

**THE
LEGISLATIVE ASSEMBLY DEBATES**

(Official Report)

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(2nd September to 17th September, 1937)

SIXTH SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,

1937



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tive Assembly.

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LEGISLATIVE ASSEMBLY.

Thursday, 2nd September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock.
Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

FAILURE OF THE RESERVE BANK OF INDIA TO FINANCE THE CO-OPERATIVE ORGANISATIONS.

260. *Mr. T. S. Avinashilingam Chettiar : Will the Honourable the Member state :

- (a) whether he is aware of the proceedings of the All-India Co-operative Conference held in Bangalore in the first week of July, 1937 ;
- (b) whether he is aware of the protest they have made against the Report of the Reserve Bank of India in failing to finance properly the Co-operative organisations of this country ; and
- (c) whether Government are prepared to consider the advisability of suggesting to the Reserve Bank of India to make immediate arrangements for such financing ?

The Honourable Sir James Grigg : (a) and (b). Yes.

(c) We have consulted the Provincial Governments regarding the recommendations made in the report of the Reserve Bank, and are taking their views.

Mr. T. S. Avinashilingam Chettiar : May I know when they expect to receive the replies ?

The Honourable Sir James Grigg : I do not know. At the moment, Provincial Governments seem to be busy with their budgets.

Mr. T. S. Avinashilingam Chettiar : May I know whether new arrangements will be made in the course of the year ?

The Honourable Sir James Grigg : I cannot answer any question until we have received the observations of Provincial Governments.

Mr. T. S. Avinashilingam Chettiar : May I know whether the treatment of federal finance will vary from province to province, or will they give one uniform treatment for all the provinces ?

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The Honourable Sir James Grigg : To that I can only return the same answer.

Prof. N. G. Ranga : Have Government considered the report of the Reserve Bank of India on rural finance, and, if so, what conclusions have they come to ?

The Honourable Sir James Grigg : The conclusion they have come to is to consult Provincial Governments.

Mr. T. S. Avinashilingam Chettiar : May I know, in view of the fact that the replies from the Local Governments may not be uniform.....

Mr. President (The Honourable Sir Abdur Rahim) : It is hypothetical. Next question.

ANTI-NATIONAL CAMPAIGN CARRIED ON BY THE AUTHORITIES OF THE ALIGARH MUSLIM UNIVERSITY.

261. ***Prof. N. G. Ranga :** Will the Secretary of the Department of Education, Health and Lands be pleased to state :

- (a) if Government are aware of the great discontent prevailing in Muslim and Nationalistic Circles at the anti-national campaign being carried on by the University authorities of the Aligarh University ;
- (b) whether they have read the address delivered on the 10th April last by the Pro-Chancellor, Prof. A. B. Haleem ;
- (c) whether they have observed that Prof. Haleem said, " The nationalist minded students have been a source of constant trouble during my regime, to them I issue this warning that there are sixteen other Universities in India for them to go. Aligarh has no place for them. This is the University of Musalmans, built by Muslim money and the spirit of radicalism can in no case be tolerated " ; and
- (d) whether Government are prepared to consider the advisability of taking steps to see that the University does not pursue its present policy of uprooting radicalism and nationalism from the ranks of its students and the staff ?

Mr. M. S. A. Hydari : (a) Government have seen some press reports to this effect.

(b) Professor Haleem is not the Pro-Chancellor. Government have seen in newspapers summaries of the address.

(c) and (d). Professor Haleem is reported to have denied that he made the remarks attributed to him. Government see no reason to take any action in the matter.

Mr. S. Satyamurti : Did Government address Professor Haleem, and find out whether the reports of his speeches as reported in the newspapers were correct or not ?

Mr. M. S. A. Hydari : No. There is no reason to do so as I have a confirmation of Professor Haleem's denial from the Vice-Chancellor of the University.

Prof. N. G. Ranga : Have Government taken any steps to assure themselves that any policy of " uprooting radicalism and nationalism from the ranks of its students and the staff " will not be pursued by this particular University ?

Mr. M. S. A. Hydari : It does not arise.

Prof. N. G. Ranga : It does arise.

Dr. Ziauddin Ahmad : Is it not a fact that some of the newspapers deliberately publish wrong information about the Muslim University and they go on writing leaders upon that, and, on the basis of those incorrect statements, questions are put in the Assembly ? May I ask the Government to protect the University against such misrepresentations ?

Mr. S. Satyamurti : Did the University take any steps to vindicate its honour ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

Dr. Ziauddin Ahmad : I shall answer outside the House. But inside the House the question may be put to the Honourable Member only.

AMALGAMATION OF THE INDIAN AND THE LONDON STORES DEPARTMENTS.

262. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable Member for Industries and Labour state :

- (a) for how many years the question of combining the Indian and the London Stores Department is being considered ;
- (b) whether that question has been gone into and any conclusions reached over that matter ; and
- (c) if so, whether they expect both the Departments to be combined ?

The Honourable Sir Thomas Stewart : (a) to (c). The matter has been under consideration for the past three years. The Government of India, however, came to the conclusion that no decision could be taken without a detailed examination of the working of the India Store Department, London, and that Sir James Pitkeathly should undertake this work. He was placed on deputation for this purpose in the summer of last year. He finished his enquiry but has not yet been able to submit his report.

Mr. T. S. Avinashilingam Chettiar : May I know how long it takes to deal with a matter like that and report ?

The Honourable Sir Thomas Stewart : The report is expected within the next month or so, but I might explain that when Sir James Pitkeathly finished his enquiry in London he became seriously ill, and since his return to duty the calls on his time have been many and he has been unable to get down to work on the report.

Mr. T. S. Avinashilingam Chettiar : May I know whether Government are in a position to state what he has recommended about the closing up of this Department ?

The Honourable Sir Thomas Stewart : Obviously not. I am not in possession of his report.

Mr. S. Satyamurti : Do Government expect to receive the report, and come to conclusions in time for the budget of the next financial year ?

The Honourable Sir Thomas Stewart : I cannot foretell the time that may be taken, but I can assure the Honourable Member that all possible steps will be taken to secure a decision in the time that he suggests.

Pandit Nilakantha Das : Have any orders been issued this year for stores to be purchased through the London Stores Department, anticipating the coming year's budget ?

The Honourable Sir Thomas Stewart : In the absence of a decision on Sir James Pitkeathly's report the procedure which has been in force in the past will be continued until such decision is taken.

Seth Govind Das : As soon as the report is received are they going to change the procedure ?

The Honourable Sir Thomas Stewart : I cannot possibly, without seeing the report, forecast what will be the decision that will be taken.

TELEGRAPH OFFICE IN CHANDNI CHOWK, DELHI.

263. ***Mr. Sri Prakasa :** Will the Honourable Member for Industries and Labour state :

- (a) whether it is a fact that the Telegraph Office in Chandni Chowk, Delhi, is heavily over-crowded and is unable to cope with the work there and that persons have to wait for long periods of time before they are able to book their telegrams ;
- (b) what is the average number of telegrams booked in this office compared to those booked in Kashmir Gate and Eastern Court during any one month from January to April, 1937 ;
- (c) what is the amount of space occupied by the three Telegraph Offices and the expenditure incurred on each ; and
- (d) whether Government have any idea of improving the Chandni Chowk Telegraph Office ?

The Honourable Sir Thomas Stewart : (a) The Postmaster-General reports that the Telegraph Office is located in one of the best buildings in the Chandni Chowk and that no complaints regarding congestion in it have been received from the local public.

(b) The monthly average number of messages booked, in each of the three offices, during the months of January to April, 1937, was, Chandni Chowk 6,261, Kashmiri Gate 4,930, Eastern Court 51,436.

(c) The rent of the building in Chandni Chowk Post and Telegraph Office is Rs. 365 per mensem and the area occupied by the telegraph branch is about 200 square feet. The Kashmiri Gate Office is located in the General Post Office which is a Departmental building and occupies a space of about 1,250 square feet. The area occupied by the Eastern Court Office is about 16,000 square feet. No useful comparison can be drawn between the two former offices and the Telegraph Office in the Eastern Court as the latter is a large transit office which handles the traffic of a number of offices in the surrounding area. The average monthly traffic dealt with is about 250,000 messages.

(d) The Postmaster-General reports that inconvenience probably arises in Chandni Chowk from the fact that the stamp vendor is located in the verandah through which the public have to pass. He has decided on a re-arrangement whereby this man can be removed to another part of the building.

Qazi Muhammad Ahmad Kazmi : Do the messages that go from the Eastern Court include those that are sent from Chandni Chowk ?

The Honourable Sir Thomas Stewart : No.

Mr. Sri Prakasa : Is the Honourable Member aware that access to the best building in the Chandni Chowk, as this Telegraph Office has been described, is over a narrow staircase, usually dark, and that the congestion in front of the counters is so great that it is very difficult to get things done ? I speak from experience.

The Honourable Sir Thomas Stewart : No. I was not aware of the facts put forward by the Honourable Member.

Mr. Sri Prakasa : Has the Honourable Member himself ever tried to send a telegram from that office some day in the afternoon ? (Laughter.)

The Honourable Sir Thomas Stewart : No.

Seth Govind Das : Are Government aware that these difficulties increase when it is raining there and it is impossible for any man to stand in front of the staircase and there is no sufficient space in the staircase to go up ?

The Honourable Sir Thomas Stewart : I am not aware of that.

Mr. Sri Prakasa : Is the Honourable Member aware that the staircase is too narrow for the present Director General of Posts and Telegraphs ? (Laughter.)

The Honourable Sir Thomas Stewart : No.

Seth Govind Das : Will the Honourable Member enquire into the matter and see that these defects are rectified ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

AFFIXING OF STAMPS ON TELEGRAMS.

264. *Mr. Sri Prakasa : Will the Honourable Member for Industries and Labour state :

- (a) what is the rule regarding the affixing of stamps on telegrams ;
- (b) whether it is a fact that at some offices the Telegraph Master takes the money and grants the receipt while in others he insists on the sender of the telegram purchasing and affixing the stamp himself ;
- (c) why there is a differentiation in this matter at different telegraph offices ;
- (d) whether Government is aware of the delay and inconvenience caused to the sender when he is first told the amount of stamps necessary and then he purchases and affixes them at another counter and brings them back to the original place ; whether this process does not add to the work of the Telegraph Master also ; and
- (e) whether Government propose to take steps to simplify the arrangements and make it uniform ?

The Honourable Sir Thomas Stewart : (a) The attention of the Honourable Member is invited to Rule 87 of the Indian Telegraph Rules, 1932, which reads as follows :

"Stamps tendered in payment of a telegram shall be affixed by the sender to the telegram form in the space allotted for the purpose and shall be defaced by the counter clerk with the name and date stamp of the office."

(b) and (c). In some telegraph offices Cash Register machines have been installed. In these offices stamps are not used and booking is done on the machines. These machines are, however, costly, and their use is economical only in offices where more than 500 telegrams are booked per day. In offices not supplied with Cash Registers telegraph officials are strictly forbidden to affix stamps for the public.

(d) Government are at all times anxious to meet the convenience of the general public but uniformity of procedure is impossible in view of the diverse conditions in different types of offices.

(e) Government will issue instructions that the procedure for booking telegrams should be made as simple as possible but for the reasons given in the reply to parts (b) and (c) it is not possible to have a uniform procedure in all offices.

Mr. Sri Prakasa : Is the Honourable Member aware that at the Eastern Court Telegraph Office at Delhi, the telegraph master takes the money and affixes the stamps himself ; but at Chandni Chowk he sends the sender of the telegram to the stamp vendor and that it is impossible to get any stamp from the stamp vendor owing to the rush ? May I also ask the Honourable Member whether he himself has ever purchased stamps and affixed them on telegrams ; or the telegraph masters have obliged him by taking cash and handing over the receipt to him ?

The Honourable Sir Thomas Stewart : If the fact is as stated that the Telegraph Master at Eastern Court is taking money and affixing stamps himself, he is acting at variance with the rules laid down for his guidance.

Mr. Lalchand Navalrai : May I know from the Honourable Member with reference to clause (d) whether the stamps are purchased at one counter and they are actually entered at another counter and then the stamp is given later ?

The Honourable Sir Thomas Stewart : That is the case in an office which is a combined Post and Telegraph Office. For our accounting purposes, the two branches are separate and we do not wish to complicate accounts by issuing in the same office two imprests of stamps. For that reason there is only one seller of stamps in the combined office.

Mr. Lalchand Navalrai : If I take one stamp and then I have to apply that stamp, can I not have the same material for applying ?

The Honourable Sir Thomas Stewart : Do you mean a supply of water and sponges ?

Mr. N. M. Joshi : May I ask whether the Honourable Member will consider the question of stopping this practice of asking the senders of telegrams to affix the stamps themselves ?

The Honourable Sir Thomas Stewart : I think that is a duty which may well be carried out by the sender himself.

Mr. Sri Prakasa : If the facts about the Eastern Court are as stated by me, will the Honourable Member kindly not ask the post master concerned to discontinue obliging us ?

REDUCTION OF POSTAGE RATES BETWEEN INDIA AND BURMA.

265. *Mr. S. Satyamurti : Will the Honourable Member in charge of Posts and Telegraphs be pleased to state :

- (a) the latest position with regard to the demand for reduction in Indo-Burma postal rates ;
- (b) whether the Government of India propose to ask the Secretary of State to use his influence with the Government of Burma to reduce these rates to a reasonable level ; and
- (c) if not, why not ?

The Honourable Sir Thomas Stewart : (a) The Honourable Member is referred to the reply given in this House to starred question No. 174 on the 30th August, 1937, and the supplementaries thereto of the same date.

(b) and (c). Do not arise.

Mr. S. Satyamurti : With regard to (b), may I know, apart from the Government of India, approaching the Government of Burma, on which we had an answer, that they do not propose to do it until the working of the new arrangements is seen, what is the answer to clause (b) of the question, that is to say, the Government of India asking the Secretary of State to interfere on our behalf ?

The Honourable Sir Thomas Stewart : The question of taking the action suggested will only arise when the Government of India have been able to make up their own minds whether any approach of that sort is desirable or not.

Mr. S. Satyamurti : How long do they propose to wait to see the working of the new rate ?

The Honourable Sir Thomas Stewart : An opportunity of doing so may arise towards the end of January, when a second enumeration of the mail passing from India to Burma will have been taken.

Mr. S. Satyamurti : Will the Government consider the whole question of addressing the Government of Burma, with regard to the reduction of the rate ?

The Honourable Sir Thomas Stewart : If the results of the examination suggest that it is desirable to do so, the Government of India will do so.

Mr. T. S. Avinashilingam Chettiar : Apart from the examination of the figures, may I know whether the Government will consider the advisability of reducing the rates, from the point of view of trade ?

The Honourable Sir Thomas Stewart : That will be one of the relevant considerations when the question is considered.

Mr. T. S. Avinashilingam Chettiar : Is it not a fact that before 1st April, 1937, the Government of India represented to the Government of Burma that it is better to continue the old rates ?

The Honourable Sir Thomas Stewart : I believe that it was suggested that it might be in the mutual interest of the two countries that the old rates—I am wrong in saying that—that lesser rates than those now in existence should be put into operation.

POSITION OF INDIANS OVERSEAS.

266. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) whether it is a fact that Sir Muhammad Zafrullah Khan and Sir Girja Shankar Bajpai, in the course of the Imperial Conference, took advantage of many opportunities to discuss with the Dominion Premiers and others many aspects of the Indian situation overseas ;
- (b) if so, what the various aspects were, which they discussed ;
- (c) whether it is a fact that an undertaking has been given that Indian representation would be given very sympathetic consideration ;
- (d) whether any results have been arrived at, as a result of that sympathetic consideration ; if so, what they are ;
- (e) whether Sir Muhammad Zafrullah Khan had conversations with Mr. Ormsby Gore, Minister for Colonies, in respect of the position of Indians in Zanzibar ; and what the result of this conversation is ; and

- (f) whether he had also a talk with General Hertzog on some aspects of the South African position, particularly in relation to the contemplated legislation on the marriage and the employment of European women by Asiatics ?

Mr. M. S. A. Hydari : (a) Yes.

(b)—(f). The conversations were informal and confidential and Government regret their inability to make any statement concerning them.

Mr. S. Satyamurti : May I ask for some elucidation of this position ? I take it that Sir Muhammad Zafrullah Khan and Sir Girja Shankar Bajpai were on leave. If that is so, may I know what was the authority they had in carrying on discussions with the Dominion Premiers on the many aspects of Indians overseas and whether, in those conversations, they had any instructions from the Government of India from time to time ?

Mr. M. S. A. Hydari : Sir Muhammad Zafrullah Khan was not on leave at the time and I think Sir G. S. Bajpai was also on deputation.

Mr. S. Satyamurti : Were they sent on deputation to discuss with the Dominion Premiers this particular question ?

Mr. M. S. A. Hydari : The object of the deputation was not only to discuss with the Dominion Premiers this particular question but as the Honourable Member is aware, Sir Muhammad Zafrullah Khan went for a different purpose. Sir G. S. Bajpai went on leave and we took advantage of his presence in London at the time and asked him to carry on these conversations.

Mr. S. Satyamurti : In carrying on those conversations, did they have any authority from the Government of India to put forward certain definite points of view on behalf of the Government of India ?

Mr. M. S. A. Hydari : Certainly.

Mr. S. Satyamurti : May I know whether they had any authority to tell Mr. Ormsby-Gore and Lord Halifax that the Government of India agreed to the arrangements made in Zanzibar for what they believed to be the protection of the Indian traders there ?

Mr. M. S. A. Hydari : That would be disclosing the course of conversations which I said I cannot disclose.

Mr. S. Satyamurti : Are Government aware of the fact that in the House of Lords, Lord Halifax, and in the House of Commons, Mr. Ormsby-Gore said that the arrangements which they had entered into with regard to the position of Indian traders in Zanzibar had the approval of the Government of India, and how was that approval communicated to these gentlemen ?

Mr. M. S. A. Hydari : The mere fact that Sir Muhammad Zafrullah Khan and Sir G. S. Bajpai were in London does not mean that there was no direct communication between the Government of India and the India Office.

Mr. S. Satyamurti : I want to know whether this statement in the Houses of Parliament was made as a result of the talks with these two gentlemen or it was made on receipt of a definite formal official communication from the Government of India.

Mr. M. S. A. Hydari : This question as to how far the Government of India have agreed or not was explained in the course of the debate on the adjournment motion and I do not think the Honourable Member is justified in pressing me to say anything more.

Mr. S. Satyamurti : I am not questioning the fact of the Government having agreed. I am asking whether this approval of the Government of India was communicated to His Majesty's Ministers directly, or through these two gentlemen who happened to be there on leave at that time ?

Mr. M. S. A. Hydari : That would be disclosing what took place during those conversations and I am not prepared to do that.

Mr. S. Satyamurti : I am not asking what took place. I am asking the channel through which the information was communicated.

Mr. M. S. A. Hydari : If I tell you the channel then I would disclose what took place.

Mr. President (The Honourable Sir Abdur Rahim) : He is not in a position to disclose anything.

Mr. Ram Narayan Singh : May I ask whether the Honourable Member will place the substance of these discussions before the members of the Emigration Committee at their next meeting ?

Mr. M. S. A. Hydari : I will consider the suggestion.

POSITION REGARDING MIXED MARRIAGES AND POSSESSION OF LAND BY ASIATICS IN SOUTH AFRICA.

267. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) the latest position in South Africa with regard to mixed marriages, and the question of the possession of land by Asiatics ;
- (b) whether representations have been made by the Government of India to the South African Government, in respect of all these matters ; and
- (c) if so, what the result of those representations is ?

Mr. M. S. A. Hydari : (a), (b) and (c). Both the Government of India and their Agent General in the Union have made representations on the subject. Further developments are awaited.

EMIGRANT LABOURERS TO MALAYA FROM NEGAPATAM.

268. ***Mr. S. Satyamurti :** Will the Secretary for the Department of Education, Health and Lands be pleased to state :

- (a) whether there is a rush of emigrant labourers to Malaya from Negapatam ;

- (b) whether Government are satisfied that the arrangements on the ship for the health, convenience and sanitation of the passengers are quite adequate ; and

- (c) If not, whether they propose to take any steps to improve these conditions ?

Mr. M. S. A. Hydari : (a) The number of Indian emigrants to Malaya in 1937 has shown a noticeable increase over last year's figures up to June. Since June the numbers have decreased.

- (b) Government know of no reason to be dissatisfied with the arrangements.

- (c) Does not arise.

Mr. S. Satyamurti : Has the attention of the Government been drawn to complaints published in the newspapers at the time that as a result of this rush of emigrants the arrangements for the health and sanitation of these deck passengers, that is the class they usually travel by, were very bad ?

Mr. M. S. A. Hydari : Speaking from memory, complaints were made about the insufficiency of the accommodation at the port where they disembarked but not on board the ship.

Mr. S. Satyamurti : Since the receipt of this question, have Government made any inquiries in the matter as to whether at that time there was rush and that the arrangements were inadequate ?

Mr. M. S. A. Hydari : I do not think so, but I am quite willing to make inquiries from the Agent.

Mr. T. S. Avinashilingam Chettiar : Apart from any complaints, may I ask whether the Government have any agency to know whether the ships carrying these emigrants afford proper amenities ?

Mr. M. S. A. Hydari : There is the Agent of the Government in Malaya.

Mr. T. S. Avinashilingam Chettiar : I am asking whether there is any Government officer to look after their interests on board the ship ?

Mr. M. S. A. Hydari : There are Inspectors on board the ship.

APPOINTMENT OF AGENTS IN CERTAIN COLONIES FOR THE PROTECTION OF THE RIGHTS OF INDIANS.

269. ***Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands state if besides in South Africa, Ceylon and Malaya the Government of India have agents in Trinidad, British Guiana, Canada, Hawaii, Fiji, New Zealand, Australia, Siam and French Indo-China to protect the rights of Indians domiciled there ?

- (b) If not, is it the intention of the Government to appoint agents ?

- (c) What is the difference between an agent and an Ambassador ?

- (d) What are the duties and responsibilities of agents serving at present in colonies ex-India ?

Mr. M. S. A. Hydari : (a) No.

(b) The question of appointing Agents in certain territories is under consideration.

(c) The representatives of the Government of India in Ceylon, Malaya and South Africa are generally designated as Agents and the Honourable Member must be aware that the term Ambassador is used only in the case of ministers or representatives of a Sovereign or State at a foreign court.

(d) The Agents in Ceylon and Malaya have been appointed under section 7 of the Indian Emigration Act, No. VII of 1922, for the purpose of safeguarding the interests of emigrants in those countries. The appointment of the Agent General in South Africa is not, however, under that Act and was created in 1927 in order to secure continuous and effective co-operation between the Government of India and the Government of the Union of South Africa in the solution of the Indian problem in that country.

NON-APPOINTMENT OF INDIANS AS DIRECTOR GENERAL, INDIAN MEDICAL SERVICE, AND DEPUTY PUBLIC HEALTH COMMISSIONER.

270. ***Mr. Badri Dutt Pande :** Will the Secretary for Education, Health and Lands state :

(a) why Major General D. P. Goll, K.H.P., was not made the Director General of Indian Medical Service, as he was the senior most officer in the Department ;

(b) if Colonel Sheikh, Deputy Director General, Indian Medical Service, is going to be transferred to the Provinces ; if so, when ;

(c) who is going to succeed him ; and

(d) why the post of the Deputy Public Health Commissioner has gone to a British officer of the Indian Medical Service, and why it was not reserved for an Indian ?

Mr. M. S. A. Hydari : (a) I would refer the Honourable Member to the reply given on the 12th October, 1936, to Mr. C. N. Muthuranga Mudaliar's starred question No. 1126.

(b) Lieut.-Colonel Shaikh reverted on the 15th July last to the United Provinces Jail Department.

(c) Lieut.-Colonel E. G. Kennedy, I.M.S., has been appointed to succeed him.

(d) Administrative or advisory posts in the Indian Medical Service (Civil) at the headquarters of the Central Government are open to all Indian Medical Service officers whether British or Indian and there was no reason to make an exception in this case. The most suitable officer available at the time was selected.

Mr. B. Das : Is there any Indian I. M. S. officer in the Public Health Department in the headquarters of the Government of India ?

Mr. M. S. A. Hydari : The Public Health Officer, Simla, is an Indian officer.

Mr. B. Das : I am talking of the Government of India Secretariat ?

Mr. M. S. A. Hydari : No.

Mr. B. Das : How does, then, Government give effect to the practice that at least there should be 50 : 50 Indian element in the Secretariat of the Government of India ?

Mr. M. S. A. Hydari : These are not Secretariat officers.

Mr. B. Das : Is it the opinion of the Honourable Member, then, that no Indian I. M. S. officer is to be taken in the Public Health Department ?

Mr. M. S. A. Hydari : If the Honourable Member looks at the percentage of Indian and European I. M. S. officers in the civil posts under the Central Government, he will find that the ratio is 50 : 50.

Mr. B. Das : But they are not in Simla heights.

Prof. N. G. Ranga : Is it not a fact that Colonel Kennedy did not have any civil experience at all whereas Colonel Shaikh had jail as well as military experience ? If so, why is it that Colonel Shaikh has been superseded by Colonel Kennedy ?

Mr. M. S. A. Hydari : I have already answered that the most suitable officer was selected and I cannot say anything more.

Mr. Badri Dutt Pande : Was he an officiating Deputy Director General or was he permanent ?

Mr. M. S. A. Hydari : He was on probation.

Mr. Badri Dutt Pande : Why has he been sent back to the province ?

Mr. M. S. A. Hydari : Because his probation has terminated.

Mr. S. Satyamurti : With reference to answer to clause (d), may I ask whether the most suitable officer who was selected was also the most senior officer ?

Mr. M. S. A. Hydari : No.

Mr. S. Satyamurti : Then, why were the seniors overlooked ? Did the Government come to the conclusion, on an examination of the qualifications of these people, that all those senior to the person who was actually appointed were not qualified for this post ?

Mr. M. S. A. Hydari : Not a bit. Government examined the names of various people. I may say—and I do not think I am giving away any secret—that the post was actually offered to five Indian officers and on their refusal it was given to Lieut.-Colonel Kennedy.

DILAPIDATED CONDITION OF THE ADITYA MANDIR IN KATARMAL VILLAGE OF THE ALMORA DISTRICT.

271. ***Mr. Badri Dutt Pande :** (a) Does the Secretary for Education, Health and Lands know that the Aditya Mandir in Katarmal village (Almora District, United Provinces) a protected historical monument is in a very dilapidated condition ?

(b) Have any repairs been carried out since it was declared a protected monument ?

(c) If not, why not ?

Mr. M. S. A. Hydari : (a) and (b). Certain repairs were carried out in 1928-29 and 1934-35 respectively. The necessity for repairs is recognised and a further estimate is under preparation on the basis of a conservation note prepared by the Assistant Engineer, Northern Circle, Agra.

(c) Does not arise.

ANTI-INDIAN AGITATION IN CEYLON.

272. ***Mr. Badri Dutt Pande :** Will the Secretary for Education, Health and Lands state :

(a) if the Ceylon-India League has submitted a memorandum to the Government of India inviting their attention to the anti-Indian agitation being carried out in Ceylon by a section of the Sinhalese to repatriate Indians and to measures passed by the State Council and to restrict and control Indian immigration and also introduction of measures curtailing the rights of Indians such as land development ordinance, destitute immigrants ordinance amending bill ?

(b) if so, what steps have Government taken to ameliorate the condition of the Indians in Ceylon and to give them relief ?

Mr. M. S. A. Hydari : (a) The Government of India have received representations on various matters from the Ceylon Indian League.

(b) The attention of the Honourable Member is invited to my reply to Mr. Mohan Lal Saksena's question No. 193 on the 30th August, 1937.

Mr. S. Satyamurti : Do Government propose to start any negotiations with the Ceylon India League, with regard to mutual trade and as part of these negotiations, take up for negotiation and settlement the question of the disabilities from which Indians are suffering there ?

Mr. M. S. A. Hydari : I must have notice of this question.

Mr. T. S. Avinashilingam Chettiar : May I ask if the Government have received any reply to the representation with regard to anti-Indian agitation with regard to the election to village communities.

Mr. M. S. A. Hydari : No, Sir.

Prof. N. G. Ranga : May I ask if any reply was given to the Ceylon India League giving them an idea of the election proposed to be taken by the Government of India ?

Mr. M. S. A. Hydari : Indians in Ceylon know that we have made a representation and the matter is under discussion.

Prof. N. G. Ranga : Was any reply sent to the Ceylon India League ?

Mr. M. S. A. Hydari : I am sure an acknowledgment must have been sent.

Seth Govind Das : May I ask when do the Government expect a reply to this representation ?

Mr. M. S. A. Hydari : I cannot say.

Seth Govind Das : Will they send a reminder ?

Mr. M. S. A. Hydari : If necessary, yes.

Maulana Shaukat Ali : May I ask the Government to enquire why suddenly there is so much unpopularity for Indians abroad ? Is there anything wrong with the men that go outside ? Do these men try to exploit the weaker people with whom they come in contact ? The same story is repeated in Iraq, in Zanzibar and other places ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot make a speech. He must put a question to elicit information ?

Maulana Shaukat Ali : Why is the good name of Indians being spoiled outside India by the people who migrate to those places ?

Mr. S. Satyamurti : It is not spoiled. Their name is good.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member should not go on making all sorts of observations. Next question.

HANDING OVER OF POSTAL OFFICIALS TO THE POLICE.

273. ***Mr. M. Asaf Ali :** Has the Honourable Member for Industries and Labour any objection to issuing general instructions that no postal official should be handed over to the police before the postal authorities are satisfied on departmental inquiry that a strong *prima facie* case exists against the suspect ? If so what ?

The Honourable Sir Thomas Stewart : I presume the Honourable Member is referring to offence committed in the course of official duties ?

Mr. M. Asaf Ali : Precisely.

The Honourable Sir Thomas Stewart : General instructions in the sense suggested by the Honourable Member already exist. The attention of all concerned is being drawn to these orders.

Mr. M. Asaf Ali : I should like to know whether the few cases in the various circles in which these employees were harassed by the police before departmental enquiry was conducted have come to the knowledge of the Honourable Member ?

The Honourable Sir Thomas Stewart : No, Sir. If the Honourable Member will bring them to my notice I shall look into them.

Mr. M. Asaf Ali : In the original question I had given all the particulars and I do not know why it was dropped ?

The Honourable Sir Thomas Stewart : As the question is before me, there are no details given.

Mr. M. Asaf Ali : The original question which I gave notice of contained all these particulars.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot go into all sorts of details in putting supplementary questions. The Government Member cannot be expected to answer questions of details without any reference to the question.

Mr. M. Asaf Ali : I am inviting the attention of the Chair to the fact that the original question which I sent notice of to the Assembly department contained all these particulars.

Mr. President (The Honourable Sir Abdur Rahim) : The question it is printed in the list is, "Has the Honourable Member for Industries and Labour any objection to issuing general instructions, etc.," and the Honourable Member has already answered that.

Mr. M. Asaf Ali : This is not the full question as given notice of by me. Something has been omitted. I was inviting the attention of the Chair to the original question as I had sent to your office ?

Mr. President (The Honourable Sir Abdur Rahim) : That has been allowed. The Honourable Member cannot ask any question relating to the portion that has been disallowed.

RESOLUTIONS OF THE DELHI PROVINCIAL POSTAL AND RAILWAY MAIL SERVICE CONFERENCE.

274. ***Mr. M. Asaf Ali :** (a) Has the attention of the Honourable Member for Industries and Labour been drawn to the resolutions of the Delhi Provincial Postal and R. M. S. Conference held on 18th July, 1937 ?

(b) What steps do Government propose (1) to redress the grievances enumerated in these resolutions and particularly (2) to solve the housing problem, (3) the question of allowing sufficient time for exchange of mails by the R. M. S. staff, (4) the grievances of R. M. S. staff in regard to postings and transfers, provision of amenities on mail vans, railway platforms, rest houses and other difficulties experienced by the staff ?

(c) Has the Honourable Member examined the resolution of the Conference mentioned in the foregoing question as regards the scale of pay and pension of the menial staff ? If so, what steps do Government propose to adopt to place the menial staff in a better position in this respect ?

The Honourable Sir Thomas Stewart : (a) No.

(b) and (c). Do not arise.

Mr. S. Satyamurti : With regard to pensions to those who are called menials, may I know if Government have come to any decision to pay them pensions now ?

The Honourable Sir Thomas Stewart : That question does not arise.

Mr. S. Satyamurti : If the Honourable Member would look at part (c) of the question, he would find :

"Has the Honourable Member examined the Resolution of the Conference mentioned in the foregoing question as regards the scale of pay and pension of the menial staff ?"

The Honourable Sir Thomas Stewart : I have already said that I have not seen the resolution and therefore I cannot be expected to have taken any decision on the contents of that resolution.

Mr. S. Satyamurti : If my Honourable friend would look at this question, first of all the resolution is specifically reproduced and the question is asked about pension and pay to the menial staff. I may also draw the attention of the Honourable Member to the fact that this question has been before the House and before his predecessor many a time, and promises have been given. I am simply asking whether Government have come to any conclusion on the question of pensions to those who are called menial staff of the department.

The Honourable Sir Thomas Stewart : I am not aware of the issue that has been raised in the reported resolution regarding pay and pension and I can therefore give no answer.

Mr. M. Asaf Ali : In reply to part (a) I understood the Honourable Member to say that he had not seen the resolution. Is the Honourable Member aware of the fact that a deputation waited on the Director General, Posts and Telegraphs, the other day and brought all these resolutions to his knowledge. Were they not communicated to the Honourable Member ?

The Honourable Sir Thomas Stewart : I am prepared to take the Honourable Member's word for it.

Mr. M. Asaf Ali : Why did the Director General of Posts and Telegraphs not convey to the Honourable Member the resolutions passed at this Conference and brought to his knowledge by a deputation only the other day ?

The Honourable Sir Thomas Stewart : I am informed that the Director General has no recollection of the incident as stated by the Honourable Member.

Mr. M. Asaf Ali : I think I might remind the Director General of Posts and Telegraphs who is sitting in the House now, that this deputation waited on him only about a week ago ? Has he got such a short memory ?

The Honourable Sir Thomas Stewart : I am informed by the Director General that these issues were not raised by the people who came to see him.

Mr. M. Asaf Ali : Is it the case that this deputation did not bring to the notice of the Director General, Posts and Telegraphs, the resolutions passed by this Conference ?

The Honourable Sir Thomas Stewart : I am informed that they did not.

Mr. S. Satyamurti : May I know why, since the notice of the question was received, the Honourable Member did not send for the resolutions and look into them ? When a notice of a question is given by the Honourable Member specifically mentioning certain resolutions at a Conference, it is not a fair answer to this House that he goes up and says "I have not seen that". What is he paid for not to look into the questions asked, and prepare suitable answers referring to the particulars noted in the question ?

Mr. President (The Honourable Sir Abdur Rahim) : No ; such questions cannot be asked.

Mr. S. Satyamurti : I am entitled to ask.....

Mr. President (The Honourable Sir Abdur Rahim) : I have given the ruling. You cannot use all sorts of language in putting questions, which have nothing to do with the original questions.

Mr. S. Satyamurti : When the Honourable Member is not giving straight answers, I am entitled to protect myself.

Mr. K. Santhanam : Is it not the duty of the Postal Department to take notice of such resolutions whether they are sent to the Department or not ?

The Honourable Sir Thomas Stewart : Not before they are received.

Mr. S. Satyamurti : May I know why Government did not send for the resolution, after notice of this question was given ?

The Honourable Sir Thomas Stewart : The Government were reasonably confident that in due course the resolutions would be received.

Mr. S. Satyamurti : That does not help in answering this question. May I know why before the question came to be answered in this House, my Honourable friend did not get official information or authoritative information of the resolutions ?

Mr. T. S. Avinashilingam Chettiar : The Conference was held so long ago as 18th July 1937 ?

Mr. President (The Honourable Sir Abdur Rahim) : He said they were waiting to receive a copy of the resolution.

Mr. Bhulabhai J. Desai : Was no attempt made to obtain information about this resolution ?

The Honourable Sir Thomas Stewart : No, Sir.

Mr. Bhulabhai J. Desai : Why not, Sir ?

The Honourable Sir Thomas Stewart : We expected the people concerned to send it in due course.

Mr. Bhulabhai J. Desai : Was the information not obtained for the purpose of answering this question which was admitted and allowed by the Honourable the President ?

The Honourable Sir Thomas Stewart : No, Sir.

Mr. Bhulabhai J. Desai : Why was no attempt made to obtain information relating to a question properly put and properly allowed ?

The Honourable Sir Thomas Stewart : The Government do not think they have any more responsibility in this matter than those who put the question who might have arranged for a copy of the resolution to be sent in due time to the Government.

Mr. Bhulabhai J. Desai : Why did Government fail to keep themselves informed about matters concerning questions put to them relating to their administration or relating to grievances brought to their notice ? Do the Government say they have no responsibility in this matter ?

(No reply.)

Mr. Bhulabhai J. Desai : I demand an answer.

The Honourable Sir Thomas Stewart : Will the Honourable Member repeat his question ?

Mr. Bhulabhai J. Desai : Why was it not followed before this ? Do Government declaim all responsibility of informing themselves about grievances addressed to them either through public resolutions at meetings or conferences or otherwise especially when the subject matter of those resolutions form part of questions put to them ?

The Honourable Sir Thomas Stewart : Government do not absolve themselves from responsibility in those circumstances.

MAKING INDIA SELF-SUPPORTING IN THE MATTER OF QUININE.

275. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

(a) whether the Government of India propose to consider the proposal of the Central Advisory Board of Public Health that India should be made self-supporting in the matter of quinine ; and if so, what their conclusions are ;

(b) whether Government have also considered the opinion of the Board that the price at which quinine is sold at present in India is too high, as it is greatly in excess of the cost of production, and that the Government of India should not regard the production of quinine as a source of profit and that, even if any profit accrues from its sale, such profit should be earmarked for expenditure on public health, and what the conclusions of the Government of India thereon are ;

(c) whether Government propose to take any steps through the Provincial Governments for carrying out the recommendations of the Board, that much more intensive propaganda should be carried on among the people, especially in rural areas, to bring home to them the utility of quinine as a cure against malaria, and the possibilities of its cheaper and more widespread distribution through non-official and other agencies ; and if so, what their conclusions are ?

Mr. M. S. A. Hydari : (a) Consideration of this question must follow the results of the enquiry into the possibility of extending cinchona production in India to which I referred in my reply to part (a) of Mr. Badri Dutt Pande's question No. 98 answered on the 25th August, 1937.

(b) The Board referred to producing Governments in India. The Government of India no longer produce quinine ; and the production, supply and distribution of quinine are now matters of entirely provincial concern.

(c) A number of Provincial Governments have for years past conducted an active propaganda in regard to the use of quinine. It is proposed, in consultation with all concerned, to examine further every possible means of effecting cheaper and more widespread distribution of quinine.

Mr. S. Satyamurti : With reference to clause (b), I think Madras and Bengal are the two Governments who produce quinine. Will Government take steps to impress upon the producing Governments that they should not regard the production of quinine as a source of profit but that such profit, if it arises, should be earmarked for expenditure on public health?

Mr. M. S. A. Hydari : If the Honourable Member means that we should issue directions, we cannot do that. But if the Honourable Member means that we should bring the resolutions of the Board prominently to the notice of the Provincial Governments and at further meetings of the Board find out what has been done in the matter, we will certainly do it.

Mr. S. Satyamurti : With reference to clause (c), may I know if the Government of India will take steps, in consultation with the Provincial Governments, to carry on an intensive rural propaganda for quinine, considering that the toll of mortality and disease by malaria in this country is something colossal?

Mr. M. S. A. Hydari : We can only advise in this matter, we cannot take steps ourselves. But within the limits of what I have said, we will do everything we can.

Prof. N. G. Ranga : Do Government propose to ask for any additional grants in the next budget to facilitate their helping the Provincial Governments to carry on a more intensive propaganda for popularising quinine in the rural areas?

Mr. M. S. A. Hydari : I do not see how that question arises.

Prof. N. G. Ranga : Here is a recommendation that Government should carry on a more intensive propaganda among the people, specially in rural areas, for popularising quinine. My question is whether the Government of India propose to ask for more money to be granted to Local Governments to enable them to carry on this propaganda?

Mr. M. S. A. Hydari : So far as the Provincial Governments are concerned, it does not lie with us to give them money. In so far as the centrally administered areas are concerned and the betterment of rural conditions in those areas, there are schemes under the consideration of Government.

Prof. N. G. Ranga : Do the Government of India propose to make any grant to the Provincial Governments in this regard?

Mr. M. S. A. Hydari : No, Sir.

Mr. M. S. Aney : What steps are the Government of India taking to secure equitable distribution of quinine in all the different Provinces in view of the fact that quinine is produced by two Provinces only?

Mr. M. S. A. Hydari : None, Sir, after the 1st April last.

SUGAR FACTORIES CLOSED AFTER THE INCREASE OF EXCISE DUTY.

276. ***Mr. Lalchand Navalrai :** (a) Will the Honourable Member for Industries and Labour be pleased to state if any sugar factories have closed down after the increase of excise duty in March last?

(b) If so, how many and at what places?

(c) Was the closing of the factories due to the increase of the excise duty and the fixed cane price or any other reasons?

(d) What has been the ruling market price of sugar since the last increase of the excise duty?

(e) Has the import in India of foreign sugar increased since the imposition of the latest excise duty? If so, how much?

Mr. A. H. Lloyd : (a) Government are informed that no sugar factories have closed down since the excise duty was increased.

(b) and (c). Do not arise.

(d) Sugar prices are published in the daily press. A statement of the prices ruling at Cawnpore is laid on the table.

(e) No.

Sugar Prices at Cawnpore since the excise duty was increased (per maund of 82 lbs. ex-factory).

1937 (Weekly Prices).	Cawnpore Special.	Mashowrah Crystal No. 1.	Padrauna Crystal No. 1.	Pilibhit Crystal No. 1.
<i>March.</i>	Rs. s. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
(1st week)	6 8 0	6 7 0	6 2 0	6 9 0
April 9	6 5 0	6 8 6	6 2 0	6 8 0
16	6 2 0	6 8 0	6 0 0	6 7 0
23	6 2 0	6 4 6	5 15 0	6 5 0
30	6 2 0	6 3 0	5 13 0	6 5 0
May 6	6 3 0	6 3 0	5 13 0	6 4 0
14	6 2 0	6 2 6	5 13 0	6 3 6
21	6 2 0	6 2 0	5 12 0	6 2 0
28	6 2 0	6 1 6	5 11 6	6 1 0
June 4	6 2 0	6 2 6	5 12 0	6 2 0
11	6 2 0	6 3 6	5 12 0	6 2 0
18	6 2 0	6 3 0	5 11 0	6 1 6
25	6 4 0	6 1 6	5 10 6	6 1 0
July 2	6 6 0	6 2 6	5 11 0	6 1 6
9	6 7 0	6 4 0	5 13 0	6 3 0
16	6 9 0	6 5 0	5 14 0	6 4 0
23	Not quoted.	6 6 0	6 1 0	6 6 0
30	Not quoted	6 8 0	6 1 0	6 7 0
August 6	Not quoted	6 8 0	6 1 0	6 8 0
13	6 12 0	6 6 0	6 0 6	6 8 0

Mr. Lalchand Navalrai : With regard to clause (a), in what way have Government made inquiries and found out that they have not closed down ?

Mr. A. H. Lloyd : We made inquiries through another Department under the Government of India,—the Imperial Council of Agricultural Research.

Dr. Ziauddin Ahmad : Is it not a fact that the difference between the import duty and the excise duty is exactly the same as the Tariff Board recommended as being suitable protection for this industry ?

Mr. A. H. Lloyd : May I suggest that that does not arise ?

Mr. M. Ananthasayanam Ayyangar : If they have not closed down, how many have been reduced to a tottering condition ?

Mr. A. H. Lloyd : For the answer to that question I must refer the Honourable Member to the proprietors of the factories.

Mr. Baijnath Bajoria : Is it a fact that the price of sugar has gone down since the imposition of this additional duty ?

Mr. A. H. Lloyd : The figures that I have laid on the table show that it went down for a time and has since revived.

CREATION OF A CORPORATION FOR THE CONTROL OF THE ALL-INDIA RADIO.

277. ***Mr. M. Asaf Ali :** (a) Has the attention of the Honourable Member for Industries and Labour been drawn to a leading article in the newspaper '*Times*' (London), a summary of which recently appeared in the '*Statesman*', dated 29th July, 1937, in which it has been suggested that the All-India Radio Department should be made over to a public corporation, like the British Broadcasting Corporation ?

(b) Is there any ground for this suggestion in the fact that Government are contemplating the creation of such a Corporation for the control of the All-India Radio ? If so, will the Honourable Member state the Government's proposals in this respect ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) The reply to the first part is in the negative. The second part does not arise.

Mr. Mohan Lal Saksena : Will Government consider the advisability of appointing an inquiry committee to consider the suggestion made by the *Times* ?

The Honourable Sir Thomas Stewart : I do not think that this arises out of this question.

Mr. S. Satyamurti : Have Government considered the suggestion in the course of this leading article in the *Times* that any activity controlled by this Government is likely to be suspect by the people of this country ?

The Honourable Sir Thomas Stewart : The Government of India do not agree with the thesis put forward by the writer of the leading article.

ENQUIRY ABOUT CERTAIN CUSTOMS OFFICIALS IN MADRAS.

278. ***Mr. K. Santhanam :** Will the Honourable the Finance Member please state :

(a) whether the enquiry about certain customs officials in Madras started in the beginning of the year has been completed ;

(b) if the answer to part (a) be in the affirmative, the result of such enquiry ;

(c) if the answer to part (a) be in the negative, how long it is expected to continue ?

The Honourable Sir James Grigg : (a) No.

(b) Does not arise.

(c) I cannot say.

Mr. K. Santhanam : With reference to clause (a), is there any time limit for this inquiry ?

The Honourable Sir James Grigg : No, Sir, but I understand that the delay is due to the action of the officials whose conduct is under inquiry.

Mr. K. Santhanam : Will it be finished in their lifetime ?

The Honourable Sir James Grigg : It depends on when they die.

Mr. S. Satyamurti : Are Government taking any steps to expedite the conclusions of this inquiry ?

The Honourable Sir James Grigg : Yes, Sir, to the maximum extent possible. The delay is entirely on the other side.

OPENING OF COMBINED POST AND TELEGRAPH OFFICES IN SIND.

279. ***Mr. Lalchand Navalrai :** (a) Will the Honourable Member for Industries and Labour be pleased to state how many Post and Telegraph combined offices have been opened in Sind during the last year and this year and at which places ?

(b) Are there such combined offices at all the Headquarters of the Talukas in Sind ? If not, at which such places do they not exist, and do Government propose to establish such combined offices at these places ? If not, why not ?

(c) Is it a fact that a guarantee is being insisted upon to the full extent in opening such offices ?

(d) Is it a fact that a guarantee is being insisted upon even at places where the income is expected to develop ?

(e) Are Government aware that such combined offices are wanted at 'Ubauro', 'Warah' and 'Garhi-Khairi' in Sind ?

(f) Do Government propose to start combined offices wherever they are required in India, without insisting on the guarantee when it is expected that the income will develop and in calculating the guarantee the income of the postal branch or part thereof be set off against the required guarantee ? If not, why not ?

The Honourable Sir Thomas Stewart : (a) Combined Offices were opened during 1936-37 at Pritamabad, Nabisar Road, Reti and Shadipalli and at Badah during 1937-38.

(b) Information is being collected and will be communicated to the Honourable Member in due course.

(c) A guarantee is insisted upon only in those cases in which the telegraph revenue is not expected to cover the cost of providing telegraph facilities.

(d) No ; both the Shadipalli and Badah Combined Offices have been opened without a guarantee.

(e) A guarantee has recently been quoted to the merchants of Ubauro. No demand for the opening of telegraph offices has been received from the public of Warah and Garhi-Khairo.

(f) It is already the policy of Government to open Combined Offices, without a guarantee, where there is reason to believe that the offices will pay their way. The income from the Postal Branch of a Combined Office cannot be set off against the required guarantee since separate commercial accounts are maintained for each Branch of the Department.

Mr. Lalchand Navalrai : May I know if the Honourable Member will instruct the Director there not to make double inquiries and too many inquiries, and to avoid delay ?

The Honourable Sir Thomas Stewart : Surely the question of the Director's inquiries does not arise on this question.

Mr. Lalchand Navalrai : What I meant was that the Director does not make only departmental inquiries in order to create these combined offices, but he makes double and triple inquiries by asking other officers of other departments and therefore there is delay. Will the Honourable Member tell him not to do that ?

The Honourable Sir Thomas Stewart : I cannot blame the officer for being cautious in this matter.

Mr. Mohan Lal Saksena : With reference to part (c), may I know what part of the deficit, if any, is met by Government itself and what part by the guarantors ?

The Honourable Sir Thomas Stewart : The object of taking a guarantee is that Government should not be called upon to meet any part of the deficit.

TOURS OF THE DIRECTOR OF POSTS AND TELEGRAPHS FOR SIND AND BALUCHISTAN.

280. ***Mr. Lalchand Navalrai :** (a) Will the Honourable Member for Industries and Labour be pleased to state if the Director of Posts and Telegraphs for Sind and Baluchistan has his fixed time for touring in his Division ? If so, how much ?

(b) Are Government aware that during the current year he went only to Quetta, mostly for a change of climate ? If not, will the Honourable Member be pleased to state which camps in his Division did he visit during the current year and the last year, and for how long did he stay at each place ?

The Honourable Sir Thomas Stewart : (a) No special season is prescribed for touring, nor is any minimum period assigned for such tours.

(b) Government are satisfied that there is no justification for the implication contained in the first part of this question. A statement furnishing the information asked for by the Honourable Member is placed on the table.

Stations within his jurisdiction visited by the Director of Posts and Telegraphs, Sind and Baluchistan Circle, Karachi, during 1936-37 and 1937-38.

Date of visit.	Station.	Period of stay.
1936-37.		
April, 1936.		
20th April, 1936	Gwador	2 hrs.
21st April, 1936	Muscat	1½ hrs.
25th April, 1936	Bahrain	1 day 12 hrs. 15 mts.
May, 1936.		
1st May, 1936	Muscat	2½ hrs.
14th May, 1936	Quetta	2 days 21 hrs. 45 mts.
17th May, 1936	Chaman	18 hrs. 10 mts.
18th May, 1936	Quetta	1 day.
19th May, 1936	Mach	1 hr. 35 mts.
June, 1936.		
15th June, 1936	Hyderabad (Sind)	9 hrs. 45 mts.
29th June, 1936	Quetta	1 day 2 hrs. 40 mts.
July, 1936.		
17th July, 1936	Sukkur	2 days 16 hrs. 45 mts.
20th July, 1936	Quetta	5 days 2 hrs. 40 mts.
August, 1936.		
Nil.		
September, 1936.		
Nil.		
October, 1936.		
Nil.		
November, 1936.		
18th November, 1936	Quetta	2 days 1 hr. 5 mts.
20th November, 1936	Pishin	1 hr.
21st November, 1936	Quetta	2 days 16 hrs.
24th November, 1936	Loralai	19 hrs.
25th November, 1936	Harnai	4 hrs. 55 mts.
25th November, 1936	Sibi	1 hr. 3 mts.
December, 1936.		
10th December, 1936	Quetta	3 hrs.

Date of visit.	Station.	Period of stay.
<i>January, 1937.</i>		
25th January, 1937 ..	Quetta ..	3 hrs.
<i>February, 1937.</i>		
4th February, 1937 ..	Pritimabad ..	23 hrs.
28th February, 1937 ..	Lahore ..	12 hrs. 30 mts.
<i>March, 1937.</i>		
25th March, 1937 ..	Las Bela ..	1 day 14 hrs. 45 mts.
<i>1937-38.</i>		
<i>April, 1937.</i>		
15th April, 1937 ..	Hyderabad (Sind) ..	1 hr. 15 mts.
<i>May, 1937.</i>		
Nil.		
<i>June, 1937.</i>		
Nil.		
<i>July, 1937.</i>		
15th July, 1937 ..	Quetta ..	1 day 19 hrs. 15 mts.
17th July, 1937 ..	Ziarat ..	1 day 20 hrs. 30 mts.
19th July 1937 ..	Quetta ..	3 days 4 hrs. 40 mts.
<i>August, 1937.</i>		
Nil.		

Mr. Lalchand Navalrai : With regard to clause (b), have Government made inquiries of the officer or in some other way ?

The Honourable Sir Thomas Stewart : Government are in possession of the tour diaries of the officer which show where the officer has gone and the purpose for which he has gone.

Mr. Lalchand Navalrai : Is the Honourable Member aware that in other departments there is a time fixed for the tours, and is the Honourable Member going to follow that procedure ?

The Honourable Sir Thomas Stewart : It is not considered necessary in this particular case.

APPOINTMENT OF THE DIRECTOR OF POSTS AND TELEGRAPHS FOR SIND AND BALUCHISTAN.

281. ***Mr. Lalchand Navalrai :** (a) Will the Honourable Member for Industries and Labour please state whether the policy of Government is to employ a telegraph officer to be the Director in Sind ? If so, why is the postal side in Sind also placed under his control ?

(b) Has the present incumbent in Sind remained on the postal side of the department before he was appointed the Director ? If not, what were his special qualifications for being entrusted with the postal side of the department ?

(c) Do Government propose to make any change in their policy either to appoint a Director having experience of both the postal and telegraph work, or to so arrange that the postal work be attended to by an officer having experience of the postal side of the department ? If not, why not ?

The Honourable Sir Thomas Stewart : (a) and (b). In the opinion of the Government of India it is administratively desirable that the Director should be a Telegraph Engineer as a considerable part of his duties are those of a Divisional Engineer, Telegraphs. As is usual in the case of the head of a Circle, he is in administrative charge of the Postal Branch also. He has not had experience of the postal side, but such experience is not necessary for the purpose of the duties which he has to perform, the more so, as he is assisted by an experienced postal officer as Assistant Director.

(c) Government have under consideration at the present moment the future organisation of the Circle.

Mr. Lalchand Navalrai : Has the Honourable Member made inquiries whether on account of this policy the postal side of the work there is suffering ?

The Honourable Sir Thomas Stewart : Government are not prepared to admit that statement.

Mr. Lalchand Navalrai : Is the Honourable Member satisfied that this officer who has not had much experience on that side is doing his work very well ?

The Honourable Sir Thomas Stewart : Government are satisfied that the work that has been performed has been done satisfactorily.

Mr. Lalchand Navalrai : On what ground does the Honourable Member say so ? (Laughter.)

(No reply.)

DEBT OF THE GOVERNMENT OF INDIA.

282. ***Mr. Abdur Rasheed Chaudhury :** Will the Honourable the Finance Member please state :

- (i) the total debt of the Government of India ;
- (ii) how much of this debt is productive and how much non-productive ;
- (iii) on what different occasions non-productive debts were incurred and why ;
- (iv) the total interest paid for these debts annually ;
- (v) how much of this debt is in India and how much in England ; and
- (vi) what time it will take to pay off this debt ?

The Honourable Sir James Grigg : (i) Approximately 11,60 crores.

(ii) and (iii). About 178 crores can be classified as non-productive or only partially productive. This amount is accounted for in the main by India's contribution to the Great War, the New Delhi Capital Project, Commutation of Pensions and the Port of Vizagapatam.

(iv), (v) and (vi). It is not possible to give definite figures since the loans raised from time to time have not been earmarked for specific purposes.

Mr. S. Satyamurti : What are the tests which my Honourable friend applies in classing the debt heads as unproductive and productive ?

The Honourable Sir James Grigg : I cannot answer that question exactly or in full detail ; but the general test is whether against the debt there exist reproductive assets.

Mr. S. Satyamurti : May I know then whether the railway debt is classified as productive debt ? (Laughter.)

The Honourable Sir James Grigg : Yes.

Mr. S. Satyamurti : With reference to the commutation of pensions, are Government considering the question of not charging it to capital, but bringing it under revenue heads ?

The Honourable Sir James Grigg : I am not sure, but I believe it has been taken up in some connection, but whether it has been taken up generally I am not sure.

Mr. S. Satyamurti : With reference to the answer to clause (v), may I know what is the difficulty in giving the figures ?

The Honourable Sir James Grigg : I can give the total rupees debt and the total sterling debt : that is quite easy ; but how much of each category is in India or in England it is impossible to say : if the Honourable Member wants the totals, they are—India, 677 crores : England the equivalent of 483 crores.

Mr. S. Satyamurti : How much of this debt is held by Britishers in England, and by Indians in India ? Can the Honourable Member give the figures ?

The Honourable Sir James Grigg : No.

Mr. B. Das : With reference to part (ii), how much of this 167 crores consists of the loss due to the silver sales policy of former Finance Members which was debited under this head ?

The Honourable Sir James Grigg : My recollection is that if you go back to the dawn of time or to the dawn of the British regime in India, silver transactions have resulted in a profit. It is perfectly true that transactions since 1914 have resulted in a loss—at least I think they have ; but taking the silver transactions as a whole, I believe they have resulted in considerable profit.

Mr. B. Das : Is it not a fact that in the time of the Honourable Member's predecessor, nearly 30 crores of this item are due to the loss in silver transactions ?

The Honourable Sir James Grigg : But that was due to the fact that he started from a certain date which gave very unfavourable results. Figures for earlier years were not available without a great deal of research ; but I have very little doubt that if you take the British regime as a whole the story will be a very different one.

Mr. T. S. Avinashilingam Chettiar : May I know whether on what you call productive debt, it pays all the interest on the debt ?

The Honourable Sir James Grigg : To the best of my belief, since my answer to the question related only to the debt which can be classified as non-productive or partially productive, I think the inference is that all productive debt does pay interest in full.

Maulana Zafar Ali Khan : May I know whether India still owes anything to the late lamented East India Company ?

The Honourable Sir James Grigg : I was under the impression that the East India Company no longer existed.

INCOME OF THE PEOPLE OF INDIA.

283. ***Mr. Abdur Rasheed Chaudhury :** Will the Honourable the Finance Member please state :

(i) the average *per capita* income of the people of India now and what it was 50 years ago ; and

(ii) how the *per capita* income of the people of India compares with that of Canada, Britain and Japan ?

The Honourable Sir James Grigg : (i) and (ii). Government have no official information on this subject.

Mr. S. Satyamurti : Will Government take steps to get the figures compiled ? Have any steps been taken at all ?

The Honourable Sir James Grigg : I say that we have no official information on the subject. I can refer the Honourable Member to certain unofficial estimates if he likes to buy the books which I shall refer him to : so far as I can make out from those estimates in the last fifty years the *per capita* income of the people of India has doubled.

Mr. T. S. Avinashilingam Chettiar : May I know from what year they have got figures ? Have they got official figures for any year ?

The Honourable Sir James Grigg : There are no official figures for any year. Various unofficial estimates have been prepared from time to time : one of them happened to be about fifty years back and another of them three years ago.

Mr. S. Satyamurti : Will Government take any steps to collect official information as regards this very vital matter ?

The Honourable Sir James Grigg : I do not place in a very high order of urgency the collection of that information. I should put in a higher order the means of increasing the present income.

Mr. S. Satyamurti : Will Government collect any official information on the latter statement of my Honourable friend ?

The Honourable Sir James Grigg : I think the Honourable Member has misunderstood me : I said actual measures for increasing income, not for measuring the increase of income.

Prof. N. G. Ranga : Is it not a fact that in the book of Mr. Findlay Shirras several estimates were made by him and published by the Government of India ?

The Honourable Sir James Grigg : I knew of the estimates made by Mr. Findlay Shirras. One of those I referred to was his estimate, but I refrained from mentioning his book, because it always seems to excite the wrath of the party opposite.

Mr. Bhulabhai J. Desai : Was it a matter of lapse on the part of the Government of India when they published it or assisted in its publication ?

The Honourable Sir James Grigg : I must have notice of that.

Seth Govind Das : Is it a fact that the income *per capita* of India is the lowest in the whole world ?

The Honourable Sir James Grigg : I do not know, but it is very low. I said I was not aware of that. If the Honourable Member is making an assertion, that is a different story. He asked me a question and I answered it.

Mr. Sri Prakasa : Is it a fact that our average income now has become double of zero ?

(b) WRITTEN ANSWERS.

QUALIFICATIONS OF THE BRITISH EXPERT INVITED TO STUDY THE POSSIBILITIES OF DEVELOPMENT OF BROADCASTING IN INDIA.

284. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable Member for Industries and Labour be pleased to state the qualifications of the British expert who had been invited by Government to study the possibilities of development of broadcasting in India ?

(b) How long did he stay in India and how much did his visit cost India ?

(c) Did he submit any report ? If so, why has it not been published so far ?

(d) What were the reasons for calling an expert from Great Britain ?

(e) Are not persons with equal qualifications available in India ? If they are, why was not one of them selected for the work ?

The Honourable Sir Thomas Stewart : (a) The Honourable Member is referring presumably to Mr. Kirke. He is an Associate Member of the Institute of Electrical Engineers, a member of the Institute of Radio Engineering, and the head of the Research Department of the British Broadcasting Corporation.

(b) He stayed in India from the 23rd January to the 2nd May, 1936. The Government of India paid for his actual expenses including subsistence allowance and this amounted to £533-13-11.

(c) Yes. The Government of India considered it unnecessary to publish the report as it was entirely technical in nature.

(d) The Government of India wished to take advantage of the very great technical experience of the British Broadcasting Corporation.

(e) I am not quite clear as to what the Honourable Member means by "equal qualifications". As far as Government are aware, there was no one in India with the practical knowledge and experience of broadcasting development which Mr. Kirke had.

QUALIFICATIONS OF THE CONTROLLER OF BROADCASTING AND THE CHIEF ENGINEER, ALL-INDIA RADIO.

285. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable Member for Industries and Labour state what technical qualifications, if any, does the Controller of Broadcasting possess ?

(b) Is it a fact that he was Director of Talks in the British Broadcasting Corporation ? If so, is it also a fact that the post being found superfluous was abolished and the incumbent was transferred to India as Controller of Broadcasting ?

(a) What were the respective salaries of the two posts ?

(d) Were any applications invited for the post, and what were the reasons for selecting the present incumbent ?

(e) Is it a fact that Mr. C. W. Goyder, the Chief Engineer, All India Radio, possesses no engineering qualifications ?

(f) Will the Honourable Member state how much experience Mr. Goyder has had ? What posts did he hold prior to his present appointment and for what periods ? What was the last salary he was drawing and what is his present salary ?

(g) Is it a fact that the Research Engineer is a Bachelor of Commerce ? If so, what were the reasons for his appointment to the post the principal function of which is direction of research in wireless ?

(h) What post did he hold prior to his present appointment, and what is the difference between his last and present salaries ?

(i) What are the qualifications and experience, if any, of the Deputy Controller ? What post did he hold prior to his appointment and what is the difference between his present salary and that of the post which he held last ?

(j) How are appointments made in the Broadcasting Department? Are they made through the Public Service Commission? If not, why not?

The Honourable Sir Thomas Stewart : (a), (b) and (d). The attention of the Honourable Member is invited to the reply given by Sir David Mitchell on the 17th September, 1935, to parts (b) and (g) of Sardar Sant Singh's starred question No. 430. My information is that there is at present a Director of Talks in the British Broadcasting Corporation.

(c) His salary in England was in the neighbourhood of £950—1,000 a year. He was appointed Controller of Broadcasting on a salary of Rs. 2,000 rising to Rs. 2,200.

(e) It is not a fact.

(f) I am sorry I have no detailed information on these points. Mr. Gcyder was employed in the British Broadcasting Corporation prior to his present appointment and was appointed on the strong recommendation of Sir Noel Ashbridge, Chief Engineer to the British Broadcasting Corporation, whose position in radio engineering is well known. His present pay is Rs. 1,700 in the scale of Rs. 1,650—50—1,850.

(g) and (h). The Research Engineer is a B.Com. (Eng.), and has passed the Final Examination in Radio Communication of the City and Guilds of London Institute and the Graduateship Examination of the Institute of Electrical Engineers, London. Before his appointment in All-India Radio, he was practising as a Consulting Radio Engineer in Madras and spent a good deal of time in studying wireless. His income was about Rs. 400 per mensem. He is at present drawing Rs. 420 per mensem on the scale of Rs. 300—20—600.

(i) The Deputy Controller of Broadcasting is a member of the Punjab Educational Service; Class I. He is an M.A. of the Cambridge University and was a Professor at the Government College, Lahore, prior to his joining All-India Radio in March, 1936. As a Professor, he was in receipt of a pay of Rs. 680 per mensem in the scale of Rs. 360—40—720—760—40—800—50—1,000—50—1,150 plus an allowance of Rs. 200 per mensem for his work on the Text Book Committee. His present pay in All-India Radio is Rs. 1,000 per mensem.

(j) Government have recently decided to make appointments to higher posts through the Federal Public Service Commission and to entrust the recruitment of lower posts to a selection committee to be appointed for the purpose.

SHORT NOTICE QUESTIONS AND ANSWERS.

NORTH-WEST FRONTIER TRIBES ENGAGED IN HOSTILITIES WITH THE BRITISH INDIAN FORCES.

Mr. M. Asaf Ali : (a) Will the Foreign Secretary please state how many independent tribes of the North-West Frontier were engaged in hostilities with the British Indian forces during the operations of the last six months?

(b) How many of these tribes have expressed their willingness to accept Government's peace terms, as declared in the communiqué, dated the 26th August, 1937?

(c) Does the acceptance or refusal of these terms mean assumption by the Government of India of the regular Government of the unsettled area? If so, to what extent?

(d) Will the assumption of the administration of the unsettled area mean the occupation of the scientific Frontier of India?

(e) If the answer to part (d) be in the negative, to what extent will the danger of hostilities with the residents of the tribal area be reduced?

(f) How many of the 250,000 "weapons of modern precision" possessed by the tribes will be handed over to the Indian Government in consequence of these terms?

Lieut.-Colonel A. E. B. Parsons : (a) No independent tribes. The tribes mainly concerned have been the Tori Khel, the Mahsuds and the Bhitannis. The Dawars, the Jani Khel and Bakka Khel have been concerned to a less extent.

(b) Mahsud jirgas, to whom alone terms have so far been announced, are reported to have accepted them and to be trying to carry them out. To others, terms have not yet been announced.

(c) If I understand the meaning of the question, No.

(d) and (e). I am afraid I do not know what the scientific Frontier of India is. If the Honourable Member will explain, I will do my best to answer.

(f) The estimate of the number of rifles which the Honourable Member quotes must, I think, have been for the whole of tribal territory. The number in Waziristan is much less. As has been announced already about 2,000 rifles are being demanded.

Mr. M. Asaf Ali : With reference to parts (d) and (e) it appears that the Honourable Member does not know what the scientific border of India is. May I know whether he is aware of Lieut.-Colonel Collins Davis' Book in which the scientific Frontier of India has been mentioned?

Lieut.-Colonel A. E. B. Parsons : I have been so much engaged in dealing with the subject on the spot for the last 30 years that I have had little time to read all the literature on the subject.

Mr. Abdul Qaiyum : With reference to part (b), Sir, if instead of the words "scientific Frontier", the words "Durand Line" are substituted, what will be the reply?

Lieut.-Colonel A. E. B. Parsons : I am afraid I must then ask the Honourable Member to define "occupation". It is a little difficult to answer the question in that form.

Mr. Abdul Qaiyum : I mean some sort of administration and control different from what it has been so far?

Lieut.-Colonel A. E. B. Parsons : No, I think no extension of area is contemplated at all. The areas next to the Durand Line are of course less controlled than those nearer to the administered borders.

Mr. M. Asaf Ali : With reference to (a) again, I understood the Honourable Member to say that no independent tribes were in hostility with the British forces. Is it or is it not a fact that all the tribes living beyond the settled districts are independent tribes ?

Lieut.-Colonel A. E. B. Parsons : I don't think it is a fact. I think the legal position is that they are under the suzerainty of His Majesty the King Emperor.

Mr. M. Asaf Ali : I am not talking of the legal position at all. I am talking of the actual position today. Have they always been described as independent tribes, and has the area between the settled districts and the Durand Line always been described as the independent tribal area ; is it or is it not a fact ?

Lieut.-Colonel A. E. B. Parsons : I think they have always been described as independent tribes by those people who wished to establish that position.

Mr. M. Asaf Ali : On the contrary, may I know if this description has not always appeared in Government papers, even in the Administration Report of the N. W. F. P. right down to, I should think, about three or four years ago, and was this area not described as an independent tribal area ?

Lieut.-Colonel A. E. B. Parsons : The Honourable Member is quite right in saying that in earlier periods they have been described in Government communications as independent tribes, but Government no longer hold that view.

Mr. M. Asaf Ali : What has happened to make the Government change their view, though until recently they described this area as an independent tribal area ? What has happened since then to change the Government view ?

Lieut.-Colonel A. E. B. Parsons : The real change in status came with the agreement with the Afghan Government by which the Durand Line was fixed in the eighties after the second Afghan War.

