bourgeois leadership giving electoral promises.

On the concrete issues of day-to-day importance, the Socialist Party leaders adopt anti-popular policies, support decontrol and help Big Business to exploit the people. They echo capitalist slanders about the working class not doing its duty, and help the bosses (Jaiprakash's letter to the Railway Board).

Forced by the ranks, they have to go in for strikes, but generally they oppose and even break strikes (strikes of drawers-in of Bombay textile mills and Ashoka Mehta's admissions). They disrupt the unity of the Trade Union Congress and the trade union movement and help the bosses' offensive, though their ranks want unity.

They concentrate their fire on the Communist Party—the mass actions led by it—and shamelessly support repressive measures against it (Ashoka Mehta's statement on the firing on Bombay students). Their members in the legislature support black measures like the Public Safety Bill in Bengal and they oppose and break protest strikes against them.

They are strong opponents of Left unity, of any co-operation with the Communist Party. They thus perform a disruptive role in the interests of the collaborationists.

From time to time the Socialist leaders give it out that they are leaving the Congress. This is an attempt first of all to pacify the ranks with Left talk about secession from the Congress, for the ranks are fed up with the vacillating policies of their leadership and think that they are the inevitable consequences of remaining inside the Congress. The talk of leaving the Congress pleases the Left ranks, for, it opens before them prospects of independent and militant political activity in opposition to the compromising leadership of the Congress.

The ranks hate the compromise and want to cut themselves off from the deadening grip of the policies of the Congress leadership and go in for an independent militant political line.

Nothing, however, is farther from the minds of the Socialist leaders. At present the talk about secession from the Congress only serves to keep their Left prestige with their ranks, and also it is a weapon of bargaining with the Congress leadership.

When the leadership decides to leave the Congress, it will not do it to go in for an independent revolutionary line but when it finds that it can now play the role of an independent bourgeois Opposition party, a parliamentary party for the next elections. The talk about secession from the Congress in the mouth of Socialist leaders is only an advertisement of their future plan to contest elections independently under the new constitution and try their luck at the ballot box. It is the result of their maturing into constitutional bourgeois leaders and has not an iota of revolution in it.

Their Statement of Policy reveals that they have drawn their theoretical understanding and appraisal of international events from the extreme Right-wing Social Democrats of Europe and America.

They repeat the worst slanders about the Soviet Union, calling it a totalitarian State and making it plain that they are opposed to a real Socialist revolution.

In their foreign policy they follow the hypocritical Bevin in advocating a ' third ' group—which is only a cover to conceal their political alignment with American imperialism.

In their Statement of Policy they deliberately omit all reference to American imperialism, which means they will follow its dictates. Instead of concretely pointing out that a conflict does exist between the two camps—the camp of democracy and the camp of imperialism—they pose the conflict as being between Russia and the rest of the nations of UNO, thus screening American imperialism and its designs against democracy and freedom of all peoples and its conspiracy against the Socialist State.

And finally, by a trick of hand, they seek to do away with the main contradiction between capitalism and the working class by saying that the main contradiction is between advanced and backward countries —thus making a crude appeal to bourgeois nationalism and hiding the fact that the struggle of backward countries is part of the struggle for world Socialism and against the capitalist order.

This outlook enables them to say that a Socialist of backward countries must be an assertive nationalist, i.e., it draws and lends justification to any co-operation with any imperialist power in the name of nationalism.

The leadership of the Socialist Party is attempting to transform it into a collaborationist party behind the facade of Socialist phrases.

It must be ideologically unmasked and fought, and the ranks must be taught to see it in its real colours.

The ranks themselves do not accept this programme wholly. The Socialist Party is not a unified party but a heterogeneous combination. In winning over the ranks these points must be noted.

Nonetheless, a merciless ideological struggle must be carried on against the leadership. The ranks must be won over on the basis of Marxism, which a large section accepts, and on the basis of concrete issues; but we should have no illusions that the top leaders will ever agree to a joint front unless the ranks do it over their heads or press them to do it.

Programme of the Democratic Revolution

The programme of the Democratic Front and the Left parties should contain the following:

(1) Complete severance from the British empire and full and real independence.

(2) A democratic government representing the workers, toiling peasants and the oppressed petty bourgeoisie, opposed to collaboration with Anglo-American imperialism, allied to the democratic States working for peace and freedom of all nations.

(3) A constitution based on adult suffrage and proportional representation, guaranteeing full freedom and democracy to the common man and fundamental economic rights.

(4) Self-determination to nationalities, including the right of secession. A voluntary Indian Union, autonomous linguistic provinces.

(5) Just and democratic rights of minorities to be embodied in the constitution: Equality and protection to the language and culture of minorities, all liabilities, privileges and discriminations on caste, race and community to be abolished by law, and their infringements to be punishable by law.

(6) Abolition of Princedom and feudal rule in the Indian States and the establishment of full democracy. On the question of accession, exposure of the policies of the Governments of both India and Pakistan of parading accession to the Indian Union or Pakistan as a big triumph, and explanation to the common people that the urgent and primary task inside the States is the abolition of Princedom and feudal rule and the establishment of a people's democratic State. Accession before that is only slavery of the States' people, both to Princely autocracy and to the bourgeois rulers of the Indian Union. It is only after the people of the States become completely free that they will have real

liberty to decide the question of accession. At that stage the question will be decided by the wishes of the people.

(7) Freedom of the tribal and such other backward peoples from economic, cultural and political oppression, extension of full democratic rights to them, prompt and adequate State aid for their development, so that they may rapidly catch up with the advanced nationalities. The people of all contiguous, compact, predominantly tribal areas shall have regional autonomy. They may form autonomous areas within the provinces, enjoying full powers regarding general administration within the areas and specially regarding economic and cultural matters of regional importance. The people of such areas in suitable cases, may also form a separate province or provinces. The people of such areas or provinces shall have the right to secede from the State by a democratic verdict.

(8) Co-operation between the Indian Union and Pakistan for mutual economic aid in the interest of the toiling people; military and political alliance against imperialist intervention and foreign aggression; democratic foreign policy in co-operation with democratic States against Anglo-American bloc.

(9) Abolition of landlordism without compensation and distribution of land to the tillers of the soil. Abolition of the zemindary system must mean confiscation of *khas* lands of the non-cultivating landowners, and ensure land to sub-tenants and share-croppers. Liquidation of rural indebtedness and abolition of usury. Living wage for the agricultural labourers.

(10) Confiscation by the State of interests of foreign capital in banks, industrial and transport concerns, plantations, mines, etc., and nationalization of these concerns.

(11) Nationalization of big industries, big banks and insurance companies, guarantee of workers' control, minimum living wage, eight-hour day, etc.

(12) Economic plan to develop India's resources and removal of Big Business from strategic economic points. Control of profits in the industries in private hands.

(13) Repeal of all repressive legislation.

(14) Elimination of the bureaucratic administrative State apparatus and the establishment of a democratic administration with elected officials, guided by people's committees.

(15) General arming of the people and the establishment of a people's democratic army.

(16) The right to free education and compulsory primary education.

(17) Equal democratic rights to women.

The Democratic Front, and the Communist Party in building it up, will fight communal reactionaries, riot-mongers and protagonists of war between the Indian Union and Pakistan as enemies of the people. They will organize *Shanti Senas*, co-operate with all who stand for communal peace, and, in order to quell riots, will make use of every anti-riot measure of the Government. At the same time, they will expose the policy of national compromise which spreads riots and will call upon the people to defeat the game of the vested interests. They will also expose all communal acts of the members of the Government which abet feudal reaction.

To start with, it is not necessary that there should be a joint front of only those who agree with the entire programme of the Democratic Front. Immediate joint actions may start on specific questions. As joint actions develop and as Left co-operation develops, the correctness of the programme will be self-evident to all democratic elements, and the Front will be progressively realised as part of the experience of the Left and the masses as a whole.

Text supplied by the Communist Party of India, Central Office, New Delhi.

140 28 *February* 1948

STATEMENT BY PANDIT NEHRU (EXTRACT)

The Communist Party of India has, during the past year, adopted an attitude not only of open hostility to the Government but one which can be described as bordering on open revolt. The policy has been given effect to intensively in certain limited areas of India and has resulted in violence, indulging in murders, arson, and looting as well as acts of sabotage. The House is well aware of the communist revolts that have taken place in countries bordering on India. It was presumably in furtherance of the same policy that attempts were made in India to incite people to active revolt. Fortunately, these attempts failed because of the strength of popular opinion against them and the action taken by the Government. Nevertheless, a great deal of misery and damage was caused by them in certain parts of India.

The House is fully aware that for several months past we have been greatly preoccupied with meeting the serious economic situation which has been causing distress to millions of our people. It was implicit in our programme that there should be rapid movement of commodities throughout the country.

Towards the end of November, the Working Committee of the All India Railwaymen's Federation met in Nagpur and decided on

taking a strike ballot among the members affiliated to it. At this time we had additional confirmation of information which had been coming to us from time to time, that communist elements working in the railway unions were bent on exploiting the proposed strike for political purposes and, in particular, on using violence and sabotage to gain their ends.

Negotiations then took place between my colleague, the Transport Minister and Sri Jayaprakash Narayan, the president of the All India Railwaymen's Federation, with a view to devising means for averting the strike. It was clear to the Government that a strike in the railway would, particularly at the present juncture, be an unmitigated disaster to the country. Apart from the fact that dislocation of transportation would nullify the steps that the Government have been taking to meet the serious economic situation facing the country, a famine was developing in Gujerat and Kutch, and a strike would be disastrous to millions of human beings and cattle in these areas. These discussions were conducted in a friendly atmosphere and certain arrangements were agreed to. As a result, the Railwaymen's Federation decided not to proceed with the strike.

In spite of this decision of the Railwaymen's Federation, certain communist elements in the Federation proceeded with their programme for a strike. Reports continue to reach the Government, through reliable sources, that a widespread programme of sabotage had been planned and that it was decided to enforce the strike by means of violence. Indeed, many such instances of sabotage have already occurred. Recently there were unfortunate clashes between some students and others and the police in Calcutta, and during these clashes, hand-grenades and bombs were used against the police, and public property, such as buses and tramcars, were destroyed. We have evidence that the same agencies which provided these weapons to the students were exploiting them for similar purposes during the railway strike.

The Communist Party of India has recently concentrated on the issue of a general strike on this railway as well as in other essential services of paramount importance to the community. It has looked upon these strikes not from the trade union or economic point of view, meant to better the lot of the workers, but as a weapon designed to create a chaotic state in the country which, it is thought, would help the party to gain its other objectives, whatever they might be. It is deliberately seeking to create famine conditions by paralysing the railway system, so that foodstuffs should not be transported, the object being to create a general background of chaos, a breakdown of the administration and mass uprising. A large number of prominent Communist Party members have gone underground and the Govern-

ment have a mass of evidence in their possession to indicate that organized attempts are being made to conduct a campaign of sabotage, more especially on the railway system. The permanent way was to be damaged, locomotives interfered with, and general sabotage of vital installations, telephones, telegraphs and power stations was aimed at. Honourable Members will remember the destruction of the Calcutta Telephone Exchange some time ago.

Fortunately, the great majority of railwaymen and other workers have declared themselves opposed to the general strike and to such methods. The Communist Party of India, however, appears to be bent on flouting the opinion of the majority of workers and has pursued a technique of terrorizing those who do not agree with its policy. While interfering with the freedom of action of others, it demands full freedom for itself to carry on its own anti-social and disruptive activities. If any action is taken by the Government to check these activities, protests are raised on the ground of civil liberties being interfered with. As a part of this technique, organizations for the ostensible object of protecting civil liberties are started, their real object being to encourage these anti-social activities. The Government are anxious that the civil liberties of the people should be fully maintained. But it is not the Government's conception of civil liberty to permit methods of coercion and terrorism to be practised against the general community. It is the paramount duty of the Government to give security to the people and to prevent the normal life of the community from being interfered with by such methods of violence. No government and no social life would be possible if these methods were tolerated. Hence the Government have been compelled to take all necessary measures to meet this situation. If any strike takes place on the railways by a fraction of the railwaymen or elsewhere, they are determined to deal with it firmly. Such a strike at this juncture, it must always be remembered, has nothing to do with economic questions or the normal activities of trade unions and the like. The Government have already shown their earnest desire to meet all legitimate demands of their employees and other workers. They will always be prepared to consider any difficulties that their employees have to face and to remove them as far as possible. They are determined to maintain the well-established rights of labour. But they cannot submit to threats of violence and incitement to active revolt from any quarter.

In furtherance of this policy, the Government have arrested a number of members of the Communist Party of India and have taken such other precautionary measures as they deem necessary. They have advised provincial Governments to do likewise so as to ensure

that vital installations are protected against sabotage. They have no doubt that in doing so they have the full support of the country and of this House, which is wedded to democratic procedure and is entirely opposed to methods of violence.

Communist Violence in India, Indian Ministry of Home Affairs, 1949, pp. 3-7.

141 30 *September* 1949

WHITE PAPER ON COMMUNIST VIOLENCE (EXTRACT)

Hyderabad

Before the police action in Hyderabad, the communists violently criticized the hesitancy of the Government of India in sending troops to restore law and order there. But when the Indian Union troops actually entered Hyderabad territory and were welcomed by the people, the communists changed their policy and turned against the Indian Union. So while the Indian Union troops were still fighting their way towards Hyderabad, the communists had already launched a virulent propaganda against the Indian Union in order to damp the enthusiasm of the people and to prepare their minds to fight the Indian Union forces. About this time, they issued a circular under the heading *The Conflict between the Forces of the Congress and the Nizam* in which they said:

'Shortly the Nizam is going to surrender to the Indian Union forces. Subsequently, there would be Congress administration but the transition will take at least ten to fifteen days and meanwhile we must carry on our movement to all other areas. We must centralize all our forces and strength within the coming four or five days . . . . Why have the Congress troops arrived? . . . The optimistic attitude of the people towards the Congress troops must be discouraged. Its arrival thwarts the people's aspirations and is detrimental to their interests. This propaganda should be carried on vigorously among all towns and villages and public meetings should be held constantly to explain that we do not expect any gains by the arrival of the Indian troops . . . . We are determined to maintain our victories. We will demand the Government to recognize this. They will, of course, refuse to do so. Then we shall fight with all the strength of the people to gain these victories.'

They added:

'All rail communications should be destroyed by removing the rails, cutting the telegraph wires and blocking the roads. The goondas [i.e. the Indian Union troops] should not be allowed to escape. Thou-

sands of people must be stirred to surround them and demand their surrender and their weapons. They must be ready to fight. The loyal *Razakars* will be given shelter. The panic-stricken police and *Razakars* must be terrorized to sell their weapons and they must be readily purchased.'

After the surrender of the Nizam, the communists issued a circular entitled *The Nizam-Congress Agreement* in which it was stated:

'The Congress forces have entered into the Hyderabad State and the *Razakar* forces have scattered. Great hopes have been entertained everywhere due to the coming of the Congress forces. Let us not be carried away by the sweet promises .... We removed the Jagirdars, the bribe hunters, the bloodsucking Government officials, and above all we finished ten enemies for every man killed on our side. The Nizam having been unable to put us down has invited the Congress army to come and assist his forces. The State Congress leaders who ran away due to the *Razakar* menace are joining hands with the Army to suppress us. Therefore, brothers, please see that our guerilla warfare is intensified. Guard all your valuables. Maintain the occupied villages. Do not rest until victory is achieved. Do not give our names to the enemy. Do not answer questions put by strangers. Hand over the suspected promptly to our party. If the attack of the enemy is not in sufficient numbers, drive him out. If it exceeds our strength, quit the villages and towns at once. If you know beforehand that the enemy is moving in a considerable number, dislocate the railway lines, cut off the telegraph wires and destroy the roads. Every movement of our enemy should be immediately intimated to the party. We shall achieve our people's Government.'

In another circular entitled *The Advantages of the Union Army's Arrival —Our Duty*, the communists said:

'We have got to train hundreds and hundreds of volunteers. Train the people on a large scale. It is only when we organize our guerilla group more and more efficiently, then alone we can confront and confuse the Indian Union soldiers. For this purpose, we must train our fighters in regular 303 exercises[1]. . . . The road destruction movement must be revived .... Our members must be well trained in the art of surrounding villages and buildings. They must be well trained to stop the lorries and to meet the Union soldiers wherever they spot them.'

Quite a number of circulars were issued about this time and here are a few more extracts from them:

'Secret volunteer *dalams* [fighting cadres] should be trained. Everyone should have perfect military training and become perfect in violent

[1] Practice with ·303 rifles. *Ed.*

and sabotage activities. All the people so trained can ultimately form an army which will swell from hundreds to thousands and be in a position to carry on big raids. Occupation of towns can begin after the villages are occupied and thus the struggle will proceed further. There are many more things to be done. When you all join these sabotage groups, many more methods will be taught. In this way huge armies can be formed....

'When the police enter the villages or towns, do not run away but stay and attack them with whatever weapons you can. Let not the enemy understand that we are terrified of him. Confuse the enemy as far as possible by deceiving tactics. When the enemy spends tons of petrol and lakhs of rupees he is sure to slow down his speed. Let us depend on our guerilla warfare alone.

'The armed revolt can continue only through guerilla tactics. Everyone should be trained in the use of arms. Four to five persons should join secret groups. The formation of these groups should remain a closely guarded secret. Continue violent and sabotage activities. There are various methods of doing them. Motor tracks and roads should be breached. Motor tyres can be punctured by driving nails on the roads. Village C.I.D.'s can be done away with quietly. When police visit the villages, you can go quietly and throw hand bombs. Enemies can be done away with by poisoning food. All these things should be done without the enemies knowing anything about them....

'Gonds should inform the Communist Party *dalams* about those persons who are acting as C.I.D.'s, and helping the military in their raids on Gond villages. All youths should join the *dalams*. Throw hand-grenades on police camps both in villages and towns. Finish off the military and police beasts, if and when they are found alone. Damage tracks and make them impossible for motoring. Collect money and grain to help the Gonds, who have been victims of military and police excesses....'

In another circular called *Destructive Programme*, the Communist Party issued detailed instructions (with diagrams) about the various methods which should be followed in the destruction of telegraph and telephone wires, trains, motor and road communications and bridges.

Two hundred communists armed with deadly weapons raided Velivolu village on the night of 26 April 1949 and attempted to gouge out the eyes of a Congressman who, however, escaped. Two Congressmen were killed and five injured. The communists glorified the acts of murder and loot that they had committed there in a Telugu pamphlet issued by the Kishtna District Committee of the Communist Party. Describing this to be 'the revenge by people on Velivolu *Rakshasas* [demons] for their devilish persecution of the people during

the last year', the pamphlet approves and glorifies 'the raid by a band of 200 armed comrades resulting in the death of two persons in Congress garb and injuries to several Congressmen'. The pamphlet concludes by saying that 'the retaliation is inevitable for such goondas at the hands of the public'.

But these tactics and the horror stories preached by the communists failed to achieve their object and the Indian Union troops helped by the police gradually succeeded in restoring law and order over large parts of the area which was claimed by the Communist Party as their stronghold. This necessitated the issue of a circular by the Party which is quoted *in extenso*:

'The belief that the Congress Government is better at least to some extent and a sense of fear about the Union forces has entered the people's mind. There has been a vague vacillation amongst the people. This vacillation has had its influence on the guerillas as well. It is as a result of this that many members of the *dalams* have gone back to their homes. The impression has been prevalent that the Union forces are well trained and well armed and that it is difficult to face them. Backwardness is visible in some of the *dalams* also. Unless this vacillation goes, there is the danger of the *dalams* being wiped out. In every raid carried out by the enemy, members of the village committees and of the village *dalams* and their families are being cruelly harassed. Vigorous attempts are being made day and night to capture the *dalams*. The *dalams* think that in these circumstances they cannot think of doing anything, that the enemy does not give them scope to attack it, that the time has not yet come for attacking the Union police and that when it does come, they will go ahead wiping out the enemy. Entertainment of such ideas only retards the progress of our struggle. Comrades, it should not be forgotten that this is an armed struggle and that we must not falter. The danger of the enemy is growing day by day, but the idea of protection should not lead to an erring angle of vision. Protection does not mean merely hiding behind trees. It is not merely living in regions where the popular movement is strong. If it goes on like this, it will be committing suicide. The enemy will be able to come out and wipe us out. The problem of self-protection without offensive does not exist. Self-defence is possible only if we are prepared to take the offensive. It is not possible to escape the enemy raids without hitting the enemy from time to time. Self-defence is possible only if we try to assault the enemy when the opportunity presents itself, and pursue him. If we want to attack the enemy or defend ourselves against his attacks, we must post ourselves with his secrets and be prepared to carry out raids whenever the opportunity occurs, and escape. Retreat is a part of attack. Defence without attack

is never possible. There is no question of protection without facing the armed forces. We must take technical precautions in remaining on the watch for the C.I.D.'s in the villages, in locating our camps in several places and away from the roads and we should try to know the enemies' secrets. If after taking these precautions we take the offensive, we shall find that the enemy is not invincible. We must shed our fear and unnecessary panic and the battlefield is the training class for our *dalams*. Confusion and panic will continue till you go to the front, and you can measure the enemy only on the field. Our *dalams* have already received instructions in all methods necessary for warfare during the struggle against the Nizam. They have learnt ambush and encirclement. They also gained some experience. This experience should be used for training the *dalams* and strengthening them. At present ours is the defensive stage. To pass through this stage to the offensive we have to progress through certain stages. Our *dalams* have not acquired the necessary skill. We should wait for our second stage of struggle till all our *dalams* are skilled by experience. Whilst we prepare our *dalams* we should also teach the people to detest the enemy, and prepare them to give a fight to him. That means complete non-co-operation and readiness for revolt at the opportune moment. If the people's spirit is kept down by the enemy by perpetrating cruel atrocities, we must revive them by carrying out lightning raids on the enemy camps. It is of utmost importance that the present position must be retained. People must be regimented against the enemy. None of these is possible without dealing a blow on the enemy. For ours is an armed struggle. Without armed struggle, opposition cannot be kept up. Guerilla tactics should be used on the enemy from time to time. In conjunction with this, obstructions should be caused to enemy transport, capsizing buses, bursting tyres over iron nails and carrying out such raids as would entail very little trouble and admit of easy retreat. Comrades should realize that this training is not the problem of a single day. This training should be an integral part of the daily routine of life. Training is of two kinds under the same system. It is not possible to separate these two kinds and impart them separately. For instance, encirclement. One *dalam* should encircle, another should be ready for self-defence. Both these methods are necessary for us. It is therefore essential to give not only training necessary for attack but also training necessary for escaping after attack. The methods of escaping should be well practised. The enemy may in future try to encircle at every step. He may come in large numbers and try to encircle. He will carry out certain raids too. Breaching the enemy circle and escaping, confronting sudden raids and retreating—these methods should be specially practised. Even for learning these methods all the other positions

should be well practised. One thing must always be borne in mind. There should not be any misconception about the enemy's unwariness. This will be fatal. No quarter should be shown to the enemy. We must always be prepared to strangle the enemy and destroy him outright when a chance occurs.'

Side by side with the issue of circulars with practical instructions, there was no dearth of propaganda of abuse and vilification, e.g.:

' Do not spare the Congress goondas. What the military and police would not do, these brutes (Congress goondas and spies) have agreed to do. Wipe them out wherever they are found.'

Communist Violence in India, Indian Ministry of Home Affairs, 1949, pp. 35-43.

141 (a) 30 *September* 1949

STATEMENT: GOVERNMENT POLICY

Nothing is further from the Government's intention than to oppose the preaching of any political or economic theory, nor can there be any objection to a Party attempting to persuade the people that the form of State they envisage is the ideal solution for all problems. The Government of India have given the widest latitude to all peaceful and democratic propaganda in favour of any policy or doctrine, but they cannot and will not permit any group, whatever its political complexion to preach, incite and organize acts of sabotage and violence. The Communist Party of India, which never tires of criticizing the Government for alleged suppression of democratic rights and civil liberties, have made it abundantly clear through oral and written propaganda, as well as by their open activities, that in their view such rights and liberties not only include the freedom to murder, maim, pillage and sabotage, but also exclude the right of the State and the public to prevent and oppose such activities. This is a position that no Government, whatever the party in power may be, can accept without forfeiting their right to exist, and which the public can ignore only at their peril. The Government are therefore determined to combat lawlessness with all the resources at their disposal and are confident that in this task they will continue to receive the wholehearted and active support of all sections of the population who desire not only the maintenance of the rule of law but also progress to a better social and economic order.

Communist Violence in India, Indian Ministry of Home Affairs, 1949, pp. 56-7.

EXTRACT FROM *THE COMMUNIST*

In support of their erroneous policies, the Andhra Secretariat quotes certain passages from Mao Tse-tung. First, read the following:

'Marxism is not a dogma. It is a science which provides us with guiding lines of action. Since the October Revolution, in this long period of more than thirty years, mighty revolutionary struggles in different countries, colonies and semi-colonies have been taking place. They present us with varied experience and rich lessons. These are most valuable theoretical lessons deduced and added to the armoury of Marxism-Leninism in this period. Mao, the leader of the historic Chinese liberation struggle, from his unique and rich experience and study has formulated a theory of new democracy. This is a new form of revolutionary struggle to advance towards Socialism in colonies and semi-colonies. Mao advanced new democracy as distinct from the dictatorship of the proletariat.'

Firstly, we must state emphatically that the Communist Party of India has accepted Marx, Engels, Lenin and Stalin as the authoritative sources of Marxism. It has not discovered new sources of Marxism beyond these. Nor for the matter of that is there any communist party which declares adherence to the so-called theory of New Democracy alleged to be propounded by Mao, and declares it to be a new addition to Marxism. Singularly enough there was no reference to this new addition to Marxism in the Conference of Nine Parties in Europe. Under these circumstances it is very wrong for a section of the leadership of the Central Committee to take upon itself the task of recommending new discoveries which one of the most authoritative conferences of Marxists has not thought fit to recommend. The Andhra Secretariat should have thought ten times before making such a formulation and taking an original stand on the question of this contribution. It is impermissible for Communists to talk lightly about new discoveries, enrichment, etc., because such claims have proved too often to be a thin cloak for revisionism (Tito, Browder, etc.).

Secondly, the documents of the Andhra Secretariat quote Mao's old outlook on new democracy in support of its view but do not even mention by a word that a Conference of leading Communist Parties including the CPSU(B)[1] took place, that at that Conference Zhdanov submitted a report explaining the nature of People's Democracies and that this Conference was hailed as the opening of a new chapter in the struggle against capital. A very precise class character of People's

[1] Communist Party of the Soviet Union (Bolshevik).

Democracy is given there—a characterization which excludes the bourgeoisie from power. But all this does not find place in the document.

This is not the place to sit in judgement over the formulations of Comrade Mao in his *New Democracy*. At the same time, since the Andhra Secretariat quotes Mao against the understanding of the world situation and People's Democracies, as given by Zhdanov and CPSU(B), it is necessary to examine some of the formulations.

It must be admitted that some of Mao's formulations are such that no Communist Party can accept them; they are in contradiction to the world understanding of the Communist Parties. Take the following horrifying formulation by Mao, quoted by the Secretariat, and approvingly quoted by them, which throws a floodlight on what stand the Secretariat wants to take:

'Some people cannot understand why the Communist Party of China, far from being unsympathetic to capitalism, actually promotes its development. What China does not want is foreign imperialism and native feudalism and not native capitalism which is too weak.'[1]

No Marxist can ever agree with this reactionary formulation. The Communist Party of India in its resolution passed by the Second Congress has correctly stated that the People's Democracy which it wants to establish will confiscate all strategic industries, banks, etc., nationalize them, and drive out the capitalists from key positions to eliminate the capitalist order altogether in the shortest possible time.

Are we to suppose that while the revolutionary workers of France, Italy, England, the revolutionary masses of countries like India, the great USSR and Eastern Democracies are engaged in fighting world capitalism, the Communist Party of China proposes to rebuild capitalism on the soil of China? Are we to understand that capitalism, which has ceased to play any progressive role, is reassuming it on the soil of China? Are we to understand that we have returned, so far at least as China is concerned, to the theory that Socialism cannot be established without capitalism having run its full course in every country—at least in China, and are we to revise the Leninist understanding about the colonies and backward countries going gradually to Socialism without necessarily going through the rule of capital and capitalism? And is it not elementary Marxism that capitalism, in its declining period, will never advance production but hampers it, leads to crisis and intense exploitation, and hence you cannot promote it? Is it not elementary Marxism further that if you undertake to promote capitalism you will be inevitably promoting the dictator-

[1] Perhaps this sentence should read 'China does not want foreign imperialism and native feudalism; native capitalism, which is too weak, does not worry her.'—*Ed.*

ship of the capitalist class? It is elementary Marxism to know that the class which dominates economically will dominate politically and that a party which seeks to promote the rule of capital in economy will end in promoting the rule of capital in the State. One might also ask: Has the Chinese proletariat and the people fought for a quarter century, undergone torture and sufferings for promoting capitalism, the system of wage slavery and unbridled exploitation? It is obvious that this promoting capitalism would mean promoting the rule of a Fascist clique like Chiang's clique, for capitalism can only exist as Fascism in China in present-day conditions.

It is obvious that this idea of promoting capitalism is reactionary and counter-revolutionary. It is at the same time clear that Mao, though he has made this loose formulation, at the same time combines it with other formulations.

For instance, he repeatedly stresses that the new revolution, the Chinese revolution, is not of the old bourgeois type,—and everyone knows that the old bourgeois type revolutions were precisely the revolutions which promoted capitalism.

The basis of the New Democracy that he gives is such that in the hands of the revolutionary class it must become a weapon of squeezing out capitalism and not promoting it:

'In such a republic, all big banks, big industries and big commercial establishments must be State-owned. In order to ensure the freedom of people's livelihood from the influence of private profit, all the native-owned or foreign-owned enterprises, either monopolist-dominated or too large for a private effort—for instance banks, railroads, etc.,—will be managed by and controlled by the State alone. This is the essence and theory of the control of capital.'

It is clear that these weapons in the hands of a People's Democracy do not lead to promoting capitalism but must lead to a gradual squeezing out of capitalist relations from one branch of production after another.

While we need not go into the details, it must be emphasized that Mao, in fighting polemically against certain deviations, himself steps into new deviations. But he is right when he stresses that the Chinese revolution cannot on the morrow of its success start building Socialism by executive orders. For instance, in a country dominated by small production in agriculture you cannot decree Socialism and large-scale agriculture the next day—for the simple reason that the means of production for large-scale agriculture are not there and the majority of the small producers must be won over and convinced. This is nothing new. This is the lesson of the October Revolution.

Also in such a country you cannot prohibit by decree on the morrow of the revolution all private trade, all private production in agriculture and industry—for the simple reason that neither the means of 100 per cent. social production are there, nor can the majority of the small producers in agriculture be won over in a single day.

Those who would apply the introduction of Socialism the next day would come into conflict with the vast masses of peasantry and play into the hands of the enemies of the working class.

It is obvious that in these conditions, when private production has to be tolerated, it will continuously produce the relations and differentiations of capitalist society—for instance, in a village some peasants may become rich, etc. If left unchecked this will only mean capitalism. But the transitional character of the stage comes precisely from the fact that the State of the revolutionary masses holds both political and key economic power in its hands and uses them to check, curb and gradually squeeze out capitalist relations by expanding production of nation-owned concerns, etc. Thus the stage becomes one of continuous struggle for squeezing out of capitalism, not promoting it. It is not yet Socialism, because private production is allowed. It is not capitalism, because capitalism is being fought to destroy it, because the key positions are already in the hands of the revolutionary masses.

All this is again the experience of the Russian Revolution. Mao confuses the toleration of commodity production, small-scale production, private production under the conditions of people's rule and nationalization of big industries and banks with promoting of capitalism, and completely eliminates the transitional anti-capitalist character of the economic order under People's Democracy. . . .

The position taken by the Andhra Secretariat, and substantiated by loose quotations from Mao, amounts to equating people's democratic revolution in India to an anti-feudal revolution, i.e., to a revolution of the ordinary bourgeois type. Under the plea of proving that this is not Socialist Revolution, the Andhra Secretariat has come to the conclusion that it is an ordinary bourgeois revolution. All the reference to India being a colony and semi-colony, and the strategy suggested amounts to this. In reality, if they were to study the quotations from Zhdanov they would find an answer to all the questions. The people's democratic revolution is not only anti-feudal but anti-capitalist also—it not only abolishes feudalism but drives out the capitalists from key positions in the economic life and political rule and puts the people in a position to wage a successful final struggle against capitalism. This is how the bourgeois democratic revolution gets intertwined with the Socialist revolution and one passes into another. . . .

Finally we get the following [from the Andhra Secretariat]:

'Our revolution in many respects differs from the classical Russian Revolution; and is to a great extent similar to that of the Chinese Revolution. The perspective is likely [to be] not that of general strikes and general rising leading to the liberation of the rural side; but the dogged resistance and prolonged civil war in the form of an agrarian revolution culminating in the capture of political power by democratic front.'

The way in which the Russian and Chinese Revolutions are described and contrasted is totally wrong.

Was there no civil war in Russia, no agrarian revolution, no protracted struggle? Did not the Bolsheviks fight for thirty long years? To ask these questions is to expose the bankruptcy of the contrast.

Did not the strikes of Shanghai and Canton play a great revolutionary role in the formation of the Chinese Red Army and the revolutionising of the peasantry?

Anyone who rejects the revolutionary weapon of a general strike—the specific weapon of the proletariat—or belittles it, never mind under what excuse, is an anti-Leninist and anti-Marxist. Through it he really pours contempt over the role of the working class and takes a position that the fighting centre is only the peasantry and not the proletariat. The Communist Party of India considers the weapon to be one of the most important weapons in the revolutionary armoury as the preliminary to general rising against the entire order.

Anyone can see even today what revolutionary role the strike of the railway workers will play in present conditions, and when the peasantry is moving, and whosoever rejects the role of a general strike is guilty of surrendering to the enemy a most revolutionary weapon of struggle. A general strike of all industries will be followed by a general rising all over the country, if the proletariat has in the meantime won over the majority of the people for the ending of the government, has created confidence among the people to follow the lead of the working class. The general strike in Russia followed by uprising was not a spontaneous phenomenon but the result of thirty years of proletarian struggle and the prestige of the Bolsheviks among the people.

Why had the Chinese to go through the protracted civil war? Just because the leadership of the Chinese Communist Party at times failed to fight for the hegemony of the proletariat, for bringing the majority of the masses in alliance and under the leadership of the proletariat, because it followed tactical policies which led to a disaster . . .

Those who contrast the Chinese and Russian way . . . When they contrast and uphold what they call the Chinese way, they seek to reject the hegemony of the proletariat in the democratic revolution

and feel that the Chinese revolution shows that the hegemony of the proletariat is not necessary. All the indirect references to general strike and general rising being out of date, guerilla warfare in agrarian areas, civil war and prolonged struggle really conceal the idea that the leadership of the proletariat is not necessary. This attempt is done in the name of anti-feudal revolution, agrarian revolution, etc.—in short a theory of peasant leadership. Its anti-Marxist character stands exposed.

Proletarian hegemony is not formally repudiated, but it is put in such a way as to liquidate it. Some of those who advocate what they call the Chinese way, formally stand for the hegemony of the proletariat. But they suggest that the Chinese experience shows that it is exercised through the Communist Party—politically and ideologically, and organisationally—which in reality reduces itself to the assertion that a Communist Party, based itself on the ideological and political platform of the proletariat, can successfully lead the revolution without setting the working class itself, the mass of workers, in motion—the hegemony to be secured through the leadership of the Communist Party and not through the direct participation and lead of the working class in struggle.

As has been pointed above, this is a wrong conception. In connexion with China, also, it does not hold good. Those who have witnessed the war going on in rural areas of China and are not aware who carried the flame of agrarian revolution in the Chinese interior are apt to forget the heroic and leading role of the Chinese proletariat. First, without the heroic and revolutionary struggle of the Chinese proletariat in Shanghai, Canton and other places, without their mass protests, the general strike, the great Canton uprising and Commune, a steeled Party of the Chinese working class could not have been. The Communist Party was the direct product of the heroic lead of the Chinese working class in the liberation struggle. Secondly, who carried the flame of revolution to agrarian China when they were compelled to retreat from the cities—the heroic proletarian fighters of [the] Canton Commune, the army trained in the class battles of the proletariat in Shanghai, the army arising directly out of the Chinese working class struggle? Without these neither the Great March nor the existence of the Communist Party of China was possible. It is thus clear that hegemony cannot mean hegemony of the Party without the working class being in action, but, directly, the hegemony of the working class led by the Party, the entire working class in action.

These views, expressed in the entire outlook represented by the Andhra document, must be rejected as anti-Party, anti-Leninist and being in utter repudiation of the *Political Thesis* of the Second Congress

of the Party and of the accepted Marxist outlook on the world situation, People's Democracy and stage of revolution as given in Zhdanov's statement.

The Communist, Vol. II, Calcutta, June-July 1949, pp. 77-89.

143 14-15 *February* 1948

RESOLUTIONS OF THE HINDU MAHASABHA

Resolution No. 2

The All-India Working Committee of Hindu Mahasabha is meeting under the shadow of a great tragic event which has stirred the soul not only of India but of the whole world. Mahatma Gandhi has been removed by the cruel hand of an assassin and India has lost her greatest son who, for the last thirty years, moulded her politics in his own inimitable way and had succeeded in winning freedom for India, Gandhiji has been rightly styled the 'Architect of India's Freedom'; a unique personality in the history of mankind, he towers above all as a saint and as a political leader.

The news of Mahatmaji's assassination shocked and stunned the whole country. For us it is a matter of shame and humiliation that the alleged assassin was connected with the Hindu Mahasabha. In spite of some differences on political issues, the Mahasabha cherished feelings of admiration and reverence for him as a leader who lived and worked for India's freedom and for the service of humanity at large. The Mahasabha unequivocally condemns this foul act and as an organization disassociates itself from the same. The Mahasabha has all along been wedded to constitutional methods for the attainment of its objectives. It will not tolerate any act of terrorism in Free India for the achievement of its ends.

The Working Committee deeply deplores and condemns the senseless loot, arson and depredation of the property of the members and workers of the Hindu Mahasabha in some provinces and specially in Maharashtra. This was inspired mostly by anti-social elements, out to exploit the present situation for party ends and to create strife and disorder in the country. It is an outrage of the sacred memory of Mahatma Gandhi. In Maharashtra specially, senseless rowdyism degenerated into a virulent campaign against the Brahmin community and the Working Committee must in fairness record that the situation would have further deteriorated if the Bombay Provincial Government had not taken firm action to quell the same.

The Mahasabha was all along anxious to make the hard-won freedom of India safe against internal disruption or external aggression.

Although it criticized the policy and measures of the government, it did so on democratic lines in the interest of the nation and the country. No democracy worth the name is conceivable unless there is an effective opposition to the party in power. Opposition does not mean rebellion or an attempt to unroot the very State itself or jeopardise its very existence. On the contrary, it is a well-recognized parliamentary method to protect it and to make its administration healthy and progressive. We want to assure all our fellow citizens that, whatever our differences may be, the Mahasabha will not fail to be the first in the field to rally round the banner of the State wherever the security of India is imperilled or whenever there is a crisis in the body-politic endangering the safety of the State.

Resolution No. 4

The Working Committee makes it clear that it would support the National Government in its efforts to suppress terrorism or subversive activities in any shape or form. It deeply deplores at the same time that there have been large-scale arrests of Hindu Sabha leaders and workers in Bombay, Maharashtra, U.P. and other places. It urges that while those, against whom evidence exists, should be put up for trial, prolonged detention of others, specially of those who have whole-heartedly condemned the outrage, can hardly be justified.

The Committee urges the Government not to allow any one to be detained without trial or without the formulation of specific charges, so as to lend itself to the charge of eliminating political opposition in the country.

Resolution No. 7

The Hindu Mahasabha was founded by the greatest fighters of India's independence for the consolidation and purification of Hinduism. It was primarily meant to be a social and cultural organisation. It was constrained to enter into the political field later on for historical reasons. The aggressive communalism which was being preached by the Moslem League, backed by the Imperialist policy, gained impetus due to the failure of the nationalist elements to assert themselves on many critical occasions. Finally, the Communal Award gave a death-blow to Indian nationalism, and separate electorates on religious and communal basis received the sanction of the British Parliament as an organic part of the Indian Constitution. The Hindu Mahasabha considered it its duty to organize a spirit of resistance against the cult of violence and hatred preached by the Moslem League. Although its membership was confined to the Hindus, Buddhists, Sikhs and Jains, its outlook and policy were really national in the true sense.

After the withdrawal of the British power from India and the attainment of India's independence, the greatest force which was operating to create the Hindu-Muslim differences has been removed. The cardinal principles for which the Hindu Mahasabha stood and which were embodied in the Bilaspur Resolution, have been practically accepted by the Constituent Assembly. Separate electorates have been abolished. Unfair and unjust weightage to the minorities has been given up. Residuary powers have not been vested in the Provinces. Indian constitution-makers have seen the wisdom of the Hindu Mahasabha demand that the Central Government should be strong and virile and that the disruptive forces in the body-politic should not be in any way strengthened or fostered.

Since the 15th August, 1947, the Hindu Mahasabha had been seriously considering what steps should be taken for the re-orientation of its policy. The tragic death of Mahatma Gandhi has made imperative an early decision on the question. It is clear that the real power for shaping the destiny of our Motherland rests with us. If a democratic constitution is to function in India, the Hindus, who have a clear majority of 87 per cent., cannot be submerged by any minority and their just rights cannot be in any way hampered or subordinated, unless they are themselves determined to commit political suicide.

The All-India Working Committee views with great concern the tragic signs of fratricide in different parts of India after the assassination of Mahatma Gandhi. The country had been badly torn by intercommunal feuds between Hindus and Moslems. But now the tragedy is taking another shape. There is a danger of civil war between Hindus and Hindus. The Working Committee has given serious consideration to the various suggestions made regarding the re-orientation of the Hindu Mahasabha policy. Pending the final determination by the All-India Committee, which should meet as soon as circumstances permit, the Working Committee feels that it must give a bold lead at this crisis, specially in view of the tragic development towards internal strife. The Hindu Mahasabha, therefore, resolves to suspend its political activities and to concentrate on real Sangathan work, the relief and rehabilitation of refugees and the solution of our diverse social, cultural and religious problems for the creation of a powerful and well-organized Hindu society in Independent India.

The Working Committee wants to make it clear that this resolution applies only to the Hindu Sabha in the Indian Union, and the Hindu Sabhas functioning in Pakistan shall be at liberty to decide their own course of action in relation to the circumstances obtaining therein.

Text supplied by the Akhil Bharat Hindu Mahasabha, New Delhi.

144 2 *April* & 7 *May* 1950

AMENDED CONSTITUTION OF THE HINDU MAHASABHA (EXTRACT)

(Amended according to Calcutta resolutions of 1949 and passed at the special meetings of the Akhil Bharat Committee of the Hindu Mahasabha at New Delhi and Nagpur on 2 April and 7 May 1950.)

Name

(1) The Association shall be called the Hindu Mahasabha. Its jurisdiction extends over the whole of ' Bharat '.

Aim

(2) The aim of the Hindu Mahasabha is the protection and promotion of all that contributes to the advancement, strength and glory of the Hindu Rashtra, Hindu culture and Hindu polity and as a means to that end, to achieve Hindu Raj and re-establish the integrity of the ' Bharat ' State by constitutional means.

Objects

(3) The objects of the Hindu Mahasabha are :—

(i) To establish Akhand Bharat;

(ii) To establish a really democratic State in Bharat based on the culture and tradition of the land;

(iii) To organise and consolidate all sections of the people into one organic whole;

(iv) To establish a social order in which all the nationals will enjoy equal rights and opportunities and share equal responsibilities;

(v) To assure to each national, dignity of human values, full freedom of thought, expression, association and worship;

(vi) To revive and promote the ancient Indian ideals of plain living and high thinking and the glorious ideals of Aryan womanhood;

(vii) To make ' Bharat ' politically, economically and materially strong and self-reliant;

(viii) To remove all forms of social inequalities and disabilities;

(ix) To remove gross inequalities in the distribution of wealth, to assure a decent standard of living to each national and to secure to the workers and peasants their rightful share in the economy of the country;

(x) To industrialize the country as rapidly as possible;

(xi) To reclaim all those who have left the Hindu fold and welcome others into it;

(xii) To promote cow-protection and to stop cow-killing;

(xiii) To establish Sanskrit-Nistha Hindi as the National language and Devanagari as the National script;

(xiv) To cultivate friendly relations with other nations with a view to maintain international peace and progress; and

(xv) To lay down from time to time suitable programmes with a view to accomplish as soon as possible the above objects.

Text supplied by the Akhil Bharat Hindu Mahasabha, New Delhi.

145 *June* 1949

CONSTITUTION OF THE RASHTRIYA SWAYAMSEVAK SANGH (EXTRACT)

PREAMBLE

WHEREAS in the disintegrated conditions of the country it was considered necessary to have an Organization

(*a*) to eradicate the fissiparous tendencies arising from diversities of sect, faith, caste and creed and from political, economic, linguistic and provincial differences, amongst Hindus;

(*b*) to make them realise the greatness of their Past;

(*c*) to inculcate in them a spirit of service, sacrifice and selfless devotion to the Hindu Samaj, as a whole;

(*d*) to build up an organized and well-disciplined corporate life; and

(*e*) to bring about an all-round regeneration of the Hindu Samaj;

AND WHEREAS the Organisation known as *The Rashtriya Swayamsevak Sangh* was started on the Vijaya Dashmi day in the year 1982 Vikram Samvat (1925 A.D.) by the late Dr Keshav Baliram Hedgewar;

AND WHEREAS Shri Madhav Sadashiv Golwalkar was nominated by the said Dr Hedgewar to succeed him in the year 1997 Vikram Samvat (1940 A.D.);

AND WHEREAS the Sangh had till now no written constitution;

AND WHEREAS in the present changed conditions, it is deemed expedient to reduce to writing the constitution as also the Aims and Objects of the Sangh and its Method of work;

THE RASHTRIYA SWAYAMSEVAK SANGH hereby adopts the following constitution :—

THE RULES AND REGULATIONS

Name

Article 1

The name of the Organization is ' *The Rashtriya Swayamsevak Sangh* '.

Head Office

Article 2

The Head Office of the Sangh is at NAGPUR.

Aims and Objects

Article 3

The Aims and Objects of the Sangh are to weld together the diverse groups within the Hindu Samaj and to revitalize and rejuvenate the same on the basis of its *Dharma* and *Sanskriti*, that it may achieve an all-sided development of the Bharatvarsha.

Policy

Article 4

(*a*) The Sangh believes in orderly evolution of the Society and adheres to peaceful and legitimate means for the realization of its ideals.

(*b*) In consonance with the cultural heritage of the Hindu Samaj, the Sangh has abiding faith in the fundamental principle of tolerance towards all faiths.

The Sangh as such, has no politics and is devoted to purely cultural work. The individual *Swayamsevaks*, however, may join any political party, except such parties as believe in or resort to violent and secret methods to achieve their ends; persons owing allegiance to such parties or believing in such methods shall have no place in the Sangh.

Article 5

While recognising the duty of every citizen to be loyal to and respect the State Flag, the Sangh has as its flag, the *Bhagwa-Dhwaj*—the age-old symbol of Hindu Culture.

Text supplied by the Rashtriya Swayamsevak Sangha, Central Office, Poona.

146 4 *February* 1948

GOVERNMENT COMMUNIQUÉ

In their Resolution of 2 February 1948, the Government of India declared their determination to root out the forces of hate and violence that are at work in our country and imperil the freedom of the nation and darken her fair name. In pursuance of this policy, the Government of India have decided to declare unlawful the Rashtriya Swayamsevak Sangh in the Chief Commissioners' Provinces. Similar action is also being taken in the Governors' Provinces.

As democratic governments, the Government of India and the Provincial Governments have always been anxious to allow reasonable scope for genuine political, social and economic activities to all parties

and organizations including those whose policies and purposes differ from, or even run counter to, their own, subject to the consideration that such activities should not transgress certain commonly recognized limits of propriety or law. The professed aims and objects of the Rashtriya Swayamsevak Sangh are to promote the physical, intellectual and moral well-being of the Hindus and also to foster feelings of brotherhood, love and service amongst them. Government themselves are most anxious to improve the general, material and intellectual well-being of all sections of the people and have got schemes on hand which are designed to carry out these objects, particularly the provision of physical training and education in military matters to the youth of the country.

Government have, however, noticed with regret that in practice members of the Rashtriya Swayamsevak Sangh have not adhered to their professed ideals. Undesirable and even dangerous activities have been carried on by members of the Sangh. It has been found that in several parts of the country individual members of the Rashtriya Swayamsevak Sangh have indulged in acts of violence involving arson, robbery, dacoity and murder and have collected illicit arms and ammunition. They have been found circulating leaflets exhorting people to resort to terrorist methods, to collect fire-arms, to create disaffection against the Government and suborn the Police and Military. These activities have been carried on under a cloak of secrecy, and Government have considered from time to time how far these activities rendered it incumbent on them to deal with the Sangh in its corporate capacity. The last occasion when Government defined this attitude was when the Premiers and Home Ministers of Provinces met in Delhi in conference towards the end of November. It was then unanimously agreed that the stage when the Sangh should be dealt with as an association had not yet arrived and that individuals should continue to be dealt with sternly as hitherto. The objectionable and harmful activities of the Sangh have, however, continued unabated and the cult of violence sponsored and inspired by the activities of the Sangh has claimed many victims. The latest and the most precious to fall was Gandhiji himself.

In these circumstances, it is the bounden duty of Government to take effective measures to curb this reappearance of violence in a virulent form and, as a first step to this end, they have decided to declare the Sangh as an unlawful association. Government have no doubt that in taking this measure they have the support of all law-abiding citizens and of all those who have the welfare of the country at heart.

PIB Release.

147 12 *July* 1949

GOVERNMENT COMMUNIQUÉ

In consultation with the Provincial Governments, the Central Government have had under consideration the question of removal of the ban on the Rashtriya Swayamsevak Sangh. The factors governing the problem clearly emerged during the discussion which the leader of the RSSS organisation had with Sardar Patel in October last year. In brief, they were that the RSSS should function under a written and published constitution, restricting its activities to the cultural sphere, abjuring violence and secrecy, professing loyalty to the Constitution of India and the National Flag, and providing for a democratic organization. The public is already familiar with the history of the breakdown of these talks and the course which events took thereafter. In spite of this, Government's attitude to this organisation was never prompted by any spirit of vindictiveness, and when certain non-official gentlemen approached them with requests to interview the RSSS leader in jail with a view to persuading him to fulfil the above-mentioned conditions, Government offered them facility to do so. In March this year, the RSSS leader wrote to Government forwarding a draft constitution, the terms of which were examined by Government in consultation with the Provinces. The Government of India conveyed to the RSSS leader their reactions on the draft as forwarded by him and he has now generally accepted the suggestions made by the Government of India, and the clarifications made by him indicate that the relevant provisions of the constitution are intended to be worked in the spirit contemplated by the Government of India. In particular, the RSSS leader has undertaken to make the loyalty to the Union Constitution and respect for the National Flag more explicit in the constitution of the RSSS and to provide clearly that persons believing in or resorting to violent and secret methods will have no place in the Sangh. The RSSS leader has also clarified that the constitution will be worked on a democratic basis; in particular, the office of the Sarsangh Chalak would in effect be elective, in that the successor would be nominated with the consent of the then Karya Kari Mandal. It would be open to any member of the Sangh to leave it at any time without breaking the pledge, and the admission of minors will be subject to the option of the guardian to withdraw his ward under a written request sent to the Sangh authorities.

In the light of the modifications made and clarifications given by the RSSS leader, the Government of India have come to the conclusion that the RSSS organisation should be given an opportunity to function as a democratic cultural organisation, owning loyalty to the Indian

Constitution and recognizing the National Flag, eschewing secrecy and abjuring violence. Indeed, Government feel that under a constitution embodying these principles and worked in the right spirit, no reasonable objection can be taken to such functioning. They have accordingly decided to withdraw the ban on the organization in the Centrally Administered areas and to release as soon as possible all RSSS men at present under detention or undergoing sentences of imprisonment in connexion with RSSS activities, and have requested Provincial Governments to take similar action in their own areas.

PIB Release.

148 14-15 *December* 1947

RESOLUTIONS OF MUSLIM LEAGUE (EXTRACTS)

The All-India Muslim League held its last meeting in Karachi on December 14 and 15 in 1947, where it resolved to break up into two independent bodies one for India and the other for Pakistan.

The full texts of the more important resolutions passed at the Karachi meeting on December 14 and 15 were as follows:

(1) The Council of the All-India Muslim League, having reviewed the situation and the happenings in various parts of the Indian subcontinent since its last meeting held in New Delhi on the 9 June 1947, places on record its deep sense of sorrow and its feelings of horror at the widespread acts of organised violence and barbarity which have taken place. The Council also views with grave concern the rising tide of communal antagonism against the Moslem minority in the Indian Union where, in spite of the repeated declarations by the Congress that minorities will be dealt with justly and fairly and that their rights and interests will be fully safeguarded and protected, Muslim life and property continue to be insecure, their trade, business and other means of earning their livelihood are in a state of suspense in many parts of the country, and they are being subjected to various disabilities merely because they happen to be Moslems. The Council expresses its deep regret that although the division of India has taken place on the basis of an agreement to which both the Congress and the Muslim League were consenting parties, certain influential sections of people in the Indian Union, including persons holding responsible positions, have been acting contrary to the spirit of that agreement and are branding the Moslem minority in the Indian Union as disloyal, because of their support of the very solution of the long-standing political

problem which the Congress itself had ultimately and finally accepted and ratified, notwithstanding the most categorical declarations and assurances by representative Moslem leaders in the Indian Constituent Assembly and outside that the Muslims in the Indian Dominion had completely identified themselves with the country in which their lot had been cast.... This Council strongly condemns and deplores that, in spite of the strict injunctions given privately and publicly by the Quaid-e-Azam and the Muslim League not to harm the minorities in any way, unfortunately acts of violence were also committed in certain parts of Pakistan inflicting loss of life and sufferings on the non-Moslem minorities.

Pledge to Minorities

(2) The Council reminds the Governments of both the Indian Union and Pakistan that they jointly gave the most categorical assurances to their respective minorities of full protection of life and property and of full guarantee of their rights and interests, and it most emphatically urges upon the Governments of Indian Union and Pakistan and the authorities concerned that the pledges given to the minorities be fulfilled in all sincerity. The Council hopes that both the Governments will realise their responsibility in this behalf and prepare, after joint deliberations, a Charter of minorities' rights which will ensure an honourable existence of the minorities in the two Dominions. The Council further hopes that the two Dominion Governments will be able to conclude agreements and treaties which will promote and stabilize friendly relations between the two dominions.

(3) The Council of the All-India Muslim League views with great satisfaction the attainment of its main objective, namely, the establishment of Pakistan, and congratulates the Mussalmans of the Indian sub-continent on the sacrifices they have made for the achievement of their national goal. The Council feels confident that the unique struggle of the Muslim League for the establishment of a fully independent sovereign State, under the superb leadership of Quaid-e-Azam Mohammad Ali Jinnah, and its ultimate triumph in the birth of the largest Muslim State and the fifth largest of all States in the world, will go down in history as the most outstanding world-event of modern times. The Council now calls upon the Mussalmans of Pakistan and all other loyal citizens of the State to make the greatest possible contribution towards the building up this new-born State so that in as short a time as possible it can attain an honourable position in the comity of the nations of the world as an ideal democratic state based on social justice, as an upholder of human freedom and world peace for which Islam stands, and as a country which will be strong in arms,

rich in moral and material wealth, and in which all its citizens will enjoy equal rights and be free from fear, want and ignorance.

Now that the main object of the All-India Muslim League has been fulfilled and India has been divided into two independent and sovereign States, certain changes are inevitable in the structure, objective, and policies of the All-India Muslim League Organisation. It is obvious that the Mussalmans of Pakistan and India can no longer have one and the same political organisation.

Two Leagues

The Council therefore resolves:

(1) (i) that in place of the All-India Muslim League there shall be separate Muslim League organisations for Pakistan and the Indian Union,

(ii) that all members of the Council of the All-India Muslim League for the time being, who have become ordinarily residents of the territories comprised by Pakistan or have settled therein, and all Moslem members of the Pakistan Constituent Assembly who are primary members of the Muslim League do hereby constitute the Council of the Pakistan Muslim League,

(iii) that all members of the Council of the All-India Muslim League who have become ordinarily residents of the territories comprised by the Indian Union or have settled therein and all Moslem members of the Indian Union Constituent Assembly who are primary members of the Muslim League do hereby constitute the Council of the Indian Union Muslim League,

(iv) that a Convener each be appointed of the Pakistan Muslim League and the Indian Union Muslim League, with instructions to convene at very early dates meetings of the two respective Councils as defined above, for the purpose of electing Office-bearers, framing the constitution and transacting such other business as arises by virtue of this decision,

(v) that the following be elected the Conveners respectively:
for the Pakistan Muslim League—

Honourable Mr Liaquat Ali Khan,
for the Indian Union Muslim League—

Mr M. Mohamed Ismail, President, Madras Provincial Muslim League

(vi) that the meeting of the Council of the Pakistan Muslim League will be held at Karachi and that of the Indian Union Muslim League at Madras.

(2) That all primary members of the All-India Muslim League who are now ordinarily residents of Pakistan or have settled therein

should be deemed *ipso facto* to have become primary members of the Pakistan Muslim League, and all members of the All-India Muslim League who are now ordinarily residents of the Indian Union or have settled therein be deemed to have become *ipso facto* primary members of the Indian Union Muslim League.

(3) That when meetings of the respective Councils of the Pakistan Muslim League and the Indian Union Muslim League are convened, each Council shall elect its representatives, not exceeding 3 in each case, as members of a joint *ad hoc* Committee for the purpose of deciding how the Assets and Liabilities of the All-India Muslim League are to be equitably divided as between the Pakistan Muslim League and the Indian Union Muslim League. In the event of a difference of opinion in the *ad hoc* Committee the issues in dispute will be finally decided by the Quaid-e-Azam.

(4) That in case of dispute regarding the membership of the Council a written declaration by an existing member of the Council of the All-India Muslim League to the effect that he is ordinarily resident of or has settled in Pakistan or Indian Union shall be conclusive.

(5) That the existing Central Parliamentary Board of the All-India Muslim League shall continue to function in accordance with the Constitution and Rules for the Muslim League Organisation in Pakistan till such time as the Council of the Pakistan Muslim League meets and for the Muslim League Organisation in the Indian Union till such time as the Council of the Indian Union Muslim League meets.

Indian & Pakistan Year Book 1949, Times of India, Bombay, pp. 507-8.

149 8 *February* 1948

GOVERNMENT COMMUNIQUÉ

(1) In pursuance of their policy of rooting out the forces of hate and violence that are at work in our country, announced in their resolution of February 2, 1948, Government, as a first step to this end, declared unlawful the Rashtriya Swayamsevak Sangh. The resolution also announced Government's decision not to permit private armies.

(2) The organization known as the Muslim League National Guards must share the blame for creating a poisonous atmosphere in the country which it is the determination of the Government to eradicate. The organization is communal and semi-military and is disposed to resort to violence. With the independence of India, members of this organization could have been expected to settle down as loyal and peaceful citizens of the country. Government, however,

regret to have to say that this expectation has proved to be ill-founded. Members of the Muslim League National Guards are still persisting in their propaganda of communal hatred and violence. The organization has been carrying on secret propaganda for fostering amongst the Moslem citizens of India extra-territorial loyalty with the object of disintegrating the country; and, to this end, it has been secretly collecting arms, training its members in the use of arms and fomenting agitation in liaison with members of the organization across the border. In the light of recent events, Government cannot tolerate any longer this potential menace to the security and integrity of the country and have therefore decided to declare unlawful the Muslim League National Guards in the Chief Commissioners' Provinces, and similar action is being taken in Governors' Provinces.

(3) The organization of *Khaksars* has been equally wedded to communal hatred and violence. On several occasions, members of the organization have been guilty of violent acts. It convened an all-India rally of its members at Delhi last year. Soon after, the organization was officially disbanded by its founder but his followers have refused to abide by his mandate. They congregated in large numbers in various places, particularly in Delhi, and made no secret of their ambition of disintegrating the country. As a result the organization was declared unlawful in the Delhi Province. It is, however, still carrying on underground propaganda on the same lines as the Muslim League National Guards. It has been circulating posters exhorting people to collect arms, to extricate certain parts of the country from the clutches of the Congress and to make preparations for *jehad* to this end. Members have been known to be also collecting arms. The threat to the peace of the country from this source in the present crisis is obvious and there is no place in India for an organization of this kind. Government have, therefore, decided to declare the *Khaksar* organization to be unlawful in the remaining Chief Commissioners' Provinces and similar action is being taken in Governors' Provinces.

(4) Government wish to make it clear, and are certain that all right-minded Moslems will recognize that, this action is not aimed at the Moslem community in any way. India has now gained independence and all sections of her people must now rely, for the protection of their life, property and civic rights, on the forces of the State and not on any private armies. Government have repeatedly declared that India is to be a secular State in which all communities, irrespective of their strength, religion and culture, shall enjoy equal rights. Government repeat their determination to afford to all minorities in India the fullest possible protection against any unlawful activities. They

are confident that this further measure taken by them towards eliminating the evils of hate and violence would be regarded by the Moslem community as a decisive step towards ensuring that protection, and not as a measure that will impair it.

PIB Release.

150 4 *March* 1949

ADDRESS : PANDIT NEHRU (EXTRACT)

. . . Now, I just want to ask you another and a very difficult question that always faces me and my Government. We were born and bred, if I may say so, politically in the Gandhian doctrine. We did not adopt Gandhiji's views wholly either in regard to non-violence or in regard to economics. Nevertheless, we accepted many of them as suited to our country—and maybe suited to the world in some ways, if not a hundred per cent., but in a large measure. Now, imagine a people who had carried through their struggle for freedom, trying always to adhere to peaceful methods, having to face an extremity of violence and having to face the armed might of the State. Now, it was no pleasure to us to do so and it brought great problems and conflicts in our minds. We were responsible, as a Government, for peace and order in the country and if we did not maintain peace and order there was danger of the whole country going to pieces. We dared not give up that responsibility or act otherwise. In our minds, however, there was always this conflict and feeling that we were hypocritical in talking about those great doctrines that Gandhiji had taught us. We talked of Gandhiji and then proved false to him at every step. It was a painful thought. The facts, as they were in the country, compelled us to act in a particular way. I do not know whether it would have been better if we had acted differently. We acted according to our wisdom, not at any time denying the validity or truth of the message that Gandhiji gave us, at the same time doing something which we thought was imperative. Now, that problem comes up again and again in its varying phases. Here we are committed to civil liberty in its broadest form. There can be no freedom in a country without a wide extension of civil liberties. We are also interning people without trial in large numbers and some of our Provincial Governments are passing legislation of a kind to which we took the greatest objection in the old days. It is an irony of fate that we have to do this. Yet, we have done it and done it after full thought, not casually, because the matter was of the most serious concern to us. Now, what are we to do about it? People come to us complaining

about civil liberty and they find a certain answering echo in our minds. The fact is that if we do not act, something infinitely worse takes place in the country—chaos and disorder. Not chaos and disorder only, for you know that brutal murders have taken place in some parts of the country, and if there is one thing that this Government cannot possibly permit as long as it calls itself a government or has a semblance of authority, it is deliberate murder and sabotage that any group may indulge in. I do not mind the preaching of any doctrine, provided there is no violence in it. I do not think any interpretation of civil liberty includes the preaching of violence or acts of violence. And in the past year and a half in this country we have had to deal with various phases of intensive violence, whether it came in the early days of August, September and October in the Punjab or Delhi, or whether it came subsequently from communal organizations or from certain labour bodies, and a good deal from certain sections of the Communist Party of India, at first chiefly in and around, Hyderabad—on both sides of the Hyderabad border—in West Bengal and elsewhere. Now, I want to make it perfectly clear that it still remains our conception of civil liberty that we should allow the fullest freedom to people of all groups to preach their doctrines, provided there are no incitements to violence. It just does not matter whether we agree with that doctrine or not; if it does not lead to violence, we shall allow it to be preached. But if it does, if it is meant to lead to violence or sabotage, then it will not be allowed, and if it is necessary to limit civil liberty for that purpose, civil liberty will be limited. There is no other way. You know of the horror that took place in Calcutta only a few days ago. It is not a question so much of a few persons killed—bad enough though it is; we have become accustomed to death on a vast scale—but it was the manner that has upset me. What upset me was the feeling that people should deliberately indulge in that kind of thing. What is the background out of which this horror emerges? Why do our people, who normally speaking are gentle and kind to one another, develop this mentality and commit these horrible deeds?

Well, we must face all and must stop this kind of thing happening again however much it may involve putting into prison people without trial, because if this continues, then normal life of every kind stops. Only a number of gangsters survive, and dominate and terrorize the community. We are not going to allow gangsterism to flourish in this country. Now, it is a great pity that this kind of thing should be associated in people's minds with Labour or the workers as such, because I am convinced that the workers of India, the labour force of India, is a fine labour force, a fine lot of people. Occasionally, they

may get excited or be misled, but properly approached, they are fine material, and after all it is out of this material that you are going to build India. You have to deal with that material and you have to deal with it fairly and justly. And what has pained me most is the association in people's minds that some of these horrible deeds are the outcome of what might be called labour work or trade union work. That will be fatal. Our Government has tried to encourage the organization of labour, trade unions and the like, because it is well known that from every point of view, it is better that Labour be properly organized, that it should have freedom to organize, freedom to deal with its own interests than that it should remain unorganized, unable to protect itself or to deliver the goods. So we have encouraged it. As you know, we have also passed legislation for the settlement of disputes, conciliation, etc., so that, as far as possible, strikes may be avoided. Many of you perhaps, have objected to some of the legislation that we have passed. Yet, there is no alternative; either you have strikes and major strikes or you have some machinery for the settlement of disputes. Obviously, the latter course is better, provided the machinery is a good machinery, is not meant to harass any party and is meant to see that justice and fair play is effected. We are proceeding on those lines and we intend proceeding on those lines in spite of the misguided efforts of some workers and some employers. . . .

Nehru, Jawaharlal, *Independence and After*, 1949, pp. 186-8.

151 5 *August* 1949

PANDIT NEHRU'S PRESS CONFERENCE (EXTRACT)

Question: In the case of the RSSS which was alleged to have indulged in violence and was supposed to have an anti-democratic constitution, the RSSS was banned to enable it to purge its violence and the ban was removed after the organizers agreed to change their constitution. Similarly, do the Government contemplate banning the Communist Party to make them change their attitude?

Answer: The RSSS was not banned because of any constitution or lack of constitution. The RSSS was banned because it was associated with actual violence in Delhi and the rest of India both at the time of those big troubles nearly two years ago and subsequently. That was the reason. Of course, as a matter of fact, they had no constitution. Normally they say they are not a political body but a cultural body, although they have functioned in the past in a very markedly political and violently political way. It was because of that that we banned that organization, not because of their constitution. But you are

perfectly right if you suggest that the Communist Party with their activities that they have been indulging in should be banned. I think any Government would be justified in banning an organization of that type which is carrying on these violent activities against the State. It is banned in one Province, West Bengal. It is not a question of lacking justification but rather of taking such steps as are supposed to be the best to deal with a particular situation. Now, we have been feeling—not in regard to the Communist Party I mean, but generally speaking—that we can afford to relax some of the measures, repressive etc., that Government had to take. We have done that as you know, and large numbers of people who had been detained have been released and other steps of this kind have also been taken. It is always a very difficult business. We are accused by various people, by various groups in the country, of crushing civil liberties. Sometimes people outside India make wild statements about 'twenty-five thousand peasants and workers being put in prison by us'. I saw a statement coming from London the other day. Well, most of you gentlemen have some acquaintance at least with happenings in India during the last two years or so. There is often a conflict between the State's duty to maintain security and the State's duty to maintain liberty. Both have to be maintained, or should be maintained.

Question: A little while ago, you condemned the Communists, because they were saboteurs and resorted to violence. But before these things broke out in West Bengal, you banned the Communist organization in the rest of India where there was no sabotage or organized, or any form of, violence. Why?

Answer: I think you are wrong in your history. The Communist Party, as everyone who has followed events knows, about a year and a half ago suddenly took a new turn, i.e., about March 1948. Not only here but in various parts of S. E. Asia, they definitely adopted the policy of violence and producing chaos, whether in industrial circles or peasant—everywhere. And since then they have followed it and with ever growing vehemence. In some places, they created a big situation outside India. In India they were checked. This has been going on for a year and a half. The big round up of Communists took place—to which our friend refers—when the railway strike was threatened, when some of the Communist unions, in spite of the decision of the Railwaymen's Federation not to have a general strike, insisted on having a strike and openly and in speeches and in circulars, preached sabotage. It was too dangerous a thing for us—sabotage of the railway system. It was then that there was a round up, not of Communists as such, but of all those persons whom we suspected of sabotage or who might have committed sabotage. *PIB Release.*

SECTION IX

ECONOMIC POLICY

152 6 *April* 1948

STATEMENT ON INDUSTRIAL POLICY OF INDIAN GOVERNMENT

The Government of India have given careful thought to the economic problems facing the country. The nation has now set itself to establish a social order where justice and equality of opportunity shall be secured to all the people. The immediate objective is to provide educational facilities and health services on a much wider scale, and to promote a rapid rise in the standard of living of the people by exploiting the latent resources of the country, increasing production and offering opportunities to all for employment in the service of the community. For this purpose, careful planning and integrated effort over the whole field of national activity are necessary; and the Government of India propose to establish a National Planning Commission to formulate programmes of development and to secure their execution. The present statement, however, confines itself to Government's policy in the industrial field.

(2) Any improvement in the economic conditions of the country postulates an increase in national wealth; a mere redistribution of existing wealth would make no essential difference to the people and would merely mean the distribution of poverty. A dynamic national policy must, therefore, be directed to a continuous increase in production by all possible means, side by side with measures to secure its equitable distribution. In the present state of the nation's economy, when the mass of the people are below the subsistence level, the emphasis should be on the expansion of production, both agricultural and, industrial; and in particular on the production of capital equipment, of goods satisfying the basic needs of the people, and of commodities the export of which will increase earnings of foreign exchange.

(3) The problem of State participation in Industry and the conditions in which private enterprise should be allowed to operate must be judged in this context. There can be no doubt that the State must play a progressively active role in the development of industries, but ability to achieve the main objectives should determine the immediate extent of State responsibility and the limits to private enterprise. Under present conditions, the mechanism and the resources of the

State may not permit it to function forthwith in Industry as widely as may be desirable. The Government of India are taking steps to remedy the situation; in particular, they are considering steps to create a body of men trained in business methods and management. They feel, however, that for some time to come, the State could contribute more quickly to the increase of national wealth by expanding its present activities, wherever it is already operating, and by concentrating on new units of production in other fields, rather than on acquiring and running existing units. Meanwhile, private enterprise, properly directed and regulated, has a valuable role to play.

(4) On these considerations, the Government have decided that the manufacture of arms and ammunition, the production and control of atomic energy, and the ownership and management of railway transport should be the exclusive monopoly of the Central Government. Further, in any emergency, the Government would always have the power to take over any industry vital for national defence. In the case of the following industries, the State—which, in this context, includes Central, Provincial and State Governments and other Public Authorities like Municipal Corporations—will be exclusively responsible for the establishment of new undertakings, except where, in the national interest, the State itself finds it necessary to secure the co-operation of private enterprise subject to such control and regulation as the Central Government may prescribe:

(i) Coal (the Indian Coalfields Committee's proposals will be generally followed).[1]

(ii) Iron and Steel.