Mr. M. Asaf Ali : Is it not a fact, Sir, that until 1893 there was no agreement with the Afghan Government, and it was only after 1893 that the agreement with regard to Durand Line was reached, and even since 1893 this area was always described as independent tribal area. What has therefore since happened to make the Government change their opinion ?

Lieut.-Colonel A. E. B. Parsons : There must have been a mistake, for which I apologise.

Maulana Zafar Ali Khan : May I know if the Honourable Member can describe the Durand Line ?

Lieut.-Colonel A. E. B. Parsons : I could off-hand, but I don't think it will be of much use to anybody. Does the Honourable Member really wish me to describe it from North to South ?

Maulana Zafar Ali Khan : I want to know whether it is a fixed line or it is changed ?

Lieut.-Colonel A. E. B. Parsons : That I can answer at once. It is a fixed line, and except in one portion, it has been actually demarcated.

Mr. M. Asaf Ali : Is it not a fact that it is the change in the angle of vision of the Government in so far as the independent tribes are concerned that the independent tribes do not like it, and that is why hostilities are always continuing from year to year ?

Lieut.-Colonel A. E. B. Parsons : I don't think so.....

Mr. M. Asaf Ali : It is a matter of opinion.

Lieut.-Colonel A. E. B. Parsons : May I suggest the Honourable Member should not ask for my opinion. As a matter of fact, as the Honourable Member knows, the Government of India's present policy is to a large extent based on the necessity of protecting the administered area of British India, and by long experience they have discovered that they cannot protect it except by going inside the tribal area.

CREATION OF NEW PROTECTED AREAS IN THE TRIBAL AREA.

Mr. Abdul Qaiyum : (a) Will the Foreign Secretary please state whether it is a fact that under a proclamation issued by the General Officer Commanding in Waziristan it is proposed to create new protected areas in the tribal area ?

(b) If so, what areas are going to be classed as protected areas ?

(c) What will be the proportion of the protected area to the entire tribal area ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes.

(b) and (c). As the terms to some of the tribes have not yet been announced, the Honourable Member will realise that it would not be in the public interest for me to give the information at present.

Mr. Abdul Qaiyum : I understand that the terms have been announced to some of the tribes. May I know whether at the time of announcement certain areas were described as protected areas, and, if so, what are those areas, and what proportion of the entire tribal area the protected area constitutes ?

Lieut.-Colonel A. E. B. Parsons : So far terms have been announced to the three main Mahsud sections, and the area that has been announced to them extends—I can give you a rough line. Engamal Narai—Tauda China—the watershed of the Shoran—Mamusar—Mahsud—Tori Khel boundary.

Mr. Abdul Qaiyum : I wanted to know the protected area in square miles as compared to the non-protected area. I wanted to know what particular areas are going to be classed as protected.

Lieut.-Colonel A. E. B. Parsons : I have already given an answer.

INTRODUCTION OF THE FRONTIER CRIMES REGULATION AND TRIAL BY JIRGAS
IN THE NEWLY PROTECTED AREAS.

Mr. Abdul Qaiyum : (a) Will the Foreign Secretary kindly state whether it is proposed to introduce the Frontier Crimes Regulation and the trial by jirgas in the newly protected areas ?

(b) Is it a fact that this system was in force in the settled districts before 1933 ?

(c) Did this system cause tremendous agitation in the settled districts and was it subsequently abolished ?

(d) Why is this system being introduced in the protected area which has proved unworkable in the settled districts ?

Lieut.-Colonel A. E. B. Parsons : (a) The Frontier Crimes Regulation and the system of trial by jirgas are already in force in these areas.

(b) Yes.

(c) As a result of agitation against the Frontier Crimes Regulation, its provisions were with a few exceptions suspended in the case of inhabitants of the settled districts.

(d) Conditions are not the same. The tribal system is still in full force in tribal areas, and the Frontier Crimes Regulation provides the means of giving legal force to customary decisions.

Mr. Abdul Qaiyum : May I know if it is a fact that no right of appeal is allowed under section 48 of the Frontier Crimes Regulation ?

Lieut.-Colonel A. E. B. Parsons : Would the Honourable Member refresh my memory about section 48 ?

Mr. Abdul Qaiyum : Is it a fact that there is absolutely no right of appeal under the Frontier Crimes Regulation ?

Lieut.-Colonel A. E. B. Parsons : The Honourable Member is correct technically in saying that there is no right of appeal, but the right of revision is very wide and is used practically as a right of appeal.

Mr. Abdul Qaiyum : Is it a fact that a person involved in a criminal case under the Frontier Crimes Regulation has absolutely no right to be defended by a counsel ?

Lieut.-Colonel A. E. B. Parsons : That is correct I think, but I do not know if he wants to be so represented.

Mr. Lalchand Navalrai : Is it not a fact that in the case of revisions, when these revisions come before the revising authority, they always say, "We do not interfere" ?

Lieut.-Colonel A. E. B. Parsons : Will the Honourable Member kindly repeat the question ?

Mr. Lalchand Navalrai : At least that is so in Sind.

Mr. Abdul Qaiyum : Is it not a fact that when a revision application is heard under the Frontier Crimes Regulation the person involved is not allowed to be represented by a counsel.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot discuss the Frontier Crimes Regulation on this question.

Mr. Abdul Qaiyum : It is a very important thing, Sir.

Mr. President (The Honourable Sir Abdur Rahim) : I know it is important, but that is not the object of his question.

Mr. Abdul Qaiyum : Another supplementary question, Sir. The Foreign Secretary has stated in his answer to part (a) that the Frontier Crimes Regulation was already in force in the tribal areas. May I know when it was actually enforced and what particular tribal areas were actually administered under the Frontier Crimes Regulation ?

Lieut.-Colonel A. E. B. Parsons : If the Honourable Member wants very definite data on the subject, I am afraid he must put down a question, but I can tell him from memory that I think it was in the year, roughly, 1912 that under the authority of a Government of India letter the Frontier Crimes Regulation was extended to both agencies of Southern and Northern Waziristan and that even before that time it had been administered there by usage or whatever you like to call it. Later on the Government of India letter was replaced by an order under the Foreign Jurisdiction Order in Council and that is still in force. Similar orders have been passed in the case of Kurram, Khyber and Malakand, I think the Sherani area and, of course, various areas in Baluchistan.

UNSTARRED QUESTIONS AND ANSWERS.

REMOVAL OF THE POSTAL SEALS AND STAMPS OFFICE FROM ALIGARH TO
ALIPORE WORKSHOP.

40. Dr. Ziauddin Ahmad : (a) Will the Honourable Member in charge of the Department of Industries and Labour please state whether Government are contemplating the removal of the Postal Seals and Stamps Office from Aligarh to Alipore Workshop, Calcutta ?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the economic or administrative convenience on account of which the transfer is contemplated ?

(c) Is it not a fact that the work in Aligarh at present is done by the contract system which is cheaper than that directly manufactured by Government ?

(d) How long has the Postal Workshop been in Aligarh ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) and (c). The manufacture of postal stamps and seals at Aligarh is carried out under the contract system, but the workshops at Alipore are better equipped. It is under consideration whether or not greater efficiency and economy can be effected by transfer of the manufacture to Alipore.

(d) For about 95 years.

DELAY IN THE DESPATCH OF *Dak* TO PAURI IN THE GARHWAL DISTRICT.

41. Mr. Badri Dutt Pande : (a) Does the Honourable Member for Industries and Labour know that while Pauri, the Headquarters of the Garhwal District, is only 42 miles from the motor road, it takes the *Dak* nearly three days to reach there from the motor terminus and that consequently people are clamouring for immediate change in the timings of the mail from Pauri ?

(b) Does the Honourable Member propose to make enquiries why there is so much delay in the despatch of the *Dak* to Pauri ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) The mails are transported by mules and formerly were carried both by night and day. On the night of the 20th July, 1936, the convoy was attacked and the attendants in charge of the mules seriously wounded, one man subsequently dying. On the advice of the police the night running was, therefore, discontinued and this resulted in the delay in transit. Revised timings will be introduced with effect from the 1st of September, 1937, which will, it is hoped, ensure the delivery of the mails at Pauri on the day following their arrival at Dogadda.

THE CONTROL OF COASTAL TRAFFIC OF INDIA BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now proceed with the further consideration of the Bill to control the Coastal Traffic of India.

I understand that Sir Abdul Halim Ghuznavi, the Mover of the motion, was in possession of the House, when the matter was adjourned. Sir Abdul Halim Ghuznavi.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh : Muhammadan Rural) : Before I continue my speech, I ask your permission, Sir, to delete the name of the Honourable Sir Muhammad Zafrullah Khan from the Select Committee as he is no longer a Member of this House and add the following names : the Honourable the Commerce Member, Mr. Bhulabhai J. Desai, Mr. S. Satyamurti, Pandit Lakshmi Kanta Maitra, Sardar Sant Singh, and Mr. M. Asaf Ali.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : I would suggest the name of Seth Govind Das.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : May I suggest the name of Haji Chaudhury Muhammad Ismail.

Mr. M. Ghiasuddin (Punjab : Landholders) : I would suggest the name of Mr. Anwar-ul-Azim.

Sir Abdul Halim Ghuznavi : I have no objection.

Mr. President (The Honourable Sir Abdur Rahim) : The number of members on the Select Committee is already large. I think it will be better to retain the names that have already been mentioned.

The Honourable Member, Sir Abdul Halim Ghuznavi, has made a motion that he wants to delete the name of Sir Muhammad Zafrullah Khan,

as he is no longer a Member of this Honourable House and add the following names : The Honourable the Commerce Member, Mr. Bhulabhai J. Desai, Mr. S. Satyamurti, Pandit Lakshmi Kanta Maitra, Sardar Sant Singh, and Mr. Asaf Ali. I do not think it is necessary for me to read the entire motion again with these names.

Sir Abdul Halim Ghuznavi : I gave notice of this Bill some time in June, 1935, but as I felt that I may not get a chance in this Honourable House to introduce this Bill, as there were too many Bills already pending, I asked my Honourable friend, Mr. P. N. Saprú, to introduce the same Bill in the Council of State as well. Both of us got a chance and on the 7th April, 1936, the Bills were introduced in both the Legislatures. The Honourable Mr. Saprú moved for a Select Committee on the 28th September, 1936. The Honourable Mr. Dow, on behalf of the Government of India opposed this motion and moved an amendment for the circulation of this Bill for eliciting public opinion thereon before the 31st January, 1937. The Council of State was then dissolved, and Mr. Saprú's Bill lapsed. Nevertheless, opinions were collected and I am now in possession of those opinions. My friend Mr. Saprú was again returned to the Council of State and he has reintroduced this Bill in the Council of State in a somewhat altered form in the light of the opinions that were obtained and also of the remarks made by the Honourable Mr. Dow on the 28th September, 1936. I will have to refer to that Bill in passing, as also to the opinions obtained and that is my excuse for mentioning these particulars now. That Bill of Mr. Saprú is pending before the Council of State. I got a chance on the 1st April, 1937, when I moved this motion for the Select Committee. My Honourable friends on my right (Congress Party) were not present in the House on that occasion, and I was speaking practically to empty benches. With your permission, Sir, I shall read only a few lines from the speech I made on that day.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Is it permissible for an Honourable Member to read everything that he said ?

Sir Abdul Halim Ghuznavi : Only three lines.

Mr. President (The Honourable Sir Abdur Rahim) : This happened such a long time ago that I would allow the Honourable Member to go on.

Sir Abdul Halim Ghuznavi : Thank you, Sir. My reason is just to refresh the memory of this House. On the 1st April last, I said *inter alia* that it was not necessary to go into the whole history of Indian navigation and maritime activities in order to realise that India had a remarkable tradition in the matter of shipping. I would refer, for instance, to the history of Indian Shipping by Mr. Radha Kumud Mukerjee and similar works for you to realise the traditions and achievements of Indian maritime activities from the earliest times. Even after the advent of British rule in India, Indian shipping and ship-building were in a flourishing condition, and numerous authorities could be cited to show the skill of Indian shippers, ship builders and Indian sailors, as well as the strength and beauty of Indian-built ships. Sir, this is absolutely necessary to realise this, because the British shipping interests claim that they are the pioneer of shipping, so far as this country is concerned, and that we have no right now to oust them from this shipping

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business, since they have done all that they could to build it up in this country. To quote again from my last speech :

" Since the British shipping came gradually to control not only the trade between India and England but even the coastal trade of India itself, the P. and O. Company secured the mail contracts for India in 1842, that is, nearly 96 years ago, and the British India Steam Navigation Company received subsidy for the carriage of mails between Calcutta and Rangoon in 1853 from the East India Company and has been receiving it from the Government of India since 1863, that is, for the last 77 years. British shipping consequently established itself in Indian waters and consolidated its position through its technical equipment, financial resources and direct and indirect political advantages."

I will not read any more, and will go on with my speech. Now, Sir, what do we find from the opinions that we have received? The British interests oppose my Bill and the whole of the Indian interests support it. The 15 British Chambers of Commerce are unanimous on this point, and I will read to the House one of the paragraphs of their letter to the Government of Bengal. This is what they say :

" The principle of minimum rates is repugnant to the British lines as it would have the effect of depriving them of the only recognised means open to commercial enterprise to defend its business interests from the attack of all and sundry who, having done nothing to create the business, would like to participate in and share the fruits of another's labour."

They say that we have done nothing. We had been in the field and our shipping commanded the seas throughout the world. You came and ousted us through the arm of political power. You got protection after protection for hundred years, and now you are in the field and you say : " You clear out ; we are in the field and we will not allow you to enjoy the fruits of our labour." That is the answer you give us, and the benign Government of India tremble, because they dare not take any step which will hurt British interests. What is the British interest here? The British interest is represented only by the B. I., because the Asiatic has been practically absorbed by the B. I. At the present moment, 80 per cent. of the capital has been absorbed by the B. I. Only for the sake of B. I., the Government of India are so afraid that they dare not even consent to the small modicum prescribed by this Bill. (Cries of " Do not associate with them. Come to the Opposition Benches.")

Sir, when I gave notice of this Bill, my European friends in Calcutta, who are very good friends of mine, asked me when did I join the Congress? I said : " I have never joined the Congress." They said : " You must have joined the Congress, otherwise how could you give notice of such a Bill?" That is their mentality. If we want even this much, which is very little indeed for the protection of Indian interests, we are immediately asked : " When did you join the Congress?"

Now, what is the object of this short Bill consisting of four clauses? It is, as its preamble states, to encourage the development of an Indian Mercantile Marine. The Government of India profess to have sympathy with this object, and I will read to the House just a few extracts from what they have said from time to time as regards this :

On the 5th December, 1929, Sir John Woodhead, the then Commerce Secretary, said :

" They are in full sympathy with the widespread desire that India should possess a merchant fleet of its own."

From the speech of Lord Irwin, the then Viceroy of India, delivered on the 17th December, 1929, at the Annual Session of the Associated Chambers of Commerce, at Calcutta, we find that he sympathised with the desire that :

" India should have its mercantile marine and that the ships of that mercantile marine should be officered as well as manned by Indians."

The statement made by Sir George Rainy, the Commerce Member, on the 23rd September, 1929, was to the effect that the Government of India welcomed :

" Adequate participation of Indian shipping in the coastal and overseas trade of India."

Sir C. P. Ramasawamy Aiyer, the then Commerce Member, made the following statement of Government policy in the Legislative Assembly on the 7th September, 1932 :

" The Government are particularly anxious to facilitate the expansion of the coastal trade of India in so far as that coastal trade is operated by the Indian agencies and through the instrumentality of Indian capital."

Then, the following communiqué was issued by the Government of India, on the 6th January, 1930, after the Shipping Conference, convened at the instance of Lord Irwin, proved abortive, namely :

" The Government of India will take into consideration at an early date the issue raised in the discussion which took place in the conference on the development of Indian mercantile marine as soon as it has been found possible to fully consider these issues. The responsibility will rest with the Government of India of deciding what action should now be taken."

So, I have shown that the Government of India have been always sympathetic and were quite willing to do what was necessary in this connection, but when the time for doing something comes, the B. I. frightens them and they take no steps whatever.

Mr. S. Satyamurti (Madras City : Non-Muhammadian Urban) : Therefore, capture the Government and join us.

Sir Abdul Halim Ghuznavi : That time is not far off. (" Hear, hear" from Congress Party Benches.)

Now, Sir, what is the position today of this Indian merchant fleet on whose growth and expansion, I believe, the whole House has agreed. Let us realise what is the strength of our fleet. From a statement laid on the floor of this House on the 9th of April, 1936, it will be found that the total number of Indian steamers employed on the Indian coast was 63 with 1,36,000 tons gross, while the number of British steamers was 87 with a total of 4,14,000 tons gross. In other words, Indian net tonnage forms less than 20 per cent. of the total tonnage engaged in the coastal trade. From the proceedings of the Federation of the Indian Chambers of Commerce, dated March, 1935, I find that the total quantity of cargo carried by Indian shipping companies on the Indian coasts is round about 20 per cent. That is as far as the coastal trade is concerned. On the other hand, the share of Indian shipping in the overseas trade of India is absolutely nil, despite the large volume and value of its foreign trade. From the statistics available, it has been found that the increase in the share of Indian shipping during the last ten years has been hardly ten per cent. It is ten per

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cent. for ten years or one per cent. per annum. What do the Bengal Chamber of Commerce say? They and the other 14 British Chambers of Commerce agree to the formula that Indians should not get anything at all. To quote from the opinion which the Secretary of the Bengal Chamber of Commerce addressed to the Government of Bengal on this Bill, they say that their views are wholeheartedly endorsed by fifteen Chambers comprising the membership of the Associated Chambers of Commerce in India. They proceed to say:

"The Indian mercantile marine has made considerable progress within recent years without the aid of legislation and the prospect of further development is by no means precluded."

What a wonderful progress the Indian Mercantile Marine has made in the last ten years—one per cent. every year! That is the great and considerable progress which they say the Indian Mercantile Marine made without the aid of legislation. They further say:

"The development of the Indian mercantile marine during the past 13 years has been most marked, the tonnage operated by the Scindia company having increased from 29,000 gross tons in 1922 to 91,000 gross tons in 1935 and they are still adding to their fleet. By agreement with the British lines, they now participate in the mail and passenger trades."

Let me pause here for a minute and find out what is this so-called participation in mail and passenger trade. A small line, called the Bengal Burma Steam Navigation Company, had as late as four years ago, been practically killed by the nefarious methods adopted by the B. I., such as carrying passengers free; next, not being satisfied with carrying passengers free, allowing them two meals of sweetmeats. (Laughter)—still not being content, because they were mostly Muslim passengers who resisted all temptation, paid their fares and travelled only in that particular line (Hear, hear), the B. I. arranged music and "natch" parties for the passengers. It is a matter of eternal shame that the B. I. had recourse to such tactics and Government can verify them for themselves by referring to records. But God was on the side of that poor Bengal Burma Steam Navigation Company and they survived this attack from the powerful B. I. Because they put up a big fight, the B. I. had to surrender and they were allowed to carry a small mail which does not bring them more than a few hundreds as subsidy. That is the sort of great subsidy, and that is the sort of mail that the British interests want to allow for Indian lines. They quietly say that the Scindia's development has been most marked. No wonder, because the Scindias were compelled in self-protection to be fellow looters along with the B. I. They are not allowed to carry passengers, but from a small line which is permitted by the fullness of the heart on the part of the overlord, the B. I., somewhere in an insignificant out of the way corner to carry a few passengers on agreement with the permanent B. I. Of course, I must say that Scindia being bound for some years to come to the apron strings of the step-mother, B. I., are not free to go their own way. But what a terrible struggle and loss the Scindias had to encounter before they got this scanty recognition and favour from the B. I. So far as the agreement of the small Indian shipping companies on the west coast of India with the Major Coastal Conference, which they refer to in their opinion, is concerned and the benefit which is expected to accrue therefrom, I shall let the

representatives of those Small Companies speak. In their letter, the Honorary Secretary of the Buyers and Shippers Chamber, Karachi, states as follows:

"The working of the agreement had not been found satisfactory inasmuch as

- (a) the B. I. S. N. Company who had given an undertaking at the conference to consider the claims of the Eastern Steam Navigation Company, Limited, for participation in the carriage of Persian Gulf traffic have studiously kept silent on this point even till date although they have been requested frequently by the Indian steamship company concerned in this behalf;
- (b) the quotas fixed for small steamship companies at the said conference have proved wholly inadequate for their existing tonnage. The group of small steamship companies have already applied for revision of the Award of Sir Joseph Bhore with a view to substantially increasing their quota of traffic to meet the altered situation and to keep their existing vessels going but so far there has not come forth any response to their appeal."

Mr. Muhammad Reza Hajee Shareef of Eastern Steam Navigation Company, Ltd., wrote:

"The trade traffic between Bombay and Karachi is 50,000 tons and out of this total three small companies which are existing now were awarded only 5,000 tons. The trade traffic from Bombay and Karachi to Tuticorin is 2 lakhs tons. Small companies were awarded only 11,500 tons out of this, and had their sphere of activity restricted up to Tuticorin only. This quota to Tuticorin is very low in view of the volume of the trade. Small companies have been able to finish the quota during the first five months of the year. It follows in consequence that with a bigger allotment smaller companies would be able to complete it as well. The sphere of action is limited and during a portion of the year the ships cannot go half-load of cargo both ways and the vessels are run at considerable loss."

It is, therefore, clear, Sir, that even in the coastal waters of India, the development of Indian mercantile marine has been disappointing, and that the agreement between the Major Coastal Companies and Small Companies is not at all likely to lead to further development and expansion, and there is hardly any prospect of further development without the aid of legislation. The case for the necessary legislation has the support of practically the whole of the Indian press as will appear from this printed pamphlet which I circulated last year to all Honourable Members here. We find that the entire Indian press throughout the country has supported this Bill. Then, Sir, I find that the whole of Indian shipping interests, as well as the commercial interests, has supported me, except, as I said, the British interests who opposed it.

Next, let us consider the principle underlying the Bill. It is the prevention of ruinous and unfair competition in the coastal trade of India. Honourable Members will be shocked to hear what struggle the Scindias had to make to exist during the first four years of their life. They nearly lost all their capital. There is no doubt that such competition still exists, and equally it cannot be denied that it has ruined many an Indian venture. The rate wars, the secret and deferred rebates, are manifestations of this unfair competition. The British shipping interests and the Associated Chambers of Commerce do not deny their existence nor do they question their effect. On the other hand, they claim this as fair and legitimate and describe them as the only recognised weapon and means open to the commercial interests to defend their business interests from attacks of all and sundry. I shall

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deal with this argument at a later stage, but in the meantime what I want to impress upon Honourable Members is that this Bill deals only with one of the several impediments in the way of development of Indian mercantile marine. It has been well pointed out by the Indian Merchants' Chamber, Bombay, that while the coastal trade of almost all important maritime countries in the world has been reserved to national ships, in India it is open to all flags,—not only to British flags but to all flags. Indian shipping has therefore to struggle against the unhealthy competition from two different sources. The British shipping interests regularly engaged in the coastal trade, as admitted by Sir Alfred Watson, have crushed all attempts of Indian ships to live and grow in their own home waters; while the actual and potential opposition of occasional outside steamers, such as in 1933 reduced the earnings of the coastal shipping by over 375 lakhs of rupees, exhausts their resources by compelling them to keep their rates of freight throughout the year at a very low and uneconomic level. It is this open door policy coupled with the unfair competition from these two sources which makes it impossible for Indian shipping even to live in its own home waters, not to say anything about its growth and development. This Bill deals with only one of these three-fold dangers, namely, unfair competition from British as well as Indian shipping companies. So far we have not heard of unfair competition from Indian shipping companies which would hardly be in a position to carry on rate wars and resort to rate-cutting; but there are plenty of instances of unfair competition from British shipping interests ruining Indian ventures. Sir Alfred Watson,—I am quoting again the late editor of the *Statesman*,—in his evidence before the Joint Parliamentary Committee was constrained to admit as follows:

“I recognise that Indian company after company which endeavoured to develop the coastal service has been financially shattered by the heavy combination of the British interests. I think those British interests have to realise in the future that they must be prepared for a real partnership and must admit Indians to at least a share in their coastal trade.”

Even that our British friends would not agree to. Authoritative statistics in this connection are not available, but it has been calculated that during the last 35 or 40 years more than 20 or 25 Indian shipping companies whose subscribed capital aggregated to more than 20 crores have been compelled to close down mainly owing to the drastic and unfair competition of the powerful non-Indian British companies. It is perhaps not very well known that even Mr. Jamshedji Tata, the pioneer of the Tata steel industry, had also gone into the shipping industry, but was forced to go out owing to the competition of the British shipping companies. Mr. Walchand Hirachand, the present Chairman of the Scindia Steam Navigation Company, Ltd., which is one of the few Indian shipping companies that have survived on the Indian coast, mentioned in his evidence before the Indian Fiscal Commission and the Indian Mercantile Marine Committee that when the Scindia Company first made its appearance in the Indian coastal trade in 1919-20, the current rate of freight on rice from Rangoon to Bombay which was in the neighbourhood of Rs. 18 per ton was brought down by the B. I. to Rs. 6 per ton, although it was not at all an economic proposition and was less than the cost of operation, involving a loss of

nearly 200 per cent. Such instances can be multiplied *ad infinitum*. I have already mentioned about the Bengal Steam Navigation Company and how they tried to ruin that company by rate war between Rangoon and Chittagong. It is a recent history about the B. I. carrying passengers between Chittagong and Rangoon. Sir, with the view to secure the monopoly of the Persian Gulf I will give you another instance of Persian Gulf traffic. Before Scindia started in 1918, we started a company with a capital of 50 lakhs of rupees—known as the Eastern Bengal Navigation Company, for coastal trade. In not more than two years time, it was crushed and forced to go into liquidation, losing the entire 50 lakhs.

From what has already been stated, it is quite clear that the evil of unfair competition exists and it operates to the detriment of Indian shipping enterprise. It is also equally patent that the British shipping interests propose to persist in this competition by having recourse to rate-cutting, secret rebates, deferred rebates, rate-wars, etc.

How is this evil of unfair competition to be put down? As the 1 P.M. Government of India have no powers of interven-

tion in matters of this kind, it has been suggested that a policy of friendly negotiations and co-operation is the only remedy. This is the suggestion which we always receive from the Government of India when the question of coastal shipping comes up. Sir, I do not underrate the necessity and desirability of such a policy but it can only have a limited scope. Further, in my opinion Indian shipping, like other national and key industries, is entitled to exist and develop on its own inherent right and not be allowed to live through the favour and grace of its competing interests. I, therefore, consider that Government should possess adequate powers themselves to check and stop these abuses and thereby prevent the annihilation of Indian shipping enterprise. By this Bill, therefore, power is given to the Governor General in Council, when he is satisfied that unfair competition exists, to fix minimum rates of fare and freight, or to prohibit the grant of rebates or other concessions which are calculated to reduce such minimum rates. This Bill also empowers the Governor General in Council by notification to make rules for carrying out the purposes of this Act and provides penalties for the contravention of any rule prescribed by the Governor General in Council or any directions given by him with regard to the grant of concessions. Now, for the purposes of this Bill, British and Indian shipping must be deemed to stand on the same footing. We were far better off before than we are now. The Government of India Act, 1935, has taken away the power from our hands of legitimate discrimination. The Honourable Mr. Dow said sometime ago:

“We could have helped you before: we cannot help you now. We could have given you subsidies or something of the kind before: we cannot do it now. There cannot be any discrimination between British and Indian.”

Mr. B. Das (Orissa Division: Non-Muhammedan): That is the joke of the Government of India Act.

Sir Abdul Halim Ghuznavi: The provisions of this Bill, therefore, will apply equally whether a British or an Indian shipping company carried on unfair competition. The power of the Indian Legislature to

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deal with abuses like rate-wars, etc., with which the present Bill is concerned by measures which may even look like discrimination was recognised in the discussion which took place in the Joint Parliamentary Committee on this very issue. This Bill in the circumstances of the recent case cannot be considered as an interference with the legitimate use of an ordinary commercial means of protecting their business interests by British shipping companies. What they really claim is a perpetuation of that domination and monopoly in the region of the shipping trade as in so many other directions, against the economic and political interests of the children of the soil which cannot be conceded and tolerated for a moment. This Bill, I admit, cuts at the root of that untenable claim but does nothing more to impede and hinder the British shipping interests to pursue their peaceful vocation as citizens of India in the same way as Indians. This Bill is really an assertion of that elementary right which every government worth the name and every legislature have got of taking whatever action they consider necessary for developing indigenous and national industries. This Bill, when and if it becomes the law of the land, will be an exercise of that inherent power of this Honourable House to develop its own economic policy in regard to Indian shipping, along with other indigenous industries such as textiles, sugar, steel, etc., consistently with the provisions of the Government of India Act, 1935.....

An Honourable Member : Do you want to do away with that Act ?

Sir Abdul Halim Ghuznavi : We will think of it later on. At the moment we have that Act before us. If the Government of India and this Legislature are entitled to interfere with British and foreign vested interests in textiles, steel, sugar, etc., and what they would describe as the legitimate exercise of their trade and business, why cannot they do it in this case also ? Why cannot they be allowed to take the small step proposed in this Bill to encourage and develop such a national and key industry as shipping ? To my mind, it is indeed one of their primary duties and obligations to do so not merely in the narrow interests of the shipping trade but also in the broader, larger and primary interests of the nation such as its defence and safety, particularly when it is found that the Government of India have failed and neglected to implement substantially their repeated declarations and policy to facilitate the growth and expansion of the coastal trade of India. I desire further to point out that Government have already accepted in regard to inland navigation the principle of prevention of unfair competition as will be clear from a reference to an "Act to amend the Inland Steam Vessels Act, 1917 (Act XIII of 1930)" which was passed by this House in 1930. Unfair competition had existed, and after Government took power to check it, and after the Act was passed I do not think that unfair competition exists now in inland navigation. I am quite aware of the fact that there are differences between inland navigation and coastal navigation, particularly in the fact that occasional tramp steamers of foreign nationalities are likely to intrude upon coastal trade, while it is not likely that they would enter the inland waters of the country. It would, therefore, be unfair if such steamers are allowed to come into the coastal trade and cut rates against the regular lines, British and Indian, while the coastal shipping companies

would be precluded from meeting such competition from outsiders. As I have already pointed out, it is another danger to coastal shipping for which the open door policy of the Government of India is responsible. This danger can easily be met by the Government of India if they so choose. But neither the existence nor the possibility of such danger will justify the perpetuation of unfair competition on the part of British vested interests to the detriment of our nascent shipping industry. The road lies another way, namely, to repeal the statute which throws Indian coast waters open to vessels of all nations and Government of India realise it as would appear from the Government's plans for dealing with Japanese and other foreign competition in Indian coastal traffic to which publicity was given recently by the Associated Press of India.

Precedents are also to be found in other countries for the action suggested by this Bill. In the United States, for instance, the Shipping Act of 1916, prohibits a number of practices similar to those in question in this country.

Sir, before I deal more fully with the objections against the Bill urged by British commercial and shipping interests, I should like to refer to certain criticisms of its provisions which are common to Indian as well as the British interests. They are :

- (1) Non-prevention of intrusion into our coastal waters from foreign shipping ;
- (2) encouragement of mushroom companies and addition of further tonnage ;
- (3) imposition of a heavy fine in clause 3 of the Bill without any form of judicial trial and any right of appeal ;
- (4) refusal of entry of a ship to an Indian port as provided in clause 3 of the Bill.

As regards criticisms Nos. (1) and (2), these are easily met by the incorporation of a further clause vesting power in the Governor General in Council to make it obligatory on all tonnage to obtain necessary license from the Government of India for plying on the Indian coast. Provision for such license has already been made in clause 4 of Mr. Sapru's Bill and may also be incorporated in this Bill when it goes to the Select Committee.

As regards criticisms Nos. (3) and (4), these are easily met when a provision for licence has been incorporated. The penalty will then consist in either the cancellation or temporary suspension of the license as provided in clause 8 of Mr. Sapru's Bill. Any party aggrieved by any order passed by the Governor General in Council may also be given a right of appeal to the Federal Court of Justice and a clause on the lines of clause 10 of Mr. Sapru's Bill may also be incorporated in this Bill. All these are matters for consideration in the Select Committee as in the case of every Bill, and need not stand in the way of reference of this Bill to the Select Committee.

Having met these criticisms common to the general body of opinions received, I shall proceed now, with your permission, to deal briefly with the main objections against this Bill urged by British commercial and shipping interests.....

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Mr. President (The Honourable Sir Abdur Rahim) : Will the Honourable Member conclude his speech now ?

Sir Abdul Halim Ghuznavi : No, Sir, I will take another 15 minutes.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Sir Abdul Halim Ghuznavi : Mr. Deputy President, before I continue my speech, I would ask your permission to add one more name to the names of members of the Select Committee, and that is the name of Mr. M. Slade of the Commerce Department.

Sir, having met the criticisms which were common to the general body of opinions received, I shall proceed now, with your permission, to deal briefly with the main objections against this Bill urged by British commercial and shipping interests. For this purpose I cannot do better than take the letter of the Secretary, Bengal Chamber of Commerce to which I have already referred and which embodies the considered view of all the 15 British Chambers comprised in the Associated Chambers of Commerce arrived at in consultation with the Shipping Sub-Committee of the Bengal Chamber of Commerce.

I have already dealt with the argument that the Bill will, in fact, operate to the detriment of non-Indian shipping interests engaged in the coastal trade. As I have already said, the Bill is not discriminatory either in form or in fact because it will apply equally whether a British or an Indian shipping company carries on unfair competition. I have also shown that legislation of the kind forming the subject matter of this Bill was held to be justifiable in the discussions before the Joint Committee on Indian Constitutional Reform. I have already submitted that this Bill is a part of the general scheme to take whatever action may be considered necessary for developing indigenous and national industries, and the development of the Government's own economic policy in regard to Indian shipping as against the claim of the vested interests to perpetuate their virtual monopoly of an important branch of trade which should have been our own, can form no exception to the rule.

I have already dealt with their second point, namely, that Indian shipping has developed remarkably during the last 13 years. It was next argued in the letter to the Government of Bengal by the Bengal Chamber of Commerce that the fixing of minimum rates was not a simple matter and might in practice be easily evaded. It may be true that the fixing of minimum rates is a complex matter and I acknowledge that if shipping is to be a paying concern the minimum rate must be an economic rate and that it must depend upon various factors and conditions which might even fluctuate from time to time. I have no hesitation in stating that when the Bill goes to the Select Committee suitable machinery in the shape of a Shipping or an Advisory Board would have to be set up and the shipping interest amongst others will have to be fully represented therein. What happens in the case of foreign shipping ? There is a Conference rate. The United Kingdom has a conference of British lines ; the Continent has a conference of continental lines. That conference fixes the rate for the

particular year and changes it from time to time if there is any necessity for such a change. Similarly there can be a Conference of the coastal shipping in this country. The Conference in their meeting will decide what rate will be for a particular year and for what particular route. That has been done in England and elsewhere throughout the world and I cannot see why it cannot be done in this country. The Government might do it in this form that shipping companies will form their own conference. The Indian shipping which will obtain a license to ply in the coastal trade—let them have a conference and fix the rate and that will take away the fear that there may be a competition on uneconomic rates. As regards the argument that the provision of the Bill can be easily evaded—that is what I find from one of their letters to Government—no legislature can contemplate and no executive can permit a persistent evasion and breach of law, and if any such wholesale evasion takes place necessary steps can be and would be taken to prevent any loopholes and to ensure compliance with the provisions of the measure. As regards the cutting of rates against opposition, the answer is that there will be no occasion for resort to internecine rate wars if a fair and economic rate of freight is guaranteed to the coastal shipping companies as suggested in this Bill. The issue of licenses will also have the effect of preventing the intrusion of outsiders and stray tonnage. This reply also meets the further objection that the principle of minimum rate would deprive the British lines of the only recognised means of defending their business interests from attack of all and sundry.

The British shipping interests contend that the existing lines adequately meet the requirements of trade, or would, with a little addition to the existing tonnage, be able to supply the requisite tonnage and that the advent of greater tonnage would be detrimental to the interests of existing lines. I do not agree. I can give you an instance here and now. What is the position today ? The position today is that neither the British India nor the Asiatic nor the Scindia can give you sufficient steamers to run on the coastal lines. This is the statement that I have received from Mr. J. R. Harrison who was the Chief Mining Engineer of the Railway Board of the Government of India. He says that there are no steamers offering to carry coal and all the British India steamers are booked up to October next. The result is that the freight has gone up by 100 per cent. today. The British India say that they can give you freight for October and the rate of coal is, for Colombo Rs. 10, for Cochin Rs. 12, and Hongkong Rs. 15.

Mr. B. Das : But there is an agreement between the B. I. and the Scindia that they will charge the same rate.

Sir Abdul Halim Ghuznavi : There is an agreement, but they are also profiting by this. There are no other Indian companies in existence.

Qazi Muhammad Ahmad Kazmi (Meerut, Division : Muhammadan Rural) : What was the rate before ?

Sir Abdul Halim Ghuznavi : Much lower than this. I am unable to tell you offhand, but it was much lower. I think my Honourable friend, Sir Leslie Hudson, will be able to tell you. I contend that there is a vast field for Indian shipping companies in coastal shipping and many more can come in and there will be no uneconomic rate if the rates are fixed by a conference. Whether a new comer or the existing shipping company—

[Sir Abdul Halim Ghuznavi.]

they will have to abide by the same rate so there is no cause for apprehension by the British India or the Asiatic that the advent of new companies will reduce the rates and those rates will be brought down to an uneconomic level.

Now, Sir, so far as the penalty clause of this Bill is concerned, I admit it is objectionable and I was fully prepared, if the Honourable the Commerce Member would give an assurance that he would agree to this Bill going to the Select Committee, to withdraw that straightaway and re-introduce something which will be more feasible and suitable. That can be easily done in the Select Committee. If you add a clause from Mr. Sapru's Bill about the license, I think that will take away all the trouble. Licences can be suspended or cancelled and the power may be given to such licencees to go before the Federal Court of Justice. As I have said, all that I seek to do is to take the Bill to a Select Committee. Once you go to the Select Committee there will be suggestions. There will be amendments; and the Bill will be so amended that these obstacles and these difficulties which you find in the existing Bill will be removed and then it will be brought to this Honourable House for its consideration.

Sir, before I conclude I will make one or two more observations. The Bill I have tabled is on the same lines as Mr. Sapru's Bill and from the opinions that I have in my possession it has been made abundantly clear that no new companies can be started until certain measures are taken to prevent rate cutting and thereby destroying the new companies coming in for this particular trade. In the opinions obtained I find there are some European opinions which express a distrust of the Governor General in Council. I cannot follow it. My Honourable friends of the European Group know that the Governor General in Council will always support them and this takes me to the traditional hostile attitude of the Britisher in India to the Indian aspirations, which I deplore, particularly at this time. The Bengal Chamber consider that the Bill is discriminatory in character while their brother Chamber in Bombay say that it is vicious in principle. It is indeed hard to think of giving up, even partially, the fruits of the pagoda tree. Not that there is any prospect of immediate giving up but still the fear that they will have ultimately to give up a part of the privileges which they now enjoy oppresses them. The provisions of the Government of India Act as regards commercial discrimination safeguard British commercial interests against any hazard and when British Chambers of Commerce characterise an elementary national right as discriminatory and vicious, they uphold the view that the new constitution is a fresh charter for British commercial privileges and preferences.

Coming to the opinions submitted by the Provincial Governments, I am very sorry to have to refer to an opinion of the Government of Madras. The Congress had not taken office then. I make that abundantly clear. This was before they assumed office. That Government made this insulting remark: "India has not so great a need as other nations may have to build up a mercantile marine of her own in the interest of her national safety. The British mercantile marine is in a very real sense a second line to the British Navy on whose command of the seas the safety of India ultimately depends". This opinion was expressed in February 1937. I am sure that if this Bill had been circulated now, their view would have been very different. As against this effusion, I may be pardoned for

quoting no less a person than the British Prime Minister, Mr. Neville Chamberlain who said that "the next two years may well be critical in the history of Europe". That means that India may not have any help from the British mercantile marine in the next two years. They feel that such a troublesome time is coming and yet they do not want that the Indian mercantile marine should go ahead. We have also been reminded recently by no less an authority than Field Marshal Sir Philip Chetwode who has recently retired from India:

"Things had altered so much in the matter of imperial strategy that India might find herself one day isolated until Britain was able to settle matters. One day India may have to stand on her own legs for a long time."

Only the other day, Sir Firoz Khan Noon, the High Commissioner for India in London, has drawn attention to this matter and said:

"Hitherto we have depended mainly on England. The time has come when steps should be taken to enable the Dominions and India to arm themselves to defend themselves in case of necessity."

These are significant remarks which it will be wild folly for any one to ignore.

Sir, I will not take up any more the time of the House, except to say one word more. I appeal to this House and say that I have been able to show to this House the necessity of this Bill. The Bill as it has been framed may not be complete but it can easily be amended in the Select Committee in the light of the opinions that we have received, the underlying principle being to safeguard the Indian mercantile marine on which we are agreed. I hope every elected Member of this Honourable House will vote for this motion for the Select Committee. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Motion moved:

"That the Bill to control the Coastal Traffic of India be referred to a Select Committee consisting of the Honourable Sir Nripendra Sircar, the Honourable the Commerce Member, Sir Muhammad Yakub, Babu Baijnath Bajoria, Seth Haji Sir Abdoola Haroon, Pandit Nilakantha Das, Pandit Krishna Kant Malaviya, Mr. Sami Venkatachalam Chetty, Dr. G. V. Deshmukh, Maulvi Syed Murtuza Sahib Bahadur, Sir Cowasji Jehangir, Sir Leslie Hudson, Mr. F. E. James, Mr. Akhil Chandra Datta, Mr. S. Satyamurti, Pandit Lakshmi Kanta Maitra, Dr. Ziauddin Ahmad, Mr. Bhulabhai J. Desai, Sardar Sant Singh, Mr. M. Asaf Ali, Mr. M. Slade and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Seth Govind Das (Central Provinces Hindi Divisions: Non-Muhamadan): Sir, though I support the motion moved by my Honourable friend, Sir Abdul Halim Ghuznavi, yet I want to make it clear at the very outset that I do not think that this Bill is a perfect Bill. Sir Abdul Halim Ghuznavi himself accepts that the Bill is a very defective one. Besides, it accepts the principle of non-discrimination of British and Indian trade under the Government of India Act of 1935 which we, Congressmen, do not accept. The Bill which was moved in the Council of State by the Honourable Mr. P. N. Sapru was a better one, but as has been said by the Honourable Sir Abdul Halim Ghuznavi, it might be improved in the Select Committee. The fact is that, under the present Government of India Act, we cannot introduce any measure which is in the real interests of India, and, therefore, all our efforts are concentrated first to scrap this Act, and only then, we think, we shall be able to do something real and

[Seth Govind Das.]

something which is really good in the interests of India. However, as long as the present Act is in operation, we have to do whatever is possible in the interests of our country.

Now, Sir, this is not the first effort in this direction. It was in 1922 that for the first time a Resolution on this subject was moved in this Assembly by Sir P. S. Sivaswami Aiyer. A Committee, called the Indian Mercantile Marine Committee, was appointed which made its recommendations. But as those recommendations were in favour of this country and were against the interests of the British industries and British trade, the Government slept over the report for two years and did not bring any motion on the matter for legislation in this House. Then, in 1926, Mr. K. C. Neogy brought a Bill called the Inland Water Traffic Bill. That Bill was not moved and he made room for a similar Bill, called the Indian Coastal Traffic Reservation Bill, by Mr. S. N. Hajee. Those Honourable Members who were in the Central Legislature at that time know how perfect that Bill was. It was referred to a Select Committee and the Select Committee made its report. The Report of the Select Committee was taken into consideration. As some sort of excuse had to be made for a delay and its prevention from reaching the Statute-book on flimsy pleas, it was again circulated for public opinion, and so many ways were found to kill that Bill. The prophecy which was made by many prominent people in this country came out to be true, and it could never reach the Statute-book. Since then, much water has flown in the rivers of this country, but so far as our waters are concerned, they are not yet reserved for us for shipping traffic.

It would seem superfluous for me to dwell here on the point that India was much advanced in the shipping industry of the whole world till as late as the 17th century. The Honourable Sir Abdul Halim Ghuznavi made a reference to the book of Mr. Radha Kumud Mukherjee on Indian shipping and anybody who is interested in this subject will find it of great interest. We know how this key industry of ours was destroyed. We could have again built our industry just as Japan has done, Australia has done, just as any other country has done, or even as England has done. What England has done can be traced from many books. If you look at the article in the Encyclopaedia Britannica on the subject of "Maritime Shipping of Britain", you will see that at the time when England had no shipping or very little shipping of its own, she had prohibited any articles or goods from being brought to England in any ships except British ships. That is how they protected their shipping in the initial stages. They seem to forget one great fact that about the 17th century England was devoid of any great money. Financially, it was on the verge of a collapse. So much so, she had no capital to put into practice the inventions of Watts and others. This was, however, made possible by the help of the treasures they took from our country. They built up their industries. The industrial revolution was brought about by the loot from India. With the help of the treasures they took from us, they destroyed our industries and built their industries instead. Our shipping industry was completely destroyed. Now, let us see whether they will now be willing to encourage the revival of the shipping industry in this country. My Honourable friend, Sir Abdul Halim Ghuznavi, pointed out, that many important Britishers have expressed their sympathy with our down trodden industry.

He did not quote what they said. But I wish to quote some of the important pronouncements which were made by some of the most important people on the Government side to remind this House and the Treasury Benches, especially the Honourable the Commerce Member who seems to be very sympathetic to our views and woes.

This is what Sir Charles Innes, the Commerce Member, said on 19th March, 1926 :

"We recognise that it is perfectly legitimate, perfectly natural that the people of India should desire to have a mercantile marine of their own. We recognise also that the training of officers for the Indian mercantile marine is a very long process and that men who are trained for that career must have some reasonable prospect of an opening. We recognise further that Indian companies, as things are at present, have a difficulty in forcing their way into the coastal trade."

This is what another Congress Member, Sir George Rainy (Laughter), said. Well, Sir, the time is not far when a Congress Member will become a Commerce Minister. Sir George Rainy, another Commerce Member, said :

"Adequate participation of Indian shipping in the coastal and overseas trade of India was the object of Government in convening a conference of the shipping interests."

Another Commerce Member, Sir C. P. Ramaswami Aiyar said, that :

"Government are particularly anxious to facilitate the growth and expansion of coastal trade of India in so far as that coastal trade is operated by Indian agencies and through the instrumentality of Indian capital."

Above all, His Excellency Lord Irwin, the Viceroy and Governor General of India, also supported these views by saying : "India should have its Mercantile Marine and that Mercantile Marine should be officered as well as manned by Indians". We have been having these platitudes for a very long time. We have been hearing Commerce Members and others for a very long time in sympathy with Indian trade and commerce, but Government will accept as others also will agree with me that nothing has been done so far in this respect. In fact every effort has been made in the past to destroy the revival of our industry. During the past 35 or 40 years more than 25 shipping companies were started in this country and all of them met with the same disaster. It is a well known fact that about 20 crores of our capital has been destroyed in this venture and had the Government, at any time during these years, come forward to help the shipping industry of this country, I am sure today the conditions would have been quite different.

Now, Sir, the present Bill which has been introduced is a very simple measure. It only wants that the reduction of freights and giving of rebates and things like that should not happen. In fact, other countries are doing much more for their shipping interests than has been proposed in this Bill. Full powers are vested with the Dominions as far as the control and development of this industry is concerned and the Government know that practically all the Dominions are giving subsidy to their shipping industry. Mr. Runciman, the President of the Board of Trade, England, said :

"The Dominions have their own shipping policy which is nationalistic in character and they have not been very ready to harmonise their views with our own."

[Seth Govind Das.]

India is the only Dominion that has not a shipping policy for the benefit of her nationals.

If this Bill is sent to the Select Committee and some announcement is made on behalf of Government today in its support, I am sure that something at least will be done in this respect.

Before I conclude my remarks, I shall read one more opinion and that is that of Sir Alfred Watson, *ex-editor* of the *Statesman*. He said before the Joint Parliamentary Select Committee :

" I recognise that Indian companies after Indian companies which endeavour to develop a coastal service has been financially shattered by the heavy combination of the British interests. I think those British interests have to realise in future that they must be prepared for a real partnership and must admit Indians to a share, at least a share, in their coastal trade."

It is time for the British trading interests to come forward and give proof of their friendliness towards Indian industries. Otherwise the time is not far off when they will realise that if they do not show a gesture of friendship towards us, the feeling of retaliation is bound to grow from day to day in the minds of the people of this land and that time is not far off when British interests will be ruined in this country. I support the motion of my Honourable friend, Sir Abdul Halim Ghuznavi.

Dr. P. N. Banerjea (Calcutta Suburbs : Non-Muhammadian Urban) : Sir, this is a very small measure, a measure which no legislator in a free country would have dreamt of introducing in his own Parliament. But why is this small measure introduced here ? Because India's position in respect of her mercantile marine is so helpless that my Honourable friend, Sir Abdul Halim Ghuznavi, has thought fit to bring forward a Bill in order to give some small benefit to the struggling shipping industry of this country. This measure can only be supported as a relude to better and more important measures. Otherwise, I am afraid it will be practically useless.

Sir, the maritime activity of India goes back to the dim and distant past. We find mention of Indian shipping in the earliest books relating to India. In Kautilya's *Arthashastra* a chapter is devoted to the functions of the State in regard to shipping and in the famous work called *Uttikalpataru* we find descriptions of ships and ship-building. The *Periplus of the Erythraean Sea* gives an excellent account of the ships that traversed the Indian Ocean and the adjacent seas. Even as early as the reign of Akbar Indian ships carried cargoes to many different countries of Asia. Towards the end of the 18th century Indian-built ships carried cargoes to Europe and these ships were regarded as better and stronger than ships built in Europe.

But what is the position now ? All the shipping that India once had has gone and how ? The industry has been strangled by the policy of the British Government, and the Government of India, being a dependent Government has not been able to help India.

Now, Sir, responsible British statesmen and the high officers of the Government of India often tell us that India is marching towards Dominion Status. But what is the position of the Dominions in this

regard ? Every Dominion possesses the right of discrimination even against England in respect of its maritime activity.

Sir Leslie Hudson (Bombay : European) : No, Sir.

Dr. P. N. Banerjea : You are mistaken, Sir ; read the Statute of Westminster carefully.

Sir Leslie Hudson : I am not mistaken ; read the Merchant Shipping Act.

Dr. P. N. Banerjea : And many of the Dominions give subsidies to their shipping companies in order to encourage their own shipping. Australia reserves her coastal trade to her own nationals. But has India been allowed to do any of these things ? No ; on the other hand by the Government of India Act of 1935 we are prevented from giving protection to the shipping industry lest it might amount to discrimination against Britain. This Government of India Act we are determined to end and that very soon, but, in the meantime, let us see what the Government of India is doing for us.

My Honourable friend, Sir Abdul Halim Ghuznavi, has told us that high officers of the Government of India, including the Governor General, have held out promises of support to the shipping industry ; but has anything been done in practice ? No, nothing has been done. The newspapers say that the Government of India is inquiring into the matter. Sir, inquiries are sometimes made with the object of solving a problem and at other times with the object of shelving it. I do not know whether they want to solve the problem or to shelve it, but we shall anxiously watch the activities of Government in this regard.

Sir, what is the present position of India with regard to her shipping ? The bulk of our coastal shipping is in the hands of non-Indians, and as for shipping overseas, India's share in it is a big zero. And we are not moving even a single step towards the goal of having an entire mercantile marine of our own. No wonder, therefore, that the Government of India is described in some quarters as Government against India.

Sir, coming to the provisions of this Bill, we find that there is in reality only one clause in this Bill, only one important clause. And what does this clause seek to do ? It seeks to check unfair competition. Is that illegitimate,—seeking to check unfair competition ? In some quarters it is held that it is not legitimate ; our European friends hold the view that it is not legitimate. The way in which they carry on this unfair competition, namely, by secret rebates, deferred rebates, rate war and so on,—is considered by them to be legitimate. When the Government of India is approached we are told that we should approach our European friends and co-operate with them. Well, we are in favour of co-operation but are they prepared to co-operate with us in this respect ? So far they have refused their co-operation and the hostile attitude they have taken up towards this small measure shows that their attitude is not friendly and they are not prepared to help us in any way. Now, what is the attitude of Government towards this Bill ? I do not know whether it is one of armed neutrality or of opposition. If it be one of opposition the Government of India will stand self-condemned ; if it be one of armed neutrality, even then the

[Dr. P. N. Banerjee.]

charge that the administration of India is not carried on in the interests of India will remain true.

Sir, as I said in the beginning, I consider this to be a very small measure, but we support even a small measure because it is likely to give some little benefit to some small shipping companies in India.

Dr. F. X. DeSouza (Nominated Non-Official) : Sir, coming as I do from the maritime province of Southern India where communication by land and sea is extremely difficult and where in consequence of this policy of restricting the coastal traffic to a monopoly, maritime communications have been rendered even more difficult, I feel it is my duty to make certain observations on this Bill. The first observation I should like to make, Sir, is to repeat a remark which was made by the Honourable the Mover himself that it is a very inadequate measure of protection. I proceed further. I am not quite sure that if this Bill becomes law the last state of Indian shipping will not be worse than the first. Because, Sir, if by penalising rate cutting and deferred rebate the door is opened to all competitors to compete in the coastal traffic of India, what is there to prevent foreign nations, more efficient than ourselves, from competing in that trade? I for one think that the nation that will benefit most if this Bill is passed into law without modification, will be the Japanese. You will find the coastal traffic of India absolutely in the hands of the Japanese Shipowners. Of course my Honourable friend, Sir Abdul Halim Ghuznavi, said, that this state of things could be rectified by a provision for granting license to shippers who are allowed to ply on the coasts of India. But here you have to take into account the treaties with foreign nations; and, under the most-favoured nation clause which I believe regulates our relations with Japan, it will be very difficult to say to the Japanese Shipowners: "We shall not give you a license to ply in Indian waters".

The second remark I should like to make is about the procedure provided for enforcing the penalty or fine and for closure of certain ports to the defaulting ships. No procedure is provided by the Bill. The Governor General in Council is made the sole arbiter of whether a certain shipping company is a defaulter. Personally I think it would be impossible for the Governor General in Council to perform the duties thrust upon him unless there is a regular Maritime Board very much on the lines of the Railway Board, but constituted differently with Indian personnel, functioning to advise the Governor General in Council. That is all I have to say with regard to what I consider to be the obvious defects in the Bill; but, as pointed out by my Honourable friend, the Mover, these are defects which probably can be remedied in the Select Committee stage.

We now proceed on the assumption that the coastal traffic of India is in the hands of a monopolistic concern—the British India Company—that is what the Honourable Member said, I think. Has anybody realised what this monopoly means, and what financial and economic loss it inflicts upon the people of India? The coastal tonnage is reckoned as high as five million tons, and the freight upon this is reckoned as high as ten crores of rupees. In this coastal traffic, it has been elicited

in the course of the debate that, our national shipping has about 20 per cent. What about the overseas traffic? The overseas traffic, in which we have got no share whatsoever, amounts to 12 million tons, and the freight on it amounts to 50 crores of rupees. What is the result? I do not deny that it is for services rendered, but it means that the people of India pay these 60 crores of rupees to foreign shipping for doing services which they have been denied facilities for doing themselves. That is one aspect of the question. There is another and an even more important aspect. In these days of crying unemployment, is there any maritime career open to our young men? There was a time when, as pointed out by the Honourable the Mover, this country not only provided lascars but officers and commanders whose ships plied the ocean from one end of the world to the other. Today, except for a few lascars, in foreign ships, we have not got any maritime career open to our young men at all.

Thirdly, this concentration of traffic in foreign companies has led to a diversion of trade routes. It is the universal complaint that with regard to the railway the freight rates are so regulated as to facilitate imports from and exports to foreign countries but not the inland trade at all. Similarly, I do not think I am wrong in saying that the freight rates of these overseas companies are so regulated as to facilitate export to foreign countries, because, after all, the route from the port to the foreign country is practically a continuation of the railway system in this country. For all these reasons, the monopoly that exists now, and admittedly exists, should in the interests of Indian nationals, be relaxed so as to admit some Indians sharing in this coastal traffic.

I say that relief should be given now. It is, however, retorted, "What right have the people of India or the Indian national shipping to demand admission and participation in the fruit of British enterprise, and British labour and British industry?" After all, it is a pertinent question; but I think it should not be impertinent if we examine the circumstances under which British shipping came to obtain this monopoly, for then we shall see that what we are asking for is not to participate in the fruit of other people's labours—it is not to discriminate against foreign companies—but rather it is for the purpose of preventing a discrimination which has been all along exercised against us from the very beginning from being continued. I shall illustrate my meaning. Honourable Members in this House may be apt to regard the alleged excellence and superiority of Indian shipping in the early days as a fairy tale. But those who seriously make a study of Prof. Radha Kumud's book on this subject need entertain no doubts. But if that book is considered to be rather far-fetched, I refer to the evidence of European observers as late as the year 1801. In the year 1801, a French traveller, named M. Baltazar Soloyns, wrote:

"In ancient times the Indians excelled in the art of constructing vessels and the present Hindus can in this still offer models to Europe, so much so that the English, attentive to everything which relates to naval architecture, have borrowed from the Hindus many improvements which they have adapted with success to their own shipping."

"Then, in 1802, the Admiralty ordered men of war for the King's navy to be constructed in the Bombay dockyard. They intended to send out an European builder, but the merits of Jamsheerji being made known to their Lordships they ordered him to continue as master builder."

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LEGISLATIVE ASSEMBLY.

[2ND SEP. 1937.]

[Dr. F. X. DeSouza.]

Is it not a tribute paid to the excellence of Indian ship building, a tribute given not only by the French Observer, but by Their Lordships of the Admiralty? But what a fall there is today? And why?.....

Dr. P. N. Banerjea : What is it due to? It is due to the Government.

Dr. F. X. DeSouza : No; I will tell you what it is due to. It is the unfortunate appearance on the banks of the Thames in the year 1801 of an Indian ship manned by Indian lascars and Indian officers laden with a cargo of Dacca muslins. Their Lordships the Directors of the East India Company were absolutely overawed by the sight of this. They wrote as follows :

"No British heart would wish that any of the brave men who have merited so much of their country should be without bread whilst Natives of the East brought the ships belonging to our own subjects into our own ports; and considered, therefore, in a physical, moral, commercial and political point of view, the apparent consequences of admitting these Indian sailors into our navigation form a strong and additional objection to the concession of the proposed privilege to any ships manned by them."

Sir, if I quote these passages, it is certainly not with a view to rake up any bitter memories; far from it. We have derived immense advantages from the participation of British merchants.....

An Honourable Member : No, No.

Dr. F. X. DeSouza : I entirely disagree with you. We have derived immense advantages from the participation of British merchants in our trade. In the year 1870 the total volume of Indian trade amounted to 54 crores, and the other day it was stated that it now amounts to 250—300 crores, and it is now distributed to all parts of the world, and were it not for the enterprise and co-operation of British merchants, our trade would never have flourished to such an extent. Now, Sir, what do we ask for? We ask for this. We ask that we should be allowed to participate in the benefits which they and we have derived from the world's trade. We ask, not that we should discriminate against them by legislation, but we simply ask that they should not continue the discrimination against us. That is all we ask for, and I again assert,—I think I shall not be contradicted,—that all the enormous advantages which the British people have derived from the Indian trade, from their connection with India, have been derived in a fiduciary capacity for India, and now that they, in their generous mind, are handing over more and more political privileges to Indians, they should also make up their mind, although it is much more difficult to do so,—I admit it,—to extend their commercial privileges.....

Mr. S. Satyamurti : Get water from stone!

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhammadan Rural) : You should give them some ships to go away.

Dr. F. X. DeSouza : Really speaking, Sir, as I pointed out at the outset of my speech, a measure of this kind will be very inadequate, and I doubt very much, even with all the ingenuity which the Select Committee may exercise, if it can ever be made effective. The only way of effectively securing to Indian nationals coastal traffic is reservation of that traffic to Indian shipping. It is a right undisputed, inalienable, according to the rules of International law. In 1932, representatives of 23 maritime

nations assembled at Geneva laid it down as a proposition that it is the inalienable right of every country to keep the coastal traffic to their own nationals; it is not at all in violation of International law, and in pursuance of this policy, great maritime nations like Japan, the United States of America, France and others have reserved their coastal traffic to themselves. The only country which has not done so is Great Britain, but 99 per cent. of the ships plying on the British coast is British, no wonder it is not restricted by law. But that procedure is impossible to us in consequence of the Government of India Act.....

Dr. P. N. Banerjea : So you condemn the Government of India Act. That should be done away with. I think that is your view?

Dr. F. X. DeSouza : To that extent, certainly. I don't say I condemn it, but certainly up to the extent of giving us all power to reserve the coastal traffic to our own ships, the Government of India Act should be modified.

But I don't think, on the other side, it will be seriously maintained that this fixing of a minimum rate is interfering with the freedom of competition. Competition is between those who speak at arm's length to each other, but competition between a mighty British Company like that of the British India Company and a puny company to be started is of course out of the question. I do not wish to prolong my remarks any further,—I am afraid the Mover is rather getting impatient and so I shall conclude my observations.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : Sir, I have listened with very great patience for two days to the speech of my Honourable friend, Sir Abdul Halim Ghuznavi, on the coastal shipping Bill, and I feel that my Honourable friends have been crying over spilt milk. They were harping upon what the Government of India's faults were, what their faults will be in the future and so on. I may inform the Government of India that their faults are so very heinous, so very injurious to Indian interests that if some day a foreign power were to attack India and if India is unable to resist such an attack successfully, it will be the fault of the British Empire. Sir, several times Bills like these had been brought forward, but to no effect whatever. Some plea had always been found to shelve such measures,—and, unfortunately for us, we get very few days to take up non-official Bills in this House, and so our non-official Bills cannot be taken up and discussed fully and to effect. Luckily we have got an opportunity this time, and I hope we shall be able to take a vote on this Bill today, which may perhaps produce good results. Sir, it is the Government of India which is responsible for the present state of affairs. Japan has got a monopoly to a certain extent, and 73 per cent. of the trade from India is going into the hands of Japan. Why is it that Japan is taking away all this money, all this trade from this country? Sir, I would warn the Government of India that in view of the disturbed conditions in Europe, if they don't try and build a strong and effective maritime power in India, the result will be that one day Italy or some other nation of Europe will have more trade from Europe than Japan is having today. Sir, it is for the British Government to give Indians the right and not allow the Peninsula and Oriental Company to monopolise the whole coastal trade of India and overseas. It

[Mr. Muhammad Azhar Ali.]

is said that India is the Cinderella of the British Imperialistic policy. In the papers, which were distributed to us and which came from other Chambers of Commerce and other places, what do you find? We find that the Tatas tried their level best to build a shipping agency. The Scindia Steam Navigation Company tried to build some other maritime companies. With what results? The Tatas have made the following observations in one of the papers :

" Having been instrumental in destroying the old Indian ship-owning trade, it has been unceasingly employed, ever since its establishment, in raising the rates of freight, and consequently hampering facility of intercourse, between India and the further East.

With scores of lines, English and foreign, plying in these waters, which our petted and much glorified Anglo-India Company can afford, and perhaps finds it good policy to tolerate, it is only jealous of a small enterprise like ours, and while it can lovingly take foreigners and possible future enemies of England to its bosom, it discards the poor India, for whose special benefit it professes to have come to India and from whose pocket it draws the greater part of its subsidy ! "

Can there be any greater condemnation of the present Government of India than what the Tatas have said? Government has been doing whatever it could, I should say, perhaps unwittingly for the Tatas and I am sure the Tatas would not have said anything unless and until they had found out that India was suffering very badly at the hands of the Indian Government so far as the shipping policy was concerned. What do we find today? Here, in India, the "Dufferin" has been established and it was boasted the other day that cadets were being trained by it. Is one ship on the coast of Bombay enough for the whole of this continent of India? I ask the Government of India and I say that they should feel ashamed of having only one small ship like the "Dufferin" to train cadets for India as a maritime power.

Pandit Lakshmi Kanta Maitra : Even then some of them do not get employment !

Mr. Muhammad Azhar Ali : As my Honourable friend says, when they pass out some of them do not get employment. The Government made a statement, the other day, that only a few cadets were unemployed. I say that it is to the shame of Government that even those few have been left unemployed. I do not want to recount the past history, how Indians were masters of their ships, how Indians were masters of the waters on the Indian coast. We may have had a glorious past, but we have to look at the present. And in these 160 years of British rule we have been able to get one "Dufferin" to train our young men ! What we find at present is that this group of the Peninsula and Oriental are robbing the poor Indian. As some negotiations are going on with the Japanese, my submission today will be that we should ask the Government to get at least something for Indian shipping in these negotiations with Japan. Rather than destroy our trade and share it with Japan the British people should not attempt to share the spoilation of Indian trade with the Japanese, but they must do something for Indian interest. This Bombay-Japan Line which was established by the Tatas was established after investing lakhs and lakhs of rupees of the Indians, but as I have already said, the whole money is gone, the whole trade is gone ; so also the Indian shipping between the Calcutta-Chittagong ports. It is past history. Today what we want

is that the Government of India should be told that unless they try to build the Indian maritime power we would not vote for the army, we would not vote for the British industries in India, but would boycott their industries as much as possible.

Sir Leslie Hudson : Mr. Deputy President, Sir Abdul Halim Ghuznavi has championed many causes. I recollect his speeches on the coal contract some time ago on behalf of certain companies. I recollect his speech on behalf of Japanese importers. Now we have his speech on behalf of Indian companies in connection with this Bill.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : At last he speaks on behalf of his own country !

Sir Leslie Hudson : I listened with great interest to Sir Abdul Halim Ghuznavi's long speech. It contained some facts and some fiction, but they were so blended that it would be difficult to separate one from the other. There are one or two statements that Sir Abdul Halim made which are so incorrect that I think I must draw the attention of the House to them. He made one reference to the small steamship companies on the south-west coast of India as having a very minute portion of the coastal trade. The actual facts are that, under Sir Joseph Bhore's agreement, the small steamship companies have 85 per cent. of the trade and only 15 per cent. is left to be shared between the steamers on the conference lines, the Scindia Company and the British India Company. In addition, I may say, that the small steamship companies, so far from only carrying 85 per cent. of the trade, have carried a great deal more.

Mr. K. Santhanam (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Which are the ports ?

Sir Leslie Hudson : There is no time for interruption.

Mr. Sri Prakasa : There is plenty of time. There is no time limit in the case of Bills.

Sir Leslie Hudson : I should like to refer here, Sir, to a matter which has been mentioned not only by the Honourable the Mover but by my Honourable friend, Dr. DeSouza, and other speakers, and that is the statement that Indian shipping which used to sail over all the seas has been driven from there by the monopolistic British shipping. Sir, that is not at all the case. I, too, like other Honourable Members of the House, have read Professor Mukherji's book on Shipping ; it is an exceedingly well-compiled volume. It contains extracts which are interesting to read, but I think Honourable Members will agree with me that some parts of it are not entirely true to history. More particularly that portion where he quotes from the *Ramayana* a description of shipping in those pre-historic days. However, Sir, in regard to the driving of the Indian ships from off the seas, I think the true fact is that in the palmy days of Indian ship building—and when I talk of Indian ship building, I am talking of the building of ships of more or less modern character and not of the old indigenous style of vessel many of whom still survive—Indian sailing ships carried India's produce to many corners of the earth. The palmy days of that type of ship building were the latter days of the East India Company when, with the aid of plans and naval architects from England, the Indian builders certainly built very fine wooden ships in Bombay as my friend, Dr. DeSouza, has said, and the name of Mr. Jamsetjee Wadia,

that fine master builder, will be remembered in Bombay so long as ships go down to the sea. But what really killed Indian ship building of that type was not the withdrawal of Government assistance. It was not the competition of British monopolists but it was the introduction of iron ship propelled by steam. It was the inability to build ships of that type in India that was the source of the greatest inconvenience to the Government of those days but it was not, as I said just now, the monopolistic British steamship companies that killed Indian ship building out here.

Sir Leslie Hudson : My Honourable friend will admit that 150 years ago there was no Tata Iron and Steel Company in India. There is one other small matter in which I would like to correct what my Honourable friend said. My Honourable friend informed the House that many years ago, somewhere about 1895 or 1896, Mr. Jamsetjee Tata was forced out of the trade between India and Japan by the British interests. Sir, that is not the case. Mr. Tata never owned any steamships. He chartered four British steamships and ran them for several years until he found it more beneficial and convenient to himself to hand over the trade to the Japanese who have been in it ever since.

The Bill before the House bears a very close resemblance, as has already been pointed out, to a Bill which was introduced some 14 years ago and shorn of a certain amount of the objectionable features of that Bill, it has been resurrected from its decent interment, and it once more appears before this House as a Bill to assist the growth and development of the Indian mercantile marine. Sir, I maintain that the present Bill is not going to lend any assistance to such progress. The proposal of fixing minimum rates of fare and freight by law will remove equally from the Indian mercantile marine as from the non-Indian mercantile marine the means of competing with potential new companies which may be formed to force their way into the coastal trade of India. After all, we may compare the coastal trade of India to an orange. There is only so much orange to go round. Now, by dint of industry and foresight, the British steamship companies were able to foster the growth of the tree which grew that orange. They were able to tend that tree and protect that fruit for a number of years. Is it fair that all the sundry should now come in and say : ' Give us a share of that orange give it to us ' . I am sure that Honourable Members know from the conduct of their own business that you don't give away things like that. When it came to a question of fighting for your particular orange, you would consider it a little unfair to be prevented by law from utilising the only weapon that you really have in your defence against such orchard robbers, namely, that of reducing your rates or your price. We have heard a good deal of this word ' unfair competition ' . I see no definition of it in the Bill. I think that is probably because the Honourable the Mover found himself quite unable to produce a definition which would get through any court of law. Unfair competition is well practised by both sides to a dispute. Can it not ? The opposite side will always claim that the other side is unfair. It does not make it unfair on that account. The Bill says that any infringement of such regulation of minimum rates, as Government may make, is to be visited by di-

penalties even to the point of refusing entry to a ship in distress to a British Indian port, should the owner or master or agents have broken these regulations.

Sir Abdul Halim Ghuznavi : It will not be there in the Select Committee.

Sir Leslie Hudson : I quite admit that the Honourable the Mover is within his rights in saying that it will not be there but, unfortunately, it is there now and such being the case, I maintain that the production of a Bill of this sort to this Honourable House is certainly unfair. But apart from that, I cannot see how any regulations, however strict, are going to prevent rate cutting below that minimum fixed by regulation. Any such regulation, however strictly formed and framed, can be got round by some means or other and I am quite sure that my friends who have the management of the Indian mercantile marine would bear me out in that. How are you going to ascertain that there has been an infraction of such rule? Presumably, somebody lays a charge; probably a trader or a shipper? I can see a trader or a shipper laying a charge that he has been charged more than the legal *maximum* rate, but I cannot see him going to the authorities concerned and saying that he has been charged less than the legal *minimum* rate. That would certainly not suit his pocket.

Dr. P. N. Banerjea : That would be a question of fact to prove.

Sir Leslie Hudson : Sir, clause 2 of the Bill gives power to the Government to appoint a Council to fix these minimum

Sir Leslie Hudson : Sir, clause 2 of the Bill gives power to the Governor General in Council to fix these minimum rates from time to time. Apart from the difficulty of arriving at what those rates should be and what should be the fair minimum rate. I consider that the mere fixation is a definitely undesirable interference with trade and free competition. The coastal shipping services have been built up by the genius, the calculation and the foresight of individuals and once this spirit of initiative is discouraged in this way, you will then be abandoning the competitive system. You will be embarking on the road which leads to the nationalisation of not only this but every other industry in the country in one vast structure under State planning. I am not at all sure that my friends in the textile industry, the sugar industry, the coal industry and iron and steel industry want to have their industry, their livelihood, planned by the State to that extent. I think experience, on the whole, goes to show that the mass of the people would be worse off under an all-embracing bureaucracy, governed absolutely by Government Departments, than they are at present with the free play of competitive influences which lead to initiative and enterprise. It is arguable perhaps that certain undesirable practices, such as secret rebates, should be removed. I do not say the same about the deferred rebates because I consider that to be sound in principle. That point has been argued before many Commissions and the consensus of opinion is that a deferred rebate is not damaging to the trader whereas it is a fair protection to the shipowner. As regards secret rebates, if they can be prohibited by legislation, they are sought to be prohibited in the Insurance Bill, I am all for it. But I doubt if you can do it. As I have just said, the fixation of minimum rate is going to be quite a different matter. Apart from the evil of this provision, the danger is that it might encourage the foreign

[Sir Leslie Hudson.]

tion of mushroom companies with the likelihood of their subsequently going to the wall and involving the poor shareholders in loss. In this connection, I would like to refer to a speech delivered by Sir George Rainy on the 9th February, 1928. He said :

" There is another point about the maximum and minimum rates which are proposed. The idea of the minimum rate is that it will enable new companies to start and take a share in the trade, but I do not clearly understand what exactly is supposed to happen after they have once started. Let us take a concrete case. Supposing there is a particular section of the River Brahmaputra, let us say, in Assam, where the existing steamer company (or companies) provides a service adequate for all the traffic offering. A minimum rate is prescribed which makes it impossible for them to reduce their goods rates in order to meet competition, and a new company starts and puts on its steamers to compete against the existing companies. The original steamers are assumed to have been adequate for the traffic, and with the addition of new steamers the inevitable result in such a case would be that none of them would be able to carry goods at a profit; the competition would go on exactly as it does at present, both companies carrying goods at a loss. Now, it does not seem to me that in that way you are doing very much to enable the new company to survive, because unless it had very considerable capital behind it, in all probability the older company would still be able to survive the longest and eventually remain in uncontrolled possession of the field."

An Honourable Member : That Bill was passed.

Sir Leslie Hudson : It is quite true that that Bill was passed. Sir, there is just one simile that has occurred to me in connection with this Bill. It is this. The present position of the British Steamship Companies in the Indian coastal trade is, I think, comparable to the position of the Indian merchants trading in cloves in Zanzibar about which we have heard so much lately. There the Indian community, which has built up large clove trade, is faced with legislation which, though based on economic grounds, threatens to be discriminatory in effect. That is exactly our position under this Bill. The Government of India and public opinion are unanimous in pressing for all possible steps to be taken to protect the interests of the Indians in Zanzibar who have done so much for the trade and commerce of that island. I claim, on behalf of the British steamship companies, the same protection from unfair treatment of British shipping interests in this country. We do not ask for preferential treatment : we never have. But we do claim that on the same principle on which the Government of India protect their nationals in Zanzibar we should be protected by that same Government from the discrimination—'naked and unashamed'—which I consider is very obvious in this Bill. The Honourable the Mover disclaimed any intention of exercising discrimination but I think, when he comes to read the report of his speech, he will not be able to say that his speech in support of the Bill was not definitely an urge for discrimination.

Sir, I have stated my objections to this Bill. It is designed, I consider, to penalise the interests which have established themselves here for 80 years in circumstances of fair and just competition. (Voices of " Oh, Oh.") It would interfere with trade and free competition and deprive the existing companies of their only method of defence against those who wish to come into the field without going through the stage of building up the business. I consider it as unnecessary in view of the increase in Indian shipping which has taken place in recent years. The increase in the Scindia Company shipping alone is from 20,000 in 1922 to 1,00,000 tons at the present time and they are still increasing their fleet. Finally,

I maintain that it is the thin end of the wedge in a campaign for the complete State control of the shipping industry, a control which has never proved to be of benefit either to the industry itself or to those who are depending on its success. I repeat, it has never proved to be of benefit in any part of the world either to the industry itself or to those who are dependent on its success.

Sir, I oppose the motion.

Mr. B. Das : Sir, when I signed the notice of this Bill with my Honourable friend, Sir Abdul Halim Ghuznavi, I was not very much enthused over it, because my Honourable friend, Sir Abdul Halim Ghuznavi, and his friends on his left so much co-operated in England in the Round Table Conferences and the Joint Parliamentary Committee that they gave away all the free rights that Indian shipping interests were claiming in India and all the principles which Mr. Haji defined in his Bill of 1925-26. I would give my reasons why I signed the notice of the Bill and why I took interest in the Bill. I thought this Bill would give us an opportunity of exposing the perfidy of those Members of the Round Table Conference and also of the British Government who claimed special privileges and provided special safeguards for British traders in India. I was very much disappointed with the speech of my Honourable and esteemed friend, Sir Leslie Hudson. If I was speaking as the spokesman of the European Group, having secured everything they wanted in the country, having created all those troubles in the country during the days when the Government of India Bill was being shaped in the Round Table Conference, I would have said as the spokesman of the Europeans, " we have gained through holy or unholy methods all the advantages, let us enter into a gentleman's pact, we will allow the growth of Indian shipping in India and we will raise no barriers ". I was very much disappointed with my esteemed friend, Sir Leslie Hudson, when he ended his speech by saying that it will work disaster to those vested interests who have built up their prosperous shipping business in India for the past eighty years and who have earned huge profits. He did not claim legal privileges, nor legitimate privileges. He claimed that the profits have grown and are accrued rights like those of landlords claiming privileges in the country. My only object in rising to speak on this Bill is to expose certain fallacies which my Honourable friend, Sir Leslie Hudson, fell into. The Bill if passed will not give the Indian shipping companies any definite advantages. My Honourable friend is right that the Indian shipowners and the European shipowners will combine and exploit and will charge the same rates as they have been doing before after the intercession of Sir Joseph Bore. The B. I. S. N. Company and the Scindia are now combining and exploiting the Orissa and Madras labourers who go to Burma by enhancing the rate to the extent of 75 to 80 per cent. of their passage rates from Gopalpur and Cocanada to Rangoon. That unholy alliance must go. If I was lukewarm in my support of the Bill, after hearing the speech of my esteemed friend, Sir Leslie Hudson, I feel that this House ought to refer the Bill to a Select Committee so that we may examine whether Indian new steamship companies cannot come in under the maxima and minima limit that will be allowed and whether we cannot stop the manipulation of rates and secret rebates and other things to which my Honourable friend, Sir Leslie Hudson, alluded and to which Indian businessmen and European businessmen are so much accustomed. Sir, I support the motion.

The Honourable Sir Saiyid Sultan Ahmad (Member for Commerce and Railways) : Sir, I came to oppose the Bill. But I did not know that I will have such strong advocates in support of my view as I found in some of the Honourable Members who have supported the Bill. One of my Honourable friends suggested that it was not an ideal Bill, another suggested that it was not a perfect Bill, a third said that it was an imperfect Bill and a fourth said that it is practically useless and a fifth Honourable Member said that the Japanese will be the people who will benefit by this. I did not quite realise that after having said all that they would really support the Bill. I shall, however, be consistent and I shall call it an impossible Bill and I shall oppose it. Sir, reference has been made to the various declarations made by Commerce Members in the past as well as to the statement made by the then Viceroy, Lord Irwin, as regards the anxiety of the Government of India to encourage the development of Indian mercantile marine. In the same breath it was said that in spite of those statements the Government of India have never fulfilled their pledges. If that be so, then it stands to reason that this Bill will certainly not achieve the object that it has in view because all the powers that have been given by the Bill have been given to the Governor General in Council who, according to my Honourable friend, Sir Abdul Halim Ghuznavi, are hands in gloves with the British. Therefore, the very object which they have in view will not be achieved by the provisions of the Bill.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Will they not be a little more honest in the future ? Why not make a declaration of your policy ?

The Honourable Sir Saiyid Sultan Ahmad : They will continue to be hereafter, as they have been in the past. If that declaration will enable my Honourable friend, Sir Abdul Halim Ghuznavi, or my Honourable friend, Mr. Bhulabhai J. Desai, to withdraw the Bill, I shall be happy. Now, there are four sections of the Bill. The first and the fourth need not be considered at all. The second clause gives the power to the Governor General in Council in certain cases to intervene and I will deal with the conditions laid down there, later. The third clause is the penalty clause. That clause is so absurd, so impossible, so palpably non-sensical and ridiculous that even my Honourable friend, Sir Abdul Halim Ghuznavi, was ashamed of it. All that he had to say was that it will need some other provisions which will be provided when the Bill goes to the Select Committee. There are other matters which he says might also be introduced by the Select Committee. There is no system of licensing,—and the Bill, as it is, may be ineffective and so a licensing system will have to be introduced. In fact he wants the Select Committee to prepare a new Bill for him and he asks the House now to send the Bill to the Select Committee for that purpose. I submit that that is a very good ground for rejecting the Bill at this stage. If he wants to have a good Bill, a useful Bill, a Bill which will not help the Japanese but which will help India, in that case, he must prepare such a Bill and then come to the House to accept its principle and to refer it to the Select Committee. Sir, if I had been satisfied that the Bill really was in pursuance of the Preamble which is, "Whereas it is expedient to encourage the development of an Indian Mercantile Marine", I would have certainly

supported the Bill. But as I am convinced that that object is not to be achieved by this Bill, I have absolutely no hesitation in opposing it. Sir, in the Statement of Objects and Reasons the Honourable Member has stated that "the Bill is intended to remove a possible impediment to the growth and development of the Indian mercantile marine". 'Possible impediment' necessarily suggests that it is not a probable impediment, nor is it an impediment which is immediate. Now, a Bill is not called for to remove a hypothetical impediment. Unless you show the necessity for such a Bill I submit it is not at all desirable that we must proceed with it. Now the possible impediment may be known to my Honourable friend ; it is not known to the Government of India at all. He has given certain statements made by Sir Alfred Watson, and to which he might have added those of Sir Edward Benthall, and others in the past. But perhaps those very statements have been done away with the possible impediment that my Honourable friend was thinking of.

Sir Abdul Halim Ghuznavi : Question.

The Honourable Sir Saiyid Sultan Ahmad : There is absolutely at present no apprehension of any kind that the British India Steam Navigation Company or any other company, for the matter of that, Indian or British, will, as a matter of fact, start on a rate cutting war. I, therefore, suggest, that the necessity for this Bill does not exist at all. My first objection, therefore, is that unless the House is satisfied that there is any necessity for this Bill, the further progress of this Bill must be arrested.

The next objection that I have is to clause 2 of the Bill. Now my Honourable friend, Sir Leslie Hudson, has already pointed out the difficulty of deciding as to what is unfair competition. Who is going to decide it ? The same Governor General in Council who is hand in gloves with the British, in whose judgment you have got no confidence at all, and who, according to you, has behaved badly for the last 50 years and who, in spite of previous declarations, has not carried out the pledges already given.

Several Honourable Members : They might change.

The Honourable Sir Saiyid Sultan Ahmad : If you have that confidence, I can give this assurance that if we are ever satisfied that there will be a rate-cutting war, we will take action. But what action we will take it is not necessary for me to say, because you believe in violence, while we believe in non-violence. (Laughter.) It is possible for the Government of India to convene a Round Table Conference of the different interests and shipping companies, and get that apprehension removed. But I submit that at present the necessity for this Bill has not been established. Another difficulty about this Bill is that no machinery has been provided for carrying out the provisions of clause 3. The Select Committee, it is said, will do it. The Select Committee will in that case have to prepare a new Bill altogether for my Honourable friend. I submit it is not the function of the Select Committee.

Then the next difficulty that I feel is as regards fixing the minimum rates. What is to be considered as a minimum ? For instance, supposing the present rate which has been in existence for a long time is considered as the minimum rate,—and as far as one can understand, the Governor General in Council may declare that the rate which has been in existence for such a long time and which has been accepted all round should be

[Sir Saiyid Sultan Ahmad.]

treated as a minimum rate. If that is likely to be the minimum rate, I do not know how the new companies are going to benefit by that. Because, it is obvious that the older companies with all the resources at their command will give greater facilities to their passengers and the public at large who may like to use their ships and also give greater facilities for carrying goods than the new companies will. In that case I do not see how the new companies are going to be benefited by this Bill. Now my Honourable friend, Sir Abdul Halim Ghuznavi, referred to the acceptance of the principle of fixing a minimum rate which was done at the time of the Inland Navigation Bill of Mr. Neogy. But he himself pointed out the difference between that and this Bill. Therefore, under all these circumstances, I submit, that no case has been made out for a Bill of this character which, according to some, is imperfect and according to us an impossible Bill. I respectfully suggest that it is no good going to the history of the *Ramayana* or the days of the Emperor Akbar. All those are, in my submission, absolutely irrelevant. Let us realise the present situation. If this Bill by any method is going to help the Indian shipping companies, by all means pass it; but if it is going to help, according to my Honourable friend, Dr. DeSouza, the Japanese, for God's sake do not allow it to proceed further. I, therefore, oppose the Bill.

[At this stage, both Maulana Zafar Ali Khan and Mr. M. S. Aney rose to speak and Mr. Deputy President called on Mr. Aney to speak.]

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : I did not catch your eye, Sir?

Mr. Deputy President (Mr. Akhil Chandra Datta) : It is not so. The Honourable Member did catch my eye, but, according to the well established practice of this House, when the Leader of a Party wishes to speak, he must be called before others.

Mr. M. S. Aney : I do not stand on ceremony, Sir. It is a matter of convenience and mutual arrangement between the Parties as to who should speak first.

However, Sir, after hearing the speech of the Honourable the Commerce Member, I thought that I should offer a few observations. His speech and also that of my Honourable friend, the Leader of the European Group, compelled me or made me think that on this motion I should not record a silent vote. I admit that the measure is not, as has been stated by most of those who have preceded me, one in its present form likely to give that assistance which Indian shipping needs. It is inadequate. There is no doubt about it. But I was surprised to find that, because it is inadequate, that in itself is made a ground by the Government to oppose the Bill tooth and nail. The Honourable the Commerce Member should have looked at the position from this point of view : it is a motion for referring the Bill to Select Committee, and, so long as the principle of the Bill remains unaffected, the Select Committee has every right to insert such provisions as it deems proper to further the object with which the Bill is brought. What the principle of the Bill is will be obvious to anybody who reads the Preamble and the Statement of Objects and Reasons : the Mover himself made it perfectly clear that he will have no objection whatever to allow suitable

amendments being made in the Bill in the Select Committee. Therefore, as those amendments, to some of which he himself made reference, were not in any way inconsistent with the object and principle underlying this Bill, I do not think that there is any force at all in the contention of the Honourable the Commerce Member that the Bill, not being adequate to protect the interests of Indian shipping, does not deserve the support of this House. He should rather have taken the lenient view and a more generous view of the matter and the more patriotic view too. (Laughter.) I would ask him to look at the question from this point of view—is he satisfied with the existing state of things and does he think that it in itself is sufficient to develop Indian shipping?

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

If he is not satisfied with that, why should he not take advantage of the Bill that is brought before the House, and use all his legal acumen and all his patriotic instinct to make it better, so that it may serve the end we have in view? It is very difficult to get an opportunity like this, and I think the Honourable the Commerce Member should have welcomed this as a golden opportunity for himself to use all his constructive brain and all his constructive talents to help an industry which, I maintain, has been deliberately killed, in spite of all the learned disquisition of my Honourable friend, Sir Leslie Hudson, to the contrary, by the diabolical devices of foreign companies, and particularly by the British Navigation Companies. I am not going to *Ramayana* at all in support of the motion before the House. But, I want to say that the story of *Ramayana* may or may not be a myth, but the passages quoted by Prof. Radha Kumud Mukherjee refer to a certain state of economic conditions in the country, and it is not reasonable to regard them as mythical passages having no bearing to reality at all. I have great respect for the learning of my learned friend and for his study of the public questions generally discussed on the floor of this House : I have great respect for his opinions notwithstanding I have to differ from him on various matters; but when he went on to say something about Sanskrit classics and our ancient literature and was expressing an opinion thereon, I think he would permit me to differ from him and ask him to study the matter more carefully before venturing any opinion on them hereafter. I want to say two things only and wind up my remarks, because I do not want to take up the time of the House further. The point is this : we have here the actual figures supplied to us and quoted from the Government records themselves. They clearly show that not more than 20 per cent. of the traffic in cargo and not more than 7 or 8 per cent. of the passenger traffic on the Indian coasts is carried by Indian shipping. In order to divert the mind of this House from this unpleasant fact, which is as obvious as anything to anybody who reads the reports and makes a study of it, the Honourable Sir Leslie Hudson brought in another fact—that 85 per cent. of the coastal traffic, which is now carried on, is in the hands of Indian shipping : he did not mention from what port to what port

Sir Leslie Hudson : I said on the south-west coast of India.

Mr. M. S. Aney : That word in itself does not carry much meaning to the ear of the ordinary man. It is something like talking of the mysterious North-West Frontier of India. It is only in relation to the traffic between two definite ports that some such arrangement has been arrived at. But we are legislating here with a view to securing Indian traffic to Indian shipping along the entire coast of India; and when you have to study statistics it must relate to that entire coastal traffic of India and not confine yourself to a fraction, an infinitesimally small fraction of that coast. So long as these figures are not challenged by my Honourable friend, I do not think he will succeed in the game of misleading this House on the important point without which we shall not be able to come to correct decisions on this question. These figures are unchallenged, because they are taken from Government statistics published by the Government themselves. I say, therefore, is it not disgraceful that a country with such resources as India has for ship-building, with such resources even in iron ores and with industries like Tatas and others, should not be in a position to command even a reasonable fraction of the entire traffic carried on in Indian waters? It is a question which the Government of India should take up in their own hands. My Honourable friend said that the Bill contains in a veiled form the idea of discrimination. In fact he said that although there was nothing of discrimination as such in the Bill, there was something in the speech of the Mover. Probably he would have said that even if there was nothing in the speech, there was something in his mind! (Laughter.) I am reminded of the old *Æsop's* fable—of the Wolf and the Kid. The point is this: there has been sufficient protection given in the Government of India Act to the British Industry and no discrimination against their trade is possible now. The only possible thing under that law is indiscrimination or criminality. But these are the only ways in which it is possible for us to secure your co-operation and negotiate with you in order to see that Indian shipping hereafter develops on proper lines and has at least some reasonable footing in its own coastal traffic. This measure is for that purpose. We can get that co-operation only if we make attempts like this: and if you do not want us to make any attempts and want us to wallow permanently in the miserable plight in which the Indian shipping is at present, the result will be disastrous. Do not think of keeping the fruit in your pocket for ever. You have trespassed on the Indian soil and Indian waters and as a trespasser you have cultivated and grown these orange plants, you should now part with that orange fruit willingly. If you do not do it, there are others who will snatch it from you in the manner now recognised in the whole civilised world, as fair and equitable. (Laughter.) With these remarks I strongly support the motion of my Honourable friend, Sir Abdul Halim Ghuznavi.

Several Honourable Members : The question may now be put.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the question be now put."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill to control the Coastal Traffic of India be referred to a Select Committee, consisting of the Honourable Sir Nripendra Sircar, the Honourable the Commerce Member, Sir Muhammad Yakub, Babu Baijnath Bajoria, Seth Haji Sir Abdoola Haroon, Pandit Nilakantha Das, Pandit Krishna Kant Malaviya, Mr. Sami Vencatachalam Chetty, Dr. G. V. Deshmukh, Maulvi Syed Murtuza Sahib Bahadur, Sir Cowasji Jehangir, Sir Leslie Hudson, Mr. F. E. James, Mr. Akhil Chandra Datta, Mr. S. Satyamurti, Pandit Lakshmi Kanta Maitra, Dr. Ziauddin Ahmad, Mr. Bhulabhai J. Desai, Sardar Sant Singh, Mr. M. Asaf Ali, Mr. M. Slade and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

THE REPRESSIVE LAWS REPEALING AND AMENDING BILL.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : Sir, I move :

"That the Bill to repeal and amend certain repressive laws be continued."

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill to repeal and amend certain repressive laws be continued."

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

(AMENDMENT OF SECTION 388.)

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : Sir, I move :

"That the Bill further to amend the Code of Criminal Procedure, 1898 (Amendment of section 388), be continued."

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill further to amend the Code of Criminal Procedure, 1898 (Amendment of section 388), be continued."

The motion was adopted.

THE MUSLIM DISSOLUTION OF MARRIAGE BILL.

Qazi Muhammad Ahmad Kasmi (Meerut Division : Muhammadan Rural) : Sir, I move :

"That the Bill to consolidate the provisions of Muslim Law relating to suits by married Muslim women for dissolution of marriage and to remove doubts as to the effect of apostasy of a married Muslim woman on her marriage tie be continued."

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill to consolidate the provisions of Muslim Law relating to suits by married Muslim women for dissolution of marriage and to remove doubts as to the effect of apostasy of a married Muslim woman on her marriage tie be continued."

The motion was adopted.

THE CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL.

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : Sir, I move :

That the Bill to amend the Child Marriage Restraint Act, 1929, be continued.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

That the Bill to amend the Child Marriage Restraint Act, 1929, be continued.

The motion was adopted.

THE CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL.

Mr. B. Das (Orissa Division : Non-Muhammadan) : Sir, I move :

That the Bill to amend the Child Marriage Restraint Act, 1929, be continued.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

That the Bill to amend the Child Marriage Restraint Act, 1929, be continued.

The motion was adopted.

THE MUSLIM INTESTATE SUCCESSION BILL.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : Sir, I beg to move :

That the Bill to declare that properties of a Muslim dying intestate and without any heir devolve upon the Muslim community, be referred to a Select Committee, consisting of the Honourable the Law Member, the Honourable the Home Member, Qazi Muhammad Ahmad Kazmi, Mr. Abdul Qaiyum, Syed Ghulam Bhik Nairang, Maulvi Syed Murtuza Sahib Bahadur, Khan Bahadur Sir Abdul Hamid, Maulana Shaukat Ali, Mr. Muhammad Azhar Ali and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five.

Syed Ghulam Bhik Nairang (East Punjab : Muhammadan) : I suggest, Sir, that the name of Maulana Zafar Ali Khan be included.

Sir Muhammad Yakub : I have no objection.

An Honourable Member : He is Maulana.

Sir Muhammad Yakub : I do not believe in Maulanas.

Seth Govind Das (Central Provinces Hindi Divisions : Non-Muhammadan) : You are yourself a Maulana.

Sir Muhammad Yakub : Sir, as long as the Mussalmans were the rulers of India, they were governed by their own law in this country. After the Indian Mutiny of 1857, when the reins of the Government of this country were taken by the late Queen Victoria, a solemn proclamation was made in the name of the late Queen and in that proclamation it was stated that Mussalmans would be governed by the laws in respect of property where it may relate to inheritance, succession, bequest, Wakf and so on, and this declaration was subsequently confirmed by successive parliamentary enactments. In spite of all this, and that during this interval, as the Indians had no voice in the small Legislative Councils, and even though those Councils were expanded a

little and one or two Indian Members were nominated to the Imperial Legislative Council, they had no hand in the framing of legislation in this country. Therefore, certain Acts were passed by the British Government which were in contravention of the Muslim law as well as the solemn declaration of the late Queen Victoria by which the British Government in India were bound. One of the Acts by which the provisions of Muslim law were abrogated was the escheat law which provided that if a Muslim died intestate, his or her property would go to the Government. Now, Sir, I do not ask this House to pass a fresh legislation in favour of Mussalmans. In fact, I am strictly against the Legislature interfering with religious matters, either of Muslims, Hindus or of any other community in this country. All that I want is that the laws, which have been passed behind the back of the Mussalmans, and without their consent, should be done away with, the Government should follow strictly the proclamation of Queen Victoria and Mussalmans should be governed, in matters of property, succession, marriage, dissolution of marriage and things like that, according to the Muslim law....

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : Also in the matter of the cut of clothes !

Sir Muhammad Yakub : I say that the Muslim law is self-sufficient and complete, even the cut of clothes is given in the Muslim law. Those people who have got no social or religious code of their own, and who depend entirely upon the rulings of the Privy Council, will no doubt be surprised at the perfection of the Muslim Law. But I consider that my religion and the laws of my religion are perfect and self-sufficient, and in every phase of our life I would like that a Mussalman should be governed according to his own law.

Mr. N. M. Joshi (Nominated Non-Official) : What is your religion ?

Sir Muhammad Yakub : I do not want to explain my religion to irreligious people ; they cannot appreciate what religion means. But, after some days, I think when we meet in the next world, I will be able to tell my Honourable friend, Mr. Joshi, what religion means. (Laughter.)

My Bill is quite a simple one, and the only clause which gives the substance of the Bill is this :

“ Notwithstanding any law or custom to the contrary, the estate of a Muslim, subject to the Muslim law of succession, dying intestate without any heir, shall devolve on the Muslim community and shall not escheat to the Crown.”

It is admitted on all hands, and even those who have opposed my Bill, they have also expressed the opinion that the provisions of my Bill are strictly in accordance with the Muslim law. Two sorts of objections have been raised to my Bill, which I find in the opinions which have so far been received. Of course, there are very few Judges of the High Courts who have given opinions upon this Bill. We have got the opinions of two eminent Muslim Judges of the High Courts, namely, the Honourable Mr. Justice Sir Shah Muhammad Sulaiman, Chief Justice of the Allahabad High Court, who is now coming as a Judge of the Federal Court, and Mr. Justice Maulvi Zia-ul-Hasan, Judge of the Oudh Chief Court. Both these gentlemen approve of the provisions of my Bill and they are in favour of it.

[Sir Muhammad Yakub.]

As I said, two sorts of objections have been raised in these opinions against my Bill. The first objection is that the provisions of the Bill discriminate between different sections and communities in India. They say, why pass a law like this in favour of the Mussalmans only? Why should not the people of other communities be allowed to be benefited by the property of the people of their community who die intestate? In reply to this I would submit that if the religious code or the religious laws of other communities have a provision like this that if any one of them dies intestate his property should not go to the Crown but should be used for the benefit of the people of that community, certainly I will have no objection if a Bill of this sort is brought before the House and the other communities in India are given the benefit of the property left by intestate members of their community. I have personally supported certain legislative measures which were brought forward here by my Hindu friends, in order to give facilities to their womenfolk in the matter of inheritance and so on. Therefore, if there is any measure before this House which improves the social system of any other community in India we do not come in the way of its being passed. On the other hand, we whole-heartedly support such provisions of the Muslim law should be observed in the case of the Muslims who die intestate and that the British Common law should not be made applicable to the Mussalmans in this matter.

The second objection to the Bill, which is generally raised, in the opinions, which I have so far received, is that the Bill is not complete and that the procedure as to how this will be acted upon is not given in the Bill. To this my reply is that, so far as this Assembly is concerned, according to the Government of India Act we are not authorised to legislate as to what procedure the Provinces should adopt in the case of "Baitulmal", or public properties, etc. All these matters of detail and procedure will be taken up by the Provinces. We, in this Assembly, can only pass a general enactment or an enabling Bill which provides for the exemption of the Mussalmans from the law of intestate. After the principle has been accepted by this House, it would then be for the Provincial Assemblies to make rules or lay down the procedure as to how to give effect to this Bill. Again, in the case of non-official Bills we cannot expect such completeness as we find in official Bills. We have got no draftsman to prepare drafts for our Bills and we have not got a big staff who could make the Bill as perfect as possible. But even in the case of Government Bills I find sometimes that even the very next year after the passing of an Act the Government find that the law which they had enacted was not complete and they had to bring in an amending Bill. So, if my Bill is not complete, if there are certain things which are left out in this Bill or the language is not perfect and clear, I submit that having accepted at this stage the principle of the Bill, as has just been pointed out by my Honourable friend, Mr. Aney, while speaking on the Bill of my Honourable friend, Sir Abdul Halim Ghannam, the Select Committee is quite competent to alter the Bill in any form they like. In fact, they can even bring quite a different or a new Bill. I have got an instance of this nature in the annals of our Assembly. The Child Marriage Restraint Bill, which is usually known as the Sarda Bill, when it was first introduced in the House, by Mr. Harbilas Sarda, was in quite

a different form from what it is now. When the Government and the House accepted the principle of the Bill and the Bill came before the Select Committee, then quite a different Bill was produced by the then Home Member and the Select Committee accepted that Bill in place of the original Bill and it was brought in this Assembly. Nobody should, therefore, raise any objection to my Bill on the ground that it is an imperfect Bill or that the procedure is not given. All that I want is that the principle of the Bill may be accepted, and then if there is any lacuna or any imperfection in the language we can fill it up in the Select Committee stage of the Bill.

Sir, I have done. I only say that now when we are on the threshold of, what we may call a new era in this country and when we think that self-government in India is now coming, it is right and proper that all the communities should enjoy the same rights, and must be governed by the same laws by which they were governed when they had their own rule in this country and that the extraneous matters which have been introduced in the legislation of India by the foreign rulers should be taken out. With these words I move my motion.

Qazi Muhammad Ahmad Kazmi (Meerut Division : Muhammadan Rural) : I suggest the addition of the name of Mr. Asaf Ali.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : I suggest the name of Mr. Siddique Ali Khan.

Maulana Zafar Ali Khan : I suggest the name of Mr. Sathar Essak Sait.

Sir Muhammad Yakub : I have no objection to the addition of any name.

Mr. President (The Honourable Sir Abdur Rahim) : I cannot add any more names. Motion moved :

5 P.M.

"That the Bill to declare that properties of a Muslim dying intestate and without any heir devolve upon the Muslim community, be referred to a Select Committee, consisting of the Honourable the Law Member, the Honourable the Home Member, Qazi Muhammad Ahmad Kazmi, Mr. Abdul Qaiyum, Sved Ghulam Bhat Nairang, Maulvi Syed Murtuza Sahib Bahadur, Khan Bahadur Sir Abdul Hamid, Maulana Shaukat Ali, Mr. Muhammad Azhar Ali, Maulana Zafar Ali Khan, Mr. Siddique Ali Khan, and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The Assembly then adjourned till Eleven of the Clock on Friday, the 3rd September, 1937.

L261LAD

LEGISLATIVE ASSEMBLY.

September, 1937.

CORRIGENDUM.

In the Legislative Assembly Debates, Simla Session, 1937, Vol. IV, No. 2, dated the 24th August, 1937, page 442, in the subject-heading of unstarred question No. 1, for "Workshop" read "Worship".

even of the Clock,
e Chair.

RS.

BREAK OF JOURNEY BETWEEN ~~DEWAR~~ AND THE LOOP LINE.

286. *Mr. Sri Prakasa : (a) Will the Honourable Member for Commerce and Railways state if it is a fact that passengers holding tickets between Benares and Lucknow on the East Indian Railway cannot break their journey while travelling *via* the Loop Line, though the routes are alternative ones ?

(b) What is the difference in the mileage between the Main and the Loop Lines ?

(c) In view of the inconvenience caused and the nominal difference in mileage, are Government prepared to recommend to the Railway to permit break of journey on either route ?

(d) Is it a fact that a passenger can travel between Howrah and Benares on the East Indian Railway *via* the Sahebgunj Loop, the Main Line and the Grand Chord and break journeys on any of the routes ?

(e) What is the difference in mileage between these three routes ?

(f) How does that compare with the differences on the two routes between Benares and Lucknow ? And why is there such differentiation in the treatment of the two sections of the same railway ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Fourteen miles.

(c) The suggestion will be conveyed to the Agent, East Indian Railway, for consideration.

(d) Yes, except that break of journey is not permitted on the Main Line between stations :

(i) Gahmar and Kuchman in the up direction, and

(ii) Madhupur and Salanpur in the down direction.

(1061)

(e) The mileage by the three routes compares as follows :

	Mileage.
Howrah to Benares via (i) Main Line	.. 481
Howrah to Benares via (ii) Grand Chord	.. 429
Howrah to Benares via (iii) Sahibganj Loop	.. 544

(f) For the differences between the routes, the Honourable Member is referred to the answers to (b) and (e) above. Government are not aware of the reasons for such differentiation in the treatment of the two sections of the Railway. The Honourable Member's question, however, and this answer are being sent to the Agent, East Indian Railway, for consideration.

Mr. Sri Prakasa : In view of the fact that the Punjab Mails, the Punjab and the Dehra Dun Expresses traverse from end to end both the provinces of Bihar and the United Provinces, and in view of the further fact that the Honourable Member himself is a Bihari and more facilities are given to passengers in that province than in my province travelling by the very same train, will the Honourable Member, with reference to his reply to part (c) of the question, also convey to the authorities concerned his fear that he may be charged with partiality if the wrong is not put right ?

(No reply.)

Dr. Ziauddin Ahmad : With a view to encourage travelling, is it not desirable that facilities should be provided to the travelling public to travel by these alternate routes ?

The Honourable Sir Saiyid Sultan Ahmad : I have answered that question.

Mr. Mohan Lal Saksena : Is it a fact that passengers travelling by the Loop Line are not allowed to break their journey for a day when the journey exceeds 100 miles ?

The Honourable Sir Saiyid Sultan Ahmad : Will the Honourable Member kindly repeat his question ?

Mr. Mohan Lal Saksena : The rule is that a passenger is entitled to break his journey for 24 hours after every 100 miles covered. Am I to understand that a passenger who is travelling by this Loop Line is not entitled to break his journey ?

The Honourable Sir Saiyid Sultan Ahmad : I have answered the question. I have said that there is a differentiation which I cannot understand and I am bringing this matter to the notice of the Agent.

NOTING DOWN OF NAMES AND ADDRESSES OF PASSENGERS AT THE TARA DEVI RAILWAY STATION.

287. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Commerce and Railways state what is the average amount of time for which trains are detained at the Tara Devi Station (North Western Railway) on their way to Simla for purposes of noting down the names and addresses of passengers ?

(b) What is the purpose of this procedure ?

(c) Are Government aware that while first and second class passengers are politely given the registers on which they are requested to note down the required particulars, the intermediate and third class passengers are roughly asked as to their names and addresses and purposes of their visits to Simla ? If so, do Government propose to take steps to equalise the status of the passengers so far as this procedure is concerned ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The average detention to trains is about 13 minutes, and to rail cars five minutes.

(b) The procedure is in pursuance of Simla Municipality Health Regulations.

(c) Government are aware that first and second class passengers enter the required particulars in registers, and particulars relating to intermediate and third class passengers are noted by employees of the Simla Municipality. Government have no reason to believe that the latter do not carry out their duty with courtesy, and do not propose to take any action in the matter. The comparatively few upper class passengers are able to note the required particulars in the registers without delay to trains which, it is considered, would ensue if the same procedure were adopted for intermediate and third class passengers, apart from difficulties which would arise owing to illiteracy amongst these classes.

Prof. N. G. Ranga : Is the Honourable Member aware of the fact that the same procedure is adopted even at Kalka station and the third class passengers are really harassed by the railway employees ?

The Honourable Sir Saiyid Sultan Ahmad : I am not aware of it.

Mr. Lalchand Navalrai : What is the object of taking down these names ?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise either from the question or the answer given.

Mr. Lalchand Navalrai : When the question is whether it is being done and when it is also said that it is the procedure of the Simla Municipality, the object must be known. So, I want to know what is the object ?

Mr. President (The Honourable Sir Abdur Rahim) : The questioner apparently might have known this and that is why he did not put the question.

Mr. Sri Prakasa : With reference to the answer to part (b) of the question, may I know whether the names that are noted down are sent to the police also and that passengers are harassed in their own towns ? I say this, because my nephew, Mr. Harsh Vardhan, has been recently shadowed at Benares on enquiries made by the Simla Police.

The Honourable Sir Saiyid Sultan Ahmad : I have no such information.

Mr. Mohan Lal Saksena : May I ask if this is done under the instructions of the Home Department? Are inquiries made regarding the health of the travellers or the diseases they are suffering from?

The Honourable Sir Saiyid Sultan Ahmad : I have no information at all. It is done in pursuance of the Simla Municipality's Health Regulations. They are doing it and I am not responsible for it.

Mr. Mohan Lal Saksena : Will the Honourable Member take it from me that only the name and the address is taken and no inquiry is made regarding the health or the disease from which the person is suffering?

The Honourable Sir Saiyid Sultan Ahmad : I take it from the Honourable Member.

Mr. T. S. Avinashilingam Chettiar : In view of the specific complaint made by my Honourable friend, Mr. Sri Prakasa, that a particular gentleman has been harassed by the police, may I ask if an inquiry will be made in the matter?

(No. reply.)

Mr. Mohan Lal Saksena : May I ask whether it is being done under the instructions of the Police Department and not the Health Department?

The Honourable Sir Saiyid Sultan Ahmad : My information is that it is done in pursuance of the Simla Municipality Health Regulations.

Mr. Sri Prakasa : Will the Honourable Member inquire from the Simla Municipality whether they hand over all this information to the Police?

The Honourable Sir Saiyid Sultan Ahmad : That question must be put to the Health Department of the Government.

Mr. Sri Prakasa : In view of the fact that the Honourable Member is in charge of the Railways and in view further of the fact that he permits these men to go to the railway premises which are under his charge, will he not please make sure that the passengers who travel under his protection are not harassed by another department on his premises?

The Honourable Sir Saiyid Sultan Ahmad : I will certainly inquire on my premises but not outside my premises.

PREFERENCE GIVEN TO INDIAN COFFEE IN THE UNITED KINGDOM.

288. ***Mr. S. Satyamurti :** Will the Honourable the Commerce Member be pleased to state :

- (a) whether it is a fact that the preference given to Indian coffee in the United Kingdom is only nominal and not effective, and are Government aware that other countries can and do manipulate their exchanges to suit their trade;
- (b) whether any attempt is being made to increase preference for Indian coffee in the United Kingdom;
- (c) what is the result of the negotiations carried on, and when preference will be definitely granted?

Indian coffee enjoys in the United Kingdom a preference of 9s. 4d. per cent. but the preference has not had the effect of increasing the consumption of Indian coffee. As regards the second part of the question, Government are aware that this allegation is often made.

(b) and (c). The question of preference on coffee is receiving consideration in the present Indo-British trade negotiations which are still in progress and it is not possible to anticipate the result of these negotiations.

Dr. F. X. DeSouza : Is it not a fact that since the conclusion of the Ottawa Trade Pact the import of Indian coffee into the United Kingdom has been progressively diminishing and that it has reached its lowest figure during the four months of the current year?

The Honourable Sir Saiyid Sultan Ahmad : The answer has been given. Yes.

Dr. F. X. DeSouza : Is it not a fact that in spite of the preference of a penny per pound given to Indian coffee in the United Kingdom, the South American countries, like Costa Rica, have been manipulating their currency and in spite of the preference given to us in the United Kingdom, the coffee of the South American countries are selling at a premium of 33 1/3 per cent. in the United Kingdom.

The Honourable Sir Saiyid Sultan Ahmad : I would ask the Honourable Member to put down that question. This has nothing to do with the answer given or with the question put. The fact is that much depends upon the taste of individuals for coffee. In spite of high duties in France, the consumption of Indian coffee in France is increasing simply because of the taste. I do not want to go further into that matter now, because the matter is under discussion at present in the United Kingdom.

Dr. F. X. DeSouza : Is it not a fact that a campaign is being steadily carried on in the United Kingdom maligning the quality of Indian coffee although the French are the better connoisseurs and are taking more coffee?

The Honourable Sir Saiyid Sultan Ahmad : There is no foundation for the first observation.

Dr. F. X. DeSouza : Will Government be pleased, for the honour of the contracting parties, to see that the advantages and conditions promised to India by the Ottawa Trade Pact will be secured to her growers? (Hear, hear.)

The Honourable Sir Saiyid Sultan Ahmad : The matter is being considered by our delegates and they are giving this full consideration.

Mr. T. S. Avinashilingam Chettiar : Are the Government satisfied that the low consumption of Indian coffee is not due to any manipulation of the currency? Have Government examined the matter?

The Honourable Sir Saiyid Sultan Ahmad : We are fully satisfied. But the matter is still under consideration. Now that discussions are going on in the United Kingdom, I do not like to proceed further here.

CONSUMPTION OF INDIAN COTTON BY CERTAIN COUNTRIES.

289. *Mr. S. Satyamurti: Will the Honourable the Commerce Member be pleased to state :

- (a) the latest figures with regard to the consumption of Indian cotton by the United Kingdom, Japan and other countries ;
- (b) whether there is any agreement in contemplation between Great Britain and India, by which the consumption of Lancashire cloth by India will depend on the consumption of Indian cotton by Lancashire ; and
- (c) whether the preference recently granted to Lancashire goods will be reduced, and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Honourable Member is referred to Table I in the third Annual Report of the Lancashire Indian Cotton Committee, 1936, a copy of which is available in the Library of the Legislature.

(b) The whole question of a revised trade agreement is at present under discussion between His Majesty's Government in the United Kingdom and the Government of India's delegate assisted by his official and non-official advisers.

(c) The Honourable Member is presumably referring to the import duties on British cotton piecegoods. If so, these are not directly preferential but protective and constitute a measure of protection to the Indian cotton textile industry in pursuance of the recommendations of the Indian Tariff Board. There has always been a difference between ourselves (i.e., the Government) and the Honourable Member on the other side as regards this question. We have always taken the view that it is a protective duty.

Mr. S. Satyamurti : With reference to part (b), may I know whether this particular matter, that is to say, the dependence of the consumption of Lancashire cloths by India on the consumption of Indian cotton by Lancashire is specifically now being considered in the negotiations by our delegates ?

The Honourable Sir Saiyid Sultan Ahmad : Yes.

Mr. S. Satyamurti : With reference to part (c), may I know whether since the reduction of these duties on Lancashire goods the results have justified the assumption that these duties are protective, and not preferential ?

The Honourable Sir Saiyid Sultan Ahmad : We are satisfied.

Mr. S. Satyamurti : Will the Honourable Member give me some figures ?

The Honourable Sir Saiyid Sultan Ahmad : I have no figures at present with me.

Mr. S. Satyamurti : Has the import of British piecegoods been considerably reduced ?

The Honourable Sir Saiyid Sultan Ahmad : I want notice. But most likely, the answer will be in the affirmative.

CERTAIN STATEMENTS MADE BY SIR MOHAMMAD ZAFRULLAH KHAN AT THE IMPERIAL CONFERENCE.

290. *Mr. S. Satyamurti : Will the Honourable the Leader of the House be pleased to state :

- (a) who authorised Sir Muhammad Zafrullah Khan, India's delegate to the Imperial Conference, to state in the course of his speech at that Conference that India appreciated the service that the British Empire was rendering to the cause of world peace ;
- (b) who authorised him again to state, that India would derive enormous benefits from her participation in the Imperial Conference, even though she was not participating on the same footing as the Dominions, inasmuch as Sir Muhammad Zafrullah Khan had no authority of the people of India behind him ; and
- (c) whether the Government of India propose to take steps to convey to His Majesty's Government and other Governments who took part in the Imperial Conference, that India was not represented at the Imperial Conference by Sir Muhammad Zafrullah Khan ?

REPORT OF THE CONSTITUTIONAL COMMITTEE OF THE IMPERIAL CONFERENCE.

292. *Mr. S. Satyamurti : Will the Honourable the Leader of the House be pleased to state :

- (a) whether Government will place on the table of the House a copy of the full report of the Constitutional Committee of the Imperial Conference ;
- (b) whether the Government of India were invited for an expression of opinion on the question of the definition of British subjects ;
- (c) whether the Government of India proposed at the Imperial Conference the need for including the Indians as such in the definition of British subjects, so that, wherever they are in the British Commonwealth, they may enjoy the privileges thereof ;
- (d) whether the Government of India have any information on the recommendation that any member of the Commonwealth contemplating to pass a law on the membership of its community should submit its proposals to the other members, so as to enable them to offer observation on the law, if they feel so inclined ; and
- (e) whether the Government of India propose to press for being consulted on all these matters ?

The Honourable Sir Nripendra Sircar : The two questions, Nos. 290 and 292, have been wrongly addressed to me. They ought to have been addressed to the Home Department.

Mr. S. Satyamurti : When will they be answered ?

Mr. President (The Honourable Sir Abdur Rahim) : They will be answered on the next day according to the procedure recently adopted.

Mr. S. Satyamurti : Is the Home Department in charge of all Imperial Conference delegations ?

The Honourable Sir Nripendra Sircar : Yes.

RESOLUTION ON THE SHIPPING POLICY ADOPTED BY THE SHIPPING COMMITTEE OF THE IMPERIAL CONFERENCE AND HELP TO INDIAN SHIPPING.

291. ***Mr. S. Satyamurti :** Will the Honourable the Commerce Member be pleased to state :

- (a) whether the Government of India were represented, or had any part, in shaping the resolution on the shipping policy adopted by the Shipping Committee of the Imperial Conference ;
- (b) whether the maintenance of adequate Indian shipping was considered ; and if so, what conclusions were arrived at ;
- (c) whether India brought to the notice of the Committee certain forms and methods of foreign discrimination, seriously prejudicial to Indian shipping ; and
- (d) whether Government propose to take any steps to help Indian shipping as against foreign competition, including British competition ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). The Government of India have not yet received the full proceedings of the Imperial Conference and I am, therefore, unable to give detailed information as to what took place at the Committee of the Conference on shipping questions.

(c) The Government of India are not aware of any foreign discrimination against Indian shipping.

(d) For the last ten years Government have been maintaining the "Dufferin" Training Ship, the annual net cost of which is now about rupees two lakhs. This in effect is a considerable subsidy to Indian Shipping Companies, who would, otherwise, themselves have to meet the cost of training their Indian officers.

Mr. S. Satyamurti : With reference to the answer to parts (a) and (b), I take it that the Government of India were represented on this Conference. May I know if Government sent any instructions to their delegates to this Shipping Conference ?

The Honourable Sir Saiyid Sultan Ahmad : I want notice.

Mr. S. Satyamurti : The question is already here :

"Whether the Government of India were represented, or had any part, in shaping the resolution on the shipping policy adopted by the Shipping Committee of the Imperial Conference ?"

With regard to the subject which came before that Conference, namely, the shipping policy of the Imperial Conference, I am asking whether any instructions were given by the Government of India to their delegates to that Conference ?

The Honourable Sir Saiyid Sultan Ahmad : As I said I am unable to answer the question with any degree of precision because I have not got the proceedings here. Nor have I actually made any enquiries about it. The proceedings are expected very soon and I will be able to place the whole of it before the House or as much of it as is considered necessary.

Mr. Lalchand Navalrai : May I know what good has the "Dufferin" ship done ?

The Honourable Sir Saiyid Sultan Ahmad : If the House is satisfied that no good has been achieved by this, the Government will be prepared to consider the desirability of abolishing it. But I propose to make a statement on the Resolution of Sir Muhammad Yakub. I hope it will be reached.

GRANT OF HOLIDAYS ON INDIAN FESTIVALS IN GOODS AND PARCEL OFFICES ON RAILWAYS.

293. ***Mr. Lalchand Navalrai :** With reference to the answer to my starred question No. 761, dated the 30th March, 1937, will the Honourable Member for Commerce and Railways be pleased to state if there is any difficulty in giving the same treatment and same holidays to both Goods Shed Clerks and the Parcel Clerks ? If so, what are the reasons for different treatment ?

The Honourable Sir Saiyid Sultan Ahmad : It will result in business being seriously dislocated if the booking and delivery of goods and parcels is suspended on all communal holidays. Railways are essentially public utility services and the number of days on which the normal business is suspended for any reason must be kept as few as possible. In view of the very large number of religious festivals which vary in their significance and importance in the different areas served by the same railway, it would not be in the public or in railways' interest if the number of closed holidays was increased in order to satisfy all communal demands for holidays on this account.

Mr. Lalchand Navalrai : I want to know what is the difference between the holidays that are being given to the goods clerks and parcels clerks. If holidays are given to goods clerks, why not for parcel clerks ?

The Honourable Sir Saiyid Sultan Ahmad : The difference lies in the importance of the duties which the different clerks in the different departments perform.

Pandit Lakshmi Kanta Maitra : Will the Honourable Member consider the suggestion that instead of granting closed holidays on important festivals and ceremonies, they might grant holidays to these people by batches ?

The Honourable Sir Saiyid Sultan Ahmad : It will be absolutely no use and it will not give satisfaction at all. These holidays are demanded on the basis of religious festivals.

Pandit Lakshmi Kanta Maitra : I want to impress on the Honourable Member whether the Government will consider the suggestion that instead of granting closed holidays on certain specific holidays, these clerks might be allowed to enjoy holidays in batches instead of closing the office completely for all people ?

The Honourable Sir Saiyid Sultan Ahmad : Supposing there is one clerk only, and as a rule there is only one clerk, what would be the position ? There would be tremendous difficulties and therefore I am not prepared to support it.

GROUP INSPECTORS OF SPECIAL TICKET EXAMINERS ON THE NORTH WESTERN RAILWAY.

294. ***Mr. Lalchand Navalrai :** (a) With reference to my starred question No. 762, dated the 30th March, 1937, will the Honourable Member for Commerce and Railways be pleased to place on the table replies to parts (b) and (d) of the aforesaid questions ?

(b) Will the Honourable Member be pleased to state what action the Agent, North Western Railway, has taken in respect of the suggestion conveyed to him regarding the Group Inspectors' wearing uniforms referred to in answer to part (c) of the aforesaid question ?

The Honourable Sir Saiyid Sultan Ahmed : (a) The replies to parts (b) and (d) of the Honourable Member's question No. 762, dated the 30th March, 1937, are incorporated in the proceedings of the House for the 23rd August, 1937.

(b) The Agent, North Western Railway, has issued orders that Group Inspectors should wear uniform when on checking duty.

REVISED RULES FOR THE ISSUE OF PASSES ON RAILWAYS.

295. ***Mr. Lalchand Navalrai :** (a) Will the Honourable Member for Commerce and Railways be pleased to state if the recent Railway Pass Rules, which are very much protested against, have been revised or altered ? If so, to what extent ? If they have not yet been revised, do Government propose to make any alterations in view of the general complaint ? If so, in what way ?

(b) Has the Indian Railway Conference Association made their report in connection with the revision of the Pass Rules ? If so, what are their suggestions ?

The Honourable Sir Saiyid Sultan Ahmed : (a) The Pass Rules introduced with effect from the 1st January, 1937, have not been revised. The memorials received in connection with these new rules are under consideration.

(b) The Indian Railway Conference Association have not been asked for a report in connection with the revised Pass Rules ; the latter portion of this question does not, therefore, arise.

Mr. Lalchand Navalrai : Is it known to the Honourable Member, who took charge after these pass rules were made, that there is great resentment and grievance among the staff over this pass question ?

The Honourable Sir Saiyid Sultan Ahmad : We have received a number of memorials and a number of telegrams and representations on the subject.

Mr. Lalchand Navalrai : Will the Honourable Member go through them all and do justice to them ?

The Honourable Sir Saiyid Sultan Ahmad : As I have said, they are under consideration.

Mr. Mohan Lal Saksena : May I know how long will Government take to come to a final decision ?

Mr. N. M. Joshi : Are the Government of India aware that the officers on the Indian railways get a much larger number of passes than the subordinate employees ?

The Honourable Sir Saiyid Sultan Ahmad : All these matters are being considered.

Mr. Mohan Lal Saksena : May I know whether pending a final decision Government will allow the employees to have as many passes as they were allowed under the old rules ?

The Honourable Sir Saiyid Sultan Ahmad : No, Sir.

Pandit Lakshmi Kanta Maitra : May I know if the Honourable Member's department has got representations about passes from the railway labour unions ?

The Honourable Sir Saiyid Sultan Ahmad : I do not remember, but I have received a number of memorials and a number of representations.

Mr. Mohan Lal Saksena : Is the Honourable Member aware that the Railway Board had promised to meet a few Members of this Assembly in September, and discuss these pass rules ?

The Honourable Sir Saiyid Sultan Ahmad : I am not aware, Sir.

Mr. Lalchand Navalrai : Will the Honourable Member receive that deputation ?

The Honourable Sir Saiyid Sultan Ahmad : No, Sir.

Mr. Mohan Lal Saksena : Will the Honourable Member take it from me that his predecessor promised me and Mr. Lalchand Navalrai and my Honourable friend here that the Railway Board will discuss the situation with us in September ?

The Honourable Sir Saiyid Sultan Ahmad : Sir Muhammad Zafrullah Khan will be here, I hope, by the end of October and if Honourable Members will approach him I suppose they will get satisfaction.

Mr. Lalchand Navalrai : But if the Honourable Member takes up this question for consideration earlier, where will be our deputation ?

The Honourable Sir Saiyid Sultan Ahmad : Then I will let this matter stand over till he comes.

RIGHTS AND PRIVILEGES OF THOSE IN SERVICE AFTER THE SEPARATION OF RAILWAY ACCOUNTS AND AUDIT.

296. ***Mr. Lalchand Navalrai** : Will the Honourable Member for Commerce and Railways be pleased to place on the table the information promised in answer to my starred question No. 764, dated the 30th March, 1937, regarding rights and privileges of those in service after the separation of Railway Accounts and Audit ?

Mr. B. M. Staig : The information in question was laid on the table of the House on the 23rd August, 1937.

NORTH WESTERN RAILWAY SUBORDINATE ACCOUNTANTS' EXAMINATION.

297. ***Mr. Lalchand Navalrai** : Will the Honourable Member for Commerce and Railways be pleased to place on the table the information collected and a statement sent for with regard to my starred question No. 733, dated the 30th March, 1937, regarding Subordinate Accounts Examination on North Western Railway ?

Mr. B. M. Staig : The information in question was laid on the table of the House on the 1st September, 1937.

INVESTIGATION OF THE AFFAIRS OF THE PUBLICITY DEPARTMENT, GREAT INDIAN PENINSULA RAILWAY.

298. ***Mr. K. Santhanam** : Will the Honourable Member for Commerce and Railways please state if it is a fact that Mr. Collins was asked to investigate the affairs of the Great Indian Peninsula Publicity Department and that he was paid Rs. 15,000 for this investigation ? Will a copy of his report be placed on the table ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information. I am, however, having enquiries made and will lay a reply on the table in due course.

INDIAN STATE RAILWAY MAGAZINE.

299. ***Mr. K. Santhanam** : (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that one Mr. Collins is working as the sole agent of the *Indian State Railway Magazine* ? When and why was this Magazine handed over to him ?

(b) What was the financial position of this Magazine before it was handed over to the said Mr. Collins and what has been the position since ?

(c) Is it a fact that an All-India Time Table was for sometime issued by the Central Publicity Officer ?

(d) Is it a fact that after some issues, it was handed over to Mr. Collins and that after a few issues, it was resumed and suspended ?

The Honourable Sir Saiyid Sultan Ahmad : (a) *The Indian State Railway Magazine* has not been handed over to Mr. Collins. Mr. Collins was appointed sole agent for securing advertisements for the

(b) In view of the reply to part (a) above, this does not arise.

(c) Yes.

(d) It is correct that the issue of the all-India time table has been suspended. It is not correct that the publication was handed over to Mr. Collins and that after a few issues it was resumed.

Prof. N. G. Ranga : Will Government consider the advisability of publishing this all-India time table again ?

The Honourable Sir Saiyid Sultan Ahmad : No, Sir.

Prof. N. G. Ranga : Why not ?

The Honourable Sir Saiyid Sultan Ahmad : Because they do not consider it necessary.

LEAVE PRIVILEGES OF SUPERIOR OFFICERS ON THE SOUTH INDIAN RAILWAY.

300. ***Mr. K. Santhanam** : Will the Honourable Member for Commerce and Railways be pleased to state :

(a) whether new rules regarding leave privileges of superior railway services were introduced in the South Indian Railway on the 12th October, 1933 ;

(b) whether these rules were made applicable to all officers of Asiatic domicile who were confirmed after 1923 ;

(c) whether they were similarly applied to officers of non-Asiatic domicile who were confirmed after 1923 ;

(d) whether the new rules differentiate between officers of Asiatic and non-Asiatic domicile while there was no such differentiation in the old rules ;

(e) the principal differences in the new rules as regards leave on full pay, leave on half pay and maximum full pay leave that can be availed of at a time ; and

(f) the reasons for these racial discriminations ?

The Honourable Sir Saiyid Sultan Ahmed : (a) to (f). I would refer the Honourable Member to my reply given on the 31st August, 1937, to starred question No. 216 asked by Mr. Joshi in this House.

CLOSING OF THE WELL NEAR THIRD CLASS SHED AT THE ALLAHABAD RAILWAY STATION.

301. ***Mr. Sri Prakasa** : (a) Will the Honourable Member for Commerce and Railways state whether it is a fact that in the Railway compound adjoining the third class shed at the Allahabad Junction railway station on the East Indian Railway, there is a well which used to supply water to pilgrims taking shelter in the shed ?

(b) Is it a fact that the well was closed up some time back ?

(d) Are Government prepared to consider the desirability of re-opening the well and give orders accordingly ?

The Honourable Sir Saiyid Sultan Ahmad : (a)—(d). Government have no information but suggest that the matter is one which might suitably be taken up with the Administration through the Local Advisory Committee. Meanwhile, a copy of the Honourable Member's question together with the reply will be sent to the Agent, East Indian Railway, for consideration.

Mr. Sri Prakasa : In view of the fact that I have no influence with the Local Advisory Committee, may I ask what I should do ?

The Honourable Sir Saiyid Sultan Ahmad : I am doing my best.

PROSECUTION OF CERTAIN PERSONS FOUND WITHOUT TICKETS AT THE MUZAFFARNAGAR RAILWAY STATION.

302. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Commerce and Railways state whether it is a fact that recently some persons were prosecuted for being found on the platform of the Muzaffarnagar railway station on the North Western Railway without any tickets ?

(b) Is it a fact that the Magistrate in acquitting the accused passed strictures on the railway administration for unnecessary harassment to these persons ?

(c) Is there a provision for the purchase of platform tickets at the Muzaffarnagar railway station ?

(d) What instructions, if any, have Station Masters to admit persons coming to receive or see off friends and relatives at such railway stations that have no arrangements for platform tickets ?

(e) Are Government prepared to consider the necessity of issuing immediate instructions to the effect that Station Masters are to admit without making any difficulty, such number of visitors to the railway platforms that come to receive or see off friends as can be admitted without inconvenience, having regard to the accommodation available on the platforms concerned ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Government have no information.

(c) Yes.

(d) At stations on the North Western Railway at which platform tickets are not issued, station masters have discretion to admit a limited number of persons who are not passengers.

(e) In view of what is stated in my reply to part (d), the necessity for such instructions does not arise in the case of stations where platform tickets are not issued.

Mr. Sri Prakasa : With reference to parts (a) and (b) of my question, in view of the fact that the case was reported in the papers and that the honour of the railways is involved, will the Honourable Member kindly inquire into this matter ?

The Honourable Sir Saiyid Sultan Ahmad : I am prepared to do that.

Prof. N. G. Ranga : To avoid recurrence of such complaints, will Government consider the advisability of insisting upon these platform tickets being issued at every station ?

The Honourable Sir Saiyid Sultan Ahmad : We shall be very pleased to consider that.

Several Honourable Members : No, no, do not consider that.

Mr. Sri Prakasa : Did the Honourable Member say that the system of platform tickets was in operation at Muzaffarnagar railway station ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, it was.

IMPROVEMENT IN THE CONDITION OF THIRD CLASS COMPARTMENTS.

303. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member in charge of Railways state what steps have been taken by Government to improve the condition of third class compartments in all State-owned Railways and to induce Company-managed Railways to do the same on their respective Railways ?

(b) Is supplying of healthy bath and latrine arrangements in third and intermediate class compartments on State Railways in contemplation ? If so, how long will it take to give effect to the schemes ?

(c) Will the Honourable Member in charge of Railways be pleased to state if two styles of latrines, viz., Indians and Europeans, will be introduced in the second and first class compartments to suit the convenience of both ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). I lay a statement, detailing the steps taken by Government to improve lower class compartments and their latrines on the table of the House. The provision of bath arrangements in lower class compartments is not contemplated.

(c) No, due to the loss in coach earning capacity that would result and the unsuitability of the Indian style latrine for use in railway rolling stock.

Statement.

In so far as new carriages are concerned, Government appointed a Committee in 1925 to examine the whole question of broad gauge lower class carriage design. As a result of the deliberations of this Committee and the existing Standing Carriage and Wagon Standards Committee (which has carried on the functions of the original Committee) sample full third class and full inter class carriages also combined inter and third class and third class, luggage and brake carriages were constructed and approved by the Railway Board during 1927 and 1928. As each type of carriage was approved, complete detail drawings relating to each type were prepared and sent to all broad gauge railways, State-managed being advised that all lower class carriages built in the future should conform to these approved designs (generally known as the I. R. S. coaching body designs) and Company-managed Railways requested to do likewise. These I. R. S. coaching body designs represented a vast improvement over the lower class carriages constructed by Railways hitherto in respect to accommodation per passenger, number of compartments, number of latrines per passenger, area of latrines, comfort of seats, quantity of water per passenger, lighting, etc., etc., and 785 bogie carriages conforming to these designs have since been built

and placed in service. That the number is not larger and the change more generally apparent on broad gauge railways is due entirely to the limited number of new lower class carriages built during the period concerned on account of falling traffic.

In 1935 it became apparent that four standard types of carriages represented too small a range to meet the varying requirements of individual railways and at the same time the possibility of still further improving the standard of comfort provided in third class carriages was investigated. As an outcome of this investigation a further sample full third class carriage was constructed and inspected by the Railway Central Advisory Council in the early part of 1936. In view, however, of the impossibility of covering the varying types of carriages (representing combinations of accommodation of different classes) required by individual railways with a reasonable number of standard detail designs, it was decided that subject to the use of fittings and components included in the original I. R. S. designs and the observation of certain major requirements laid down by the Railway Board (which in themselves ensure a greater standard of comfort than existed in the original I. R. S. design), railways should themselves again prepare their own detailed lower class carriage designs and this course is now being followed.

The position in respect to Company-managed Railways is that they cannot be forced to adopt any particular detailed carriage design. To ensure, however, that the degree of comfort which new lower class carriages built by Company-managed Railways provide is not appreciably inferior to that of new carriages built for use on State-managed Railways, a number of requirements such as width of seat per passenger, number of latrines per passenger, area of latrines, etc., etc., have been laid down from time to time and the observation of such requirements is obligatory for all railways. Further the layouts of all new carriages have to be submitted to the Railway Board for approval by all railways prior to construction being undertaken.

In respect to existing lower class carriages, constructional considerations severely limit the modifications and improvements that can be introduced but if reference is made to paragraphs (viii) and (ix) of chapter VII, Volume I, of the report by the Railway Board on Indian Railways for the years 1934-35 and 1935-36 it will be seen that this aspect of the matter is by no means neglected and Government is constantly urging railways to introduce such improvements as economic considerations will permit.

In this connection it should not be forgotten that the average economical life of a coaching vehicle is thirty years and if railways are to be operated economically a wide margin between the standards of comfort offered by recently constructed stock and stock approaching the end of its economic life will always be apparent and at the present time the position in this respect has been aggravated by the limitation imposed on renewals during a period of depression.

In respect to washing arrangements in lower class carriages, wash hand basins are provided in modern inter class latrines and taps in modern third class latrine compartments. Government have no intention of providing bathing arrangements for inter and third class passengers, in fact it would be a practical impossibility to carry the water necessary to provide this facility for lower class passengers in a railway coach.

RAILWAY ACCIDENT AT BIHTA ON THE EAST INDIAN RAILWAY.

304. *Mr. Amarendra Nath Chattopadhyaya : (a) Will the Member in charge of Railways be pleased to lay on the table the report of the investigation into the cause of the disastrous derailment of the Punjab mail on the 17th July, 1937, which took place near Bihta Station on the East Indian Railway ?

(b) Will the Honourable Member be pleased to state if any deliberate attempt at derailing the train under reference had been made ? If so, have the culprits been found ?

(c) How many men, women, children met with death on the spot, in hospital outside, and how many were injured ?

(d) Is it not a fact that at the same place on the same Railway a similar disastrous derailment took place some five years ago ? Can the Honourable Member enlighten the House how disasters like these take place at the same spot over and over again ? Was there any defect in the line at the spot ?

(e) Has any damage been claimed by injured passengers or families of dead passengers ? If so, how much, and have such damages to be given by the Railways ? Have Government any scheme for payment of compensation to the descendants of the dead persons ?

(f) Will the Honourable Member be pleased to state what steps are being taken to prevent such disastrous derailment on Railways in future ? What possible preventive machinations and scientific devices are ready for the purpose ?

(g) Was there any defect in the line or point which led to the disaster ?

(h) Are any Railway staff or coolies responsible for this disaster ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The report is still under the consideration of Government.

(b), (g) and (h). No conclusion has yet been reached as to the cause of the accident.

(c) 93 persons were killed and 12 died subsequently of their injuries ; in addition, 106 other injured persons were admitted to Hospital.

(d) The Honourable Member is referred to item (f) of my reply to question No. 223 on 31st August last regarding the accident in this locality some five years ago. The accident on that occasion was due to sabotage. The cause of the present accident has not yet been determined.

(e) Government have no information of claims which may have been made against the East Indian Railway by injured passengers or families of dead passengers. The matter of the Railway's liability to pay compensation will be considered when a conclusion has been reached as to the cause of the accident.

(f) All railways in all countries as well as manufacturers of railway materials, engines and rolling stock, etc., are constantly working to the end to make railway travel safer. The cause of the present disaster, as in the case of other accidents, will be fully examined with a view to prevent a similar occurrence in future. The Honourable Member will, however, appreciate the difficulty in preventing accidents, such as that referred to in (d) above, which was due to malicious tampering with the rails.

Babu Kailash Behari Lal : Are Government in possession of the names and addresses of all the persons that were killed ?

The Honourable Sir Saiyid Sultan Ahmad : Not all.

Mr. Mohan Lal Saksena : Is it a fact that the driver of the Mail train passing that place seven hours before had informed the Station Master at Dinapore that there was a certain noise while the Mail passed Bihta ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot exactly remember the date, but I answered this very question on the floor of the House.