(iii) Aircraft Manufacture.

(iv) Shipbuilding.

(v) Manufacture of telephone, telegraph and wireless apparatus, excluding radio receiving sets.

(vi) Mineral Oils.

While the inherent right of the State to acquire any existing industrial undertaking will always remain, and will be exercised whenever the public interest requires it, the Government have decided to let existing undertakings in these fields develop for a period of ten years, during which they will be allowed all facilities for efficient working and reasonable expansion. At the end of this period, the whole matter will be reviewed and a decision taken in the light of circumstances obtaining at the time. If it is decided that the State should acquire any unit, the fundamental rights guaranteed by the Constitution will be observed and compensation will be awarded on a fair and equitable basis.

[1] In August 1948 the Government of India introduced in Parliament the Mines and Minerals (Regulation & Development) Bill.

Management of State enterprise will, as a rule, be through the medium of public corporations under the statutory control of the Central Government, who will assume such powers as may be necessary to ensure this.

(5) The Government of India have recently promulgated a measure[1] for the control by the State of the generation and distribution of electric power. This industry will continue to be regulated in terms of this measure.

(6) The rest of the industrial field will normally be open to private enterprise, individual as well as co-operative. The State will also progressively participate in this field; nor will it hesitate to intervene whenever the progress of an industry under private enterprise is unsatisfactory. The Central Government have already embarked on enterprises like large river-valley developments, which are multi-purpose projects of great magnitude, involving extensive generation of hydro-electric power and irrigation on a vast scale, and are calculated in a comparatively short time to change the entire face of large areas in this country. Projects like the Damodar Valley Scheme, the Kosi Reservoir, the Hirakud Dam, etc., are in a class by themselves and can stand comparison with any of the major schemes in America or elsewhere. The Central Government have also undertaken the production of fertilizer on a very large scale, and have in view other enterprises like the manufacture of essential drugs, and of synthetic oil from coal; many Provincial and State Governments are also proceeding on similar lines.

(7) There are certain basic industries of importance, apart from those mentioned in paragraph (4), the planning and regulation of which by the Central Government is necessary in the national interest. The following industries whose location must be governed by economic factors of all-India import, or which require considerable investment or a high degree of technical skill, will be the subject of Central regulation and control:

Salt; Automobiles and tractors; Prime Movers; Electric Engineering; Other heavy machinery; Machine tools; Heavy chemicals, fertilizers and pharmaceuticals and drugs; Electro-chemical industries; Non-ferrous metals; Rubber manufactures; Power and industrial alcohol; Cotton and woollen textiles; Cement; Sugar; Paper and newsprint; Air and Sea Transport; Minerals; Industries related to defence.

The above list obviously cannot be of an exhaustive nature. The Government of India, while retaining the ultimate direction over this field of industry, will consult the Governments of the Provinces

[1] The Electricity (Supply) Act, 1948.

and States at all stages and fully associate them in the formulation and execution of plans. Besides these Governments, representatives of Industry and Labour will also be associated with the Central Government in the Industrial Advisory Council and other bodies which they propose to establish, as recommended by the Industries Conference.

(8) Cottage and small-scale industries have a very important role in the national economy, offering as they do scope for individual, village or co-operative enterprise, and means for the rehabilitation of displaced persons. These industries are particularly suited for the better utilization of local resources and for the achievement of local self-sufficiency in respect of certain types of essential consumer-goods like food, cloth and agricultural implements. The healthy expansion of cottage and small-scale industries depends upon a number of factors like the provision of raw materials, cheap power, technical advice, organized marketing of their produce, and, where necessary, safeguards against intensive competition by large-scale manufacture, as well as on the education of the worker in the use of the best available techniques. Most of these fall in the Provincial sphere and are receiving the attention of the Governments of the Provinces and the States. The Resolution of the Industries Conference has requested the Central Government to investigate how far and in what manner these industries can be co-ordinated and integrated with large-scale industries. The Government of India accept this recommendation. It will be examined, for example, how the textile mill industry can be made complementary to, rather than competitive with, the handloom industry, which is the country's largest and best organized cottage industry. In certain other lines of production, like agricultural implements, textile accessories, and parts of machine tools, it should be possible to produce components on a cottage-industry scale and assemble these into their final product at a factory. It will also be investigated how far industries at present highly centralized could be decentralized with advantage.

The Resolution of the Industries Conference has recommended that Government should establish a Cottage Industries Board for the fostering of small-scale industries. The Government of India accept this recommendation and propose to create suitable machinery to implement it. A Cottage and Small-scale Industries Directorate will also be set up within the Directorate-General of Industries and Supplies.

One of the main objectives will be to give a distinctly co-operative bias to this field of industry. During and before the last war, even a predominantly agricultural country like China showed what could be done in this respect, and her mobile industrial co-operative units were of outstanding assistance in her struggle against Japan. The present

international situation is likely to lessen to a marked degree, our chances of getting capital goods for large-scale industry, and the leeway must be made up by having recourse to small-size industrial co-operatives throughout the country.

(9) The Government, however, recognise that their objective, viz., securing the maximum increase in production, will not be realized merely by prescribing the respective spheres of the State and of private enterprise in Industry; it is equally essential to ensure the fullest co-operation between labour and management and the maintenance of stable and friendly relations between them. A resolution on this subject was unanimously passed by the Industries Conference which was held in December last. Amongst other things, the Resolution states:

'. . . The system of remuneration to capital as well as labour must be so devised that, while in the interests of the consumers and the primary producers, excessive profits should be prevented by suitable methods of taxation and otherwise, both will share the product of their common effort, after making provision for payment of fair wages to labour, a fair return on capital employed in the industry and reasonable reserves for the maintenance and expansion of the undertaking.'

Government accept this Resolution. They also consider that labour's share of the profits should be on a sliding scale, normally varying with production. They propose, in addition to the overall regulation of industry by the State, to establish machinery for advising on fair wages, fair remuneration for capital, and conditions of labour. They will also take steps to associate labour in all matters concerning industrial production.

The machinery which Government propose to set up will function at different levels, central, regional and unit. At the Centre, there will be a Central Advisory Council, which will cover the entire field of industry, and will have under it Committees for each major industry. These Committees may be split up into sub-committees dealing with specific questions relating to the industry, e.g., production, industrial relations, wage-fixation, and distribution of profits. The regional machinery under the Provincial Governments will be Provincial Advisory Boards which, like the Central Advisory Council, will cover the entire field of industry within the province; they will have under them Provincial Committees for each major industry. The Provincial Committees may also be split up into various sub-committees dealing with specific questions relating to production, wage-fixation and industrial relations. Below the Provincial Committees will come the Works Committees and the Production Committees attached to each major industrial establishment.

The Works Committees and the Production Committees will be bipartite in character, consisting of representatives of employers and workers only, in equal numbers. All other Committees will be tripartite, with representatives of Government, employers and workers.

Government hope that the machinery proposed will substantially reduce the volume of industrial disputes. In the case of unresolved conflicts, Government trust that management and labour will, in their own interests and in the larger interests of the country, agree to settle them through recognized channels of conciliation and arbitration, which will be provided by Government. The Industrial Relations Machinery, both at the Centre and in the Provinces, is being strengthened, and permanent Industrial Tribunals are being established for dealing with major disputes.

The Government of India are also taking special steps to improve industrial housing as quickly as possible. A scheme for the construction of one million workers' houses in ten years is under contemplation, and a Housing Board is being constituted for this purpose. The cost will be shared in suitable proportions between Government, employers and labour, the share of labour being recovered in the form of a reasonable rent.

In order to ensure quick decisions on the various matters arising out of the Industrial Truce Resolution, Government are appointing a Special Officer.

(10) The Government of India agree with the view of the Industries Conference that, while it should be recognized that participation of foreign capital and enterprise, particularly as regards industrial technique and knowledge, will be of value to the rapid industrialization of the country, it is necessary that the conditions under which they may participate in Indian industry should be carefully regulated in the national interest. Suitable legislation will be introduced for this purpose. Such legislation will provide for the scrutiny and approval by the Central Government of every individual case of participation of foreign capital and management in industry. It will provide that, as a rule, the major interest in ownership, and effective direction will be in Indian hands; but power will be taken to deal with exceptional cases in a manner calculated to serve the national interest. In all cases, however, the training of suitable Indian personnel for the purpose of eventually replacing foreign experts will be insisted upon.

(11) The Government of India are fully alive to their direct responsibility for the development of those industries which they have found necessary to reserve exclusively for State enterprise. They are equally ready to extend their assistance to private or co-operative enterprise in the rest of the industrial field, and in particular, by removing

transport difficulties and by facilitating the import of essential raw materials to the maximum possible extent. The tariff policy of Government will be designed to prevent unfair foreign competition and to promote the utilization of India's resources without imposing unjustifiable burdens on the consumer. The system of taxation will be reviewed and readjusted where necessary to encourage saving and productive investment and to prevent undue concentration of wealth in a small section of the population.

(12) The Government of India hope that this elucidation of their intentions on fundamental aspects of industrial policy will remove all misapprehensions, and they are confident that a joint and intensive effort will now be made by labour, capital and the general public, which will pave the way for the rapid industrialization of the country.

ORCA (L) D, Vol. V, 1948, pp. 3293-7.

153 7 *April* 1948

SPEECH: PANDIT NEHRU

Sir, I must apologize to the House for not having been present here throughout this debate, but sometimes the claims of other work are heavy. I would have liked to be here throughout, because I am vastly interested in this subject, and I should have liked to hear what members had to say. I understand that many of the members have commended this Resolution and spoken in praise of it or in favour of it at least. Some have not liked it and some have disliked it intensely. I am glad of that difference of opinion, and I am sorry if any one of the Honourable Members should feel that he should suppress his own opinion on such a vital matter because of some Whip or some other direction of the Party executive.

I have myself been concerned with the theoretical aspects of planning for a considerable time. I realize that there is a great deal of difference between its theory and practice; as in almost everything in life, the theory is full of poetry as, if I may say so, was the speech of my honourable colleague, the Mover of the Resolution, but when we come down to applying that poetry, all kinds of difficulties crop up. Normally, there would be those difficulties, but as we are situated today in India, after all that has happened in the course of the last seven or eight months, one has to be very careful of the steps one takes so as not to injure the existing structure too much. There has been destruction and injury enough, and certainly I confess to this House that I am not

brave and gallant enough to go about destroying any more. I think there is room still for the destruction in India of many things—they will no doubt have to be removed; nevertheless, it is a matter of approach. Are we going to adopt the course of having a clean slate or sweeping away everything so that we may have the pleasure of writing anew, without anything else being written on that slate? That seems to be an easy way of doing things, though perhaps there never has been a clean slate even when people imagined that there was going to be a clean slate.

I will not say that one should never try to start with a clean slate. But one has to think of a country and its condition at the time, and see which is the preferable course, which involves less danger. It seems to me that in the state of affairs in the world today and in India, any attempt to start with what might be called a clean slate, that is to say, a sweeping away of all that we have, would certainly not bring progress nearer, but might delay it tremendously. Far from bringing economic progress, it might put us so far back politically that the economic aspect itself might be lost sight of. We cannot separate these two things. We have gone through big political upheavals and cataclysms, and if in our attempt to get something that we liked, to go forward a step in one direction, we lose a few steps in another, then on balance we have lost, not gained. Therefore, the alternative to having a clean slate is to try to rub out here and there in order to write on it again, gradually to replace the writing on the whole slate—not too gradually, I hope, yet not with a great measure of destruction and strain. Maybe I have been affected by recent events, but more and more I have felt that it is wrong to destroy something that is productive or capable of doing good. It takes a long time to build and it does not take very long to destroy, so that if this House and this country think that we should go ahead in a much more constructive spirit than in a destructive spirit, then that approach has necessarily to be different. What your ideals may be is another matter, but even in the realization of those ideals, do you think that the easiest way of approach will be a clean sweep and then starting anew, or to replace as rapidly as possible and as fast as you can, with your available resources and material, the existing structure with a new one? I have no doubt that we have to change the existing structure, and as rapidly as possible.

I was listening to the Honourable Member who spoke before me; I was listening to his laments on the burdens that are put on industry, on taxation and on this and that. The fact of the matter is that that lament is based on a certain view of the world which, I fear, cannot possibly return. I am not thinking in idealistic terms but just practical terms; you cannot have it back. There are going to be greater burdens

on industry, because the State itself is burdened so much with its social problems; it has to solve them or cease to be a socialist State, and might well become a police State, or some other State might take its place. It has to face its problems, and if it is to do that, it must necessarily obtain the wherewithal to face these problems, and the burden on industry becomes greater and greater. In fact, not because you think or I think or anybody thinks so, inevitably the trend of events is to make the State more and more the organizer of constructive industry, and not the private capitalist or any one else. This is quite inevitable as far as I can see objectively. I do not rule out entirely the profit motive; I do not know how long it will last in a limited sense, but in the larger sense of the term it will come more and more into conflict with the new idea of the socialist State. That conflict will go on, and one must survive, and it is clear that the State will survive, not that group which represents the profit motive in industry in its pure essence. That is an inevitable development. How are you to face that development? Are you then to try again to accelerate it as many of us would like to do, because quite apart from the economic aspect, the expert aspect, we have arrived at a stage which, I trust, every sensitive man feels. Sensitive people to-day cannot easily put up with the vast gap between human beings, the distance between them, the difference between them, the lack of opportunities on the one side and the waste on the other. It seems so vulgar, and vulgarity is the worst thing for a country or individual to support. It was not, if I may say so, so vulgar 50 or 100 years ago. Although the profit motive was at work very strongly and although there was probably greater suffering then, nevertheless, the approach was different. Perhaps, the sense of social values was different. But, in the context of the world to-day, such a motive is becoming increasingly not only wrong from the economic point of view, but a vulgar thing from any sensitive point of view. So changes are bound to come.

How then are you going to bring about these changes? As I said, I would much rather bring them about without deliberate destruction and obstruction, because destruction and obstruction, whatever the future may bring after them, must undoubtedly lead to a stoppage of growth at present. They stop production. They stop the production of wealth. Afterwards one has the satisfaction of being able to do something more rapidly, no doubt, but it is not certain that you will be able to do it so rapidly. One has, therefore, to compromise. Although I hate the word compromise in this context or in any context, one cannot avoid it.

That brings us to a transitional stage of economy. Call it what you like—mixed economy or something else. It brings us to doing things

in such a way as continually to add to the wealth of the country, as well as to lead to a more equitable distribution of that wealth in the country. Gradually we arrive at a stage when the centre of gravity of the whole economy has shifted. Now, I rather doubt myself whether it is possible without a conflict or without repeated conflicts to bring about these changes, because people who are used to possessing certain interests or certain ideas do not easily accept new ideas, and nobody likes to give up what he has; at least no groups like it; individuals sometimes do. These conflicts are continually arising, but the point is that even those conflicts are rather foolish conflicts, if I may say so, because they cannot reverse the trend of events. They may delay the process, and in delaying the result probably is that those who hold on to the vested interests get a worse bargain at the end.

Now, there is another aspect which I should like the House to consider. It is an odd thing that many of our most ardent revolutionaries, who think in terms of an idealistic world, are quite extraordinarily conservative in their scientific approach to the world's problems. If I may explain myself, I have used the word ' scientific ' in its narrow sense. Most of our friends—socialists or communists—continually think in terms of the technique of production remaining as it is. Of course, they will not admit it. They will say, ' No, it is changing '. But, in fact, they base their programmes more or less on a static world and not on a continually changing world with new methods of production, new techniques of production. They think in terms, for instance, of changing the land system. Quite right, because the fundamental thing is that the feudal land system must go before you can build another society. So far, so good. Change the land system. They think in terms of acquiring the industries, because a socialist economy means that big industries should be owned by the State. Well, quite good. But they do not think so much in terms of the vast changes in productive methods that are taking place which may render the present industrial apparatus, or the methods adopted in the cultivation of the land, completely obsolete. They say, ' Why don't you acquire this or that? ' Spend vast sums of money over acquiring things which are 90 per cent obsolete? In fact, from the point of view of technological advance, it may well be a complete waste of money to acquire such obsolete machinery, factories and other installations. It is true that they are useful so long as new factories and new technological methods are not introduced, and if you have a vast quantity of money and resources, certainly acquire them and go ahead with other things. But if you have limited resources, then the main thing to do is not to think in terms of static technology, but to think in terms of changing technology, of the State acquiring the new processes, the new changes,

and not the old, except when the old obstructs, when the old hampers your planning and progress.

Now, obviously, situated as we are in India, our resources are not unlimited. We have to think hard where to get the money, how to get the money, how to get the other resources—technical and other. If this is so, there has to be a certain system of priorities about the work we are to do. Even if you start acquiring things—suppose we decide to acquire a large number of industries—and you pass this Resolution, I am quite sure when we actually work it out in practice, it will take a good deal of time to acquire them one by one. However rapidly you may do so, it will take a little time, unless, of course, it is by the process of the ' clean slate ', where you sweep the old thing away and build a new one on it. Therefore, you have to think in terms of priorities: which industry must come first and which service; after that you must provide the money; provide the organization; provide the technical personnel, etc., etc. So it takes time. Much more so when you have to think in terms of additional industry and new industry, new schemes plus old schemes. I have no doubt in my mind that the priority for the State enterprises must be in terms of new things as far as possible unless the old things come in the way.

I attach the greatest importance to-day to, let us say, the great river valley projects and schemes that have been framed, the first one of which, the Damodar Valley scheme, has passed through this Legislature, and others are coming soon. I think they are far more important than almost all your existing industries. Here is something new that you are building out of nothing; new land brought into cultivation, many new things which you are creating out of the enormous power of the river valley project. Now, I want that to be completely State-controlled, but run, as is stated in this Resolution, on the model of a public corporation. I do hope that this public corporation is not going to be a departmentally-run organization, but a wholly or partly independent organization. I do hope that it is not going to be run by people who have worked in the ruts of the Departments, but by persons of vision, push and drive; not by people who write on the files but who do the work. Now, regarding these vast river valley schemes, all the resources of India are not enough to push them through quickly. Am I going to allow these to remain undone and delay them and think in terms of acquiring a tramway system or something else here and there? Let the tramway system be acquired, if you like, but I do not want to give first priority to the tramway system or some such thing.

Now, in this Resolution which has been placed before you, various lists are given—list No. 2, No. 3, etc.—explaining what the Government has done and what it proposes to do. The river valley projects

are mentioned rather casually. But remember what that casual mention means. It means that the State is undertaking vast enterprises all over the country which will govern the industry of this country, and all you have acquired will be secondary and minor. These river valley systems are controlled by the State and they will control the economy and industry of the country completely. If you get a grip of all these things, then the process will be swifter, but if we simply lay down fancy schemes, then we shall never come to grips with any particular part of them, then, in fact, we are not advancing at all except on paper and in theory. Therefore, from the poetry of rather vague planning in the air, we have to come down to the prose of the statement. Because it is a prosaic statement, there is very little poetry in it except the poetry of my honourable friend who made the speech at the beginning. It is definitely a prosaic statement; it is meant to be a prosaic statement; the House knows it is not difficult to put in fine flourishes of language in a Resolution of this kind, which would have sounded so nice for the public and which would, without any commitment, have pleased the ear and the eye and produced a general impression of how fine we are. Well, we have very deliberately not done so, because we wanted to make it a prosaic statement of what we think we ought to do, and what we can do in the relatively near future. How much we do depends upon this House and a multitude of factors, but, at any rate, this is a thing which is meant to be done, not a thing which is meant to be flourished as a kind of organized programme before the public.

The tempo will depend on so many factors. I mentioned these river valley schemes, because I attach the greatest importance to them. Now, suppose the Damodar Valley scheme is a thundering success and we are responsible for it, then it is a bigger thing from the State's point of view or the industrialization point of view than the fact that this House has passed half a dozen other schemes which are not carried out. So, it is the first step that counts. If we start an industry under State auspices, let us make it a thorough success instead of trying to acquire this and that and making a mess of many things. Of course, once you have laid a good foundation, it will be easy for you to go ahead. Now, it is obvious that this Government or this House may pass this Resolution, may lay down the periods of time for what is to happen five or ten or fifteen years hence, but the fact of the matter is that we are living in an age of very swift change and transition, and nobody can guarantee what will happen and when it will happen; nobody can guarantee whether there will be war or peace and nobody can guarantee what will happen even if there is peace because things change rapidly in India. We have lived during the last eight months in a state of rapid change, and very undesirable and unhealthy a change it has

been in many respects. Nevertheless, when we say ten years, we mean it, that is how we see things at present,—and we say ten years because as far as we can see, the State's hands will be completely full. It is not merely to give an assurance, although we wish to give an assurance to all working industries so that they may be able to function properly, but fundamentally we have enough to do and we want to do it thoroughly; but whether I give an assurance or the House gives it, ultimately events will determine the pace. Events may go faster or slower; events may break up our economy or something may happen, not only that, but a hundred and one things may happen.

When we are told—and I suppose it is a fact—that capital is shy and it does not come in readily; that we cannot find capital for private industry or public loans, etc., it is a fact. Well, that too I imagine is due more to these changing conditions than to anything that we might do or might not do. It is obvious that the country cannot stand aside. Either we give a fair field and a fair chance to the industrialist to go ahead, or if he does not, we go ahead without him. We cannot see things mismanaged or just not managed because he is afraid that he will not have enough profit or something might happen. People cannot wait. We give a fair chance, a fair field and a fair profit and if he does not do his utmost, somebody else has to do it; there cannot be a vacuum. Also if industries are mismanaged, or not managed, or slowed down or stopped, again we have to consider what to do with them, because the day has passed when industry simply stopped or did not function, because somebody misbehaved, either an employer or Labour—and the whole community suffered. The community cannot afford to suffer, the community must see that it gives a fair deal to Labour, which is a different matter. Therefore, in this Resolution a great deal has been said about it and that is perhaps one of the most important parts of the Resolution, namely, regarding councils and committees, because unless you give a completely fair deal to Labour you cannot come down with a heavy hand in case of misbehaviour. After that, you may have people still misbehaving, so that I should like this House to consider this Resolution in this context. I have not touched on the various subjects which might be added. I have no doubt that if the House sat down, it could make some changes in it, but I do submit that the fundamental approach of this statement is the only right approach and the only practical approach at the present time and I hope the House will adopt it.

ORCA (L) D, Vol. V, 1948, pp. 3417-22.

154 4 *October* 1948

GOVERNMENT COMMUNIQUÉ (EXTRACTS)

The Government of India has had under active consideration for some time the measures to be taken to combat the threat of growing inflation, the most significant indication of which has been the continuous rise in prices during recent months. . . .

The Government's policy in dealing with this problem is dictated by certain broad considerations. The first is to take all possible steps to keep the Government expenditure as low as possible consistent with efficiency and to increase revenue by all available means. The second is to make a concerted effort immediately to ensure that there is no further rise in prices and the cost of living. The third, is so to order future policy as to secure in the shortest possible time a progressive reduction in prices to reasonable levels and the supply of an increasing volume of goods and services. Lastly wherever possible, every endeavour should be made to curtail the purchasing power in the hands of the community and to prevent any addition thereto.

In the field of government expenditure, it has been decided that the budgetary gap between revenue and expenditure outgoings this year should be reduced as far as possible both by the Centre and the provincial governments. . . . it is not the Government's intention to hold up development, but in the present crisis it is absolutely essential to avoid all unproductive expenditure. A Committee of the Cabinet has been set up to carry out an urgent review of all development plans, both Central and Provincial, with a view to determine the relative priority of schemes. . . . Provincial governments have also been warned that they can expect no financial assistance from the Centre in the implementation of their plans for the abolition of Zamindary or for prohibition. . . .

As regards prices . . . . the revised policy regarding control of foodgrains and textiles has been announced. . . . The Government has also under consideration the question of securing a reduction in the price of sugar and a better distribution of other essential commodities like, kerosene, iron, steel and cement and it hopes to be in a position shortly to announce its policy. . . .

In order to stimulate investments, the Government proposes, in co-operation with the provincial Governments and States, to intensify the campaign for small savings. The maximum limit for investments in postal savings banks will be raised from Rs 5,000 to Rs 10,000 and in National Savings Certificates from Rs 15,000 to Rs 25,000. The Government has also decided to issue Treasury Deposit Receipts on

favourable terms for 6, 9 and 12 months for institutional investors seeking short term investments. . . .

In the field of industrial production [in order] . . . to stimulate production it has decided to grant the following concessions.—(i) the present rules regulating allowance of depreciation on plant and machinery for income-tax purposes will be liberalized; (ii) new industrial undertakings will be exempted from income-tax for a specific period and (iii) raw materials and plant and machinery imported into the country for industrial purposes will be granted a relief in respect of customs duty to the extent that this may be practicable without injury to Indian manufacturers of similar goods. Details of the concessions will be published shortly.

The Government attaches the utmost importance to increasing the financial resources available for industrial development and at the same time preventing any addition to existing purchasing power, as an essential preliminary to further measures to check inflation. As a first step in this direction, some form of limitation of dividends is necessary and it has been decided that for public companies the amount distributed as dividend should not exceed the average of the two years ending 31 March 1948 or 6 per cent. on paid-up capital, whichever is higher. It has also been decided to postpone the repayment of the Excess Profits Tax deposits and of refundable E.P.T. for a further period of three years. Refunds, however, will be allowed for financing purchases of capital equipment. The Government also proposes to take action in consultation with the Reserve Bank so that the power recently conferred on the Reserve Bank to regulate the grant of advances by banks should be utilized to prevent speculation in commodities.

The Central Government is convinced of the imperative need of uniformity in legislation regarding industrial disputes and its application. . . . It intends to take measures by legislation and otherwise to ensure that uniform principles will be adopted under the overall control of the Central Government, in the reference of disputes to adjudication, and the provision for the review of awards by a statutory authority.

The Government of India trusts that the measures now announced will reassure the public and restore a spirit of confidence in all sections of the community. . . .

Statesman, New Delhi, 5 October 1948.

155 6 *April* 1949

STATEMENT: PANDIT NEHRU (EXTRACT)

. . . The policy as regards participation of foreign capital has already been announced in broad terms in Government's resolution of the 6th April 1948. The stress on the need to regulate, in the national interest, the scope and manner of foreign capital arose from past association of foreign capital and control with foreign domination of the economy of the country. But circumstances to-day are quite different. The object of our regulation should therefore be the utilization of foreign capital in a manner most advantageous to the country. Indian capital needs to be supplemented by foreign capital, not only because our national savings will not be enough for the rapid development of the country on the scale we wish, but also because in many cases scientific, technical and industrial knowledge and capital equipment can best be secured along with foreign capital.

In this context, foreign investors would no doubt wish to have some clear indication of our policy on certain matters, like the repatriation of capital, the remittance of profits, and the treatment of foreign enterprise *vis-à-vis* Indian enterprise. I propose to make the policy of Government quite clear in this matter.

In the first place, I would like to state that Government would expect all undertakings, Indian or foreign to conform to the general requirements of their industrial policy. As regards existing foreign interests, Government do not intend to place any restrictions or impose any conditions which are not applicable to similar Indian enterprise. Government would also so frame their policy as to enable further foreign capital to be invested in India on terms and conditions that are mutually advantageous.

Secondly, foreign interests would be permitted to earn profits, subject only to regulations common to all. We do not foresee any difficulty in continuing the existing facilities for remittance of profits, and Government have no intention to place any restriction on withdrawal of foreign capital investments, but remittance facilities would naturally depend on foreign exchange considerations; if, however, any foreign concerns come to be compulsorily acquired, Government would provide reasonable facilities for the remittance of proceeds.

Thirdly, if and when foreign enterprises are compulsorily acquired, compensation will be paid on a fair and equitable basis as already announced in Government's statement of policy.

Government have stated before that, as a rule, the major interest in ownership and effective control of an undertaking should be in

Indian hands. They have also stated that power will be taken to deal with exceptional cases in a manner calculated to serve the national interest. Obviously there can be no hard and fast rule in this matter. Government will not object to foreign capital having control of a concern for a limited period, if it is found to be in the national interest, and each individual case will be dealt with on its merits. In the matter of employment of personnel, Government would not object to the employment of non-Indians in posts requiring technical skill and experience, when Indians of requisite qualifications are not available, but they attach vital importance to the training and employment of Indians, even for such posts, in the quickest possible manner.

I should like to add a few words about British interests in India, which naturally form the largest part of foreign investments in India. Although it is the policy of the Government of India to encourage the growth of Indian industry and commerce (including such services like Banking, Shipping and Insurance) to the best of their ability, there is and will still be considerable scope for the investment of British capital in India. These considerations will apply equally to other existing non-Indian interests. The Government of India have no desire to injure in any way British or other non-Indian interests in India and would gladly welcome their contribution in a constructive and co-operative role in the development of India's economy.

ORCA (L)D, 1949, Vol. IV, pp. 2385-6.

156 19 *September* 1949

GOVERNMENT COMMUNIQUÉ (EXTRACT)

. . . The Indian Government's proposal to devalue the rupee to the same extent as the pound sterling has been accepted by the International Monetary Fund. The rupee will now be equivalent to 21 US cents as against 30.2250 cents, and its par value in grammes of fine gold per rupee will be 0.186621 per fine gramme of gold, giving the value of Rs 166.6666 per fine ounce of gold. This value comes into effect immediately. The exchange rate between the pound sterling and the rupee remains unchanged at 1*s.* 6*d.* a rupee.

Devaluation, as a corrective to the balance of payments difficulties in regard to dollars, has been urged for some time. The Government of India did not favour such a course as it was felt that in view of the general conditions of the Indian economy, devaluation was not likely to solve India's problem of dollar shortage. India's imports

are regulated by controls, and the deterrent effect of high prices resulting from devaluation is, therefore, neither necessary nor desirable. Since the supply of India's exports is inelastic, her aggregate export earnings are not likely to increase by reducing export prices through devaluation.

However, the decision of the UK to devalue sterling, followed by similar devaluation by other countries, created a situation in which it became impossible for India to avoid similar action without detriment to her economy. India's trade, both export and import, being so largely a trade with sterling area countries and the price level being already high, it was clear that the rupee could not be allowed to appreciate against sterling without undermining India's competitive position, endangering the markets for most of her exports and ultimately compelling her to reduce the volume of imports still further.

Over and above the pure economic factors of relative competitive positions, current expectations that India would not be able to avoid devaluation in the face of action taken by other countries would have acted as a powerful psychological barrier to any transactions at the old rate of exchange, and trade might have been brought to a standstill. There was thus no alternative for India but to follow the other sterling area countries and devalue the rupee as a defensive measure.

As regards the actual extent of devaluation, it was clear that a smaller measure of devaluation of the Indian rupee than sterling would not have met the requirements of the new situation created in world export markets. A larger measure of devaluation than sterling was equally out of the question, as it would have meant creating greater difficulties in regard to essential imports and aggravating the loss in export earnings due to inelasticity of supply.

The Government of India have taken this decision after the most careful consideration of all the factors and they have no doubt that it will work out in the best interests of the country. This is in consonance with the view in favour of maintaining the existing rupee-sterling rate expressed almost unanimously two years ago when the par value of the rupee was first discussed. . . .

Hindustan Times, New Delhi, 20 September 1949.

157 21 *September* 1949

RESERVE BANK OF INDIA COMMUNIQUÉ

Article 1 of the Payments Agreement between India & Pakistan provides that ' the official rate of exchange between the Indian Rupee and the Pakistan Rupee will not be altered by either Government

except after due notice and mutual consultation; until such time,[1] therefore, as the rate is fixed between the two countries as provided for in the above Article, banks are informed that the Reserve Bank of India will not be in a position to quote any rate for the purchase and sale of Pakistan Rupees.

Hindustan Times, New Delhi, 22 September 1949.

158 5 *October* 1949

SPEECH: INDIAN FINANCE MINISTER (EXTRACT)

. . . There is just one word that I want to say with regard to the procedure adopted by the UK Government. I do not wish in the least to complain because I am fully aware of the difficulties which confronted the UK Government in this matter, because one of the matters which I presume ultimately led to this decision of the UK Government was that because of these wild rumours floating about the world there was a vast movement of sterling from the UK to other countries, and probably events compelled them to act in the way they did. They were faced with a very difficult and a very delicate situation. I make the fullest allowance for that fact. Nevertheless, I feel that if arrangements had been considered in time, it would have been possible for the UK Government to take the Commonwealth Ministers more fully into their confidence than they apparently did. I say that for this reason, that in the Commonwealth Ministers' Conference which was convened for the very purpose of discussing the dollar situation there was no reference whatever to the subject of devaluation, and if as I understood it, the resolutions passed by the Commonwealth Ministers' Conference provided the brief for the Washington talks, then the decisions reached at Washington by the representatives of the UK Government, in my opinion, exceeded the brief that the Commonwealth Ministers gave the British Chancellor of the Exchequer. I cannot help thinking that in a matter which so vitally affects the whole economy of every country in the sterling area, steps should have been taken to arrange for a secret meeting of the Finance Ministers of the Commonwealth countries before this decision was sprung upon them, regarding three matters: the need for devaluation, the extent of devaluation and the time of devaluation. I am quite aware of this, that any such conference would have intensified the rumours that

[1] It was on 26 February 1951 that the Government of India accepted Pakistan's official rate of exchange of 100 Pakistani Rupees=144 Indian Rupees.

were already floating about, but if I had been in Sir Stafford Cripps' place, what I would have done would have been something like this. Here was the Washington conference discussing this matter on the brief prepared by the Commonwealth Ministers' Conference. It could have been arranged that a report should be made by the Chancellor of the Exchequer to the Commonwealth Ministers' Conference of the results of the talks which he held on the brief we prepared. That could have been made the ostensible object of the conference. Incidentally, it would have enabled Sir Stafford Cripps to acquaint us really with the circumstances that led to this final decision.

Let me say again that I make this statement because I feel we have been placed in a position which led not merely to inconvenience to ourselves, but also inconvenience to our neighbours, Ceylon and Pakistan, and I think every effort should be made to avoid the inconvenience that was caused in that way.

Now I proceed to tell the House what precisely are the reasons which led us to take the decision we did. I want to make it perfectly clear that although I feel logically, on the basis of economic facts, there was a case for devaluation both of the pound sterling and the rupee, I should have liked to face this problem and to come to my decision regarding the problem after a good deal more deliberation than I was allowed time for. I feel that in this matter I have had to act, not on conviction born of logic necessarily but, so to speak, by the compulsion of events. I am not happy that I have had to make a decision in those circumstances. Nevertheless, since the pound sterling was devalued, I felt, and my colleagues entirely agreed with me, that there was no other course open to us. I say that for this very good reason. Nearly 75 per cent of the export trade of this country is with the countries in the soft currency areas. Therefore, when sterling was devalued, if we did not devalue, the result would have been that our export trade to these countries would not merely have greatly diminished but in course of time in certain important directions might have been wiped out altogether—Lancashire piecegoods competing with our piecegoods in the markets of the sterling area, Ceylon tea competing with our tea in the same area, East African groundnuts competing with our groundnuts, South African manganese competing with our manganese, Dundee jute goods competing with our jute goods. The position was really serious, and we could not afford to take the risk involved in keeping the value of the rupee at a higher rate when it was likely to lead to these extremely grave consequences for the country. It is not merely that our export trade would have suffered, the dwindling of our export trade would straightway have reacted upon our import trade because the only way in which we

can pay for our imports is by earning foreign exchange by our exports. Today we are meeting the bill in respect of our imports partly out of the foreign exchange earned by our exports and partly out of our sterling balances. We cannot go on drawing upon these balances—they must come to an end some time. Therefore, the only way in which we can maintain our trade on a healthy and enduring basis is by taking every step to promote our export trade. That then is the main reason. May I put it like this? We took this decision in the main as a defensive measure.