Mr. Mohan Lal Saksena : That question was not reached and no supplementaries could be asked. That is why I am asking it now.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot be allowed to put supplementary questions now on that question.

Mr. Lalchand Navalrai : May I know what is the reason of the cause not having been found out yet ?

The Honourable Sir Saiyid Sultan Ahmad : The whole matter is under consideration ; we are considering the reports.

Mr. Lalchand Navalrai : May I know why so much time is being taken ?

The Honourable Sir Saiyid Sultan Ahmad : The reports have now been received. They will have to be carefully examined, which is not a very easy matter.

Mr. Lalchand Navalrai : Has the Honourable Member inquired whether they are sleeping over it or whether they are investigating ?

The Honourable Sir Saiyid Sultan Ahmad : They are investigating.

Mr. Sri Prakasa : In view of the fact that it has been suggested that the driver of this particular train was drunk, will the Honourable Member see to it that drivers are not served with drinks while they are on duty ?

The Honourable Sir Saiyid Sultan Ahmad : There is no foundation for the first statement ; therefore the second question does not arise.

RAILWAY ACCIDENT AT BIHTA ON THE EAST INDIAN RAILWAY.

305. ***Mr. Amarendra Nath Chattopadhyaya** : (a) Will the Honourable Member in charge of Railways be pleased to lay on the table the report of the departmental enquiry and investigation into the matter of the serious accident at Bihta resulting in many deaths and injuries of passengers ?

(b) Is it not a fact that the European engine-driver has escaped unhurt and unscratched ? If so, will the Honourable Member be pleased to state how it happened that other two people in the engine died and only the European engine-driver remained alive and unhurt ?

(c) Is it not a fact that on departmental enquiry, it was found that the European engine-driver was found sleeping in a first class compartment and that was the reason why he escaped unhurt ? If so, will Government be pleased to state what punishment has been meted out to the man through whose negligence of duty this terrible disaster took place ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Honourable Member is referred to part (a) of my answer to question No. 304 today.

(b) The engine driver and the two other people (firemen) on the engine escaped serious injury. It is not correct that the other two people on the engine died.

(c) It is not a fact that the enquiry found that the engine driver was sleeping in a first class compartment at the time of the accident. This suggestion seems to be mythical.

REVISED RULES FOR THE ISSUE OF PASSES ON RAILWAYS.

306. ***Qazi Muhammad Ahmad Kazmi** : Will the Honourable Member for Commerce and Railways be pleased to state :

(a) whether it is a fact that revised rules for the issue of passes to Railway employees have been enforced by the Railway Board from 1st January, 1937 ;

(b) whether Government are aware that this has caused great discontent amongst the staff because they have operated harshly ;

(c) whether it is a fact that memorials and appeals have been preferred in large numbers by the Railway employees of all the State Railways, protesting against the revision of the pass rules, and whether it is a fact that one of such appeals was preferred to the Chief Commissioner of Railways by the East Indian Railway staff ; and

(d) whether he proposes to look into the matter and allow the old employees the option of retaining the old rules applicable to them when they were appointed in terms of Government of India Resolution No. 4863, dated the 4th December, 1891 ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Representations have been made to this effect.

(c) A number of memorials and appeals have been received, including one to the Chief Commissioner of Railways by members of the East Indian Railway staff.

(d) The memorials are still under consideration.

EXTENSION OF THE LIFE OF THE INDIAN LEGISLATIVE ASSEMBLY.

307. ***Mr. Mohan Lal Saksena** : (a) Will the Honourable the Leader of the House state for what period has the life of the present Legislative Assembly been extended ?

(b) Were the Government of India consulted by the Governor General in the matter ? What advice, if any, did they give ?

The Honourable Sir Nripendra Sircar : (a) His Excellency the Governor General has reserved, and I am unable to anticipate, his decision on this point.

(b) In the public interest I have to decline to answer this question.

NON-ENROLMENT OF MEMBERS OF THE TRADE UNION, LUCKNOW, RESIDING IN BIHAR AND BENGAL, AS VOTERS IN THE LABOUR TRADE UNION CONSTITUENCIES.

308. *Mr. Mohan Lal Saksena : (a) Will the Honourable the Law Member state if it is a fact that the members of the East Indian Railway Registered Trade Union, Lucknow, resident in Bihar and Bengal were not enrolled as voters in the Labour registered Trade Union constituencies, notwithstanding representations made in this behalf ?

(b) If the answer to part (a) be in the affirmative, what were the reasons for not doing so ?

(c) Are Government prepared to issue necessary instructions to permit the members of a registered railway employees union being registered voters all over the line, irrespective of the fact whether the head office of the union is located in the province or not ?

The Honourable Sir Nripendra Sircar : The qualifications, entitling persons to be included in the electoral rolls, are prescribed in the Government of India (Provincial Legislative Assemblies) Order, and the preparation of the rolls is a matter purely for the Provincial Governments. I very much regret that I have no material to enable me to answer the points raised by the Honourable Member.

Mr. Mohan Lal Saksena : Is it not a fact that unions which are working on an all-India basis have members spread all over the provinces ?

The Honourable Sir Nripendra Sircar : I said that as these are provincial matters I have no material to enable me to answer the points raised by the Honourable Member.

Mr. Mohan Lal Saksena : Will the Honourable Member bring it to the notice of the various Local Governments that unions which are registered in one province and have members residing in another province may be enrolled as voters ?

The Honourable Sir Nripendra Sircar : I can send a copy of this question and the supplementaries to the Local Governments.

MODIFICATION OF THE STANDING ORDERS AND RULES OF THE INDIAN LEGISLATIVE ASSEMBLY.

309. *Mr. Mohan Lal Saksena : (a) Will the Honourable the Law Member state if the Government of India were consulted in the framing of new rules of the Legislative Assembly recently published in the Gazette ? If so, what advice, if any, did they give to the Governor General ?

(b) Will he state what was the necessity and the reasons for the modification of the Standing Orders and Rules ?

(c) Is any additional staff being provided in the Legislative Assembly due to the new rules ? If so, will the Honourable Member state the number and the designation of the hands as well as their salaries ?

The Honourable Sir Nripendra Sircar : (a) The Honourable Member is presumably referring to the amendments to the Indian Legislative Rules which were published in the Gazette of India of the 24th July and were debated on an adjournment motion on the 24th August. The rule making power is vested in, and the amendments were made by, the Governor General in Council and not, as the Honourable Member appears to suppose, by the Governor General.

(b) There has been no modification of the Standing Orders. The considerations dictating the amendments to the Rules were explained in a Press communiqué issued on the day on which the amendments were published in the Gazette, and further they were fully discussed and debated in the House when the amendments were considered by it.

(c) The answer to the first part is in the negative. The second part does not arise.

Mr. Mohan Lal Saksena : May I know whether Government have considered the position since the adjournment motion was carried in this House ?

The Honourable Sir Nripendra Sircar : Government are aware that the adjournment motion was carried.

Mr. Mohan Lal Saksena : Have Government considered the position since then ?

The Honourable Sir Nripendra Sircar : That is the position. The adjournment motion has been carried.

Mr. S. Satyamurti : The question is whether Government have considered whether the adjournment motion will persuade them to change these rules.

The Honourable Sir Nripendra Sircar : If my Honourable friend wants to know whether the rules are now going to be changed or re-changed, then the answer is in the negative.

Mr. S. Satyamurti : When did they meet, and come to that conclusion, that there is no need for changing the rules ?

The Honourable Sir Nripendra Sircar : Why does my Honourable friend assume that every one must meet before Government can come to a conclusion ? I do not propose to disclose whether they met.

Mr. S. Satyamurti : Does the Governor General in Council talk by silence ?

The Honourable Sir Nripendra Sircar : They can conduct business without talking as much as other people do.

Mr. S. Satyamurti : Do they talk at all ?

The Honourable Sir Nripendra Sircar : Oh, they do. The minimum necessary amount.

Mr. S. Satyamurti : I want to know whether they met at any time, to consider the effect of this adjournment motion.

The Honourable Sir Nripendra Sircar : I cannot give the information as to whether they met and what they talked, or whether they talked, but I have told you of their decision.

Mr. M. Ananthasayanam Ayyangar : May I know if finance was one of the considerations for limiting the number of questions, and if so why has so much additional staff been entertained for the purpose ?

The Honourable Sir Nripendra Sircar : That does not arise.

Mr. Ram Narayan Singh : Do Government care for these censure motions ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

ARTICLES EXPORTED TO AND IMPORTED FROM INDIA IN PEUBA AND ZANZIBAR.

310. ***Mr. Mohan Lal Saksena :** Will the Honourable Member for Commerce and Railways be pleased to state what articles are exported to and imported from India in Peuba and Zanzibar and their respective values during the last two years ?

The Honourable Sir Saiyid Sultan Ahmad : I lay on the table a statement giving the required information as far as it is available.

Statement showing principal exports to and imports from Pemba and Zanzibar during the years 1934-35 and 1935-36.

EXPORTS (Indian merchandise).

Articles.	Value 1934-35 Rs. (000)	1935-36. Rs. (000)
Books, prints and printed matter including maps and charts	19.4	30.6
Boots and shoes	20.0	11.7
Candles of all kinds	10.3	8.3
Dying and tanning substances	1.0	9.4
Fruits and vegetables	34.0	41.4
Grain, pulse and flour	997.9	1,002.7
Instruments, apparatus and appliances and parts thereof	31.7	8.9
Metals and ores	7.2	14.2
Provisions and oilman's stores	25.9	14.0
Seeds	30.2	28.5
Spices	26.8	22.2
Cotton manufactures (including twist and yarn)	102.3	71.6
Jute manufactures (including twist and yarn)	75.2	49.2
Wood and Timber	25.8	22.3
Postal articles	72.2	72.3
All other articles of merchandise	101.0	85.6
GRAND TOTAL	1,590.1	1,492.7

IMPORTS.

Gums and Resins	..	12.6
Ivory (unmanufactured)	..	257.0
Tortoise-shell (including nakhla or nakh)	202.5	12.1
Cloves	8.0	..
All other articles of merchandise	2,926.8	2,085.6
GRAND TOTAL	3,179.0	2,406.0

REFUSAL OF THE AGENT, EAST INDIAN RAILWAY, TO RECEIVE DEPUTATIONS FROM THE EAST INDIAN RAILWAYMEN'S UNION, LUCKNOW.

311. ***Mr. Mohan Lal Saksena :** (a) Is the Honourable Member for Comemree and Railways aware that notwithstanding repeated requests, the Agent of the East Indian Railway has refused to receive periodical deputations from the East Indian Railwaymen's Union, Lucknow, to discuss the grievances of the railway employees ? If not, is the Honourable Member prepared to make enquiries ?

(b) Is the Honourable Member prepared to issue instructions to the various Agents regarding the advisability of holding periodical meetings with the representatives of the recognised unions to discuss the grievances of the employees on their respective railways like those that are held between the Railway Board and the Representatives of All-India Railwaymen's Federation ?

The Honourable Sir Saiyid Sultan Ahmad : (a) As regards the first part Government have no information. As regards the second part Government are not prepared to make any enquiries as this is a matter of detailed administration within the competence of the Agent, East Indian Railway, to decide.

(b) No.

Mr. Mohan Lal Saksena : Is the Honourable Member aware that during the conference with the representatives of the All-India Railwaymen's Federation and the Railway Board, it is always impressed upon these representatives that the questions should be taken up and discussed with the Agents of the local railways before they are taken up before the conference ?

The Honourable Sir Saiyid Sultan Ahmad : I was not aware of that, but I take it from the Honourable Member.

Mr. Mohan Lal Saksena : In view of that fact, will the Honourable Member impress upon the Agents the desirability of giving opportunities to the representatives of various railway unions to discuss questions locally ?

The Honourable Sir Saiyid Sultan Ahmad : It is a matter entirely for him to decide and if ever I find that he has not done his duty I will certainly interfere : otherwise not. I do not anticipate any difficulty at present.

Prof. N. G. Ranga : With reference to part (b) of the question, what is the present practice prevailing in the various railways whether these Agents try to ascertain the grievances of the workers through extraneous agencies or through the recognised labour unions ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information on that myself.

Mr. Muhammad Azhar Ali : Will the Honourable Member consider that these are registered and recognised unions and inquire from the Agent of the East Indian Railway why this Union has got no hearing about grievances ?

The Honourable Sir Saiyid Sultan Ahmad : I have no ground at this stage for any intervention at all.

Mr. Mohan Lal Saksena : Will the Honourable Member take it from me that the Union has been recognised for nearly ten years and the Agent has not granted a single opportunity to meet the deputation from the Union to discuss the grievances of employees ?

The Honourable Sir Saiyid Sultan Ahmad : Perhaps he thinks that it is not necessary.

Prof. N. G. Ranga : Will the Honourable Member try to ascertain what procedure is followed by these Railway Agents to try to ascertain the grievances of labour if they do not consult the recognised labour unions ?

The Honourable Sir Saiyid Sultan Ahmad : I will find out.

UNSTARRED QUESTIONS AND ANSWERS.

CLOSING OF WELLS AT CERTAIN RAILWAY STATIONS.

42. **Mr. Badri Dutt Pande :** (a) Will the Honourable Member for Commerce and Railways state if there are some good drinking water wells inside the yards of large junction stations, some of which have hitherto proved of immense utility to members of the public and Railway staff, especially to a number of orthodox passengers who do not take water from the water-pipes, thinking it to be unclean ?

(b) Is it a fact that these wells have recently been covered permanently with tin sheets, causing great inconvenience to the persons cited above ?

(c) Why have they been closed ?

(d) What harm would there be if they are opened as hithertofore ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information, but suggest that the matter is one which might suitably be taken up with the Administration or Administrations concerned through the Local Advisory Committee.

ISSUE OF RETURN TICKETS ON THE ASSAM BENGAL RAILWAY.

43. **Mr. Suryya Kumar Som :** (a) Will the Honourable Member for Commerce and Railways please state whether Government are aware that even now ordinary return tickets are not issued in M. B. Branch of the Assam Bengal Railway ?

(b) Are Government prepared to take early steps to see that ordinary return tickets are issued throughout the Assam Bengal Railway ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) The Honourable Member is referred to the answer given him in reply to question No. 411 in the House on the 13th February, 1936.

REALISATION OF EXCESS FARE TOWARDS THE COST OF CONSTRUCTION OF THE BRAHMAPUTRA BRIDGE ON THE ASSAM BENGAL RAILWAY.

44. **Mr. Suryya Kumar Som :** (a) Will the Honourable Member for Commerce and Railways please state whether the cost of construction of the Brahmaputra Bridge on the Assam Bengal Railway has not been realised by the excess fare realised for crossing the bridge ?

(b) What was the cost of construction of the bridge, and what amount has been realised by way of excess fare ?

(c) If the cost of construction has already been realised, why is excess fare realised even now, and do Government propose to see that realisation of the excess fare is stopped immediately ?

The Honourable Sir Saiyid Sultan Ahmad : (a), (b) and (c). I would invite a reference to the information laid on the table on the 3rd April, 1935, in reply to parts (g), (h) and (i) of the Honourable Member's question No. 60 of the 22nd February, 1935.

SPEED OF PASSENGER TRAINS ON THE ASSAM BENGAL RAILWAY.

45. **Mr. Suryya Kumar Som :** (a) Will the Honourable Member for Commerce and Railways please state the speed at which the passenger trains of the Assam Bengal Railway run ?

(b) Are Government prepared to take steps to increase the speed of those trains ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The only trains running on the Assam Bengal Railway solely for passenger traffic are the following :

Between.	Train.	Distance miles.	Average over-all speed including stops.
Chandpur—Silchar	.. 1 Up Mail	.. 222	20.8 miles per hour.
Silchar—Chandpur	.. 2 Dn. Mail	.. 222	21.3 „ „ „
Pandu—Tinsukia	.. 29 Up Mail	.. 324	23.4 „ „ „
Tinsukia—Pandu	.. 30 Dn. Mail	.. 324	23.9 „ „ „

All other passenger-carrying trains are “Mixed”, carrying both passengers and goods.

(b) The question of improving the passenger services is a matter for the consideration of the Assam Bengal Railway Administration. The attention of the Agent will be drawn to the Honourable Member's question and this reply.

INSUFFICIENT ACCOMMODATION FOR INTERMEDIATE CLASS PASSENGERS ON THE ASSAM BENGAL AND EASTERN BENGAL RAILWAYS.

46. **Mr. Suryya Kumar Som :** (a) Will the Honourable Member for Commerce and Railways please state whether Government are aware of the grievance of the intermediate class passengers for want of sufficient accommodation on the Assam Bengal Railway and the Eastern Bengal Railway ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information. The composition of trains is a matter of detail to be settled by Railway Administrations having due regard to the requirements of traffic. I am, however, sending a copy of this question and of my reply to the Agents of the Assam Bengal and Eastern Bengal Railways for consideration.

REPLACEMENT OF INTERMEDIATE CLASS CARRIAGES ON CERTAIN SECTIONS OF THE EASTERN BENGAL RAILWAY.

47. Mr. Suryya Kumar Som : (a) Will the Honourable Member for Commerce and Railways please state whether Government are aware that the most shabby and small third class carriages of the former Darjeeling line have been put in as intermediate class carriages in the most important line of the Eastern Bengal Railway from Dacca to Jagannath Ganj and Bahadurabad ?

(b) Do Government propose to see that these carriages are replaced by more decent and spacious carriages for the intermediate class passengers ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have no information : the question of the utilisation of the available rolling stock, to the best possible advantage to meet the requirements of traffic, is a matter for Railway Administrations.

(b) The suggestion will be brought to the notice of the Agent, Eastern Bengal Railway, for consideration.

NOMINATION TO THE HOUSE COMMITTEE.

Mr. President (The Honourable Sir Abdur Rahim) : I have to announce that I have made the following nomination to the House Committee :

Mr. D. K. Lahiri Chaudhury, *vice* Rai Bahadur Sir Satya Charan Mukherjee resigned.

RESOLUTION *RE* INDIA'S WITHDRAWAL FROM THE MEMBERSHIP OF THE LEAGUE OF NATIONS.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the following Resolution moved by Seth Sheodass Daga on the 2nd April, 1937 :

" That this Assembly recommends to the Governor General in Council to withdraw the membership of this country from the League of Nations and to discontinue the payment of the annual contribution thereto."

Mr. F. E. James (Madras : European) : Sir, I understand that there is a motion on the Order Paper suggesting the adjournment of the discussion of this Resolution, and as it would be an embarrassment to me to continue my speech at the present time, I should be very glad if on this ground you will permit the whole matter to be postponed to a future occasion.

INDIA'S WITHDRAWAL FROM THE MEMBERSHIP OF THE LEAGUE OF NATIONS. 1087.

Mr. President (The Honourable Sir Abdur Rahim) : I should like to have more definite grounds as to why the Resolution should be adjourned today.

Mr. M. Asaf Ali (Delhi : General) : Sir, I have a motion in my name. I move :

" That the further discussion of this Resolution be adjourned."

In doing so, I have not lost sight of the fact that this Resolution was moved on the 2nd of April last, and four or five speakers had participated in the debate, and Mr. James was in possession of the House, when the discussion was adjourned. I need hardly say, we consider it as one of the most important Resolution from our point of view for a variety of reasons, but among others, for the definite reason that India, as signatory to the Treaty of Versailles and also as an Original Member of the League of Nations, is deprived of direct relationship with the League of Nations, and secondly we also consider it a most important Resolution from another point of view, namely, that the League of Nations was originally designed and intended to be an instrument of peace but.....

Mr. President (The Honourable Sir Abdur Rahim) : I thought the Honourable Member wanted the discussion of this Resolution to be adjourned, but he is making a speech emphasising the importance of the Resolution and not adducing grounds as to why the discussion should be adjourned.

Mr. M. Asaf Ali : I am giving you the grounds, Sir. From our point of view, the League of Nations has failed to be an instrument of peace, and today the international situation is tense with the greatest anxiety possible. Although we have been at times called an irresponsible opposition, even we can be responsible, and, therefore, in view of the international situation and the tenseness of it, we would like this discussion to be adjourned to a more appropriate occasion. Perhaps, if the discussion is allowed to go on it will neither be a free, nor a full, nor a frank discussion as it should be from our point of view. That being so, I hope even the Government will agree with me that the motion which I am making is not an inappropriate one, and I submit that the discussion of this Resolution should be adjourned.

The Honourable Sir Nripendra Sircar (Law Member) : Sir, I have nothing to add. I support the motion.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : On a point of order, Sir. An Honourable gentleman is in possession of the House, he has not yet completed his speech on this Resolution. This is really the continuation of the debate on the main Resolution. I should like to know under what Standing Order a motion of this kind is moved.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member who was in possession of the House on the last occasion is Mr. James. He does not want to continue the discussion today, because he himself feels that further discussion at this stage would be embarrassing to every one, and that is why he does not want to speak. A motion has also been moved by Mr. Asaf Ali that the discussion should be adjourned. I understand that the Honourable the Leader of the House also supports

[Mr. President.]

this motion. I do think that is good ground for adjourning the motion, but I must make it clear that I do so on the merits of the motion for adjournment and not on the ground that another item on the agenda which is considered as more important should be taken up.

The question is :

“ That the further discussion of this Resolution be adjourned.”

The motion was adopted.

RESOLUTION RE ECONOMIES IN THE CENTRAL GOVERNMENT EXPENDITURE.

Mr. President (The Honourable Sir Abdur Rahim) : The next Resolution is in the name of Sardar Sant Singh.

Sardar Sant Singh (West Punjab : Sikh) : Sir, I move :

“ That this Assembly recommends to the Governor General in Council to take immediate steps to effect all possible economies in the Central expenditure, particularly in the Army expenditure, with a view to making ample contributions to the Provincial Governments according to their needs to enable them to undertake and accelerate the pace of nation-building activities.”

Sir, in commending this Resolution to the House, in the first place, I want to bring into bold relief the fact that by the inauguration of Provincial Autonomy in the various Provinces of India the Government aspect has entirely changed. From the bureaucratic form of Government, it has assumed, though not a complete democratic form, but something approaching it has been introduced. Here I may be permitted to congratulate the Congress on its wise decision to accept offices in the six Provinces of India, and I may say, now the seventh as well, if today the North-West Frontier Province changes the Government from the old into Congress Government.....

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : What about ourselves ? What do you wish ?

Sardar Sant Singh : I wish that Sind and my own Province as well had been captured by the Congress (Hear, hear), but my wish is not likely to be fulfilled in the near future. I will wait and I will strive my best to do something for bringing the Congress Government in the Punjab at any rate, and I leave Sind to my Honourable friend. After having accepted offices, Sir, it is but natural that the Congress should strive to fulfil its electoral pledges to the electorate. In order to do it, the Provincial Governments must have the munitions of war. The munitions of war in this case is nothing but solid money to be placed in the hands of the Ministers for improving the beneficent departments in their charge. There can be no two opinions on this point that in order to get money for these beneficent works, the Provinces naturally look to the Centre for help and assistance. That assistance can only come, not by further taxation of the people of this country who are already proportionately more heavily taxed than people in other countries, when we consider the *per capita* income of those countries, the question then resolves itself to this, how are we going to get money for the Central Government ? What are

the methods which we should look to in order to find out more money so that more assistance may be given to the Provinces for these departments. The only way.....

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhammadan Rural) : Beg, borrow or steal.

Sardar Sant Singh : My Honourable friend, Pandit Maitra, says, beg, borrow or steal. I do not think that any question of begging, borrowing or stealing arises in this particular case because there is an ample field for finding out such money if we only put our axe on some of the extravagant expenditure that is being indulged in by the Government of India in the various departments. One point which in the past engaged the attention of this House and which still continues to do so for bringing about some retrenchment in the expenditure of the Central Government has been the Indianisation of the Services. After a long struggle the Government of India agreed to the policy of slow but steady Indianisation of the Services all over the country. But, unfortunately, this policy is not being adhered to and certain records are before the Government of India which have not been published—and this House has not been taken into confidence about them—wherein the whims of our Honourable friend, the Finance Member, are finding their ample scope. That is, gossip outside says, though the report is not before us, that the Finance Member is after the Government of India to introduce more I. C. S. members into the Secretariat of the Central Government. If it comes about, if there is any truth in that gossip, certainly it will be most deplorable from our point of view.

An Honourable Member : Why ?

Sardar Sant Singh : For the simple reason that we do not want more Europeans to replace the Indians that are already in the Service.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : I. C. S. does not mean an European.

Sardar Sant Singh : There are Indian I. C. S., but I speak subject to correction ; the gossip is that Indian I. C. S. are not to be taken, but only European I. C. S. are to be taken into the Secretariat of the Central Government.

An Honourable Member : Who told you that ?

Sardar Sant Singh : I need not tell you the source of the gossip. Lobby is full of it. If my Honourable friend cares to be there and hear.....

Sir Leslie Hudson (Bombay : European) : It is only gossip.

Sardar Sant Singh : I say it is gossip and I am speaking subject to correction. However, the position is that by Indianisation we can save a lot of money which we can contribute to the Provinces. Then there are certain departments of the Government of India which have been introduced as a measure of emergency or necessity. For example, when New Delhi was under construction a lot of engineers, high paid officials were appointed, Joyces and Jones's are still in existence and they have not been retrenched though New Delhi stands complete today.

Mr. N. M. Joshi (Nominated Non-Official) : They are making money.

Sardar Sant Singh : In what way ?

Mr. N. M. Joshi : I won't tell you.

Sardar Sant Singh : You won't tell me ? Why ? Then let the House judge for itself.

Sir Leslie Hudson : It is gossip.

Sardar Sant Singh : It is not gossip.

Sir Leslie Hudson : It must be gossip.

Sardar Sant Singh : Then there are other departments ; for instance, the Reforms Office which is in full swing and is over-staffed, and, certainly, the axe of retrenchment could fall on it to bring about certain economies and those economies could be utilised for helping the Provinces.

An Honourable Member : Come to the military department.

Sardar Sant Singh : I am coming to the military department. The military department is a department which swallows a great proportion of our revenue. It may appear strange that this House should ask for retrenchment in the army expenditure at a time when war is almost at our doors and when the international situation is the worst for the last ten or twelve years, but one cannot help wondering at the short-sighted policy of the Government in looking for their defence measures to far distant England when the Mediterranean Sea is in danger of being closed for communication with this country. But I shall not deal with that now, but I can say this, that without affecting the efficiency of our defence to protect India from foreign aggression there are certain aspects in which this military expenditure can be materially reduced. I hold that if the British troops are replaced by Indian troops there will be a considerable saving. I am not asking for the removal of the British officers, I want to make it very clear.

An Honourable Member : Why not ?

Sardar Sant Singh : British officers may be necessary ; it may be a doubtful point, an arguable point between us, but so far as British troops are concerned it is a conclusive point to which other parties cannot take objection, namely, that British troops are no better than Indian troops and they have never proved better than Indian troops in any sphere of the late war. By replacing British troops by Indian troops considerable savings can be effected. Then there is the matter of allowances that are being given to British officers and British units. Recently we were told that the daily allowance of British ranks has been increased from probably 4½ annas to six annas, I am not sure about the figure, and there is an addition of an additional meal, as my friend, Mr. Maitra, tells me. As an illustrative case, if you look at the Army Headquarters which is just close to us, you will realise how the taxpayers's money is being wasted. I will just now give you an illustrative instance of the monies that are paid to these Army Headquarters people in the shape of pay and allowances.

The Army Headquarters had, till lately, two kinds of service like the Civil Secretariat but since two years there has come into existence another service called the Indian Army Corps of Clerks. This Corps is divided into two wings. One is the Indian

Wing and the other is the British Wing. Again, the Indian Wing is divided into lower division and upper division. In the lower division the clerks start with a salary of Rs. 50, Rs. 4 annual increment till they rise to Rs. 90. After that there is a selection grade, then from Rs. 90 rising by annual increments of Rs. 3 to Rs. 120. In the upper division they start with 100 with an annual increment of Rs. 7-8-0 till they reach Rs. 250. Now, as regards the British Wing, there is the staff sergeant who starts with either Rs. 190 per mensem or Rs. 220 per mensem. See the difference in the starting pay of the two. I will like to read to the House a list of the allowances which are earned by these staff sergeants. He gets Rs. 30 allowance as Indian army allowance, Rs. 10, if he is married, for each child, Rs. 30 per month marriage allowance, Rs. 80 monthly as a house-rent allowance. Rs. 10 monthly as mess allowance and Rs. 7-8-0 monthly for hair cutting and washing allowances, Rs. 120 per year as clothing allowances and 20 maunds of coal every month. I do not know whether I have exhausted the list because I could collect only this much from various sources. Now, if we total up these allowances, the sergeants get more than double their pay in the shape of allowances. An Indian who works in the same capacity starts on Rs. 50 whereas an European gets Rs. 420 or something like. Now the difference is eight times that of an Indian. May I ask if this is not extravagant ?

Pandit Lakshmi Kanta Maitra : Why don't you call it robbery or legalised robbery ?

Sardar Sant Singh : I will certainly be prone to call it legalised robbery because much can be said in support of this term. Who are the givers, who are the persons sanctioning these. They are themselves the sanctioning authority. Therefore you cannot deny that there is ample scope for retrenchment and for economy in the sphere of the expenditure of the Central Government. Provincial Autonomy will be of no avail unless it proves a success and I am sure that the Government departments will agree with me and there can be no two opinions about it that the Government departments professedly, at any rate, want to see this Provincial Autonomy a success. If so, they will have to provide the money for the Provincial Premiers in that case. The money can only come from the Central Government. In view of the international complications surrounding us, we will have to appeal to the people. We will have to raise them economically. We will have to give some facilities to the Governments that have come to power on the vote of the general electorate in order that the people may get the benefits of a democratic form of Government. Therefore, I will strongly appeal to the House to accept this Resolution.

Mr. President (The Honourable Sir Abdur Rahim) : Resolution moved :

“ That this Assembly recommends to the Governor General in Council to take immediate steps to effect all possible economies in the Central expenditure, particularly in the Army expenditure, with a view to making ample contributions to the Provincial Governments according to their needs to enable them to undertake and accelerate the pace of nation-building activities.”

Dr. Bhagavan Das (Cities of the United Provinces : Non-Muhamadan Urban) : Sir, The problem before us is how to reduce the burden of Army expenditure upon the people, without impairing the strength of the Defence, and so make possible various nation-building activities.

[Dr. Bhagavan Das.]

We cannot solve the problem unless we deal with all the main needs of the people in intimate connection with each other—the needs of Nutrition, Protection or Defence, and Education, *Ta'am, Tahaffuz, and Ta'alim*, or *Bhaksha, Raksha, and Shiksha*, in the older words. We must begin with right Education, which is the first and most indispensable condition of the right solution of all human problems, in civilised communities. We should systematically cultivate, by education, in appropriate ways, the essential virtues of courage and patriotic self-denial and the spirit and also the art of self-defence—always defence, never offence—in the students of our schools and colleges, and generally, in all the able-bodied, who should indeed be the majority, if the country be well administered.

What systematic education can do, in the broad sense, of education, in various suitable ways, of all sections of the people, in their respective life-works and duties—this we see in the marvellous transformation, in a few decades, even a few years, before our very eyes, of Japan, Russia, Italy, Turkey, Czecho-Slovakia, where conditions, formerly, were very like those of India. These countries were no less poor than India before their leaders and administrators resolutely set foot upon the path of uplift and regeneration.

During the Delhi Session of 1936, the Foreign Secretary and the Military Secretary, between them, informed the House that the Government was maintaining a force of 42,000 soldiers at the North-West Frontier, in order to keep in check, and prevent from raiding Indian territory, the tribes beyond. They also said that those tribes had about 2,50,000 men, armed with rifles, who practically formed a standing army of that strength; and they challenged the elected Members to suggest a cheaper method of defending the Frontier.

By a rough calculation, the British-Indian force of 42,000 men, about one-fifth of the total Army, must be costing over ten crores of rupees annually, simply to maintain. Active operations, of a comparatively mild sort, which have been going on for many months now, are said to be costing a lakh of rupees per day, over and above the permanent expenditure. We have no access to the accounts, if any, kept by the border tribes. But we may take it for certain that their irregular and untrained army of 2,50,000 men which requires a very highly trained and powerfully mechanised army of 42,000, to keep it in check, does not cost them even a twentieth part of ten crores, annually; probably nothing more than the actual price of rifles and munitions.

Now, a layman's suggestion is, that the Government should take a leaf out of the book of these tribes, and should give general elementary training to able-bodied persons, throughout India, in militia and civic guard work; under solemn oaths and covenants of right use of arms for only defensive purposes; and also under some other carefully thought out safeguards. The persons thus trained would require no salary from public funds; they would earn their living by their normal occupations; and, if they are selected, by a process of rough-and-ready election, by their neighbours, or local *panchayats*, as being well-conducted and trustworthy, many of them probably would also be able to pay out of their own pockets, or through their friends and electors, for such simple uniform and light arms and ammunition as may be needed for elementary training. On the turbu-

lent borders, more substantial arms would be provided. The trans-border tribes are brave; and when they see that the cis-border people are equally brave, and no longer emasculated by the Arms Act, their contempt will be replaced by respect, and the wish to rob will be replaced by the wish for mutual friendliness and sober ways of life and exchange of goods in honest trade. If we adopt such a course here, we could easily and speedily build up an efficiency defensive, yet inexpensive, reserve force of twenty to twenty-five million adults, an average of about two million in each province.

Any special expenditure, that might be needed, would not be difficult to meet if the necessary *moral* condition is fulfilled. The people would willingly bear such additional burdens as may be absolutely necessary, if they could only become convinced that the Government was not a Government *against* them, but an Administration *for* them, which sincerely worked for their welfare. But, indeed, such additional burdens could be made either unnecessary, or easily bearable, by a systematic Organisation of the whole People; an Organisation for Peace, which would increase the general well-being and strength of the People, and would automatically provide, almost as a bye-product, the most effective Organisation for Defensive War. In other words, firstly, the spirit must change from that of 'Government' to that of 'Administration'; from ordering about to helping; from antagonism of interests between Governor and Governed, to identity of interest between Minister and Ministered. Secondly, the Governors, the Councillors, the Ministers, the Legislators, and the Leaders of the People should put aside the current ways of muddling along anyhow; from day to day, with one-sided executive measures, mostly intended to "strengthen the Executive" *against* the People, and with unco-ordinated, piecemeal, competitive legislative measures, mostly calculated to help some one sectional interest against all other interests. They should confer together earnestly, (instead of *debating*, trying to "beat each other down", *de*, down, and *bateo*, to beat), to evolve a far-sighted and comprehensive Plan and Programme, to *strengthen the People*, to increase their general welfare, by means of inter-linked educational, defensive or military, economic and industrial organisations, of the whole People, which would ensure equitable and appropriate work and remuneration to all types and temperaments, and serve to the just and reasonable extent all sectional interests; and they should gradually carry out this plan and programme, within a reasonable period, by means of legislative measures carefully co-ordinated and thoroughly consistent with each other, which would look at and deal with any and every part in the light of the whole.

Other countries have been and are following such a course, and have made astonishing advances in prosperity, on the whole. There is no good reason why India should not and cannot. The one disastrous drawback in the case of these other powerful countries is that their science has far outrun morals, and, therefore, while God proposes, Satan disposes, affairs in them. God surely wishes that all the nations should live at peace with each other; should regulate each its own household, in respect of population and production, in such a manner as to be self-contained and self-dependent as to the necessities of life; should exchange their surplus goods freely, without any wish to dominate one another, economically or politically; and should thus avoid war. But the Arch-Enemy of God and

[Dr. Bhagavan Das.]

Man, through his prime agents, the diplomats of all these Great Powers, is doing his best, and largely succeeding, to frustrate that purpose of God ; to ever more profusely manufacture and intensify lust and hate and greed and pride—which are the ultimate, the most powerful, and the most destructive explosives ; to make the internal self-regulation and self-sufficiency of nations impossible ; and, thereby, to compel them to covet the lands of others, and so destroy civilisation by internecine war.

A survey by the military experts of the United States of America, recently reported in the press, of the standing armies and reserves of the Great Powers, shows that the total amounts to the astounding figure of fifty-five million men, and the annual expenditure thereon is estimated, for the current year, at the yet more astounding figure of twenty-five hundred million pounds.

The new Premier of Britain, Mr. Neville Chamberlain, repeatedly bewailed, in several public speeches, in the early part of this year, “ the incredible folly of this highly intellectual modern civilisation, which, by its limitless war-preparations, seems determined to destroy itself ”. I am quoting his own words as far as possible from memory.

In round figures, Russia is said to have 19 million men in regulars and reserves ; Italy seven ; Japan, about the same. Britain has about 400,000 regulars, with a possibility of some five million readily convertible into soldiers, as during the days of the Great War. British India has 60,000 British and 125,000 Indian soldiers, according to an official pamphlet issued in 1935.

Capitalism and Communism have been fighting in and through Spain for about a year now. Japanese and various other imperialist interests have been clashing in China. In his speech before referred to, the Foreign Secretary mentioned the desirability of opening and maintaining a trade-route between India and Sinkiang in north-west China. Frontier troubles and operations began soon after. Last year it was the Mohmands ; this year, it is the Waziris ; in previous years, it was the Mahsuds and the Afridis, who were said to be making trouble and providing occupation and practice for the British Frontier Force.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has two minutes more.

Dr. Bhagavan Das : Sir, I do not trouble the House very often to listen to me, and perhaps the House will indulge me with a few more minutes and enable me to finish what I have to say.

Mr. President (The Honourable Sir Abdur Rahim) : I understand there are a number of speakers and important statements will be made by Government Members.

Dr. Bhagavan Das : I will try to finish as soon as possible, in about four or five minutes.

There have been boundary disputes between Burma and China which have been, or are being, settled with the help of a mediator deputed by the League of Nations, it seems. Various pacts have been made between Russia and Persia and Afghanistan and China, and also between Japan and Germany and Italy. Japan has been saying for some years now, to

all other powers, “ Hands off China ”, and to forestall them, has been repeatedly, in the last few years, and is now again, actually invading China.

We laymen cannot understand the intricate subtleties of the diplomats, in world-politics. We only see that they are all behaving like the animals in Vishnu Sharma's immortal book, the *Pancha-tantra*, which has been translated into many civilised languages. The international chess-board shows a new arrangement of the pieces everyday ; and every move of every chessman brings the danger of a world-conflagration nearer. In such circumstances, if that fire should flame up suddenly, the Indian people, without any better preparation for internal security and external defence than they have at present, disproportionately expensive as it is, are likely to be reduced to ashes before very long. But if we have 25 million volunteers, with elementary training, and ready to be converted into full soldiers with a few weeks' further training (as even wholly untrained raw recruits were in the days of the World War) ; if we have them ready for the purpose of *defending* India, simultaneously with the five million of Britain for *defending* Britain ; and not for subserving any aggressive imperialist interests ; if they are all thoroughly imbued with the sincere philanthropist spirit of an *Indo-British Commonwealth*—as contradistinguished from the imperialist spirit of a *British Empire*, which all other countries, scarcely excepting even the U. S. A., are now looking at with jealousy and hatred ; if we prepare thus for self-defence, then we may well hope that the conflagration will not burst forth at all, or if it does begin, it will be successfully kept out of India and Britain. We may well hope that it will not begin, because with the giving up of arrogant and greedy imperialism by Britain, and the establishment of a genuine Indo-British Commonwealth, other countries will cease to be jealous of and to hate Britain, and will begin to imitate her in the spirit of ‘ Commonwealth ’ ; as they have so far been imitating her in the spirit of capitalism and imperialism.

Let us note well that the much and rightly loved British word ‘ Commonwealth ’ is the same as the word ‘ Communism ’, now so disliked by the British people generally ; but it is for us to restore to both words, that reasonable and equitable significance from which both have wandered far away, most deplorably, in opposite directions of extremism.

For such reasons, and with such hopes, I support the Resolution that the expenditure on the present army should be reduced ; by reducing somewhat the total number of regulars ; or, if not the number, then, in every possible way, the expenditure thereon ; by educating in the general public, the spirit and the capacity of righteous self-defence ; by creating a very large, yet inexpensive, reserve force of volunteers ; and by meeting all the necessary expenditure by means of, firstly (a) a general and thorough overhaul of the whole system of administration ; secondly, (b) a determined stoppage of corruption, bribery, extravagance, leakage, and waste, of which there is at present an immense amount going on, undoubtedly, in every department of Government ; and thirdly (c) by a reasonable retrenchment, limitation, and proportioning, not only of public salaries for which the Congress ministries in the Provinces have set a most laudable example, but also of private incomes, in accordance with a far-sighted comprehensive, equitable Plan of complete Organisation of the People and a corresponding Programme for advancing their prosperity steadily (Applause.)

Mr. C. M. G. Ogilvie (Defence Secretary) : Sir, I propose to start by pointing out that the Resolution, as drafted, confuses the subject of Defence and Defence expenditure with other issues. Personally I should have thought that the subject was of sufficient importance to merit a Resolution to itself. But I find it mingled with others which though doubtless are of great importance have no bearing upon the question of Defence at all. The results so far, in this debate, have been to me at least somewhat peculiar. At one moment I heard talk about extravagance in the Central services, at another bribery in the Departments of Government, and at a third that certain persons are still employed as Engineers in New Delhi—in fact all sorts of things are there—and then comes in, occasionally perhaps, rather like a night-mare the question of defence. Before I proceed to explain the exact position, so far as circumstances allow me to do so, I will try to deal very briefly with the arguments I have just listened to. My Honourable friend, Sardar Sant Singh, I noticed, talked far more about allowances to Staff Sergeants than he did about the abolition of the British Army in India. That struck me as showing a slight lack of proportion. He went on to admit at the close of his speech that there were international complications and drew from that, to me, surprising conclusion, that Government must provide facilities to the people in the Provinces in order to appease them. I should have thought that the first thing to be done was to provide facilities for defending them. Dr. Bhagavan Das then gave an admirable and clear and scholarly account of the present world condition which I could hardly wish to be bettered. But the conclusions he drew from them were that such small military preparations as we have here should be discontinued. After recounting the enormous armaments which are being piled up by other powers, he stated accurately, for the year he was describing, the strength of the British and Indian armies in India at 60,000 and 125,000 and seemed to think that it was more than is required to protect one-fifth of the human race. He ought, I think to have drawn the conclusion that compared with the immense armaments which he was describing, it was at least not enormous.

He then went on to propose the formation of a national militia, 25 million strong who are to be armed, as far as I can see, with rudimentary weapons and to be occasionally trained in the intervals of the exercise of their civil callings. If he considers that such a force can be anything but sheep for slaughter now-a-days, I think he is very wrong. If he considers that such a force can take on for a moment the Waziristan tribesmen I think my Honourable friend, the Foreign Secretary, will, in due course, be able to enlighten him.

Now, I will describe briefly what has been done in the way of reductions. One of the things suggested by my Honourable friend, Sardar Sant Singh, was, that the House for ten years had been calling upon the army to make reductions in their expenditure. Sir, enormous reductions have been made. The extent of the budget in 1921 was 68 crores. After that the Incheape Committee sat. As a result of those recommendations the military expenditure dropped by 13 crores, to 55 crores. There it stood until the great depression of 1930-31 descended upon India. As a result of the first-class financial crisis thereby occasioned, it was felt necessary, in spite of the fact that our

defence estimates were already very low, that a risk must be taken and there must be a further decrease. An army retrenchment committee was, thereupon, formed from Honourable Members of this House, of which Sir Muhammad Yakub was a member; and that Committee made recommendations which His Excellency the Commander-in-Chief and his staffs most loyally carried out. They went even further than the retrenchment committee had thought possible, and succeeded in cutting down Defence expenditure by another 10½ crores; that is to say, since 1921 by a total of 23½ crores. Now with anybody who says that this is a small and contemptible reduction I am afraid I cannot agree. At the time it must be remembered that there was no imminent and pressing danger of war. The assumption then was that the League of Nations and disarmament would in the end prevail. It was assumed that the danger of a major war was remote. Otherwise those reductions could not have been carried through, and they were rendered, in part at least, possible by a great fall in the prices of food grains. Notwithstanding the fact that the advantage as regards the price of food grains has since largely disappeared, the budget remains at the lowest figure it has ever touched. Now can it be reduced further? (Voices of "Yes.") The reduction already in terms of troops is 20,500 British troops and 28,000 Indian troops. These reductions could not have been made, of course, unless the army had progressed in efficiency; and this rise in efficiency and progress in rearmament is steadily going on, though, owing to financial conditions, it is going on much more slowly than we should like. Further retrenchment in the ordinary sense of retrenchment is frankly impossible. Savings may be effected here and there; we are always discovering minor economies. Any of those gentlemen who sat on the Public Accounts Committee which has examined the military expenditure will, I think, agree, that the Defence Department yields to no department in the way it conserves the taxpayer's money. I think Mr. Satyamurti will testify to that. But large reductions in the ordinary way of retrenchment are impossible. What then are the suggestions which are now proposed? I will proceed briefly to examine them. The main proposal appears to be the substitution of British troops by Indian troops; and the figure given,—I quote the letter of Mr. Asaf Ali to the Premiers of the Provincial Governments,—the figure which he quotes is 20 crores. He might just as well have quoted 200 crores; it bears absolutely no relation to the facts whatever.

Mr. M. Asaf Ali (Delhi : General) : Will you try to explain them now?

Mr. C. M. G. Ogilvie : I will try, give me time. The facts are that British troops cost roughly,—prices fluctuate from time to time,—about 12 crores.

Mr. M. Asaf Ali : Including pensionary charges and allowances abroad, etc., etc.?

Mr. C. M. G. Ogilvie : Allowances abroad, certainly. You will find exactly the charges which are taken into account in assessing the cost of British troops

Mr. M. Asaf Ali : Add to that nearly five crores pensionary charges . . .

Mr. C. M. G. Ogilvie : I am not giving way. My Honourable friend, Mr. Asaf Ali, will find the exact charges which are taken into account in assessing the cost of British troops on page 25 of the printed budget.

Mr. M. Asaf Ali : I find it on page 4.

Mr. C. M. G. Ogilvie : Now the saving, if it could be effected, would amount to approximately 7½ crores. If the units are at full strength, it may be a little more; if below it, rather less. And that is the sum, more or less, which is expected to go to the Provinces as a result of the Niemeyer award. It is also just about one-third of the sum which has already been saved by the reductions I have been describing. Now, the reasons why we cannot effect any reductions whatever on that head, I will now explain as well as I can. I will be straightforward with the House and say that we cannot for one moment face the slightest reduction in the number of British troops at present stationed in the country. The reasons have been given to this House several times. They are the old ones of internal security and the fact that for our purposes we find that the mixture of British and Indian troops gives us, in all circumstances, the best value for our money, and money is the important thing. Now I will give you one of the reasons,—not by any means all of them, but just one of the reasons,—why British troops are not only essential but also give the best value for our money in India. If I may be allowed to read a portion of the Resolution passed, by this House, in 1921 and accepted by Government, it will, I think, throw a certain amount of light.

“The purpose of the army in India must be held to be the defence of India against external aggression and the maintenance of internal peace and tranquillity. To the extent to which it is necessary for India to maintain an army for these purposes, its organisation, equipment and administration should be thoroughly up-to-date with due regard to Indian conditions in accordance with present day standards of efficiency in the British army, so that when the army in India has to co-operate with the British army on any occasion there may be no such dissimilarities of organisation which would render such co-operation difficult.”

The Indian Army is primarily organised for that purpose—the internal security and the defence of its borders, that is, the defence of its borders against what we are usually wont to describe as the minor danger. Major dangers are, however, possible and from the speeches of my Honourable friends opposite it seems that they are under no illusion as to their imminence. The British Army is trained and equipped for major war. Should such a calamity overtake India, the British Army and the British Air Force as well as, of course, the British fleet would come as quickly as possible to India's aid (interruptions) but it is necessary that during the time that must elapse before the reinforcements can arrive that there should be sufficient here to withstand successfully the initial onslaught.

Now, I turn briefly to Mr. Asaf Ali's other suggestions for reduction. One is the reduction on the Ecclesiastical Department. The amount involved is small. That spent on the army is, I think, approximately 23 lakhs.

An Honourable Member : Very small !

Mr. C. M. G. Ogilvie : Comparatively small. The next argument was that if the Fakir of Ipi can manufacture weapons of precision, why cannot the British Government do the same in India ? (Interruptions.)

Mr. M. Asaf Ali : Are those my words ?

Mr. C. M. G. Ogilvie : I think so :

“If the so-called semi-civilised frontier tribesmen can manufacture arms of modern precision, is there any reason why the Government of India cannot do so ?”

The answer is that they do and have done for very many years. The answer is, as the Honourable gentleman could easily have found out if he wished, that every rifle, every machine gun, every automatic and every field gun that we use in this country is made in this country.

Mr. M. Asaf Ali : What about big guns and tanks ?

Mr. C. M. G. Ogilvie : We don't use them : we cannot afford it. In fact, I think that this statement is an excellent example of the light-hearted way in which this most formidable problem has been approached. His next suggestion was that all materials required for the army should be manufactured in India. Everything possible that India produces is bought and the Indian Stores Department and the Director of Contracts make overwhelmingly greater purchases from India than they do from England. Nothing that India can provide do they not buy here

Mr. President (The Honourable Sir Abdur Rahim) : The House has to adjourn early today, being Friday. Will the Honourable Member conclude his speech now ? He has already spoken for twenty minutes.

Mr. C. M. G. Ogilvie : I shall require at least another ten minutes.

Mr. President (The Honourable Sir Abdur Rahim) : The Assembly will adjourn till 2-15 p.m.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. C. M. G. Ogilvie : Sir, to resume, as far as I remember, where I left off, the general situation including the degree of retrenchment and reduction which we have accepted already, make it likely that, so far from expecting anything further in the way of reductions, India may have to face an increase.

An Honourable Member : Very soon ?

Mr. C. M. G. Ogilvie : I am no prophet. The figures of expenditure of the Great Powers are such, I think, as to give every one serious cause for thought and anxiety. I will give you a few. They are not perhaps entirely reliable as some countries do not publish their military budgets in full, and the amount of loan money which is added to the sums expended from revenue is usually not stated. The great pacific country of America, as peaceful as ourselves, spent last year 263 crores. German figures are hard to obtain, but the Honourable the Finance Member told the House on the occasion of the last Budget Session that it has been stated in the British Parliament that German expenditure for that year was believed to be 800 million pounds. Italy and Japan, we know, have pledged their resources to the hilt. Russia, so far as can be

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ascertained, is spending this year 790 crores on armaments. Great Britain, on whom the vast mass of the burden of the defence of the Empire falls, is spending this year 366 crores of rupees.

Mr. M. Asaf Ali : And one-third of the British Army is in India.

Mr. C. M. G. Ogilvie : The figure for army expenditure in England this year is 82 million pounds, that with the Navy 108 million pounds and that for Air Force 82½ million pounds. The total expenditure of India is roughly 34 million pounds.

An Honourable Member : Question.

Mr. C. M. G. Ogilvie : Is that a large sum to pay for averting a possible disaster in a country with more than 350 million population ?

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : We have nothing to lose except our chains !

Mr. C. M. G. Ogilvie : I think you will find you have. Well, if the Honourable Member thinks that, we know where we stand, but I don't think his views are shared by every one in India. Well, the defence expenditure in England comes to Rs. 80-14-5 per head of population a year.

Mr. Badri Dutt Pande (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : What is the income there ?

Mr. C. M. G. Ogilvie : The defence expenditure for British India alone comes to Rs. 1-8-6 per head of population, and if the States were taken into account it is Rs. 1-4-1. How is it that India, in spite of her very disadvantageous strategical position, with her long unguarded coast line, her long and dangerous land frontiers can get off so cheaply ? The reason is the vast forces of the Empire are now being steadily built up, and are ready to come to her assistance.

An Honourable Member : When ?

Mr. C. M. G. Ogilvie : Now, just imagine for a moment the burden that the United Kingdom bears in comparison to that of India. For her naval defence India pays roughly something less than one thousand part of the cost of the Royal Navy. The Indian Air Force cannot possibly ever, as far as we can see, be maintained on a sufficiently large scale to cope with possible menaces.

An Honourable Member : Our man-power is quite enough.

Mr. C. M. G. Ogilvie : The cost of modern aircraft is enormous. An ordinary army co-operation machine will cost a lakh of rupees, while a medium bomber will cost about Rs. 2,40,000, a heavy bomber or a troop carrier from Rs. 2,00,000 to Rs. 3,00,000. Then, you must remember that each one of those machines and first class air force will have perhaps 2,000 or more machines, and there must be two, three or even four completely equipped in all respects and ready to take the air to replace war casualties. Aeroplanes are highly expensible articles. Multiply the figures that I have given you by 2,000, and then multiply that again by three or four, and you will see the cost of a modern air force. A small

nucleus of the British Air Force necessary in India for the following reasons. I imagine that too would have to be abolished by the terms of the Resolution. The reason is that it is necessary to have a nucleus of British officers who know Indian conditions of flying, geographical.

Dr. G. V. Deshmukh (Bombay City : Non-Muhammadan Urban) : But Indians don't know the Indian conditions ?

Mr. C. M. G. Ogilvie : May I ask, Sir, that I may not be interrupted so frequently. I am dealing with figures largely, and if I make a mistake I shall give the opposition a wholly unmerited point.

Geographical and climatic conditions in India are very difficult, and it is necessary that the Metropolitan Air Force should contain a number of officers who have served in India and who know what those conditions are in order that if they are called to the assistance of India they may be employed to the best advantage. The Indian Air Force can never be large enough. At present we find that our 8½ squadrons costs two crores a year as against 80 and odd millions spent in England, which is as much as this country's resources can stand. There is no reason, whatever, why the Indian Air Force, small though it may always be, should not be highly efficient, and one of the reasons for that is that it has the vast accumulated experience of the Royal Air Force to draw on.

An Honourable Member : The Honourable Member's time is up.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has got one minute more.

Mr. C. M. G. Ogilvie : Finally, the reasons I have given, I think, ought to persuade Honourable Members to admit that India, of all the nations of the world, is in the matter of defence the most fortunate,—and that,—thanks to her association with the Empire. (Several Honourable Members : “Oh.”) She is able to garner the fruits of peace at a price which bears no relation whatever to the present world conditions.

Mr. M. Ghiasuddin (Punjab : Landholders) : Mr. Deputy President, I wish to say a few words to explain the position of the Party to which I have the honour to belong so far as this Resolution before the House is concerned. At the outset I wish to say that the object of this Resolution is very laudable and the spirit in which it has been moved is very praiseworthy. Only I have a little quarrel with the language of the Resolution because the Resolution, as it stands, covers a bit too wide a ground and should be divided into two parts. The first part is general economy and the second part exclusively deals with the defence services. As far as general economy is concerned, it is a very desirable thing. We want to give our newly sprung Provincial Governments a fair chance if they are ever to be a success. The whole success of those Governments depends on the finances to be spent on the beneficent departments which they sorely need. The people of this country for a very long time have been looking forward to self-government, and they have been thinking that when their own people are governing them they will spend more and more on public utility departments. But wherefrom is that money to come ? Our people at present are too heavily taxed as it is, and any further taxa-

[Mr. M. Ghiasuddin.]

tion is impossible, so they naturally look towards the Government of India to finance them. The first and primary proposal that comes from this side of the House is Indianisation of all branches of the departments of the Government of India. We cannot conceive why the Government should still insist on bringing people from abroad, people who cost us much more than we can afford to pay, while our own people with the best qualifications, with the best foreign degrees, are rotting for want of employment. I think the Government can possibly have no answer to that and this Honourable House has pressed again and again that Indianisation should be speeded up. By that means we can find employment for our young men and we can reduce the expense. Our young men would not need to go to England every three years to recoup their health and that of their families, and we can save a lot of money in that way. Secondly, I would request Honourable Members opposite to give up their expensive habits. This coming to Simla every year and this exodus to the hills is far more expensive than our exchequer can bear. We find that if an officer has to travel he will not be content with one berth in a first class compartment but he must have a whole compartment to himself. If they come out to serve a poor country like India they should cultivate a little more spirit of self-sacrifice and give up these expensive habits.

The next question is that of the army and that I submit is a more ticklish question at the present moment. This Honourable House has always insisted that the British troops, who naturally cost more, should be reduced and should be replaced by Indian troops as soon as possible. This House has passed a good many Resolutions on this subject and during every Budget Session it has unequivocally expressed its opinion. Now, I think the time has come when the Government should give effect to this recommendation of the House as speedily as possible. Another thing which I wish to bring to the notice of the House is that in his speech the Army Secretary said that the Indian army was mainly meant for the defence of India. I must respectfully differ with him there. If we read the history of the Indian army we will find that our Indian army was used against Abyssinia—in Lord Napier's campaign of Magdala—and after that, it was used for the conquest of Somaliland. May I most respectfully ask whether those conquests were made in the defence of India? There was absolutely no danger either from Abyssinia or Somaliland that they would invade our country. Our contention is that our army is maintained for the imperial purposes as well as for the defence of India, and on that account I would request the Government of India to start negotiations with His Majesty's Government and ask them that they should bear at least a part of the expenses of our army. That is only fair and equitable, because the Indian army has played its honourable part in almost all the campaigns of the last century barring the Boer War. So, it is really apparent that it is meant for the defence of the Empire as a whole. Speaking for myself I do not grudge it. More recently our people have been sent to China to defend the imperial interests, and it is no good saying that it is only for the defence of India. Another point that I would suggest is the redistribution of the British army stations in India. At present we see that British

troops stationed in this country have to spend their summers in one place and winters at another. My submission is that this constant transport is a very expensive business. Why cannot you station the British troops at a place where the climate is good all the year round? It would minimise the expense of transport a very great deal. Lastly, I would say that on this side of the House we are really anxious that this army expenditure should be reduced, but unfortunately, at present the situation in the Far East is such that we cannot demand that effect should be given to our recommendation at once, but we do urge that as soon as the tension in the Far East is relieved all these recommendations should be carried out. As it is, we are supporting this Resolution because we agree to it in principle.

Mr. J. Ramsay Scott (United Provinces : European) : Mr. Deputy President, the Resolution of my Honourable friend, Sardar Sant Singh, is like the Curate's Egg—good in parts, and I presume I shall be accused by some of my friends of damning it with faint praise.

I would like Honourable Members to take a long view, and while the needs of the Provinces are considerable, we at the Centre have got to look ahead and see that the funds under the control of the Centre are sufficient for our needs and that future Finance Members like Sardar Sant Singh or Mr. Satyamurti are not forced to resort to further taxation to supply the needs of the Centre. We are not averse to the suggestion that there is room for further economies in Civil Expenditure, but the words "particularly in the Army Expenditure" which includes the Royal Indian Navy seems to show that the real intent of the Resolution is to attack and reduce the Army Budget. My Group have in the past pressed for retrenchment in Army expenditure, and especially for a lowering of Expenditure on the Auxilliary Services. In the eight years during which I have been a Member of this House, I have seen the Army Budget reduced from a figure of Rs. 57 crores to Rs. 45 crores at which it stands today. I would like the House to consider very carefully if now is the proper time to press for further reductions, the reasons being the world situation on the one hand and the other a more domestic one—the rise in the cost of food stuffs in this country and the increased cost of clothing and materials both in this country and in imported goods. I would point out in world conditions there can be no doubt that the Disarmament policy adopted some few years ago had a detrimental effect on world stability, but I am pleased to say that the recent rearmament programme of the United Kingdom who have spent 300 millions or 400 crores has had a good effect and in my recent journeying through 7 or 8 European countries, I found that the Empire prestige was higher than it had ever been and that a strong British Empire is and will be the greatest contribution we can make to the peace of the world. You may tell me that you have no interest in Europe and would like to assume a detached attitude, if so, what about Asia and the East? Have you any doubt that trouble is looming in the East and although one nation at the moment is fully occupied with absorbing another the time will come when she will cast envious eyes on India. What is the state of our coastal defences and our protection at sea. India has a small Royal Indian Navy on which she spends Rs. 68 lakhs yearly and she also makes a yearly contribution of Rs. 100,000 or under Rs. 14 lakhs to the U. K. Navy. Great Britain's contribution is 108 million pounds or over 144 crores.

[Mr. J. Ramsay Scott.]

It would appear that India's contribution to Naval defence is trivial and entirely incommensurate with her huge coast line. Money is being spent on the coastal defences, and I have no doubt more will be required as the chief towns of India with 4 or 5 million inhabitants and crores of valuable property are at the mercy of any raider. Although Singapore may be a very adequate defence, I believe, Mr. Baldwin, a little while ago, told the House of Commons that the raider always got through, and I see no reason why this should not occur again. I think the House has recently heard of such a subject as Insurance and probably many of you know more about it than I do but I consider that the Defence Budget is a form of Insurance and with Insurance, in order to spread risks, there is such a thing as reinsurance. Well, in this case we spread our risks with insuring with the British Empire and in her case the British Empire does some little bit of her reinsuring here. I would not be at all adverse to Great Britain being asked for a larger contribution towards our cost and I believe our Defence Department can make out a very good case.

In conclusion, I would point out that although Revenue is coming in well and exceeding the estimates of the Honourable the Finance Member, we are still on an emergency taxation basis and although I am not prepared to say that we have yet reached the crest of a wave of prosperity it must be remembered that a depression will follow sooner or later and provision should be made now or increased taxation in the future will be the inevitable result. We are not prepared to support a Resolution like this in the conditions existing today.

Mr. G. V. Deshmukh (Nagpur Division : Non-Muhammadian) : The Honourable Member who spoke on behalf of Government stressed the importance of money. Money is important to him and it is not less important to us. There is one vital difference between him and us as to why he wants money and why we want money. He wants money for the destruction of human life and we need it for the welfare of human beings. We want money, in the words of the Resolution, "to enable the Provincial Governments to undertake and accelerate the pace of nation-building activities". Money is badly needed in the Provinces where 80 per cent. of the population who are agriculturists are starving. There is so much unemployment in the country, both among the educated and the uneducated. Money is badly needed for granting relief to the poor agriculturist and the industrial labourer and relief can only be given if we have money in the hands of the Provinces who are running the Government, especially in the Provinces where the Congress is running the Government. Now, we want relief and we want to accelerate the pace of the nation-building activities and what are these? The education of the masses—that is the primary need; the health of the masses comes next, rural reconstruction and the development of industries also come in the Provinces. How can industries be developed if there are no funds and if industries cannot be developed, rest assured, no relief can be given to the Provinces. Take, for illustration, my own Province. The gross revenue of the Province from which I come, Central Provinces and Berar, is 4 crores 81 lakhs and a few thousands and the expenditure is 4 crores 89 lakhs and a few thousands. That means that there is a deficit of eight lakhs in the year 1936-37. Rest assured, Sir, that this deficit is likely to get increased.

The Provinces which are faced with the agricultural problems and industrial problems have got to remit land revenue which would certainly mean the increasing of deficit in the next Budget. The Province where there is a Congress Government also wishes to elevate the moral tone of the public. Therefore, it desires to follow a different policy in excise. That means, that it wants to go dry. It may happen gradually, but there it is. Therefore, the deficit is likely to grow more and more. If this deficit grows and the Province is faced with all the problems, such as, the indebtedness of the agriculturist, the troubles which the labour is creating because they are not getting any relief, then there is no other alternative but to find ways and means.

Now, my Province is mainly an agricultural Province but it is not necessary that it should remain so. In my Province are to be found many minerals. The raw produce of my Province goes to other Provinces and to other countries and it is returned to the Province in the form of manufactured products. Why cannot we, in our Province, develop these industries; but we cannot develop them because we have no money. Money in the form of contributions is immediately necessary. The Resolution says that; "immediate steps to effect all possible economies in the Central expenditure" should be taken. We merely desire that the Governor General in Council should try retrenchment in its expenditure. We are not wanting money from the surpluses of this Government because we know very well that its budget is really a deficit budget. What we desire, very keenly, is that because the Provinces are faced with mightier problems, retrenchment should be effected in the Central Budget. My Honourable friend's attitude reminds me of a 'touch-me-not'. It reminded me of the Managing Agents whose position was being discussed in the House and who carried on a propaganda outside the House. I have no doubt my Honourable friend in this House will have, fortunately, for him and, unfortunately, for us men who will carry on his own propaganda, namely, that money is needed and it cannot be spared and they will give reasons for it. Sir, to borrow the phraseology of the Insurance Bill, one might put it in this way. The Governor General in Council are the Managing Agents of His Majesty's Government the insurer. His Majesty's Government as well as the Government of India have, in their wisdom, said, that they are here for our benefit just as the Managing Agents and the insurance companies say that they are for the benefit of the policyholders. They say: "We are here to give you the Swaraj: those are our declarations." Sir, we have been waiting for the Swaraj and I do not know when we are going to get it. I do not fix any time-limit for the removal of these Managing Agents; they will be here. All that I desire and request them to do is to improve the state of affairs. They have been so extravagant that they really should be taught a lesson if not by anybody else at least by this House and I have no doubt that this Resolution will be passed.

Sir, before I finish I would like to point out one thing. It is the retrenchment in the army expenditure. Speaking about the army expenditure, let me first of all say this that we maintain in India an army which exceeds in peace time the requirements that are necessary even in war time. In England they do not maintain in peace time establishments which exceed those kept in war time. Whatever may be the reason

[Mr. G. V. Deshmukh.]

for it, it is a strong argument against them which they will have to reply. Then again the British army is meant here not for our own defence but for Imperial purposes. Why should we bear the whole of the burden? These are the criticisms by way of general policy. Coming to concrete facts, what we say is this. Nearly one-half of the revenue is swallowed up by this army. Can we not find any means or can we not suggest anything which will reduce the expenditure? First of all, I would suggest that the capitation payment, which is a matter of dispute, should be settled in our favour. Why should we be made to pay particularly for the army which is stationed here and which is employed principally for Imperial purposes? Next to that, I come to the officers in the army. Here, I suggest that we can certainly reduce a good bit. In the combatant services, there are officers, with King's commission, whose number is 3,993. I will now refer only to the reduction of officers with King's commission. We can reduce our expenditure either by reducing their pay or by reducing their number. But taking it for granted that these combatant services and the officers who are attached to it are necessary, why should it not be not only possible but certain to reduce the staff officers. The number of staff officers, with King's commission, is 589, Military training establishment 107, Indian Army Services Corps 398, Medical Services 863, Miscellaneous establishments 329 and so on. The total number of officers is 6,650 out of which you can deduct 3,993 as combatant service officers. Why should it not be possible for us, then, to reduce the number and also reduce the pay by replacing these officers with Indian officers? Take, for instance, the Royal Military Medical Service. Why should it not be possible for us to Indianise the whole of it? Why cannot we replace all these officers by appointing Indians? Leaving aside the combatant services, all these other services whom I have mentioned can be manned by Indians and the pay of the officers can certainly be reduced.

Sir, we have to remember this that the Provincial Autonomy is the creation of His Majesty's Government and this Government is at the back of it. If you do not support these Provinces to stand on their own legs to carry on the administration, the sin will be on your heads. Nobody will undertake to run the Provincial Autonomy if this experiment, which is being carried on by Congressmen in six Provinces, at a great sacrifice to themselves and by carrying out great retrenchment in all the departments, fails. If they fail, nobody else will succeed and the sin will be on the head of the Government of India, specially on the Army Department. I, therefore, submit, that this Resolution which desires and demands urgently money for carrying on the nation-building activities should unanimously be supported by the whole House.

Mr. M. Asaf Ali: Sir, I rise first of all to congratulate the Defence Secretary on putting up a very brave defence on behalf of a defenceless case. He was a little confused because speakers before him did not give him a clue to the origin of this Resolution. I think I might try to facilitate the work of those who are likely to follow me and give them an idea of how this Resolution came to be tabled here. I believe it was during the last Session or last year that, in the other place, a demand was made on behalf of Indian representatives that the British troops

should be replaced by Indian troops. His Excellency the Commander-in-Chief, replying on behalf of the Government, asserted that the retention of the British troops in India was absolutely necessary because the Provinces wanted them for internal security. Taking the cue from that point, I, on behalf of my Party and under the direction of my Leaders, addressed the Premiers of the eleven Provinces and asked them whether they wanted the British troops in India for internal security. We have time and again asked the Government to tell us here and now whether they are prepared to address the Provincial Governments and ask them whether the British troops in India are necessary for internal security, but they have point blank refused to do so. There was no other way for us but to address the Premiers ourselves and ascertain their views. It was more or less in accordance with the views of the Premiers of the Provinces, though not under their guidance, that we tabled this Resolution. We are now in a position to tell the Government of India, through this Resolution, that a majority of the Provinces in India do not want these British troops for internal security. (Applause.) That is one point. The Defence Secretary made a few points out of the letter which I had addressed to the Premiers. The very first point which he took up was that I had adopted the figure of twenty crores as against twelve crores which was the figure vouchsafed to us the other day by the Honourable the Finance Member and which the Defence Secretary has repeated today. I take it that the Honourable the Defence Secretary has totally ignored the estimates of last year in quoting and sticking to this figure. I would refer him to page 4, column one, of the Budget Estimates where we find that no less than 38 crores or to be more accurate, 38 crores and 62 lakhs and odd are spent on troops in India alone, and the rest is paid in England. Expenditure on the Indian and the British troops is in the proportion of 1 : 4. If one rupee is spent on Indian troops, four rupees are spent on British troops. If that proportion is correct, then taking also the other proportion, namely, one British soldier to every three Indian soldiers, I think the least amount that is spent on British troops in India is roughly 19 crores—that is only on salaries and their ordinary comforts. Now, add to these 19 crores, another eleven crores and 21 lakhs 3 P.M. and some odd which are paid by us in England. Of these 11 crores and 21 lakhs nearly five crores are in respect of non-effective expenditure which means, pensions for those who serve in India for three years or so. They have got to be paid their pensions and also passage when they go back to their home. We have got to pay them their marriage allowances, overseas allowances, transport expenses, in fact no end of allowances. So eleven crores and 21 lakhs are paid by us in England in respect of these gentlemen. Do we want them? Now, 11 crores and 19 crores make thirty crores. I was, therefore, very conservative in my figure of twenty crores. I shall wait to hear something against it. I should like the Honourable the Finance Member to justify his figure of twelve crores. How he arrived at that figure is a mystery. In these estimates the Government never tell us how much money they are spending exclusively on British troops in India not merely on their pay and pensions, but also on their comforts, spiritual comforts also—because they have got an Ecclesiastical department. The poor Indian soldiers, whether Hindus, Sikhs or Muslims, have yet to have their spiritual comforts attended to. We are about 35 crores Indians but we have to meet our spiritual comfort expenses out of our own pockets.

Why, if huge sums are drawn by British officers and soldiers, can they not build their own churches and maintain their own ecclesiastical service out of their own pockets. Not only that, Sir, but, we have also to take into account the number of summer depots by the dozen which are maintained for the benefit of the British troops, and a number of sanatoria, etc., all for the benefit of the British troops. There are so many of these summer depots and sanatoria, where these British troops must be taken, so that they may spend their summer in comfort in these places. But in place of these British troops, we want our own Indian troops. The Honourable the Defence Secretary was also good enough to tell us that the Retrenchment Committee of 1932 arrived at certain figures beyond which the Government could not possibly go. You will be surprised to hear that this wonderful Retrenchment Committee was really to have been presided over by Dewan Bahadur T. Rangachariar who was a protagonist of retrenchment, but, unfortunately, Mr. Rangachariar did not attend one meeting of this Retrenchment Committee nor was he available for Chairmanship and, in his absence, this Retrenchment Committee came to its own conclusions. According to the conclusion which the Committee reached, it appears that instead of any retrenchment there was an increase of officers at the headquarters. In 1914, the officers at the Army Headquarters were only 94 when there were much more troops in India than they are today. After the Retrenchment Committee's report, we find that the number of officers in the Army Headquarters reached 174 which is nearly double, and, as far as the commands and brigades and districts are concerned, the number of staff officers has gone up by about 400 today. Further, we find, that there are more than 7,000 officers in the army. Have you ever heard of such a thing anywhere else in the world except in India? All these 7,000 and more British officers have got to be paid, well Heaven knows how much? If you go to the neighbouring States where efficient armies are kept, you yourself could find out whether the troops in India are required in such large numbers for efficient field service. And there you find, perhaps, a Major drawing Rs. 150 and a Colonel drawing, perhaps, Rs. 250, and he is as efficient a Colonel as any of your Colonels who are now drawing perhaps Rs. 2,000 or Rs. 2,500. And they are getting all sorts of allowances, and yet they do not put in at the headquarters more than half an hour's work daily. Of the 600 staff officers who are now running the show and for whom we pay more than two crores of rupees, I do not think more than about 1/10th are required. All the rest of the work can be done by Indian clerks and Indian officers. Why are there no Indian officers at the headquarters? Why are there no Indian officers in the Commands? Why are there no Indian officers in the Brigades and Districts? Why is money being wasted in this fashion? Sir, my Honourable friend, the Defence Secretary, said something about the defence expenditure in Great Britain and the defence expenditure in India. May I tell him for his benefit and for the benefit of the Government of which he happened to be the spokesman that one-third of the entire British army is kept in Indian barracks? In fact, India has been turned into barracks for one-third of the entire British army. If one-third of the entire British army is here, it does not lie in the mouth of any one to say that the Indian army is the weakest to defend one-fifth of the entire human race. While one-third of the British army and 150,000 or more of Indian troops are for the defence

usands are enough to protect, not only Great Britain against the armed camp of Europe but are also sufficient to protect the entire Empire. Sir, our army is certainly excessive by the British troops. You cannot say that this figure represents the irreducible minimum. The Defence Secretary also adverted to what might be called a very abstruse subject, namely, the disadvantageous position of India in regard to her frontiers. That disadvantageous position is this. India has got a huge sea-board which must always be kept free by the British navy, whether we will or we will not, because we are their market and the British navy must keep the way clear for British trade. They are not obliging us. They may say: "Oh, we are protecting you!" But they must protect themselves in their own interest and they must protect us in their own interest, because if the sea-board is allowed to be raided by others than the British, and if it is not kept free, where would their world markets be? Where would Great Britain's markets be? Nowhere. Then, in so far as our land frontier is concerned, I think even the Defence Secretary will allow that most of our land frontier is protected by very high mountains and these afford a natural protection. We do not want troops to guard our mountains.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has one minute more.

Mr. M. Asaf Ali : I shall be finishing in a minute.

Well, Sir, the Defence Secretary said that India is paying only about £1,000 for her defence as far as the navy is concerned. But what about the great ships of Great Britain which are carrying away millions and millions of rupees from India? I understand that one-fourth of the entire income of Great Britain is derived from India. If so, some of it must be spent on the navy, or somewhere! It is not as if they are simply obliging us.

As regards the question of manufacture, my Honourable friend tried to ridicule it. He says that all the manufactures in connection with the army have been undertaken here by the Government of India and all things are being manufactured here. He said that all weapons of modern precision were being manufactured here, and what more do we want? Are great guns being manufactured here? Are tanks being manufactured here? Are the means of transport being manufactured here? Are any of the lorries required for the army being manufactured here? Are any of the 102 aeroplanes which your 8½ squadrons must possess and without which they will not be an air force,—are they manufactured here? All these things are manufactured abroad, and lakhs if not crores of rupees every year are being paid by us in England for the various manufactures which are being imported by us. As to the stuff required for the medical services as far as the armies are concerned, as far as the hospitals are concerned,—are all these things being manufactured here? Are all the medicines bought here? Are all the surgical instruments manufactured here? Why do you say that everything that is required for the army is being manufactured here?

I have just one word more to say. There are other points which will be dealt with by my Deputy Leader but I wanted to confine myself to a reply to the Defence Secretary. Our demand is that the British troops must be replaced by Indian troops. If British troops are replaced

[Mr. M. Asaf Ali.]

by Indian troops the defence of India will not be weakened in the least degree. In fact, I personally think that our defences will be much stronger than they are today.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : We can shoot better. (Laughter.)

Mr. M. Asaf Ali : More than that, the Defence Secretary said that the British troops were necessary for mixing British with Indian troops to get the best value for our money. If that was one of their aims, why did they not appoint all our Indian officers who held the King's Commissions as officers in the British army? Why did they shove them all into these Indianised units and segregated them? That would have been proper mixing but they do not want Indian officers to mix with the British troops. All that they want is that British troops should be there as an army of occupation to continue to threaten our freedom.

Lieut.-Colonel A. E. B. Parsons (Secretary, External Affairs Department) : Sir, if time was not so short I should have liked to join issue as a layman with some of Mr. Asaf Ali's statements, but in the time available to me I can only hope to deal with one aspect of the subject, and that is what one or two Honourable Members have suggested, that it is possible to reduce the army if the Government of India followed another policy on the frontier, and secondly, that the strength of the army on the frontier is in excess of what is required. The problem with which we are faced is a belt of country extending from Bajaur on the north down to Gomal on the south,—50 miles across, more or less. It is bounded on the west by the Indo-Afghan boundary and on the east by the border of the administered districts. It is inhabited by more or less uncivilised tribesmen.....

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : No, no.

Mr. Abdul Qaiyum (North-West Frontier Province : General) : Uncivilised people are those who drop bombs. Butchers! Sir, I protest against the use of that word. He must withdraw it.

Lieut.-Colonel A. E. B. Parsons : These tribesmen have many affinities in common, of religion, of language, of social structure. And they have connections both across the Indo-Afghan border and across the administered border of India; but the connections they have with India are very much stronger than those that they have with Afghanistan. The Durand Line was not drawn haphazard: it follows the boundaries of the tribes, as far as is possible. On the other hand, the border of the administered districts in some cases is crossed by tribes, that is to say, part of the same tribe lives in tribal areas and part in the administered districts: and all these tribes are economically connected with British India. In this belt we have very wide variations in the amount of administration. In some places we exercise practically no control at all and in some places quite a lot. The responsibility of Government in these areas is now twofold. We have the responsibility towards the administered areas, that the tribes of these tribal areas should not commit raids and kidnap or do any damage: and we have now, since the very rapid development of Afghanistan into a modern state, the responsibility towards Afghanistan that our tribes people shall not cross there and commit similar crimes in

their territory. Now it seems to us that there are three possible policies by which we may maintain control in this area. The first is a policy now, once and for all, to administer up to the Indo-Afghan boundary. The second is our withdrawal to the line of the administered districts: and the third is the policy which is now being pursued, of administering for the benefit of the tribes (Laughter) and to fulfil our responsibility both to Afghanistan and to India.

The first policy is far too expensive, it will be admitted. It would also require a very great amount of fighting over a period to which I think none of us could see the term, and it would inevitably involve us in difficulties with our friendly neighbour. I have no doubt that that policy is entirely impossible at the moment. It could not in any case conceivably allow of any reduction in our armed forces.

The second policy of retirement to the borders of the administered districts is, I think, equally impossible. Up to 1919 we attempted to a large extent to carry it out. The result was, that as far as the protection of British India was concerned, we failed. We discovered that we could not prevent raids, we could not prevent kidnapping, by putting forces along the actual border; and for that reason we decided, in 1919, after the Waziristan campaign, to attempt to protect India from inside the tribal area; and in the last fifteen years this attempt has met with marked success. In the last 15 years there has been practically no such thing as kidnapping or a raid in the southern districts of the North-West Frontier Province. As soon as Government's power in the tribal areas is relaxed, we begin to get trouble as we have during the last six months: as soon as we restore our power there, there is an automatic decrease of trouble.

And for other reasons we could not take this line. Strategically, I think it is indefensible and we should be dividing all those tribes that are half in our territory and half in the tribal areas. We should also not be able to fulfil our responsibility towards Afghanistan. Government is responsible for the whole of India. (Interruptions.) Supposing we did not take any action inside this area, what would the Afghanistan Government say to us? "Let us take it over." But I do not think that any Member opposite would wish us to hand over the tribal areas to anybody else. They are part of India and they must remain so.

The middle policy, which I will briefly mention is that of the Government at present, that is to say, we go into the tribal areas: we interfere as little as possible with the life of the people and we never attack the people but only defend ourselves when we are attacked. I can assure you that the tribes, in normal times, do not dislike this control very greatly; and Government is convinced of the importance of offering them economic and other advantages, so that in course of time they may wish themselves to join in that large country which is India. But Government does not put more force on them than is necessary to maintain their responsibility towards Afghanistan and the administered areas. That policy, I may say, is likely in our opinion, if steadily applied, to make it possible, perhaps at some future date, though not now, to reduce the cost of our defence forces of all kinds. The other two policies could not.

It is a tribute to the importance of the subject that it appears that nearly every one has views on this matter. But if we look at them we find very rarely any constructive proposal. Many have appeared in the

[Lieut.-Colonel A. E. B. Parsons.]

papers and we have had one today from the House. Dr. Bhagavan Das seemed to think that his 25 million volunteers would be able to deal with the situation that is now existing in Waziristan. I do not know if he has any many friends in the Army, but if he has I would ask him to ask them what do the Army think of these tribesmen as fighters. I can assure him that in their own terrain there are no better fighters in the world ; and I also want to assure him that in fighting, quantity can never take the place of quality. You may put 25 million people there : they are just as much cannon fodder for the Mahsuds as 25. (Interruptions.) I do not think that is a practical solution. I saw another solution the other day. I think it was the editor of a paper in Delhi who came back from the Frontier and assured a rather credulous public that the solution of the problem lay in repealing the Land Alienation Act on the frontier ! How does he think that these tribes, whose mode of thought is not that of Lower India, who are hostile to his class, the Hindus, how does he think they will pay one moment's attention to that, or how could it possibly make any difference to the situation in the Frontier ? Finally, there is the solution which I see occasionally mentioned—the demand for Government to substitute a policy of conciliation instead of one of force. Sir, I have already said the Government never use force unless compelled to do so. If any Honourable Member can give me an instance I am willing to answer it. But I do not really know what is meant by a policy of conciliation. The true policy of conciliation is the one adopted by Government,—the policy which aims at providing educational, medical and agricultural facilities within the limits of the money that is available. The tribesmen of Waziristan are much better off now than they were in 1919, and I myself think that their standard of living may have gone up by 50 per cent.....

Qazi Muhammad Ahmad Kazmi (Meerut Division : Muhammadan Rural) : On account of bombing ?

Lieut.-Colonel A. E. B. Parsons : On account of the benefits which Government have given them.

I do not know if any of you have noticed it, but if we look at the history of the Frontier, we see one fact standing out at once that if Government is weak and if its hands are tied elsewhere, the tribesmen are the first to recognise it and the first to take advantage of it by attacking British territory, and I may add, the Hindus are the first to suffer.....

Mr. Mohan Lal Saksena (Lucknow Division : Non-Muhammadan Rural) : No, no, let us suffer.

Lieut.-Colonel A. E. B. Parsons : If some Members who contradict me were to go.....

Maulana Shaukat Ali (Cities of the United Provinces : Muhammadan Urban) : I would go.

Lieut.-Colonel A. E. B. Parsons : I think the Maulana Saheb has not.....

Maulana Shaukat Ali : You don't know the Mussalmans of India as well as I do.

Lieut.-Colonel A. E. B. Parsons : I do know Mussalmans well, and like them, but if you go and ask the villagers in the Tank tehsil whether they feel secure, once the Government is weak, you will get no uncertain answer. One of the great difficulties on the Frontier is this which I just mentioned, that, when Government's hands are tied elsewhere, the tribesmen take the opportunity to attack British India, and the result is an expedition such as you see.....

Maulana Shaukat Ali : They hate you.

Lieut.-Colonel A. E. B. Parsons : I would appeal to Honourable Members opposite. There is scarcely a statement made by the Members of their Party in the Frontier Province, there is scarcely an action of theirs which is not devised to bring the authority of Government and law and order into contempt. In 1930-31 the results were seen. They will be seen again when perhaps they themselves are in power. What is needed is conciliation between them and the Government because they will soon have to govern themselves. What is needed is a change of heart, not a change of heart in the Government, not so much a change of heart in the tribesmen, but a change of heart in the Congress. If Congress will see that they do nothing to damage law and order on the Frontier, I can conceive a time, in the far distance may be, when it will be possible to make a reduction in the armed forces that are maintained for that purpose. But until that time, there seems to me to be very little chance of doing so. I warn the Congress.....

Mr. Mohan Lal Saksena : Thank you for the warning.

Lieut.-Colonel A. E. B. Parsons : I warn the Congress that their time will come, and they will find that they are reaping the whirlwind.

Mr. Abdul Qaiyum : Sir, I had no intention to take part in this debate, but, as usual, after I had the pleasure of listening to the speech of the Honourable the Foreign Secretary, I thought it was my duty to get up and say something by way of reply. To start with, Sir, he described the tribesmen as uncivilized people. Of course, to describe certain people as civilized or uncivilized depends upon the opinion one holds. But I should like to say one thing, Sir, that if people are to be judged by what they do and how they behave, that would be the best test for determining whether a people are civilized or uncivilized. I can assure this House that whenever there has been a war with the tribal people, it has been sought by the British authorities and the political authorities on the Frontier. Their object is very clear. They want to extend their sphere of control ; this is how they start. They get hold of certain people among the tribes, protect them, give them money, and gradually these people come to be called as protected persons, and certain areas are also described as protected areas. These protected persons start making a nuisance of themselves. They always try to provoke the non-protected tribes, and as a result of this provocation sometimes there is an affray, sometimes there is a little war, and it gives an admirable opportunity to the British in the Political Department and in the army to lead an expedition against these tribes. I can assure this House that the tribesmen have got no newspapers, they have absolutely no news agencies to place their point of view before the world. All that we hear and read about the tribes is through the British agencies. The

[Mr. Abdul Qaiyum.]

British are past masters in the art of telling the world that they are always helpless victims of the aggression of other people. But, as a matter of fact, they are past masters in the art of provoking others and rendering them absolutely desperate, and then to deal with them, because they have at their disposal all the powerful engines of destruction, like bombs and machine guns. These gentlemen who have absolutely no right to be in the tribal area, who have mechanised the army, who have up-to-date aeroplanes, have been throwing bombs on innocent women and children from the air.

An Honourable Member : Shame.

Mr. Abdul Qaiyum : Eight thousand is the number of bombs,—that is what the Government spokesman said the other day,—dropped on the frontier on innocent villagers. I can assure this House that houses and even mosques have been destroyed, even places of worship have not been spared. People who have been talking of Shahidganj should learn a lesson from this, in fact more mosques have been destroyed in Waziristan than all the mosques and temples put together in India since the dawn of history or since the advent of Mussalmans in this country. I ask, Sir, whether these people who threw bombs on defenceless women and children are civilized or uncivilized, or whether the tribesmen who want nothing more than to be left severely alone in their own surroundings. Sir, we are being frightened by the bogey of the Russian danger, of an Afghan danger. I assure this House that the greatest danger to the liberty of this country, and to the freedom of the millions of people who inhabit this country is British Imperialism. (“Hear, hear” from Congress Party Benches.) Unless and until you remove this danger, unless and until you destroy this British Imperialism, you will never have peace and contentment in this country. Ever since the British Imperialists came in contact with Afghanistan, on how many occasions did the Afghans try to invade India? If you will read history, you will find that every expedition has been led by British Imperialists to crush the freedom of a neighbouring country called Afghanistan. It is only the stamina of the tribes—it is not the Afghan Army, it is the Afghan tribesmen who love liberty, who love freedom, who love their religion and who want to raise their heads always aloft in this world and who want to feel that they are not subordinate to anybody else—it is these people who have protected Afghanistan from the onslaught of British Imperialism. I assure the House that there is absolutely no danger from Afghanistan, or from Russia. If there is any danger to the liberties of India, it is from British Imperialism. There is absolutely no justification for the retention of this large army, for the retention of the British personnel, which, according to the report of the Capitation Tribunal, in 1933, was costing this country something like £10 million at that time and I think that the amount has gone up considerably since then. What are these British troops here for? They are here to protect the British markets, they are here to protect the British trade, to protect the British supremacy and British interests. If they are here to defend British interests, it is only fair and just that Great Britain should pay for them and not this poor down-trodden country called India. I would read only one passage, which is a very ominous passage, of an Indian Judge

on the same Capitation Tribunal, who is now a member of the Privy Council. Sir Shadi Lal said at that time :

“It is true that the Indian military expenditure imposes a very heavy burden upon her resources and prevents her from providing money for extending education and promoting other nation building activities. It appears that the ratio of the military expenditure of India to her public revenue is higher than any other part of the Empire or in any foreign country. The statistics supplied to us also show that in respect of certain colonies where British troops are stationed the Imperial Government have adopted the rules that the cost to be levied from them should not exceed one-fifth of the total assessable revenue of the colony concerned.”

I have one more thing to say. It is asserted from the other side of the House that the army in India and especially the British element in that army is not being maintained for Imperial purposes. It is also asserted that the British troops in Great Britain act as a sort of reserve to rush to the rescue of poor India whenever India happens to be attacked by some foreign aggressor. May I know if during the last fifty years or sixty years any single occasion has arisen when it was necessary for British troops to be rushed from England? It is a well-known fact that till the report of the Capitation Tribunal was written, on fourteen occasions Indian troops were sent out to fight other people who had absolutely no quarrel with our people. They were sent out to Abyssinia, to Somaliland, to China, and this process is still going on, they have gone to France and so on, to crush the Arabs, to crush the Turks, and all the other Asiatic nations. It clearly proves that the army in India is being kept for Imperial purposes. All our revenue is being swallowed up by the army. Under the new Government of India Act, certain taxes have been earmarked as Provincial and certain others as Federal. All those who have read the Act know very well that the sources allocated to the Provinces are absolutely inelastic. There is absolutely no scope for expansion, and the hands of the Provincial Governments, especially those of the Congress Ministries which have been set up in six provinces and I hope in the seventh Province also (Applause), will be considerably handicapped if they are merely to carry on their administration with revenues derived from these inelastic sources. All the elastic sources of revenue are in the hands of the Federal Government and the Federal Government will determine what portion of those taxes, say, from salt, from excise duties, from export duties, from jute, from income-tax, from corporation tax—what part of these should be allotted to the federal units. I submit that this Resolution has been very mildly worded and I request Members of this House, especially the elected Members of this House, who love the freedom of their country, to vote for this Resolution and show that this House is absolutely dissatisfied with the policy of this most irresponsible, reactionary and inhuman Government (Applause from Opposition Benches.)

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : Year after year as a Member of the Independent Party I had supported a motion of reduction in the army expenditure. Year after year I had supported Resolutions about the Indianisation of the army, but in the present Resolution, as it is worded, I find two difficulties which I would like to mention. But before I do so, may I say a word on the question of the frontier policy? Unfortunately this question is dragged in in season and out of season, in every debate, and

[Dr. Ziauddin Ahmad.]

speeches are delivered to the gallery. I think that it would be better if we have a full dress debate on the question of the frontier policy so that we may not have a side discussion on this question every now and then. On this particular Resolution the question of frontier policy is not under discussion. Every one of us has his own views, the Government have their own views, but my difficulty is that the Government have not uniformly pursued one policy. The change in policy involved unnecessary expenditure in connection with their frontier policy. I believe that the frontier policy is outside the scope of this Resolution. We require on the frontier an army of defence anyhow, but that may be discussed on some other occasion and not on this Resolution. The two difficulties that I have in connection with this Resolution are, one, the latter part of the Resolution commits us to a thing which requires very great consideration. It commits us to a policy that we should be indefinitely responsible for the needs of the provinces. It is a problem by itself and should be discussed independently on its own merit. But if we want to do so, that ought to be achieved by means of a separate Resolution, and not as a side issue. My second difficulty that prospects of war are visible everywhere. War has commenced not very far from us. We find that every country is increasing its army expenditure. Never mind, the British Government may stay, or may go, but India must have an army of defence and we cannot go on without it. If this country goes on without any defence then we will be in a very difficult position, in the position of the king in the story which I have told this House before. There was a king and he had a Wazir. He was very much against army expenditure as my friends on the right. He used to say that the money so saved could be spent on schools and colleges and other nation-building departments and that, if any foreign king ever attacked him, he had a thousand and one arguments with which he would convince the aggressor that it was absolutely wrong to attack the king. Besides we have no enemies and we don't want to conquer other countries. There was an attack and all the thousand and one arguments collapsed, like the arguments of rats in front of the cry (*Mianun*) of the cat. The king realised but realised too late that it was the army and the army alone that could defend his country, and not arguments, not reasons, nor the rhetoric of the politicians. Whatever the form of Government may be in this country, whether British or indigenous, it is absolutely essential that we should have a very strong army of defence.

Mr. S. Satyamurti : Why British soldiers ?

Dr. Ziauddin Ahmad : That is immaterial.

Mr. Abdul Qaiyum : Let them bomb Aligarh !

Dr. Ziauddin Ahmad : I love interruptions. You must have an army of defence ; you must have an air force, you must have a very good navy, and a very good army because we have got not only our North-West Frontier to protect but we have got a very large sea coast which has also to be protected by means of a very good navy. This is very important. The existence of an army itself is a good defence. The moment it is known to the world that a particular country has got no army of defence, then it will always be in danger of an attack from

outside. We have discussed a Resolution about the League of Nations, but we resolved today it was not an opportune moment to discuss it. The discussion of this Resolution is more inopportune as we are face to face with a war next door to us,—war between Japan and China. Nobody knows at this moment to what extent it may or may not develop. If you reduce the army expenditure you will be exposing yourself to enormous risks. Most countries have doubled their expenditure on the army. Their proportionate expenditure is much greater than ours. The very fact that we find the legislature of a country voting enormous sums for army expenditure is a safeguard against attack. If foreign countries know that a country has got an enormous army, they would not think of attacking that country. When war is waging next door, this is really not the proper time when we ought to discuss a motion of this kind. In fact we should vote for special loan to develop our navy and air force. These are the two difficulties which I pointed out. The second part of the Resolution ought to have been moved as a separate issue and not have been tacked on to the first part of the Resolution. It is all very well to try to curtail army expenditure but when the clouds of war are hanging everywhere, when war is actually going on next door to us and there is every chance of a conflagration all over the world not only in Asia but also in Europe it is very unwise for us to demand that the expenditure on the army should be curtailed.

***Maulvi Muhammad Abdul Ghani** (Tirhut Division : Muhammadan) : Mr. President, since long I have been trying to borrow the foreign language, but I have not as yet achieved success. I, therefore, ask your permission under Rule 14 to speak in my own language.

Mr. President (The Honourable Sir Abdur Rahim) : Very well.

Maulvi Muhammad Abdul Ghani : Thank you very much for your allowing me to speak in my mother tongue.

The Resolution, as moved by my Honourable friend, Sardar Sant Singh, has got two parts. One deals with reduction in general, and the other aims at the curtailment of the army expenditure. So far as the first part of the Resolution is concerned, I think it has often been amply discussed. I, therefore, want to confine myself in discussing the latter part.

The British soldiers and officers entail a very great unnecessary expenditure. Only two arguments can be put forward for the appointment and retention of the British officers and soldiers. The one may be that the British officers and soldiers are superior and more efficient, and the other may be that they can command more confidence of the British Government. The former is always pleaded by the Government, but the latter is kept concealed within the heart. So far as the former claim is concerned, I can safely say, it is entirely wrong, and the history has given oft-repeated proofs. Is it not a fact that during the last Great European War, British soldiers and officers did prove themselves a failure ? Is it not a fact that the Indian soldiers and officers did achieve success in every battle in Europe and did save the honour and prestige of the British Government ? Is it not a fact that it was the Indian soldiers who played with their lives and gave crushing defeats to the Germans and thus saved the honour of the British Government ? Is it

*Translation of the speech delivered in the vernacular.

[Maulvi Muhammad Abdul Ghani.]

not a fact that these black soldiers of India, who were ever looked down and were thought disgraceful by the European Nation to fight against the white soldiers in Europe, were embraced by French ladies as their saviours. Sir, where had the efficiency and superiority of the British officers and soldiers gone? Alas, man is very ungrateful. He forgets his misfortune very soon when the danger is over, and the British Nation and the British Government have got this characteristic in the highest degree. I assure you, Sir, that it is all due to the error of one Muslim King who gave the trading rights to the East India Company as rewards to a physician who treated his daughter that the British Government have courage to adduce such claim. I am sure, even today, if the British Government be convinced of the safety of the British Trade in India, they will easily entrust the administration to Indians. Neither, they will be convinced, nor it is desirable to try to convince them as the trade is a most indispensable element for the life of a nation. My Honourable friend, Dr. Ziauddin Ahmad, has said, the defence of the country is very necessary at this juncture. I agree with him. But this does not entail that the defence should be had only by British soldiers and British officers.

The question before us is that Indian officers and soldiers should be appointed to effect economy in the army. It has recently been said that the British soldiers have been allowed five meals instead of three meals per day. There is no doubt that there exists some mutual distrust in the country, but I assure you, Sir, when the question of defending the country against the invasion of a foreign nation will be before them, they are sure to forget such communal discrimination and will be ever ready to drive away their common enemies, and I assure you, Sir, the appointment of more Indian soldiers will be a means to achieve the mutual confidence and goodwill.

At present, Indians are quite helpless being fully disarmed. They do not even know the use of firearms. Military training is most essential for the Indians for the proper defence of the country, and hence the Arms Act requires amendments so as to enable Indians to keep and bear arms for the defence of India.

In the end, I will say, Sir, that as India is a hot country, it is quite necessary that Indian troops should be maintained for her proper defence. The British soldiers, who are of a cold country, cannot bear the hot climate, especially when war breaks out in the summer. They will be much troubled owing to heat and thirst, and as such, will forget the question of defending the country rather than defending themselves. I, therefore, appeal to the Government to enlist the Indian soldiers and officers and thus to effect economy and help the nation-building departments with the money thus saved.

With these words I support the motion.

The Honourable Sir James Grigg (Finance Member): Sir, I rise under a considerable sense of grievance. After the fiery cross or perhaps I ought to say a succession of fiery crosses which have been sent round to Provincial Governments by Mr. Asaf Ali, I did expect that the Opposition would come here and deliver a really blasting attack upon Government

with horse, foot and artillery. But what has happened? The attack was opened by Sardar Sant Singh who was much more interested in hair cutting allowances than in horse, foot and artillery. (Laughter.) Then, Sir, the Opposition put up Dr. Bhagavan Das, one of the most learned, the most respected and, if he won't mind my saying so, the most pacific Member of this House, and the learned Doctor saw no inconsistency in putting forward at one and the same time a plea for universal disarmament, a plan for the institution of a Tolstoyan Commonwealth and a project for the creation of a citizen army of 25 million armed men! In fact, if I may continue the military metaphor, and after all this debate has been largely concerned with military matters, it was not till five minutes to three that the first real shot was fired in this engagement. If the House will allow me to bring forward a recollection of my brief and not particularly glorious military career and if they will forgive me for my incurable propensity for joking, I would say that even then the shots fired were "pip-squeaks" rather than "crumps", and even so they were not in the nature of an attack on Government but of counter-battery work direct towards the attack which the Government had made on the Opposition. Then, again, Mr. Satyamurti has been smitten with a most unprecedented attack of silence. (Laughter.) And I understand, Sir, that he is going to recover the use of his tongue only when I have reached the conclusion of my remarks. I should be perfectly justified in claiming that the case against us has gone by default. But I must, I suppose, take the motion at its face value and deal with it accordingly.

Let me then begin by analysing the Central Budget and I would ask

4 P.M.

for a little indulgence from Honourable Members of this House while I try to take them through the figures. The total of the Budget, excluding the post office and railways is, in round figures, 83 crores. Defence, Ecclesiastical and the administration of Frontier Watch and Ward come to about 47 crores. Now, after the speeches of Mr. Ogilvie and Colonel Parsons, I do not propose to go into those figures at length because they have already been very fully dealt with on this side. But I would like to say a word or two in regard to Mr. Asaf Ali's counter-battery work. He made—he will forgive my saying so—a number of fantastic statements. The first of them was that a quarter of the income of the United Kingdom was derived from India. Now, the annual income of the United Kingdom is £4,000 million or thereabouts and a quarter of that is £1,000 million and the annual remittance from India to the United Kingdom is in the order of Rs. 50 crores or £37½ millions, so that Mr. Asaf Ali's arithmetic amounts to saying that £37½ million is equal to £1,000 million. I think most of his other statements were in keeping though not possibly of such a gross character. As regards his figure of thirty crores, I have studied carefully both before and after this debate the Defence Estimates and I cannot find a single one of the figures he used in them. I will say without fear of contradiction that my figure, the figure I gave the other day of the amount that would be saved by the replacement of British troops by Indian troops, which was of the order of 7½ crores, is much more nearly the correct figure. Many of the things which Mr. Asaf Ali mentioned have been allowed for in that estimate but, perhaps, I ought to say a word about pensions. Mr. Asaf Ali produced from page 4 of the estimates a non-effective total of 11 crores.

Mr. M. Asaf Ali : I rise to a point of personal explanation. I did not say that the non-effective charges were eleven crores. I said that eleven crores and 21 lakhs was the total paid in England, of which four crores 57 lakhs was non-effective.

The Honourable Sir James Grigg : But the amounts paid in England have no necessary relation to the cost of British troops because some of the stores attributable to the Indian portion of the estimates are purchased in England so that the figures paid in England merely refer to the sterling expenditure as opposed to the rupee expenditure. They do not necessarily mean and they do not mean expenditure on the British troops of the army.

Let me now come back to pensions. Of the non-effective charges shown there, something over $7\frac{1}{2}$ crores—I think about $7\frac{1}{2}$ crores are in respect of pensions and retiring gratuities. Of that figure of $7\frac{1}{2}$ crores, three crores entirely relate to the Indian personnel of the Indian army. Three crores relate to the retired British officers of the Indian army and $1\frac{1}{2}$ crores refer to the British personnel of the British army, so that taking the part of the non-effective charges which is attributable to the British personnel in India, that comes to $4\frac{1}{2}$ crores. But that represents practically entirely an accrued liability in respect of past services and if you decided by a stroke of the pen to replace tomorrow the whole of the British personnel in India by Indians, not one pie of that $4\frac{1}{2}$ crores would be saved. It is an accrued liability, a contractual liability which has already accrued.

Mr. S. Satyamurti : They also die.

Mr. N. M. Joshi : How long will it last ?

The Honourable Sir James Grigg : I am not such a donkey as to try to get away with some of the arithmetical fallacies I have heard put forward in this House and I am coming to that. I say that for the best part of 20 years or so, no substitution will save more than a small part of this $4\frac{1}{2}$ crores. Similarly, supposing you decided to save by substitution the $7\frac{1}{2}$ crores which the Defence Secretary referred to as the active charges, it would be necessary to train Indian personnel to replace the British and that could not be done, except after a period of years, so that, even if you add this quite legitimate $7\frac{1}{2}$ crores to $4\frac{1}{2}$ and decided upon immediate substitution, a saving of the figure of about 12 crores would only accrue at the end of a very long period of years and even on that showing, which as I say is arithmetically unsound, but I put it in that way so as to state the case for Mr. Asaf Ali at its highest, even on that basis the figure of saving by the replacement of British troops by Indian is about half of what he says. But this again, Sir, if the House will forgive me for saying so, is really rather an academic question because the Defence Secretary said there can be—the House must. I am afraid take this as a decision of the Government—no substitution of the kind that the Opposition has been asking for. Similarly, as the Army Secretary has pointed out, it would be idle. It would be more than that, it would be dishonest to try and mislead the House into thinking that there is any serious scope for further economy on defence expenditure in India, in the present circumstances. I noticed during the course of the debate that outside the Congress Party, there seems to be a general feeling of the House—if I understood aright the speeches

of my Honourable friends, Mr. Ghiasuddin, Mr. Ramsay Scott and Dr. Ziauddin Ahmad, they all seemed to me to give expression to the opinion, that it would be folly to leave India less well-defended than she is now with the present condition of the world. I have digressed and said more about army expenditure than I intended to after the speech of the Army Secretary but perhaps I might deal here with one more point which I think was raised by the speaker on behalf of the Independent Party. He referred to the Garra award. On that, if I might be forgiven for quoting one of my own speeches in the other place when the same question was raised, I said :

“ My recollection is—the House can correct me if I am wrong—that the late Commander-in-Chief expressed his sympathy with that claim and assured the House—I am speaking from recollection, but I think I have got the sense of what he said.....

“ The Honourable the President : You are quite right. He gave that assurance.

“ He assured the House that Government will lose no opportunity in advocating that claim.”

But I said then and in the interest of candour I must repeat now, I am afraid that it is not a very favourable opportunity, it is not an opportunity which offers very much prospect of success to approach the British Government at a time when they have trebled their armament expenditure and incidentally while I am on that point, I think it would be found that the ratio of Defence expenditure to public revenue in England is now very much the same, if not more, than the ratio of Indian defence expenditure to public revenue taking the Central and the Provincial revenues together which you must do in order to get a fair percentage. But this is another digression for which I apologise. I do not think that at a time when Great Britain has trebled her armaments expenditure, when she has found it necessary to borrow, I think, something like 80 million sterling in this year for armament expenditure, this cannot be regarded as a time when we, here—to put it as an understatement—could be certain of success if we advance that claim at the present moment. This is as I say a digression commenting on the items of defence expenditure which total 47 crores.

I will now go on to deal with the civil items. The cost of the Crown Representative's Department is $1\frac{1}{2}$ crores. We come now to a group of items of the same general character, namely : interest, 14 crores, pensions $2\frac{1}{2}$ crores, grants to Provinces $3\frac{1}{2}$ crores. Now, of the interest payment of 14 crores, something over three crores is attributable to the debts to the Provinces which we remitted under the Niemeyer settlement so that I imagine that even from the party opposite there is no suggestion that we should save the money on that six or seven crores which is charged to the Central Budget because of the amounts we have to pay to or remit in favour of the Provinces. Now on these heads the only other ways of saving are as follows. In the first place, as far as interest charges are concerned, you can undertake conversion to a lower rate of interests as opportunity offers. In the main the opportunity of effecting savings on conversion only offers when there are maturities, so that this must be a very slow and cautious process. Incidentally, in the non-productive part of the debt alone, we have saved $3\frac{1}{2}$ crores a year since 1929. There is another method of saving on interest which I only mention to reject, and I imagine that now that the party opposite has a more direct concern with

[Sir James Grigg.]

the government of the country they also will reject it ; and that is of repudiation. I then come to the pension item of 2½ crores a year. Here again, this is a contractual payment and the only way of saving money on that is to repudiate your contractual obligations ; and Government rule that out and I imagine the party opposite would rule that out, particularly as the main damage of repudiation would be to Indians and not to Europeans.

Now, Sir, I come to another group of services. The first of that group I may call the minor self-supporting commercial undertakings, and by that I mean Lighthouses and Mint and so on ; and on that we spend ½ crores. Quite obviously, any economies on that group would have to be passed on to the public, as these are self-supporting commercial services and they are not designed to make a profit.

The next group are the centrally administered areas. They cost 1½ crores and they produce ½ crores on the other side. Naturally any economies achieved in the expenditure in this field the inhabitants in the centrally administered areas would expect to be passed on to them and not to the big Provinces. The next group, which is a much bigger one, relates to the scientific and development activities of the Government of India. I will mention the main ones,—Meteorology, Archaeology, Education, Public Health, Agriculture, Broadcasting. I think I can say without fear of contradiction that the pressure of this Assembly is to increase expenditure on this group and not to diminish it ; and, therefore, I do not suppose the House will stand for any economy in that item. Now I have reached a total of 73½ crores out of 83. There are left 9½ crores ; and, if the House will bear with me I will go through the main items in that. The first one is Audit, which costs a crore. My recollection of the proceedings of the Public Accounts Committee for the last three years is that the general demand of Indians is not that the Audit Department should be curtailed but that it should be widely extended ; so that we rule that out from the field of economy. The next item is Civil Works....

Prof. N. G. Ranga (Guntur *cum* Nellore : Non-Muhammadan Rural) : That is a bad item.

The Honourable Sir James Grigg : Yes, very bad ; 1½ crores of it goes straight to the Provinces for roads. (Laughter.) Another item is the collection of revenue, which costs 3½ crores. Now, I say without any fear of contradiction that so far from being excessive, the amount of money spent on the collection of revenue has been too small, and that is the reason why evasion and smuggling has been so rife in India in the last few years. And for my own part I certainly intend to spend more money on the collection of revenue, and I am quite certain it will be a remunerative expenditure.

Now, Sir, I have disposed of all but 2½ crores of the Central Budget ; and I challenge Honourable Members opposite to pick out from those items subjects which are really practicable objects for the economy which will enable enormous sums immediately to be released for the Provinces.

Mr. Sri Prakasa : Yourself is one. (Laughter.)

The Honourable Sir James Grigg : I am coming to that. (Laughter.) I expected that and it came at the right moment.

I was going to say that this has not quite disposed of the question until I have disposed of the question of pay. You may retort to me, as I think the intention of Mr. Sri Prakasa was, " Yes, do not cut down these services but cut down the pay of those performing them ". That, I think, is the argument. The total pay bill of the Government of India, leaving out of account the Posts and Telegraphs Department and the Crown Representative, is eight crores.

Seth Govind Das (Central Provinces Hindi Divisions : Non-Muhammadan) : Reduce that by half.

The Honourable Sir James Grigg : I will come to that too. That can be divided up into the following categories. What in our official jargon we call the ministerial staff accounts for 5½ crores ; the pay of officers (voted), 1½ crores, and officers (non-voted) 1½ crores. Now, of course the main attack,—I know it perfectly well and it is very appropriate that Mr. Sri Prakasa should have raised it this afternoon,—the main attack is of course on the European.

Mr. S. Satyamurti : And on the Indians who draw fat salaries. Do not mislead the House, and do not make it racial.

The Honourable Sir James Grigg : Most of the Europeans fall in the last class. The total of the pay of Europeans employed by the Government of India is 1½ crores. Supposing you replace those by Indians, you are not going to save very much for the Provinces on that. And however you indulge your anti-British predilections you will get a very small contribution to the Provinces out of cutting the pay of British officials in India. If you want to save money on pay you have got to cut down the Indian staff ; and the main contribution to any saving that you produce must be from the lower paid staff. And leaving out of account the safeguards and commitments of the Government of India Act, I imagine that very few of the people opposite would suggest that we should cut the pay of existing Government servants when the Provincial Governments have left them uncut.

Sir, I think I have conclusively shown that in the sphere of economy there is no very great hope of releasing large sums for the Provinces and that in any case the sums mentioned by Mr. Asaf Ali are fantastic, as I said before.

But, Sir, I do not want to end this note of negation. I do not want to remind the party opposite, even by example, of the fact that in three years we have had very little but blank, unconstructive and unreasonable criticism ; and I propose to make some constructive suggestions. (Hear, hear.) In a word, my plea is that the Opposition should turn their attention to the revenue side of the budget and by this I am not..... (interruptions). May I be allowed, Sir, to continue without interruptions ?

Mr. President (The Honourable Sir Abdur Rahim) : I think the Honourable the Finance Member should be allowed to go on with his speech without constant interruptions.

The Honourable Sir James Grigg : and by this I am not referring to the Provincial Budgets or to the fact that Provincial finance ministers are being widely advised not to throw away, too lightly, remunerative sources of revenue. I am thinking only about my own sphere. First let us take the railways, which on present indications and in the absence of any set-back during the remainder of this year are likely to provide something—and I hope something substantial—for distribution to the Provinces in this very year. Clearly, in the first five years of Provincial Autonomy directly, and in the later years indirectly—for as the House knows the Governor General has a suspensory power in the allocation of revenue—the Provinces will gain substantially if railways can be made more and more prosperous. What is the attitude of the party opposite towards the railways? They have, opposed and, it would appear, have every intention of hamstringing the Ticketless Travellers Bill. Next, they have, for no very easily ascertainable reason, displayed the strongest possible opposition to the Motor Vehicles Bill. Indeed, on the question of road versus rail, they have favoured and indeed almost virulently supported the road interests as against the railways, and have crabbed all the efforts of Government to produce co-ordination which is so necessary to protect the railway revenues. I will come to another subject on the revenue side—income-tax. Here the Provinces have virtually an eight-anna interest in the yield of income-tax. Certain experts from Somerset House have made suggestions for improving the present collections of income-tax. Their suggestions include both administrative improvements and provisions for strengthening the law against avoidance and evasion. At the same time, they have not neglected to make recommendations which tell in favour of the taxpayer where they think the law deals hardly with him. If their recommendations are adopted in full, I have very little doubt that they will produce from two to three crores of extra income-tax every year; some people have even put the figure at double that amount. We have consulted Indian opinion on the report, and although there are still some opinions to come in, it is quite clear what the predominant tendency will be. Any recommendation which tells in favour of the rich taxpayer is warmly commended. Any recommendation which is designed to shift the balance of taxation further from the poor on to the rich or to make it more difficult for the rich to evade the manifest intention of the law is strongly opposed, unless it is one which bears on British interest alone, in which case it is almost feverishly praised. (Laughter.) I am under obligation to produce a Bill on this subject. What line is the party opposite going to take about it? I wish I could be certain of their wholehearted co-operation. Already I have been extremely disturbed, if I may say so, at the fact that Mr. Satyamurti has given a declaration of his intention that there will be no co-operation unless the Bill is made a Bill of pains and penalties upon British officers and British interests.....

Mr. S. Satyamurti : Also.

The Honourable Sir James Grigg : Powerful interests will be at work to influence this Legislature in the direction of making the Bill completely innocuous to themselves. What in these circumstances are the Opposition going to do? They will not of course, if I may hazard

a guess, do anything in the nature of a direct frontal attack against it; if he will allow me to say so, my Honourable friend, Mr. Desai, is much too clever for that. He will accept the principle of nearly everything that I want to do; but I think he will say: "Yes, but this clause goes too far: you are hitting people whom you ought not to hit and you must insert some safeguards against abuses and so on." I am only speaking of clauses which affect adversely Indian interests. And altogether I would wager a shade of odds that when the Bill leaves this House it will be a Loss of Revenue Bill, that it will lighten the burdens on the rich and that it will diminish the money which goes to the Provinces under the Niemeyer Award. Parenthetically I may add that if the report is adopted—I am speaking from memory—two-thirds of the total number of taxpayers and those at the lower end of the scale will be less taxed; while the remaining one-third will pay more, in some cases a great deal more.....

Mr. S. Satyamurti : We shall support it then.

The Honourable Sir James Grigg : I hope my forecast is a wrong one. But in any case it seems to me that the Income-tax Bill which I am to introduce will provide an acid test of the sincerity of Members opposite in their professed policy of shifting the burden from the poor on to the rich and of their desire to make money available for nation-building in the Provinces. I may mention here in passing one small item on which I suggest the party opposite might reconsider their attitude. In each of the last three years, an amendment in favour of the half-anna postcard has been carried against the Government and I have been accused of being a brutal and unsympathetic autocrat or bureaucrat, whichever you like, because I have had to take steps to neutralise the verdict of the Assembly. Now, there is no doubt whatever that that amendment would produce an infinitesimal benefit to any member or family among the poorer classes. It is equally indubitable that it would cost 50 or 60 lakhs a year and reduce to that extent the power of the Central Government to make grants to the Provinces.

I come now to my King Charles' head—industrial protection. The party opposite was, and to the best of my belief, still is a party of prohibitive industrial protection. (*Some Honourable Members :* "Oh! Oh!") There is no doubt whatever that protection benefits almost entirely a few rich industrialists.

An Honourable Member : Why not tax them?

The Honourable Sir James Grigg : I will come to that. There is no doubt that the cost of it is borne in the main by the consumer, and in India as I have repeatedly said—I am afraid to the annoyance of the party opposite—the consumer is almost entirely a very poor person indeed. But I do not want on this occasion to placard my Honourable friend, Mr. Satyamurti or my Honourable and learned and somewhat voluble friend, Prof. Ranga, as the bulwarks of the rich. I want to confine myself to the revenue aspects of protection. It is clear that high protection destroys customs revenue rapidly and irrevocably, and that the revenue destroyed can only be replaced from within after considerable delay and loss of revenue, from excise or income-tax. I need only give one example and the House will excuse me for harping on this,

[Sir James Grigg.]

but it is a very relevant one. That example is sugar. In the peak year the customs revenue from sugar was roughly 11 crores. This year we expect from the excise duty something under four crores; and up to now we have never got more than 28 lakhs in income-tax from the sugar companies in any one year. The subtraction can be done for yourself: the loss of revenue is seven crores; and with seven crores it will be possible to do a great deal for the Provinces. But, Sir, my object, as I said before, is not to score points against the party opposite, in spite of the laughter of the Leader of the Opposition. I ask the party opposite to believe it is a sincere one,—my object is to plead for a new attitude on their part. In the Provinces the new regime is beginning. By universal consent for English officers, whom some of you, at any rate, have been vilifying for a great many years, are co-operating to the utmost of their capacity with Indians upon whom the Government of India Act has placed the burden of ministerial responsibility. The co-operation in the Provinces is not going to get very far if you have got non-co-operation at the Centre.

Some Honourable Members: You are responsible for it. Change your heart.

The Honourable Sir James Grigg: Co-operation in the Provinces is not going to get very far if there is non-co-operation, mistrust and abuse. Personally, I do not mind the abuse, as long as the other two are absent, and if I may say so, co-operation at the Centre means dropping your negative criticism, dropping all your efforts to prove that if only the British were not so selfish the expenditure could be cut down by some preposterous figure, and, as I said, if you drop all that, and combine with us in our efforts to strengthen the Central revenue system, I have very little doubt that not only will the Provinces get appreciable sums immediately under the Niemeyer Award, but they will also get, in the near future, sums under that award very substantially greater than they would otherwise do, and apart from the award altogether, a full response to the appeal which I have ventured to address the Opposition must mean that, if not I, at any rate, my successors will be in a position to allocate sums to the Provinces over and above our strict legal obligations.

Sir, I have done. I claim to have shown a far better way of benefiting the Provinces than that adumbrated in the Resolution. I am afraid that my appeal will fall on deaf ears (Laughter) or has fallen on deaf ears. I hope it has not, and if it has not, Honourable Members can best demonstrate the fact, and show the sincerity of their desire to help the Provinces by withdrawing the motion which they have put forward. (Applause from Official Benches.)

Mr. S. Satyamurti: Mr. President, my Honourable friend, the Finance Member's sojourn in his own country has made him fuller not only physically but mentally as well, because he indulged in a series of cheap jokes at the expense of the Opposition, in answer to a serious Resolution put forward seriously in a spirit of 'trying to help this Government to help the Provinces'. Sir, he made a very elaborate attack on some of the speeches made before he rose, and, particularly, he attacked my friend, the Secretary of the Congress Party, on some of the figures he produced. Then, Sir, he, after analysing all those figures, admitted himself that

they could save at least ten crores by the substitution of Indian troops for British troops. If that is so, may I ask him to produce those ten crores by agreeing to substitute all British troops by Indian troops? He talked of the acid test of the sincerity of the Opposition. This is the acid test of the sincerity of the Government of India in trying to work, as they call it, the Government of India Act. I ask them to do it. I speak no longer as an irresponsible member of an irresponsible Opposition. Just at this moment, we are governing seven of the eleven Provinces of India, and soon we shall be governing two or three more; and, surely it does seem to me, that the Finance Member of the Government of India should read the Resolution which we have tabled, with a little more seriousness than he has attempted to introduce into it.

He referred, Sir, to Mr. Asaf Ali's charge that one-fourth of the income of Great Britain is derived from India. I believe it was Lord Brentford, one of the frankest of Britishers, who admitted in a public speech that every fifth man in Britain lives on India.....

The Honourable Sir James Grigg: I don't accept him as evidence.

Mr. S. Satyamurti: You will not accept any evidence which is against you. My Honourable friend, the Leader of my Party, reminds me that Mr. Winston Churchill also said the same thing. And now, my friend tells us: 'how ungrateful are you people,—we Britishers are here, God's chosen on earth, we are spending crores of rupees on you for your defence, and yet you are ungrateful'. I ask these friends to have some sense of proportion, some sense of humour. Do you honestly believe that your countrymen are spending money on my country for nothing? You are doing it, because it pays you to do so. You want to exploit my country, you get crores and crores out of my country; and if you come and tell me that you are doing it out of benevolence of your heart, I do suggest that, in carrying on these discussions some more regard may be had to truth and less to fiction.

Then, Sir, my Honourable friend gave an elaborate analysis of all the expenses of the Central Government, including Lighthouses. I admire him for his cleverness in trying to confuse the issue, by something so meticulous and so careful as analysing all this expenditure. I draw one inference from it, and I want him to draw the same inference. You cannot save on Central expenditure, except by cutting down the defence expenditure. That is the basis of this Resolution,—and we say "particularly in the army expenditure". My friend repeated,—he always does,—and his co-Indian Members sit there helpless,—"on behalf of the Government, I assure you that there can be no substitution of British by Indian troops". The Indian Members dare not speak. But, may I ask them, if they think they are good enough to govern this country, along with their esteemed colleagues,—to answer—'Why are you parties to this'? Will you get up and answer this, or will you remain silent? Have you no sense of honour, have you no sense of self-respect, that you should sit here quietly, and that a Britisher should get up and say on behalf of the Government, of which three Members are Indians,—'There can be no substitution of British troops by Indians'? Did you vote against it? No! But then it does seem to me that this nakedly exposes the tragedy of the present situation. His Excellency the Commander-in-Chief said in the other place last year, that every Local Government whom

[Mr. S. Satyamurti.]

they had consulted protested against the reduction of British troops, because they wanted them for internal security. Sir, I am here to say on behalf of the seven Provincial Governments that we do not want the British troops for internal security. Will you be fair? Will you consult these Local Governments now? The other day, I asked you a question, and in answer my friend, the Army Secretary, replied with that military manner which he always adopts,—‘No, Sir, I won’t consult the Local Governments’. Why don’t you be honest? Follow your own Commander-in-Chief, and consult the Local Governments, as to whether they want these British troops or not. And to suggest that you alone can defend India and we cannot defend ourselves is sheer nonsense. Get out of this country. I know how to defend myself. And may I say this to England? You have no friends in the world. We have no enemies. We can make peace with many friends. We have no territorial ambitions. We have no desire for a war with other people; we can make peaceful alliances with Afghanistan, with Russia, with Persia, with Turkey, with China,—and with them, we will defy you. It seems to me, therefore, that this stunt, that you cannot reduce the British army, is not going to hold water any longer. You will soon hear from the Provincial Governments, and they will tell you that they don’t want any more of these British troops. I thought the Honourable the Finance Member might grow softer, but he is a racist in politics; he looks at every question from a British point of view, and when we ask for reduction of salaries, he must misread us or misrepresent us and say that we want the British salaries to be reduced. Does he not know that we have set an example? Today, Sir, the Indian Ministers in the seven Provinces are drawing Rs. 500 per month (Applause from Congress Party Benches), whereas the servants of our country are drawing Rs. 3,000, Rs. 4,000 and Rs. 5,000. I do suggest to the Honourable the Finance Member that it is easy to get the cheap laughter of a few European and Indian Colleagues on that side of the House who are highly paid, but a problem like this is met by statesmanship, and not by cheap buffoon-like methods. There is no racism in this at all. We stand for the reduction of salaries all round, British and Indian. The Congress makes no difference between British and Indian. On the other hand, we shall set an example and make you ashamed of yourselves, if any sense of honour is left in you, that you should draw very huge salaries, when we do much more responsible work than you do and draw much less.

Mr. Sri Prakasa : And having larger families also! (Laughter.)

Mr. S. Satyamurti : The Honourable the Finance Member, after having conclusively proved to himself that there can be no saving on the expenditure side, wanted us to co-operate with him in increasing the revenues. I will accept that invitation, when I have got power to control the expenditure of this country. It was the great Kalidasa who wrote :

“*Prajanameva bhutiyartham sa tabhyo balima grahit*”.

We believe in collecting taxes, only for the welfare of the taxed. You believe in collecting taxes for your own welfare. Until our angles of vision change and we both can sit at a round table with a view to take from our people just enough and no more for serving their vital needs, we will not be party to your taxing our people, so that you may walk

away with the best part of it. Of our attitude to the railways the Honourable Sir James Grigg was frankly contemptuous. Do you know why we rejected the Ticketless Travel Bill? Consult any decent lawyer, and he will tell you that that Bill is not worth looking at. As for the Motor Vehicles Bill and road-rail competition, this House will accept a Resolution under which we are in favour of an all-India Transport Board to deal with this whole question. On the income-tax, I can only speak for myself just now, but I believe I speak for the Congress Party, that if the sole and honest object of your Bill is to tax the rich people, Britishers and Indians, and you get the Government of India Act amended, so that when you go on a holiday to your country your salary may not be exempt from income-tax, or your pensions may not be so exempt, and you get that honest amendment of the Government of India Act, to get all monies drawn in Great Britain from the Indian exchequer taxed—I can say, on behalf of my Party, that in any attempt to stop evasion of taxes under the law of the land, in any attempt to make the rich pay more in order to relieve the poor, we shall be more anxious than you are, provided you do not make any racial distinction. I suggest to him, as a parliamentarian of some experience, that it does no good to anticipate and doubt the motives of the Opposition. My Honourable friend is proud of having served as Private Secretary to Lord Snowden and Mr. Winston Churchill, but he may learn something even from us. If he wants to pilot a Bill, let him not start by doubting the *bona fides* of the Opposition. That is the worst way of going about your legislation.

There is one aspect of this Resolution, on which I want to say a word. My Honourable friend publicly prayed in this House, without the aid of the Ecclesiastical Department of the Government of India, that the Congress might accept office in the Provinces. The prayer has been granted, although it came from an unfaithful heart like that of Sir James Grigg, but still that has been granted; and I believe and I can say this that Governors will not be too anxious, after Mahatma Gandhi’s masterly stroke of the negotiations with the Government for three months, to enforce their safeguards. The Congress Ministries are not going to create deadlocks for the sake of creating them. But I will say this to the Honourable the Finance Member that, if Provincial Governments are not able to get money for nation-building departments, take it from me that your so-called Provincial Autonomy will die, Congress ministry or no Congress ministry. Today, the position is. Except probably in one or two Provinces, most of the Provinces have deficit budgets. They are committed to *prohibition*, which means a loss of one-fourth of the Provincial revenues. You may knock your head against it, but Mahatma Gandhi is there, and no Ministry can ignore him. Our land revenue must be adjusted. We can tax the rich more, but I believe that, in spite of all taxation, we can only secure this—that on land revenue we shall not lose. There are no other major departments of taxation open to the Provinces; but I can assure my Honourable friend that with Sir Otto Niemeyer there is Mahatma Gandhi who thinks that the rich in this country are not taxed as much as they ought to be. Therefore, we will explore all that, but ultimately it will come to this, that unless about 12 crores a year are available for use to all the Provinces for necessary inevitable expenditure on nation-building departments, the Ministries cannot make good. You have got to find that money. You can save it, you ought to save it today, on your defence expenditure. Save that money.

[Mr. S. Satyamurti.]

give it to the Provinces, and then if you will call us to an honest conference in which we can pool our resources together and see how we can readjust the Central and Provincial revenues on the basis of a reduction of at least 12 crores of expenditure on the defence services of this country, you will not find us wanting. One word more, and it is this. We heard again and again this morning and again this afternoon, "We are protecting India." What is the India that you are protecting? The hunger, the poverty and the nakedness of the millions of my countrymen? We want India to be protected, but we want every Indian man, woman and child to be well-fed, well-clothed, well-educated, well-looked after, living in decent houses, as you live in your own country. For that purpose, we want that this attempt at protecting India, while impoverishing her, must cease, and that you must cut down your military expenditure, come to our help, and help us to build a free, self-respecting and prosperous India. That is why I ask this House, in spite of the nefarious attempt on the part of the Honourable the Finance Member to divide the Opposition saying that some friends were not for this and some friends were not for that,—in spite of that, I ask every Honourable Member in the name of the starving, naked and hungry millions of this country, who are looking forward to help by the Congress Ministries in the Provinces, to support this Resolution unanimously. (Applause.)

Some Honourable Members : Let the question be now put :

Mr. President (The Honourable Sir Abdur Rahim) : I do not think that there is any other Member who wants to speak.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That this Assembly recommends to the Governor General in Council to take immediate steps to effect all possible economies in the Central expenditure, particularly in the Army expenditure, with a view to making ample contributions to the Provincial Governments according to their needs to enable them to undertake and accelerate the pace of nation-building activities."

The Assembly divided :

AYES—70.

Abdul Ghani, Maulvi Muhammad.
Abdul Qaiyum, Mr.
Aney, Mr. M. S.
Anwar-ul-Azim, Mr. Muhammad.
Asaf Ali, Mr. M.
Ayyangar, Mr. M. Ananthasayanam.
Azhar Ali, Mr. Muhammad.
Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Bhagavan Das, Dr.
Bhagchand Soni, Rai Bahadur Seth.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Chaliha, Mr. Kuladhar.
Chattopadhyaya, Mr. Amarendra Nath.
Chaudhury, Mr. Brojendra Narayan.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Vencatachelam.
Chunder, Mr. N. C.

Das, Mr. B.
Das, Pandit Nilakantha.
Datta, Mr. Akhil Chandra.
Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
DeSouza, Dr. F. X.
Essak Sait, Mr. H. A. Sathar H.
Gadgil, Mr. N. V.
Ghiasuddin, Mr. M.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.
Hosmani, Mr. S. K.
Ismail Khan, Haji Chaudhury Muhammad.
Jedhe, Mr. K. M.
Jinnah, Mr. M. A.

AYES—contd.

Jogendra Singh, Sirdar.
Joseph, Mr. George.
Joshi, Mr. N. M.
Kailash Behari Lal, Babu.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navalrai, Mr.
Laljee, Mr. Husenbhai Abdullabhai.
Maitra, Pandit Lakshmi Kanta.
Mangal Singh, Sardar.
Mitra, Pandit Shambhu Dayal.
Mudaliar, Mr. C. N. Muthuranga.
Muhammad Ahmad Kazmi, Qazi.
Murtuza Sahib Bahadur, Maulvi Syed.
Paliwal, Pandit Sri Krishna Dutta.
Pande, Mr. Badri Dutt.
Parma Nand, Bhai.
Raghubir Narayan Singh, Choudhri.
Ramayan Prasad, Mr.

Ranga, Prof. N. G.
Rao, Mr. Thirumala.
Saksena, Mr. Mohan Lal.
Sant Singh, Sardar.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sham Lal, Mr.
Shaukat Ali, Maulana.
Sheodass Daga, Seth.
Siddique Ali Khan, Khan Sahib Nawab.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.
Som, Mr. Surya Kumar.
Sri Prakasa, Mr.
Umar Aly Shah, Mr.
Varma, Mr. B. B.
Vissanji, Mr. Mathuradas.

NOES—51.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Aikman, Mr. A.
Buss, Mr. L. C.
Chanda, Mr. A. K.
Chapman-Mortimer, Mr. T.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Fazl-i-Haq Piracha, Khan Bahadur Shaikh.
Fazl-i-Ilahi, Khan Sahib Shaikh.
Ghuznavi, Sir Abdul Halim.
Gidney, Mr. C. W. A.
Griffiths, Mr. P. J.
Grigg, The Honourable Sir James.
Hight, Mr. J. C.
Hudson, Sir Leslie.
Hydari, Mr. M. S. A.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lang, Mr. J. C.
Lloyd, Mr. A. H.
Mackeown, Mr. J. A.
Manavedan Raja, Rao Bahadur K. C.
Mani, Mr. R. S.

Mehta, Mr. S. L.
Mudie, Mr. R. F.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Parsons, Lieut.-Colonel A. E. B.
Purssell, Mr. R. S.
Rahman, Lieut.-Colonel M. A.
Roy, Mr. S. N.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Shahban, Mr. Ghulam Kadir Muhammad.
Sheehy, Mr. J. F.
Sher Muhammad Khan, Captain Sardar Sir.
Sikandar Ali Choudhury, Maulvi.
Sircar, The Honourable Sir Nripendra.
Sivaram, Rao Sahib N.
Slade, Mr. M.
Spence, Mr. G. H.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sultan Ahmad, the Honourable Sir Saiyid.
Thorne, Mr. J. A.
Yakub, Sir Muhammad.
Ziauddin Ahmad, Dr.

The motion was adopted.

RESOLUTION RE APPOINTMENT OF QUALIFIED INDIAN CADETS BY BRITISH NAVIGATION COMPANIES.

Mr. President (The Honourable Sir Abdur Rahim) : I understand that Mr. Abdul Qaiyum and Mr. Samuel Aaron do not wish to move the Resolutions standing in their names. So, I would ask Sir Muhammad Yakub to move his Resolution No. 5, I will sit late, so that Sir Muhammad Yakub may not only move his Resolution, but finish his speech.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : Mr. President, I am extremely obliged to you for the concession which you have given me in allowing me to move this Resolution this afternoon. I beg to move the following Resolution which stands in my name :

" That this Assembly recommends to the Governor General in Council to introduce, at a very early date, legislative measures in order to compel the British Navigation Companies to take qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers on their ships."

Mr. President, without making any preliminary remarks, I will start with my arguments on the Resolution. The House knows that the I. M. M. T. S. "Dufferin" was started as a result of the report of the Mercantile Marine Committee. One of the terms of reference to the Indian Mercantile Marine Committee appointed by the Government of India on the 3rd of February, 1923, was that they should consider what measures could usefully be taken "for the establishment of a Nautical College in Indian waters for the purpose of training Executive Officers and Engineers of ships".

The Committee recommended that a Training Ship should be established in Indian waters and should be in the form of a Floating Establishment and that it should be maintained by the Government. The Committee inquired by a circular letter addressed to the Managing Agents of the British India Steam Navigation Co., the Asiatic Steam Navigation Co., the Scindia Steam Navigation Co., and the Mogul Line whether they would be prepared to accept for training on board their steamers a certain number of Indians as apprentices from the Training Ship to be established in Indian waters and employ them when they were duly qualified as Officers on board their ships, provided they proved efficient and satisfactory as apprentices and successfully passed their Board of Trade qualifying examinations as Mates and Masters. The Committee received a reply in the affirmative from the Shipping Companies named above both as regards their taking these cadets as apprentices for giving them training and for employing them as Officers when they were duly qualified. The point to be noted and emphasised is that the crux of the whole problem for the creation of an Indian personnel for the sea service was the opportunities that would be available for these cadets for employment as Officers. The Indian Mercantile Marine Committee realised that from the very start and obtained an assurance in writing from the Companies named above that they would give training to these cadets as apprentices and later on employ them as Officers when they were duly qualified. The following observations of the Committee on the point deserve to be carefully noted :

" While appreciating the readiness expressed by the existing lines to take Indian apprentices and to employ them as Officers after they have been fully trained, we have come to the conclusion, after careful consideration, that the success of the scheme we are proposing for the training and future employment of Indian lads so trained should not be left to chance or the good will of Shipping Companies. We are, therefore, providing in our recommendations for the coastal trade that before a license is granted to any company an undertaking must be given that apprentices will be taken to the extent of at least two per ship, subject to a maximum of 60 for any one company, and that Indian officers and engineers as they become eligible will be employed up to the extent of 50 per cent. of the total number of Officers and Engineers employed. In this way it is hoped in course of time to bring about the complete Indianisation of the superior personnel on the coastal Mercantile Marine."

Even the Indian Mercantile Marine Committee realised that the question of the future employment should not be left to chance or the good will of Shipping Companies. They thought that the compulsory employment of the Officers was necessary to make the scheme for the creation of an Indian personnel in the sea service under the existing circumstances quite successful.

It was in 1925 that the Legislative Assembly adopted a Resolution for the establishment of a Training Ship in Indian waters and it was in 1927 that the Training Ship was established in the Harbour of Bombay.

The question as regards the prospects of employment was exercising the serious thought of all concerned and Lord Irwin made the following appeal in his speech at the Annual Session of the Associated Chambers of Commerce at Cawnpore on the 6th December, 1926 :

" Of equal importance to Indian shipping is the question of its personnel. (There has for some time been a very natural desire on the part of Indians to take a greater part in the transport systems of their country. The Government has accordingly decided to establish a Training Ship at Karachi next year, and the Board of Trade have agreed to recognise the course, on the same footing as the Nautical Colleges in England, for the purposes of certificates of competency.) It is, however, no use training Indians in this way unless they have a career open to them. I hope, therefore, that British shipping companies will co-operate to make the training ship a success by giving fair opportunity of employment to Indian cadets."

It was Lord Irwin who himself realised, as indicated in the above observation, that it was no use training Indians unless they had a career open to them. Thus the question of employment was of fundamental importance for making the scheme a success.

The members of the Governing Body realised the importance of the question of employment from its very preliminary meeting and the views which they expressed on the subject made the Government of India revise their draft notice and delete the following objectionable clause therefrom :

" It must, however, be clearly understood that Government cannot guarantee that Steamship Companies will be able to take as apprentices all the cadets who have successfully completed their training on the Training Ship, or that appointments will be found for them on completion of their sea service as apprentices."

Moreover, Sir Purshotamdas Thakurdas, who was carrying on conversation at Simla on the subject of employment, was definitely assured both by Sir Geoffrey Corbett, the then Commerce Secretary, and by Lord Irwin, the then Viceroy, that the Government of India would not hesitate to take suitable action by law if these cadets did not get employment as Officers when they were duly qualified. It was only after such definite assurances were given that the notice was issued which assured the public that there would be fair prospects for employment for those cadets who were duly qualified and gave satisfaction in all respects.

The Governing Body also obtained assurances from the British India Steam Navigation Company, the Asiatic Steam Navigation Company, the Mogul Line, the Nourse Line and the Scindia Steam Navigation Company that they would employ duly qualified cadets of the Training Ship as Officers on their vessels. The Peninsular and Oriental Company, which has been enjoying very large patronage both from the people and

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the Government of India, made it clear that they would not employ duly qualified cadets of the Training Ship as Officers on their vessels. In their letter marked Private, dated the 3rd October, 1929, they wrote :

"The boys and their parents should both clearly understand that when the apprenticeship is finished this Company's responsibility entirely ceases and there is no promise of further employment."