Secondly, supposing we decided to take a little time after the UK Government had decided to devalue, and meanwhile to keep our ratio to the dollar at the original rate? Nobody would have taken our rate seriously. Because of our dependence on the sterling area for exports, because of our unfavourable balance of trade, because of our high level of prices, everybody who understood finance and business in any country of the world would have presumed that so high a rate for the rupee would be unmaintainable. The result would have been that the whole of our trade would have been disorganized. It would, in course of time, have come to a standstill and we felt, therefore, and I have not the slightest doubt that it was a correct decision, that if we were going to decide on devaluation of the rupee, the decision must be taken promptly, quickly. The question may arise here: if it was possible for Pakistan to adopt a different course, why was it not possible for you to follow a similar course? I propose to deal with it later.

There is just one other consideration that I want to mention. We are a member of what is called the sterling area. So long as we are a member of the sterling area, it is an obligation which is placed upon us, which we must be prepared to honour fully, that whatever we do must be in keeping with the general objective of that area. As I understand it, the general objective of the sterling area is to enable the countries included in that area to achieve a balance of trade at the highest possible level, partly by expanding exports and partly, as a temporary measure—if that was necessary in order to restore equilibrium—by reducing imports also. That was the objective which governed the whole proceedings of the Commonwealth Ministers' Conference and I have no doubt in my mind that so long as we are members of the sterling area, it is up to us in all the measures that we take to keep in step with the sterling area and the general objective of that area.

This question necessarily raises another. Why do we really want to remain in the sterling area? Why don't we walk out of it? The position is this. The essence of the sterling area is that all the hard currency

resources earned by the members of the sterling area are pooled and all the members of the sterling area have the right to draw upon the central reserves for meeting their deficits in respect of dollar resources. It so happens today that next to the UK we are the country which makes the biggest demand upon these central reserves. That was not so till a few years ago. In undivided India, that is to say, during the pre-war period, India was a net contributor to the central reserves. Today unfortunately, we are not a net contributor; we are a net beneficiary. So long, therefore, as there is a maladjustment in our monetary relations with hard currency countries, there is not the slightest doubt that it is to our interest to remain in the sterling area. To get out of it at this stage would not be in our interest.

There is a point which finds frequent reference both in the Press and in the amendments which have been tabled, namely, why don't we sever our link with sterling? Now, may I explain once and for all that the rupee is not today linked to sterling any more than the rupee is linked to any other currency. All that there is, is that we have a par value which we accept between the rupee and sterling in the same way as there is a par value which we accept between the rupee and other currencies. What is called the 'link' of the rupee with sterling is something which existed under certain provisions of the Reserve Bank Act which have now been deleted. There was a provision in the Reserve Bank Act which obliged the Reserve Bank to buy and sell sterling at a particular rate of exchange, and it was really that that created the link between the rupee and the sterling. Today, the corresponding provision in the Reserve Bank Act is that the Reserve Bank is obliged to buy and sell, not sterling, but foreign exchange at such rates and under such conditions as the Central Government may determine with reference to their obligations and with reference to the Monetary Fund. Therefore, there is not today any such thing as a link of the rupee with the sterling.

There is one aspect of this problem of the sterling area to which I would like to invite attention. If, as a result of devaluation of the pound sterling and as a result of other measures which the UK Government have taken, there is no improvement in the dollar position of the UK and all other countries in the sterling area and the diminution of the dollar resources of the sterling area continues, it is not inconceivable we should be faced with the position that the sterling area would be dissolved. If for other reasons some of us think that we should leave the sterling area and if, as circumstances develop contrary to present expectations, the drain on the dollar resources in the sterling area continues, in either case we are faced with this problem today. We must face up to the prospect of our not having access to the

resources represented by the central reserves of the sterling area. In other words, it seems to me that it is time that this country marshalled its resources and put its whole pattern of trade on a basis which would enable it to go on without this adventitious aid. If the need for devaluation is accepted, I submit to the House there is an equal ground for suggesting that there should be an equal measure of devaluation, because all the arguments that I have suggested for the devaluation of the rupee are equally applicable to the proposition that the devaluation must be to the same extent. I will tell you why I am saying so. Already the level of prices in India is higher than the level of prices in the UK, and if on top of that you are going to have an appreciation of the Indian rupee, say, to the extent of 10 per cent, that is a handicap which is quite serious enough to affect our export trade. May I give the House an illustration? About a year ago, we put a high duty on exports of cotton piecegoods, which seriously affected our export trade, and in response to very strong representations from trade and industry, we reduced it to 10 per cent, but even that 10 per cent was too high to enable our exports to find reasonable sales in our customary export markets, and we removed that duty of 10 per cent. If we did not devalue to the same extent, the way in which the relative exchange ratios will operate is precisely the way in which that duty of 10 per cent. operated on our piecegoods trade. . . .

Now I come to the particular issue which I know is uppermost in the minds of honourable members. What are the effects of the devaluation on India's economy? We decided to devalue, as I stated, primarily as a defensive measure, to defend our external trade. Nevertheless, it is necessary that we should examine carefully what the repercussions of this decision are going to be upon our economy. The position is still obscure. There are far too many uncertain factors and I hestitate to lay down any dogmatic or categorical proposition. We are still in the throes of the world ' earthquake ' which has taken place since general devaluation started, and it is difficult even now to see the picture as a whole. All that I can hope to do therefore this morning is to state a few broad conclusions, necessarily of a tentative character.

I take first of all our balance of payments. As regards the United States of America, our exports are mainly jute goods and secondarily tea. The way in which I estimate the position is this : Neither the demand for these articles in the United States nor our supply of these articles in India admit of any substantial variation in response to changes in price. I presume, therefore, that quantitatively it would be wrong to expect any considerable increase. If quantitatively there is not going to be any considerable increase and at the same time the dollar prices in America fall because of devaluation, then it must be presumed

that our total dollar receipts will also fall. One way in which this can be obviated is by a system of customs duties on exported articles, which we have already imposed on certain classes of goods consistently with improving our position in the export market. That is a point I propose to revert to later. On the import side, our dollar expenditure will increase because of higher rupee prices. The remedial measures which we have got to take in this matter are to stop imports of food-grains as early as possible, to reduce the imports of other articles such as motor vehicles, and to divert the purchases of machinery and industrial materials as far as possible to soft currency areas. I have already discussed the question of balance of payments with Pakistan and what is likely to happen in regard to raw jute and raw cotton. As far as the United Kingdom is concerned, I think in the main the position will be left unaffected except in two aspects: the goods exported to this country by the United Kingdom, manufactured from materials produced in the United States would necessarily show some increase; and, with the increasing demand which is going to be placed upon the soft currency areas because of the higher dollar prices of these goods, there is likely to be an increased pressure of demand upon soft currency areas which may, in my opinion, to some extent put up the prices of goods imported from soft currency areas.

I now come to the question of the sterling balances. It is usually stated that the result of devaluation is that the convertible portion of our sterling balances will now have less value. That, I think, is an inaccurate way of stating the position. What exactly is going to be our loss by reason of the devaluation will depend on the extent to which we can divert our purchases to the sterling area, on the difference in prices and on the money value that we set upon the difference in quality and periods of delivery. I am not going to deny that there is some loss; but the loss is not likely to be quite so large as a straight-forward application of arithmetical percentages would suggest. The real test in these matters is not currency, but the things that currency buys.

Against this must be set a factor which is of some importance from our point of view. The purpose of devaluation, taking the whole group of sterling countries, is to stimulate exports to the United States of America and other dollar countries, and thereby increase the dollar earnings of the sterling area. If devaluation succeeds in achieving that purpose, there are indications that it is likely to, then, to the extent that the central reserves of the sterling area increase; to that extent we should benefit because, to-day, there is no quantitative limitation upon the extent to which the countries of the sterling area can draw upon these central reserves for essential requirements.

With regard to sterling balances, I must also refer to the question of scaling down of these balances. Recently, a speech was made by the Leader of the Opposition in the British Parliament regarding the possibility of these balances being scaled down. I wish to say a few things regarding this matter. Apparently, the demand for scaling down these balances is based on the plea that India owes a good deal more than she has paid so far towards the war expenses of the allied countries. The only thing I wish to say with regard to that is this. India's share of the war expenditure was a matter of definite, deliberate agreement between India and the United Kingdom, made at a time, I presume, when the present Leader of the Opposition was the Prime Minister. Every penny due from us under that agreement has been paid. No further claim, in my opinion, can be made upon this country. There were certain outstanding items such as defence stores and so on; but these were settled in the Sterling Balances Agreement of 1948. I maintain, therefore, in fairness that there is no justification for the demand which is being repeatedly made by certain sections of public opinion in the United Kingdom.

I want to put before the House some relevant considerations regarding this matter. First of all, I maintain that the creation of these sterling balances was the result of an improper use of the provisions of the Reserve Bank Act which linked the rupee with sterling. Sterling securities being used to that extent as reserves for our currency, I say, was a wrong use of this provision. Secondly, it is the creation of the sterling balances which very largely accounts for the problem of inflation from which this country is still suffering. Thirdly, a free Government of India, if it had been in power at that time, would have required that the cost of goods supplied by India to the United Kingdom—at a terrific sacrifice, may I add—for war purposes, should be met by goods supplied to India, especially capital goods, by rupee loans raised in India or by gold. If these did not meet the cost of the supplies required, the supplies would have to be restricted to that extent. If this course had been adopted, we should have been spared this terrific inflation problem which we have inherited. Fourthly, may I say this: whatever the merits of the war, a question into which I do not propose to go, our people were no party to the declaration of this war, and I think it is not right, now that a National Government is in power, that we should be saddled with additional expenses. If a future Government of the United Kingdom makes this demand, it must be made clear that we in this country will resist it by every means in our power. We are not quite so helpless in this matter as some ill-informed people in other countries seem to think. I am quite aware that the opinion expressed by the Leader of the Opposition

in the British Parliament does not represent authoritative opinion in the United Kingdom: I am well aware of that fact. But, now that the matter has been officially raised by the Leader of the Opposition party, I suggest to the House it is necessary that we should begin seriously to consider what steps we should take to meet the situation if it arises.

The third aspect of our economy which I propose to consider is the effect of devaluation on the investment market. Subject to certain essential qualifications, devaluation generally helps investment. It acts as a measure of protection for local industries, a protection which is effective so long as the country is able to keep the costs down. It affords further assistance to industry because it encourages exports. I think, on the whole, devaluation is of help to the investment market. The Indian Stock Exchanges have already developed, in my opinion rightly, a more hopeful outlook. Secondly, the movement of capital from India to other countries, which had assumed noticeable proportions, will not diminish. Similarly, investment in India must now be more attractive for countries, particularly hard currency countries. Barring untoward developments, I consider that the position of the investment market hereafter must show improvement.

The fourth question is the level of prices. I leave out speculative rises. But, taking the purely normal economic factors, first of all, the cost of living index, all the important items which compose our cost of living index are of indigenous origin, food, clothing, fuel, lighting, house rent and so on. They should show no rise. With regard to food, all the food imports which we had programmed from the United States of America have already been received, so that, as far as the current year is concerned, I do not expect any additional expenditure on that account. But, there is one point to which I would like to invite the attention of the House: namely, the Wheat Agreement to which we are a party. The prices of wheat, in that agreement, are stated in terms of dollars with reference to whatever ratio is fixed by the International Monetary Fund. We have still got some outstanding shipments from Australia. I understand the Australian Government have taken the line that the price of wheat imported by us from Australia should be settled in terms of dollars at the ratio accepted by the International Monetary Fund. This matter is now under consideration by the Wheat Council set up under this Agreement. There is a provision in that Agreement that if any importing country experiences difficulties in regard to balance of payment or monetary reserves, that country has the right to submit a case to the Wheat Council for consideration. We have already taken steps in that direction. In any case, I have reasons to think that we ought to be able to reach a reasonable settlement with the Australian Government on this question.

In any case, supposing as the result of higher prices, the cost of wheat goes up: it would not affect the cost of living index. What it would do would be to increase the amount of subsidies paid by Government. That would be a budgetary question with which I will deal later.

As regards cloth, the cloth worn by the poorer classes of the population is of medium and coarse counts. The whole of the raw material used for their manufacture is of indigenous origin. Therefore, I am inclined to think, barring speculative increases, there is really no reason why the cost of living should go up on that account.

With regard to the wholesale price index, industrial materials, for example chemicals, non-ferrous metals and so on, which we import from the United States of America and which we cannot altogether dispense with, would be affected. The solution is that we should obtain supplies, as far as possible, from soft currency areas. In case an increase occurs in the cost of industrial production, it is necessary that we should give immediate attention to reducing the cost of essential commodities so as to bring down, if we can, the cost of living which would affect the whole basis of industrial costs.

I come to the last aspect of our economy to which I want to refer, namely the budgetary position. I can only consider the current year 1949-50, because what is likely to happen next year in the way of imports from hard currency areas would depend on the import programme that we draw up for 1950-1. As far as 1940-50 is concerned, taking the revenue and capital together under food, subsidies, Government stores, Embassies and other foreign missions and the interest payable on our loan from the International Monetary Fund, I estimate there would be approximately an additional expenditure of somewhere about six crores, of which revenue would be four and capital would be two crores. May I say this also—I expect most of this will be covered by the increase in customs revenue due to devaluation, partly through the export duties that we have imposed and partly by the higher receipts of *ad valorem* duties levied on higher c.i.f. rupee prices. I must make one point clear to the House: all that I am trying to suggest to the House at present is that if there is an increased expenditure due to devaluation, there are also increased receipts due to devaluation. But the general problem of our customs revenues still remains somewhat difficult and anxious.

In view of these reactions which I have indicated of devaluation upon our economy, Government propose to take immediate steps, some of which have already been taken in hand, to meet the situation. I will summarize them as follows:

(1) The formulation of a future pattern of trade which, in the new situation with which we are faced, will reduce our expenditure of

foreign exchange to a minimum, having regard to the essential requirements of the country;

(2) The employment of such bargaining power as we have by reason of our position as large-scale purchasers for the purpose of bringing down to reasonable levels the prices of industrial materials imported from countries whose currencies have appreciated in relation to Indian currency;

(3) Prevention of speculative price increases by legislative and administrative measures and by regulation of credit facilities;

(4) Imposition of customs duties, consistently with the principle of non-discrimination, on articles exported to hard currency areas so as to ensure a maximum amount of foreign exchange for the country and at the same time secure that the advantage resulting from devaluation is distributed between the foreign importer, the Indian manufacturer and the Indian exchequer;

(5) To further the stimulus to investment which devaluation generally provides and thereby assist production and promote development by an intensified savings drive, by propaganda, and failing this, by compulsion and by provision of suitable governmental assistance for the extension of banking facilities in rural areas;

(6) With the same object in view, to extend facilities for voluntary settlement of taxes payable in respect of war profits, to assessees whose cases have not been referred to the Tax Investigation Commission;

(7) Introduction of economy measures for securing an aggregate reduction of approximately forty crores in revenue and capital expenditure for the current year and not less than twice that sum next year, as compared with the budget estimates for 1949-50.

It is, however, expected that if the schemes that Government have in hand for stimulating investment make satisfactory progress, further sums will be made available for developmental expenditure next year;

(8) To take steps, in co-operation with Provincial and State Governments, to bring about an aggregate reduction of ten per cent. in the retail prices of essential commodities and manufactured goods, as well as food-grains, by a reduction of ex-farm and ex-factory prices or by reduction of distribution costs and incidental charges, or by both.

Sir, that brings me to the end of my story. We have a big task in front of us which has not been rendered easier, at least for the time being, by devaluation. Whether we like it or not, we must look upon devaluation as a timely sign and warning that for many years now we have been living beyond our means, both internally and externally. I say ' timely ' because we have yet time to put things together and

to remedy the situation before it becomes too bad to mend. Now that devaluation has become an accomplished fact, we would do well to take it and to use it for what it really is, a check on the pace at which we have been living and the extent to which we have been overdrawing or our existing resources. If this check is employed aright, with forethought and with firmness, I am confident that once the period of initial adjustment is over, which may be painful, but which will not be long, we shall have achieved a healthier economy, a sounder and more enduring framework in which to labour for the good of our people.

ORCA(L)D, 1949, Vol. V, No. 1, pp. 12-15 and 18-22.

159 6 *October* 1949

SPEECH: INDIAN MINISTER FOR COMMERCE

I seek the indulgence of the House for a few minutes so as to be able to place before it a few submissions dealing with the trade aspects of the matter. The subject matter under discussion is, in the words of the last speaker—for whom I have great respect—admittedly complicated and confusing. It is no wonder, therefore, that even those Honourable Members who have supported the Government's action have been rather critical in their observations. But to my mind, that is not sufficient justification for us to ignore some of the fundamental facts in this connection.

Professor K. T. Shah castigated Government yesterday for having allowed an adverse balance of trade to prevail for the last two successive years. Deeply immersed as he normally is in the study of economic theories, he perhaps forgot a somewhat important event that took place two years ago, namely the partition of the country and the resulting disturbances in the economic sphere leading to results which are still with us and which have yet to be overcome. There has been a general tendency on the part of speakers to regard India, even divided India, as an agricultural country which depends upon its agricultural products for the purpose of foreign trade. As a matter of fact, on the 15th of August 1947 the divided India ceased to be a primarily agricultural country, at least from the point of view of foreign trade. On the export side, we have lost two important raw materials, raw jute and raw cotton. Whereas in the past we used to earn foreign exchange with the help of raw jute and raw cotton, as a result of the partition we have become a great importer of raw jute and raw cotton for which we have to find the foreign exchange, because what was

internal trade before has become foreign trade with effect from the 15th August 1947.

Now Sir, as a result of the partition also, the food deficit has been accentuated. I am not going to deal with this aspect of the matter because my honourable colleague, the Food Minister, is surely going to speak this afternoon. While these two sources of drain were operating on our available resources, we deliberately adopted with effect from the date of partition, and even before, a policy for the purpose of nourishing and augmenting our industries, a policy that necessitated the adoption of liberal spending for the importation of capital goods and machinery as also raw material needed by industry. Now, Sir, is it any wonder that as a result of these different factors that have been operating, as a result of the partition, and also as a matter of policy in the case of industrial development, that the resources available to us in the shape of foreign exchange should be extremely strained?

A good deal of comment has been made on our drawing upon the sterling balances. If the sterling balances can be legitimately put to any use, it is for the purpose of meeting an emergency of this character so as to enable us to tide over what I consider to be a mere transitional phase in our economy.

Now, Sir, it is necessary for me to give very briefly an idea about our policy in regard to foreign trade. As the House is already aware, we have already tightened up the controls and re-imposed our import control very severely of late. It is our desire to ensure that the gap in our payments does not exceed the amount we may draw from our sterling balances in the year.

It is a coincidence that just about a couple of days before the decision was taken on devaluation, we published our latest policy regarding more stringent import control. Secondly, that again is a matter of curious coincidence, just about five days before the decision on devaluation was received, we received the report of the Exports Promotion Committee that had been appointed by Government to suggest to us measures that may be needed for the purpose of improving our export trade. It is a very valuable report and is under active consideration of Government. I dare say copies are available to Honourable Members in the Library. (*Some Honourable Members*: ' It is not available in the Library '.) If the copies have not yet reached the Library, I will see that they are made available. . . .

The view has been expressed that our adverse balance of trade would anyhow amount to something like Rs 200 crores every year. This view is based upon figures of balance of trade for the first half of this year, when the effects of our liberal import policy were still being felt. Since May, however, our withdrawals from the sterling

balances have been declining month by month, and actually in the month of September we had a favourable balance of payment. . . .

Now, Sir, criticism has been made of the liberal import policy followed in the past. I have no time to deal with this question at length, though I should have very much liked to do so. But I must point out that there is some misconception on this subject. The adverse balance of trade in 1948-9 has been estimated at approximately Rs 215 crores. Our import of food alone during this period amounted to about Rs 130 crores and that of machinery to Rs 81 crores. Raw jute, which formerly formed a part of the country's internal trade, accounted for Rs 70 crores. We had to spend nearly Rs 65 crores again on imports of raw cotton, which is a new feature in our foreign trade. To think, therefore, that the adverse balance of trade was due mainly to the import of non-essentials is to be labouring under a serious misapprehension. . . .

Now, taking the case of luxury goods, properly so called, the import of luxury goods since November 1948, when for the first time the Open General Licence covering such luxury goods came into full operation, amounted to only 1.5 per cent.

In other words, between November 1948 and March 1949 a relatively small sum was spent on luxury goods. In this description I have included motor cars, which account for at least half the amount which has been shown under luxury goods. . . .

A reference was made yesterday to the importation of cotton piecegoods. It is true that cotton piecegoods have all along been imported into this country, but in very much larger quantities in the past than has been the case in the recent past. Now, the quantity imported was one per cent of the Indian production and this is represented by 47 million yards as against a production of 4,400 million yards in 1948 and an estimated production of 4,000 million yards in 1949. Here again we had the advantage of the recommendations of the Tariff Board that reported in March 1947, when they pointed out that the import of a very much larger quantity of cotton piecegoods was justified because there was absolutely no competition beween that type of goods and the goods produced in this country. And may I mention that in the quantity of cotton textiles, representing one per cent., as I said, of Indian production that has come into this country, there are included specialities like umbrella cloths and other things which are not to be disposed of as being non-essentials. . . .

Now that we are tightening up all controls, perhaps in the next few months Honourable Members would thank Government for having adopted a liberal import policy of this kind in the past because otherwise the cost of living, which according to Honourable Members is

bound to go up, would have further gone up but for the existence in the country of substantial quantities of imported articles, all of which cannot be characterized as non-essentials or luxuries. . . .

In the first half of 1949 our exports show a decline of Rs 20 crores over January/June 1948. Out of this, Rs 14 crores were in respect of hard currency countries. The decline affected jute manufactures, raw jute, cotton, oil and oil-seeds, mica and shellac. Certain commodities, however, showed increases over the 1948 figures. The more important of these were cotton piecegoods. I am glad to say that the export of cotton piecegoods has considerably improved already, and we are expecting a further improvement in hides and skins, manganese, tea and tobacco. The development and promotion of our export trade is a task to which increasing attention is being paid and as a result, as I have already said, there is an upward trend in the monthly value of our exports.

Now, Sir, I may briefly refer to the question as to what effect devaluation will have on our export trade. As the Honourable Finance Minister has pointed out, it was more as a defensive mechanism that we had to accept devaluation. Now about two-thirds of our exports are to-day the produce of industry, and here again I point out that there is even now a general misapprehension that our exports consist mainly of raw materials. Now, raw materials feature more and more in our import trade because they are needed for the purpose of manufacture and their importance in our export trade has gone down considerably. Our jute industry holds a unique position in the world because we can produce jute goods more cheaply than any other country. That is the present position, and if we had not decided on devaluation, we would have lost the advantage that our jute goods have over those produced in other countries.

Now, there is a feeling that if we had not devalued at all, we would have got our supplies of raw jute from Pakistan at the past parity, but that would not have been of any help to us because there are other places, like Dundee in the United Kingdom and some Continental countries, which also manufacture jute goods and which, having devalued their currencies, would have been in a position to compete with us successfully. Even apart from this possibility, jute goods have already yielded some amount of place in the dollar markets to substitutes made of paper and cotton, and it is our hope that in spite of the export duty that has now been fixed on hessian, which is the type of jute goods mostly consumed in the United States of America, hessian would still be available to the USA at a lower price than before, so that this process of substitutes displacing the genuine article will be arrested.

Now, Sir, it is impossible to ignore the situation that has arisen by reason of Pakistan's policy in the matter of currency revaluation. As I have said, perhaps more than once in this House, the economy of the two Dominions is complementary, and it gives me no pleasure to see this conflict that has arisen between the two Dominions. I have been trying to bring about a long-term understanding with Pakistan so far as jute and cotton are concerned. In April 1949, as a result of informal discussions between Mr Ghulam Mohammad, Finance Minister of Pakistan and myself at Delhi, an agreement was drawn up, which was published much later after it had been ratified by the Pakistan Government in a very different form from what it was when we came to that agreement in Delhi. Now this agreement is dated 8 April and bears the signature of a Secretary to the Pakistan Government and a Secretary to the Government of India and it contained the following clause which later disappeared from the agreement as ultimately ratified by the Pakistan Government: and therefore, this is the first time that I am placing it before this House. This is a separate clause after we had dealt with certain of the matters in regard to which certain short-term consultations were found to be necessary. It runs thus:

'The two Governments will enter into negotiations with a view to a more comprehensive agreement being reached with reference to the production, manufacture and sale of jute and cotton. These discussions are intended to deal with long-range problems.'

Now, Sir, this clause along with the others was placed by me before the Cabinet within a few days of the signature of this agreement and it was ratified then and there by the Government of India.

It took several weeks for Pakistan to reach a decision, which time was occupied by continued correspondence suggesting alterations here and there. It was after those several weeks that ultimately I was told in a cable sent by Mr Ghulam Mohammad that he was not in a position to get his Cabinet to agree to this clause being maintained in that agreement, and I had that recorded. . . .

Pandit Lakshmi Kanta Maitra: Their Secretary signed that report already.

The Honourable Shri K. C. Neogy: Of course, the signature is there. The original is in our office. This I have said, because it may be sought to be made out outside this House that we have never tried to settle an economic policy in co-operation with Pakistan or that our attitude has been hostile. This is evidence of our good faith in the matter and indicates an anxiety on the part of the Government of India, which was fully shared, I may say, by the Finance Minister of Pakistan, that there should be a long-term agreement in regard to these two commodities and the connected industries.

Shri R. K. Sidhva: Did they give any reason for dropping this clause?

The Honourable Shri K. C. Neogy: What I know is that the Pakistan Cabinet was not in a position to agree to the incorporation of this particular clause.

We have therefore, perforce, to think of becoming self-sufficient in the matter of jute and cotton production and it is our hope—a hope which has been confirmed by the experts of the Agriculture Ministry—that it would be possible for us to increase considerably our jute production in the next year without in the least affecting our food production. Likewise with cotton. But here, so far as cotton is concerned, we have alternative sources of supply, and when we look into the figures we find that it is a small proportion of Pakistan's cotton that we used last year. Having regard to the very favourable crop that we are expecting this year in India, we do think that we will be able to do without Pakistan cotton, if it comes to that.

But what about jute? In regard to jute, again we have our hopes—and we are supported in this hope by the industry—that it will be possible for this industry to continue manufacturing, if need be, on a reduced basis but to continue manufacturing jute goods and for that purpose they are prepared to utilize other fibres like *meshta*, which is very much like jute, and also some kind of hemp. . . .

I am placing certain facts before you: facts which have been agreed to between our experts so far as the possibility of India growing more of these fibres is concerned, and facts also based upon discussions with the industries concerned.

As I said once before, it does not give me any pleasure to see such a conflict operating between the two Dominions. As a matter of fact, I had a despatch only yesterday from Eastern Bengal describing the economic plight there. Eastern Bengal has an entirely agricultural economy, which has for its foundation the jute interests and nothing else. Now the terrible situation that has arisen, because of the complete stoppage in the jute trade, has been graphically described in this dispatch. I have no desire to quote from it. It indicates that by the mistaken policy of the Pakistan Government the people in Pakistan are being subjected to very severe disability. They are not in a position to get any money by the sale of jute, which is their principal cash crop for the purpose of meeting the cost of living, which is mounting up by leaps and bounds. The cost of rice is in the neighbourhood of Rs 40 per maund today. The Pakistan Government in the plenitude of their wisdom have imposed this misery on their own people. . . . Having taken so much time of the House I would like to give an idea about the various measures that have been taken by the Government since the decision on devaluation was taken.

We have had consultations with top-ranking industrialists and businessmen, and their general assessment of the position has been in agreement with that of the Government and whatever I have said in regard to the jute and cotton industries is fully borne out by the discussions and the opinion of the businessmen that we consulted.

An ordinance has been issued authorizing Government to impose export duties on various commodities. The object is to prevent a speculative rise in prices and also to ensure that if an increase in rupee prices of export commodities is inevitable, the quantum of the increase comes to the exchequer and does not inflate profits, wages, etc. A further object is that where both the demand and supply of the commodity is inelastic we should not suffer a loss in foreign exchange on account of the cheapening of our product.

With the same object in view we have decided upon State trading in coal. With changes in exchange rates affecting our different markets differently, it is necessary to revise rupee prices, and since the distribution of coal is under control, it will be possible for us to carry on State trading without any special machinery, making such adjustments in prices as may be necessary from time to time.

Here I should like to pause and inform the House that the proposed committee to consider the question of State trading, to which reference was made yesterday, would be formally constituted at the earliest possible moment and summoned to consider all the various issues that have arisen, particularly out of devaluation.

The jute industry has been very considerably affected by devaluation both in respect of the imports of its raw materials as well as the export of its finished products. Now that the prospects of getting any jute from Pakistan seem remote, our policy for the export of raw jute has been revised after consulting the industry, and restrictions have been placed upon exports. It would enable us still to maintain our exports of raw jute to the dollar markets although we would be running short of our supplies of that commodity in India. At the same time, special steps have been taken to ensure the speedy movement of all jute in the Indian Union to Calcutta. Government do not wish to see a rise in the price of the Indian raw jute which will affect other agricultural prices, and measures to prevent such a rise have been taken.

Discussions similar to those with the jute industry are also scheduled to take place with representatives of the raw cotton and cotton textiles import and export trade and measures to protect our interests will be taken.

The OGL for the import of goods from Pakistan has been cancelled.

The ceiling for the import of certain essential drugs for which we are mainly dependent on the USA has been more than doubled in

order to prevent an undue rise in the price of such drugs or a scarcity in their supplies.

Recommendations of the Export Promotion Committee are being examined urgently and an announcement of Government's decision on the measures calculated to develop our exports will be made shortly.

ORCA(L)D, 1949, Vol. V, pp. 66-71.

160 14 *August* 1947

FINANCIAL AGREEMENT BETWEEN UNITED KINGDOM AND INDIA

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as ' the Government of the United Kingdom ') and the Government of India,

Being desirous of making a temporary arrangement for dealing with the sterling balances of India,

Have agreed as follows:

Article I

For the purposes of this Agreement the sterling assets of the Reserve Bank of India shall be taken at the figure of £1,160 million.

Article II

(1) The Reserve Bank of India shall open with the Bank of England a new account (hereinafter referred to as the ' No. 2 Account '), to which the balance of the total assets referred to in Article I above, remaining at the close of business on the date of the signature of this Agreement, shall be transferred.

(2) The No. 2 Account of the Reserve Bank of India shall be operated upon in accordance with the provisions of Article VI of this Agreement and any sums standing to the credit of the said Account shall be available only for the purposes prescribed in that Article.

Article III

(1) There shall also be established at the Bank of England in the name of the Reserve Bank of India a new account (hereinafter referred to as the ' No. 1 Account ') to which any sterling received after the date of this Agreement by the Reserve Bank of India in respect of current transactions and any sums transferred from the No. 2 Account shall be credited.

(2) The Government of the United Kingdom shall not restrict the availability of sterling standing to the credit of the No. 1 Account for payments for current transactions in any currency area or for the purpose of any payment to residents of the sterling area.

Article IV

(1) There shall be transferred forthwith from the No. 2 Account to the No. 1 Account £35 million less the amount by which the total of the Reserve Bank of India's sterling assets, as established by Article I of this Agreement, exceeds the amount transferred to the No. 2 Account in accordance with paragraph 1 of Article II of this Agreement.

(2) There shall also be transferred from the No. 2 Account to the No. 1 Account the equivalent of any sums paid from the No. 1 Account after the 15th July 1947, in respect of:

(i) the transfer of ownership of military stores, equipment and fixed assets in India from the Government of the United Kingdom to the Government of India on the 1st April, 1947;

(ii) the settlement of any matters outstanding under the Defence Expenditure Plan and of any other accounts relating to transactions which were connected with the War and took place prior to the 15th July 1947;

(iii) payments outside India as a result of Agreements for the release of assets which were vested in the Indian Custodian of Enemy Property;

(iv) pensions paid outside India by or on behalf of the Government of India or any Provincial Government in respect of which an eventual capitalization scheme is contemplated;

(v) such other items as the two Governments may agree.

(3) There shall be transferred from the No. 1 Account to the No. 2 Account the equivalent of any sums paid into the No. 1 Account after the 15th July 1947, in respect of:

(i) the settlement of any matter outstanding under the Defence Expenditure Plan and of any other accounts relating to transactions which were connected with the War and took place prior to the 15th July 1947;

(ii) such other items as the two Governments may agree.

Article V

(1) In addition to the transfer provided in paragraph 1 of Article IV of this Agreement there shall also be transferred forthwith from the No. 2 Account to the No. 1 Account a sum of £30 million as a working balance which may be drawn upon from time to time to meet any temporary shortage in India's available means of payment abroad.

(2) The level at which the working balance provided for in this Article has been maintained during the currency of this Agreement shall be taken into consideration in the consultations referred to in Article XI of this Agreement in the light of such data as may then be provided.

Article VI

(*a*) The No. 2 Account referred to in Article II of this Agreement shall be credited with:

(i) the assets referred to in Article II of this Agreement, including the proceeds thereof at maturity or on realization;

(ii) the proceeds at maturity or on realization of any investments purchased in accordance with established custom with funds standing to the credit of the No. 2 Account;

(iii) transfers from the No. 1 Account, being transfers provided for in paragraph 3 of Article IV and paragraph 2 of Article VIII of this Agreement;

(iv) such other transfers as may be agreed between the two Governments.

(*b*) The No. 2 Account shall be debited with:

(i) transfers in accordance with paragraphs 1 and 2 of Article IV, paragraph 1 of Article V and paragraph 2 of Article VIII of this Agreement;

(ii) payments in respect of investments made in accordance with established custom;

(iii) such other transfers as may be agreed between the two Governments.

Article VII

The Government of India shall not restrict—

(*a*) the acceptance by residents of India, in settlement of payments for current transactions, of sterling at the disposal of residents outside India;

(*b*) the availability of any Indian rupees arising from permitted current transaction and accruing to residents of the sterling area for any payments inside India or for the purchase of sterling.

Article VIII

(1) Such transfers of capital from India to the rest of the sterling area and *vice versa* as may be agreed between the Reserve Bank of India and the Bank of England shall be subject to the provisions of paragraph 2 of this Article.

(2) The Reserve Bank of India and the Bank of England shall consult together at agreed intervals in order to establish by reference

to the best statistical data available to them the net capital movement from India to the other countries of the sterling area, or *vice versa* as the case may be, resulting from the agreed transfers of capital. Thereafter an amount equal to the net capital movement so established shall be transferred from the No. 2 Account to the No. 1 Account if the movement is one from India to the other countries of the sterling area or from the No. 1 Account to the No. 2 Account if the movement is in the reverse direction.

(3) Notwithstanding anything in this Article the two Governments shall not restrict transfers of capital from India to the United Kingdom representing—

(*a*) remittances of savings belonging to persons of United Kingdom origin leaving India in order to take up permanent residence in the United Kingdom; and

(*b*) the voluntary repatriation of investments by persons regarded as resident in the United Kingdom for purposes of exchange control in the United Kingdom.

(4) Transfers of capital falling within the description in sections (*a*) and (*b*) of the preceding paragraph shall be included in the computations for which paragraph 2 provides.

Article IX

(1) The two Governments shall as often as may be necessary consult together with a view to ensuring the smooth working of the present Agreement.

(2) The Reserve Bank of India and the Bank of England shall be entrusted with the technical execution of this Agreement and shall consult together as often as may be necessary in order to ensure its smooth working.

Article X

For the purpose of the present Agreement:

(*a*) in relation to events happening on or after the 15th August, 1947, references to the Government of India shall be construed as references to the Governments of both the new Dominions set up by the Indian Independence Act, 1947, or to the Government of either of them, as the circumstances require, and the expression 'India' shall continue to denote the territories included in that expression immediately prior to the 15th August, 1947;

(*b*) the expression 'sterling area' shall have the meaning from time to time assigned to it by the Exchange Control Regulations in force in the United Kingdom. After the coming into force in the United Kingdom of the Exchange Control Act, 1947, the expression 'sterling

area' wherever it occurs in the present Agreement shall be deemed to have been replaced by the expression 'scheduled territories', which shall have the meaning from time to time assigned to it in the aforesaid Exchange Control Act 1947;

(*c*) the expression 'payments for current transactions' shall have the same meaning as in Article XIX(i) of the Articles of Agreement of the International Monetary Fund;

(*d*) in paragraph 2 of Article IV the expression 'pensions' shall have the meaning assigned to it in the Indian Independence Act, 1947.

Article XI

The present Agreement shall come into force on the 14th August, 1947. It shall terminate on the 31st December, 1947. Further consultations shall be held before the termination of this Agreement with a view to extending it or replacing it by another Agreement or other Agreements.

In witness whereof the undersigned being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done at London this fourteenth day of August, 1947, in duplicate.

For the Government of the United Kingdom:

WILFRID EADY

For the Government of India:

V. NARAHARI RAO

Sterling Balances, pp. 11-14.

161 22 *August* 1947

STATEMENT (EXTRACT): INDIAN MINISTER OF FINANCE

... It would be useful to give in brief outline the genesis of the sterling balances. We have always held sterling in the UK as part of our currency reserve. Under the Reserve Bank of India Act, not less than two-fifths of the total assets of the Bank should consist of gold coin, bullion and sterling securities. Under this provision the Reserve Bank, even before the war, always held sterling balances of varying amounts. The amount that was thus held immediately before the war was about £48 million. The latest figure of sterling balances is £1,137 million on 14 August 1947. Huge accumulations to our sterling balances accrued during the war as a result of various financial and commercial transactions. The chief sources of accumulations were

the purchases of stores and other materials from India on account of His Majesty's Government and expenses incurred by us on account of the Allied countries. Normally, these purchases should have been financed by the UK obtaining rupees by raising loans in this country or by other financial arrangements with the Indian Government. This, however, was not done. A section of the Reserve Bank of India Act, which imposes on the Bank the obligation to buy sterling offered to an unlimited extent, was utilized for financing these supplies. It was really an abuse of that section because that section was not intended for such purposes. India, however, had no choice on account of her dependent status, and the operations led to vast accumulations of sterling to our credit. The British Government paid for the supplies from time to time and the Government of India handed over the proceeds of these transactions to the Reserve Bank, against which notes were issued by the Bank. The Reserve Bank has invested these amounts in short-term securities and with the Bank of England. From this it would be clear that our sterling balances are not an inter-Governmental war debt in any sense of the term. It may be stated that this is a very important point which is often missed by those who describe the sterling balances as a war debt which should be scaled down. These balances are the property of the Reserve Bank of India and are held by the Bank partly in the Issue Department as a currency reserve and partly in the Banking Department as its own assets against its liabilities. Any question of scaling down does not, therefore, arise either on moral or technical grounds.

There was one other source which helped to swell the sterling balances. India is a member of what is called the sterling area. Under the arrangements prevailing amongst the members of the sterling area, all other foreign currencies which we acquired as a result of our favourable balance of trade have been converted into and held in sterling. During the war certain currencies, such as the dollar, were hard currencies and it was necessary for the countries within the British Empire to limit themselves to the utilization of such scarce currencies for the successful prosecution of the war or for the maintenance of the essential civic life of the community. As regards the use of sterling by us both during the war and immediately thereafter, there were no limitations on the amount which India could use for any purpose. There were, however, practical limitations imposed by the lack of shipping space and the necessity for restricting imports to those absolutely necessary for the prosecution of the war or for maintaining the civil life of the community. With the termination of the war and the improvement in the supply position of certain classes of goods and also of shipping space, we were able to relax for some time our import

control restrictions, especially in the sterling area. A considerable amount of sterling was therefore used as a result of this relaxation of controls. During the past few years, owing to the acute shortage of food, we had to import foodstuffs from abroad at fairly high prices. This again resulted in considerable withdrawals from our sterling balances.

Besides India, there are other countries, which have also accumulated large amounts of sterling balances. The more important of these are Egypt, Australia, Iraq and Argentina. The total of these balances is understood to amount to approximately £3,500 million sterling. It is obvious that the two ways open to sterling holders to utilize the balances are by creating an export surplus from the UK and by demanding the convertibility of sterling into other currencies for expenditure abroad. The creation of an export surplus from the UK involves, among other things, a tightening up of home consumption in that country. Apart from this, in the context of the war-shattered economy of England, it would take some time before an adequate export surplus could be created. To meet this difficult situation the UK was able to obtain from the USA a line of credit of 3,750 million dollars which was intended to last up to December 1951. A similar line of credit was also obtained from Canada, amounting to 1,250 million dollars. The object of these credits was to facilitate purchases by the UK of goods and services in the USA and Canada, to assist the UK to meet the transitional post-war deficits in its current balance of payments and to help that country to maintain an adequate reserve of gold and dollars to enable it to assume the obligation of multilateral trade. These credits were, however, consumed at a rate much faster than was originally anticipated and it also turned out that, owing to various unforeseen factors, the economic recovery of the UK has been much slower than was expected. In spite of the very determined effort by the British Government, a crisis was threatening the economy of the UK.

It was when this crisis was assuming serious proportions that our delegation went to London to negotiate an interim settlement. Though the question of the liquidation of the sterling balances was taken up immediately after the establishment of the Interim Government in India in September 1946 and though there were some preliminary talks between officers of H.M.'s Treasury and the Bank of England on the one hand and those of the Finance Department and the Reserve Bank on the other, no settlement was arrived at. Owing to the far-reaching political changes which occurred in our country during the last few months, it was not possible to have negotiations at the Ministerial level. It was therefore decided that an official delegation representing the whole of India should be sent to the UK for making interim arrangements for the withdrawal of funds necessary to meet

the estimated deficit in our balance of payments from the 15th of July to the end of December 1947 and for making the necessary technical arrangements with H.M.G. and the Bank of England. The Government of India accordingly sent a delegation consisting of Messrs Narahari Rao, B. K. Nehru and Keith C. Roy accompanied by Mr Cayley of the Reserve Bank . . . .

An amount of £65 million has been released for use by India in the form of any currency that she may choose. It should, however, be remembered that this amount does not represent the whole of the foreign exchange resources at our disposal . . . .

There are certain other sources also, and these are:

(i) The working balances of commercial banks held in the form of cash or treasury bills and estimated to amount approximately to £3 million and also the balances held by private individuals.

(ii) The unspent balance from the $40 million post-war dollar fund already placed at our disposal. The balance in this fund is approximately 25 million dollars.

If you want to obtain an overall picture of the total foreign exchange resources available to us, you must take into account all the items which I have mentioned above besides the release of £65 million. From what I have stated you should not get away with the idea that we have ample foreign exchange at our disposal. In spite of all these resources, we had to impose very strict limitation on our imports. The need for conserving our exchange resources for making food purchases abroad should always be kept in mind. The need for imposing on ourselves an austere economy is indeed very great.

In the last negotiations, both parties approached the problem with an effort to understand each other's difficulties and with a view to devise ways and means of maintaining unimpaired the economy of both. While we appreciate and sympathise with the difficulties which England has to face, we expected that there would be on the other side due appreciation of our own difficulties and problems. Our standard of life is so notoriously low that there is not much margin for us to play upon.

Since the agreement was signed, H.M.G. have found that the convertibility arrangements made by the UK have accelerated the drawings on the UK dollar resources and have developed into a crisis of great magnitude. In view of this, they have decided that immediate action to stop this drain is essential. The announcement was made yesterday that the existing right of other countries to spend their sterling freely in the dollar area in respect of current transactions has been temporarily suspended. We have been assured that this is purely a suspension and not an abrogation of the provisions regarding the

expendibility of sterling. We have been further assured that as soon as circumstances permit, H.M.G. will restore these arrangements to their full force and continue with the process of expanding them. So far as India is concerned, the real position is not so alarming as the text of the announcement may indicate at first sight. We have been assured that our agreement recently concluded, more especially Article III(2) dealing with convertibility of the sums in Account No. 1, stands intact. It must therefore be clearly understood that the announcement does not in any sense either abrogate or repudiate our agreement. H.M.G. have, however, been obliged to appeal to us, as they are doing to all their friends in the sterling area, to co-operate by minimising the dollar element in their deficits. While the countries in the sterling area have been treated in this manner, the agreements with the non-sterling countries have been revised in regard to convertibility. The object of H.M.G. in resorting to these stringent measures is to strengthen the whole position of sterling. As the largest holders of the sterling balances, we ourselves are interested in maintaining and strengthening the position of sterling. While we shall certainly respond to the appeal made by H.M.G., we feel certain that in practice we should be in a position to obtain our essential dollar needs. We have already imposed the most stringent import restrictions. We cannot afford to jeopardize our programme of food purchases abroad. While we shall continue the most rigorous restrictions on our expenditure of dollars and other scarce currencies, we shall see to it that India's internal economy, especially the import of food, will not suffer by reason of this sudden change. There is no question of any bargaining. We have reasons to think that H.M.G. fully appreciate our difficulties as we appreciate theirs.

I must here sound a note of warning regarding the manner of the utilization of these accumulated balances. These balances should not be looked upon as being available on any large scale for meeting our current consumption except during an emergency period. Current imports should ordinarily be met by current exports. The sterling balances must be regarded as a reserve of additional foreign exchange for the purpose of the economic development of our country and for obtaining the necessary capital equipment for this purpose. We should therefore concentrate not merely on producing more for our own needs but on producing on a scale which will leave a considerable exportable surplus. We should also restrict our imports to those articles which are essential for maintaining the economy of the country. In this respect our own problem is very similar to the problem which faces the UK.

Text supplied by the Ministry of Finance, New Delhi.

162 15 *February* 1948

UNITED KINGDOM FINANCIAL DELEGATION TO INDIAN MINISTRY OF FINANCE

As a result of the consultations provided for in Article XI of the Agreement signed in London on 14 August 1947 (hereinafter called ' the Principal Agreement ') between the Government of the UK and the Government of India, the following arrangements have been agreed upon between our two Governments for the extension of the Principal Agreement.

(1) (*a*) The Government of the United Kingdom has taken note of paragraphs 2, 3 and 4 (a copy of which is annexed to this letter) of the Minutes of the proceedings of the Partition Council held on 1 December, 1947 (Case No. PC/218/20/47) recording the Agreement (hereinafter called ' the India/Pakistan Agreement ') reached between the Government of India and the Government of Pakistan for the maintenance by the Reserve Bank of India of a separate account or accounts for sterling received or paid on and after 1 January 1948 in respect of current transactions affecting Pakistan or for sterling transferred after the date from the No. 2 Account by agreement between the Government of the United Kingdom and the Government of Pakistan.

(*b*) The Government of the United Kingdom will accordingly enter into separate arrangements with the Government of Pakistan in regard to these and other matters covered by the Principal Agreement for the period subsequent to 31 December 1947.

(2) The Government of the United Kingdom further takes note that:

(*a*) the Reserve Bank of India will transfer from the No. 2 Account to be opened for the conduct of current transactions relating to Pakistan (hereinafter called ' the Pakistan Account ') the sums agreed between the Government of the United Kingdom and the Government of Pakistan to be made currently available to Pakistan.

(*b*) the Reserve Bank of India will also transfer from the No. 1 Account to the Pakistan Account a sum determined in accordance with para. 4 of the India/Pakistan Agreement plus a sum determined by the Reserve Bank of India as representing receipts on behalf of Pakistan from 1 January 1948 to the date of the opening of the Pakistan Account, less a sum determined by the Reserve Bank of India as representing payments made on behalf of Pakistan from 1 January 1948 to the date of the opening of the Pakistan Account.

(*c*) The Reserve Bank of India will from time to time make transfers in either direction between the No. 2 Account and the Pakistan

Account in respect of such items as the Government of the UK and the Government of Pakistan may agree, in so far as they relate to transactions of Pakistan in terms of the Agreement which the Government of the UK proposes to make with the Government of Pakistan in accordance with paragraph 1(*b*) of this letter.

The Government of India will forthwith issue to the Reserve Bank of India any instructions which may be necessary to enable the Reserve Bank of India to carry out the foregoing arrangements.

(3) The Principal Agreement, as modified in this letter, shall be extended to 30 June 1948 and shall be interpreted here appropriate in accordance with the provisions of this letter. The extension shall come into force on 15 February 1948 but shall have effect in all respects as from 1 January, 1948.

(4) The extension now agreed upon shall relate only to the Dominion of India and Article X(*a*) of the Principal Agreement shall be interpreted accordingly.

(5) There shall be transferred from the No. 2 Account to the No. 1 Account the sum of £18,000,000.

(6) The Government of India will co-operate with other members of the sterling area in conserving the exchange resources of the area by limiting expenditure in the territories listed in paragraph 7 of this letter to the fullest extent compatible with the purchase of India's essential needs. In pursuance of this policy, the Government of India will take steps to purchase part of their requirements of US dollars from the International Monetary Fund. Further, the Government of India undertakes so to limit expenditure between 1 January 1948 and 30 June 1948 in the territories listed in paragraph 7 as to ensure that such expenditure does not exceed receipts from those territories, together with the dollars to be purchased from the International Monetary Fund, by more than £10,000,000. Provided that the amounts required to be paid by India to the International Monetary Fund by way of charges shall not be included in the computation of this sum of £10,000,000. Article III(2) of the principal Agreement shall be modified accordingly.

(7) The territories to which reference is made in para. 6 of this letter are the following:

The whole of the Continent of North, Central and South America and adjacent islands but excluding territories which are part of the sterling area, the Dutch monetary area and the French franc area.

The Belgian monetary area.

Japan.

The Phillipines.

The Portuguese monetary area but excluding Portuguese India.

Sweden.
Switzerland and Liechtenstein.

(8) Further consultation shall be held before the termination of the Principal Agreement, as extended by this letter, with a view to extending it further or replacing it by another Agreement or other Agreements.

(9) I should be grateful to have your confirmation that this letter correctly sets out the understanding reached between us and that it, together with your reply, shall constitute an extension, in the terms of paragraph 3 of this letter, of the Principal Agreement.

Sterling Balances, pp. 27-9.

163 9 *July* 1948

INDIAN FINANCE MINISTER TO BRITISH CHANCELLOR OF EXCHEQUER

As the result of the consultation provided for in paragraph 8 of Sir Jeremy Raisman's letter of 15 February 1948 to Mr Narahari Rao, which extended the Agreement signed in London on 14 August 1947 (hereinafter called the 'Principal Agreement') between the Government of the United Kingdom and the Government of India, the following arrangements have been agreed upon between our two Governments for the extension of the Principal Agreement:

(1) The Principal Agreement, as modified by Sir Jeremy Raisman's letter to which I have referred above and as further modified by this letter, shall be extended to 30 June 1951.

(2) In view of the current level of the balance on the No. 1 Account, no provision has been made for further transfers from the No. 2 to the No. 1 Account in respect of the period 1 July 1948 to 30 June 1949.

(3) There shall be transferred from the No. 2 to the No. 1 Account a sum not exceeding £40 million in the period 1 July 1949 to 30 June 1950 and a sum not exceeding £40 million during the period 1 July 1950 to 30 June 1951, provided that:

(*a*) any part of the amount of £40 million not transferred during the year ending 30 June 1950 shall be carried forward and added to the sum available for transfer in the year ending 30 June 1951;

(*b*) no transfers shall take place unless the balance on the No. 1 Account at the end of any month is less than £60 million;

(*c*) transfers sufficient to restore the balance to a minimum of £60 million shall take place in multiples of £5 million.

(4) The Government of India undertakes so to limit expenditure in 'hard currency' areas that net drawings on the central reserves

in the year 1 July 1948 to 30 June 1949 do not exceed the equivalent of £15 million, provided that any amounts required to be paid by India to the International Monetary Fund by way of charges for currencies purchased from that Fund shall not be included in the computation of this sum of £15 million. This figure for the net drawings on the central reserves has been agreed in the light of India's needs for supplies necessary for the maintenance and development of her productive capacity.

Further consultation shall take place, as provided in paragraph 7, with regard to the means of meeting any deficit in India's receipts and payments with the hard currency areas in the years ending 30 June 1950 and 30 June 1951.

(5) For the purpose of the preceding paragraph the term ' hard currency areas ' means : '

The whole of the Continents of North, Central and South America and adjacent Islands but excluding Brazil, Chile, Uruguay, and any territories which are part of the sterling area, the Dutch Monetary Area or the French Franc Area.

The Belgian Monetary Area.

Japan.

The Philippines.

The Portuguese Monetary Area but excluding Portuguese India.

The Joint US-UK zones of Germany,

provided :

(*a*) that no more than £3½ millions of any surplus earned by India with Japan shall be taken into account for the purpose of determining India's hard currency earnings, and

(*b*) that this list may be varied by agreement between the two Governments.

(6) Arrangements shall be made by agreement between the two Governments for consultation to take place from time to time with regard to matters arising out of the execution of the Principal Agreement as modified by Sir Jeremy Raisman's letter of 15 February 1948 and by this letter.

(7) Further consultation shall take place before the termination of the Principal Agreement, as extended by this letter, with a view to extending it further or replacing it by another Agreement or other Agreements.

I should be grateful to have your confirmation that this letter correctly sets out the understanding reached between us and that it, together with your reply, shall constitute an extension, in terms of paragraph 1 of this letter, of the Principal Agreement.

Sterling Balances, pp. 40-1.

164 15 *July* 1948

STATEMENT: INDIAN FINANCE MINISTER (EXTRACT)

I am glad to have this opportunity to explain the terms and implications of the agreements which were reached in London between the British Government and the Government of India as a result of the deputation to the United Kingdom of a delegation, which I had the honour to lead. On a previous occasion, at the Press Conference held on 22 August 1947, I explained the genesis and the nature of the Sterling Balances . . . It is [thus] clear, as I have pointed out on previous occasions, that our Sterling Balances do not represent an inter-governmental war debt in any sense of the term. They are the aggregate of sums received in final settlement of a number of transactions in accordance with agreed financial and other arrangements for the prosecution of the war and the sharing of its burdens. It should be noted that over and above the expenditure incurred by India which was recoverable from the United Kingdom Government and the allied Governments, India incurred enormous expenditure on her own account during the war.

(2) These Sterling Balances are held by the Reserve Bank of India partly in the Issue Department as a currency reserve and partly in the Banking Department as assets against liabilities. It is necessary to restate this obvious proposition for removing the misunderstanding that still seems to persist in certain quarters which have periodically agitated for the scaling down of the Sterling Balances on the ground of their being a war debt. Obviously, no question of scaling down can arise either on moral or technical grounds. It cannot be contended that India had not borne on her own account her full share of the war burdens. The strain on Indian economy during the war years have been fully recognised and it has never been suggested in responsible quarters that India would be legitimately called upon to make any further contribution. It must be said to the credit of the Chancellor of the Exchequer that at no time during the course of our discussions did he put forward or suggest any proposition for scaling down the Sterling Balances. It can now be claimed that the ghost of scaling down has been finally laid. I feel confident that the United Kingdom will do its utmost to honour its obligations and assist us in reconstructing our war-shattered economy. This is the only course consistent with any country's reputation for financial integrity and credit. On our part, we wish England speedy economic recovery in the common interest of both the countries.

(3) In so far as London has been a clearing house for international financial transactions arising out of trade and commerce, there is

nothing unusual in India and other countries holding balances in the United Kingdom. Apart from such normal balances, a great proportion of India's balance as well as the balances of a few other countries represent war time accumulations which indicate the extent of the strain on the internal economies of the countries concerned. The strain was caused by the postponement of internal consumption and the over-work of plant and machinery without replacement, and also the postponement of new development projects. We have, therefore, every right to use the accumulated reserves for satisfying these pent up demands. The only way in which the United Kingdom could meet the demands for an orderly liquidation of the balances is by the creation of an export surplus in the United Kingdom, that is, by increasing the exports of that country and by the tightening up of home consumption. It is obvious that it would take some time before an adequate export surplus could be created in the United Kingdom. In the intervening period there should inevitably be a mutual adjustment of various claims. It is for the purpose of restoring the economy of the United Kingdom that she obtained from the United States of America and from Canada certain lines of credit. As you are aware, these credits were consumed at a rate much faster than was originally anticipated. It has also turned out that owing to various unforeseen factors, the economic recovery of the United Kingdom has been slower than was expected. It was under these conditions that our first negotiations were conducted with the United Kingdom in 1947. . . .

(4) In January, 1948, the Agreement was renewed for a further period of six months, the main difference being the limitation on the extent of convertibility of our holdings in our No. 1 Account consequent on the suspension of convertibility provided for in the Anglo-American Loan Agreement. For the first half of 1948, the convertible portion of sterling released was limited to £10 million (Rs 13 crores).

(5) Since the January agreement was only for a period of six months and terminated in June 1948, we decided to enter into fresh negotiations and the Delegation to London was sent for this purpose. Apart from the question of the release of the balances for any stated period, there were certain other matters which we wished to settle. The objects with which the present negotiations were undertaken were:

(*a*) to settle the payment for the UK stores and installations which the undivided Government of India took over in April 1947;

(*b*) to arrive at a Pension Capitalization Scheme on the basis of the purchase of an annuity; and

(*c*) to arrange for a release of sterling initially for a period of three years including multilateral convertibility for at least a part of the release.

(6) *Purchase of Stores and Installations.*—In April 1947, the undivided Government of India took over from the United Kingdom Government all their stores and installations which the United Kingdom Government had left in India at the termination of the war. The price to be paid for these stores and installations was left over for settlement at a later date. The settlement of this question became important and urgent in view of the establishment of a separate currency for Pakistan and the need for a final separation of the sterling balances between the two Dominions. The sterling balances being the property of the Reserve Bank of India, a share of these will have to be paid to the Pakistan Government on the establishment of a separate currency for Pakistan and the return of Indian notes to the Reserve Bank. The manner in which the sterling assets of the Reserve Bank ought to be divided between India and Pakistan have been provided for in the Pakistan (Monetary System) Reserve Bank Order, 1947, and the various amendments to that Order. The documents relating to this matter have already been published. The negotiations relating to the price to be fixed for the stores and installations were conducted by us jointly along with the Government of Pakistan. The Ministry of Finance made an estimate of the book value of the stores and installations which we had taken over. The estimate made is of the order of £375 million (Rs 500 crores). At a Conference in Karachi, before I left for England, we came to an agreement with the Pakistan Government regarding the method of computation of the values of these stores and installations and the manner in which they are to be divided between the two Governments. The various computations were discussed in great detail between our officials and the Pakistan officials on the one side and the UK Government officials on the other side. It is a tribute to our Finance and Accounts officers that our valuations were generally accepted by the United Kingdom officials. As to the actual price to be paid for the stores and installations, certain principles were agreed upon, according to categories. After a good deal of discussion it was finally agreed that the price to be paid for all the stores and installations should be settled at £100 million (Rs 133·3 crores). The settlement was arrived at in a spirit of the utmost cordiality, and I consider that it can be regarded as fair to both sides.

(7) *Capitalization of Pensions.*—Under the Partition arrangements, the initial responsibility for the payment of all the pensions by the undivided Government of India was taken over by us. The pre-Partition Central pensions, including pension payments on account of officers who have retired as a consequence of the Partition, is about £6¼ million (Rs 8 crores) per year. The liability will no doubt decrease from year to year until it is extinguished after a certain period. We

decided to purchase from the UK Government tapering annuities for meeting this liability. This was considered as a convenient procedure which will also incidentally reduce the sterling balances to a more realistic figure. In addition to this liability taken over by the Central Government, there is also the liability for the pensions debitable to the accounts of the Provinces of India. We decided to purchase annuities to cover these payments also. Our negotiations resulted satisfactorily and the capital sums involved in the purchase of these annuities are £147½ million (Rs 197 crores) for Central pensions and £20½ million (Rs 27 crores) for the pensions of the Provinces of India. In return for these capital sums, tapering annuities will be made available to India for meeting these pensionary liabilities. If the annuity is found to be in excess of the actual needs in any year, the excess will be appropriated by us; if it falls short, the deficit will be made good by us. The Pakistan Government also is at liberty to capitalize the pensionary liability of the Pakistan provinces on a similar basis and pay it as a capital sum out of the Pakistan share of the sterling balances.

(8) *Release of sterling.*—The present practice of obtaining releases for six months has proved unsatisfactory because it created uncertainties in our foreign exchange position and seriously interfered with a balanced import policy. From the point of view of planning economic development, it is necessary to look ahead for a reasonable period. At the same time, in view of the difficulties and uncertainties during the period of transition from war time to peace-time economy in the United Kingdom, it was not possible to press for a long-term arrangement. The negotiations were therefore conducted on the basis of releases sufficient initially for a period of three years. The negotiations proved to be somewhat difficult and protracted. In view of the uncertainty of the rate of their economic recovery, the UK Government urged that an annual release would be more satisfactory than a release for a period of three years. Finally, the Chancellor appreciated our position, and he agreed to conduct the negotiations on a basis of a three-year release. The task was to balance our own needs in the light of our absorptive capacity and the legitimate export surplus that the United Kingdom could spare for India. The final outcome of the negotiations was that the United Kingdom have agreed to release during the coming three years ending 30 June 1951 a sum of £80 million (Rs 107 crores) which, together with the balance in our account No. 1 as on 1 July 1948, would place at our disposal resources amounting to £160 million (Rs 213 crores) over and above our export earnings during this period. In view of the magnitude of our development programme, we would have welcomed a larger release than what was finally agreed upon. The Chancellor of the Exchequer contended that the capacity of the

United Kingdom economy to provide us with capital goods of an unrequited nature cannot exceed £40 million or Rs 53 crores per annum during the next three years. In judging about the adequacy of the release, I would like it to be noted that with the utmost liberalization of our import policy during the current half year, consistent with the interests of India, I expect that we would more or less break even on our exports and imports at the end of the period. The question of utilization of any portion of the releases is not likely to arise till the beginning of 1949. In effect, the total available sterling for use up to the end of June 1951, will have to be spent during the remaining period of 2½ years. The development programme may, however, attain during the third year such a stage as to necessitate a much larger volume of imports of capital goods. If such a situation arose, we are at liberty to discuss the matter with the United Kingdom Government so that, if they also attain sufficient economic recovery, they may supply our needs more adequately and effectively. In view of the fact that we have £80 million to our credit in Account No. 1, we have agreed that there will be no need to make any fresh transfers to this account during the first year. In the second and third years £40 million or Rs 53 crores each year will be transferred to Account No. 1. The agreement, however, provides for flexibility in case more funds are needed.

(9) *Multilateral convertibility.*—In view of the various uncertain factors affecting the economy of the world in general and the UK in particular, we agreed that the arrangement relating to multilateral convertibility may be confined to one year in the first instance, to be renewed after further discussion later on. The Central reserves at the disposal of the United Kingdom Government amount to approximately £500 million, and the Chancellor of the Exchequer is of the opinion that it represents an absolute minimum necessary to protect the members of the sterling area as a whole. After a careful examination of our trade position with the hard currency areas for the next twelve months, it has been agreed that multilateral convertibility should be limited to £15 million or Rs 20 crores during the first year. In estimating the adequacy of convertibility, there are certain important factors which must be specially noted. We have secured certain substantial advantages in other directions. Switzerland, for instance, has been a hard currency area. The British Government have recently concluded an agreement with Switzerland which will give us the benefit of paying that country in sterling approximately to the extent of our adverse balance of payments with that country during 1947. Similar agreements have also been made with some other countries. These countries under this arrangement would accept sterling from us. This also applies to France and Czechoslovakia. It will thus be found that amongst the

countries of Europe with which we are concerned for purposes of trade relationship, the only two countries which would still remain hard currency areas for us are Belgium and Portugal besides the Anglo-American zone of Germany as it may be broadly stated that the other countries have become soft currency areas for us. With regard to Japan, we are entitled to get dollars to the extent of £3½ million or Rs 4¾ crores out of our trade balance with that country. These are very substantial gains which must be taken into account in assessing the amount of convertibility secured. We have also been able to secure certain other advantages which have a direct bearing on the question of convertibility. The UK Government have promised us all possible help in regard to the supply of certain essential commodities, such as petrol, oil, lubricants, non-ferrous metals, cotton, plywood, etc., from our traditional sources of supply for payment in sterling. This arrangement should considerably reduce the strain on our dollar resources. Taking all these factors into consideration, and the fact that we can still borrow to some extent from the International Monetary Fund, I am satisfied that on the question of convertibility we have secured a satisfactory arrangement which will enable us to adequately meet the anticipated deficit in our balance of payments with hard currency countries during the next twelve months.

(10) I would like to add here that certain outstanding dues from the United Kingdom Government under the Defence Expenditure Plan, including anticipated claims to be met by India, have been settled to our complete satisfaction. The final position therefore is that all claims and counter claims as between India and Pakistan on the one hand and the United Kingdom Government on the other hand arising out of the war, including the UK Government's property in Defence stores and installations, have been finally settled. The apportionment of the relevant assets and liabilities as between India and Pakistan has also been settled between the two Governments.

(11) The payment for the stores and installations and the capitalized value of the pensions would disclose a more realistic picture of the total amount of the sterling balance. From the balance thus left, Pakistan would be entitled to get her share in accordance with the currency arrangement already made. It is difficult to say at present what exactly will be the share of India in the sterling balances. It may be estimated that after deducting all these items, however, the net balance in favour of India would be approximately £800 million or Rs 1,067 crores. Out of this about £200 million or Rs 267 crores may be considered as a normal currency reserve. The balance available for use, including the amount in the Reserve Bank's account No. 1, will be approximately £600 million (Rs 800 crores).

(12) The negotiations that the Delegation undertook proved to be extremely difficult and delicate. I feel, however, that the discussions have served to create a better understanding of our mutual difficulties and problems and have promoted goodwill on both sides. I hope that with this spirit of understanding we might look forward to even more satisfactory settlements in future when the United Kingdom economy itself must be expected to improve considerably. I take this opportunity of thanking the Delegates for the valuable help that they rendered to me and also all our officers and the officers of the Reserve Bank of India for the efficient and splendid manner in which they conducted the negotiations with the United Kingdom and the Bank of England officers.

Text supplied by the Ministry of Finance, New Delhi.

165 1 *August* 1949

PRESIDENT, BOARD OF TRADE, UNITED KINGDOM TO INDIAN HIGH COMMISSIONER, LONDON

In the Chancellor's absence from London, I write to set out the agreement reached between our two Governments in the financial discussions which have recently taken place in London between the Chancellor of the Exchequer and the Indian Minister of Finance:

(1) Paragraph 2 of the Chancellor's letter to the Hon. Mr Chetty dated 9 July 1948, extending the Principal Agreement (as defined in that letter) made no provision for transfers from the No. 2 to the No. 1 Account during the period 1 July 1948, to 30 June 1949. It has not, however, proved possible to adhere to the terms of this paragraph. As was provided for in paragraph 6 of the letter, consultation took place between our Governments when it became apparent that such transfers would, in fact, be needed during this period. It was agreed between our Governments that, in the circumstances, the Government of India should be free to anticipate the transfers which, under the terms of the Agreement, they were entitled to claim during the periods 1 July 1949 to 30 June 1950, and 1 July 1950 to 30 June 1951, and, if necessary, to obtain such additional transfers as might be necessary to maintain the balance on the No. 1 Account at a level of £30 million [the working balance agreed upon in Article V(1) of the Principal Agreement]. In the event, the Government of India drew £81 million under this arrangement.

(2) In view of the unexpectedly heavy calls on India's available resources of sterling, the Government of India took action earlier

this year to achieve as soon as practicable a substantial curtailment of imports into India in order to reduce India's deficit on current trade and payments. It has now been agreed between our two Governments that, for the remaining period of the Agreement (apart from expenditure arising out of the exceptional circumstances referred to in paragraph 3 below), the deficit with all countries should be no larger than is consistent with transfers of up to £50 million per annum from the No. 2 Account.

(3) It is recognized that the transition to the lower level of imports contemplated, including the liquidation of outstanding commitments, in such a way as to minimise the dislocation of trading relations must inevitably take some time and involve additional transfers from the No. 2 Account. The amount of these transfers cannot be estimated at present in the absence of full information on outstanding orders. Both our Governments are agreed, however, that they will be kept to the lowest level consistent with an orderly adjustment of India's imports to the level indicated in paragraph 2 above.

(4) It has therefore been agreed between our two Governments that there shall be transferred from the No. 2 to the No. 1 Account:

(*a*) a sum not exceeding £50 million in the period 1 July 1949 to 30 June 1950, and a sum not exceeding £50 million in the period 1 July 1950 to 30 June 1951; transfers to take place as may be necessary in order to maintain the No. 1 Account at a level of £30 million;

(*b*) such additional transfers as may be necessary to maintain the No. 1 Account at a level of £30 million during the period in which the transition referred to in paragraph 3 above is being effected. It is intended that this period will be completed, at the latest, by 30 June 1950.

(5) If, at any time during the period 1 July 1949 to 30 June 1950, transfers from the No. 2 Account to the No. 1 Account appear to be taking place at a rate higher than is consonant with a transfer for the year 1 July 1949 to 30 June 1950 (over and above the £50 million now agreed under paragraph 4(*a*) above) of more than £50 million, which is the best estimate that can be made at present of the additional deficit involved, either Government will have the right to ask that the position should be discussed between them. It would in any event be reviewed at the next meeting of the Joint Consultative Committee which may be expected to take place at about the end of the calendar year 1949.

(6) Transfers between the No. 1 and No. 2 Accounts which may take place under Article IV(2) and Article VIII of the Principal Agreement are excluded from the computations to be made under the arrangements set out in paragraphs 4 and 5 above.

(7) The arrangements set out in paragraphs 4 and 5 above will replace the provisions of paragraph 3 of the Chancellor's letter of 9 July 1948.

(8) Following the recent meeting of the Commonwealth Finance Ministers, I understand that the Government of India, in common with the other Commonwealth Governments concerned, is now engaged in considering the steps recommended by the Meeting to check the continuing heavy drain on the central reserves of the sterling area, and we have agreed that the need for the further consultations as to the means of meeting the deficit in India's receipts from and payments to 'hard currency' countries contemplated in paragraphs 4 and 5 of the Chancellor's letter of 9 July 1948 can be reconsidered in the light of the outcome of these deliberations.

(9) Paragraphs 1, 6 and 7 of the Chancellor's letter of the 9 July 1948 remain in force.

I should be grateful to have your confirmation that this letter correctly sets out the understanding reached between our Governments.

Cmd. 7760, London, 1949.

166 29 *November* 1949

SPEECH: INDIAN FINANCE MINISTER

(i) *Motion Re Sterling Balances Agreement of July 1949.*
(ii) *Motion Re Policy of Government about Negotiations for Loans for Financing Development Projects and Agreements concluded with International Bank for Reconstruction and Development.*

The Honourable Dr John Matthai (Minister of Finance): Sir, I now move:

'That the Sterling Balances Agreement of July 1949, entered into with the United Kingdom Government be taken into consideration.'

I also move:

'That the policy of the Government of India in entering into negotiations with the International Bank for Reconstruction and Development for loans for financing reconstruction and development projects in India, and the Agreements concluded so far, be taken into consideration.'

As regards the first motion, the House will recall that on my return from London I made a detailed statement at a Press Conference held on 4 August 1949, and I shall now only touch on the main features of the Agreement. In the first place, by the beginning of July 1949 we

had overdrawn to the extent of £81 million during the period July 1948 to June 1949, for which period the 1948 discussions did not provide for any release. The House is aware of the reasons for this overdrawal, which are, briefly: that through the operation of a liberal import policy and greater availabilities in soft currency countries of the goods required by us, our imports increased more than we had originally anticipated and our exports, particularly after March 1949, began to decline. This overdrawal has now been regularized and will not affect the releases of sterling for 1949-50 and 1950-1.