Later on, they made it definitely clear that they would not employ these cadets as Officers. This point deserves to be carefully noted, since the Peninsular and Oriental Company has been enjoying large patronage both from the people and the Government of India and consequently the Governing Body at their meeting in April, 1935, requested the Government of India to use all their influence with that Company to take duly qualified cadets of the Training Ship as Officers on their vessels.

The Mercantile Marine Committee, Lord Irwin as representing the Government of India and the Governing Body were seriously alive from the very start to the fact that unless reasonable chances for employment as Officers were secured for the duly qualified cadets of the Training Ship, the scheme would not be successful and an Indian personnel for the sea service would not come into existence.

It was because this aspect was considered as of supreme importance that Lord Irwin again in 1928 made the following observation at the Annual Session of the Associated Chambers of Commerce at Calcutta :

"On the same occasion I spoke of a question of vital concern to Indian shipping, the question of its *personnel*, and the natural desire on the part of Indians to take a greater part in the transport systems of their country. To help to meet this claim, the 'Dufferin' Training Ship was established, and I should like to acknowledge the assistance of British shipping companies in helping to start the ship and the interest that their representatives take as members of the Governing Body. It is also a cause for great satisfaction that shipping companies should have shown themselves willing to take 'Dufferin' cadets as apprentices, and I earnestly trust that Indian cadets will prove their capacity and will eventually find employment by companies which have given them their apprentice training."

In 1929 Sir George Rainy as Commerce Member conveyed the assurances to the Members of the Indian Legislature on the same subject and stated :

"While anxious to avoid giving the impression that employment is assured to every passed apprentice, Government desire to emphasise the opportunities of employment which exist for those apprentices who give satisfaction."

and what the members of the Governing Body and the public are now pointing out to the Government of India is that the opportunities of employment which the Government of India emphasised do not exist inasmuch as the Peninsular and Oriental Company have refused to employ these cadets as Officers and the British India have only taken four and have given the Governing Body to understand that they would not be able to implement their undertaking and the Asiatic Company and the Mogul Line and Nourse Line do not employ these cadets as Officers. It will, therefore, be apparent that the opportunities of employment which were emphasised by the Government of India and on the strength of which the parents sent their boys to this Training Ship

APPOINTMENT OF QUALIFIED INDIAN CADETS BY BRITISH NAVIGATION COMPANIES.

by spending nearly Rs. 5,000 for each boy do not now exist and that is just what the members of the Governing Body and the public want the Government to create by bringing all their influence to bear on the shipping companies who gave their undertaking in the past and which were loudly proclaimed in season and out of season.

The Members of the Legislative Assembly have taken a very keen interest in this subject and have asked questions from time to time in the Legislative Assembly. When they inquired of the Government as to why they were not legislating on the lines of the recommendations of the Indian Mercantile Marine Committee for the compulsory employment of these cadets as Officers, the Government stated :

"They do not consider that the need to give effect to the recommendation of the Indian Mercantile Marine Committee referred to by the Honourable Member had arisen."

It must be noted that they did not say that they would not legislate on those lines, because the Government of India realised that Lord Irwin had given his word to Sir Purshotamdas Thakurdas and the other members of the Governing Body that in case these cadets did not find employment, the Government of India would not hesitate to take action by law. The emergency has arisen now inasmuch as employment will have to be found for nearly 30 cadets as Officers and the British shipping companies have made it clear that they would not be able to take them as Officers. Why should not the Government of India not legislate now on the lines recommended by the Indian Mercantile Marine Committee?

When an inquiry was made in the Legislative Assembly as to why conditions were not attached as regards the training and employment of Indians as Officers on board the steamers of the Companies which were granted mail subsidies, the Honourable Sir Frank Noyce stated :

"Up till now no serious difficulty has been experienced in securing employment for suitable qualified Indian apprentices and officers. Should necessity arise, the suggestion contained in the question will no doubt be considered."

The necessity has arisen. Will Government be now prepared to attach conditions at any rate so far as the steamers getting subsidies are concerned? Why do the Government of India merely adopt the policy of drift, because it is the British shipping companies that are concerned? This very Government of India are ready to issue circulars after circulars asking the people of India to patronise the British shipping companies both as regards travel and as regards the import and export of goods. Why are they then afraid to ask these very British shipping companies, for whose benefit they have been working so hard, to employ these cadets as Officers according to their undertaking in the past? Again only in last March the Commerce Member assured the Members of the Assembly in the following unequivocal words :

"The Government will take steps to impress on all shipping companies, whether British or Indian, engaged in the coastal trade, the importance of employing duly qualified Indian Officers in adequate numbers."

The words "in adequate numbers" deserve to be noted. Can we not ask the Government of India whether the British shipping companies have employed these cadets in adequate numbers. When the British

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India with more than 70 ships on the coast have employed only four cadets as Officers and the Asiatic, the Mogul Line and the Nourse Line have employed none and while the Peninsular and Oriental have refused to employ any, will the Government of India call such a state of affairs as equivalent to the employment of Indian cadets as Officers in adequate numbers? It is true that the British shipping companies have been taking up these cadets as apprentices, but what will these apprentices do, when they obtain their certificates of competency, if these British shipping companies refuse, as they do, to employ them as Officers? Mere training without the prospect of employment will only increase the number of discontented young men remaining out of employment.

The latest position seems to be that out of the 99 cadets who joined the Training Ship in 1927, 1929 and 1930 and who have gone to sea, 15 did not follow the sea career. Of the remaining 84, three joined the River Survey, five took to the Engineering Line, four went to the Royal Indian Navy, one entered the Royal Air Force, seven were taken into the Bengal Pilot Service and one was absorbed by the Calcutta Port Commissioners. Twenty-one cadets thus out of 84 found employment in services other than the service afloat. It would not be possible for shore establishments to absorb so many cadets hereafter every year. Vacancies were advisedly kept open in the Bengal Pilot Service which took seven cadets at a stroke. In future years they would not be able to take more than two per year. Of the remaining 63, 29 are serving as Officers afloat. This leaves a balance of 34. Twenty-four will have completed their sea time by the end of the last year and it will, therefore, be clear that employment will have to be found for 34 cadets as Officers during the current year. This is rather a serious problem to solve. Unless the British shipping companies implement their promise and employ these cadets as Officers on their vessels in adequate numbers, as referred to by the Commerce Member, it would be difficult to secure employment for these cadets, and unless the cadets are employed, the Training Ship would not achieve the object for which it has been started.

The Governing Body has been fully alive to the question of employment. In 1931 a comprehensive inquiry was made and the Governing Body came to the conclusion that the prospects of employment were uncertain. In 1935 the Governing Body realised that the problem of non-employment was becoming serious and appealed to the Government of India to use their influence with the shipping companies to persuade them to employ these cadets as Officers in larger numbers. The Government of India, instead of giving any definite assurance on the subject, suggested certain changes of fundamental nature in the Prospectus. The Governing Body came to the conclusion that no such changes should be made and emphasised that all that the Government of India had said in the past establish the fact very clearly that it was their moral responsibility to see that these cadets did obtain employment as Officers on steamers plying in coastal and adjacent waters. It would be wrong to turn this Training Ship as a public school and to emphasise the public school aspect of education. That was not the intention of the Government of India from the very start, because they themselves stated in

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their resolution No. 238-S. (9), dated the 25th November, 1925, Department of Commerce :

“ It should be borne in mind that the object of the Training Ship is to train boys for a sea career and not to add one more to the educational institutions of the country designed to train boys for ordinary avocations.”

It must be realised that a father who sends his boy to the Training Ship spends on an average nearly Rs. 5,000 during the course of three years that the boy would be undergoing training in the Ship as against Rs. 500 at the most which he would spend if the boy was to receive education on shore. He sends the boy in the faith and hope that he would receive employment in the sea service. It would be cruel to tell him now that he could look upon it as a public school and his boy could follow any other career on shore. The result is that the number of candidates has been falling. In 1935 there were 218 candidates, in 1936 the number fell to 180 and in 1937 to 124 ; and when this change in the prospectus will be known to the Public, I think the number will fall still more. This laying of more stress in the public school aspect of education is an afterthought by the Government of India, possibly as they realised that they were quite helpless to persuade the British shipping companies to carry out their undertaking and employ these cadets as Officers. If that was the real reason, the proper remedy is to take suitable action by law, but not to go back upon all their undertaking and make a change in the Prospectus and tell the public that the Training Ship was also a public school for education.

With these remarks, Sir, and thanking you again for the concession you have given me, I move my Resolution.

Mr. President (The Honourable Sir Abdur Rahim) : Resolution moved :

“ That this Assembly recommends to the Governor General in Council to introduce, at a very early date, legislative measures in order to compel the British Navigation Companies to take qualified Indian cadets of the I. M. M. T. S. ‘ Dufferin ’ as officers on their ships.”

The Assembly then adjourned till Eleven of the Clock on Monday, the 6th September, 1937.

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LEGISLATIVE ASSEMBLY.

Monday, 6th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBERS SWORN.

Sir Girja Shankar Bajpai, K.B.E., C.I.E., M.L.A. (Secretary, Department of Education, Health and Lands) ;

Mr. Ghulam Muhammad, M.L.A. (Government of India : Nominated Official) ; and

Mr. Yeshwant Narayan Sukthankar, M.L.A. (Government of India : Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

INDIAN DETENUS IN BURMA.

312. *Mr. S. Satyamurti : Will the Honourable the Home Member be pleased to state :

- (a) how many Indian detenus there are in Burma now ;
- (b) how long they have been there ;
- (c) what the reasons are for which they have been detained ;
and
- (d) whether there is any proposal to release them ; and if not, why not ?

Mr. J. A. Thorne : There are no Indians detained in Burma under the orders of the Government of India. I understand that there were a number detained under orders issued by the Government of Burma : but I have no detailed official information as to the orders passed in respect of these.

Mr. S. Satyamurti : May I take it that Government have examined whether the separation of Burma has not affected the continuance or otherwise of these orders of detention on Indians detained by the order of the Government of Burma ?

Mr. J. A. Thorne : Government have had no occasion to do so, and I think I am right in saying, although I have said that we have no detailed information, that the Burma Government have released the detenus and removed the restrictions as regards the people domiciled in Burma and as regards those who are not domiciled in Burma they decided to retransfer them to their provinces.

(1139)

Mr. S. Satyamurti : May I know if this answer covers all the cases of Indians dealt with under those various orders ?

Mr. J. A. Thorne : I believe so.

Mr. T. S. Avinashilingam Chettiar : May I know whether they were interned at the instance of the Government of India or the Government of Burma ?

(No reply.)

WITHDRAWAL OF POLITICAL PRISONERS FROM THE ANDAMANS.

313. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- (a) whether the attention of the Government of India has been drawn to the statement of Raizada Hans Raj, recently issued by him, containing his impressions on the Andamans ;
- (b) whether their attention has been particularly drawn to his statement that the conditions under which political prisoners have to live are exceedingly trying, and, in some respects, inhuman ; and
- (c) whether, in view of that statement, the Government of India propose to withdraw all political prisoners from the Andamans, and if not, why not ?

Mr. J. A. Thorne : (a) and (b). I have seen Raizada Hans Raj's statement to the Press.

(c) The question of re-transferring terrorist prisoners to those Provinces which have expressed a desire to have them back is under consideration.

Mr. S. Satyamurti : Have Government examined, or are they examining the question of closing Port Blair as a penal settlement altogether in view of the statement made in clause (b) of the question, based on Raizada Hans Raj's statement ?

Mr. J. A. Thorne : I would ask my Honourable friend to have patience about that : it is a very big question, and I would rather deal with one part of the question at a time.

Mr. S. Satyamurti : Will my impatience be satisfied on the question of the repatriation of these political prisoners who have gone on hunger-strike ? And, may I ask whether the Bengal Government have since made any representation or any statement to the Government of India with regard to the repatriation of the prisoners who have now suspended the hunger-strike ?

Mr. J. A. Thorne : I cannot say that we have had anything very recent, but I understand from what has appeared in the press and has been stated in the Bengal Assembly that the Bengal Government are taking the matter up at a very early date.

Mr. S. Satyamurti : With regard to the prisoners detained in Port Blair from other provinces, may I know, whether the Government of India have come to any decision with regard to those prisoners whose Local Governments have already asked the Government of India to repatriate them to their own provinces ?

Mr. J. A. Thorne : I have said that that is under consideration.

Mr. S. Satyamurti : May I know whether all these questions are going to be decided at the same time, that is to say, after Bengal makes up her mind, or whether the Government of India propose to pass separate orders on the representations of the different Local Governments ?

Mr. J. A. Thorne : I would rather not give a very positive answer to that question today. My Honourable friend will realise that the position is one that needs rather careful consideration and any premature announcement of our attitude might not help.

Mr. S. Satyamurti : I appreciate that ; but, in the consideration of this question, will Government be pleased to take into consideration the statement of these hunger-strikers in answer to Mahatma Gandhi's telegram that they have ceased to have any faith in violence, and they believe in non-violence ?

Mr. J. A. Thorne : That message has received very careful attention.

EXPEDITION TO THE PANJSH TRIBAL AREA FOR THE RECOVERY OF SLAVES.

314. ***Mr. Badri Dutt Pande :** (a) Will the Foreign Secretary state if the Deputy Commissioner of the Naga Hills area in Assam led an expedition to the Panjsh tribal area for the recovery of slaves ?

(b) What was the number of force that accompanied the Deputy Commissioner ?

(c) Were any skirmishes fought between the Government forces and the Nagas ? If so, how many ? What was the number of casualties ? Were any slave traders taken prisoners ?

(d) What was the nature of punishment inflicted on slave traders ?

(e) What has been the total cost of this expedition ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes.

(b) British Officers	3
Indian Officers	4
Indian other ranks	139
Coolies	360

(c) and (d). Attention is invited to the statement given to Press in April last, a copy of which is placed on the table of the House.

(e) Rs. 6,960.

Statement.

India is a party to the Slavery Convention, 1926, and has undertaken to bring about progressively and as soon as possible the complete abolition of slavery in all its forms. It was, however, found necessary to make a reservation in respect of certain outlying and inaccessible areas bordering on Assam and Burma where, it was thought, it would be difficult to implement our undertaking effectively. Recently the Government of India have agreed to the reservation being withdrawn in respect of certain areas including the tribal area east of the Naga Hills district in Assam. As a first step towards the fulfilment of the requirement under the Slavery Convention to bring

about the abolition of slavery in this area, the Government of India, at the request of the Government of Assam, agreed to an expedition, headed by the Deputy Commissioner, Naga Hills, and composed of a column of Assam Rifles. The object of the expedition was to acquaint the headmen of the villages with the determination of Government to suppress the practice of slavery and, if they persisted in an attitude of defiance, to punish them. This action was rendered imperative by the conduct of one of the villages in that area, namely, Pangsha, which, with the assistance of certain other villages, had been raiding and destroying the weaker villages in their neighbourhood and holding their captives as slaves in defiance of warnings from Government. The expedition was a complete success, as will be seen from the following report of the Deputy Commissioner, Naga Hills :

" I left Mokokchung on November 13th with two and a half platoons of the 3rd Assam Rifles under the command of Major Williams, and 360 carriers under the command of Mr. Smith. Dr. von Furer-Haimendorf of Vienna University accompanied the expedition as an anthropologist. On the 19th Panso came in to see me at Chentang and their friendly overtures relieved our anxiety regarding our flank. On the same day there arrived a truculent challenge from Pangsha. On November 20th we reached our advanced base at Chingmei where the loyalty of my old friend Chingmak was of inestimable value. There we found that Pangsha had handed over to him all their slaves but one ; they still defied us to visit them, and I found they had terrorised the whole neighbourhood, threatening to destroy any village which helped us. My first object was to visit Yimpang. They had already returned the only slave they held to Mokokchung when they heard that a column was really coming out, and they had had some reason for raiding Kejuk, who had abetted Tuensang in their treachery—or rather the treachery of Saiyo, a notorious rogue, whom the decent elements in Tuensang now talk of killing for the good of the village. I wished to show Yimpang that when we intended to visit a village we did so, but that we harmed no one with whom we had no quarrel. This I accomplished on November 22nd returning *via* Waoshu a small village which had been dragged into the Saechu raid against their will out of fear of Pangsha. Noklak had sentries watching us from the range to the East of our camp and sent an armed force to move parallel to us on our way to Yimpang ; their men walked into Yimpang as we walked out, and announced that they had been ready in case Yimpang wanted any help.

On the 24th the column, with as few loads as possible, went to Noklak on the way to Pangsha. Noklak were evidently terrified at the thought of offending Pangsha and refused to clear the path for us. Most of it was a narrow, overgrown ledge along a precipitous cliff. Not only was it guarded by " panjis " (bamboo spikes) put there owing to their war with Chingmei, but additional " panjis ", newly sharpened, had been planted for our benefit. In spite of the utmost care one advance scout was spiked right through the foot and one lancenaik and another scout were gashed. It was long before we could get in touch with the Noklak men and when we saw them they were very nervous. Eventually some were persuaded to come forward and talk. I knew that their hostility was due to pressure by Pangsha, and it was important not to have a hostile village behind us when we passed them. I, therefore, promised safety.

On November 25th we proceeded towards Pangsha and camped in the bed of the Langnyu River below the main village. Our route lay along the flanks of the hills on the west bank, Pangsha being on the slopes of the East bank. Soon after passing the Noklak-Pangsha boundary we saw a small, unarmed party of Pangsha men in the distance. Four were induced to come and speak to us, and brought with them a goat and a chicken. They asked whether we would make peace. There was not the slightest doubt as to the only possible answer. To have made peace, turned back, and abandoned the remaining slave at the price of a goat, a fowl and some smooth words would inevitably have been interpreted as a sign of weakness. Friends who had helped us would have been massacred and raids would have continued. I, therefore, told the envoys that I did not believe their statement that they could not produce the slave girl, and that I was going to punish them for their conduct and insults to Government. I then sent them safely away.

By this time a very large armed party was already on the move to cut us off. We saw them crossing the Langnyu valley and outmanoeuvred them by cutting straight down to the river, and moving upstream in open ground. While getting into camp an armed body appeared above us and were dispersed, probably without casualties. Then three men rushed down to get a head from the coolies cutting bamboos. They were fired on and turned back. Two fell, but picked themselves up.

U. S. L. I.

On November 26th we burnt the main village, nearly losing four coolies who straggled against orders. In the afternoon we moved down stream to below the separate Wenshoyi " khel ". Next morning the baggage with one platoon was sent straight back to Noklak, and one platoon with a few scouts and dobashis went up to burn the " khel ". We were very heavily attacked on our way down in a last effort by Pangsha to wipe us out. It was only the skill and coolness of Major Williams and his force that enabled us to make a safe withdrawal to Noklak, without losing a man and after inflicting losses on the enemy, whose ground and cover enabled to charge to within 50 yards before they were stopped.

That evening Chingmei and Noklak made peace, Noklak being no longer in any doubt as to the safer side of the fence. I also fined Noklak for their previous hostility. Ponyo, who may have sent a contingent to help Pangsha, also came to see me. I sent word through them to Pangsha that if they would come and talk to me at Chingmei their envoys would be safe. This they did two days later. They admitted defeat and promised to stop slave-raiding and to return the remaining slave. All three villages swore an oath of friendship and were sent home with presents of salt. Pangsha kept their word and the slave girl was sent for and brought to our camp at Chentang on December 7th and is now safe with her parents.

Ponyo produced a young Chang at my request. He is now a freedman, married in Ponyo and ignorant of a single word of Chang. He is perfectly happy and has no wish to return to Chang relations whom he cannot remember. I, therefore, sent him back to Ponyo at his own request, with an assurance from Ponyo that he is perfectly free to leave the village if he should ever desire to do so. The next task was to deal with Nokhu. We arrived at Panso on December 3rd and were given a great welcome as the conquerors of their sworn foes Pangsha. I got in touch with Nokhu, and representatives of every " morung " came to see me. They confirmed, what I had already heard, that of the three slaves they captured one died, and two were returned to their relations as soon as news came that a column had really started. Enquiries left me no reason to doubt the truth of their statement and it can be accepted. Nokhu said they had no wish to suffer the fate of Pangsha and asked to be regarded as friends.

While at Panso I heard of yet another slave, a child captured by Sanglao from an unknown village called Phang, somewhere on the Assam side of the Patkoi to the South. A Naga messenger from Panso takes a whole day to get there and a whole day to get back. A column from Panso could not have dealt with the village earlier than on the 3rd day. There are no local supplies at all, as no rice is grown, and with the rations we had it was impossible to undertake such a further unexpected extension of our tour. I, therefore, tried to negotiate with Sanglao. This I was able to do indirectly, though not directly, since no messenger from Sanglao ever got beyond the huge rabbit warren of Panso village and had always left by the time we heard he had arrived. The village sent in daos as a sign of friendship and has promised to try and get the child from his owner. Chingmak of Chingmei will continue to emphasise the seriousness of the message I sent that a column would certainly go out and destroy Sanglao if the slave is not handed over. From Panso we returned *via* Chentang and Tuensang to Mokokchung, arriving there on December 13th.

Summary of results.

- (I) All the slaves captured by Yimpang and Pangsha for the recovery of whom the expedition was originally sanctioned have been rescued and restored to relations or friends.
- (II) Steps are being taken to recover the slave held by Sanglao, of whom information was only received when the column was about to return.
- (III) A hitherto unknown Chang slave now at Ponyo was brought in by that village. I satisfied myself that he is free and perfectly happy.
- (IV) By the punishment of Pangsha a reign of terror over a wide area has been ended, at any rate for some time, and possibly permanently."

Mr. Kuladhar Chaliha : Was that expenditure met from the Central Government or the Provincial Government ?

Lieut.-Colonel A. E. B. Parsons : I am afraid I must ask for notice of that question. I cannot answer offhand.

Mr. S. Satyamurti : Is this tribal area part of British India, or outside British India ?

Lieut.-Colonel A. E. B. Parsons : I am not certain whether this one is in British India or not.

Mr. S. Satyamurti : Will the Foreign Secretary examine this question, with a view to carrying out our word of honour that slavery shall not prevail in British India ?

Lieut.-Colonel A. E. B. Parsons : Or I think in India. I think we try to prevent it prevailing anywhere in India, not only in British India.

WORK DONE IN THE PROVINCES ON BEHALF OF THE GOVERNMENT OF INDIA
BY THE CRIMINAL INTELLIGENCE DEPARTMENT.

315. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

(a) whether any work is being done in the Provinces on behalf of the Government of India by the Criminal Intelligence Department either of the Government of India or of the Provinces ;

(b) if so, the reasons for and the nature of such work ; and

(c) whether such work is done through Provincial Governments or over their heads and without their knowledge, and if so, why ?

Mr. J. A. Thorne : (a), (b) and (c). The Government of India have no control over the Criminal Investigation Departments of the Provinces.

The Government of India employ seven Central Intelligence Officers in the Provinces. The object of their employment is to assist in the collection and co-ordination of intelligence regarding matters which go beyond the boundaries of any particular Province and which are of inter-provincial or all-India concern.

Though employed by the Central Government, these officers are instructed to assist the Provincial organisations in every way possible.

Mr. S. Satyamurti : May I know, with regard to the work of these seven officers employed by the Government of India, whether they have any departmental staff attached to them, or they work only through the Provincial Criminal Investigation Departments ?

Mr. J. A. Thorne : They have a very small staff, and they do not work through the agency of the Provincial Governments.

Mr. S. Satyamurti : May I know, Sir, if the main activities of these officers are non-political, that is to say, dealing with crimes, which cannot be described generally by the term political, or whether they concentrate on pursuing the activities of people whom they consider political suspects ?

Mr. J. A. Thorne : I think, Sir, the field of their activities may be described as the whole field.

Mr. S. Satyamurti : Do they work under the supervision of the Home Department ?

Mr. J. A. Thorne : Indirectly, yes.

Mr. S. Satyamurti : May I know whether, apart from the work of these seven officers done through their own department, there is no work done by the Provincial Criminal Investigation Department at the instance of or for the Government of India ?

Mr. J. A. Thorne : That is a rather difficult question to answer. There is certainly none done except with the consent of the Provincial Governments.

Mr. S. Satyamurti : May I take it that the answer to clause (c) of my question, therefore, is that all such work, as is done, is done through the Provincial Governments and with their knowledge ?

Mr. J. A. Thorne : All such work as is done by the Provincial Criminal Investigation Department, yes.

Mr. S. Satyamurti : May I take it that these seven officers make no reference at all to the Provincial Governments in their work ?

Mr. J. A. Thorne : Well, Sir, they are not officially attached to or subordinate to the Provincial Governments, but obviously it is in the interests both of our officers and of the Provincial Governments that they should maintain a certain amount of contact.

Mr. S. Satyamurti : Will the Government of India consult the Provincial Governments if, after the 1st April, 1937, there is necessity or desirability of continuing this work on the part of these seven officers ?

Mr. J. A. Thorne : No, Sir.

Mr. K. Santhanam : Do they correspond with the Provincial Governments or with the Secretary to the Governor ?

Mr. J. A. Thorne : I think they correspond with the Provincial Governments if at all, but I should like to have notice.

Mr. Mohan Lal Saksena : May I know if *dak* of persons is being censored under their instructions ?

Mr. J. A. Thorne : That is an entirely different question. I must have notice of that.

REPORT OF A COMMITTEE ON THE CONDITIONS OF SERVICE FOR BRITISH
SOLDIERS IN INDIA.

316. ***Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

(a) whether Government are aware of the conclusions reported in the newspapers of a Committee composed of Mr. Amery, Lord Lloyd, Lord Milner and Sir Philip Chetwood, recommending vital changes in the conditions of service for British soldiers in India ;

- (b) whether the Indian Army Authorities were consulted in this matter at any time ;
- (c) what the contents of this report are ;
- (d) whether these recommendations will mean extra cost to the Indian Exchequer ; if so, how much ;
- (e) whether Government have addressed or propose to address His Majesty's Government and the War Office in this matter ; and
- (f) whether Government will make a statement on the floor of the House on the genesis of the Committee, its status and its terms of reference ?

Mr. C. M. G. Ogilvie : (a) No. Government have no official information of the conclusions arrived at by this private body.

(b) No.

(c), (d), (e) and (f). Do not arise.

Mr. S. Satyamurti : Since the question was received and the answer framed by the Government, and since they must have read the report of the meetings and the recommendations of this Committee, have Government taken any steps to ascertain from authoritative sources the conclusions of this Committee ?

Mr. C. M. G. Ogilvie : No, Sir.

Mr. S. Satyamurti : Will Government, in view of the importance of the personnel of the Committee consisting as it does, *inter alia*, of an *ex-Commander-in-Chief* of the forces in India, take steps to find out from authoritative sources the conclusions of this Committee ?

Mr. C. M. G. Ogilvie : Government will await an official communication on the subject. If one is sent, their full attention will be paid to it.

Mr. S. Satyamurti : May I know, Sir, if in the normal course of things Government expect an official communication on this subject from the War Office in England ?

Mr. C. M. G. Ogilvie : I am entirely unable to say.

Mr. S. Satyamurti : May I know whether, in view of the possible effect on the cost of defence forces in this country, if these recommendations be accepted, Government will take steps to find out themselves or by writing to the Chairman, as to whether these recommendations have been made ?

Mr. C. M. G. Ogilvie : The question seems to be a hypothetical one. Government cannot say offhand what action, if any, they will take on recommendations of any private Committee which may be established.

Mr. S. Satyamurti : Will Government take steps to see that no recommendations are accepted which will adversely affect our finances and therefore anticipate such recommendations by writing and finding out the recommendations of an influential committee like this ?

Mr. C. M. G. Ogilvie : I cannot possibly give an answer to that.

Mr. S. Satyamurti : May I know the reasons why Government use to take action ?

Mr. C. M. G. Ogilvie : There seems to be no reason for them to do it.

MILITARY MANŒUVRES OR ARTILLERY PRACTICE NEAR VILLAGE BABINA IN JHANSI DISTRICT.

317. Mr. Sri Prakasa : (a) Will the Defence Secretary state when military manœuvres or artillery practice last took place near the village Babina in the district of Jhansi in the United Provinces ? How long did these last ?

(b) On what scale was compensation, if any, paid to the inhabitants for evacuation or damage to crops, cattle, etc. ?

(c) Is it a fact that a live bomb happened to be left in the field and at the same exploded on or about the 11th August, 1937, killing one person and inflicting dangerous injuries on another ?

(d) Have Government made any inquiries into the incidents, and what, if any, compensation has been or is intended to be paid to the family of the dead person ?

(e) What action, if any, do Government intend to take against persons responsible for carelessly leaving a bomb behind ?

(f) What is the present condition of the other man who was injured ?

Mr. C. M. G. Ogilvie : (a) to (f). I refer the Honourable Member to the reply I gave on the 1st September, 1937, to Mr. Mohan Lal Saksena's starred question No. 258 on the same subject. The report has not yet been received from the local authorities, who have been reminded.

Mr. Mohan Lal Saksena : Will the Honourable Member please read that answer ?

Mr. C. M. G. Ogilvie : The answer was an *interim* reply.

Mr. Mohan Lal Saksena : I may inform the House that question was not reached, and I would like the Honourable Member to read that answer.

Mr. President (The Honourable Sir Abdur Rahim) : The answer has been laid on the table.

Mr. Mohan Lal Saksena : It has not yet been published.....

Mr. President (The Honourable Sir Abdur Rahim) : It is open to the Honourable Member to look at the answer.

Mr. Mohan Lal Saksena : This question has been put by another Honourable Member. He has not received the copies of the proceedings. I therefore ask the Honourable Member to kindly read that answer.

Mr. President (The Honourable Sir Abdur Rahim) : It is already there.

Mr. Sri Prakasa : Is it a fact that Jagat Singh (Thakur) and Sobatia (Chamar) were blown up by the bursting of this bomb when they were carrying on agricultural operations after these artillery practices were over, and that bits of the flesh of Sobatia Chamar were found hanging on the neighbouring trees ?

Mr. C. M. G. Ogilvie : I can add nothing whatever to what I have said already, until I get a report.

Mr. Sri Prakasa : How long does the Honourable Member expect to wait, and when does he expect to get it ?

Mr. C. M. G. Ogilvie : I intend to wait until the report is received. As to when it will be received I cannot say, but every step that we can take to ensure a speedy answer will be taken.

Mr. Sri Prakasa : In view of the fact that two valuable lives have been lost—and the lives of our tenants are valuable to us, whatever the Honourable Member may think of them—will Government take steps to get answers immediately by telegram ?

Mr. President (The Honourable Sir Abdur Rahim) : I think he said so.

Mr. Sri Prakasa : In view of the fact that, though a non-official, I have full information in my possession, I am surprised that the Government cannot get the required information quickly. After all, Babina is only about 14 miles from the headquarters of Jhansi.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has said that he would get the answer as soon as possible.

Mr. Abdul Qaiyum : Would the Honourable Member have taken the same amount of time to get the information if the lives concerned had been British ?

Mr. President (The Honourable Sir Abdur Rahim) : Order, order.

QUALIFICATIONS AND SOCIAL STATUS OF PRISONERS IN THE ANDAMANS.

318. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Home Member lay a statement on the table giving the educational qualifications and social status of the prisoners confined in the Andamans ?

(b) How many of them, if any, have gained in weight since their arrival in the Andamans ?

(c) How many of them are under-weight for their respective heights and what are the reasons therefor ?

Mr. J. A. Thorne : On the assumption that the question refers to prisoners confined in the Cellular Jail I would refer the Honourable Member to the reply given to his question No. 386 on the 15th September, 1936.

Mr. Mohan Lal Saksena : What about answers to (b) and (c) ?

Mr. J. A. Thorne : My answer to all parts is the same.

Maulana Zafar Ali Khan : I should like to know, Sir, whether any prisoner has died out of those who have been hunger striking ?

Mr. J. A. Thorne : No, Sir.

TRAINING IN RURAL DEVELOPMENT, VILLAGE HYGIENE AND SANITATION TO INDIAN SOLDIERS.

319. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Defence Secretary be pleased to state if any steps have been taken to give instructions and training to Indian soldiers in rural development and village hygiene and sanitation ? If so, what, and what progress has been made ?

(b) How many soldiers are under such training, and what is the period of the training ?

Mr. C. M. G. Ogilvie : (a) I refer the Honourable Member to the reply I gave on the 24th August, 1937, to Mr. M. Asaf Ali's starred question No. 62 on the same subject.

(b) All soldiers undergo this training throughout their active service.

Mr. Mohan Lal Saksena : Are they given any opportunity for practical training ?

Mr. C. M. G. Ogilvie : I refer the Honourable Member to the answer I gave to Mr. Asaf Ali's question.

Mr. Sham Lal : I have been authorised by Sardar Mangal Singh to put this question, Sir.

ERECTION OF AN ABATTOIR IN THE LAHORE CANTONMENT.

320. ***Mr. Sham Lal (on behalf of Sardar Mangal Singh) :** Will the Honourable the Defence Secretary please state :

(a) when the orders for the erection of an abattoir at the Lahore Cantonment were passed ;

(b) whether Government are aware of the widespread public agitation in the Punjab against the erection of this slaughter house ; and

(c) whether Government are prepared to reconsider their decision and abandon the proposal of the construction of this slaughter house ?

Mr. C. M. G. Ogilvie : (a) May, 1937.

(b) Yes.

(c) A full statement of the facts, which, it is hoped, will remove the many misapprehensions which appear to exist, has been issued to the Press.

Maulana Zafar Ali Khan : Is the Honourable Member aware that the public agitation set up against the proposed abattoir in the Lahore Cantonment is spurious having no economic sanction behind it and it is started by certain interested people who want to exploit the quasi-religious sentiments of the Hindu and Sikh masses with the one object of discrediting the Punjab Ministry ?

Mr. C. M. G. Ogilvie : I am afraid I am not prepared to give an answer to that off hand.

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LEGISLATIVE ASSEMBLY.

[6TH SEP. 1937.]

Mr. Lalchand Navalrai : May I know, Sir, if the construction of the abattoir has been suspended ?

Mr. C. M. G. Ogilvie : The construction of the Abattoir has not been suspended, but it has ceased owing to a strike of workmen.

Mr. Sham Lal : Has the Punjab Ministry recommended that the construction of this abattoir should be stopped ?

Mr. C. M. G. Ogilvie : I am not aware.

Mr. Sham Lal : What is the final decision of the Government of India ? Have the Government of India come to a decision whether it should be stopped or it should be continued ?

Mr. C. M. G. Ogilvie : The Government of India have come to no final decision in the matter yet.

Mr. Sri Prakasa : Have the animals who are going to be killed also struck ? (Laughter.)

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

STUDENTS OF LAHORE COLLEGES WHO WENT TO AFGHANISTAN.

321. ***Syed Ghulam Bhik Nairang :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that in 1915 some students of the Lahore Colleges left their colleges, crossed the Frontier, and lived for some time in Afghanistan, some of them having since returned to India, and some still living in foreign countries ?

(b) Will the Honourable the Home Member be pleased further to state :

(i) whether any action was taken by Government against such students referred to in part (a) above as have returned to India ;

(ii) the names of such students referred to in the said part as have not so far returned to India ; and

(iii) the names of such students mentioned in the said part as have taken part in any activities prejudicial to the interests of the British Government in India or elsewhere ?

(c) Are Government prepared to grant amnesty on suitable terms, generally or individually, to the students referred to in parts (a) and (b) ?

Mr. J. A. Thorne : (a) I am afraid the information at my disposal is extremely meagre. About 13 students left India in 1915 in the circumstances mentioned by the Honourable Member. Three subsequently returned, but Government have no information whether others have returned or whether there are some living abroad.

(b) (i). Of the three who to Government's knowledge returned, one was restricted for a period and one was prosecuted and acquitted on appeal. No action was taken against the third.

(ii) and (iii). I have no information regarding the subsequent activities of these persons.

(c) I have no information regarding the offences for which an amnesty could be desired nor am I aware that any of these persons is within the jurisdiction of the Central Government.

INCREASE IN THE STAFF OF THE HOME DEPARTMENT.

322. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Home Member state :

(a) whether the staff in the Home Department has been increased ;

(b) if so, the extent of the increase in the personnel as well as the cost ; and

(c) the reasons for this increase of staff ?

Mr. R. F. Mudie : (a) The number of higher grade officers in the Home Department has been seven since the 1st April, 1935, except for seven months in 1936 and one month in 1937 when it was six. There have been small fluctuations from time to time in the strength of the ministerial staff. Certain posts which had been temporary since 1930 and 1934 were made permanent from the 1st March, 1937.

(b) and (c). Do not arise.

Mr. T. S. Avinashilingam Chettiar : May I know whether the staff in the Home Department has been increased from the 1st April last ?

Mr. R. F. Mudie : No.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that many of the subjects belonging to the Home Department have under the new Act gone to the provinces, may I know whether there has been any reduction in the staff of the Home Department ?

Mr. President (The Honourable Sir Abdur Rahim) : You asked first whether there has been an increase, and now you are asking whether there is a reduction ?

Mr. T. S. Avinashilingam Chettiar : There is reason for that.

Mr. S. Satyamurti : May I know whether Government have examined or will examine the effect on the adequacy or otherwise of the staff of the Home Department, in view of the complete transfer of law and order under the Government of India Act, 1935, under which the Government of India have ceased to be responsible for law and order in the provinces ?

Mr. R. F. Mudie : My Honourable friend, Mr. Thorne, answered that question the other day.

INCREASE IN THE ALLOWANCES AND PAY OF BRITISH SOLDIERS.

323. ***Mr. T. S. Avinashilingam Chettiar :** Will the Defence Secretary state :

(a) whether the allowances and pay of the British soldiers have been increased within recent years ;

- (b) if so, in what items and from when ;
- (c) the reasons for the increase ; and
- (d) the total financial effect of this increase in allowances and pay ?

Mr. C. M. G. Ogilvie : (a) There has been an increase in the allowances but not in the pay of the British soldier in India within recent years ;

(b) The increase in allowances falls under three heads :

- (i) An additional messing allowance of anna one per soldier per day sanctioned from the 1st April, 1937 ;
- (ii) A separation allowance sanctioned from the 1st of May, 1937 ;
- (iii) Certain changes concerning the kits of British soldiers.

As regards the third item, I refer the Honourable Member to the answer I gave to starred question No. 58 on the 24th of August.

(c) To conform to conditions under which the British soldier serves in other parts of the Empire.

(d) The total financial effect of the addition to the messing allowance and of the separation allowance is Rs. 13,60,000 per annum.

Pandit Lakshmi Kanta Maitra : What is this separation allowance ?

Mr. C. M. G. Ogilvie : Separation allowance is an allowance granted when they are separated from their wives and families.

Mr. T. S. Avinashilingam Chettiar : May I know what is the financial effect of the increase in the third item ?

Mr. C. M. G. Ogilvie : I must refer the Honourable Member again to my answer to starred question No. 58.

Mr. T. S. Avinashilingam Chettiar : The financial effect was not given there.

Mr. C. M. G. Ogilvie : Their financial effect is not, as far as I am aware, accurately known, but I believe that it will come to something in the vicinity of Rs. 63,000 a year.

Mr. Mohan Lal Saksena : May I know if the separation allowance is also being given to bachelors ? (Laughter.)

Mr. C. M. G. Ogilvie : No.

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

HUNGER-STRIKE BY PRISONERS IN THE ANDAMANS.

324. ***Mr. Kuladhar Chaliha :** (a) Will the Honourable the Home Member be pleased to state whether his attention has been drawn to the Press report that a large number of prisoners in the Andamans have been on hunger-strike since the 24th of July, 1937 ?

(b) Did the prisoners submit any petition stating their grievances to the authorities before going on hunger-strike ?

(c) Will Government be pleased to state the terms of the petition ?

(d) What steps have Government taken to meet their grievances and their demands ?

Mr. J. A. Thorne : I would refer the Honourable Member to the replies which I gave to Mr. Mohan Lal Saksena's short notice questions Nos. 1 to 4 on the 23rd August.

Mr. Mohan Lal Saksena : I may inform the Honourable Member that the short notice question did not come up. I did give notice of a short notice question but it was disallowed.

Mr. President (The Honourable Sir Abdur Rahim) : The question that is being answered is No. 324.

Mr. Kuladhar Chaliha : May I know whether they are going to be repatriated or not, after they have given up the hunger-strike ?

Mr. J. A. Thorne : I have dealt with that question just now.

Mr. Kuladhar Chaliha : May I know whether the remaining seven prisoners have given up their hunger-strike ?

Mr. J. A. Thorne : Not so far as I know.

ALLOWANCES PAID TO SARDARS MUHAMMAD UMAR KHAN AND MUHAMMAD SARWAR KHAN, AFGHAN DETENUS.

325. ***Mr. Kuladhar Chaliha :** (a) Will the Honourable the Home Member be pleased to state whether the Afghan detenus, Sardar Muhammad Umar Khan and Sardar Muhammad Sarwar Khan, have surrendered to the authorities ?

(b) Have Government considered their petition and granted necessary allowances to them ?

Lieut.-Colonel A. E. B. Parsons : The attention of the Honourable Member is invited to my answer to Sardar Mangal Singh's starred question No. 254 on September 1st. 1937.

Mr. Badri Dutt Pande : Do these Princes want to go to Kabul ?

Lieut.-Colonel A. E. B. Parsons : I am afraid, the Honourable Member must ask them. I rather fancy myself that they do not.

Maulana Zafar Ali Khan : May I know whether it is a fact that the authorities have stopped the issue of provisions to the two Sardars, that this drastic step was suddenly taken on the first of this month and that their family and children are practically starving ? If so, may I know why the order was issued ?

Lieut.-Colonel A. E. B. Parsons : Would the Honourable Member explain ? Would he repeat what he said ? What provisions ?

Maulana Zafar Ali Khan : Provisions that were allowed to them.

Lieut.-Colonel A. E. B. Parsons : No alteration has been made in their allowance.

Mr. Sri Prakasa : Is separation allowance given to them ?

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Lieut.-Colonel A. E. B. Parsons : I think that they already have sufficient wives with them. (Laughter.)

Mr. Sri Prakasa : What about the wives left behind ?

Mr. Mohan Lal Saksena : I have received a telegram from Mr. Farouki, Barrister-at-Law, Allahabad, saying that provisions of these Princes have been stopped and their children have been starving. I want to know whether it is a fact, and if the Honourable Member has no information about it, will he enquire about it ?

Lieut.-Colonel A. E. B. Parsons : I have already said that it is a lie.

Mr. Kuladhar Chaliha : Are they still given an allowance ?

Lieut.-Colonel A. E. B. Parsons : I have already answered that question.

COST OF PUBLICATION OF THE REPORTS OF THE ROYAL COMMISSION ON PALESTINE BORNE BY THE GOVERNMENT OF INDIA AND SUBSIDY GIVEN TO PALESTINE, ETC.

326. ***Maulvi Muhammad Abdul Ghani** : Will the Foreign Secretary be pleased to state :

- (a) the cost of publication of the reports of the Peel Commission on Palestine borne by the Government of India ;
- (b) the necessity for such publication in India ;
- (c) the contents of the secret treaty made between the Sharif of Mecca and the British Government during the last European War regarding the establishment of an independent Arab State ;
- (d) the amount of subsidy given by the British Government to Palestine since 1926 ; and
- (e) the contents of the Balfour Declaration to Jews during the last European War ?

Lieut.-Colonel A. E. B. Parsons : (a) Nothing.

(b) The report was obviously one of interest to Indian Muslim opinion.

(c) and (d). Government have no information.

(e) It is published on page 22 of the Royal Commission's Report on Palestine.

Maulana Shaukat Ali : Will the Honourable the Foreign Secretary tell me whether any promises were made to the Arabs in Iraq, Syria and Palestine, asking them to throw in their lot with the allies and treaties were made with Shariff Hussain ?

Lieut.-Colonel A. E. B. Parsons : No. As far as I have seen, the question is a debatable one and Government do not know from whom they can get an authoritative answer.

Maulana Shaukat Ali : Is it not a fact that Sir Henry MacMahon went to discuss terms with Shariff Hussain and he had correspondence with him promising a united Arab Government in Iraq, Syria and Palestine ?

Lieut.-Colonel A. E. B. Parsons : The subject is primarily not the concern of this House or of the Government of India.

Maulana Zafar Ali Khan : Will the Honourable the Foreign Secretary kindly inform the House whether it is a fact that when the Great War broke out the British Government promised to protect and not to interfere in the holy places of Islam ? And is not Jerusalem a holy place of Islam ?

Lieut.-Colonel A. E. B. Parsons : It is a holy place of three religions.

PILGRIMS TO HEDJAZ.

327. ***Maulvi Muhammad Abdul Ghani** : Will the Foreign Secretary be pleased to state :

- (a) the total number of pilgrims to Hedjaz from every part of India ;
- (b) the amount of concession, if any, made to the Hedjaz pilgrims by the various Railway Companies ;
- (c) the personnel of all the Provincial and Central Haj Committees in India ; and
- (d) the number of special trains run on the occasion of the return of Hedjaz pilgrims from Bombay in 1937 ?

Lieut.-Colonel A. E. B. Parsons : This question concerns the Department of Education, Health and Lands.

Sir Girja Shankar Bajpai : I understand that this question has been included in the list of the 10th instant, and I shall answer it then.

GOVERNMENT POLICY IN RESPECT OF FRONTIER TRIBES.

328. ***Mr. S. Satyamurti** : Will the Foreign Secretary be pleased to state :

- (a) whether the Government of India are contemplating any change in their policy to the tribes beyond the North-West Province ;
- (b) the exact policy which the Government are now pursuing towards these Frontier tribes ; and
- (c) whether Government propose to consult non-official opinion in the Assembly and in the North-West Frontier Province in the Legislature with a view to settling this question on a permanent basis, and if not, why not ?

Lieut.-Colonel A. E. B. Parsons : (a) Government do not contemplate any radical change in their policy.

(b) The policy of Government is to maintain the peace of the border and foster good relations with the tribes in the hope that in time civilisation will spread through the tribal area.

(c) This House has, I think, frequently had opportunity to discuss Frontier policy and Government gives due consideration to its views. Similarly, Frontier officials are constantly in touch with opinion in the North-West Frontier Province. As the Honourable Member will realise, the present moment, when a settlement is being sought, is not a suitable time for public discussion.

Mr. S. Satyamurti : May I know whether Government will consult the new Congress Government in the North-West Frontier Province formed by my esteemed friend, Dr. Khan Sahib, in trying to get an honourable settlement with the tribes ?

Lieut.-Colonel A. E. B. Parsons : I don't know whether the Honourable Member is right in saying that the Congress Government in the North-West Frontier Province has been formed.

Mr. S. Satyamurti : It has been formed today. This is the latest information.

Lieut.-Colonel A. E. B. Parsons : I think the Honourable Member is incorrectly informed.

Mr. S. Satyamurti : With reference to part (c) of the question, may I know whether the Government's policy is to treat these tribal areas as part of British India, or import therein a qualified form of administration, which is neither independent nor that of the settled parts of British India ?

Lieut.-Colonel A. E. B. Parsons : The policy of the Government is to introduce sufficient control into these tribal areas which are part of India and to carry out their responsibility, which, as I said, is of a three-fold character—first to Afghanistan, second to the administered areas, and thirdly to the actual inhabitants of the tribal areas. This three-fold responsibility the Government will carry out.

Mr. S. Satyamurti : May I know what this responsibility to Afghanistan is and whether it was undertaken by the Government of India with the consent of this House, and whether there is any treaty, secret or public, between the Government of Afghanistan and the Government of India ?

Lieut.-Colonel A. E. B. Parsons : Obviously, it would not be with the consent of this House, because the House is not concerned in this matter.

Mr. S. Satyamurti : Will the Government of India take into confidence the people who inhabit these areas, in regard to this question of spreading civilisation among them ?

Lieut.-Colonel A. E. B. Parsons : We have been in touch with these areas and the people who live in them for the last 40 or 50 years and are constantly attempting to devise things for their benefit.

Mr. S. Satyamurti : In view of the poor results so far, will Government try to ascertain public opinion in an open manner with regard to the settlement with these tribes ?

Lieut.-Colonel A. E. B. Parsons : What is meant by public opinion ?

Mr. S. Satyamurti : The opinion of this House:

Lieut.-Colonel A. E. B. Parsons : I would suggest that this House has many Members who come from places so far away from the Frontier that they cannot give a very good opinion on the subject.

Mr. Sri Prakasa : You come from a place farther away. Don't forget that.

Lieut.-Colonel A. E. B. Parsons : I have spent all my life there.

Mr. M. Ghiasuddin : Is the Honourable the Foreign Secretary in order in referring to the Members like this ?

Mr. President (The Honourable Sir Abdur Rahim) : I did not quite follow the Honourable Member. Will he repeat what he said ?

Lieut.-Colonel A. E. B. Parsons : It was not my intention to say anything derogatory of the Members of the House in any way. What I said was that Honourable Members of this House coming from so far away from the Frontier would find it very difficult to form any real opinion on the questions involved.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member himself says that he did not intend to cast any reflection on the Members of this House and I am prepared to accept that.

Mr. S. Satyamurti : Is England nearer the Frontier than Madras ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member need not answer that.

Mr. Abdul Qaiyum : Will the Government consult the elected Members of the North-West Frontier Province, if it is considered that other Members come from places far away from the Frontier and abide by their advice ?

Lieut.-Colonel A. E. B. Parsons : I can give no promise.

Mr. Abdul Qaiyum : May I know the reason why ?

Lieut.-Colonel A. E. B. Parsons : Because it is not the business of that House either.

Mr. Abdul Qaiyum : May I know how long the Government propose to follow this autocratic line towards the Frontier Province and how long do the Government propose to carry on in this high handed manner by defying public opinion and by openly driving the people to rebellion ?

Mr. President (The Honourable Sir Abdur Rahim) : It is a matter of opinion.

Maulana Zafar Ali Khan : In view of the remarks made by my Honourable friend, Mr. Satyamurti, just now that the newly formed Cabinet in the North-West Frontier Province was a Congress Government, I should like to know definitely whether that Cabinet consists of Congress pure and simple or it is a coalition Government ?

Lieut.-Colonel A. E. B. Parsons : I suggest that that does not arise out of this question.

QUESTION AND ANSWER.

MOUNTAINEERING EXPEDITIONS TO THE HIMALAYAS.

48. **Mr. Badri Dutt Pande** : (a) Will the Foreign Secretary state how many mountaineering expeditions have gone to the Himalayas since the craze began of conquering certain peaks of the Himalayas, and of which nationality ?

(b) What has been the number of casualties, especially among the poor porters ?

(c) Were all or any of them insured ?

(d) Has any compensation been paid to the families of the porters, who perished in the attempt (i) by the mountaineers or (ii) by the Government, who allowed these expeditions ?

Lieut.-Colonel A. E. B. Parsons : Government regret that in the absence of any indication of the period for which information is required they are unable to furnish a statement of the kind desired by the Honourable Member. Much of the information, moreover, is probably unobtainable.

MOTION FOR ADJOURNMENT.

ERECTION OF AN ABATTOIR IN THE LAHORE CANTONMENT.

Mr. President (The Honourable Sir Abdur Rahim) : I have received notice of a motion for the adjournment of the business of the House from Sardar Sant Singh for the purpose of discussing a definite matter of urgent public importance, namely, the unsatisfactory nature of the communiqué issued by the Government of India dealing with the project of the abattoir in the Lahore Cantonment showing a callous disregard of the public opinion. I should like to know when it was decided to construct this abattoir.

Sardar Sant Singh (West Punjab : Sikh) : The construction has been going on for some time. A communiqué was issued only today.

Mr. President (The Honourable Sir Abdur Rahim) : That makes no difference. The construction of this abattoir has been going on for sometime and surely the Honourable Member should have raised the question much earlier. I do not think this could be said a definite matter of urgent public importance within the meaning of the rules. Therefore, I disallow it.

THE INSURANCE BILL.

The Honourable Sir Nripendra Sircar (Law Member) : With your permission, Sir, I desire to explain to the House the position in regard to the Insurance Bill. It was originally considered, I would not use the word agreement, because that gives rise to trouble, that the motion for consideration will occupy three days. That was found impossible, and

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today is the fourth day, and we are going on. I understand that there is a very reasonable chance of the matter not being finished today at all. That is my information. I only want to explain to the House the exact position in which we stand now. At the present rate, it looks as if we will be a day and a half behind the time table. Then we have the non-official days. We are under promise to give one day for the Sugar Convention, one day has to be allotted for other urgent matters pertaining to Sir Thomas Stewart and I do not know how long the amendments will take. So far we have received only 686 amendments (Laughter), and I understand that 150 are on their way. At a conservative estimate, they will take 12 days and we shall be going on up to and including the 1st October. If the Bill is passed, we shall have to take it to the Council of State and it will lie in State there for three days. (Laughter.) If a single comma or semi-colon is changed, we shall have to come back here and ask the Assembly to sit till the 11th October. It will be not so inconvenient to the Government as to Members. I know some of my friends on the Opposition are very optimistic and that I am taking a pessimistic view. But this is exactly the position, and I suggest some co-operation on the part of this House, so that they may not be put in a difficulty. The Government themselves are not in a very difficult position. They are not going down till the 21st October, and they can afford to stay here till then. Then, the Durga Pujah holidays begin on the 11th of October, and my friends from Bengal would be the loudest in their clamour and will complain of the ruthless repression by the Government in making them give up the Pujah holidays.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : May I suggest this, Sir ? Though pessimism or optimism is a matter of the state of mind, we still feel this that, having regard to the number of names which have been given, if the Chair gives longer time this afternoon after 5 o'clock, it might still be possible to finish the general discussion today. If we sit sufficiently late after 5 o'clock, I think the general discussion will be finished.

Mr. President (The Honourable Sir Abdur Rahim) : I have been naturally watching the debate during the discussion of the Insurance Bill for three days, and I think three days should have been more than ample for a Bill of this character, which is more or less a technical subject. I do not think it can be said that sufficient light has not been thrown on the Bill under discussion. It ought to be borne in mind that there is a large number of amendments to every clause of the Bill, and that will entail the discussion of the Bill itself clause by clause. There has been already a good deal of repetition, and I do think that the House ought to spare itself the trouble of listening to endless repetition. The Chair is always prepared to sit late if it be necessary to conclude any urgent business, but in a case like this I certainly refuse to sit later than the usual time. It is no concern of the Chair how long the Honourable Members take in finishing this Bill, and the Chair will go on sitting as many days as it is necessary. I may also inform the House that already 19 Honourable Members have spoken, and I have got a list of other Members who desire to speak.

Dr. G. V. Deshmukh (Bombay City : Non-Muhammadan Urban) : **Mr. President**, it is a mere truism to state in this House that the whole of this insurance business is for the policy holders and that the interests

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of the policy holders should be paramount. But if you see the way in which the insurance business is carried on at the present time, it seems to me that one may safely say that the policy holders are divided into two categories—the policy holders who are living and the policy holders who are dead. Whenever the interests of the living policy holders come up, the whole question is looked at from the point of view of the dead policy holders; and whenever the interests of the dead policy holders come up, then the question is looked at from the point of view of the living policy holders. The result is that neither of them gets a square deal.

Now, Sir, I think that the Mover of this Bill and the Select Committee deserve the thanks of the insuring public for replacing this disorder and making the business run on normal lines. The insuring public has reason to be particularly grateful for the inclusion of three provisions contained in clauses 42, 41 and 39, by which representation is given to the policy holders on the Board of Directors and the money, after the death of the insured, is to be deposited in the court and the Company is not allowed to challenge an insurance policy after the premia of two years have been paid on any technical frivolous ground of mis-statement or otherwise. I am personally quite satisfied with the drafting of that clause because due provision has been made against fraud.

I think the ideal picture that was drawn by my Honourable friend, Mr. Sen, the other day, will not in any way be impaired but, in my opinion, the lines of this picture will be made more definite if the House accepts some of the suggestions that I am going to make. And, since I am never in the habit of taking more time of the House than I can help, I will enumerate the suggestions that I am going to make. My first suggestion is, that the terms of the life policy should be printed in the vernacular language of the Province in which the policy holder lives. My second suggestion is, that of all the statements which are issued, the most important statement is the statement of the policy holder and I submit, that a photographic copy of the policy holder's statement should be supplied to him by the Insurance Company. This system is followed in all the civilised and educated countries and there is no reason why it should not be followed in this country. I know an objection is likely to be raised on the ground of expense. But if such an objection is raised, it will be ridiculous seeing the way in which the insurance companies pay to their commission agents who get as much as 125 per cent. Besides, I do not think a photographic copy of the statement will cost more than eight annas or a rupee. The House knows what a conciliatory nature I have and I am perfectly willing, if the company finds it very difficult to pay this amount, after paying their commission agents such an enormous amount, that this copy might be supplied at the expense of the insured at a sum not exceeding Rs. 2. Now, the third suggestion that I wish to make is this. After the payment of two premia, no policy should lapse. I might have even suggested that a policy should not lapse even after the payment of the first premium. But I want to look at the other side as well. We all know that it is inevitable, circumstanced as we are, that in the first year of insurance a good deal of the premium that is paid by the insured is spent away or wasted away. For, after all, the company does not make very much out of the first year's premium. But the case is entirely different when the second

year's premium is paid. As the House is aware, even now, after the payment of three years' premia, the policy does not lapse and there is some return for the policy in the way of surrender value, or paid up policy, or the automatic non-forfeiture clause. I do not see why the same provisions should not be put in after the payment of two premia. Because although in the first year, the company may not get any advantage out of the first premium, as I mentioned before, the case is different with respect to the second premium, because after all for renewal premium, the commission which the company will pay will be about five per cent. or 2½ per cent. I do not see why the policy-holders policy should lapse for the simple reason that he is unable to pay afterwards. I know the surrender value is very little. I do not want to go into the technicalities at the present time, but I think it should be laid down by law that after the payment of two premia, the policy should not lapse. As to what arrangement the company will make, that is their concern.

The fourth suggestion is this. After all in this Bill there is provision for a good deal of control from every point of view, control of the superintendent and control of the insurance agents and so on. What I would like to suggest is that the medical examination by these companies should be entrusted to qualified medical men who are on the provincial register. This is my fourth suggestion.

Coming to the argument in favour of the suggestions I have made to the House, let me say, in respect of my first suggestion, that my country alternately grows rich and poor, learned and illiterate as it suits the other side. But the fact is that illiteracy is very common here and, therefore, it seems to be ridiculous whether they are Indian companies or foreign companies, whether they insure in Madras or whether they insure in the Punjab, the same policy the terms of which are written in English should be supplied to the policy holders. It is not always that only literate persons or learned persons insure....

The Honourable Sir Nripendra Sircar : If it will shorten the matter in any way, I may inform my Honourable friend that I am willing to accept his suggestions Nos. 1 and 2, but I shall strenuously oppose his third and fourth suggestions.

Dr. G. V. Deshmukh : The Law Member has accepted the first two of my suggestions. I will now take up the third, and that is the question of lapsing of policies after the payment of two premia. I may draw the attention of the House to the fact that there are some companies, who, even today, in India, do not allow the policies to lapse at the end of two years. Now, Sir, if one good company can do it, I do not really see why other companies should not be made to do it in the interests of the policy-holders. The Honourable the Law Member himself will not deny that after the payment of three years' premia, the policy is not allowed to lapse. Therefore, what happens at the end of three years should be made applicable at the end of two years, especially as there are certain companies who are doing it at the present moment. I may point out to the Honourable the Law Member that I had occasion to consult some of the Bombay's big firms, many of whom you see at the present time in Simla, and I have no doubt that they have come here in such large numbers entirely in the interest of the policy holders. I have the honour to have as my constituency, as my voters some of them, and I hope the

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House will not be surprised if I tell them that I had occasion to discuss this clause 3, non-lapse after the payment of two premia and almost all of them agreed that it is not an unreasonable clause.

The Honourable Sir Nripendra Sircar : If the policy does not lapse after three years, it is not by reason of the statute, but by reason of an agreement. His kind friends from Bombay might as well put in a clause in the policy that it will not lapse after two years.

Dr. G. V. Deshmukh : In this country if you want to safeguard the interest of a majority of the public, it must be by law and there is no reason why there should not be a law laying down that no company shall allow a policy to lapse after the payment of two years' premium. I hope that in spite of the mind of the Law Member the House will induce him to accept this suggestion.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : Will the Honourable Member agree to it that the surrender value of the policy at the end of first year, second year, third year, fourth year and so on should be printed either at the back of the policy or should be published in the prospectus just as the surrender value of Postal Cash Certificates is mentioned at the back of the certificate ?

Dr. G. V. Deshmukh : It might interest my Honourable friend to know that I have given an amendment to this effect in which I have said that the surrender value of the policy should be mentioned on the policy, the terms of which should be in the vernacular of the Province and the surrender value should be mentioned from year to year until the date of the maturity of the policy.

Therefore, I think, the suggestion that I have made with regard to the non-lapsing of policy, after payment of the second year's premium, is a very reasonable one and in view of the fact that even the Bombay big drums have accepted it, I hope the Honourable the Law Member will accept this suggestion.

I come now to the fourth suggestion and that is that the insured should be examined by a qualified medical practitioner who is on the provincial register. The reason for this is this. After all, you are controlling the insurance business. Your Insurance Bill is going to be a legal document and since there is already a legal agency in the medical line, there is no reason why you should not use it. Of course, I do not want to make any difference and say that the parties should be examined only by a highly qualified medical man such as an M.D. or M.B.B.S. and not by L.M.Ps., etc. My idea is that when you have an agency to examine these parties, you can control....

The Honourable Sir Nripendra Sircar : Why ?

Dr. G. V. Deshmukh : For this reason, that just as every insurance company which is insuring life is not honest or just as every insured who goes to an insurance company is not a rogue, similarly every medical man who is examining cases is not—I am prepared to say—certainly a thoroughly honest medical practitioner....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member need not carry on conversation with any one.

Dr. G. V. Deshmukh : This is the general view of the medical profession now. What I am submitting to the House is, that there should be control over the agency for the examination of parties, and if you have his register of medical practitioners, it does not matter to me, whether they are hospital assistants or L.R.C.P. or M.D. or M.B.B.S., in case they have got the legal status to give medical report, then in that case you have some control over them and you can come down upon them if they misbehave and you can get their names struck off the register. There are certain penalties which are attached to it and, therefore, since this agency already exists, I request the Honourable the Law Member to accept this suggestion of mine, if legally it does not raise any difficulty. I have mentioned the fact of the big business agreeing to my suggestions as a ground for showing how reasonable and modest my suggestions are with reference to this Insurance Bill. It certainly was not a plea to prevent the Honourable the Law Member to collect the scalps of these companies to his heart's content. Indeed I have no hesitation in declaring that I do not mind adding my surgical scalpel to his tomahawk in collecting the scalps of the Managing Agents provided it is done in surgical fashion according to the twentieth century methods. These suggestions, Sir, that I have made will make this insurance business more safe and more certain and, what is still more important, it will remove the mistrust that undoubtedly exists at the present time between the insurance company and the insured. What is more, in these days of poverty in India when we have grown dry so far as our gold reserves are concerned,—and if we have not grown dry it is certainly not the fault of the authority who is responsible for the drain,—it is very necessary that these habits of thrift should be taught to our poorer people. It might have been in the olden days that we hoarded our gold and, therefore, in the rainy days we could fall back upon the store we had. But, as is well known, it is the poorer and the middle classes who have to be taught the habits of thrift and by removing the mistrust by accepting these measures,—mistrust between the insured and the insurers,—I am sure habits of thrift will be encouraged. It will be good for the party which insures and it will also be good for the business itself. Sir, I wish this Bill every success.

Sir H. P. Mody (Bombay Millowners' Association : Indian Commerce) : Sir, if I am intervening in the general discussion 12 NOON. it is not because I have any new light to throw upon the subject but merely in order to indulge in a few general reflections which have been roused in me by the discussion which has already taken place. At the outset, I want to say that my Honourable friend, the Law Member, is a very fortunate individual. Every time he sets about cutting the throat of somebody, he somehow or other manages to draw the thanks and plaudits of the victim. (Laughter.) Assisted by his big brother from Bengal, he seems to have evolved a new technique of bloodless surgery which evokes the admiration of his victims ; and all I can say is that both on behalf of myself and of the rest of the House I pray for long life and prosperity to the "Sircar-Sen Society for the Promotion of Penal Legislation". (Laughter.)

Sir, what is the object of the Bill before the House ? I am afraid I have not been able to determine it quite clearly in my own mind. It is

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easier to find out in whose interest the Bill has not been conceived than to find out in whose interest it *has* been conceived. I presume, our friend, the policy holder, is really the individual on whose behalf it has been framed. So far as that is concerned I am sure we are all in agreement and are prepared to lend our co-operation to the Law Member in the passage of the Bill in such a form that it would protect the interests of the policy holder. But while the interests of the policy holder are paramount and must be regarded so by every right-thinking person, I submit there are other interests which are of no less importance and which ought to be adequately safeguarded now that we are placing this insurance legislation on the Statute-book. I refer to the interests of the Indian insurance companies. Insurance is being regarded in all parts of the world as a matter of vital national concern. The inculcation of the insurance habit is of fundamental importance to the well-being of the people, and it is the business of every advanced Government to promote in every way the interests of soundly established indigenous insurance companies. From that point of view I submit that the Indian insurance companies ought to command the sympathy of my friends on the Government Benches. I am not one of those who suggest driving out the foreign interest in any shape or form. I have a rooted objection to expropriation, whether it is expropriation of the foreigner who has created interest in this country, or of the Managing Agent or of any other individual.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : What a cosmopolitan you are !

Sir H. P. Mody : I am consistent.

Mr. S. Satyamurti : Yes, consistently hostile to your country !

Sir H. P. Mody : I would object to some of my friends wanting to drive out the foreigner as I would object to some of my friends here wanting to drive out the Managing Agent. I say, Sir, that the Indian insurance companies have, in the face of very great difficulties, done considerable service to the country. They have broken what was practically a monopoly of non-Indian interests ; they have performed an even greater service and that is they have made the people insurance-minded. It is these Indian insurance companies who have brought home to the people at large the benefits of insurance on the right lines ; and I say, Sir, that there is no conflict of interests, whatsoever, in preserving a fair field for non-Indian interests and in promoting actively a policy of protection for Indian interests. There cannot be, there is no inherent difficulty in achieving this two-fold object, namely, to pursue an active policy of encouraging Indian interests and, at the same time giving a square deal to the foreigner.

Sir, in the course of the discussion things have been said about big Bombay business. I want to know what is wrong with big Bombay business. At any rate, it is big, it is Bombay and it is business (Laughter) ; and that is what counts. And after all, it is to big Bombay business that the country owes a very deep debt of gratitude for the advance which has been made possible in the commercial and the industrial sphere. And if big Bombay business is behind whatever agi-

tation there might be for the purpose of achieving a greater measure of prosperity for the Indian insurance companies, then the Law Member can take it that everything must be right.

The Honourable Sir Nripendra Sircar : What is my Honourable friend complaining about ? What was said about Bombay business ?

Sir H. P. Mody : Some sneering reference was made. I do not of course attach much importance to it because I understand the Law Member's gentle sarcasm. If the Law Member wants alliteration, I will say that if there is big Bombay business, there is also big Bengal buccaneering ! (Laughter.) We have seen samples of it in the Companies Act, we are seeing samples of it today in the insurance field, and we shall next see it in the banking world. And while I have no particular prejudice against even buccaneering on the part of big Bengal, I certainly must stand by big Bombay business, and I want to assure my Honourable friend that if big Bombay interests take up a particular line it must be for very good reasons.

Sir, I do not wish to say anything more in the course of the general discussion. I know that in spite of his occasionally looking very ferocious and appearing very determined to people who do not know him adequately, my Honourable friend is very sweetly reasonable. (Laughter.)

The Honourable Sir Nripendra Sircar : You better wait. (Laughter.)

Sir H. P. Mody : I am going to wait and I challenge him to be unreasonable. (Laughter.) I maintain, in spite of him, that he is sweetly reasonable, and at the end of this Bill I foresee that we shall shower upon him the same measure of congratulations that we showered upon him, in spite of his doing everything to spite us, at the end of the Companies Act. All that I am pleading for today is fair field and no favour ; holding the scales even ; and I am sure that there is an opportunity still left to us to produce an agreed measure, which, while it will not meet with the total acceptance of any particular section, will command the general approval of every interest and of the public at large.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : Sir, after the speech that my friend, Sir Hormusji Mody, has made just now, I have very little to say, so far as Bombay business is concerned ; but I must say that the object of this Bill ought to be three-fold : protection of the policy-holder, getting as many policy-holders as are possible in this country, and to aim at an economic policy of this industry in this country in the interests of the people as has been adopted in all advanced countries in the world.