Secondly, when the Open General Licence No. XI was withdrawn in May 1949, it was considered desirable, both in the interest of our own economy and that of the United Kingdom, that there should not be a too sudden cancellation of outstanding orders and that the process of bringing down our imports to a more realistic level should be a gradual and tapering one. Provision has, therefore, been made in the Agreement that the sterling required for meeting the charges arising out of this 'tapering off' process will be available in addition to the normal release. We have undertaken to complete this process by June 1950 and the United Kingdom have agreed that a sum of approximately £50 million will be released for this purpose. It is not possible to say at present what the amount finally involved will be, but in our own interest, it is desirable that it should not be excessive, and we believe it will not exceed the tentative figure of £50 million.

Thirdly, the annual release for 1949-50 and 1950-1 has now been increased from the original figure of £40 million agreed on during the July 1948 discussions to £50 million.

I now turn to the dollar sector of the Agreement. The 1948 agreement allowed us £15 million, that is at the old rate of exchange, 60 million dollars in convertible releases. Our estimated deficit at the time was 160 to 180 million dollars and we were expected to meet the difference by purchasing a hundred million dollars from the International Monetary Fund. The final estimate of the dollar deficit for the 12 months ending June 1949 is 213 million dollars, against a provisional figure of 217 million dollars which I mentioned at my Press Conference. This increase in our deficit, together with the fact that we were able to purchase only 56 million dollars from the International Monetary Fund during this period and a fall in our export earnings, resulted in an overdrawal of dollars which is now estimated at 80 million dollars. The Agreement provides that this overdrawal shall be regularized.

Hon. Members will therefore see that since July 1948 we have obtained convertibility to the extent of 140 million dollars against the original figure of 60 million dollars.

As regards 1949-50, the problem of convertibility was discussed, not on a bilateral basis with the United Kingdom Government, but was negotiated as a part of the Commonwealth Finance Ministers' discussions. In order not to deplete the central reserves of gold and dollars any further, all Commonwealth Governments agreed to limit their dollar imports during the twelve months ending June 1950 to 75 per cent of their dollar imports during the calendar year 1948. The acceptance of this 'cut' by us was part of a joint effort by the Commonwealth and appears already to be achieving the results desired. It is not possible precisely to evaluate what this arrangement means to us in terms of convertibility, for it is difficult at this stage to forecast the trend of our dollar export earnings owing to devaluation. But on a pre-devaluation basis of those earnings, it was estimated that we should be entitled to draw approximately 140 million dollars. Thus for the twenty-four months beginning July 1948 and ending June 1950 we shall have obtained dollar convertibility of 280 million dollars.

As a result of the removal during the recent discussions of the quantitative limitation on our convertibility drawings from the Central reserves, we have once again assumed full rights as a member of the Sterling Area. These rights also entail corresponding obligations and it must be our aim, in the interest of the sterling area as well as of ourselves, to increase our dollar earnings to the fullest extent possible.

There are two other points to which I would refer. The first is that it has been agreed that any assistance we may obtain from the International Bank will not be set off against the dollar resources available to us under the new arrangement. In other words, imports financed from the International Bank loans will be in addition to the 75 per cent of the 1948 import level.

The second point relates to hard currency countries other than dollar countries, namely Belgium, Switzerland, Western Germany, Japan and the Argentine. We have separate trade arrangements with Switzerland, Western Germany and Japan which are not affected by the new Agreement. Negotiations for a barter deal with the Argentine are contemplated. As regards Belgium, no final arrangements have been reached, but negotiations are proceeding between that country and the United Kingdom in regard to the settlement of payment arrangements between Belgium and the Sterling Area.

These, Sir, in brief, are the main features of the new Sterling Balance arrangements and I hope that Hon. Members will agree that in the circumstances they are satisfactory. . . .

It is too early yet to say what will be the results of devaluation on our dollar earnings and it would be unwise to attempt to forecast

long-range tendencies from present data. But during the four months July to October 1949 for which we have preliminary figures dollar payments have exceeded dollar receipts by only a small margin. It must be remembered, however, that we had completely suspended dollar licensing of imports from the 25th of June 1949 for a period of about two and a half months, and we have not so far made any payments against fresh licences for the period July-December 1949 since their issue has been delayed.

In the overall position our sterling assets have declined from Rs 1,537 crores at the end of June 1948 to Rs 820 crores at the end of June 1949, a difference of Rs 717 crores. To this figure is to be added the sterling equivalent of our dollar purchases from the International Monetary Fund amounting approximately to Rs 19 crores, giving a total decline during the period of Rs 736 crores. This heavy outgo is due to a number of causes.

The first is the payment to the United Kingdom Government, in accordance with the Agreement reached with them in July 1948, of Rs 296 crores for the purchase of annuities for financing the payment of sterling pensions and the acquisition of defence installations and stores left behind in India by the United Kingdom at the end of the war. The second is the payment of about Rs 187 crores to the State Bank of Pakistan as Pakistan's share of these balances following the separation of its currency from that of India. The third factor is India's adverse balance of payments which has amounted to about Rs 250 crores, of which, may I add, payments for purchases of food from abroad have accounted for Rs 126 crores (Rs 42 crores from dollar areas and Rs 84 crores from other areas).

It is clearly not possible for us to continue to sustain a deficit of this order, and after the 1949 Agreement we framed a foreign exchange by which to cater for a deficit of approximately Rs 130 crores, which corresponds to the £100 million release negotiated with the United Kingdom for the period. We estimated at that time total payments of Rs 600 crores excluding, of course, payments for imports for schemes financed by the International Bank. These Rs 600 crores comprise roughly Rs 100 crores for food, Rs 100 crores for Government imports and Rs 400 crores for commercial imports and invisible payments. Against this, our export and invisible earnings were estimated at about Rs 490 crores, leaving a deficit thus of Rs 110 crores. To this is to be added Rs 20 crores payable to Pakistan in current sterling on account of our adverse balance of payments with that country. The total deficit thus came to Rs 130 crores.

In the light of the devaluation of the rupee, however, new estimates will have to be framed and these are under preparation. One clear

fact emerges—if we cannot increase the value of our exports so as at least to offset them to the extent of devaluation, to that extent imports will have to be reduced, for the limit of our overall deficit is inexorably fixed at the figure of £50 million to which is to be added, for the current year only, the amount on account of special licensing under the old Open General Licence.

Sir, there is one point more to which I would like to refer regarding our Sterling Balances. Hon. Members will no doubt have been perturbed over the recent discussions in the British Parliament on the Sterling Balances. When the Prime Minister of Britain and the Chancellor of the Exchequer indicated the possibility of our utilization of these balances being restricted in future I asked our High Commissioner in London to express our concern at such unilateral statements of policy in matters which were recently the subject of bilateral negotiations. I also asked him to find out exactly what were their intentions in the matter. I am in a position to inform the House that I have received what I consider to be satisfactory assurances. I am assured that there is no intention to take any unilateral action, that the Agreement recently negotiated is not affected, that there is no question of any scaling down of the balances and that there is no intention to take any unfair advantage of India.

The House may rest assured that, as in the past, we shall continue to watch the matter with vigilance and shall not hesitate to take such action as may be necessary to safeguard our position.

Sir, I will now pass to a survey of the Loan Agreement with the International Bank.

The House will recall that on the first of February this year, I referred to the transactions which the Government of India had entered into with the International Monetary Fund and the International Bank for Reconstruction and Development and I indicated that a Mission from the International Bank had recently arrived in India and was engaged in a general study of conditions obtaining in the country and was examining certain projects with a view to ascertaining whether they were suitable for financing by the Bank. I said at that time that it was not possible to give any indication either of the amounts for which we might ultimately apply for a loan or the terms and conditions on which the loan might be granted. I mentioned, however, that projects relating to the Railways, Agriculture and Hydro-electric schemes were under examination by the Bank in consultation with the Government of India. On the return of the Mission to the United States in April, a detailed report was submitted to the Board of the Executive Directors of the Bank. This was a confidential report, but naturally India's Executive Director

and the Government of India became apprised of the contents. The main purpose of the Mission's visit and of the report was to assess the ' creditworthiness ' of the country, that is to say, was India a country to which the Bank should lend; could India meet the service charges involved in loan operations; were there projects which had reached such a detailed stage of planning that the only item holding up their implementation was lack of foreign exchange; were there administrative and technical personnel in position or prospect who could adequately supervise and control the execution of the schemes? I am committing no breach of confidence when I tell the House that the general tenor of the report was that India was, in the view of the Mission, ' a good risk '.

And here I should like to refer to some of the criticism of the alleged contents of the report which appeared in the press at the time. It was stated that the Mission had criticized certain plans of the Provincial Governments; that they had stated that there was lack of co-operation and co-ordination between the Centre and the Provinces; that there had been a great deal of talking about plans, but that few detailed plans really existed. These reports which appeared in the press about the contents of the Mission's report were not true. [*Hon. Members*: *Hear, hear.*] What the Mission in effect said was that if India was effectively to utilize loan money from the International Bank for the purpose of reconstructing and developing her economy, it was their view that a strict scheme of priorities would have to be drawn up and that, though many schemes might be desirable in themselves, it would be necessary to concentrate first on those projects which would remove the basic bottlenecks in the country's economy. Therefore they suggested concentration on projects relating to increased food production and the overcoming of transport difficulties.

These suggestions, in fact, fitted in broadly with the Government of India's own views. After the contents of the report were known, Government decided to submit a formal application to the Bank. This was done last July.

And at this stage, I would like to refer to the various suggestions which have been made that India asked for $300 or $350 million and that she has not received all that she asked for, and that the Bank has not been as sympathetic as it should have been. Hon. Members will appreciate that our ability to borrow from the International Bank is limited by our capacity to meet each year the service charges on the loans. We have therefore to make an assessment of our ability to find the dollars for these charges. In doing this, we have to keep in mind our other dollar commitments such as our liability to repay $100 million we have borrowed from the International Monetary Fund,

the necessity, although for a strictly limited period, to import foodgrains and a certain basic minimum of capital equipment from the United States in order to maintain our industrial production and at the same time to proceed as rapidly and as rationally as possible with our development plans. This assessment of our ability to service foreign loans is not by any means an easy task, for it depends upon a number of factors which are not always capable of exact and certain appreciation. Further, the calculations which were made earlier have been upset by devaluation. Another point to be borne in mind is that the Bank does not give what are known as ' balance of payments ' loans. That is to say, if our current balance of payments position with the dollar areas is adverse, we cannot finance the deficit by borrowing from the Bank. For such finance, we must approach the International Monetary Fund, and altogether up to date we have now borrowed $100 million from that institution. Clearly, we cannot go on borrowing indefinitely for current purposes from the International Monetary Fund since the interest charges become prohibitive in the third, fourth and fifth years.

Loans from the International Bank, on the other hand, are granted for specific projects and the proceeds of such loans can only be used for approved schemes. This, indeed, is one of the terms embodied in the Agreements. This inevitably means that our projects must have been fully developed and planned, for we must be able to tell the Bank that we desire to purchase particular capital equipment for a particular project and that the only thing which prevents our carrying out the execution of the scheme is the lack of dollar finance to purchase the capital equipment. Now, it takes a very great deal of time to work out plans in such detail, and indeed some of the schemes for which we now think that we may require dollar finance have by no means reached that stage of planning. When, therefore, we put in our formal application to the International Bank, we did not ask for $300 or $350 million but requested that the Bank would examine schemes of which the dollar content could then be only roughly estimated. These schemes were, broadly, the purchase of railway equipment, including locomotives; plans for increasing food production by the reclamation of weed-infested land and virgin jungle; hydro-electric projects and the erection of steel plants. We said that we had made preliminary estimates of the dollar elements of these plans, but since the supply position changed from day to day, these estimates could not be regarded as final. We asked that the Bank would take them up one by one, examine them and see how they could help us. And this, in fact, is what is happening. Each project is being examined not only from the narrow point of view as to how much

dollar finance is involved but also from the wider angle as to how best it will help us to overcome our basic shortages whether of food, or transport or steel or electrical energy. Hon. Members will appreciate that these processes necessarily involve time, but I am glad to say that we have received every co-operation from the Bank which has been most sympathetic in their discussions with our Loan Negotiator, and we feel certain that we shall continue to receive their support. Indeed, the President of the Bank declared not long ago in an address to the New York Savings Association that he considered loans to India ' risks worth while taking ' and he was confident that the Bank would be able to extend further assistance.

Before I turn to discuss the details of the two loans already negotiated, I would like to deal with a point to which considerable attention has been directed, viz. the rates of interest charged by the Bank. As Hon. Members are aware, the capital of the Bank is subscribed by the member countries. Thus India's share of the capital is $400 million, but all of this has not yet been called up. Only 20 per cent has so far been paid. It is this 20 per cent subscription of all the member countries which forms the working funds of the Bank out of which loans are granted. Of this 20 per cent, each country has paid 2 per cent in gold or dollars and the rest in their own domestic currency. Thus, when the Bank formally started its operations in 1946, its total available cash resources in dollars consisted of these contributions, and amounted to approximately $725 million. By July 1947, the Bank had already granted loans totalling $250 million, and negotiations were far advanced for another loan. Further, applications had been received from other member countries for loans totalling nearly $1,500 million.

The Bank therefore considered it necessary to increase its resources, and floated two issues of bonds aggregating $250 million on the New York market. The first issue was at 2¼ per cent and the second at 3 per cent. It is this money which the Bank is now lending to member countries, for it has utilized all the $725 million made available by the initial subscriptions. It is therefore the rates at which the Bank can borrow funds, whether short, medium or long-term, that condition the rate at which it can lend to member countries. In addition to these basic rates, the Articles of Agreement lay down that the Bank shall charge a 1 per cent commission. This is a statutory obligation and the amounts received on this account go towards building up a reserve fund. This contribution may therefore be looked upon as a kind of compulsory saving by member countries.

Pandit Lakshmi Kanta Maitra: Does it go to a sinking fund?

The Honourable Dr John Matthai: To a reserve fund, for the money is not spent and if the Bank were to cease to operate, the amount would

be available for distribution among member countries. At the end of March 1949, there was nearly $7 million in this fund. The Bank also generally adds a further ¼ per cent to these two rates in order to cover its working expenses. It will thus be seen that, to arrive at the effective rate of lending by the Bank, 1¼ per cent is to be deducted from the overall rate. There is one more point in this connexion to which I would like briefly to refer. Hon. Members will recall that the Bank was originally created because it was felt that in the postwar years, with political and economic uncertainties in so many countries, private capital might not be willing to move freely. The prime purpose of the Bank was to create a sense of confidence and pave the way for private investment, for it was realized that the resources available to the Bank could never fully meet the investment needs of the world. To the extent, therefore, that the Bank can induce equity investment to flow into a country, to that extent can the demand on its own funds be reduced and those funds be utilized over a wider area. One of the terms of the loans is, therefore, that the Bank can call upon the borrowing country to make available its own bonds for the principal amounts of the loans. The Bank will then sell these bonds on the market, the dollars it thereby receives being utilized for other loan operations. By this process a direct nexus will be created between the borrowing country and the holder of the bond. Thus a public investment by the Bank can be turned into a private investment and it is by operations of this nature that the Bank hopes to create conditions which will be attractive to private investors in member countries.

I will now deal with the terms of the two Agreements already negotiated. The Railway Project Loan Agreement is dated 18 August 1949, and is for a sum of $34 million.[1] Of this sum of $34 million, $26.7 million will be spent on the purchase of locomotives and boilers and $7.3 million on the purchase of spare parts. The equipment to be purchased with this loan money forms part of the total equipment needed for the rehabilitation of the railways and will make available 418 new American and Canadian locomotives out of a total of 863 locomotives ordered in the UK, France, the USA and Canada. The Government of India at first proposed to borrow a larger sum than $34 million but since considerable amounts had already been paid by the time the Agreement was negotiated, it was considered advisable not to ask for reimbursement of the sums already expended, but to take the $34 million, which represented payments to be made after 1 July 1949. This decision, in effect, meant that further loan money would be available for other projects. The loan is for a period of

[1] Subsequently $1.2 million of this loan was cancelled.

15 years and bears interest at the rate of 4 per cent. Repayment of principal, interest and commission is to be made in semi-annual instalments of approximately $1.5 million on 15 February and 15 August each year; but there is half a year's period of grace on the principal only, the first instalment on this account being due on August 1950. The total amount of interest and commission that will be payable on the loan is $11.82 million.

The second loan, which was signed on 29 September 1949, is for a sum of $10 million for the purchase of agricultural machinery. When the Government of India first considered approaching the Bank for a loan on this account, it was calculated that the dollar element would be very much greater, but as availabilities improved in the soft currency areas, it was found possible to limit purchases in the dollar areas to $10 million. The machinery to be purchased with the loan will be used on two projects—the reclamation of the *kans*-infested[1] lands in the UP, CP, Madhya Bharat and Bhopal and for the reclamation of virgin-jungle lands in the United Provinces. . . .

The total amount of *kans*-infested lands in these areas is estimated at about 10 million acres and the present scheme relates to approximately 3 million acres. It is proposed to reclaim about 290,000 acres in the first year of operations and 460,000 acres in each of the six following years. It is calculated that, over the seven years of the scheme, four million tons of extra foodgrains will have become available and that, at the end of that period, there will be a permanent addition of 1 million tons to the foodgrain supplies of the country.

The machinery to be purchased for this part of the project consists of 345 heavy tractors, ancillary equipment such as land-clearing blades, special tools for serving and spare parts, costing approximately $8.75 million.

The second part of the project consists of clearing about 100,000 acres of virgin-jungle land in the UP. Work of this type has already been carried out with reconditioned surplus army machinery and has given excellent results. It is now proposed to proceed with the scheme with thirty new heavy tractors and the necessary ancillary equipment. The cost of these will be approximately $1.25 million.

This loan of $10 million is for a period of seven years and carries a rate of interest and commission of 3½ per cent, payable semi-annually. There is a two-year period of grace in the principal, which is repayable in ten equal semi-annual instalments. Thus for 1950-51, the annual amount payable to the Bank will be $350,000 and for 1952-6, sums varying from a maximum of $2.3 million in the former year to $2

[1] *Kans* is a common Indian grass allied to the sugar cane.

million in the latter year. The total amount of interest and commission that will be payable on the loan is $1.6 million.

Thus in order to service the two loans already negotiated, it will be necessary to find a minimum of $3.5 million in 1950-51 and a maximum of $5.2 million in 1955-6.

A third loan is under negotiation for the Bokaro Thermal Unit of the Damodar Valley Project.[1] It is not yet possible to indicate the final figure of the amount of the loan, but it is expected to be in the neighbourhood of $22 million. It is hoped that the negotiations may be completed by the end of the current calendar year. Assuming that the amount is $22 million; that the period of loan is twenty-five years and that the rate of interest is 4½ per cent., the yearly payments due to the Bank would be a minimum of $0.9 million in 1950-51 and a maximum of $1.7 million in 1956 which will continue up to 1974-5.

We can now have an idea of the extent of the total service charges which will be involved in these three loans totalling approximately $66 million. They will rise from a minimum of $4.4 million in 1950-51 to a maximum of $7 million in 1955-6. As I mentioned before, we shall also have to make provision for the interest payments on the $100 million which we have purchased from the IMF. These payments will be of the order of approximately $ 0.7 million in 1950; $ 0.06 million in 1951; $1.42 in 1952; $1.75 million in 1953 and onwards, assuming that we make no further purchases during these years. While it must be our endeavour to repay this $100 million as soon as possible in order to reduce interest charges, we feel that this is a matter which must be dealt with on a Sterling Area basis as a whole and not by India individually. But were we to make provision for repayment of even a modest sum of $10 million per year over the next ten years, our total commitments on account of borrowings from the Fund and the Bank would rise from a minimum of about $15 million in 1950 to a maximum of about $19 million in 1956.

Hon. Members will thus appreciate that the problem which faces us, in these uncertain times, of raising this surplus in the dollar sector of our economy is not an easy one and that our present commitments place inexorable limits on our ability to take on further liabilities.

Yet, if our plans of reconstruction and development are to proceed at the necessary pace, further investment of foreign capital, either public or private, is essential. It is our main endeavour to create conditions which will be attractive to foreign private investors, for equity investment lightens the burdens of annual service charges. Until the flow of that capital is stimulated, it will be our policy, consistent with

[1] This loan for $18.5 million was negotiated on 18 April 1950.—Ed.

our internal and external financial resources, to seek further assistance from such international bodies as the World Bank. We feel that, with the signing of the three loan agreements, the first stage of our operations will have been completed. The Bank is examining further schemes relating to steel plants and multi-purpose projects and we expect that early in the New Year a small Mission will visit India when we shall be able to discuss in more detail our future plan of operations.

I trust that what I have said will have enabled Hon. Members more fully to appreciate the policies and processes of the Bank. The negotiations must necessarily be somewhat protracted; but, personally, I would not consider this a disadvantage, for it ensures that our projects are fully examined and explored and that they pass the text of expert scrutiny. The fact that the Bank is willing to finance a project may be taken as setting a hallmark on its quality, and once private investors abroad, come to know that our economy and plans are sound, we may hope for a freer flow of equity investment into the country.

These agreements with the Bank are the first foreign loan operations which India has entered upon since we became independent and this is the first occasion in our history when we have raised loans in the USA. The significance of these operations is not, therefore, to be judged with reference to the amounts which we have so far borrowed or may borrow in the future. Their true significance is that we have now established our independent position in the world of international finance and we have laid foundations on which we can build, surely and realistically, the development of our country with external financial assistance.

ORCA(L)D, 1949 Vol. VI, pp. 53-61.

SPEECHES ON FOREIGN TRADE: INDIAN COMMERCE MINISTER

167 22 *November* 1948

... We are meeting after a comparatively short interval during which public attention has been focussed on the problem of inflation, to which I had briefly referred when I addressed you last. In the discussion on the subject of inflation, there has been a certain amount of criticism of our export policy, most of which I am afraid is based on a misunderstanding of actual facts. I should like therefore to deal briefly with our export policy in general, with particular reference to the internal situation in the country.

The necessity to export arises primarily from the necessity to import. Nations, like individuals, must earn before they can spend. Our dependence on imports has never been so great as it is to-day. In our present predicament, we cannot even provide sufficient foodgrains for our people without importing. We have also to depend on imports for providing us with steel and non-ferrous metals, with capital goods and with plant and machinery, necessary to increase our production, without which our standard of living cannot be raised. Our entire transport system, which plays such a vital part in the country's internal economy, is dependent on imported stores and supplies of all kinds. And finally to fight inflation we have to liberalize imports of a large variety of consumer goods.

Sterling Releases

The first consideration which arises, therefore, in regard to our exports is that of paying for our imports and balancing our trade. It is true that we can afford to pay for some of our imports out of the releases made from our sterling balances, which as you know represent the excess of our exports over imports during the period of the war. But the contribution which our available balances can make is, after all, of a small order and can finance only a fraction of our total imports. You are aware that out of our sterling balances, a total release of £160 million has been agreed to between the United Kingdom and India to cover a period of three years. We are consuming the amount released at a satisfactory rate at present, and the withdrawal of this release would be on an even larger scale as the volume of our imports under the recent liberalization expands.

Our balance of trade position with the soft currency areas as a whole is, however, satisfactory; and the prime consideration determining the level of our exports to these areas is the question of preserving our markets, of which I shall speak a little later. Our balance of trade position in respect of the hard currency areas is far from satisfactory, and everything possible must be done to stimulate our exports to those countries. Although, in terms of value, our exports to hard currency areas in 1948 are practically double of those in 1946, the position regarding the over-all balance of payment with these countries is definitely serious. During the period April to August 1948, we have had an over-all deficit of over 13 crores of rupees with the hard currency countries. As it is expected that there will hereafter be a heavier importation of both foodgrains and machinery from these countries, the actual deficit at the end of the year may be of a very much larger order, particularly as payments other than those on account of trade will come into the picture.

On the other hand, there has been an alarming decline in our dollar earnings recently. In the first half of this year, our earnings had in a particular month reached the peak figure of £12 million. In the second half of the year, there has been a definite decline, and the figure has tended to be of the order of 4 to 5 million pounds a month. Stimulation of exports to hard currency areas must therefore be the first object of our export policy.

Overseas Markets

The second consideration, which is also of vital importance, is that of preserving our markets overseas. This consideration holds equally good in the case of soft currency countries, for we must remember that it takes a great deal of patient effort to establish one's goods in a particular market, and all the good work of the past in this matter can easily be undone by a sudden stoppage or interruption of supplies. The importance of preserving markets can be illustrated by the case of cotton textiles. There is a comparative shortage of cloth in the country, as we all know. It is necessary, therefore, to restrict the volume of our cloth exports. And this has been done. Export quotas to-day are about 350 million yards per annum against 1,100 million yards in 1941 to 1942. At the same time, unless we keep on making some exports of cloth to the markets where our cloth has established itself during the past years, we shall surely lose these markets, and the sacrifice which we have made in the past in establishing the export trade will have been in vain.

Competition from other producing countries, the most important of whom, by the way, are still rationing cloth to their own people in order to be able to export, has recently been greatly intensified. It is essential, for these reasons, that we should keep on making some exports of cloth to our normal markets in the interests of our future trade even though the immediate needs for internal consumption may point in the opposite direction. We therefore maintain destinational quotas for our textiles, which are fixed each year having regard to the needs of these markets and also to our own internal consumption.

The third consideration affecting our export policy is that of reciprocation. We need certain commodities from certain countries, and in return we must be prepared to supply to those countries the commodities which they want from us. We are giving steel to Pakistan although we have to import steel for our own requirements and do not have enough of it, because we have to import cotton and jute, as also foodgrains, from Pakistan. We are showing special consideration to the cloth requirements of Australia, because that country gives us wheat. Raw jute and manganese are two other commodities of

export which help us substantially in procuring vital materials from other countries.

'Leakage' to South Africa

It is, then, in the light of these three considerations, namely the 'maximization' of earnings of hard currency, the preservation of our overseas markets and the mutual benefits arising from our import and export trade, that our export policy has to be judged. In respect of the first item, as I have already mentioned, our position has deteriorated of late. Our dollar earnings have declined and the reasons for this are many. Our exports of raw jute have fallen. The exports of some of our other export commodities have gone down owing to high prices. Some countries earn dollars at our expense by importing decontrolled commodities from India and reselling them, even at a loss, to the USA. Difficulties of transport have also affected commodities like manganese ore.

Unfortunately, the number of our dollar earning commodities is on the whole limited. The most important dollar earner which we have got is jute goods and for that, as you know, our policy has been very much liberalized. Indeed, at one time the policy was so liberal that in some cases jute goods were sought to be diverted, or actually diverted, to South Africa by unscrupulous parties who took advantage of our liberal policy. It therefore became necessary to adopt some stringent measures; and for your information I should like to enumerate the steps which we have taken to prevent any possible leakage of jute goods to South Africa.

(1) Before quotas for the various importing countries are released, the Governments of those countries are asked to give a guarantee that the goods will not be allowed to be re-exported to South Africa.

(2) In fixing destinational quotas, also, care is taken to see (*a*) that the quantities fixed for individual destinations are just enough for their own domestic requirements and (*b*) that they have the qualities which they took previously.

(3) In regard to allocations against payment in hard currency which may be in excess of the destinational quota, a specific guarantee is taken from the importing Government that the consignment will be used for home consumption and not for re-export, and a bond has to be executed by the exporter undertaking to produce a certified copy of the bill of entry from the Customs authorities of the importing country.

If these measures do not prove sufficiently effective, we are determined to take further rigorous steps so as not to leave any loophole for an abuse of the system.

Turning to the other major commodities, many of which will form the subject-matter of further discussion to-day, I would only refer to the increasing difficulties of their being sold abroad, particularly in the hard currency areas. For castor oil and castor seeds, we seem to have lost the world market owing to cheaper supplies being available from other countries; and even for the other oils and oilseeds, sales in certain countries, particularly in the dollar areas, are proving difficult.

Our exports of tea to hard currency countries have also tended to decline, and some of the tea meant for export is now sought to be utilized for internal consumption. Exports of hides and skins have been affected by the partition as well as by certain other factors; and a special conference in regard to this commodity, as you know, was held yesterday. The task before us is, therefore, a difficult and arduous one, and there is no room for complacency or slackness.

You will discuss this question of exports to dollar countries more fully when you come to consider a specific item of the agenda. I think, however, that the problem is one which requires some more detailed study than can be given during the present session of the Council itself; and if you are agreeable, I would suggest that we might appoint a small committee to study the problem in all its aspects.

Turning now to the question of preserving our overseas markets, I have already referred to the case of cloth exports on the basis of destinational quotas. The same system of destinational quotas is followed in regard to other major exports including jute goods and oils and oilseeds.

While on the subject of oil and oilseeds, I might mention that it is our policy to encourage the export of oils rather than the seed. You will have noticed that from year to year we have been increasing the proportion of oil to the seed exported. We cannot, however, completely stop the export of seed and make all exports in the shape of oil. One of the main reasons for this is the fact that many countries, particularly the hard currency countries, would not be prepared to get all their supplies in the shape of oil. They also have need for oil cakes, the export of which before the war was in substantial quantities and is now completely banned. They also have their own crushing mills for which they are anxious to get supplies of seed.

On our part, we too expect to import some raw or semi-finished products from countries which could quite easily supply us with the finished or manufactured commodity. There has to be give and take on both sides in trade, but I can assure you that it is our policy steadily to increase the export of oil and to reduce the export of seeds as far as possible.

Bilateral Agreements

I shall now turn to the third main consideration of our export policy to which I referred earlier, namely the procurement of the goods and commodities which we ourselves need. When addressing you last, I referred to the trade delegations which had then been sent to Europe and Japan. I am happy to state that as a result, a bilateral agreement has been signed with the US-UK zone of Germany, the details of which have already been published, and there has also been an agreement between the sterling area and Japan, to which India is a signatory.

One of the incidental advantages accruing from the agreement with Japan is that it will now be possible for India to establish branches of an Indian bank and an Indian insurance company in Japan and to re-establish private trade agencies in Tokyo. Negotiations with a number of other countries are also under progress or in contemplation. Among them, I would mention Australia, Belgium, Yugoslavia, Hungary and Czechoslovakia.

The advantage of bilateral agreements of this nature lies in the fact that it enables us to secure from countries with whom we have such agreements those commodities which we particularly need. Experience has shown that some commodities which are in world-wide shortage cannot be had merely by paying for them even in the hardest of currencies; as a result of the Agreement which we have now in view, we hope to increase the availability of essential commodities like foodgrains, steel and non-ferrous metals, as well as industrial plant and machinery.

Turning now to problems of trade nearer home, there is the question of export policy in respect of Pakistan. The fact that Pakistan became foreign territory overnight, as it were, and exports to Pakistan came within the purview of export control, has, I know, been a considerable source of vexation to the mercantile community. Personally, I consider that the ties between what are now two countries are so intimate and intricate that the imposition of a trade barrier between them is the most deplorable thing possible. Circumstances, however, have a way of proving more powerful than our intentions. Even when an understanding between the two Governments is reached, something or other goes wrong and gives a set-back to Indo-Pakistan trade, which is so vital to the economies of both the countries. The complications are sometimes political but as often economic in character.

There have lately been some heartening signs in the economic field following recent talks in Karachi, and I hope that things will continue to improve. As you know, an Inter-Dominion Conference is envisaged shortly, and I hope that it will lead to a further revival of trade between India and Pakistan.

The matter will be discussed more fully when you come to deal with a relevant item of the agenda. I should only like to mention that apart from having a Trade Commissioner at Karachi, we have recently appointed an Assistant Trade Commissioner at Dacca so as to help in resolving the many difficulties, particularly regarding raw jute supplies from East Pakistan, about which there have been so many complaints recently.

The reference to the appointment of Trade Commissioners for Pakistan leads me to mention another very important appointment Government have lately made. In my last speech I made a reference to the proposal for the co-ordination of the various offices of Trade Commissioners in Europe. You have with you to-day, gentlemen, Sir Raghavan Pillai whom the Government have appointed, for this and other allied purposes, as the Commissioner-General for Economic and Commercial Affairs in Europe. Many of you know him personally, and I need not dwell upon his special fitness for holding an important appointment of this charter.

I have dwelt so far on the nature and volume of our export trade and the basic considerations of policy that govern it. I should now like to say a few words in regard to the procedural matters affecting export licensing.

This subject seems to be one of very considerable interest, and there is hardly a day when I do not receive a number of letters on the subject of our export licensing procedure. That there should be criticism of export licensing is inevitable. The very fact that a control is imposed means that it is necessary to prevent people from doing what they would otherwise have done; and once this basic necessity is accepted, a great deal of inconvenience to the trading community must also be accepted as inevitable. It is, however, essential at the same time that such inconvenience as the export control may cause should be kept to the minimum having regard to the basic objects of the control.

The most frequent criticism is against the principles on which licensing in any particular case is done. There are some people who favour the 'established shippers system'. There are others who do not. There are some who urge that there should be larger quotas for newcomers, and there are others who hold the opposite view. Taken by and large, when a particular licensing policy is attacked from opposite sides and for opposite reasons, I cannot help concluding that the policy followed is not entirely without justification.

In any case, in regard to the policy which is followed, it is for you as representatives of the trade and commerce of the country to advise us. The governing principle must of course be that we continue to give satisfaction and to render useful service to our consumers abroad, for

we must remember that we are fast moving from a sellers to a buyers market. Even among you there must be differences of opinion which it will be my unfortunate job to resolve or to decide upon; but I have no doubt that you will as far as possible try to give me a unanimous lead and thus make my difficult task easier.

Refugees as New-comers

There is one kind of consideration which of late has been repeatedly urged, and to which I should like to refer at this stage. Applicants for export licences have in the recent past been urging that they should be given special consideration on account of factors not directly related to the trade. For example, the refugees as a class have claimed special treatment. Others have sought preferential treatment on account of political suffering. No one has greater sympathy than I for that large volume of humanity which has recently been uprooted from its homeland and made to seek refuge in this country. No one has a greater admiration than I for all those who through their suffering have brought freedom to our country. At the same time, I find it difficult to look upon export licensing as a form of patronage, as a means of conferring a personal privilege. To be an exporter, one must have the ability first and the licence afterwards. To give a licence to a person who is not fit to export is merely to encourage undesirable practices. I have asked my officers to give sympathetic consideration to refugees, among new-comers, provided they have some experience or knowledge of the trade.

While I am on this subject, I should like to refer to the entire problem of new-comers' applications. The justification for the new-comers' scheme lies, not in the fact that it enables Government to introduce a number of people into a line of export trade which under normal conditions they would not have taken to, but it rests on the basic consideration that under normal conditions, when there are no restrictions, some new people do take to a fresh line of business from time to time. Obviously, the person who would take to a particular line would in normal circumstances be a person who is equipped for that particular trade and has a fair chance of survival in open competition with others long engaged in that trade. Unfortunately, however, a very large number of people put in applications for new-comers' quotas without any kind of knowledge or experience; and the only reason they apply is that while there is a control, they think that they can find a buyer either for their goods, or for their licence.

You will, during the course of your deliberations, be discussing this question of new-comers' quotas for various commodities. The plea that larger quotas should be ear-marked for new-comers has often

been made. I think in considering what the quota should be, one should bear in mind how old the basic period is and what would be the normal percentage of new-comers entering the trade under ordinary conditions of free trade and normal demands. We should also remember that those who do get a new-comers' quota must thereafter fulfil certain standards of performance in order to be eligible for continued consideration. Instances have lately come to notice when parties, although not selling or transferring a licence formally, in effect allow others to utilize their licence for their own purpose. What standards of performance should be prescribed is one of the items for discussion today.

There is yet another kind of claim which is being constantly urged upon us, namely that licences should be issued on a regional basis and special consideration should be given to the producing areas. In so far as we follow the established shippers' principle, the distribution of licences naturally follows the previous pattern, and such weightage as the producing areas deserve must already be there. I do not think, however, that we can bring regional considerations into licensing as a matter of policy. To do so would mean that if production fell short in a particular area for any reason, the basis of licensing should be altered. Then again, it has to be remembered that we do not give licences to manufacturers as such, but to exporters who are a class by themselves. Our quotas are fixed by considerations of total supply and total demand within the country and not on a regional basis. To bring in more and more of sectional interests would only hamper the work of export licensing as well as our export trade.