Now, my friend, Dr. Deshmukh, has already pointed out, and so has my friend, Sir Hormusji Mody, that this insurance business has been acknowledged all over the world as one in which the nationals of the country should have a predominant voice and a predominant interest. If you see the Bill that has been produced here, it does give a lot of voice and interest to the people of this country. A definition has been sought to be put on the Indian companies in this Bill. I agree fully with the suggestion that has been made in the Select Committee, and my reasons are that we must now define what is an Indian company. In

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many countries we find that companies are defined as consisting of its nationals only ; but in this definition we have tried to put three-fourths national interests, and one-fourth we have still left open for the interests of those who wish to work in this country. This has been done in order to welcome co-operation although, I believe, that nobody can say that in this vast country we do not need as much protection as those countries demand. Still we are open to have co-operation and those who wish to take advantage and work with us in our interests as well as fairly in their own interests, they ought to become members by having upto one-fourth part in it.

Another point that has been stressed is with regard to this re-insurance—ten per cent. Now, with regard to re-insurance it will be acknowledged by all those who are in the insurance line that there is not a single company in this world which does not re-insure part of its risk. All the important big risks are re-insured ; and to ask one-tenth or ten per cent. of that business means only better co-operation. Let me ask my friends of the European Group whether it is not a fact that a part of almost all the business that they get they are re-insuring and if so why should they not give a part of it—ten per cent. of it—to the nationals of the country. I think in fairness we ought to get much more than that. (Interruption.) My friend asks : “Do the Indian insurance companies re-insure their risks ?” That is a right question. I say the Indian insurance companies, being small, insure sometime upto 90 per cent. of their business in British and foreign Insurance companies—I am speaking of general business.....

Mr. N. M. Joshi (Nominated Non-Official) : That is a mistake.

Mr. Husenbhai Abdullabhai Laljee : It is a mistake, my friend says. Quite right. But we are not in a position at present, in the interests of policyholders, to retain all the business for ourselves. Make us strong : give us capital and it may happen that we will give very little of it to foreign companies. But I do hope that in the insurance line the principle that has been always enunciated and a sound principle is to divide the risk, and divide it as widely as possible in order to be safe ; and, therefore, it is only out of sheer necessity that it will be necessary for every company to effect re-insurance and, therefore, also my friends of the European Group ought to welcome this re-insurance of ten per cent. to the insurance companies. So far as Indian companies are concerned, I say it is a fact, and nobody can deny it, that a great portion of their insurance does go and will go to the British and foreign companies out of sheer necessity. We have been given statistics in which it is pointed out so much of the Indian premium is earned by the Indian companies. But let me inform the House that a lot of that has gone to the re-insurance with the British and foreign companies and I do not see there is anyone who can object to this statement and I hope my friend, Sir Leslie Hudson, will acknowledge this without objection. The other day my friend, Sir Leslie Hudson, said that the people were watching us from overseas. I do not wish to say much at present on the question ; but surely what is left for us to get from overseas, specially the two colonies that he mentioned, Ceylon and East Africa ? I wish he exchanges his position here with those colonies. If not, I wish that argu-

ment was not brought forward. But there is one thing more. All along it has been said that we have got to keep the interests of policyholders first. While that has been said, and rightly too, in so many words, my friend, the Leader of the House, said that the Government of India Act in some instances does not allow us here to do what we want to do. I wish he had not the occasion to say that : because then the spirit will arise among us to say that feelings ought not to be anything but good in business ; and if some force is brought in instead of good feelings then the result is not in the interests of those who want to do business. Business is permanent only if you have the goodwill of the people. It may be that you can carry on for a short time business under some pressure, but invariably, it can never be good and permanent unless you have the good will of the people with whom you deal. I would point out to him that in the interests of the policyholders—and rightly too—he wants that in the board of directors of the company there should be one-fourth policyholders. I hope that when he does that in the case of companies managed by Indians, he will insist and not make any discrimination when foreign companies are concerned, including the United Kingdom, that the policyholders are there. Surely when you insist upon the insurer to have policyholders in the board, although the insurer may be his kith and kin, surely when a foreigner is in charge of your insurance, you will not allow them to have no policyholders in their board, and I would like to see how my friends will manage that. It is only by give and take that they can succeed.

Another question is about section 26 with regard to investments. There again the difficulty will arise—and a great difficulty—that the deposit that is required from foreign companies will have to be earmarked in the interests of the Indian policyholders. He cannot keep it otherwise, because if a foreign company were to come into trouble, all the policyholders all over the world, including India, will have a right over the assets. It is no use our having that money of foreign companies in India unless you earmark it by legislation that it shall be for the interests of the Indian shareholders.....

The Honourable Sir Nripendra Sircar : That has been done.

Mr. Husenbhai Abdullabhai Laljee : I do not know. I shall be very glad if it has been done or will be done. Then again under section 26, you have laid down—and rightly too—that no loans, etc., are to be given to friends, relations and subsidiary companies or their own private business. How are these foreign companies going to be treated ? How are they going to manage it ? Their interests all over the world are much more. There are many companies in America which have their own companies lending money and helping their industries and their own concerns. It should not hold good so far as India is concerned. If they want to do business here, they will have to abide by section 26 with regard to their funds.

Then, again, Sir, it has been laid down that the proceedings of the general meeting of shareholders, so far as Indian companies are concerned, should be submitted to the Superintendent of Insurance. I submit that rule should be made applicable to foreign companies as well. Sir, I do feel that all these sections do require a lot of serious consideration before we can adopt them.

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Then, Sir, with regard to Indian insurance companies, my friend, Sir Homi Mody, has clearly stated that Indian insurance companies, both big and small, have rendered great services to the country, and we do not want only big companies, but also small companies in every district and town. Sir, we have not sufficient concerns to keep our little surplus, and if there are more concerns like insurance companies, this can enable our poor people to keep their little spare wealth by insurance in such concerns which can be useful for their dear and near ones, and, therefore, it is our bounden duty to support the Indian insurance companies in the interest of the people of India. In fact, every advanced country has been doing that, and we shall be failing in our duty if we neglect to fully support both the big and small indigenous insurance companies, and I hope foreign companies will co-operate in a businesslike way.

Then, Sir, it has been suggested that we should limit the commission and rebate, and that we ought to license the brokers and canvassing agents. With regard to life insurance, so far as commission is concerned, there may not be much difference, because the rate is more or less fixed by the actuaries. In spite of that, sometimes, there is some difference in the rates quoted by the various companies, and, therefore, it will not be fair to fix this definitely until suitable arrangement is made for new companies. But in so far as fire and marine insurance is concerned, how are you going to fix it? The rates differ very considerably. In some business 60 per cent. discount is given, in some business 25 per cent. is given, in certain business four annas per cent. is the rate and in certain business one rupee per cent. is the rate. Now, how are you going to lay down what the exact percentage of commission should be. The only thing you can do is you can try and check the expenditure and lay down that it shall not exceed so much in life, so much in fire and so much in marine insurance. But in so far as fire, marine and accidents insurance is concerned, we should think very seriously before we can lay down a definite amount of commission unless and until there is a strong tariff association which alone can lay down for all kind of risks a fixed rate, otherwise we shall not be able to do much in this direction. I can give you an instance, Sir. Today I represent an English, a French and an Italian company, and the terms and the rates of commission of every body is quite different for different kind of business and that is, Sir, also the case with regard to American companies.

The Honourable Sir Nripendra Sircar : Who pays the most commission?

Mr. Husenbhai Abdullabhai Laljee : Those who get more business pay the largest commission. They compete very well indeed, but everybody tries to introduce his own men first under pretext of assistance to look into the business, and after we have developed the business sufficiently, they quietly place their people and take away the agency from us and this is regrettable however this is possible now because we have not got our own Indian companies in sufficient large numbers to whom we could look up to further, thanks to the Colonial Office administration all these questions are now coming up very soon. The difficulty was further enhanced some time back by the fact that certain banking concerns were not accepting the insurance policies of Indian companies, but now the position is better.

Now, Sir, I do feel that, so far as insurance agents are concerned, I mean canvassers, you ought not to impose any restrictions on them at

all. They have to go to people and canvas business,—they go to A, B or C and say : “ Will you give me business ”, and the company puts down its own terms. The businessman accepts or rejects it. What does the poor agent get? He gets very little : next to nothing. Thousands of educated young men are now working for insurance companies. Why do you want to restrict them? What do you gain by laying down this licensing fee? What do you give them? You don’t give them or entrust them money or business profit. It is the insurance companies who have a responsibility, it is the insured who has a responsibility, and they make a contract as best as they can, and, therefore, why license the canvasser? I do not know what is the underlying idea of licensing these brokers or agents. It has been laid down that they must be introduced by an insurance company. When we go into details, I am afraid I shall have to point out,—I am not speaking of Chief Agents,—that these agents are asked to sign slavery bonds, and once a company recommends say me or my son, it is not common that the same company may withdraw recommendation if we went to some other company and did business. Why do you want all this?

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : May I ask one question? Is not in some cases the agents’ commission greater than the premia?

Mr. Husenbhai Abdullabhai Laljee : If the assured wishes to pay the broker, he may, but the commission cannot be more.

Mr. M. A. Jinnah : It is not a question of wish, but is it not a fact? They do pay many of these agents?

Mr. Husenbhai Abdullabhai Laljee : There is a difference between the Chief Agents and the ordinary agents. If some people want to give them money, it is their look out, but it is laid down that unless the premium is paid by the insured to the company, the policy would not hold good and, therefore, you ought not to pay to the person the premium who canvasses the business unless you know he is honest. In some cases the insurance companies have declined to accept the assured honest claims on the ground that they have not received the whole of the premium money. Sir, it is an open secret that the commissions which the companies promise to these poor agents and canvassers are not reduced to writing, and if they want to decline a claim, they can easily say : “ We never agreed to this ”. Therefore, we ought to be careful and pay the premium to the company. Although I have got to say much more, I shall not say that at present, because I promised at the beginning that I shall not take more than ten minutes. Anyhow, I thank you, Sir, very much for giving me an opportunity to express my views on this important subject.

Mr. K. S. Gupta (Ganjam cum Vizagapatam : Non-Muhammadan Rural) : Sir, I am entirely for nationalisation of Insurance Companies. I do not want this semi-hemi-demi-type of control. There should be complete State-control. The State should control and exercise as much influence as possible over these concerns to see that the policyholders’ interests are adequately safeguarded. At the same time the working structure of the companies will be very much improved. These two must be the prime considerations in this Bill. The other day my friend, Mr. Sen, remarked, that there is no ideal Insurance Company. But I would

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put him this question—is this Bill an ideal one? Has it not got enough defects. The Bill, as it is, is not a mere mongrel as described by Mr. Badri Dutt Pande, and the more we look into it, the greater the hydra-headed monster we see in it; it is out to devour everybody who comes in its way. I am sorry. I am not shedding crocodile tears. The Bill seems to commit much havoc to the economic interests of the country. Then there is another thing. You feel shy of discrimination. If one is devoid of discrimination he is not fit to be a human being. He must see what is good and what is not good, so also one must see what is good for one's country and what is not good for one's country. Foreign element should be eliminated from this country, and the sooner it is done the better. A foreign body in the human system is very dangerous, and unless and until it is removed we cannot feel safe. Similarly, in the body politic of the Indian nation the foreign element should be removed and that as soon as possible. If discrimination is resorted to there is a fear that Thorns and Thistles might withdraw themselves from India, the sooner it is done the better.

The other day, my Honourable friend, Sir Leslie Hudson, said, that there was prodigality in the literature that has been supplied. If there is any prodigality at all, it is only in the army expenditure in India, and nothing less and nothing more. In the year 1925 a Bill was prepared. It was then possible that there might be discrimination, but in the year 1935 there cannot be any discrimination since the India Act is hanging like the sword of Damocles on the head of everybody here. It is highly desirable that this discrimination should be carried out to such lengths that the foreign companies will not have a domineering effect on Indian business. These foreign companies are asked to deposit Rs. 2 lakhs as the Indian Companies do. That is not quite sufficient because the amount that they keep here as assets would not be equal to the liabilities of the unpaid policyholders' money. The 'Life fund' is not kept as a trust property for the benefit of the policyholders. So there is every possibility for the management to mismanage and squander the money as it pleases. Again, policyholders' interests can be safeguarded in this way. In writing of a policy and also in the construction of it, the statements made therein should be treated as representations but not as warranties. If not, it would have very dangerous effects. The policyholder should have a strong voice in the management of the company. There should be at least one-third of the directorate elected by the policyholders. The investments should be in such a safe manner as to make them readily available and convertible into liquid funds. The life fund which is considered to be the security of policyholders must be safeguarded at all costs. This hydra-headed monster of the Bill is going to eat the younger companies with one gulp,—the younger companies are struggling for existence. I do not mean to say that mushroom companies should be allowed to grow, but those younger companies which are really run on sound lines should not be made to suffer. There is maxim "freedom and publicity". To all outward appearances it is quite well. But it is absolute rubbish to depend upon it because in India people are not so educated as to understand the real significance of this 'freedom and publicity'.

As regards shareholders there should be a limit to their voting strength. Supposing one holds several shares he should not have several votes in the

management of the company. There must be a limit, i.e., not more than ten votes for a shareholder owning more than ten shares. The other day my Honourable friend, Mr. Sen, was giving us figures to show that in certain companies the shareholders got fabulous profits. In such a case I suggest—it may be a novel suggestion and I may be excused if it is not to the taste of my Party—I suggested that a major portion of it or at least a substantial portion of the profits should be given to the Central Revenues so that the same may be spent on the nation-building activities. As regards agents they are field workers. It is their arduous labour that is responsible for the progress of the company and for its good condition, and as such, these agents should not be neglected. No doubt, there should be a license, but they should not lose the emoluments which they earn out of the sweat of their brow and by means of their wit and wisdom, by the mere fancied imaginations of the management. There should be a limitation to the commission also, or else the expense ratio will go up. The employees of insurance companies are another set of people for whom I hold a brief, because there is unemployment rampant. Owing to the present state of unemployment it is exploited by several companies by offering Rs. 15 a month to their clerks. There should be a minimum wage, a living wage even for the worker in the office. There should be certain regulations with regard to these employees. There are Government servants enjoying certain privileges and those privileges may be extended to them also. As for prospects there should be a graded system and the companies should not compel their subordinates to see that a certain quota of the policies is earned by them every year. There should be unions on healthy trade union lines. The other day, it seems that in Lahore some of the companies refused to allow their employees to join an association called the Punjab Insurance and Banking Employees' Association and so the servants of those companies had to resign *en bloc*. This is a very sad state of affairs. Fines are imposed out of all proportion to the salaries. Sometimes people getting Rs. 10 or 15 a month are fined Rs. 3 or 5. There must be a distribution of bonuses to the clerks employed by these companies.

As regards mutual and co-operative societies, it must be recognised that they are on a different footing from that of the proprietor companies because they have no shareholders, and all the profits go to the policyholders who are the sole beneficiaries. There is a tendency in the world for capitalism to run into co-operation and hence such companies should not be made to suffer by treating them in the same way as proprietor companies. Now they are asked to deposit another Rs. 25,000 within three months to make up the initial deposit of Rs. 50,000. According to the Bill another Rs. 25,000 or more have to be secured which is extraordinarily difficult in these days, and, as it cannot be raised by shares, it will have to be got by some means or other to liquidate the debentures or secured loans. In 1925 there was a suggestion that these companies might apply to the Governor General in Council for exemption from these deposits. There are more than 40 mutual life insurance companies and if these are not permitted to live and to exist by demanding heavy deposits thousands of policyholders will be left adrift and all the crocodile tears shed by the sponsors of the Bill will be in vain. Something like 40 companies will go out of existence even according to the Government Actuary and as well as the Registrar of Joint Stock Companies of the United Provinces if such heavy deposits are demanded.

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In conclusion, I would request you to kindly see that the Bill does not affect the interests of anybody called Indian, whether it is a policyholder, a shareholder, or an agent, or anybody else concerned. Let the unemployment problem also be solved to a great extent by the Bill to the best interests of the nation. Let us remember that India does not exist for the Government but that the Government exists for India.

Rai Bahadur Seth Bhagchand Soni (Ajmer-Merwara : General) : Mr. President, The Insurance Bill, now under consideration before the House, has been materially changed by the Select Committee in several important details, although the main guiding principles with regard to the stricter control and regulation of the Insurance Companies preventing the promotion of the mushroom companies on unsound basis with meagre resources, protecting the interests of the Indian policy holders and preventing unfair and unhealthy competition of foreign companies, have not been altered. One of the important changes made by the Select Committee deals with the very controversial question of Managing Agents.

Sir, it is contended by the sponsors of the Managing Agency system that the Bill entails greater financial responsibilities on the promoters of Insurance companies and it would become very difficult to start new companies if managing agency system is entirely abolished. I am afraid that this argument has little force so far as the life insurance is concerned. When a new company is formed, it will be the duty of the promoters to see if they have ample financial resources and sound experience before they launch any new concern. There are already in existence quite a good number of Insurance companies, who can well meet all the insurance needs of the country and I do not think that the help of the Managing Agents is needed for any such new venture. It is quite a different thing to allow the existing managing agencies to continue for some time more. It cannot be denied that some managing firms have been helpful in extending the business of insurance companies under their management and have given financial help, during periods of difficulties, but I don't think that managing agency for insurance companies and particularly, life insurance companies is most needed today.

The other important change made by the Select Committee is with regard to compulsory deposits under clause 6. This clause has been opposed by the younger companies and they require it to be modified to enable them to pay deposits in smaller instalments. The smaller companies no doubt find it difficult to make initial payments of large amounts. The first few payments should be reduced to such an amount which they can conveniently meet. It is not easy to make a distinction between young and old companies and the Bill does not define them anywhere. It would be better if we call them rich and poor companies. Although this distinction is not happy, some companies have been working with much small paid-up capital and as they were formed long before this Bill was introduced, there is a need for their protection. If the present proposal regarding deposits is persisted in, it would be undue hardship on the companies which are still in infancy. I would suggest that in the case of such companies, payments may be extended over several years and each instalment should be in conformity with their resources.

Sir, it has been observed that some small companies have done very well in the last few years and have been able to secure good business and pile up their insurance funds. But there are other companies which, even though they had a start of several years, have not made any progress in their business. I do not know whether they would profit even by such concessions, if they are unable to improve their affairs. The proposal to allow deposits in approved securities is very welcome as it gives a wider scope to the companies in selection of securities giving better yields in interests. Sir, no one doubts that there is need for protection of policy holders of non-Indian companies. Clause 26 as it stands will have to be modified to make it workable. The provision of licensing of agents has also not found favour with younger companies and a large numbers of field workers. It is considered a hard hardship on the younger companies to be compelled to employ licensed agents as they have to depend very largely on part-time agents. In big cities, it is easier for agents to secure substantial business but in smaller areas and towns they cannot have enough business to maintain themselves solely on this business. If they go out of the field, the smaller companies will surely suffer by shrinkage in business from such sources. It is urged that the time is not yet ripe for licensing of agents in this country. The provision with regard to the restrictions of commission at a fixed percentage was also opposed by the younger companies. The deletion of the clause regarding the fixing of commission by the Select Committee will be very helpful to the young companies.

I am glad to find that the Select Committee has given the right to the policy holders to elect 25 per cent. of the total number of Directors in Insurance companies. This will satisfy the demands of the policy holders and they will now have some hand in the management of the company. The resources of the insurance companies are mainly received from the policy holders and they have a right to see how they are invested and utilised.

Sir, the Honourable the Law Member is to be congratulated for the great labour and pain that he took in producing this important Bill which has aroused such a wide interest in all parties affected by the Bill. It meets the urgent demand of reforming of insurance law. I generally support this and hope to see it passed into law soon.

Mr. Amarendra Nath Chatterpadhyaya (Burdwan Division : Non-Muhammadian Rural) : Being a member connected with the insurance business, it would be wrong on my part if I did not take part in the discussion today, although wiser men who have been connected with bigger companies have had their say. It is evident from the report of the Select Committee that the Government of India have thought it best to extend the scope of the law and to change the structure, lock, stock and barrel and to introduce regulations for supervising the work of insurance. I should never have any objection to the extension of the scope of the law and the regulation of the work of insurance. I have gone into the clauses with great care and I want to ask what was wrong with the Indian insurers which led the Government of India to introduce this Bill and the Select Committee's report ? It is said that this Bill has been introduced to defend or protect the policy holders. Has anybody proved by facts and figures that during these years the Indian insurers have defrauded any policy holders or shareholders ? If anybody has any complaint

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against the insurers, it is the agents who really secure business for the company. But, Sir, I do not find anything encouraging in the Select Committee's report, either for these agents or even for the Chief Agents. On the other hand, I do find something discouraging to them. Really speaking, insurance business in India is of recent growth and if we analyse the achievements of the insurance companies in India, we can say, with some pride, that they have been able, without any support of the Government, to snatch away 73 per cent. of the life business from those who held the monopoly, namely, the foreigners. The older companies, who have perhaps stood for 60 years, 50 years or 40 years, have been able to give dividends to the extent of 100 per cent. or more to the shareholders and also good bonuses to the policy holders. From what the Honourable Mr. Sen has said, I can infer that some companies are tottering on their legs for want of funds and because their capital is not large. I can inform the House that eleven of these companies are of one year, 19 of two years, thirteen of three to four years, four of five years and five of five to six years. It is not yet time for us to sit in judgment on their work. The older companies have paid abnormal dividends and also good bonuses to the policy holders. So far as the achievements of the Indian insurers go, I can say that they are not mean achievements. Mr. Sen had given us the names of two companies, namely, the Angels of the Punjab and one of Bengal with which we are all familiar, the Great Indian Insurance Company, which went into liquidation. Mr. Sen apprehended that another company was soon going into liquidation and 3,500 policy holders were going to suffer. Because 3,000 policy holders out of 29 lakhs of policy holders are going to suffer, is that a case for such a preventive measure which we are going to enact in this Bill? My Honourable friend, Mr. Sen, wants an ideal company and his ideal company is a company which is backed by money. I would draw his attention to the mistaken idea that the backing of money does not make a company ideal. It is the men whose character, whose sincerity and whose patriotism carry weight to bring in policies and whose idealism will make business successful. Sir, there are many rich men who do not possess an ideal character but there are many Indian insurers who have not much money but who have sound principles. In view of all this, I do not know why he should be a party to introduce a law which will hamper the birth of future Insurance Companies and the growth of the present ones who are yet infants. There was a time when provincial backing was necessary. But in course of time we have now found that any company formed anywhere may have a chance, in any part of the country, on account of the Congress movement and, therefore, a company of the Punjab or a company of Bengal may really feel sure that it can succeed in any part of India. Sir, it may be said that there are about 30 companies which are not doing good business simply because they have no money. I would ask the framers of this Bill to let them have a chance to create confidence in our people and I am sure either by means of amalgamation or by getting some capitalist friends, they will overcome the difficulty. I only hope that the Government would go to their help instead of running them down.

While I am speaking about the achievement of our insurance companies during these years, it will not be out of place for me to quote some figures. The premium income in 1920 was 1½ crores and the

life fund 8½ crores. In 1925, the premium income rose to 2½ crores and the life fund to 12½ crores. In 1930, the premium income rose to 4½ crores and the life fund to 20½ crores. In 1935, the premium income rose to 6½ crores and the life fund to 31½ crores. The total life fund in 1936 was 38 crores, of which 28 crores belonged to Indian companies and ten crores to all non-Indian companies. Sir, in recent years only two companies have gone down and according to my Honourable friend, Mr. Sen, out of 251 companies only 29 have failed. Sir, it is an insignificant figure. Mr. Sen has further stated that since the passing of the Act of 1912, insurance companies in general have increased very considerably owing to the growth of insurance in the country. The most notable increase, however, has been in the business of life insurance. From his own statement what can be inferred? The insurance law of 1912 encouraged the birth and growth and pre-supposes further development of insurance business. As a nation, we are just trying to industrialise our country and I am afraid that if any impediments are placed now in the way of the security deposit, our small companies will close. I, therefore, appeal to this House to stand by them and instead of loading them with security deposit, devise some other means to help them and to control them.

I have been warned that my time is up, and, before I close, may I say

1 P.M.

that I shall be able to do justice to the subject only when I move my amendments. I beg to say that it is neither payment to the Agents that is responsible for any failure, nor ignorance of insurance technique, but it is really due to want of capital at the outset. Therefore, the companies which have been floated will have to keep sound capital in order to stand on their legs or they shall have to be protected by Government. Regarding the investment, the Select Committee has given us an absurd proposition. It deprives the insurers of the right to invest according to their convenience. They are the best persons to judge how they should invest and how they should conduct and they should not be hampered in this. In the list of approved securities, we find a serious omission of municipal debentures. They should be added. With regard to deposits, I believe there should be no change and what is now in existence should be continued. With regard to licensing of agents, it is absolutely unwanted and unwarranted. The moment we bring in this question of licensing, I am afraid many young men will be deprived of their bread. The Superintendent of Insurance has been given enormous power and he may have greater opportunities of abusing his powers.

The Honourable Sir Nripendra Sircar : He has no power to refuse license. The insurance companies can refuse to have the people whom they do not like as Agents.

Mr. Amarendra Nath Chattopadhyaya : The insurance companies may appeal to the Superintendent to make the Agents yield to the terms dictated by the companies. On behalf of the Agents who are now working and on behalf of those who will come in future, I appeal to the House not to stress upon this licensing clause. In regard to the Provident insurance societies also, I object to the deposit demanded of them. It must also be reduced. With regard to co-operative and mutual insurance, I say let them stand where they are. With these words, I conclude. No

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justice can possibly be made to such a complex Bill in course of twenty minutes, and I shall try to do justice in moving the amendments.

Mr. B. Das (Orissa Division : Non-Muhammadan) : Sir, the national prosperity of any country is judged by its activities in banking, shipping and insurance. Unfortunately, owing to the apathetic attitude of the Government of India, they have never allowed the development of banking, shipping or insurance activities of Indian nationals. Therefore, I welcome very much this measure which has been introduced by the Honourable the Law Member. But when the Bill emerged from the Select Committee, I felt disappointed that sufficient latitude has been left to the Colonials and the foreign insurance companies, not to speak of the United Kingdom insurance companies that enjoy great privileges through that highly objectionable and hateful Government of India Act. Sir, it is true, and I agree with my Honourable friend, Sir H. P. Mody, that it is the indigenous enterprise of Indians and Indian Managing Agents that has brought the Indian insurance companies to their present state of prosperity ; but from the way in which this Bill is framed, if the House does not take sufficient steps to get it amended, I am afraid that the Indian insurance companies will be thwarted in their operations by the foreign companies and particularly by those hated Dominion and Colonial companies that we do not want to have any increased activities in India. I wish to tell the House how the Government of India, when the British Insurance Act was passed in 1929, did not permit this House to have its own Indian Insurance Act, because Sir George Rainy at that time anticipated that the Government of India Act would permit my friends of the United Kingdom to enjoy similar privileges with Indian nationals in India. Therefore, the Indian Insurance Bill was not drafted, but it was postponed to this day to be drafted and tabled by the present Law Member.

During the few minutes at my disposal, I will confine my remarks to telling the House how they should legislate so that the Bill might completely penalise foreign companies and also Dominion insurance companies. The definition in clause 2, sub-clauses (8A), (8B) and (8C) which the Select Committee introduced as regards the Indian insurer, I welcome. I am surprised that the Honourable the Law Member and his colleague, Mr. Sen, and also my Honourable friends of the European Group want that these definitions should be omitted. Sir, the new definition about non-Indian insurer which the Honourable the Law Member and Mr. Sen have proposed simply staggers me,—not only does it stagger me, but it also staggers the entire Indian commercial community in this country.

The Honourable Sir Nripendra Sircar : If that staggers my Honourable friend, I will not move it.

Mr. B. Das : I would be very glad if it is not moved.

The Honourable Sir Nripendra Sircar : I thought I was doing it in the interest of Indian interest, but I shall not move if there is objection.

Mr. B. Das : No Indian would like that the U. K. representative and the Indian representative should be tied together hand in glove for ever. I am quite agreeable to accept a proviso that as long as the present

hateful Government of India Act lasts, under sections 111, 112 and 113, the U. K. representatives can demand similar privileges, as the Indian nationals enjoy.

The Honourable Sir Nripendra Sircar : You go on talking big, as big as you like.

Mr. B. Das : I welcome clause 3 (2) (a) to (e), because it deals with reciprocity and retaliation. Sir, as regards reciprocity, my view in this House is well known. I do not want any reciprocity with South Africa or Canada. (Hear, hear.) As long as the Dominions deny Indians the right of naturalisation, the right of equality, so long no Canadian company should trade in India. (Hear, hear), and if this reciprocity clause is applied, it must be applied in all fields, not only particularly in the insurance field. As regards retaliation, I congratulate the Honourable the Law Member, the Government of India and the Select Committee on having drafted such a wise clause. There are the Italian and Japanese insurance companies which are doing lots of business in India. No Indian insurance firm can do business in Italy or in Japan, and I wish to remind the House that Italy bans Indian business firms going there by its decree and Germany does not allow Indian business firms to trade there by its foreign exchange control. And yet we find that a German insurance company is doing large business at the cost of Indian insurance business, and even at the cost of the business of our friends of the United Kingdom ; and it is our duty to see that German, Italian and Japanese businesses are completely turned out of India.

Sir, I will deal briefly with United Kingdom businessmen. They have come by the back door or the front door, I do not know which, but they are here ; and the Government of India allow them to exploit us as much as they like. Perhaps I should not use the word " exploit ", but rather, " friendly co-operation ". Sir, I am glad that now the United Kingdom companies will have to behave themselves, will have to produce accounts and will have to submit their annual reports, as my Honourable friend, Mr. Husenbhai Laljee, pointed out, to the Superintendent of Insurance. I am glad of that, but I do hope that these U. K. insurance companies will behave themselves and will treat fairly the field agents of which my Honourable friends, Mr. Chattopadhyaya and Sardar Sant Singh, spoke. I have been told that the United Kingdom companies behave shabbily with their Indian agents who have built up their business and then afterwards they just give them a kick and then their junior European officers pass as big insurance canvassers. I hope the law will not permit this sort of thing in future. I do hope clause 26 will be so amended that every foreign company permitted to trade in India and every Canadian, African and Colonial and Dominion company that may be permitted under the reciprocity to trade in future in India should keep its investments in Indian securities and in India.

The Honourable Sir Nripendra Sircar : My Honourable friend has said half a dozen times about reciprocity in the Bill. Where is that clause ?

Mr. B. Das : It is clause 3 (c). I take that as reciprocity ; if you like to call it retaliation, I shall be very glad. Sir, I do not want that no foreign company shall flit away with its gold and securities. It should

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be invested all in the Government of India and the Provincial Government securities kept in the Reserve Bank of India or in some other place as the Government of India will decide. The United Kingdom companies should not be permitted to invest their surplus money only in British companies but they should extend their patronage to companies promoted by Indians, if they want to justify themselves that they are Indians and claim equal rights and privileges such as we claim as Indians.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can go on with his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. B. Das : Sir, before the recess, I was discussing the process of discrimination that the United Kingdom insurance companies are practising against India and that further powers and privileges are being given to the insurance companies through this Bill. I was saying how the United Kingdom insurance companies treat and discriminate against their Indian rivals. I will devote a minute or two to show how the United Kingdom companies discriminate against Indians. There are exchange banks which are mostly United Kingdom and dominion companies, that insist that no business should be insured with an Indian company, that it must be insured in a United Kingdom company or a dominion company. That is the policy of the United Kingdom against India and that is how they discriminate against Indian trade. But nemesis is coming near. Though the Government cannot have banking legislation, yet that great banker who is unfortunately no more, Sir Sorabji Pochkhanwala, himself went over to London and started the first exchange bank for India and it is the policy of the Bank that no foreigner will be employed in the Central Bank of India or in its office in London. That is a lesson that I ask the insurance bigwigs to learn. No Indian insurance company should employ Europeans or Canadians as they have been employing and if the Congress mandate will be carried into effect by Indian companies we would ask them to pay their managers and secretaries not more than Rs. 500 a month : if a Canadian or European is willing to accept Rs. 500, I do not mind. But I do ask the Honourable the Law Member to examine this process of discrimination that the United Kingdom companies are practising against Indian trade, not only in insurance but in other matters.

I will now summarise the recommendations that I have brought forward in the few minutes time I have occupied. I say, firstly, that there should be no definition of an Indian insurer, but rather there should be a definition of the foreign insurer, which may not include the United Kingdom. I do not want to accept the very humiliating position that the negative definition of the Honourable the Law Member should include and incorporate the United Kingdom representative and give him equal rights with me in every business matter. What I suspect and

what I apprehend is that in future commercial legislations such a practice would be introduced, and thereby the United Kingdom will secure further advantages.

My second recommendation is that the moment this Bill passes into law, Italian and Japanese insurance companies should be ordered by the Government of India to wind up, because they do not permit Indian insurance companies to carry on business in Japan or Italy. My third recommendation is that no non-Indian company should be permitted to come to India for the next twenty years. Of course I except the United Kingdom ones, but I include the dominion companies. To me the dominion companies are as much foreign as the Italian or the German. My fourth recommendation is that German and Italian companies who have come here should be asked to wind up because the Italian decree prohibits the transfer of any money from Italy to India and the German foreign exchange policy has similar effects. If that is not possible, I ask the Government to see that whatever policies the German and Italian companies hold in India, they must be asked to bring into India all the money in cash or securities covered by those policies immediately and they should not be allowed to carry on any new business in India.

My fifth suggestion is that Canadian and South African companies should be asked to wind up their operations in India until they give Indians recognition and equality of status in their own countries. Incidentally I would refer to the fact that the New India Assurance Company carries on some business in South Africa and when it wanted to send an Indian to look into certain business affairs in South Africa, South Africa did not permit that Indian to land. With that humiliation, I am surprised that we have not got certain discriminatory clauses, disqualifying clauses, against South Africans and Canadians.....

The Honourable Sir Nripendra Sircar : We have : but you have not read the Bill.

Mr. B. Das : Thank you. I am glad the provision is there, and we are of the same mind. My last suggestion is this : that as long as these dominion companies work in India, if they wish to work in India, they must give Indians equal opportunities in their insurance companies. I do not think any Indian gets a higher salary than Rs. 500 in their offices, while the European and Canadian managers draw huge salaries. If they claim equal rights, if my friend, Mr. Ramsay Scott, claims equal rights for his United Kingdom insurance companies, I claim equal opportunities in his British insurance companies operating in India for Indians and Indians must get equal opportunities in services, etc., as his countrymen enjoy. I cannot ask the Honourable the Law Member to legislate in this matter, but I am throwing out this suggestion to the European companies that they must mend their manners in India.....

The Honourable Sir Nripendra Sircar : All your facts are wrong. You are talking of high salaries, and so on. One Indian Company has got a European manager on Rs. 7,000 : a second Indian company has got one on Rs. 6,000 : I can give you a list of six. The worst culprits are not Canadians and Africans, but the Indians.

Mr. B. Das : I am glad my Honourable friend has brought out those facts : in fact I was concluding my speech with that. There is an

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amendment which is going to be moved from this side of the House that no officer in an insurance company, be he Managing Agent or Secretary or Managing Director or Manager, should get more than Rs. 500, whether the company is Indian or British. I will take the Indian companies first : if he gets paid more, according to me he is a traitor to India and he is a rebel, and I hope the Honourable the Law Member will help this side of the House in accepting that particular amendment so that no insurance company official will draw more than Rs. 500. If that is accepted in regard to Indian insurance, then we will see whether we cannot include another clause whereby United Kingdom companies also will be liable to observe similar regulations. With these observations, I welcome the Insurance Bill, and if those provisions that I have objected to are removed, I may permit it to be passed.

Sir Cowasji Jehangir (Bombay City : Non-Muhammadan Urban) : Mr. Deputy President, although hailing from the city of clamorous insurance men, I rise not to make a noise, but to sing to the best of my ability a song of co-operation. It cannot be denied that, whatever may be said of Bombay and its businessmen, those Bombay businessmen have been the founders of insurance business in India, and that today, they maintain that lead. Naturally, that being the position, you will find in the city of Bombay more men with insurance experience, than in other parts of India, and it again, therefore, naturally follows, that these men take a very keen interest in a piece of legislation which is going to vitally affect their future, their prospects and the concerns which they have helped to establish.

Now, Sir, I should have thought that every Honourable Member of this House, including my Honourable friend, the Leader of the House, would have been proud of the fact that it was some 63 years ago that in Bombay was founded the biggest Life Insurance Company in India,—it is not only the biggest in India, but it is also the eighth largest in the British Empire. Surely, I would have expected a word of acknowledgment for the enterprise, perseverance and tenacity of the forefathers of this clamorous Insurance section for being the founders of one of the biggest companies in India. I do assure, my friend, the Honourable the Leader of the House, that there is no desire in Bombay to kill young Indian companies.....

The Honourable Sir Nripendra Sircar : So glad to hear it.

Sir Cowasji Jehangir : I do assure him of that, and he will find that to be true. I personally, although I regret I have not been able to be present in this House throughout the discussions, can see no evidence of such a desire. Surely, my friend will not contend, in fact no Honourable Member will contend, that a provision for deposits is evidence of any such allegation. Nor do I think it can be contended, that a provision for the limitation of commissions is evidence of a desire to push out foreign companies. Sir, I may state for the information of my Honourable friend that some 35 years ago, when competition among Indian companies was by no means as great and as effective as it is today, this question of limitation of commissions was a very live question, and foreign companies actually had to enter into an agreement, in black and white amongst themselves to limit commissions for their own advantage.

That was over 30 years ago. Surely if that abuse of excessive commissions given by companies on a cut-throat principle was bad 30 years ago, it is even worse today. But that is no argument for saying, that anybody wants to completely drive out foreign companies. Sir, I have no desire to go into the merits of the clauses of the Bill for two reasons,—first, for want of time. We all, I understand, desire to close this stage of the discussion today. The second reason is, I have not been present in this House during the discussions, but I shall reserve my right, with the permission of the Honourable the Leader of the House, to intervene during the later stages of the discussion.....

The Honourable Sir Nripendra Sircar : You don't want my permission for it.

Sir Cowasji Jehangir : With your permission and goodwill, I would respectfully point out.

Sir, I was tempted to rise and say a few words, although it may be considered audacious on my part to do so, as I have been absent from the House till this morning, but I crave your indulgence, and my only object in rising to speak is to try and prove to my friend, the Honourable the Leader of the House, that we from Bombay are not such a bad lot as he imagines.....

An Honourable Member : He paid you a handsome compliment the other day.

Sir Cowasji Jehangir :And though we are clamorous, it is because the shoe pinches, it is because there is a good deal of insurance business in Bombay, and it is also because, I will repeat, we were the founders of insurance business in Bombay. I have already drawn attention to the biggest company in India, and the eighth largest in the British Empire. I think my friend opposite just alluded to it just now, although he did not mention the name of the company. I am not going into the merits of the clauses just now, nor am I going to attempt to reply to my friend, Mr. Das, about his Rs. 500 salaries for managers of companies, some of which have investments in Government paper of about 17 crores of rupees.....

Mr. S. Satyamurti : In Madras, the revenue is 18 crores yearly, and Ministers get Rs. 500 a month.

Sir Cowasji Jehangir : I am not going to argue whether Rs. 500 salary is sufficient to be paid to the manager of a company.....

An Honourable Member : Quite sufficient.

Sir Cowasji Jehangir : Nor am I going to argue on the merits of the clauses with regard to agency commissions. But I express the confident hope that we shall get justice at the hands of Government ably led by the Honourable the Law Member, and I express that confident hope from past experience. I had the honour of sitting with him on the Select Committee of the Companies Act, and I was convinced then.....

Mr. F. E. James (Madras : European) : He had not then the same homicidal mania.

Sir Cowasji Jehangir : I was convinced then of the fairness with which he dealt with all questions, and I have no reason to believe that he will not display the same fairness, the same impartiality with the different clauses in this Bill.....

An Honourable Member : Flattery.

Sir Cowasji Jehangir : This is not flattery. After all, we are all directly or indirectly concerned with insurance companies. I admit I am one of the directors of a large company to which my friend, the Honourable the Law Member, referred, but let us give the devil his due. (Laughter.) He is not concerned with any particular company just now, and we do expect, and confidently expect, that my friend, the Honourable the Leader of the House, will exhibit, as he has done in the past, that sense of justice and fairness in dealing with these clauses, and that, although he may be very, very tired of reading voluminous literature he will give individual Members of this House during the discussion on the clauses a patient hearing and decide as if he were on the Bench. Sir, I have nothing further to say at present, but I wish to thank you and the House for allowing me to intercede, although I have not been present in the House till this morning.

Mr. Umar Aly Shah (North Madras : Muhammadan) : Sir, I rise to oppose this assurance of a so-called Insurance Bill. The other day, it was introduced by the Honourable the Law Member in this House. I do not want to make a long speech going into the details of this Bill, but would like to clear one or two doubts which have arisen in my mind.

What is the object of Insurance Companies ? What are the fundamentals of this Bill ? Both foreign and Indian Insurance Companies are bound to be affected by this Bill. My fear is that this Bill is going to hit Indian Companies harder than the foreign.

Insurance is a phase of Western civilization thrust upon India. Its main principle is to collect people's money to be spent by the promoters of the companies. The great Vedic interpreter, Vidyaranya, said :

*" E tasmāt kimivendrajāla māpāram
Ardhena ardhm vīno "*,

which means, that when a man without money enjoys like a prince, is it not the greatest magic ? The Insurance Companies also are run on principles of magic. The crores of rupees collected by these Companies are not conferring any benefit on the people. The economic conditions of India are not good. There are many poor people and scholars who are going from door to door, but no body cares for them, helps or supports them.

What is the real principle of the Insurance Bill ? It is to regulate the business of the Insurance Companies, which, if I may say so, are doing the " coin trade ". They simply collect and issue money. Their trade is not an exchange of commodities or services. What I call " coin trade " is like collecting a tax from the needy people and distributing it among others. I ask whether Government should permit this sort of business in India.

Coins belong to the Government, and we have no right to have private coin trade. Coin means immaterial (*ardha*), and coin trade

means that the coin belongs to Government and we cannot do any sort of business in that. The insurance people have been doing coin trade. If Government want to get through this Bill, I have no objection. But I am afraid Government have not understood the real implications of this coin trade. What I want is that Government should support all companies equally, or withdraw this Bill if they cannot succeed in doing this.

Mr. M. S. Aney (Berar : Non-Muhammadan) : This Bill has been debated for the last four days, and it is rather difficult for anybody to press any new points on the attention of the House. But those who have carefully listened to the discussion must have, I am sure, observed that there is a good deal of common ground among the various speeches that have been delivered here in spite of what appeared to be contradictions or rather points of conflict. Even those who seemed to be advocating different points of view have at the bottom of their speeches, if they are properly analysed, certain principles to which all of them owe allegiance. For example, I find that nobody seriously disputes the necessity of the Bill before the House. Although they are finding fault with clauses here and there, it is common ground that the present law of insurance, in the conditions existing now under which the insurance business is going on is inadequate and something more has to be done for the sake of having more control over that business.

If we compare the conditions that existed a few years ago, say, about the year 1925, or so, with those of the present day, we find that the total business of insurance which was of the order of about eight crores then has now grown to 28 or 30 crores. The business has increased to such an extent that the number of companies has also gone up to a great extent. If I am right, I have taken the figures from the Indian Insurance Book, 1935, the total number of companies is 366. I am prominently bringing this fact to the notice of the House for this reason that the conditions under which the companies were working for the sake of getting business about ten or fifteen years ago are materially different from those under which the insurance companies will have to work for the sake of getting their business now and hereafter. The classes of people who were approached for the sake of getting their clientele by the insurance people some ten or fifteen years ago were altogether different from those of people who will have to be approached in the present day conditions. And the law that was held to be good considering the conditions which then existed cannot, therefore, be said to be adequate to regulate the work which has to be carried on under the present conditions. The man who is a policyholder today is probably one who has got his whole savings of his life invested in the form of insurance policies, while the person who was approached as policyholder in those days was certainly a well-to-do gentleman ; for example, a gentleman of the position of Mr. Jinnah, who could have a policy and yet the amount that he insured for in the way of life insurance was not the whole of his saving. He might have lost the insurance amount and yet he might continue to be a gentleman of the world without being seriously inconvenienced. But the person who is to be approached today, and without approaching whom you will not be able to carry on your business today, is a man whose all life savings are probably invested in insurance. Therefore, these are two obviously different conditions. So, the

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necessity of State intervention which then existed is somewhat different from that under the conditions in which the present work is being carried on. If this Bill shows a greater degree of tendency on the part of Government to control this business, *prima facie* we shall consider it as not a very serious departure from the right path. The only thing that we have to carefully examine is this, namely, whether the conditions which the Government want to impose are such as to crush or kill all new enterprise or the enterprise that has been recently in evidence in this direction. That is the only way in which we have to look at this question. I do not find any new principles introduced in this Bill. Even the principle of deposit is in the old Bill. Even the figure of two lakhs is not altogether new. Although old principles are reiterated and certain stringent conditions are imposed, are those conditions of such a nature as to crush out of existence certain young companies or make it impossible for new companies to come into existence? That is the only point which we have to consider. And from that point of view, it is a matter of great satisfaction and relief to this House, that in the course of a very lucid and sympathetic speech which the Honourable the Law Member made in opening this debate, he said that there was no question of principle involved in this matter, he was open to conviction and he would carefully consider the suggestions that might be made. So, we meet in an atmosphere in this House where there is a tendency on the part of both sides of the House to exchange views freely with a view to understand each other's point of view and a tendency to accommodate each other also in order that we may produce a Bill with the common consent of the House. In that atmosphere we meet. That is a very encouraging factor.

Having said that, we have to look at the Bill from another point of view also. Now, when the various clauses of this Bill were 3 P.M. debated by many Honourable Members on this side, it was repeatedly said that the primary object which we must have before our minds is the interest of the policyholder. That is a proposition which nobody can gainsay or deny. That is a proposition to which every one of us subscribes but we must also remember that this insurance business which has got this aspect, namely, the interest of the policyholder has also other aspects and, in order that that aspect may be properly understood, I shall try to quote from the speech of a very great insurance magnate of the world. He was once the President of Lloyd's. He explained the various advantages of the insurance business and in judging this Bill we must see whether its provisions give us at least some of the benefits contemplated in the quotation I am giving you for your information :

"Insurance, to quote the words of Sir Percy MacKinnon, ex-Chairman of Lloyd's enables (I want you to note these words carefully) the small capitalist to undertake enterprises which would otherwise be restricted to those who commanded large resources ; it enables separate communities to share their burdens ; it enables the weak community to benefit by the resources of the strong ; and it enables the whole world to face with equanimity disasters which, if they fell on a weak community uninsured, might cause distress that would spread far beyond its own narrow frontiers."

These are the various advantages which the insurance business is intended to achieve. In judging of the provisions of this Bill, we have to see whether the interests of the policy-holders are safeguarded and,

simultaneously, we have also to find out whether the other advantages which have been mentioned are also secured and if that is found to be so; then we have started the insurance business on sound principles and it would be of national advantage also.

Before going into other details, I would like to draw the attention of the Honourable the Law Member to one important provision. I have read the definition of insurer given here in sub-clause (8) of clause 2. I may be wrong in my interpretation but my own idea is this. Probably certain kinds of provident societies to which part III does not apply are not included even in the definition of insurer here. That is what I feel. If you turn to clause 57, in part III, you will find that those provident societies which give an annuity of more than Rs. 50 or a gross sum exceeding Rs. 500 are excluded from the operation of Part III. That is what is done there and here in giving a definition of insurer in clause (c) there is a reference made to this effect that the person intended to be covered by clause (c) does not include an insurance agent licensed under section 37 or a provident society to which the provisions of Part III apply. Is it intended that other provident societies are covered by the definition in sub-clause (c) of clause 2 (8) ?

The Honourable Sir Nripendra Sircar: Provident society is covered by Part III. It is not intended that the earlier part will apply to provident societies. That is the whole object.

Mr. M. S. Aney: Those societies to which Part III does not apply will be governed by other parts of the Bill. What appears to me is this. As that kind of society is excluded from Part III and also specific mention is made to the provident societies covered by Part III in the definition of sub-clause (c), it is intended that the other provident societies to which those provisions do not apply are intended to be governed by the definition of insurer given here and, therefore, other provisions of the law apply here. I want the Honourable the Law Member to carefully examine the wording of this clause because in every one of the three clauses of the definition the insurer to whom it is intended to apply is carefully and minutely described. For example, clause (a) refers to a company incorporated under law of any country other than British India, clause (b) refers to companies incorporated under the Indian Companies Act of 1913. Under these clauses the provident society does not come in at all but it is referred to only in the proviso to clause (c). Reading the wording of clause (c) there is nothing to show that a provident society established under the Act can, in any way, come in there except by implication of the fact that a reference has been made that this does not include a provident society to which Part III applies. The object is quite clear but whether that object is fulfilled or not on account of the wording of the definition I want the Honourable the Law Member and the Members of the House to carefully examine. I mention this fact because of the existence of some provident societies which give a premium of more than Rs. 50. There are some three or four societies like that in existence and they have got their own grievances also about this matter. I have not been able to see whether they would like themselves to be included in Part III. Section 57 can be deleted and provision for them can be made there. But if they may like to be governed by the other provisions of this Bill, in that case, it can be specifically stated that clause (c) shall include such and

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such a society but shall not include societies to which Part III does not apply and thus definitely bring that society under the category of insurer mentioned in clause (c). That can be done also. Those who are conversant with the conditions of these Provident Societies will be in a better position to say which of the two positions they can take with advantage and I hope that they will urge it for the acceptance of this House at the proper time. Having brought that to the notice of the House, I will proceed to other important points.

Now, I find that the main dispute in this House turns on three or four important points—points with regard to deposit, points with regard to the investment of the assets, points with regard to the Managing Agents and points with regard to the licensing of agents and so on. I may say that so far as the dispute is concerned with the question of deposit all that has been urged on behalf of the young companies is that the period of seven years which has been provided for by the Select Committee is not adequate or sufficient for them to make up the necessary deposit required under the law. Here in my opinion there is no question of principle involved. It is a question of examining the position of these bodies and see whether a concession of two or three years or even of one year can be given in the interests of the policy-holders in whose interest deposits are being demanded. But, then, we have to find out whether by retaining it for a period of seven years you are safeguarding their interest and whether by extending that period you are jeopardising their interests? If we find that it is an unnecessary clamouring by these companies, we can reject that amendment. But in making that demand there is nothing to indicate that the attitude of these young companies is hostile to the Bill. Now, a taunting remark was made by my Honourable friend, Mr. Sen, that if the children are given something to eat, they swallow it and their appetite grows and they ask for more. I think he should have been glad because when the appetite of a child grows, it is a sign of health.

Mr. S. C. Sen (Government of India: Nominated Official): It may lead to indigestion.

Mr. M. S. Aney: We shall take him to a better Doctor for examination. I am, therefore, prepared to carefully examine the condition before we agree to that provision. Then, we come to the question of investment. With all my respect for the Honourable friends who represented this House and particularly the majority Party on the Select Committee and who, I am free to confess, have always represented the Members of this House with great credit to themselves and to this House on the Select Committees of various other Bills somehow or other they allowed themselves to accept a modification of the original Bill in that provision which, in my opinion, has put this Bill in a wholly impracticable condition. They have recommended that, all the assets which are equal to the liabilities of the insurer to the policy-holders are to be invested in Government securities. All those gentlemen who are interested in these companies—whether big or small, whether born companies or companies which are yet to be born—have told me that it is impossible to fulfil the requirements of that particular clause. All their assets are not in a liquid state and, therefore, it is not possible for them all at once to invest

them in Government securities. There is suspicion that probably some of my friends were in league with the Finance Member and in view of the falling rates of Government securities, an attempt was made to prop up their value so that there may be a rush and demand for Government securities within the period prescribed. I can't conceive any ostensible reason for such a sweeping provision. I do not know who was the advocate of that proposal and how it appealed so much to some of my friends who worked on the Select Committee. The original proposal was for the investment of 33 per cent. of the assets and that was, in my opinion, an eminently reasonable proposition. I still hope that the House will give their best consideration to this proposal and unless there are reasons of an exceptional character, they had better think of restoring the original clause in place of the present one.

Now, Sir, after discussing this question of investment, which has been made an impracticable one under the present Bill, I come to the question of Managing Agents. So far as that question is concerned, we find that this House has agreed to the necessity of abolishing the system of Managing Agents in the matter of insurance companies also. That is again a common ground between the Members on both sides of the House. The question is whether it has to go within three years or within ten years. This matter will have to be judged very seriously, in my opinion. I am not a friend of any Managing agent although my Honourable friend, Mr. Jinnah, will be reminding me and has already reminded me outside the House that I have voted for the retention of the managing agency clause and the managing agency system while the Indian Companies Bill was under discussion. I thought I had done the right thing then.

Mr. M. A. Jinnah: What are you going to do this time?

Mr. M. S. Aney: Just hear what I am going to say. The point that I want the House to consider is this. In the report that has emerged from the Select Committee certain financial responsibilities are created and the companies are called upon to shoulder them. If these financial responsibilities are not satisfactorily fulfilled, there are provisions in this Bill by which it is possible to cancel the registration of these companies. Now, the only point which we have to take into consideration is this—and I do not express any opinion on it at all—whether the agents whose services will be dispensed with within the period of three years and who will be getting no commission but only limited sums by way of salaries will be really helpful to the companies in fulfilling the conditions in the matter of deposits or will they be simply idling away their time, doing nothing? I do not know whether a longer period or a shorter period will be helpful to the companies for retaining the services of the Managing Agents in order to enable them to fulfil the conditions. It is only for those who have got experience in this matter to say what period will suit the best. As a layman, I only see that we are going to kick out a man who has been long in the management and who has been taking keen interest in the insurance business of the companies. We have to see what the effect of that step will be upon the general business of the company. If the effect is such that the company will be still in a position to fulfil the conditions imposed upon it, then I do not mind if the Managing Agents are driven out now and

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at once. Their opinion I can easily accept. I do not give myself any definite opinion, but anyhow this managing agency system must go sooner or later.

Having spoken so far on the managing agency system I shall now make a few remarks on the licensing system. So far as licensing is concerned, I do not see why there should be any objection to this system at all. In fact, one of the chief objects of this Bill is to give publicity to the work of the agents who secure business and this licensing system will enable us to know who are the agents of any particular company. The world will know which agent is doing business on behalf of which company. But some people may say that at present the agents, without being licensed, are doing business quietly and most profitably. But there is great danger of all sorts of unknown and non-descript men going and canvassing business because of the risk involved. But if known men, if licensed men do business, the danger is minimised automatically to a great extent. Some Honourable Members look down on this licensing system as derogatory to the dignity of gentlemen, and they urge that respectable people will not come forward to take out licenses. May I ask what profession there is in which you are not called upon to take out licenses? Take the case of the legal profession. Leave aside the case of the Members of the English Bar who come here and practise. But all the other practitioners, including advocates, who take their LL.B. degrees, have to take licences and some of them have to renew their sanads every year if they want to practise the honourable profession of law. Nobody looks upon this licensing system as something wrong or undignified or anything of the kind. The mere fact that any person is required to take out a license, in any profession, does not make that man in any way unworthy or in any way discredited by the people. So far as that question is concerned I do not understand the propriety of the objection raised by some Honourable Members. It is true it may be a little irksome for the agents if they are called upon to renew their license every year. I think the period of license may be fixed for three or five years in the first instance and it may be renewed later on. It will be unnecessary harassment if the agents are required to renew the license every year. The other complaint which I heard was about the license fees. Some people consider that a fee of Rs. 3 is exorbitant. Under the clause, three rupees is fixed only as the maximum fees to be levied and not the minimum. This matter can be considered by the Superintendent and perhaps a fee of one rupee will be enough. The real reason for the objection of levy of fees seems to be this. Most of the companies feel that they will have to pay the money themselves for the license fees which their agents are required to take up. The agents themselves may not pay out of their pocket. If that is so, it may cause some slight hardship to young companies who have to pay money out of their slender funds. I think so far as the licensing affair is concerned, the objection does not seem to be very sound. But as regards the limitation of commission, the Select Committee has deleted that clause. Now, there is no limitation as to the amount of commission to be paid to the agents. Let us leave the matter at that stage. If experience really shows that this non-fixing of limitation of commission is creating any serious difficulties, it would be open to the incoming

Law Member at that time to come out with an amending Bill and to get that clause changed and the whole thing can be regularised. Let the system of agency which has brought this insurance business to a successful point in this country up to now continue and let there be no radical change so as to make these companies feel suspicious whether under the new restrictions it will be possible for them to make good business or not. Now that the limitation relating to commission has been deleted by the Select Committee, let the thing remain there at this stage. I submit that these are some of the main points on which we have found the House expressing itself somewhat in a conflicting manner in the course of the debate during the last few days.

After these, there are those legal difficulties which have been expressed by the Honourable the Law Member. I have read section 113 of the Government of India Act very carefully. I very much wish that we should be in a position to restrict the foreign companies, specially the companies of the United Kingdom from carrying on business here in an unrestricted manner as they do at present. But the legal difficulties are there in the way of imposing such restrictions. In my own humble way I tried to read that section 113, once, twice, thrice and even four times, but I am sorry to say that I have not been able to find out any real solution to it except the suggestion which was made by my Honourable friend, Sardar Sant Singh. This requires very close examination before it can be seriously urged before this House as a solution. The point is this, those United Kingdom companies are allowed to be treated as Indian companies even if any condition that we shall impose here be not fulfilled by them. This section 113 is one of the most unconscionable sections of the Government of India Act which a sovereign legislature like the British Parliament has enacted with a view solely to protect British interests and ostensibly to promote the so-called feeling of harmony between India and England. So long as that section remains on the Statute-book, I would warn my Honourable friends of the European Group that no love will be lost between India and England. (Applause.) This section acts as a clog on the wheel of progress of Indian industries and I appeal to my Honourable friends of the European Group that it is up to them to represent to the British Parliament the keen feeling entertained by Indians here and ask the British Parliament to repeal that section. I find that the fiscal autonomy convention which was established under the old Montagu-Chelmsford Act at least gave us something real, viz., that if the Indian Legislature and the Government of India agreed, it was something which acted as a compelling force on the Secretary of State for India and he or the British Government could not interfere in that agreement. But now what do we see? Now, this section 113 of the Government of India Act does not care for any agreement between the Indian Legislature and the Government of India. Thus even the little advantage we had under the Montford Reforms has been taken away by this new Act. That is the worse feature of the Government of India Act. Now, I will say a few words about the other point of reciprocity about which my Honourable friend, Mr. B. Das, spoke. I do not want to repeat his arguments. I am sure that when the time comes, in appropriate cases, the Government of India and the Superintendent of Insurance who will be advising the Government of India in regard to this matter will have the courage and the nerve to retaliate (Hear, hear) and impose such

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restrictions as are necessary on companies of those foreign countries which debar Indian companies from carrying on business in their countries.

In conclusion, I may say that generally speaking I give my support to this motion for consideration of the Select Committee report. I hope this House will discuss all the various amendments with a desire to give some effective and proper help to this growing insurance industry in India, to the policy-holders as well and thus pave the way for the industrial progress of this country. With these words, I support the motion. (Applause.)

Mr. Bhulabhai J. Desai : Mr. Deputy President, considering the wide scope of the Bill which is before the House, it would be more convenient if I state first what I conceive to be underlying ideas, it is difficult to designate them principles, underlying ideas of this Bill and some of the tests which I ask this House to apply in order that the clauses of the Bill and some 1,000 amendments which had come in to be dealt with in a manner both convenient and useful for the purpose of this legislation. It is sometimes not uncommon to describe certain measures as political and certain other measures as non-political. I think during the course of this debate, it was suggested that this was a non-political measure. Subject to the qualification which I shall presently mention, I am quite prepared to admit that it is a non-political measure and the qualifications that I mention are these, having regard to the world conditions today, I think it is common place to observe that it is impossible to divorce economics from politics, if not economics from war. If that view is appreciated, we shall be able to see that a measure of self-protection to one's own country might not be inaptly described as political whatever may be its colour, character or its extent. And in that sense I am prepared to admit and I am hoping to find, leaving out and omitting my friends of the European Group, that even those who sit on the other side now recognise that in measures which come before this House the protection of Indian business is an element on which we might agree, notwithstanding our other political differences. The principal point, therefore, in so far as the distinction,—though I am not at present dealing with the technical distinction,—between the Indian insurer on the one hand and the non-Indian insurer on the other is a matter of great consequence for this Bill. I shall deal with the United Kingdom insurer and the effect of section 113 in due course of time ; but remembering for a moment the two interests, the Indian insurer and the non-Indian insurer, there are two aspects which the House has got to bear in mind. First, the protection of the Indian policyholder against any mishap in the unsettlement of foreign relations between India and other countries, and for the purposes of his protection, therefore, the maintenance of the monies which are collected, year after year, by foreign companies in this country not being available at some emergent time which I think the House will now recognise, is not merely a contingency but almost a probability. There is the other point of view so far as this distinction is concerned, and that point of view is that there must be an encouragement to the extent to which this House can influence and accord, to the growth of this particular class of Indian business which is overshadowed to a large extent by the foreign,—some people call him, exploiter, but I will call

him the foreign businessman. But the fact remains that the conservation of one's own country's business for the promotion of the larger interest of that particular country is now regarded as an obligation of every State, having regard to international conditions. Therefore, it requires no apology whatever to justify a broad distinction between the Indian and non-Indian insurer, for two reasons ; first, the protection of Indian business, and second, the protection of Indian policyholders in the event of emergencies which are probabilities.

Coming next to the aspect of the Bill in which it is not uncommon at the hands of my Honourable friend, the Leader of the House, to cancel one speaker against another where different points of view are taken, let me remind him that notwithstanding that paper cancellation these human beings will continue to exist and vote in this House and act otherwise as human beings. So that, I think that this is a somewhat drastic method of dealing with arguments. But let me point this out to him, which I believe he knows, having met in the Select Committee for a little over two weeks, as well as I do, that in a Bill of this kind there are bound to be a variety of interests affected. Undoubtedly, we begin with the policyholder, about whom everybody seems to be his guardian, to the extent to which it appeals to him with reference to the rest of the interests involved. But, in addition to the policyholder, if you begin at the other historical end, you find the individual or the corporate company who began the insurance business in the first instance so that the policyholder may go to him in order that it may serve as,—if you so like to call it,—a custody house, a counting house or a business house. It is immaterial in which of the three ways it may be looked at so as to afford him an opportunity, an organisation, an institution, without which the policyholder, notwithstanding the beneficial value of the policy, would not have had the opportunity of getting a policy at all and securing to himself the benefit of that policy at the end of a certain period of time or in the event of a certain contingency occurring. So I think it will be quite wrong, in fact we would have a very wrong perspective, if we imagined that if we left the policyholders to themselves the insurance business will go on in this country. I think it can only be done, I quite agree, in the case of provident or mutual societies within certain limitations of which the House is fully aware. But, generally speaking, you cannot but remember that notwithstanding the desire to insure, notwithstanding even the small means to insure, that opportunity can only be effective through the instrument of some organisation, whether it is an individual or a group of individuals or an incorporated company, even with a Managing Agent attached to him or dominating him. That is the next element that you cannot help considering. Next after that you have to consider the Managing Agent where he exists. Next after that you have to consider the Chief Agent and the brokers or the agents or field workers, etc., by whatever names they are called. And many of the speeches in this House, when closely examined, will point this out that it is not so much an effort, which I believe and submit to the House is the right way to look at it, at reconciling all these which will make in the end the business or unmake it, but an approach from the point of view of any each single item or each single unit of them as if each of them was the sole and the entire

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prop of the insurance business would be a mistake. And this apparent inconsistency, therefore, has arisen from an undue emphasis from the point of view of one or the other of these several interests. The object of the Party which I have the honour to represent is to be able to reconcile these several interests ; and in the end it is the wise reconciliation of all these interests that will make prosperous insurance business in India. And if we bear that in mind, among these thousand amendments which have been put in, most of them will be found to be overlapping, most of them are unnecessary, and most of them are attempts with a view to get some point of view nearer to one's end. And in that way I think the approach to this Bill must be made. It is no use saying that A, B, C and D, either a corporate body or otherwise, has to get the money of the person who has insured and that for that reason the existence of this body may be entirely ignored as if without any intermediate organisation the policyholder would have any position in the insurance world at all. If we remember that there would be very little difficulty, I think, in appreciating the points of view which have been put forward by different speakers in the House.

The next thing which I wish to point out is this. Going back to the first point with which I started, namely, the broad distinction between Indian and non-Indian insurer, the purpose of which I have already outlined, I quite agree that we are met with this difficulty of the Government of India Act and the sections, to the extent to which they operate, from 111 to 116. This is not the occasion when I have any desire to appeal to my Honourable friends of the European Group that protections of this kind are very costly in the long run, and though, for the time being they may have a restrictive effect by way of forcing our hands where we may want to protect our own insurer or our own insurance business, let them remember that it is not that which is going to protect them as the goodwill which they must cultivate, and not statutory restrictions of this nature.

The next thing that I wish to point out is that I have the temerity to differ as to the extent of the protection afforded by these sections ; and it is not merely protection,—the extent of a forcible conversion of the white into the brown, a thing which they normally do not like but which, for the purposes of this Act, they have very cheerfully adopted. For what is said is that though the white man may be incorporated otherwise than under our conditions, may be treated as a brown man incorporated under the brown man's conditions. That I think is the rough effect of that section. Occasionally, therefore, they may remember that this colour bar has served them this time in a more beneficial way than the way in which they used the colour bar themselves. But though I have the temerity to differ on the exact extent and the manner in which this protection or anti-discrimination or whatever language may be proper to these six sections to which I think it is rather difficult to find a parallel in the legislation of any other country, the fact remains that with every wish that the Indian should have a square deal in his own country as against those who have hitherto exploited him, the difficulty which was pointed out which strikes me as more insurmountable than any other is one that cannot be resolved. The Honourable the Law Member pointed

out that even if he merely disagreed and gave me the credit of believing that there may be something to be said for my point of view, even if a doubt exists whether any act of our legislature or any provision therein runs counter to the provisions of 111 to 116, under the Instrument of Instructions before assent can be given, it has to be reserved for His Majesty's assent. If that is all the confidence that they have in their drafting, I am rather surprised that all their care for six years has been so wastefully applied ; for I think the House ought to be able to decide to what extent any of these provisions runs counter to the provisions of section 113 in particular and the two preceding and the two succeeding sections generally speaking. But if the Bill has got to be held up for His Majesty's assent by reason of a doubt which I have no reason to say is not honestly entertained, then the purpose of the Bill would considerably suffer by our insisting upon that clause. I owe an explanation to the House as to the origin of that clause ; for it was moved by my friend, the Honourable Mr. Satyamurti, and undoubtedly the law permitted it. I even now would like to stand by that clause....

Mr. M. S. Aney : Every one of us would stand by it.

Mr. Bhulabhai J. Desai : I am only trying to explain my own attitude. I have no doubt that every one of us in the House would support me had he been able to resolve the doubt of those who advise, so far as the Government is concerned. The position was that I happened to see or had pointed out to me a provision made in the Irish Act, very recently introduced into the Irish Parliament, to this effect, and the object was to secure, as a condition of being allowed to trade in their country, obligatory compensation for that benefit which was conferred upon them. I am also aware that that particular part of the clause was withdrawn from the Bill by reason of a gentleman's agreement, as I take it, between the non-Irish insurers and the Irish insurers, for, in that Act also, there is a definition of Irish insurer almost in the same terms in which the present definition which is to be found in the report of the Select Committee. If such a gentleman's agreement could be arrived at in Ireland, may I not, going back to the point with which I started, ask whether the Members of the European Group here cannot still enter into a gentleman's agreement, so that any advantage which we can get from the non-Indian proper and the non-U. K.—as regards the rest of the insurers in this country—we meaning the Indians proper and the United Kingdom companies may not share the benefits of that ten per cent. reinsurance, and if that agreement can be arrived at, I have not the smallest doubt that no question would then arise of reserving this for His Majesty's assent at all. The one thing that stands in the way is the unbreakable silence of the European Group and an appeal to us that they have grown oranges in this country which has borne only one fruit and it is incapable of division. If that is the way they regard their Indian trade in India, I think they will find themselves in a very mistaken place in the growing conditions of this country. Let them remember that there may be more than one orange on that tree if they would like us to assist in its growth ; but let them remember that even if one grew on it, it will have to be shared and shared and shared ; and if they do not take that course, they will soon find that all appeal of having obliged India in the past will fall, not on deaf ears, but on ears that will hear and cannot respond. Therefore, so far as 3A is concerned,

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I quite agree that if the United Kingdom companies cannot and will not come to an understanding there is that difficulty as the result of the doubt which was raised, and I will leave the matter at that stage so far as section 3A is concerned.

As regards the rest of the Act, I wish to clear one misapprehension. may be a mere oversight on the part of my Honourable friend, Mr. Aney. I have not been a party nor the three other Members of my Party who sat on the Select Committee, to section 26 as it now stands on the question of investments. You will probably find in the note of dissent which we have signed that we do not accept that provision. I will take, therefore, the main points which have been placed before the House in their order.