Let us not forget that our object is to adopt a licensing policy which will be of the maximum benefit to the country, and the question of doing justice to different individual or sectional claims cannot be allowed to prejudice this overriding consideration. It is for this reason that we have not adopted any policy of discrimination against non-national shippers, which has so often been urged, apart from the very relevant consideration that there are Indian business men established in other countries in the world whom we should not like to see discriminated against.

Justice in the abstract or absolute sense is always difficult of achievement. The problem of giving licences equitably and fairly is by no means an easy or a simple one, particularly when the date on which the judgement has to be based is sometimes misleading, if not false. We cannot devise any machinery which will, acting with reasonable speed, be always in a position to do justice between different claims. What we can do is to ensure that the machinery always strives towards that object and is never consciously or deliberately partial.

Even then there will be a number of complaints. We have therefore appointed a high-ranking officer, a retired Accountant General, specially to look into complaints about import and export licensing. He is independent of the two Control Officers and has direct access to me. He visits the offices periodically, and keeps in touch with the commercial bodies and organisations.

I do not want to take up more of your time before you get down to the business of the day. There is only one matter which I wish to mention before I conclude. We have recently adopted the policy of not granting export licences, as a rule, to persons who do not pay income-tax. This has been done in recognition of the fact that a person who is in a position to enter or continue in the export trade should normally be of sufficient financial status to be in the income-tax-paying category. If he has not been paying income-tax, the onus of proving that he is not a tax dodger is on him. Very shortly full details of the scheme in regard to checking the income-tax evidence of applicants for export licences will be announced. I hope that this principle will have your wholehearted support.

I thank you for the patient hearing that you have given me. The export trade of the country is of the greatest importance to the nation's economy, present and future. The fact that this trade is subject to control places an onerous responsibility on me and my officers, which we can only hope to discharge with your co-operation, good will and advice. Your presence here in spite of many other pre-occupations is a sign of your anxiety to help in the task, and a hopeful augury for the future.

Indn. Inf., Vol. 23, No. 243.

168 26 *February* 1949

I have great pleasure in welcoming you to the first meeting of the Import Advisory Council. It had long been the desire of the commercial community to be closely associated in an advisory capacity with the policy and the working of Import Trade Control. Government had considered the question several times in the past, but for various reasons the constitution of this Council had been delayed.

Government controls, in so far as they go to restrict the free choice of people in any particular sphere of their life, tend to be generally unpopular, unless public opinion is fully seized of the economic objectives of such controls. Moreover, the effective operation of controls depends largely on the ready co-operation of the public, especially

those whose interests are directly affected. Hitherto, those in executive charge of Import Control attempted to explain their policies and kept themselves informed of public opinion by frequent discussions with the various Chambers of Commerce and other responsible organizations. The constitution of the Import Advisory Council provides yet another opportunity to Government to consult non-official opinion, and to explain the general economic background which necessitates import control and the principles on which it is operated. As representatives of diverse public interests, members of the Council will be in a position to bring their valuable experience in trade and public life to bear on the executive actions of Government. The Council will thus provide a venue for a mutual exchange of views, for clearing any misunderstanding and for considering suggestions for improvement in the administrative structure and procedure so as to ensure a smooth yet effective operation of control.

Import Trade Control was first instituted about eight years ago for the conservation of dollar and hard currency resources as well as of limited shipping tonnage during the period of the war. On the close of the war, it was thought that the controls should be gradually removed. In fact, the economic conditions then prevailing demanded as large an import as possible of plant and machinery for the replacement and maintenance of the industrial units and also of other industrial goods required for increased production.

The consumer demand, long pent up, was also large, particularly because of the inflationary conditions then prevailing. To meet these demands, and as a step towards the ultimate removal of control, the then Government liberalized its import policy during 1946. The system of Open General Licences was extended to a large number of commodities imported from sterling as well as other countries. Even for those commodities which continued under the licensing system, licences were issued so generously that the total value of licences issued during the 12 months ended March 1947 was as much as nearly 1,000 crores of rupees.

As a result of the policy, a large variety of goods of luxury and semi-luxury types were imported during 1946 and early 1947, even from dollar areas; some of these imports were so large that these luxury goods can still be found displayed in retail markets, giving a mistaken impression that there must be some very large loopholes in our current restrictions on dollar imports.

The result of these imports was a heavy call on our foreign exchange reserves which were comprised mainly of the war time accumulations of our sterling balances. Early in 1947, it was realized that such generous imports could no longer be allowed and that the country would soon

be called upon to limit the imports to what it could pay for from current earnings of export proceeds, plus the transfers from the sterling balances as fixed by mutual agreement with the United Kingdom Government.

From July 1947, Import Trade Control thus entered on a new phase, being linked closely with foreign exchange control and the balance of payments problem. Since then the main objective of Import Trade Control has been conservation of foreign exchange resources.

For the first half year ended December 1947, our foreign exchange was multilaterally convertible and licences were issued during that period without closely discriminating between the sources of supply. From January 1948, however, the discriminatory form of control has had to be re-introduced, the control being more rigorous against dollar and hard currency imports. Throughout the period of twelve months ending June 1948, many of the luxury and semi-luxury articles, and even a number of essential consumer goods, were either given no import facilities or severely restricted. Licences were, however, issued liberally for plant and machinery and some of the industrial goods; but a number of industrial raw materials were also on the restricted list.

While these restrictive policies helped in maintaining the balance of payments with dollar and hard currency countries, the position that developed in June 1948 was that we ended with a large surplus balance in our current account with soft currency areas. Meantime, the prices of various articles were also mounting up. It was against this background that the policy of restricted import came to be revised. The main objects of the liberalization of control after July 1948, were to make further use of our foreign exchange balance in soft currencies, and to increase supplies of consumer goods in the country so as to counteract the inflation that has been menacing the economic stability of the State.

The measures taken to liberalize imports were to issue Open General Licences for the more essential consumer goods and industrial raw materials, and to permit imports, in limited quantities, of certain luxury and semi-luxury goods which had till then been banned. The liberalization could be made only in respect of imports from soft currency countries as well as from Sweden, Switzerland and Japan.

The foreign exchange position of these countries, although they were not regarded as soft currencies, was not difficult for the time being. In order to take advantage of the payment agreements with these countries, they were placed on the soft currency list for a limited period.

You are aware that the Open General Licence for Switzerland has expired and has since been withdrawn, and that Sweden is now regarded as a soft currency country. The position of trade with Japan is

under examination, and Government hope to be shortly in a position to decide whether the Open General Licence for certain categories of Japanese imports could be continued after 31 March 1949, and, if so, to what extent and in what form.

The actual selection of commodities for open General Licences was made by the Commerce Ministry after close consultation with, and with the full concurrence of, other Ministries of Government, particularly the Ministry of Industry and Supply. In fact, on occasions the discussions were long and protracted. I would request you to take particular note of the procedure adopted in determining the commodities placed on the Open General Licences, as there is an impression current in some quarters that the Open General Licences and the liberalized import policy were introduced by the Commerce Ministry without adequate and integrated consideration.

The main basis on which the selection was made was our appreciation of the essential needs of the country both for increased industrial production and the general economic need for consumer goods. If you go through the list of articles placed on the Open General Licences, you will find that nearly all goods needed by industry are included in them. Their inclusion should aid increased industrial production in the country. The Open General Licences also include a number of consumer goods; but these are mostly essential requirements of the general public.

With the exception of certain items placed on the Open General Licence in November 1948, luxury or semi-luxury goods are excluded from the Open General Licences, their import being either restricted or, in a few cases, even banned. The addition of luxury goods was made in November, and purely for anti-inflationary purposes. Customs duties on all these commodities were also increased at the same time.

The liberalized import policy introduced since July has come in for a good deal of criticism, especially from the manufacturing interests in the country. It is but natural that there should be a certain amount of resentment at the re-appearance of competition of foreign goods imported under the Open General Licences. The inflationary conditions in the country required a large supply of goods to be made available so as to reduce scarcity in the country. The experience of our restrictive import policies till June 1948, and the large unspent balance of foreign exchange at the end of that period, clearly showed that Government were imposing on consumers a measure of austerity which was not warranted by the limitations of our foreign exchange balances with soft currency countries.

The mere fact of control over imports, even when liberally used, tends to restrict trade and unnecessarily to inflate consumer prices

and the profit margins in imported goods. These high prices are a legitimate cause for discontent among consumers, while the high profit margins resulting from restricted imports lead to a disorganization and demoralization of trade. Removal of import restrictions should lead to stability in trade and healthy trade practices and tend to expedite a return to normal trade conditions.

I have stated on several occasions that import restrictions are not the appropriate method of affording protection to Industry. Under the International Trade Agreements to which we have subscribed, quantitative restrictions on imports can be imposed normally for balance of payment reasons, and their operation as protective measures is not contemplated except in certain special circumstances. I should like to point out that if India were to restrict imports to protect her industries, it would be open to other countries to retaliate and restrict imports from India. This danger was fully realized by India's representatives at international conferences. All such measures and counter-measures ultimately lead to a general shrinkage of international trade.

Besides, it has been our experience during our recent trade negotiations with various countries, that they are unwilling to supply essential goods to us unless we are prepared to take some of the less essential and even luxury imports from these countries. So long as our industrial and general economy has to depend on foreign trade, and on the export of our surpluses to other countries, it would not be appropriate or safe to seek to shut out or impose quantitative restrictions on imports with a view to protecting our industries.

I fully realise that Indian industries have to surmount several difficulties. They have to face consumers' prejudice, the existence of which cannot be denied, and some of them are not yet adequately organized to be able to meet competition of the products of long-established and better organized foreign industries. There are occasions where foreign exporters resort to unfair methods of competition, such as reduction of prices where competition is keen, and increase in the prices of other commodities, hidden discounts, pressure tactics, etc. These difficulties should, however, be resolved in a straightforward manner.

There are other means, equally, if not more, effective, less objectionable, and of lasting advantage to the industries, such as protective tariffs, assistance in the supply of raw materials, better technical advice, and improvements in standards and marketing facilities, which could aid and stimulate industrial production in the country.

In the economic aspect, as in other aspects, of our national life, honesty is the best policy. We should grant protection, wherever needed, in a straightforward manner and as a result of proper investigation by

the Tariff Board. Any protection sought to be given by quantitative restrictions is bound to be short-lived and in the nature of 'spoon feeding' and it can give only the shadow and not the substance of protection from a long-range point of view. Our industries must ultimately be able to thrive in the open field of competition both in prices and quality and we shall not be doing them a lasting service by creating artificial scarcity as a condition of their survival.

I have dealt with this aspect of our current import policy in some detail as it has evoked considerable criticism and led to some misunderstanding. I notice that some of you have raised several points in this connection and mentioned the cases of certain industries affected by the liberalized import policy. Details of particular cases will be examined when we discuss these points; but I would request you to remember this general background of the liberalized import policy when discussing these particular cases.

I would like to explain briefly the results of the recent changes in the import policy and the foreign exchange position as it exists to-day. Partly as a result of the import policy and partly because of increased availabilities from other countries, the rate of imports of capital goods and machinery has gone up from Rs 4 crores per month in 1947, to Rs 5½ crores per month in 1948.

These imports now account for nearly 15 per cent of our total import trade. Industrial goods, comprising raw materials and semi-manufactured goods, account for 40 per cent of the total trade. The percentages of imports of plant and machinery and industrial goods from dollar areas are 16 per cent and 46 per cent respectively of the total imports from these areas. Essential consumer goods, of which foodgrains are the most notable, account for 37 per cent of the dollar imports and 14 per cent of the total import trade. Imports of what may be termed luxuries or semi-luxuries are negligible, being only 2 per cent of the total imports. These figures are based on an analysis of the import statistics of the four months from July to October 1948, and roughly reflect the present pattern of our import trade.

An important development in recent months is the fall in our exports to dollar and hard currency countries and the consequent reduction in hard currency earnings. In spite of this, the foodgrain position during this year has made it necessary to import increased quantities from abroad. Even when every effort is made to obtain foodgrain supplies from soft currency countries, increased imports from dollar and hard currency areas will be necessary.

Efforts are being made to facilitate large exports to hard currency countries so as to meet partially the threatened gap in our hard currency account. Further, as a precautionary measure, it has been decided

to curtail other imports still further from dollar and hard currency countries. The import licensing policy for the current half year for these areas has been influenced by these considerations, and some of the commodities hitherto licensed for dollar and hard currency sources have been placed in prohibited categories, and for others, licences will be issued on a more restricted scale.

As regards the soft currency countries, no material changes are being made in the import licensing policy. The issue of Open General Licences and more liberal import licences has naturally led to a sudden rush of orders in response to a long pent up demand, and the deficits in our trade during the last two or three months are somewhat larger than the rate of transfers from our sterling balances.

There are indications, however, that the volume of orders is now tapering off, and future imports are likely to be on a lower level as the trade gets stabilized. Any alteration in our present policy is likely to disturb these healthy tendencies. It is proposed, therefore, to watch the trends closely during the next few months, and if the present high level of imports continues, it may be necessary to make a few adjustments in the Open General Licence and the liberal import policy, especially in regard to the non-essential commodities.

I have confined myself in these opening remarks to the policy of Import Control. I should, however, say a few words as regards the actual mechanism of import control and the action taken by us to allay public criticisms as regards delays, corruption and other undesirable practices. You all know how the administrative machinery was disorganized as a result of Partition and it has taken Government a full year to restore normal working.

Even now, the import organization works on a temporary basis, and the quality of recruits to a temporary organization cannot be expected to be the same as that of a recruit to a permanent organisation. Not only is the quality of such recruits comparatively poor, but there is the further possibility of corruption creeping in when the stake by way of loss of service is not considerable. Frequent changes in import policy led to an accumulation of cases, particularly relating to revalidation, and it took months to clear these arrears. There were many cases of delay, favouritism and even corruption; but I venture to claim that the position has improved considerably, and that the organization is now working much more satisfactorily than before August 1947.

We have appointed a Special Officer to deal with complaints from the public, and he works independently of the Chief Controller of Imports. He sends for the relevant records, examines the procedure followed, ascertains whether there is any justification for the complaint and submits the report personally to me. The complaints are

acknowledged and the results of examination are communicated to the parties concerned. This procedure should go a long way towards satisfying the public that Government are alive to the need of purifying the organization as far as possible.

The nature of the work is, however, such that it would not be possible either to eliminate all complaints or to eradicate all chances of malpractices. Disappointed persons are apt to feel that their applications have been rejected because of improper reasons. I have encouraged and invited members of the Economy Committee as also the members of the Standing Advisory Committee of the Ministry of Commerce to visit the Import Control Organization to see the working for themselves and to suggest how to improve the system. I am always ready to receive suggestions in this matter.

Judging from the declining number of complaints and criticisms received by us, I feel that the organization is running much more satisfactorily now than in the past. Any suggestions which you may make for the improvement of the mechanism of control will be carefully examined and promptly acted upon by the Ministry.

At the same time, I would solicit your co-operation in extending help and sympathy to the control organization in view of the difficult conditions under which it has to function, and in dispelling misunderstanding in the minds of the public in regard to the import control policy as well as the import control mechanism.

It is my intention to call meetings of the Import Advisory Council quarterly, unless you have other ideas on the subject. Our practice in regard to the Export Advisory Council is also to hold its meetings quarterly. If you so desire, the Import and Export Advisory Councils may nominate three or four representatives from each Council to constitute a Joint Import and Export Advisory Committee to advise the Ministry in matters that may be of common interest to the bodies.

Indn. Inf., Vol. 24, No. 250.

169 1 *March* 1949

Measures taken to stimulate exports with a view to improving India's trade balance fall into the following two general categories:

(i) Measures to stimulate exports in general to all foreign countries, and

(ii) Measures to stimulate exports to hard currency areas.

As regards (i), measures already taken include decontrol of the export of over 200 commodities since the termination of the war,

strengthening of commercial representation abroad, participation in various national and international fairs and exhibitions with a view to publicizing Indian commodities, affording priority assistance for movement of goods intended for export, despatch of trade delegations in various countries and negotiations for concluding trade agreements with various countries. Measures proposed to be taken further include the opening of show-rooms in the offices of Trade Representatives abroad for exhibiting Indian commodities, the examination of proposals for setting up an organization similar to the British Export Trade Research Organization, and the standardization of goods intended for export so as to ensure a certain optimum standard.

As regards (ii), certain goods, the export of which to easy currency areas is controlled, are allowed to be exported freely to hard currency areas. While quotas of certain other commodities like jute goods, oils and oil-seeds and cloth are fixed liberally for such areas.

The Government of India have appointed Commercial Representatives in the following countries:

UK and Eire: Australia and New Zealand: Canada & Newfoundland: East Africa: Egypt: Ceylon: Pakistan: Eastern Pakistan: Brazil (for northern part of South America): Iran: France (for whole of Europe except Germany, Austria & Czechoslovakia): Germany (for Germany, Austria & Czechoslovakia): Japan: Burma: Afghanistan.

These Representatives are designated as Trade Commissioners and Assistant Trade Commissioners in Commonwealth countries, and as Commercial Counsellors, Commercial Secretaries or Commercial Attachés in other countries.

It has been decided to appoint Commercial Representatives in the following countries, and appointments will be made as soon as suitable incumbents are available:

Italy (for Italy, Greece and Balkan countries): Iraq: Aden: Czechoslovakia: West Canada: Fiji: Switzerland.

Our trade interests in the following countries where we have no separate Commercial Representatives are watched by our diplomatic and consular officers:

USA: China: Argentine (for Southern part of South America): Sinkiang: West Indies: Siam: Mauritius.

Proposals are at present under consideration for the appointment of Commercial Representatives in the following countries, and appointments will be made as soon as necessary formalities have been completed:

Hong Kong: Turkey: USSR: Belgium (for Belgium and Holland): Malaya: East USA: the Philippines.

Foreign countries which have already entered into commercial agreements with the Government of India are as follows:

The Anglo-American Zone of Germany: Yugoslavia: Pakistan: Japan.

The Government of India have in view trade negotiations with the following foreign countries:

Italy: France: Belgium: Switzerland: the USSR: Poland: Finland: Austria: Czechoslovakia: Hungary: the Soviet zone of Germany: Sweden: Afghanistan: Iran: Iraq: Egypt: Tibet: Siam: Ceylon: Burma.

Trade talks with Italy, France, Belgium, Switzerland, the USSR, Poland, Finland, Austria, Czechoslovakia, the Soviet Zone of Germany, Hungary and Sweden are in progress.

During the last few months, we have been carrying on negotiations with the European countries mentioned above, but it is premature to indicate the terms and commodities which will figure in the trade agreements, if any, that might be entered into with these countries. Currency considerations, the economic position of our country as well as that of the various European countries concerned, the need for speeding up India's programmes of post-war reconstruction and post-independence industrialization, our acute food shortage, prices and delivery dates and several other factors have to be taken into account before committing ourselves in regard to any items of export or import, especially the latter. All these factors make it difficult to make a categorical and unequivocal statement but generally speaking, it may be stated that while negotiating trade agreements with foreign countries, our endeavour is to import mostly such articles as are essential to our economy, e.g., foodgrains, steel, machinery and instruments, fertilizers, chemicals and pharmaceuticals, and to export as many of our commodities as we can, e.g., tobacco, shellac, coir yarn and coir goods, spices, tea, jute goods, castor oil, pepper and spices, tea, niger and *kurdi* seeds, and short-staple cotton textiles.

Matters relating to trade in general were discussed with the Afghan Government by an Indian Trade Delegation which visited that country in October last. The main commodities which will figure in the negotiations are Afghan fruits and raw cotton on the one hand, and Indian cotton textiles, tea, sugar and Indian tobacco on the other. Further negotiations are at present in progress with the Afghanistan Delegation visiting this country.

The Indian Trade Delegation which visited Afghanistan had also had general trade talks with the Iranian Government whose particular attention was invited to the various difficulties experienced by all foreigners, including Indians, in Iran who, as a result of the Import

Control Act enacted by the Iranian Government, were prevented from taking part in the import trade. The Delegation were assured in general terms that the Iranian Import Control Act would be amended suitably so as to remove this disability. India may receive from Iran supplies of agricultural products like dry fruits, medicinal herbs, hides and skins, wool, minerals like iron, copper, lead, manganese and red oxide, and manufactured goods like carpets, shawls and silks. India's exports to Iran will be mainly cotton piecegoods, jute and jute goods.

An Iraqi Trade Mission visited Delhi recently to hold discussions with the Government of India about expansion and development of her date trade and also about the possibilities of improvement in the transport facilities for movement of dates from Bombay. They also discussed the question of supply from India of commodities such as jute goods and cotton textiles. The Government of India have agreed to make certain allocations for Iraq of these commodities. In return the Iraq Delegation assured that Iraq's surplus of barley would be made available to India.

An Egyptian Trade Delegation is expected to arrive in India in March 1949 to conclude an agreement between India and Egypt for the exchange of commodities, and also a commercial treaty. The principal commodities that are likely to be exchanged are Egyptian cotton and rice on the one hand, and tobacco on the other.

The Tibetan Trade Mission which visited Delhi last year to discuss certain trade matters have come back in order to pursue those discussions with the Government of India. The discussions related mainly to three issues, namely (i) the release of 2 million dollars for the purchase of gold, (ii) the retention of foreign exchange earned by exports of Tibetan wool to other countries and (iii) the grant of free customs facilities on imports into Tibet through India.

In view of the acute shortage of dollars, the Government of India regretted their inability to accede to (i); as regards (ii), the Mission promised to examine the case more carefully and so far as (iii) is concerned, the Government of India have promised to consider the case sympathetically provided an adequate *quid pro quo* is forthcoming from Tibet.

There is a proposal for entering into a bilateral trade agreement with Siam. The basis of the agreement will be somewhat on the following lines:

For supply by India

Jute goods, cotton textiles, beehive coke, pig-iron, linseed oil, diesel and steam road rollers, motor lorries and certain other manufactured goods.

For supply by Siam

Rice, tin, railway sleepers and teak wood.

In 1943, a One-Man Delegation was sent to negotiate supplies of copra from that country, but owing to the truculent attitude adopted by that Government this Mission was not successful. Intimation has just been received from the Indian Trade Commissioner, Colombo, to the effect that Ceylon is prepared to negotiate, on a reciprocal basis, the supply of copra against the supply by India of such commodities as subsidiary foodstuffs, coal, jute and steel. This is under consideration at present.

At present no negotiations are actively under consideration for the conclusion of a trade agreement with Burma in view of the unsettled conditions in that country. Recently an officer was deputed to Burma to negotiate the supply of rice from that country but the attitude adopted by that Government was not favourable. They demanded a price of £50 per ton, which was out of unison altogether with the current world prices of that commodity. The position is being closely watched and as soon as the situation changes for the better, the question of negotiating a trade agreement with that country will be actively taken up.

Indian Trade Bulletin, Vol. V, No. 5, pp. 346-51.

170 2 *June* 1949

Gentlemen, I have great pleasure in welcoming you to the second meeting of the Import Advisory Council. I attach great importance to the deliberations at this session in view of the major issues involved in our recent changes in the import policy. In these opening remarks I shall endeavour to give a broad picture of the recent trends in our import trade which necessitated these changes, and I shall also try to clear up certain fallacies and misunderstandings which seem to have gained ground.

At the outset, I take this opportunity of making a brief review of our import trade during 1948-9. Total seaborne imports during the year ending March 1949 were valued at Rs 518 crores, an increase of Rs 120 crores over the corresponding figure for 1947-8. Seaborne exports including re-exports on the other hand were of the order of Rs 423 crores, as against Rs 403 crores during the year 1947-8. The balance of trade has therefore been adverse to the tune of Rs 95 crores during these twelve months. I should add that these figures do not include our foreign trade with Pakistan across the land frontiers, for

which accurate details are not yet available. There is reason to believe, however, that our trade across the land frontiers, which is heavily weighted by imports of raw jute from East Pakistan, has also been adverse to India during this period. If seaborne trade with Pakistan is excluded from the figures just mentioned, our imports from other countries totalled Rs 497 crores and our exports Rs 378 crores, leaving an adverse balance of Rs 119 crores. The overall picture of our foreign trade thus shows a serious gap between exports and imports.

This adverse balance of trade was only partly due to the relaxations in our import policy and the issue of the OGL for a number of industrial and consumer goods. An impression seems to have been current that our liberal import policy has resulted in large imports of luxury and unessential commodities. A closer analysis of the actual import figures would show that this is far from being the case. Certain luxury articles like wines and liquors, cigars and cigarettes, toilet requisites, silk and art silk piecegoods were no doubt placed on the OGL in the month of November 1948, when import duties on these luxury goods were substantially raised. Detailed statistics of imports of these goods during the five months from November 1948 to March 1949 have been circulated to you. You will notice therefrom that the total imports of these luxury goods were of the order of only 1·5 per cent of the total seaborne imports of India, and the percentage figure would be still lower if we included imports from Pakistan across the land frontiers. A major portion of these imports are motor cars, which cannot altogether be classified as luxuries. If imports of motor cars are excluded from these statistics, the import of these luxury goods during the five months represents even less than one per cent of total imports. These figures should sufficiently dispel the idea that the liberal import policy and the issue of OGL has resulted in large imports of luxury and unessential articles.

What is then the nature of commodities whose imports have increased during 1948-9 and contributed to our large adverse balance of trade? Of our total imports of Rs 497 crores from countries other than Pakistan, during the twelve months ending March 1949, imports of machinery account for as much as Rs 80 crores, foodgrains Rs 66 crores, raw cotton Rs 48 crores, mineral oils Rs 37 crores, and metals Rs 32 crores. Bulk of our imports from Pakistan are also of raw cotton and raw jute. The import of these very necessary commodities, required for the maintenance of the general economy of the country and its industrial production and development alone, account for over 60 per cent of the total import trade for these twelve months. Apart from these, there are several other commodities like chemicals, dyes and colours, raw wool, woollen and cotton yarn which are no less essential to meet

the needs of several important industries, and essential consumer goods like cotton and woollen fabrics, needed for general consumption. Their import also stepped up during these twelve months as a result of the liberal import policy followed in respect of these goods.

A detailed note has been circulated to you showing imports of various commodities during the last 14 months. You will notice that whereas during the first two quarters of 1948 our foreign trade was in balance, during the third and fourth quarters our adverse balance of trade was of the order of about Rs 6 crores per month. This adverse balance increased early in 1949 to as much as Rs 18 crores per month. While exports have been steady at a level of about Rs 35 crores per month, imports mounted up from Rs 41 crores per month, in the last half of 1948, to the high figure of Rs 54 crores per month during the first quarter of 1949. This large increase in imports is accounted for almost entirely by increased imports of foodgrains, machinery, raw cotton and electrical goods. The import of these essential commodities accounted for as much as 65 per cent of the total imports during the months of January and February 1949. You will therefore find that the increase in our deficit in trade has been caused not so much by the liberal import of consumer goods as by the larger imports of these very essential commodities.

It is pleasing to note that imports of machinery have increased since the last year from a monthly rate of deliveries of Rs 4½ crores to Rs 6¾ crores per month in 1948-9. Increased imports of machinery should be of particular assistance in the renovation of worn out plant and equipment and in the increase of industrial production in this country and should, in course of time, reduce our dependence on other countries for a number of commodities which are now imported. The United Kingdom has been our main supplier of machinery and other capital goods. Supply of capital goods from the United Kingdom has increased to an annual rate of £40 million during the first two quarters of the year 1948, and to £46 million and £49 million during the last two quarters of that year. In the first quarter of 1949, the rate of supply was as high as £60 million per annum. These increased deliveries from the United Kingdom and other countries were mainly due to greater availability of capital goods from these countries. Many of the orders for capital goods were placed by Indian industrialists some few years ago; but deliveries had hitherto been very slow. It was only during the recent months that the deliveries have improved.

While larger imports of capital goods present a brighter side of the current trends in our import trade, another factor which has gone to increase the volume of trade is the import of foodgrains. Throughout 1948, and in the early part of 1949, our imports of foodgrains have

been at a very high level. In fact as much as 14 per cent of our imports during the year 1948-9 were accounted for by foodgrains. The rate of imports during the last few months has increased still further, and a considerable portion of our foreign exchange is now utilized on foodgrain imports. Shortage of foodgrains in this country and our dependence on imports increased this year owing to the failure of crops in various parts of the country. Even before the war, India was a net importer of foodgrains, particularly rice. During the last few years, the deficit had been larger and had to be met by increased imports. The partition of the country further increased the deficit, as certain areas, which were normally surplus in foodgrains, are now included in Western Pakistan. It cannot but be a matter of grave concern to a country with such a large percentage of its population employed on agriculture, that it should remain dependent on imports of foreign foodgrains. In order that our balance of trade may be restored without any untoward effect on the general economy of the country, the question of attaining self-sufficiency in foodgrains in the shortest possible period has become a matter of vital urgency, requiring sustained and countrywide efforts for increased agricultural production.

The partition of the country has affected its general economy and altered the picture of our foreign trade in other ways as well. These economic effects of the partition do not appear to have yet been fully understood by the general public. Apart from the increased deficit in foodgrains, two main exportable products, raw jute and raw cotton, which largely contributed to the earning of foreign exchange in previous years, are no longer surplus to the needs of this country. In fact as a result of the partition, India has been placed in a position of having to find foreign exchange for acquiring these essential raw materials so as to run her own industries. Our exports have also been affected in certain other commodities like hides and skins. Moreover, the experience of 1948-9 has shown for the first time that India will have an adverse balance of trade with Pakistan unless exports to that country are stepped up very substantially. Pakistan needs and wants our goods, and we should meet that demand in order to reduce our adverse balance of trade arising from our need of importing jute, cotton and grain from that country. Next to the need for sufficiency in food, the improvement of our trade with Pakistan has, therefore, become a matter of urgent necessity.

I had occasion to explain to you at the first session of the Council how a liberal import policy was introduced at a time when owing to restrictions on imports of industrial and consumer goods and owing to the slow deliveries of the capital goods we were unable to make full use of the releases from our sterling balances during the period ending

in June 1948. Shortages in consumer goods in this country were then causing an inflationary pressure. Relaxations in import restrictions were made to meet these conditions. It was expected that any excess of imports over exports could be met from the releases from our sterling balances as agreed to with the UK Government in July 1948. I should stress that considering the rising spiral of prices during the second and third quarters of 1948, the use of sterling balances to relieve inflationary pressure was quite legitimate. Simultaneous improvement in the delivery position of the capital goods ordered some years ago and the unforeseen need for increased imports of foodgrains from foreign countries has however created a larger gap in our balance of payment than was expected when the relaxations were made. The releases from the sterling balances which were agreed to with the Government of the UK in July 1948, have been found to be inadequate to meet all these requirements. Even at the time of the sterling balances discussions of June 1948, the Indian Delegation had urged the UK Government for a larger release of sterling. The discussions were, however, influenced mainly by the earlier experience of our foreign trade, when, as I have stated, there were closer restrictions on imports of a larger variety even of essential goods, and deliveries of capital goods were very slow. The rate of deliveries of capital goods during 1948-9 has actually been higher than what was anticipated. The particular fact of the increased need of food imports during 1949 could not have been foreseen at the time of the sterling balances discussions. You are aware that the Indian Delegation at these discussions was not satisfied with the rate of release finally agreed to, but it accepted the position as it was difficult to press our case successfully in view of the past experience and in view of the economic position of the UK and her capacity to export, as asserted by the spokesmen of that Government. The recent experience has proved that the United Kingdom's rapidly growing capacity for exports was not adequately realized by that Government in the course of these discussions.

I have pointed out and proved with concrete figures that imports of luxury goods were quite insignificant. Our policy of liberal imports has succeeded in fact in facilitating imports of industrial goods and of various categories of essential consumer goods which formed the bulk of the commodities included in the Open General Licence No. XI. The increased production of Indian industries, aided by a larger supply of industrial goods and imports of essential consumer goods, has resulted in greater availabilities of supplies to meet the consumer demand. Stocks of goods hoarded and kept underground by speculators and anti-social elements of trade during the period of restrictive imports reappeared in the markets immediately on the announcement of the

OGL and thus increased their availability to industrial as well as general consumers who had been hard hit by these artificial scarcities of the earlier periods. Prices declined, especially in commodities whose supplies had thus eased, as evidenced by the frequent complaint made by importers that business in goods covered by OGL was no longer profitable. This decline in prices, in the case of industrial goods, has been of material benefit to the Indian industries. As a result of these increased imports, an amount of Rs 30 crores accrued to the exchequer in 1948-9 by way of increased customs revenue, which went a long way to balance the Budget and to stabilise our financial position. The sharp rise in the general level of prices evident before the introduction of these measures has been arrested. All these facts show quite clearly how the liberal import policy has assisted in combating inflation.

In short, our liberal import policy, introduced last year, has served many useful purposes and was, I venture to reaffirm, the right policy in the circumstances prevalent at the time. It has enabled us to fight inflation at a time when we were in danger of being enveloped in its rising spiral. It has facilitated the supply of larger quantities of industrial and essential consumer goods than would have been possible if we had continued the restrictive import policy. Larger supplies of these goods and relative stability in their prices cannot but help in the general economic recovery of the country. I have proved by facts and figures that the much maligned Open General Licence did not result, as was imagined even by persons who should know better, in flooding this country with luxury or unessential goods. The country has always maintained that the sterling balances should be paid for in essential commodities such as capital goods and industrial raw materials, and this is exactly what has happened. From these facts you can judge for yourselves, and I have no doubt that you will come to the conclusion that the policy that we have followed, with the fullest concurrence of all the Ministries concerned, notably Finance and Industry and Supply, has on the whole proved to be the right one. Speculative trade has suffered; but one cannot have any sympathy for those elements in the trade who without a proper study of the markets indulge in over-ordering of goods, whether in panic or in blind imitation of other traders who had made large profits in goods in the previous years.

At the same time the marked increase in the adverse balance of trade during the recent months requires that special efforts must now be made to reduce this gap. In spite of the decline in the export surpluses in our raw materials, our exports have remained steady mainly because of the increased value of the export of jute manufactures and tea. In the context of our current balance of trade, it is essential, however, that exports must further be stepped up. With the general economic

recovery in the world, our manufactured products are meeting with increased competition both in quantity and in price in our export markets. To step up exports, our industry and trade must now pay closer attention to the improvement and the maintenance of a high quality of their products, as well as to a reduction in the cost of production, in the exporter's margin and in the selling prices to the export markets. Our reduced exports of cotton textiles to countries which were dependent on India for their supplies in recent years, provide a warning. For certain other commodities, it will be necessary even to tighten our belts and to reduce our own consumption in order to facilitate increased exports. Sterling balances are no doubt helpful, but they are not inexhaustible and no country can base its economy on such factors or windfalls for all time. Our exports in the last resort, must pay for our imports. If imports cannot be reduced, exports must be increased. If we must import food and capital goods, we may have to go without clothes or coffee or vanaspati, so that our foreign trade is balanced. It is all a case of relative priorities.

While increased exports will provide one corrective to our adverse balance of payment until any appreciable success is achieved by measures taken in this direction, the curtailment of our imports has become a necessary means to restore the balance in our foreign trade. A modification of the liberal import policy has thus become inevitable. Even though the recent heavy increases in imports have been in essential goods, the adverse balance of trade can be rectified only by the reduction in the import of those commodities whose imports can be reduced without an unduly adverse effect on the economy of the country. It was against this background that the OGL XI was cancelled and has been replaced by a fresh OGL which does not include a number of essential consumer goods which could hitherto be imported liberally under OGL XI. As on the previous occasions, the revised OGL was also framed after close consultation and with the full concurrence of the other Ministries of Government. I am emphasizing this point as I have seen it said, even in knowledgeable circles and publications, that there is lack of harmony and co-ordination in the various Ministries. The insinuation is quite baseless and frivolous, at times even malacious, calculated to bring the Government into disrepute. Opportunity was also taken to exclude from the OGL those articles which came to compete with the products of this country. While in principle, import control is not regarded as a measure of protection to industry, so long as the control is necessitated for balancing our external payments, import of commodities which are available to consumers in the country in adequate quantity and quality and at reasonable prices will be restricted. I hope the industries in this country will seize this

opportunity to expand the quantum of production, and thus not only relieve the shortages in the country that may be caused by reduced imports, but provide a surplus for increased supplies to our overseas markets. At the same time, I hope that restricted imports will not be abused by the shortsighted policy of 'making hay while the sun shines', and no pains will be spared to improve quality, which alone can give lasting protection to an industry. Import restrictions are a temporary phase the duration of which cannot be depended upon. Quality, price and marketing methods are the foundations on which the industries must be built up.

Any major changes in import policies of Government are liable to cause disturbance to the trade, and I am aware of your feelings that changes in policies interrupt a free flow of trade and thereby cause distinct hardships to importers. Ever since the cancellation of the OGL on the 5th May 1949, various representations have been received both from importers and from suppliers in foreign countries asking that they should be given reasonable opportunities for meeting the commitments made by them before the cancellation of OGL. We have given careful consideration to these representations. To some extent the period of twenty-six days allowed for shipments to be made after the cancellation of the OGL has already helped them in meeting their commitments. The Government of India decided that in respect of certain goods, a further opportunity be given to importers for making importations against these commitments, after a close scrutiny into the character of such commitments and to the extent that such importations can be allowed, having regard to the needs of the country. I should point out in this context that in similar situations other countries like Canada, South Africa and Argentine had taken more drastic measures and even ignored the outstanding commitments. The Government of Canada, for instance, allowed no time for the shipment of goods against prior commitments except on examination of their essentiality to the needs of the country. The measures taken by the Government of India have been generous in comparison.

The general economic conditions in the world at present are such that it is often difficult to foresee precisely the frequent changes that take place in the general pattern of trade. I have already referred to the fact that with all their past experience in such matters and statistical data at their disposal, the UK Government did not realize the extent of the capacity of their industry to step up exports. Other instances are not unknown where other countries and even the more vigilant of traders have failed to foresee the precise trends in trade. A study of the import control regulations of other countries would make it clear that India is not alone in having to make frequent changes in her

import policy. Canada had to amend her import control measures no less than ten times during a period of fourteen months. Frequent changes in the import policy also characterize other foreign countries.

Now I would like to refer to our hard currency position. Owing to a severe restriction placed on the release of convertible sterling, we had to resort to loans for meeting even our current deficit with dollar and hard currency countries. You are aware that the Government of India are by no means satisfied with the quantum of release of convertible sterling. As you know, our policy during the last 18 months has been to impose greater and greater restrictions on imports from dollar and hard currency areas. That this policy has in some measure achieved its object will be clear from the fact that, whereas our total imports from dollar and hard currency countries during the first quarter of 1948 were Rs 39 crores, the corresponding figures for the second, third and fourth quarters are Rs 37½, Rs 33 and Rs 28 crores respectively. Imports during the first quarter of 1949 have again been high and of the level of Rs 36 crores. Nearly half of the imports during this quarter are, however, Governmental imports, especially food for which we have not been able to meet all our needs from soft currency countries. The licensing of commercial imports has been particularly severely curtailed during January–June 1949. As I explained on the last occasion, no consumer goods are now licensed for imports from dollar or hard currency areas. Even the licensing of imports of plant and machinery and industrial raw materials, is now restricted to such commodities as cannot be easily obtained from other sources. The problem of further reducing dollar liabilities by curtailing imports from dollar and hard currency areas, continues to engage our close attention. We have now reached the stage where special attention has to be given even to the imports of machinery goods. Where such goods can be obtained from soft currency areas, or are such that their contribution to industrial or economic development is not very material, licences have to be refused. A number of liberally licensed items like mineral oil are now placed on a restricted category. Our present dollar resources being what they are, this process will have to be continued, and unless satisfactory arrangements are made for an increased release of convertible sterling, we would have to do without imports of many industrial goods as well, even if such a step involves reduced industrial production, particularly in those sectors of industry which cannot be classified as manufacturers of essential needs of the country. It is but right that I should give a warning about the future trend in our dollar import policy so that in their own interests industrialists and importers may make an earnest effort to explore the possibilities of meeting their requirements from the sterling and soft currency countries to the

maximum possible extent. Under the present conditions, it is not possible to give any consideration to the fact that importers in this country have certain trade agencies from the suppliers in the dollar countries, or even to the cheapness of prices of the supplies from that country. Licensing of dollar imports can be permitted only after applying a severe test of essentiality in a very restricted sense and after making certain that the needs cannot be met by imports from soft currency areas. I wish you to realize this very serious position and request your co-operation in educating public opinion. Representations are often received for allocation of dollars for commodities easily available from other areas, on the grounds of their relative cheapness or because of some agency connexions and also because their imports are more profitable. I would ask traders in the country to forget, for the present, personal gains that may accrue from trade with dollar areas. While on this subject, I also wish to utter a warning that drastic measures are in contemplation to curb the anti-social activities of certain parties who do not surrender their entire dollar earnings as also those who indulge in unauthorized imports.

I have given here a brief account of our general foreign exchange position and of the circumstances in which the OGL came to be revised and replaced by more restrictive import policy. It is possible to argue that our import policy is apt to go to extremes. In 1946 we had a liberal import policy including even the dollar areas. In 1947 we tightened it up and went to the other extreme, so much so that we could not utilise our available sterling releases. In 1948 we went back to liberal imports from soft currency countries to an extent which far transgressed the limits of sterling releases and we are now again pursuing a restrictive policy, the results of which cannot be foreseen. I wish you to realize that such changes are quite inevitable and in keeping with the general economic fluctuations throughout the world. It must be remembered that, in the case of India, apart from these unsettling factors, we had to reckon with Partition which upset many of our calculations. We hope that the policy that we are now following will enable us to keep within the limits of our foreign exchange determined by exports *plus* releases. It is not possible to satisfy various conflicting interests. Importers will grumble at restricted imports whereas some manufacturers may feel that we have not gone far enough in confining imports to goods not produced in the country. As I have said earlier, our policy must be governed strictly by the balance of payment position as revealed by experience from time to time. As circumstances often change rapidly, I cannot promise that no changes will be made in the policy in future. As this occasion has been over-shadowed by a change in the import policy, I have not gone into other matters such as mechanism of

import licensing, arrangements made to fight corruption and favouritism, etc., but these matters have been covered in the various memoranda which have been circulated to you. I shall now invite you first to a general discussion on the import policy of Government and then to a discussion on specific items on the agenda before you.

Text supplied by the Ministry of Commerce, New Delhi.

INDEX

Acts
Abolition of Privy Council Jurisdiction, 81–4; Extra-Provincial Jurisdiction, 245–6; Federal Court (Enlargement of Jurisdiction), 80–81; Indian Independence, 24–41; Junagadh Administration (Property), 289–91; Merged State (Laws), 259–62; Scheduled Securities (Hyderabad), 355–6

Agreements (States)
Assam, 237–8; Baroda, 238–41; Bhutan, 273–5; Himachal Pradesh, 218–20; Instrument of Accession, 178–9; Junagadh, 216–18; Kashmir, 372–4, 411; Khasi States, 235–6; Kutch, 220–23; Madhya Bharat, 223–35; Mysore, 196–7; Nizam of Hyderabad, 364–5; Orissa and Chhattisgarh, 206–7; Patiala and East Punjab, 184–5; Rajasthan, 181–4; Standstill, 176–7; Statement of Privy Purses, 269–72; Travancore-Cochin, 195–6

Assumption of Power, 1

Attlee, Clement R., 10–18, 21–4

Bhutan Treaty, 273–5

Boundary Commission Awards
Assam, 63–6; Bengal, 59–62; Punjab, 66–71

Communist Party
Criticism of Mao & Chinese Communism, 544–50; General Thesis (1948), 501–35; Mountbatten Award, 511–12; National Government, 512–18; Nehru on Indian Communist violence, 535–7, 563–5, 565–6; Nehru and Patel criticized, 522–4; New role of the bourgeoisie, 518–22; Post-war upsurge in India, 506–18; Programme of Democratic Front, 524–33; Programme of democratic revolution, 533–5; Riot offensive, 519–21; Wartime changes in India, 501–5; White Paper on Communist violence, 538–43

Congress Party
Charkha, Gram Udyog and Talimi Sangha, 438; Congress and Government, party and power, relationship between, 440; Congress Committee resolutions, 442, 446; Congress continuation, justification of, 438; Decentralized economy without state monopoly, 438; Democratic secular state, 443; Economic and social justice, 445; Foreign policy of India, 446; Foreign possessions in India, 447, 448; Foreign rule and fundamental policy of Congress, 442; Freedom of nations of Asia and Africa, 446; Freedom with partition and conflict not wanted by Congress, 442; Group rivalry and India, 447; India and Pakistan's declarations on abduction and conversion, 444; Individual liberty and efficiency of administration, 446; Kripalani's resignation on non-confidence of cabinet, 441; Kripalani's speech, 438; Migration without self-consent 444; Minority rights assured by Congress, 443; Mixed economy, 439; Objectives and economic programme, 445; Panchayat 445; Political and economic objectives of Congress, 438; Political parties, 438; Power politics of Congress, 439; Private capitalism and regimentation of totalitarian state, 446; Refugees and evacuees, 443; Refugees on par with other citizens, 444; Refugee settlement, 444; Republican status of India and the Commonwealth, 447; State regulation of land, minerals and means of production, distribution and exchange, 446; State socialism or capitalist economy, 439; United Nations and India, 447

Constituent Assembly
1, 3–9, 11, 14–16, 29, 33, 79, 85–144, 157; Tables of representation, 158–9

Constitution
....of Dominion, 13–49, 72–84; Relations with states, 176–8;

....of the Republic, 85–109; Draft, 111–30; Adoption of, 130–57, 184–97, 200, 259–62, 269–72, 363–5, 411–16; ....Accession of the princely states, 132; Additional right to minorities, 97; Adult suffrage, 136; Advisory Committee for Minorities, report of, 94, 99; Amendment of constitution, 118–19; Anglo-Indians, 95, 97–9; Backward classes, 99; British Commonwealth, 91; Centre reasonably strong, 127; Citizenship, 115; Christians, 96–7; Communalism, 103–4; Comptroller and Auditor-General, 139; Concurrent jurisdiction, 117; Constituencies, number of, 137; Constitution (1935) 133; Constitutional characteristics, 112; Cost of Constituent Assembly, 133; Constitutional problems, 130, 131; Constitutional amendment, 129, 141; Co-operation of England, 93; Democratic constitution, 89; Depressed classes, 133; Directive principles, 125, 141; Draft constitution, 111; East Punjab, 100; Electorates, separate, 132; Election commissioner, 139; Emergency powers, 142; Executive and legislature, 118; Federal civil service, 120; Features of constitution, 114, 120; Fundamental rights, 85, 124; Hindi as official language, 140; Independent sovereign republic, 85, 89; Instrument of Instructions, 126; Integration of states, 132; Integrity of territory, 85; Jinnah, M.A., 109; Joint electorates, 94–6; Judicial reforms, 138; Legislative chambers, powers of, 138; Legislators, number of, 137; Legislators, qualifications of, 142; Ministers, 98; Minority Advisory Committee, report of sub-committee, 102, 108; Minority representation in legislatures, 94; Minority reservation, legislative seats, 95; Minority reservation in public services, 94, 98; Minority reservation, abolition of, 101–2, 109–10, 123; Minority rights, administrative machinery, 94; Minority seats in cabinet, 94, 95, 98; Minority schedule, 96, 100; Mohammad Ismail, 109; Monarchical figure-heads, 91; Muslims, 97; Nehru, 85; New limitations, 92; Non-rigidity of Indian constitution, 118; Objectives resolution, 85, 133; Parsees, 96–7; V. Patel, 105; People of states, 89; President, 135; Princely states, 127; Public Service Commission, 138; Rajendra Prasad, 130; Republic, 134; Residuary powers, 140; Round Table Conference, 132, 134; Safeguards, 85, 99, 100, 108; Second Chamber, 136; Scheduled castes, 97, 104, 139; Separate electorates, 94, 100; Sikhs, 96–7, 102–4, 107–8; Socialist state, 90; Standstill Agreement, 132; State constitution, 116; Tribes, 96, 133, 139; Unitary feature, 116; Village communities, 122; Voting method, 98; Weightage, 97

Constitutional Orders

Amendment of I and IV Schedules (1950), 145–6; Parliament Ordinance, 156–7; Provisional Constitution (1947), 72–8; Removal of Difficulties (1950), 144-56

Economic Policy

Central Advisory Council on industries, 571; Commerce Minister on devaluation and post-partition economy, 595; Commonwealth ministers' conference, 585–7, and devaluation of sterling, 585; Community suffering and misbehaviour of employer or labour, 579; Compensation on nationalization of foreign enterprise, 582; Constructive and co-operative role of foreign concerns, 583; Cottage Industries Board, 570; Damodar Valley Scheme, 577, 578; Devaluation effects, 589, higher dollar prices, 590, 593, more imports from sterling areas and more exports to dollar countries, 590, more investment, 592, no rise in cost of living, 593, additional government expenditure offset by additional export duty, 593; Devaluation, measures to fight it, 593–4; Devaluation of 1949, 583, Government communiqué on, 584, as a defensive measure, 585, Finance Minister on, 586, cause of, 595; Dividend limitation to check purchasing power, 581; Drugs from USA, 601; Economic gap between man and man, 571; Electricity (Supply) Act, 1948, 569; Employment of Indians in foreign concerns, 583; Exchange rate between sterling and rupee, 583;

Existing economic structure, restating of, 574; Export duties on various commodities, ordinance for, 610; Fair wages and fair return on capital, 571; Foodgrains and textiles etc., control of prices, 580; Foreign investment, the need of, 582; Government communiqué on anti-inflationary measures, 580; Government's limited ability to control industrial undertaking, 567–8; Government's role in industrial expansion, 568; Import of jute, cotton, food and capital goods, 596–7; Indian and foreign business, non-discrimination between, 582; Indian hands to have major interest in ownership of foreign concerns, 582; Industrial Advisory Council and Industry and Labour, 570; Industrial housing, 572; Industrial policy of Government, 568; Industrial production, measures of stimulation, 581; Industrial Tribunals, 572; Industrial Truce Resolution, 572; Industries, right of state to acquire any industry on compensation, 568, state intervention, 569; Industries under control of Central government, 569; Inflation, measures to combat it, 580; Jute industry's unique position, 598, possibility of growing jute, 600, jute export, 601; Labour's share of profits and production, 571; Large and small industries, co-ordination of, 570; Legislation on participation of foreign capital, 572; Long-term agreement on cotton and jute between India and Pakistan, 599; Mines and Minerals (Regulation and Development) Bill, 568; Nehru on industrial policy resolution, 573, on policy towards foreign investments, 582; New enterprises of government, 568, 569; Private ownership of some industries after 10 years, 568; Provincial advisory boards of industry, 571; Public corporations not to be departmentally run, 577; Reduction of export price through devaluation, 584; Remittance of proceeds of foreign interests, 582; Reserve Bank of India's communiqué on exchange rate between Indian rupee and Pakistan rupee, 584; River valley projects, the priority of, 577; Soft currency areas, necessity of purchasing from, 590; Small savings to stimulate investment, 580; Socialist state and police state, 575; Starting new schemes rather than acquiring old ones, 577; State enterprises through public corporations under government control, 569, state trading in coal, 601; Sterling balances, scaling down, 591, plea of more war dues from India, 591, Indian reaction in case of reduction, 591; Sterling-Rupee link, severance of, 588; Sterling area, benefits of India's remaining in, 587–8, 590; Taxation to encourage saving and distribution of wealth, 573; Transitional stage of mixed economy, 575; Uncertainty of exchange rate between Indian rupee and Pakistan rupee, 585, fixation of the rate, 585; Works committees and production committees of employers and workers, 571

Federal Court and Privy Council

Federal Court (enlargement of jurisdiction) Act, 1948, 80–81; Federal Court for Privy Council, 80; Government of India Act, 1935, amendment of, 83; New jurisdiction of Federal Court, 82; Privy Council Jurisdiction Act, 1949, abolition of, 81–4

Financial Agreements

Assets and liabilities of India and Pakistan, settlement of, 620; Capitalization of pensions, purchase of annuities, 618, 626; Commonwealth Finance Ministers' meeting, recommendations of, 623, 625; Credit of USA and Canada to England, 608, 616; Credit-worthiness of India, finding of International Monetary Fund and International Bank of Reconstruction and Development, 627; Defence dues from UK, settlement of, 620; Dollar convertibility and necessity of more dollar earning, 625; Exchange Control Act of 1947 and sterling area, 605; Financial Agreement between UK and India, 602, duration of Agreement, 606; Financial delegation to London, objects of, 616; Food and transport given priority by International Monetary Fund, 628; Foreign private investment, creating favourable conditions, 633-4; Gold assets under the

Reserve Bank of India, 606; Hard currency, limitation of Indian expenditure in, 613, hard currency area, 614; India, interpretation of the term, 605; Indian Finance Minister to British Chancellor of Exchequer, 613; Indian imports, gradual reduction and sterling coverage for same, 624; Indian Minister of Finance, statement on sterling balances, 606, sterling balance and international Bank loans, 623; India's loan agreement with International Bank, 627, interest on loans, 630; International Bank capital, 630, functions, mode of operation and interest, 631; Limiting expenditure of sterling in certain areas, 612; Loan from International Bank, nature of, 630, creditor-worthiness of Indian projects, 630, for agricultural machinery, 632, for railway project, 631; Loans from International Monetary Fund, nature and extent of, 629; Loan negotiation for Damodar Valley project, 633, for steel plants and multipurpose projects, 634; Multilateral convertibility, payment in sterling to certain dollar area countries, 619; Post-war dollar fund of $40 million as foreign exchange, 609; President UK Board of Trade to Indian High Commissioner, London, on modification of sterling agreement, 621; Railway project loan agreement with International Bank, 631, duration and interest, 632; Release of sterling for three years, 618; Spending dollars freely by India suspended, 609; Sterling account No. 2, 604; Sterling agreement, 602, modification of, 611, time of enforcement, 612, 2nd modification, 613; Sterling balances, 602, total, 606, history of accumulation, 607, 615, not being war debt, 607, character, 608, 626, use, 609, some release in the form of any currency, 620, 626, net after counter payments, 627, no scaling down, stores and installations of Britain, purchase of by India, 617, 626; Transfer of capital and accounts treatment thereof, 604; Transference of sums from sterling accounts Nos. 1 and 2 to Pakistan, 611, sterling payment to Pakistan, 626; Transference of sterling assets between account No. 1 and account No. 2, 603, 622; UK Financial Delegation to Indian Ministry of Finance, 611; UK's separate sterling arrangement with Pakistan, 611; USA's and Canada's credit to UK to meet balance of payment, 608

Gandhi, Mahatma
speeches by, 284–6, 377–8, 417–31

Governor-General's Orders
Arbitral Tribunal, 45–7; Joint Defence Council, 42–5; Pakistan Monetary System, 49–58; Partition Councils, 48–9; Transfer of Property and Liabilities, 78

Hindu Mahasabha
Akhand Bharat with equal democratic rights and wealth inequalities removed, objects of Mahasabha, 553; Amended constitution, 553–4; Bilaspur resolution of Mahasabha, acceptance by Constituent Assembly, 552; Communal award and separate electorate, 551–2; Hindu Mahasabha, origin and history, 551, aim and objects, 553, leaders and works, objection to arrest and detention of, 551; Mahatma Gandhi's murder, condemnation of, 550; Resolutions, 550–2

Hyderabad
Accession advised by Viceroy, 295, 299; Accession declined by Nizam, 294, 296, 320; Accession preferred to paramountcy by India, 329; Aggression against India, 340; Agreement between governments of India and Hyderabad, 321, 333; Agreement with Nizam about Privy Purse and personal property, dignity and succession, 364; Air service in Hyderabad, 310; Annual return of police, 304, 314, 316; Arbitration between India and Hyderabad, 301, 317, 325-7; Arms and vehicles, supply to Hyderabad, 308-9, 318; Arms imported by Hyderabad, 330–31; Nizam's demands, 296–8; Berar, 293, 309–310; Complaint of breaches of standstill agreement by India government, 308; Citizenship of Hyderabad for Muslims, 344; Communist party, 317, 319, 330; Constituent assembly in Hyderabad, 322, 334, 360, 363;

defence of Hyderabad, 304, 313, 330, 337; Defence, external affairs and communications, 302, 323, 327; Delegations and agents-general of Hyderabad, 352, 355; Dissolution of delegations sent by Laik Ali Ministry, 344, 347, 352, 355; Disturbances, 336; Firman on plebiscite, defence, external relations of Hyderabad, 322–5, 327; Export of gold, 305, 315, 316; Nizam as free agent, 358, 363; Fiscal matter and overseas trade, 322, 325, 326; Heads of Agreement (Draft), 323, 327, 333; Hyderabad case in Security Council, withdrawal not under duress, 345, 354, 355; No accession to Pakistan, 303; Authority in international matters, 322; Hyderabad firman accepting Indian constitution for Hyderabad, 363; Incompetence to go to Security Council, 346, 362; News not censored, 351; Not a state in international law, 357, 361 (no recognition by any state); Functioning of officials, 351, 360; Hyderabad authorities object to Indian terms, 333; Import and export trade, 309; Indian terms to Hyderabad, 299–300; Indian currency, 305, 315; Indian force in Hyderabad, 307, 326, 337, 341; Indian Independence Act, 361, 362; Indian representative in Security Council, 345, 356; Indian States Forces Scheme, 304, 313; Interim government, 322, 334; *Ittehad-ul-Musslemeen*, 305, 317, 319, 330-1, 335, 342; Loan to Pakistan, 304, 311, 316; Obligations of Hyderabad in defence, external relations and communications (draft), 323, 327; Migration from Hyderabad, 342; Indian complaints of breaches of standstill agreement, 304, 318; Mountbatten on the Razakar coup, 359; Neutrality of Hyderabad in Indo-Pak disputes, 293; Nizam's broadcast, 342, 344, 347; Nizam's consent to re-entry of Indian army, 337, 345, co-operating with Indian army, 345, 351; Nizam's freedom in sending delegation to Security Council and withdrawing it, 347; Nizam to Governor-General, 325, 326, 335, to Viceroy, 292, 295, relations with Pakistan, 320, terms of treaty with India, 293, to Secretary-General, United Nations, 354, 358; Outrages across boundary, punishment of, 335; Plebiscite on accession, 322, 334, 352; Ministers prevented from visiting Delhi, 349; Prime Minister, Hyderabad to Prime Minister, India, 306; Prime Minister, India to Prime Minister, Hyderabad (draft letter), 321, 327; Public Relations Officer in Pakistan, 304, 312; Razakars, 304-5, 314, 316, 319-20, 323, 330–2, 335, 337, 339 (outrages enumerated), 342, 344, 346, 348, 350, 359; Responsible government in, 320, 322, 334, 338; Restoration of Nizam's freedom, 343; Schedule of defence, external affairs and communications, limitations of Hyderabad (draft), 324; Standstill Agreement, 132, 308; State forces, 304, 313, 316; Subversive movements in, 311; Sydney Cotton trial disclosures, 357, 360; Transfer of state funds to official of another state, 352; Transmitting station by United Press of America, 305, 314, 316; Indian forces in Secunderabad, reposting suggested, 337; Viceroy to Nizam, 294, 298

Indian Independence Act, 1947
Aden, 36; Air Force Act modification, 40; Army Act, 33, 40, 41; Assam, 26; Bengal, 26; Constituent Assembly, 29, 38; Dominions, the new, 25–39, armed forces, 32, British forces in India, 33, divorce jurisdiction, 36, enforcing orders, 30, 31, existing laws, 37, interpretation 38, legal proceedings by and against Secretary of State, 35, naval forces, 33, 34, Secretary of State, 31, 32, Secretary of State and Audit of Indian home accounts, 34, temporary provision, 29, 30; Dominion status, 27, 28; East Bengal districts, 39; High Commissioner, 35; Indian and Colonial Divorce Jurisdiction Act, 36; Indian Independence Act, 1947, administrative and legislative changes, 27–9, territory, 24–7; Punjab, 26; Secretary of State's services, 31; Sterling loans, 34; Suzerainty, 28, 29; West Punjab districts, 40

Ittehad-ul-Musslemeen (Hyderabad), 305-7, 317, 319-20, 330–31, 335, 342

Junagadh,
200, 202, 216; Accession of feudatory chiefs to India, 276, 282; Accession to Pakistan, 276, 277, 282; Assent of Nawab to handing over administration to India, 287; Authority of the Dewan, 279, 280, 284, 287, 288; Babariawad and Mangrol, 278, 279, 283, 287; Gandhiji on accession of, 284–6; Handing over of Junagadh administration to Regional Commissioner, 280; India informs Pakistan about taking over Junagadh administration, 281; Indian Government communiqué, 276, 277, 280; Indian Governor-General's conference on accession of states, 276; Indian troops to Kathiawar, 278; Indo-Pakistani statement, 278; Junagadh Administration (Property) Act, 1948, 289; Junagadh leaders advise handing over administration to Indian Union, 280; Manavadar state, 283, 287; Nawab leaves the state, 284; Pakistan's protest, 282; Position, population and area, 276, 281; Referendum, 277, 279, 283, results, 289; Provisional Government, 282, 283; Ruler's desire to avoid bloodshed, 279; Shah Nawaz to Patel, 279

Kashmir
Accession, request for, 373, 377, 380-82, 387, 390; Afridi attack on Kashmir, 371-2, 376, 398; Aggression against Pakistan (Junagadh), 402; Amritsar treaty, 384; Azad Kashmir Government, 398; Coercion by invasion, 380, 383, 392, 393, 397 (against popular will); Cease-fire in Kashmir, 410; *Coup d'état* in Kashmir, 368, 369, 375, 387, 397; Constitution (application to Jammu and Kashmir) Order, 1950, on limitations of Parliament's power in Kashmir, 411; *De facto* administration of Abdullah, 408; Discussion with Pakistan, Kashmir Premier's refusal, 375, 377, 379 (cause of refusal); Economic pressure on Kashmir, 366, 368, 372, 379, 389; Ex-Army men of Poonch numbering 60,000, 386; Excuse and cause of accession, 369, 377, 380; Extermination of Muslims in princely states, 385, 400; Foreign Minister, India to Prime Minister, United Kingdom and Prime Minister, Pakistan, on Kashmir, 371; Foreign Minister, Pakistan to Prime Minister, Jammu and Kashmir, 367–8, 369 (atrocities in Poonch); Freedom before accession, 407; Freedom movement of Kashmir, attitude of Pakistan and Congress towards, 407; Goodwill gesture, 379; Government of Pakistan, communiqué on cause of Pakistan raid, 374–7, 397; Governor-General of India accepts accession of Kashmir, 373; Governor-General, Pakistan to Maharaja, Jammu and Kashmir against Indian help, 368; Hindu killing in West Punjab retaliated to in East Punjab, 406; India Government's intention to destroy Pakistan, 401; Indo-Pakistan differences, resolution of, 394, 397; Impartial inquiry into Pak-Kashmir troubles, 368, 369, 375; Indian constitution, exceptions and modifications thereof with regard to Kashmir, 414; Indian Independence Act, 1947, and states, 401; Indian and raiders' forces in Kashmir, simultaneous withdrawal of, 392; Indian troops in Kashmir, excuse of calling, 376; Instrument of accession of Kashmir and powers transferred, 412; Interim government in Kashmir, details of, 409; International Law, violation of, 367, 383, 396; Indo-Pak conference on Kashmir, 388; Instructions to Indian troops, 391; Jammu and Kashmir Constitution Act, 1996 (Kashmir Era), 409; Jammu and Kashmir Government to Governor-General and Prime Minister of Pakistan, 366, 375; Jammu outrages as reaction to tribal outrages, 405; Joint Defence Council, 388; Junagadh and Manavadar accession, 386, 395, 399, 401, 402, 404; Kashmir accession to India, a threat to Pakistan, 386; Kashmir's accession to India not recognized by Pakistan, 377, 386, 397; Kashmir constitution, framing by National Assembly, 409; Maharaja, Jammu and Kashmir to Governor-General, India on accession, interim government, etc., 372; Mahatma Gandhi on Abdullah and sending troops, 377; Minister for External Relations, Jammu and Kashmir to Foreign Minister, Pakistan, 370; Muslim Conference (Muslim

League) agitation, 379; Muslim evacuees attacked by non-Muslim refugees, 391; Muslim repression by Maharaja and its repercussions, 397; Nehru on Kashmir, 380, 388; Outrages in Kashmir, 366-7, 370-72, 375-6, 381, in East Punjab, 376; Pakistan Governor-General's invitation to Kashmir Premier, 375, 379; Pakistan's help in Kashmir raids, 372, 381, 392, 395; Pakistan's share of finance, military stores, 403; Pak-Kashmir negotiation, 368, 375, 378, 387; Pakistan army not in Kashmir, 386; Partition killings, 399; Pathan raid not cause of accession to India, 375-6, 385; Pakistan welcomes referring Kashmir and Junagadh issues to UNO, 397; Proclamations of Maharaja, Jammu and Kashmir, 408 (interim Government), 411 (applicability of Indian constitution); Plebiscite in Kashmir, 373, 377, 382, 384, 386, 391, 393-5, 410; President, All-India State People's Conference, 407; Prime Minister of India to Prime Minister of Pakistan, 393, 395; Prime Minister of Pakistan on Kashmir, 384, 397; Prime Minister, Pakistan to Prime Minister of India, 394, 396; Quaid-e-Azam's visit to Kashmir, 379; Quit Kashmir movement and Jinnah, 405; Raiders' attack on undivided Kashmir, 407; Rebellion of enslaved people, 386; Refugees, 366, 376; Retaliatory measures against tribal outrages, 389; Sheikh Abdullah, 373-4, 382-3, 386, 390-91, 405, 407, 409, speech to Security Council, 405; Standstill Agreement, 366, 372, 374, 376, 389; Threat of gravest consequences to Kashmir, 368; Threat of Indian action against Pakistan, 396; Two-nation theory and Kashmir, 406; UN, reference to, 384, 393-4, 396, 404; UN Commission for India and Pakistan, 410; Union authority in Kashmir, schedule of subjects thereof, 412

Mountbatten, Lord,
1, 5-9, 13, 18-21, 24, 172-6, 294-5, 298-300, 373-4

Muslim League
Bifurcated, 558-61; National Guards (Khaksars) banned, 561-5; Pledge to Minorities, 559-60

Nehru, Jawaharlal,
Speeches by, 1-2, 3-5, 85-93, 163-9, 327-35, 338-42, 380-84, 388-93, 424-5, 432-3, 535-8, 563-6, 573-9, 582-3

Partition
Administrative Re-arrangements, 17; Attlee, statement by, 10, 13, 21; Assam, 16; Bengal, 14; Boundary Commission, 15, 16, 20; British Baluchistan, 15; British Commonwealth, 5, 18, 22; British offer of 1942, 10; Cabinet Mission proposals, 10, 13, 19; Central Government powers, transfer of, 11; Constituent Assembly, 10-16; Dominion Status, 18-22; Governors-General of new Dominions, 23, 24; Interim Government, 10; Mountbatten, Lord, 13, 18, 24; Muslim majority districts of the Punjab and Bengal, 18; North-West Frontier Province, 15; Paramountcy, 12; Partition procedure, 14-16; Elphinstone, Mountstuart, 21; British Prime Minister's declaration of 15 March 1946, 10; Punjab, 14, 15, 20; Separate Constituent Assembly, 14; Sind, 15; States, Princely, 12, 17, 28, 75, 131, 132; Tribes of North-West Frontier, 17; Transfer of Power, way of, 11-18; Successor authorities, 24

Patel, Sardar Vallabhbhai,
Speeches by, 105-9, 169-71, 185-95, 197-205, 286-8, 302-3, 433-4

President of India,
Election of, 157; Powers of, 135

Radcliffe, Sir Cyril,
boundary awards: Assam, 63-6; Bengal, 59-62; Punjab, 66-71

Rastriya Swayamsevak Sangh (RSSS)
ban on, 555-6, 563-5, 565-6; ban lifted, 557-8; Constitution (1949), 554-5

Razakars (Hyderabad),
304-5, 314, 316, 319, 320, 323, 330-32, 335, 337, 339-42, 344, 346, 348, 350, 359

Republic, Proclamation of the, 157–8

Socialist Party
Communist party, 498–9; Foreign policy, 492–8; General Secretary's Report (1948), 457–74; Labour policy, 488–91; Left Unity, 499–501; Methods, 480–4; Objectives, 474–80; Princely states, policy towards, 484–7

Trade Policy and Agreements
Anti-social activities of certain dollar earners, 663; Bilateral trade agreement for food, steel and machinery, 637; Capital goods, rise in import, 648, Britain being main supplier, 656; Cloth export despite home shortage, necessity of, 636; Commissioner-General for economic and commercial affairs in Europe, 640; Commodities for soft currency areas, 651; Competition in price and quality of Indian exports, 660; Consumer goods and total imports, 648; Countries having commercial representatives of India, 651; countries with commercial agreements with India, 652; Decontrol of commodities, 650; Export level being maintained by jute goods and tea, 659; Export of oil rather than of oil seed, 638; Established shippers' system, 640, 642; Exports, measures to stimulate, 650–51; export reciprocation between India and Pakistan, 636; Export trade research organization, 651; Fairness in licensing, 643; Foodgrains, import of, in 1948–9, 656–7; Hard currency areas, necessity for export to, 636; High prices of Indian commodities and loss of world market, 638; Imports, necessity of, 635, import policies from 1946 to 1949 as influenced by payment, 663; Imports and exports, India needs and can afford, 652; Import Advisory Council, 643, 644; Imports from dollar areas, restriction of, in spite of cheapness, 663; Imports in 1948–9, enumeration of, 655–6; Import restriction, for protection of industry and balance of payment, 647, from hard currency areas, 648–9; Import trade control, gradual liberalization, 644; Import trade in 1948–9, adverse trade balance, 654; Independent officer for trade control complainst, 649; Indian minister for commerce on foreign trade, 634; Indo-Pak trade, necessity for closer co-ordination, appointment of trade commissioner, 639; Inflation, 634, fighting it by importing consumer goods, 635, 645, by import of luxury goods, 646, 658, International trade agreements, 647; Jute goods to South Africa, plugging the leakage of, 637; Licence, for newcomers, abuse of, 642; licence only to income-tax payers, 643; Licensing policy, shift from seller to buyer, 640, 641; regional basis in licensing discouraged, 642; Luxury goods under open general licence, 655; Non-national shippers, non-discrimination against, 642; Open General Licence, restriction and non-restriction, 644, 645, operating for soft currency areas, 649, benefits of, 658–9, principles of, 660; Open General Licence XI replaced by Open General Licence (cause of), 660, grace period after cancellation, 661; Overseas markets, necessity of preserving (e.g. cloth market), 636; Partition effect in respect of food, cotton and jute, 657; Protection (after Tariff Board Enquiry) better than quantitative restrictions, 648; Refugees to have competence as exporters, 641; Sterling, release of £160 million in three years, 635, release and UK's capacity for export, 658, convertible to dollar, 662; Tibetan Trade Mission on release of dollars, foreign exchange and free custom facilities, and Indian reaction, 653; Trade Agreements with Germany and Japan, 639; Trade talks with Afghanistan, Iran, Iraq, Egypt and Siam, 652–3; Trade prospects with Ceylon and Burma, 654; Trade balance in soft currency areas and hard currency areas, 635; Trade Policy, frequent change all over the world, 661–2

Transfer of Power
Constituent Assembly on, 1; His Majesty's Government on, 10–13, 13–18, 21–4; Indian Independence Act, 24–41; Mountbatten on, 5–9, 18–21; Nehru on, 1–5