Taking first the question of deposits, the general feeling of those who belong to this part of the House, at least the general feeling as I know of those who belong to the Party to which I belong, and the general feelings of several others, whom individually I have had occasion to discuss with, is that in so far as the initial security is concerned, the House will take a step in the right direction having regard to the growth of insurance business in the country; for indeed when you will collect large sums of money coming in, belonging to others, some *bona fides*, some test of stability, some sense of security, not merely in those who would insure, but in those who want to lend a hand to insurance legislation, has got to come into existence before the business is allowed to be started. It would be quite wrong to allow the business to be started with a sort of office and a table and a telephone and an insurance agent to whom you might pay the whole 100 per cent. of the first year's premium. I think it would be entirely wrong if any such attitude were ever adopted in the name of national business and in the name of curing unemployment. Two cries have been raised in this House, both of which I will have to respectfully analyse, and, as far as it may lie in my power, show them their value in their true perspective and true proportions. So far, therefore, as the quantum of the deposit is concerned, I find that the House is generally in agreement. The only point on which there was slight, a slight difference of opinion was whether to the existing companies sufficient time had been accorded in order that they might be able to meet the requirements of the new Act. A matter of that kind cannot be weighed in golden scales, while at the same time you must draw a line somewhere,—I mean if you went on in that foolish venture of an examinee at one of the examinations where I was examiner,—he says "what did it matter if I got 29";—I said "all right, that might do"; he says "one less 28 would not matter";—and I said "why not 25"; in the end, the argument resulted in this, he need not have got even a single mark at all,—if you went on in that fashion, it would be very difficult. I think in matter of this kind, while it is impossible to provide any actual scale, some experience, some knowledge, a certain amount of common sense brought to bear upon it will ultimately produce the dividing line beyond which you may not go in the matter of indulgence. Speaking for myself, the period of seven years, roughly speaking, which is accorded, I think, is amply sufficient. If the company is going to justify its existence, if it is going to have enough resources in order that its future business may be on sound lines, I cannot see why the line should be extended, but I must point out that there is a strong feeling based, I believe again, on the point of view of one of several

interests which, I think, is a wrong point of view, for the position of those of us who occupy my and your position. We must, from the point of view of this kind of legislation, have regard to the reconciliation of all interests, and not pursue the matter beyond a certain measure from one point of view or one interest. At the same time, I believe there is, if the language of the Honourable the Leader of the House may be copied, a clamour for a certain longer period, but not exceeding ten. That is how the position stands, and I believe, when the amendments under that head are examined, they may easily run into 30 or 30 (?), if not 50 or 60, so that once that particular small point is resolved, I think most of those amendments would have been met.

Coming next to the question of investments, having corrected the oversight, the position that we maintained in the Select Committee, and the position which we submit to the House as being correct, is this. I am not one of those who is ashamed of learning either from Canada or from England or from anywhere else. It is a piece of good humour to say that a part is taken from Canada, a part from Australia, a part from England, a part from Bengal, it is a very great hybrid,—it is good humour, but I don't think it is a good way of sifting of knowledge. The true way to look at this matter is to learn from experience, and I believe the Canadians have made very good go-ahead insurers in a large part of the world and have been very successful insurers at that if we only remember how they have invaded our country, how many crores a year of premia they manage to send away, notwithstanding the fact that they have only two or three big companies in this country. And the distinction that is broadly made in the Canadian Act is, I submit, justifiable and right. At least half of them own kinship to my friends of the European Group, and they draw a distinction between a Canadian company and a United Kingdom company and a foreign company; all the rest are foreign companies under their Act. They might have done it as a result of reciprocal treatment,—when they get a large business, they divide it. We are obliged to adopt that distinction under more unfavourable and inauspicious and not very pleasant circumstances, and circumstances, therefore, of force. The fact still remains that the distinction is drawn in the Legislative Acts of 1912, 1928 and 1932 of the Canadian Legislature. The broad distinction is between what one may now describe broadly, as a home company and a foreign company. As regards foreign companies, there is an obligation maintained that in Canada every foreign company should have a reserve liability, meaning a sufficient sum of money to cover matured and to be matured contingent claims at a particular point of time, and that money should be held in the hands of a trustee, the trust deed of which is to be settled by the Board of Trade or certain other officer under their protection. The object of that is,—in order that we may have a precisely similar object we may perhaps have to make suitable amendments to the extent to which it is necessary to bring section 26 or its successor in line with that,—the primary object of that is, first to secure to the Indian policyholder, against any of the funds not being available either by reason of the company failing in its own parent country or by reason of any other emergency which may put an end to the contractual relations between the two countries. As regards the home companies, there is no question of maintaining assets with any trustee. They undoubtedly remain, like every other company, with the management, i.e., the assets are deposited with them under the

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control of the management, but there is this provision and safeguard for the benefit of the policyholders which, I submit to the House, should also be incorporated here, and that is, either what is called the life fund under section 8 under this clause, which is a little larger than the reserve liability, but which is a lesser amount. May I also, even at the risk of perhaps stating more or less obvious matters known to the House, point out that the total assets, where there is a corporate company, the total assets would be the monies paid in by the shareholders, undistributed profits plus all the money including the insurance premia less of course the expenditure,—less than the total assets would be the life fund as defined in clause 8 here, less than that is the reserve actuarial liability I referred to already earlier,—so far as the investment of the total assets is concerned, I think it is an error that the investments of the shareholders' money should be left to those in charge of the companies management to invest as they like or as they think proper, but when you come to the life or the reserve liability I quite agree the issue stands on a different footing. I am now talking of life insurance companies as distinguished from general companies. So far, therefore, as life insurance companies are concerned, my suggestion to the House is that it would be a proper thing to do to divide the life fund reserve liability into three parts, one part of which, either an equal or an unequal, it may be anything between 25 and 33 into what are now called guilt-edge securities,—the next which may be either 30 or 33 into trust securities, and as for the remaining, the companies should be allowed to invest as they think prudent, subject of course to the Superintendent disallowing any particular class of hazardous investments by which the policyholders may come to grief,—but without some such latitude it would be impossible or valueless to have conditions of this kind at all,—not that it would be utterly valueless,—perhaps it is a strong expression, but I may say not as valuable as the needs of the present insurance business demands, and the value of it lies in this. If only 2½ per cent. were to be produced by that investment, I think it would be an error to tie down that all investments should be made in guilt-edge securities. You have, therefore, a sliding scale. The next category which produces a reasonably larger amount, and the last which probably produces a little better nearer to five or six per cent. It is in that way only that the insurance companies have hitherto grown and prospered, I quite agree, to the benefit partly of the shareholders and also partly of the policyholders. That attitude I suggest would be the proper way in which section 26 can be dealt with.

There are two other matters which I wish to deal with very shortly.

4 P.M. One refers to the question of the omission which my Honourable friend, Mr. Aney, chose to leave alone but which I do not think it right so to do, and that is the question of the limitation of commissions, because I am trying to use as short a phrase as I can as there is not time enough to go in detail into it. When amendments are moved, full language will be used for the purpose. There are two methods of assuring to the policy-holders safety in this regard. One is to determine what is described, very often, as expense ratio, the other is the limitation of commission. As regards expense ratio, I am afraid the difficulty that presented itself was not so much its propriety as how to arrive at such an expense ratio that it may not unduly hamper the

company and yet at the same time will not take away too much from the money of the policy-holder. Therefore, the next best step has got to be recommended, namely, the limitation of commissions. That question also has two aspects, competition at home and also competition from the stronger outside. So, from both points of view, I suggest that provisions may be incorporated on the lines of the original Bill, the clause which now stands omitted. That brings me next to the position of the Managing Agents to the extent to which you give life to them in your mercy. I have already heard Sir Hormusji Mody in his first announcement to the House about the bloody one or bloodless one—I do not know which he has in mind, in any case, one way or the other he feels is going to be at his throat. But I do not believe that there need be any blood in performing any such operation. The point shortly before the House is this. Here I think general opinion favours distinction between life companies and general companies. It is true to say that except two important companies the other life insurance companies which are now prosperous today have been initiated by promoters, otherwise called Managing Agents. Whether they have survived their utility or not I do not wish to wrangle about at this time, but it seems to be more or less common ground or taken for granted by this House, and I am no exception to that rule, that so far as life companies are concerned, subject to their existing contracts which I shall presently deal with, in future, for a life company, there shall not be a Managing Agent. The next question which naturally, therefore, would occupy the attention of the House would be to what extent the existing contracts are to be cut short. That is a matter on which a difference of opinion can easily exist, a difference of opinion about which we need not be fanatic at all. After all, if this particular form of the promotion of a company and its management is to be abolished you need not necessarily be fanatic about its going out or about blotting it out of existence tomorrow morning. At all events, give them time enough to read just their affairs in this life so that they may be able to answer for their sins in the next. (Laughter.)

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

From that point of view my own feeling is that the provision in the Bill—I will take you to the two stages. There was a three-year life which was in mercy granted by the draftsman of the Bill, or in the Bill as was presented here, and allowing him to continue in his voluminous takings during that period. The Bill as it has emerged from the Select Committee gives him ten years time but limits his cupidity, as one class of my friends would have it. I am one of those who cannot see eye to eye with either point of view and I am merely expressing a personal opinion. My personal submission to the House is that in all matters, while I think it is within the privilege of this House to get rid of all vested interests as and when they like, they might also consider that things are not so evil as they appeared at first sight to be, and whether they will be much better off later on under other conditions—I beg to leave that to you. I, therefore, submit to the House as purely a personal suggestion of mine that if you gave to the bloated Managing Agent a period of five years and if their contracts so exist,—of course, if their contracts do not last so long, there is nothing more to be said,—but if their contracts last beyond a period of five years, I believe that it would be an act not only of mercy but of justice to grant a period of five years. That is the

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suggestion that I make, midway between the suggestion in the draft Bill was presented and the Bill the Select Committee has submitted. (Interruptions.) I am not asking for a vote now. I am only pointing this out and I wish to conclude in three more minutes which are at my disposal. I may say that I do not suffer and have not suffered from too much education, in this case, for two reasons. One is, living the life that we have done during the last ten years, the din and noise and dust of the crowd—that is a matter to which we have got accustomed. We do not live in very sheltered conditions, and for that reason we had not been over-educated, though I quite agree that the time that we have had to live has not been very comfortable to some extent. Not because we do not wish to be educated but because I find that each one tends to see only one point of view over-riding the point of view of all other interests which must be reconciled, and insist upon seeing insurance. As regards companies doing other than life business, the Indian Companies Act may well be left to cover those companies. That leaves only the licensing of agents, and, so far as that is concerned my personal experience has been that some sort of check is necessary to the class and every growing class of you may call them unemployed. I have every sympathy with them from another point of view and in another place, but here I am not going to provide employment to the unemployed so that he may do whatever he likes with another ignorant man. So that it is wrong to plead in this case that I am killing any process by which unemployment may be relieved. But remember that employment may be useful, but employment can also be so exercised as not to be quite beneficial to society. And if you distinguish between useful employment and perhaps a dangerous employing agent. But I think my Honourable friend, Mr. Jinnah, will confirm me that in many earlier parts of cross-examination, whenever a man had no employment and we asked him, what he was, he said, he was an estate agent or that he was an insurance agent, which was another word for saying that when he could get hold of a gull he managed to get hold of his money. That is not the way to cure unemployment at all. I have no desire to curb employment, I have no desire to curtail honest employment, but all I desire is that it should not be done in a manner which would not be to the best advantage of the society which, after all, undertakes the problem *inter alia* of his unemployment. Therefore I whole-heartedly support the licensing of agents. In fact, I would have looked for some sort of qualification but inasmuch as I find it rather difficult to define.....

An Honourable Member : You require a Barrister-at-Law.

Mr. Bhulabhai J. Desai : I hope that they have a better occupation. Personally it does not affect me. I do not happen to be a Barrister-at-Law nor am I an insurance agent. As regards the qualification, the point shortly is this. The question is whether qualification could be defined. I quite confess that it is difficult to find out any minimum qualification, though I may point out to my friends who argue the contrary that a large number of insurance agents in many parts of India have interviewed me and told me that an apprenticeship to those who are now working for one year and a certificate might be a good qualification, so that it is not beyond my imagination to be able to frame a qualification if one were necessary and as there is none in the Act except the recommendation of an insurance

company, I do not wish to lay any further burden of finding other qualifications.

The only last word I will say before I sit down is this that we wish to promote insurance business in this country to the exclusion, if we can, of any outside insurer who has insured up to now and to the extent to which that Act gives us liberty. I think this House should support such a measure and while remembering the policyholder every moment of the time and also the field worker, let us remember that there is something bigger than that—the reconciliation of all interests and the promotion of Indian insurance business.

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : I hope I shall not be accused of flattering anybody in this House if I were to say that I think the House does recognise, and recognise very rightly, the enormous labour and pains and trouble which the Law Member has taken in framing this Bill. I appreciate also the labours of those who have assisted him and I think we are grateful to the members of the Select Committee for having rendered very great services in the shaping and framing of this Bill. Sir, in the question before the House, we have got a variety of interests. We have got the foreign companies, the British companies, what I may call the old or the larger Indian companies, and the smaller or young Indian companies, and we have got to think of the shareholders, and, above all this, the most important body, whose interests we have got to consider first and foremost, are the policyholders. It is the policyholders who have got to be protected, and if I may use the language of an article which appeared in a publication which is called the "Young Messenger of India", I would say that I was rather struck with a few things which I read there. This is what it says :

"It occurs to few people that the huge assets built up by our insurance offices have mainly come from the sweated, hard earned savings of poor people and not from the capital contributions of shareholders. The interests of shareholders and managements are infinitesimal constituting only a petty fraction of the great stakes of policy holders."

This is a very complicated Bill indeed, and it is the first effort that has been made in order to see that the policy holders get their money's worth in this growing and fast developing business. Now, one thing which I want to bring before this House is that in this House and outside there are interested parties. The foreign companies will tell you a good many things. The British companies and their champions will tell you a good many things, and so would your own people. The Indian companies will also tell you a good many things. There seems to be a triangular or, if you like, a quadrangular fight. The Indians in the name of encouraging and fostering Indian national insurance business in this country, will try to put difficulties in the way of the foreign and British companies, and, in the name of patriotism and national business, they will try to seriously prejudice the smaller companies, the younger companies, nay, may seek their extinction. We have got to guard against that. I refused to see anybody before I came to Simla. When I came to Simla, my experience has been that all sorts of stuff is put in front of us, and, after all, you are human, and you have no data to contradict it. A great deal of what is put before us is very misleading and very convincing *prima facie*. I want the House, therefore, to be very wary before it swallows these things. Take one example. We have been told that clause 26 is

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really a clause which, if adopted, would mean that the insurance companies would have to sell their tables and chairs in order to realise that sum, so as to comply with the terms of that clause. Even just now, when my friend, Mr. Aney, was speaking, my friend, Sir Cowasji Jehangir, said "You have to sell your tables and chairs in order to comply with that."

Sir Cowasji Jehangir : That is the strict interpretation.

Mr. M. A. Jinnah : Read it again. You are a Director of an insurance company. The Leader of the House made the matter quite clear. Reserve liability means a sum equal to your liability to meet the policies which have matured or which are outstanding and which will mature. It is not "life fund" or total assets. I have asked for the figures repeatedly, and I challenge any insurance company to produce them to satisfy me that this clause will mean that they will have to sell their chairs and tables, and, may I say, their cigars and cigarettes on the tables also. I shall be the last person indeed to put any difficulties in the way of the insurance business in our country. Believe me, whether it is a foreign company or whether it is a British company or whether they are our own nationals, I shall be the last person to take advantage of any measure which is likely to strangle any one of them or to be unjust or unfair to any one of them. Of course, so far as the foreign companies are concerned, the justice and the fairness can only extend at the most on equal terms. We can give them nothing more. But to exaggerate things and to mislead people does not really serve their case at all. My mind is still open, and I shall certainly stand corrected if I find that this sum which is fixed, to be invested, namely, a sum equal to the liability of the company for the matured and the outstanding policies, would be injustice to any one.

The next question is about this agency. Well, Sir, I have listened to the Daniel that came to justice, the Leader of the Opposition. Mr. Desai was so tender, his heart was so soft, and he said : "At least deal with these bloated agents with justice and mercy, and allow their inequitable agreements to continue for five years more." But, may I ask him, where is the justice and where is the mercy ? I think every person ought to consider this question and I think I can quote to the Honourable the Leader of the Opposition the opinion of Mr. Munshi, who is a Congress Minister in Bombay and who was the Chairman of an Insurance Company. May I draw the attention of the Leader of the Opposition to what he says and what his views are about the agency agreements ?

Mr. Bhulabhai J. Desai : One might differ even from Mr. Munshi.

Mr. M. A. Jinnah : But I cannot understand the Leader of the Opposition advocating the preservation of vested interests based on bargains.

Mr. Bhulabhai J. Desai : Who ever said that ? On a point of personal explanation, Sir. It is an utter misdescription of what I said. I first said that the managing agencies are to go : I next said that the only question is for what life they are to remain. There is no question of vested interests.

Mr. M. A. Jinnah : I know the Honourable the Leader of the Opposition is very versatile ; he is very illusive. What does he mean when he asks to give these agency contracts a further life of five years and when he says : "In the name of justice and mercy do not be hard on them : do not take away their vested interests." rights under the contracts." To begin with, it is not a question of expropriation, and my Honourable friend may even go to the length of subscribing to the policy of expropriation when it suits his purpose.

Mr. Bhulabhai J. Desai : The contract is there.

Mr. M. A. Jinnah : That has nothing to do with expropriation. But I do subscribe to the principle that no unconscionable bargain should be sanctioned. It is a very different thing from saying expropriation and it is a very different thing to saying that unconscionable bargain should be set aside. Therefore, it is no use pleading on the ground, that this is a monstrous doctrine of expropriation or confiscation, do not touch the question before the House in this Bill. Is it a right thing to do ? That is the only question. Now, Sir, I shall read what Mr. Munshi says. He says this :

"This only leads to the vexed question of managing agency. In spite of my having closely followed the argument in favour of retaining the managing agency system, I confess I have remained unconvinced about its absolute necessity in life insurance and banking companies. In an industrial concern the managing agents have year after year to pledge their personal credit to finance it (*which the insurance agent has not got to do*), but there is no such thing in a life insurance company except the first few years if the company has been started without adequate funds. (*Now, we want to put an end to companies starting without adequate funds.*) Experience shows that life insurance companies do not come to grief merely because they have no managing agents to feed them artificially during their early years. Of the 8 companies that have completed a new business exceeding one crore each during the last financial year, only three were without managing agents in their early career. An analysis of the companies which have been floated recently will show that it is mainly the love of the managing agency commission that has brought them into existence."

Therefore, as I said, there is absolutely no room for justice, and, certainly not, for mercy for these Managing Agents. Just imagine, what amount they are drawing, and for doing what ? To begin with, they have got the Hitlerian powers and have domination and control and are drawing huge commissions. I think the Law Member promised us that he will give us all the details.

The Honourable Sir Nripendra Sircar : I will.

Mr. M. A. Jinnah : I hope the Honourable Member will give us all the details. I want the Honourable Members to realise that some of them are drawing as much as Rs. 1,60,000 a year. And my Honourable friend, the Leader of the Opposition, says : "Give them a lease for five years to draw this Rs. 1,60,000 per year". This is certainly an unconscionable practice and cannot be supported or sanctioned.

Mr. Bhulabhai J. Desai : Why don't you go to a court of law and set it aside ?

Mr. M. A. Jinnah : Because we are here to put an end to them. Why should we go to court ? The courts only administer and interpret. We are responsible for making laws.

Mr. Bhulabhai J. Desai : Then, you are doing it unjustly.

Mr. M. A. Jinnah : We are doing it justly, because we say it is unconscionable, and this Assembly is the highest tribunal to make the law. This House makes the laws, and we want to put an end to this unconscionable practice very soon and also the special pleadings are put forward on the floor of the House. That is the position. Therefore, I am against this system of managing agency.

Mr. S. Satyamurti : Will you vote for its going tomorrow ?

Mr. M. A. Jinnah : Yes, I will vote for its going tomorrow if my Honourable friend will follow me with his Party behind him.

Mr. S. Satyamurti : We will consider that.

Mr. M. A. Jinnah : You had quite long enough time to consider and you have poured over the matter midnight oil for several weeks. You must make up your mind quickly and now, so far as this managing agency system is concerned. But clause 10 in the Bill has gained even the soft heart of the Leader of the House, the Law Member in charge of the Bill. He has also somehow or other been softened a little bit, and, probably, owing to the powerful arguments of my Honourable friend, the Leader of the Opposition.

Mr. Bhulabhai J. Desai : No, not at all. The original Bill was not mine. Three years are there.

Mr. M. A. Jinnah : It is now, therefore, accepted in the Bill, as it has emerged from the Select Committee, and the Bill gives a lease of life for ten years to the managing agents. Although the Bill gives the lease of life for ten years, the monstrous, bloated remuneration is cut down to not exceeding Rs. 2,000 a month. At least it is some relief to the poor policyholders whose description I have given you, and that they will get a little more, and these bloated agents will cease to bloat any further. My position with regard to this is that I am absolutely opposed to managing agencies in any shape or form. It is, of course, not in my hands, it depends upon the vote of the House. But so far as I am concerned, I should like to put an end to this managing agency system, but I shall not be prepared, under any circumstances, to go beyond the clause as it has emerged from the Select Committee.

The next question of importance before the House is with regard to the definition of an Indian insurer. Sir, it seems to me that the only object of that definition of 'Indian insurer' is with a view to securing re-insurance with Indian companies by the foreign companies.

Mr. Bhulabhai J. Desai : There are two objects, one is to secure re-insurance, and the second is to distinguish between those two insurers for the purpose of investment.

The Honourable Sir Nripendra Sircar : That has not been done in the Bill.

Mr. S. Satyamurti : It will be done in the House.

Mr. M. A. Jinnah : I cannot enter into the mind of my Honourable friends, nor do I know as to what is in their mind !

Mr. Bhulabhai J. Desai : That mind was expressed here a few moments ago.

Mr. M. A. Jinnah : But the Honourable Member must remember that I am dealing with the Bill as it has emerged from the Select Committee and as it is before the House. Whatever may be his proposal outside the Bill, that will be considered as amendments, and then we shall deal with it. At present I am dealing with the Bill as it stands. The definition of "an Indian insurer" is really there, as I said, to get ten per cent. of re-insurance in the Indian companies. I can assure the House that I shall never lag behind any one of the Honourable Members here in doing all I can, to the utmost of my capacity, that our nationals and our Indian companies should have the best conditions at our hands in our own country.

An Honourable Member : What about Zanzibar ?

Mr. M. A. Jinnah : About Zanzibar you of the Congress Party were all misled.

Sir H. P. Mody : Zanzibar should be run by Managing Agents.

Mr. M. A. Jinnah : You were there again speaking for vested interests. I do not want to introduce any heat in this debate,—time alone will show that I am right. The position is this. We are entitled to pass any measure we like. We have got the power, we have got the majority, we can do so. But it seems to me that whatever we do, the question still stands thus. First, we have been told and told with all the responsibility behind it by the Honourable the Law Member in charge of the Bill that, if this clause is retained, then the position will be that the Bill will have to be submitted for His Majesty's signification of pleasure or assent. What is the benefit that we are going to get out of it ? Of course, if we can get any advantage, I am with the House in thinking that this clause should remain. I am told that we will get 75 lakhs. But that is not the question. I put it to you quite plainly, if we pass this Bill with this clause, the Bill will be held up. That I am not afraid of. There can only be two consequences, firstly that His Majesty's pleasure is signified against the Bill, that is one possibility; the other possibility is that it may be in favour of the Bill. But that does not put an end to our trouble. The question still remains as far as the British companies are concerned. I perhaps misunderstood what the Honourable the Leader of the Opposition said. He could not have said that this House can decide the question. The question must be decided by a court of law, namely, whether, notwithstanding this Bill being passed into an Act and vis-a-vis or along with the Government of India Act, whether the British companies are not still Indian companies. That is the question that this House cannot decide, because that is a question of interpretation of two Statutes, and we have no power or authority to repeal an Act of Parliament. So, the Act of Parliament is there, the Act of this Legislature will be there when passed, but still the question will be whether, on the true interpretation and the true construction of the law, the British companies are Indian companies or not ? The whole business will be hung up until this question is decided. The question may be taken even to the Privy Council. I am sure, it is bound to go there. I want to be practical. I express no opinion on the question, but I find that sections 111, 112, 113, etc., are there in the Government of India Act. It is no use merely saying that these monstrous sections have been enacted against India, and I do not want here to talk about

[Mr. M. A. Jinnah.]

the Round Table Conference. But let me tell the House that there was nobody else in that Round Table Conference who had the courage to go against this proposal except myself. Every one of your leaders there (Voices from Congress Party Benches : "Not our leaders ; our leader is Mahatma Gandhi"). Please do not provoke me ; even Mahatma Gandhi did not take exception to it. Go and read the proceedings. He was there at the Second Round Table Conference.

Sir Cowasji Jehangir : Sir, may I make a personal explanation ? If the Honourable Member will read our speeches, he will find that we took strong exception to these clauses. And I will remind him of my speech at the Third Round Table Conference where I warned Government that these discriminatory clauses would do more harm to English interests in India than anything else in the whole of the Act.

Mr. M. A. Jinnah : I am fully aware of the platitudes that were talked by some gentlemen there. I am talking of the First Round Table Conference. (Voices from Congress Party Benches : "We were not there ; Mahatma Gandhi was not there.") Kindly listen to me. Take it from me that I am not in the habit of making incorrect statements ; and I challenge you to look at the records. In the first Round Table Conference, there was not a single man.....

Mr. S. Satyamurti : We were not there.

Mr. M. A. Jinnah : Will you have patience ? In the Second Round Table Conference, Mahatma Gandhi was there, and he never referred to this matter or opposed it.

Mr. S. Satyamurti : He opposed the whole Constitution ; you went on co-operating.

Mr. M. A. Jinnah : You have accepted the Constitution even now, and are co-operating now. You look up the records. It is no use discussing that now.

Now, the question is, have you any way of getting out of it ?

Mr. S. Satyamurti : Yes, join the Congress, and get out of this Constitution. You won't do it. (Laughter.)

Mr. M. A. Jinnah : You join hands with the Muslim League.

Mr. S. Satyamurti : Will you take me into the Muslim League ? I am not a Muslim.

An Honourable Member : You embrace Islam.

Mr. M. A. Jinnah : No Pact and coalition is open to you on honourable terms. Do you want to tie yourself into a knot again now ? That is the question you have got to consider. And, I think, as the Law Member said very rightly, that even now today, according to his opinion, he has made calculations, and there are exaggerations on both sides. One party says that the voluntary re-insurance is not more than 2 or 3 per cent., and the other party says it is 8 or 9 per cent. But taking the mean it is 5 or 6 per cent. Here I appeal to the Leader of the Opposition to become a practical man and less of an idealist.

Mr. Bhulabhai J. Desai : I agreed to drop it.

Mr. M. A. Jinnah : Do you want a gentleman's agreement or do you want a bludgeoning clause ?

Mr. Bhulabhai J. Desai : I wanted a gentleman's agreement ; if that is not forthcoming, I have plainly agreed, if my language is intelligible, that the clause must be dropped so as not to hold up the Bill.

Mr. M. A. Jinnah : If so, I have nothing more to say. If you want a gentleman's agreement, you should not have started with the white and brown arguments. A gentleman's agreement is not brought about by asking a person to do something for you when it suits you and abuse him when it does not suit you.

Mr. S. Satyamurti : Ask De Valera ; he got the agreement all right.

Mr. M. A. Jinnah : This does not accelerate ; it will slow down the pace. The next thing is this. It is more a matter of administration, but what is the best thing to do with regard to these deposits ? I should most respectfully draw the attention of the Law Member to the fact that there are two ways in which you can give some help, and it will be less of a hardship on the smaller companies. Either you extend the seven years to ten years ; or, if you want to keep the seven years, then make it first Rs. 25,000 for the existing companies and Rs. 50,000 for the new companies, and the balance of one lakh and 50,000 by progressive instalments on a graduated scale. That is the suggestion which I put before the House. Then, with regard to investments, my Honourable friend, Mr. Aney, will forgive me if I differ from him and differ rather emphatically. Mr. Aney said that 33 per cent. should be enough. This means a security which would be there and forthcoming to meet the liabilities of the policy holders which have become mature or which will become mature. It is a security ; they have paid their money, remember that. Now, I ask Mr. Aney, supposing I went to Mr. Aney with a security of 33 thousand and asked him to give a loan and advance to me, a lakh of rupees, will he do so ? (Interruption from Pandit Krishna Kant Malaviya.) If my Honourable friend, Pandit Krishna Kant Malaviya, went to the Bombay markets and said, "I have got 33 per cent. security ; and on that give me 100 per cent." he will be shown the door at once. That is exactly the position. Therefore, as to the quantity, I am not prepared to yield, but as to the character or the nature of the investments, it is a question that requires careful consideration.

Mr. M. S. Aney : I have only stated 33 per cent. which applies to investments in securities mentioned in this particular section I quoted.

Mr. M. A. Jinnah : I want a sum equal to the liabilities. That is the quantity. That must be the full amount of the Reserve Liabilities. The next question is, in what securities that sum should be invested. And there I do feel that the Bill requires that the whole should be invested in approved securities only. There are many reasons, which I do not want now to put before the House, but there are many reasons, one particular reason being that the insurance company must be

[Mr. M. A. Jinnah.]

allowed to invest their funds in such investments as will bring, consistently with safety, the largest return which will be undoubtedly in the end for the benefit of the policy holders. Therefore, if you restrict them to approved securities, you are really restricting them in earning a better income, and it can be done or met without prejudice to the security of the policy holders. I do not make a definite proposal, but I do think that the other sources of investment should be included over and above the approved securities—say 1/3rd approved securities, a portion, say, 25 per cent. or 1/3rd in mortgages or other trust securities, and the remaining 1/3rd may be in such other investments as the Superintendent, who is all in all, may approve of. That is a matter that requires very careful consideration.

Now, I come to the Superintendent. I have been thinking about the Superintendent. I was very glad that, in answer to my question, the Honourable the Law Member said that he will be a qualified actuary. But I would like the Government to consider very carefully: remember his powers. He has got very wide powers; some powers are so wide that he can make or mar a company; and I really believe, however able and however experienced the officer may be,—I hope the Law Member will agree with me,—that it is too much to leave all these powers in the hands of one man as the final arbitrator in all matters. I would, therefore, ask the Honourable the Law Member to consider whether at least in some vital matters there should not be another tribunal to revise at any rate findings of a serious character that he may arrive at. At present I do not wish to make a concrete proposal, but I do ask the Government to consider it.

There are certain points with regard to these retaliatory clauses. I subscribe whole-heartedly to the principle of retaliation. I believe in a tooth for a tooth and an eye for an eye, provided it does not kill me, provided I can do it. And this is a matter in which we can do it to a certain extent, and, therefore, I am wholeheartedly in favour of that principle. But there are one or two things which struck me, and I only want an explanation and no more. You will find in clause 3 (3), the original clause had the words "company incorporated in British India": those words have been dropped, and the words "Indian nationals" have been put in. What does that exactly mean? I do not know and I would like to understand the history why the original words have been dropped and the new words substituted. Then, there is another point, and that is clause 53: the words in that clause are:

"Where by the law or practice of any country outside India in which an insurer carrying on insurance business in British India is constituted, incorporated or domiciled, insurance companies incorporated in British India are required as a condition of carrying on insurance business in that country to comply with any special requirements whether as to the keeping of deposits or assets",

that is to say, if there are any special requirements of any other country which require our companies to comply with those special requirements as to deposits or assets, then we shall have to impose similar terms up on them; but the clause goes further and says "or otherwise": what does that mean?

Mr. Bhulabhai J. Desai: Which is not imposed by this Act.

Mr. M. A. Jinnah: I do not think you appreciate my point properly. I would like the Honourable the Law Member to explain to me, and I hope he will be good enough to do so.

The Honourable Sir Nripendra Sircar: I shall deal with it in my reply.

Mr. M. A. Jinnah: I am sorry that I have taken more time than I intended to do, but in conclusion I can assure the House and the Government represented by the Law Member that, so far as my Party is concerned, we are willing to give every assistance that we can to the best of our ability and judgment, to produce a Bill which will be a sound piece of legislation which will justly and fairly protect all the interests according as they deserve, and advance and encourage our Indian companies and develop the business in a sound and beneficial manner to the policy holder.

(The Honourable Sir Nripendra Sircar rose to speak.)

Mr. President (The Honourable Sir Abdur Rahim): Perhaps the Honourable the Law Member would like to begin his speech tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 7th September, 1937.

LEGISLATIVE ASSEMBLY.

Tuesday, 7th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock,
President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN.

Mr. Arthur Eric Tylden-Pattenson, M.L.A. (Government of India :
Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

PRODUCTION OF POWER ALCOHOL FROM MOLASSES.

329. *Prof. N. G. Ranga : Will the Secretary for Education, Health
Lands be pleased to state :

- (a) if the Punjab Government had approached the Government
of India with the plea that they should be allowed to issue
licences for the production of power alcohol from molasses
and lower the cost of production of sugar and to insist that
definite percentage of power alcohol should be mixed in all
the petrol used in the province ;
- (b) if so, when ;
- (c) what was the answer given by the Government of India ;
- (d) whether the Government of India have formulated their policy
as regards the best and the most economical utilisation of
the half a million tons of molasses ;
- (e) if so, what is it ; and
- (f) if not, when do the Government expect to come to a definite
conclusion in regard to this matter ?

Sir Girja Shankar Bajpai : (a) and (b). The Punjab Government
passed the Government of India in April, 1937, regarding the installa-
tion of a plant for the manufacture of power alcohol from molasses by a
firm, subject to certain conditions.

(c) The answer was that in view of the conditions of manufacture
indicated by the firm, the mixture would be liable to the motor spirit
duty.

(d), (e) and (f). The matter is primarily one for the commercial
authorities concerned to consider in consultation with the Provincial
authorities. As stated in reply to parts (b) and (c) of Mr.

(1209)

Avinashilingam Chettiar's question No. 227 answered on the 31st August, 1937, the Central Government have undertaken research on the possible uses of molasses.

ENHANCED POSTAGE RATES BETWEEN INDIA AND BURMA.

330. ***Mr. T. S. Avinashilingam Chettiar** : Will the Member for Posts and Telegraphs state :

- (a) the effect on the amount of income from the enhanced postal rates between India and Burma ;
- (b) whether there has been any diminution in the volume of postal work ; and
- (c) if so, whether Government propose to consider the advisability of approaching the Burma Government to reduce the postal rates between Burma and India ?

The Honourable Sir Thomas Stewart : The attention of the Honourable Member is invited to the replies and supplementaries given on the 30th August and 2nd September to starred questions Nos. 174 and 265 of Mr. Sri Prakasa and Mr. S. Satyamurti, respectively, in which the position was explained in considerable detail.

Mr. T. S. Avinashilingam Chettiar : May I know whether Government have received any representations from the Burma Government on this matter ?

The Honourable Sir Thomas Stewart : No, Sir.

PUBLICATION OF NOTIFICATIONS REGARDING TITLES IN THE GAZETTE OF INDIA.

331. ***Mr. Sri Prakasa** : (a) Will the Honourable Member for Industries and Labour be pleased to state if it is a fact that there was a Gazette of India notification towards the end of May to the effect that Khan Sahib Sayed Zaffar Husain has been deprived of his title ?

(b) Under whose authority is the Gazette of India published ; and what Department of Government, if any, has been responsible for the publication of this notification ?

(c) Is it not a fact that the Gazette of India is the publication of the Governor General in Council and that they have nothing to do with the granting or taking away of titles ?

The Honourable Sir Thomas Stewart : The question should have been addressed to my Honourable colleague, the Home Member.

Mr. Sri Prakasa : Is the Home Member responsible for the publication of the Gazette ?

The Honourable Sir Thomas Stewart : My department is responsible only for the printing of it.

Mr. T. S. Avinashilingam Chettiar : Who is responsible for the matter ?

Mr. President (The Honourable Sir Abdur Rahim) : He said the Home Member is responsible.

Mr. T. S. Avinashilingam Chettiar : Is he responsible for this particular matter or for the matter which appears in the Gazette ?

The Honourable Sir Thomas Stewart : The answer to this question is inherent in the reply I first gave.

Mr. Sri Prakasa : In view of the fact that the printer under the law is responsible for all matter that he prints....

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

RULES REGARDING THE SETTING UP OF TELEGRAPH AND TELEPHONE POSTS WITHIN MUNICIPAL LIMITS.

332. ***Mr. Sri Prakasa** : (a) Will the Honourable Member for Industries and Labour be pleased to state what are the rules regarding the setting up of telegraph and telephone posts within municipal limits ?

(b) Have the Municipality any voice in the matter of positions of such posts, and what steps are taken to avoid possible obstruction to traffic and inconveniences to house-holders that these may entail ?

(c) Who is the authority that takes advertisements that are suspended from these posts and to what department is the money realized from such advertisements, credited ?

(d) Are Government aware that for any piece of municipal road or land covered over by them, private parties have to pay at a fixed rate ? Do Government pay anything for portions of land on which advertisements are suspended from telegraph or telephone posts ?

(e) Do Government propose to consider the desirability of either declining these advertisements or making arrangements with municipalities and other local bodies concerned before these are suspended from the telegraph or telephone posts and sharing the income with these bodies ?

The Honourable Sir Thomas Stewart : (a) The placing of telegraph lines and posts on property vested in or under the control or management of a "local authority" as defined in section 3 (7) of the Indian Telegraph Act, 1885, is governed by section 10 (c) and 12 to 15 of that Act.

(b) Yes. Under the sections of the Telegraph Act quoted in the reply to part (a) of the question. In deciding on the location of posts all reasonable care is taken to avoid obstruction and inconvenience to house holders.

(c) The advertisements are taken by the Publicity Society of India, Limited, which is licensed by Government to display Kiosks on telegraph and telephone posts. The charges are collected by the Society which, under the licence, is required to pay annually to the Posts and Telegraphs Department a fixed amount per post.

(d) As regards the first part of the question, Government have no reason to doubt the Honourable Member's suggestion.

The reply to the second part is in the negative.

(e) No. Under the licence the Publicity Society has to make its own arrangements with the municipalities concerned for the display of

advertisements within their jurisdiction. The payments made to the Posts and Telegraphs Department are independent of any payments which the Society may have to pay to municipalities.

Mr. Sri Prakasa : With reference to part (d) of the question, may I know if the Honourable Member is aware that municipalities charge at a certain rate for any portion of their lands covered, and whether the Honourable Member will make sure that the municipalities also get their share out of the proceeds from those advertisements ?

The Honourable Sir Thomas Stewart : The Indian Telegraph Act, Sir, conveys to Government the privilege of free occupation of land that is taken up by their posts.

Mr. Sri Prakasa : The rule to which the Honourable Member refers does give Government a right to have its posts, but not to make any income out of those posts by having advertisements hung on them, which is an infringement of the rights of municipalities.

(No reply.)

Mr. S. Satyamurti : With reference to clause (c) of the question, may I know whether any proportion between the sums which the Society collects and pays to the Government is fixed by an agreement or by law, and what in fact was the sum collected by the Society during last year for which figures are available on account of advertisements, and what was the sum actually paid to the Government by the Society ?

The Honourable Sir Thomas Stewart : The terms of the licence are that the Publicity Society pays Government at the rate of Rs. 12 per Kiosk subject to a minimum of Rs. 10,000. As regards the amount realised in the last year, I should require notice.

Mr. S. Satyamurti : Is there any relation between the amount which Society actually collects and the amount it pays except the Rs. 12 per Kiosk ?

The Honourable Sir Thomas Stewart : No, Sir ; it is a flat rate of Rs. 12 per Kiosk irrespective of what may be earned by the Society through the display of advertisements.

Mr. S. Satyamurti : Will Government make inquiries and find out if they are making too much and increase the rate, so that the taxpayer may get some benefit ?

The Honourable Sir Thomas Stewart : That was the underlying idea of fixing the rate at Rs. 12 per Kiosk.

Mr. S. Satyamurti : With reference to clause (e) of the question, may I know if the Government have any control over the nature or the matter of these advertisements, so that they may not be obscene or vulgar ?

The Honourable Sir Thomas Stewart : That would be the function of the Local Government within whose jurisdiction the advertisements are displayed.

Mr. Sri Prakasa : In view of the fact that Government have control over municipalities, will the Honourable Member please inform these

advertisement collectors,—I do not know what you call them,—to give their share to the municipalities also ?

The Honourable Sir Thomas Stewart : I presume, Sir, that the municipalities have a right to control the display of advertisements within their respective limits in which case they themselves can lay down any conditions they like for purposes of control.

Mr. Sri Prakasa : Is it not a fact that these municipalities are too afraid of the Government to interfere.

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

RULES RESTRICTING IMMIGRATION FROM COLONIES TO INDIA.

333. ***Mr. G. V. Deshmukh :** Will the Secretary of Education, Health and Lands be pleased to state if any rules have been framed by the Government of India restricting immigration from any colony to this country ? If not, why not ? If there be such rules, will these be laid on the table of the House ?

Sir Girja Shankar Bajpai : The attention of the Honourable Member is invited to the reply given by me on the 13th February, 1936, to part (b) of Mr. Muthuranga Mudaliar's question No. 355.

Mr. S. Satyamurti : Since then, has the matter been examined by the Government, and with regard to any Colony which is practising discrimination against Indian nationals, have Government examined the need for promulgating rules, such as those contemplated in this question ?

Sir Girja Shankar Bajpai : No.

Mr. S. Satyamurti : May I know whether the Government are satisfied after examination that there is no Colony or Dominion in which there are racial restrictions against Indian nationals and therefore that there is no need for any such rules ?

Sir Girja Shankar Bajpai : My Honourable friend, if he will refresh his memory with the number of supplementary questions which were asked at the last Session of the Legislature on the question of discrimination, will probably remember what I had to say on that occasion, namely, that the disparity in the number of hostages as it were between the Dominion or the Colony and India made it impracticable to impose restrictions of the nature suggested.

Mr. T. S. Avinashilingam Chettiar : Since that answer was given, has any Dominion further discriminated against this country ?

Sir Girja Shankar Bajpai : Not that I am aware of.

Mr. S. Satyamurti : Will the Honourable Member consider the making of such rules, as a mere gesture of self-respect ?

Sir Girja Shankar Bajpai : Well, Sir, the effect of such a gesture is not merely on the self-respect of people here but the interests of our people outside in the Dominions or Colonies have also to be considered.

Mr. S. Satyamurti : Man does not live by bread alone !

RECIPROCAL DISABILITIES IMPOSED ON BRITISH COLONIES BY THE GOVERNMENT OF INDIA.

334. ***Mr. G. V. Deshmukh** : Will the Secretary of Education, Health and Lands be pleased to state if any disabilities have been imposed on any British colonies by the Government of India as a matter of reciprocity for the disabilities imposed on lawfully domiciled Indians in those colonies ? Have such colonies enjoyed Imperial Preference as regards trade and are they enjoying it still ?

Sir Girja Shankar Bajpai : The reply to the first part of the question is in the negative. As regards the second part no special preferences have been accorded by the Government of India other than those provided for in the Ottawa Agreement.

Mr. S. Satyamurti : In these negotiations which are now being carried on in England between England and India for the replacement of a fresh agreement, if possible, that is, if both countries agree, to replace Ottawa, will Government consider the question of not giving the benefits of any such agreement to Governments which impose disabilities on lawfully domiciled Indians in those places ?

Sir Girja Shankar Bajpai : I should like to make it clear in the first place that I am not concerned with these negotiations, but I may remind my Honourable friend that this point was brought up on more than one occasion during the last Session of the Legislature and the then Commerce Member gave the requisite assurance to the House.

Mr. G. V. Deshmukh : As regards the latter part of the question, "Have such colonies enjoyed Imperial Preference as regards trade and are they enjoying it still ?", are they enjoying any such preference ?

Sir Girja Shankar Bajpai : I referred my Honourable friend to the annexure to the Ottawa Trade Agreement which gives whatever information is available as regards any preferences that may have been extended to the colonies.

Mr. G. V. Deshmukh : Are they enjoying it still ?

Sir Girja Shankar Bajpai : I would like my Honourable friend to find that out for himself.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that the Ottawa Agreement was not only with England but also with other colonies.....

Mr. President (The Honourable Sir Abdur Rahim) : That does not arise.

Mr. T. S. Avinashilingam Chettiar : That is, with reference to the second part of the question. May I know whether the negotiations in progress are only with England or with the Dominions also ?

Sir Girja Shankar Bajpai : I submit that the negotiations now in progress are really a matter which do not arise out of this question.

VOTING RIGHTS OF INDIAN LABOURERS IN CEYLON FOR ELECTIONS TO VILLAGE COMMITTEES.

335. ***Mr. S. Satyamurti** : Will the Secretary of Education, Health and Lands be pleased to state :

- (a) the latest position with regard to the right to vote of Indian labourers in Ceylon in elections to village committees ;
- (b) whether the Indian Agent has made representations to the Government of Ceylon on this matter ;
- (c) whether the Donoughmore Scheme opposed all restrictions of the franchise ;
- (d) whether the Select Committee on this Bill has reported and has conceded the franchise to the Indian labourers ;
- (e) whether the Government of India propose to take every step in their power to see that Indian estate labourers are placed on the same footing as Europeans and Burghers ;
- (f) whether there is any proposal to have differential property qualifications in regard to candidates for these Committees ;
- (g) whether such differential qualifications will deprive many Indian labourers of any prospect of being elected as members of such Committees ; and
- (h) whether Government propose to take up this matter also with the Government of Ceylon ?

Sir Girja Shankar Bajpai : (a) The Honourable Member presumably refers to the proposed Village Communities Amendment Ordinance introduced in the Ceylon State Council. The Bill is principally designed to assimilate as far as possible the powers, duties and functions of village committees to those of District Councils. Indians as such are not prevented from acquiring the franchise under the Ordinance, but it is proposed that Indian estate labourers should not be eligible for it.

(b), (e) and (h). The matter is under correspondence.

(c) The Donoughmore Commission recommended the abolition of property, income, literacy and communal qualifications for franchise for election to the State Council and certain local bodies other than village committees.

(d) No.

(f) Only to the extent that Indian labourers, who may not vote at the elections, may also not become candidates for the elections.

(g) Indian labourers who do not possess the qualifications proposed for candidates, for election to these committees, will be unable to stand for election, even if they are admitted to the franchise. It is not possible to say how many will be affected.

Mr. S. Satyamurti : With reference to the answers to parts (a) and (b) of the question, may I know what is the actual position before the Ceylon Legislature of this Bill ? I understand my Honourable

friend's answer to mean that the Select Committee has not reported yet. May I know whether the Government of India have any information as to the exact stage at which this Bill stands now ?

Sir Girja Shankar Bajpai : As far as I know, the matter is still under consideration by the Select Committee.

Mr. S. Satyamurti : Have the Government of India or their Agent in Ceylon made any representations to the Select Committee or to the Minister in charge, protesting against this denial of franchise to Indian labourers in Ceylon ?

Sir Girja Shankar Bajpai : I can assure my Honourable friend that both the Agent of the Government of India in Ceylon and the Government of India have made representations, not to the Select Committee, but to the Government of Ceylon as regards the injustice of the proposal to exclude the Indian estate labourers from the proposed franchise.

Mr. S. Satyamurti : Have the Government of India represented to the Government of Ceylon, or will they represent to them, that the Government of India will seriously consider the stoppage of Indian emigration to Ceylon, if this Bill goes through and becomes an Act ?

Sir Girja Shankar Bajpai : I do not think that it is desirable to begin a negotiation with a threat. We have stated to the Government of Ceylon our objections of principle to the proposed discrimination, and if reason fails to prevail with the Government of Ceylon, naturally the Government of India will then consider the use of such weapons as are available to them.

Mr. S. Satyamurti : Has the attention of Government been drawn to a recent debate and the voting in the Ceylon State Council, where a suggestion to stop Indian emigration to estates was furiously resisted by the Government of Ceylon on the ground that the Sinhalese should not be sent to work on the estates ?

Sir Girja Shankar Bajpai : So far as that aspect of the question is concerned, my Honourable friend probably remembers the evidence which our Agent gave before the Jackson Immigration Committee. He made it abundantly clear then that public sentiment in India did not believe in treating the immigration of Indians into Ceylon on the treatment of Indians settled in Ceylon on a basis of compartments and that the principle of equality was to be insisted on in the case of all of them.

Mr. S. Satyamurti : May I know whether the Government will strenuously pursue this matter and follow the Bill at every stage, and see that the Indian labourers are not deprived of this franchise ?

Sir Girja Shankar Bajpai : It is not a question of deprivation because at the present moment they don't enjoy this particular franchise. What my Honourable friend wants to convey is that if there is an extension of the franchise the Indian estate labourer should not be excluded from the extension. I have already told my Honourable friend that that is the objective of the Government of India.

UNIFORMITY IN EXCISE RULES FOR THE WHOLE OF INDIA.

336. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) what progress has been made in regard to the convening of the Conference of Provincial Excise Commissioners for the purpose of framing a uniform set of excise rules for the whole of India to apply to spirituous medicinal and toilet preparations, as recommended by the last session of the Indian Industries Conference held in December, 1936 ;
- (b) when it is proposed to convene the Conference ;
- (c) whether Government are aware that want of uniformity in excise rules has created inter-provincial barriers to trade in indigenous products, while imports from overseas are under no such restrictions in the matter of transport and movement ; and
- (d) what other action do Government propose to take to put indigenous spirituous products on the same footing as the imported products in the matter of transport and movement ?

Mr. J. F. Sheehy : (a) and (b). The Government of India have decided to convene the Excise Conference at New Delhi on the 8th of November, 1937, and following days.

(c) The Government of India have received complaints that the position is as stated in this part of the question, although they are not in possession of full details since Excise is a Provincial subject.

(d) I would ask the Honourable Member to await the decisions of the Excise Conference.

Mr. S. Satyamurti : With reference to the answer to part (c) of the question, may I know whether Government will pursue the investigations and be ready with some conclusions, at least tentative, before the Conference actually meets ?

Mr. J. F. Sheehy : I think the Government will await the decisions of the Conference.

Mr. S. Satyamurti : No, I am not asking about the decisions. The question is whether the Government are aware that want of uniformity in excise rules has created inter-provincial barriers to trade in indigenous products, while imports from overseas are under no such restrictions in the matter of transport and movement. Since this matter concerns more than one province, and transport is an all-India subject, may I know whether the Government of India will pursue their investigations, and be prepared with some tentative conclusions before the Conference actually meets to consider these and other allied matters ?

Mr. J. F. Sheehy : We have no power in these matters. These are provincial subjects, and we cannot coerce the provinces.

Mr. S. Satyamurti : I am not asking for any coercion. Investigation is not coercion. I do not want criminal investigation, but I want

civil, polite investigation (Laughter) into the allegations contained in this question, with a view to finding out how far those complaints are justified. I repeat they concern more than one province and no single province can investigate inter-provincial obstacles, and, secondly, transport is an all-India matter.

Mr. J. F. Sheehy : We shall collect all the information we can and place it before the Conference.

Mr. S. Satyamurti : That is much better. You should have said that much earlier.

GRIEVANCES OF INDIANS IN MALAYA.

337. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) whether Government are aware that the Indians in Malaya are universally of the opinion that in spite of the recommendations of the Sastri report they should reopen the whole question of wages with a view to fixing minimum rates of wages, and progressive increases thereof ;
- (b) whether Government are aware that housing is largely inadequate and unsuitable to the Indian labourers in estates in Malaya and what steps, if any they propose to take to improve the housing conditions ;
- (c) whether Government are aware of the lack of adequate hospital facilities and the inefficiency of the staff employed therein, for the service of the labourers ;
- (d) what remedial action they propose to take in that behalf ;
- (e) whether Government are aware that only 30 per cent. of Indians there are literate, and that the number of schools decreased from 546 in 1927 to 394 in 1933 and of the steps they propose to take in this matter ;
- (f) whether Government are aware that there are more than twice as many men as women in Malaya, among the Indian labourers, and whether they propose to take steps to redress this unequal sex ratio ;
- (g) whether Government propose to take steps to see that all toddy shops are closed in the estates ;
- (h) whether Government are aware that in Malaya public services are closed to Indians under the cover of protecting the native interests and arable lands are denied to them ;
- (i) whether the Indian alone is refused admission to the Volunteer Corps, while the British, Malays and Chinese are admitted ;
- (j) whether this inequality will be redressed ;
- (k) whether Government have had their attention drawn to the general feeling in the country that "to permit the emigration of Indians to a country where they are treated

with such little consideration seems consistent neither with self-respect of India nor with the best interests of emigrants " ; and

- (l) whether Government are prepared to send a fresh delegation to Malaya to investigate and report on the whole question, with a view to taking effective and suitable action to redress the grievances of the Indians in Malaya ?

Sir Girja Shankar Bajpai : (a) The Government of India have received a representation on the subject from the Central Indian Association of Malaya.

(b), (c) and (d). Government have examined Mr. Sastri's Report as well as a representation thereon made by the Association referred to in the answer to part (a). The Malayan Governments have already been addressed on the points referred to in parts (c) and (d) of the Honourable Member's question. The question of the adequacy of the 1928 rates of wages is separately examined.

(e) The number of schools did decrease from 546 in 1927 to 394 in 1933, but has since gone up to 535. The Government of India understand that steps are being taken to improve facilities for Indian education. Precise statistics of literacy among Indians in Malaya are not available.

(f) The information in the possession of the Government of India shows that the sex ratio for the labour population (including adult and minor dependents) was 531 females to 1,000 males at the end of last year. The Government of India have this question under examination.

(g) The Government of India agree with Mr. Sastri that a more rigid campaign against ' Samsu ' should be undertaken in the first instance.

(h) The Malayan Administrative Service is the only one closed to Indians. There is no law prohibiting acquisition of land in Malaya by Indians, nor are Government aware that such acquisition is denied to Indians.

(i) and (j). Necessary information has been called for from the Agent of Malaya. On its receipt the Government of India will examine the question.

(k) Government are aware of the various opinions expressed about the emigration of Indians to other countries.

(l) No.

Mr. S. Satyamurti : With reference to the answer to clause (a) of my question, when did the Government of India last address the Government of Malaya, with regard to minimum wages ?

Sir Girja Shankar Bajpai : The Government of India as far as I remember addressed one comprehensive communication to the Government of Malaya on Mr. Sastri's report. That was sometime in May and the Government letter made it clear that they did not consider the question of the adequacy of the wage rates of 1928 as having settled, that they were examining it and after examination they will address the Government of Malaya again.

Mr. S. Satyamurti : With reference to the answer to clause (b) of that question, I am afraid I did not hear my Honourable friend. What

is the position with regard to the inadequate and unsuitable housing for Indian labourers in estates in Malaya? Have the Government of India addressed the Government of Malaya on this matter?

Sir Girja Shankar Bajpai : Part (b) deals with housing and part (c) deals with medical attendance. The Government of India supported the recommendation of Mr. Sastri and said that they hoped that the Government of Malaya would take early steps to remove the disabilities or rather the difficulties mentioned in Mr. Sastri's report.

Mr. S. Satyamurti : Have they heard from the Government of Malaya?

Sir Girja Shankar Bajpai : We have had no answer yet.

Mr. S. Satyamurti : Will the Government of India send a reminder to the Government of Malaya to deal with these problems urgently?

Sir Girja Shankar Bajpai : In so far as the urgency of the problem is concerned, that has already been impressed upon the Government of Malaya and I do not think that any further written correspondence is necessary in the matter in the near future. Our new Agent will be proceeding to Malaya shortly and it will be his instructions to see how these recommendations of the Government of India are given effect to.

Mr. S. Satyamurti : In answer to clause (e) of my question, may I know if the Government will be pleased to call for figures of literacy among Indians in Malaya?

Sir Girja Shankar Bajpai : We shall instruct the Agent in Malaya to get all available information on that point.

Mr. S. Satyamurti : With reference to clause (f) of my question, in view of the admitted disparity in the sex ratio, will Government take steps or consider taking steps to prevent the emigration of single males until the inequality is redressed?

Sir Girja Shankar Bajpai : The point is under consideration as to whether you can enforce that particular restriction.

Mr. S. Satyamurti : With reference to clause (h) of my question, may I know if Government can ascertain the reason why Indians are not admitted to the Malayan administrative service?

Sir Girja Shankar Bajpai : Mr. Sastri explained this matter in his report. He said that he had taken the matter up with the Government of the Federated Malay States or rather the High Commissioner and the information vouchsafed to him was that their Highnesses the Sultans under whose control the Federated Malay States are prefer the restriction to prevail but I may inform my Honourable friend that we are not satisfied with the statement made by the Government to Mr. Sastri and we are taking up the question of Indians domiciled in Malaya having exactly the same privileges as any other class of people settled in those territories.

Mr. S. Satyamurti : Will Government instruct their new Agent in Malaya to send a report on all the matters referred to in this question and other allied matters to the Government of India, and will the Government of India place a copy of the report on the table of the House?

Sir Girja Shankar Bajpai : In so far as implementing the recommendations in Mr. Sastri's report is concerned, the Agent will have to include in the annual report to the Government of India a statement of the progress made. As regards this particular question, I would like to point out to my Honourable friend that this is rather a question of high policy outside the sphere of the Agent and between us and the Colonial Office; we will pursue the matter.

Mr. Mohan Lal Saksena : With reference to the answer to clause (h) may I know if the Inspector of Tamil Schools is a European?

Sir Girja Shankar Bajpai : In India, there are many Inspectors of Schools who are Europeans.

Mr. S. Satyamurti : That is the tragedy!

Mr. Mohan Lal Saksena : I want to know whether the Inspector of Tamil Schools is a European?

Sir Girja Shankar Bajpai : As far as I know all Inspectors of Schools in Malaya belonging to what they call the administrative service are Europeans.

Mr. S. Satyamurti : Then, where do their Highnesses come in?

Mr. Mohan Lal Saksena : Is there an office of Inspector of Tamil Schools in particular?

Sir Girja Shankar Bajpai : There is an office of Inspector of Schools for Indian Education and as most of the Indians in Malaya are Tamils, I presume that this Inspector deals with Tamil Schools but Mr. Sastri recommended in his report that in the investigation to be made regarding the provision of facilities for Tamils and others an officer should be deputed from Madras to assist the Inspector of Schools and this proposal is under consideration.

Mr. Mohan Lal Saksena : Was any representation made to the Government of Malaya on this point in particular?

Sir Girja Shankar Bajpai : The Government of India, as I told my Honourable friend a little while ago, addressed the Government of Malaya on all matters arising out of Mr. Sastri's report, including the question of educational facilities.

Mr. Ram Narayan Singh : With regard to part (f) of the question, how is it that the sex ratio rules have never been enforced to Indian emigrants to Malaya?

Sir Girja Shankar Bajpai : The explanation of that is that in regard neither to Ceylon nor to Malaya have the sex ratio rules been applied as the character of the emigration to these colonies differs from emigration to far off colonies such as Fiji and British Guiana. The sex ratio rule was originally intended to apply to these far off colonies rather than to the neighbouring colonies where emigration is more of a temporary character than for purposes of permanent settlement.

ARRANGEMENTS FOR STARTING A CENTRAL VETERINARY COLLEGE AT IZZATNAGAR.

338. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) whether arrangements for starting a Central Veterinary College at Izzatnagar are progressing ;
- (b) whether it is intended to import five experts from England for staffing the College ;
- (c) whether competent Indian professors are not available for this purpose ; and
- (d) whether these Europeans, if appointed, will be required as part of their conditions of service to train Indians to take their place in the course of five or ten years ?

Sir Girja Shankar Bajpai : (a) and (b). The scheme is still under consideration. No proposals for staffing the proposed College have yet been sanctioned.

(c) and (d). Do not arise.

Mr. S. Satyamurti : In making up their mind and arriving at decisions with regard to the starting of the Central Veterinary College, will Government consider the suggestion contained in clause (d) of this question, that is to say, Europeans, if appointed, will be required, as part of their conditions of service, to train Indians to take their place in the course of five or ten years ?

Sir Girja Shankar Bajpai : I can assure my Honourable friend that that has been our policy so far as the appointment of experts to special posts in the departments under our control are concerned.

Mr. Mohan Lal Saksena : Is it a fact that a veterinary conference was held in Bombay and it recommended against the establishment of a college at Izzatnagar ?

Sir Girja Shankar Bajpai : When was this conference held ? Was it during my temporary absence from the country ?

Mr. Mohan Lal Saksena : There was a conference in December and one in May.

Sir Girja Shankar Bajpai : I have no doubt whatsoever that the recommendations of the conference will be given full weight when a decision is taken.

PRESCRIBING OF A LIMIT OF WEIGHT FOR LETTERS AND BOOK PACKETS.

339. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

- (a) the reason why the relevant rules have been recently amended authorising the Director General of Posts and Telegraphs in certain circumstances to prescribe a limit of weight for letters and book packets from any particular post office or offices and especially why he is given the power to prescribe that a letter or book packet having contents of a specified nature and posted at or addressed to such places as the Director General may notify shall be accompanied by a declaration in such form as may be prescribed by him ;

- (b) whether it is done only to protect customs revenues ; and
- (c) whether it is likely to be used for any political purpose whatsoever ?

The Honourable Sir Thomas Stewart : (a) and (b). The Director-General, Posts and Telegraphs, already possessed the power to prescribe a limit of weight for letters and book packets for and from any particular post office or offices. The further power was given for customs purposes only.

(c) No.

MONEY DEPOSITED IN THE POST OFFICES IN CASH CERTIFICATES FOR WHICH INTEREST IS DECLINED.

340. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Industries and Labour state the amount of money deposited in the Post Office in Cash Certificates or otherwise, regarding which the depositors decline to accept any interest for religious or other reasons ?

(b) Do Government keep a separate account of the interest which thus accrues and is not paid on such deposits ?

(c) How is this money spent ?

(d) Do Government consult the wishes of the depositors concerned as regards the spending of this money ?

The Honourable Sir James Grigg : (a) The figures in respect of such deposits are not separately maintained.

(b) No.

(c) On the general purposes of Government.

(d) No.

Khan Sahib Nawab Siddique Ali Khan : Is it a fact that an offer was made to the Muslim community in the year 1927 ?

The Honourable Sir James Grigg : To the best of my belief, that offer has not been accepted although ten years have elapsed.

Khan Sahib Nawab Siddique Ali Khan : Is that offer still open ?

The Honourable Sir James Grigg : I must ask for notice of that question.

Mr. S. Satyamurti : With reference to clause (d) of the question, may I know why Government do not consult the wishes of the depositors concerned ?

The Honourable Sir James Grigg : I would suggest that the Honourable Member refreshes his memory as to the conditions on which a certain offer was made in 1927.

Mr. Sri Prakasa : How do the Government spend the money that they so receive ?

The Honourable Sir James Grigg : It is a part of the general budget.

Mr. Sri Prakasa : Do the Government eat this money up ?

The Honourable Sir James Grigg : No, use it.

CROSSING OF RAILWAY LINE BY PORTERS TAKING MAIL BAGS AT THE BENARES CANTONMENT RAILWAY STATION.

341. *Mr. Sri Prakasa : (a) Will the Honourable Member for Industries and Labour state whether it is a fact that the porters have to cross the railway lines in order to take the mail bags from the lorry on the road to the Railway Mail Service at the Benares Cantonment Railway Station on the East Indian Railway ? If so, why ?

(b) Are Government considering the desirability of adding to the number of these porters to enable them to take all the bags by the over-bridges ?

(c) Have there been any accidents to porters from passing trains due to crossing the lines ?

(d) Is it not against the rules of the railway to cross lines ? If so, has any action been taken against any one in connection with the porters crossing the lines with mail bags ?

The Honourable Sir Thomas Stewart : (a) The fact is not as stated by the Honourable Member. No compulsion is applied to porters to cross the railway lines from the island platform at Benares Cantonment for the purpose of reaching the lorry. If they do this it is for their own convenience and to avoid a fairly lengthy detour round by the overbridge.

(b) The question of adding to the number of porters to cope with the regular increase in the volume of mails is under consideration. Occasional heavy receipts of mails can be handled by the employment of casual labour which the local staff have authority to engage.

(c) No.

(d) It is against the rules for unauthorised persons to cross the lines, but prosecution for such an offence is at the discretion of the Railway authorities. I am not aware whether the Railway Administration have taken any action or lodged any protest in this matter.

Mr. Sri Prakasa : Is it not a fact that in the very limited time at their disposal, and because they have to make many runs between the lorry and the train, these porters, owing to the paucity in their numbers, do actually cross these lines ?

The Honourable Sir Thomas Stewart : I am not aware of that.

Mr. Sri Prakasa : Surely the Honourable Member is not expected to be aware of what his subordinates, numbering seven lakhs do throughout the country, but he may take it from me that what I am stating is a fact. Will he not inquire in the matter and stop this practice ? I come from Benares and know what I am saying.

The Honourable Sir Thomas Stewart : I am prepared to take the Honourable Member's word for it but I may remind him that I did say that it was under consideration whether the staff need be increased.

RECRUITMENT OF A NEWS EDITOR OF BROADCASTING AND AN EDITOR OF THE " INDIAN LISTENER ".

342. *Mr. Sri Prakasa : (a) Will the Honourable Member for Industries and Labour state whether it is a fact that Government are bringing

out a News Editor of Broadcasting from England ? If so, what are his qualifications, what will be his duties and on what salary and for what period is he being appointed ?

(b) Is it a fact that one of the qualifications originally required for this job was that the applicant should have knowledge of the Nagri or Persian script ? Does the gentleman recruited from England possess this qualification ?

(c) Is it a fact that Government are further advertising for an Editor of the *Indian Listener* and Sub-editor of Central News Organisation, All-India Radio ?

(d) What will be the duties of these two officers ?

(e) Is it a fact that the *Indian Listener* is now to be published from Delhi ?

(f) How many issues of this journal are to be published every year ?

(g) Do Government consider the duties of the Editor sufficiently heavy to have a separate whole-time officer ?

(h) Have Government considered whether the News Editor who is coming from England will not be able to edit this magazine along with his duties as a News Editor ?

The Honourable Sir Thomas Stewart : (a) Yes. Mr. Barns has been appointed for a period of five years on a salary of Rs. 1,000-50-1,200 plus overseas pay, £30 per mensem. He will inaugurate the scheme for a Central News Organisation which was approved by the Standing Finance Committee in January last, and his duties will be the compilation and editing of news bulletins and the organisation of an efficient system for the broadcasting of news from all stations of All-India Radio. Mr. Barns has had journalistic experience and was for four years the Managing Editor of the London office of the Free Press News Agency in which capacity he had to collaborate with two other important news agencies in England. He has considerable knowledge of Indian and world affairs.

(b) A knowledge of the Urdu and Hindi scripts was considered desirable but not essential. I am sorry I have no definite information as to whether he has any knowledge of these scripts.

(c) Yes.

(d) The Editor, *Indian Listener*, will be required to compile and edit the journal, and to look after the business side of the paper and the actual arrangements for publishing and distributing it. The Sub-Editor for the Central Organisation will work as an Assistant to the News Editor.

(e) Yes.

(f) Twenty-four.

(g) and (h). Yes.

Mr. T. S. Avinashilingam Chettiar : May I inquire, Sir, whether any attempt was made to find a suitable editor in India ?

The Honourable Sir Thomas Stewart : Yes, Sir.

Mr. T. S. Avinashilingam Chettiar : May I know whether any advertisements were made in this country ?

The Honourable Sir Thomas Stewart : The post was advertised by the Public Service Commission.

Mr. T. S. Avinashilingam Chettiar : May I know whether there were any applicants ?

The Honourable Sir Thomas Stewart : There were applicants.

Mr. T. S. Avinashilingam Chettiar : May I know what were their qualifications and why were they not selected ?

The Honourable Sir Thomas Stewart : My information is that the Public Service Commission considered that the quality of the Indian applicants was distinctly disappointing.

Prof. N. G. Ranga : Is it not a fact that while this post was being advertised here, a regular offer was made to Mr. Barnes in England to accept this post ?

The Honourable Sir Thomas Stewart : Certainly not.

Mr. Sri Prakasa : Has the Honourable Member assured himself that the duties are heavy enough to need two persons ?

The Honourable Sir Thomas Stewart : Yes, Sir.

Mr. T. S. Avinashilingam Chettiar : May I know what is the quality that was exactly lacking in Indian candidates ? Is it the knowledge of newspapers that was lacking or is it merely a question of colour ?

The Honourable Sir Thomas Stewart : Certainly not.

Mr. T. S. Avinashilingam Chettiar : Then what is the quality that was lacking in Indian candidates ?

The Honourable Sir Thomas Stewart : Sir, the information that I had from the Public Service Commission was that the applicants who applied in India did not have the journalistic experience and abilities of the standard required for this particular post.

Prof. N. G. Ranga : Is there any publicist on the Public Service Commission ? If not, how did the Public Service Commission come to the judgment that no Indian is competent to hold this post ?

The Honourable Sir Thomas Stewart : I am not responsible for the decision of the Public Service Commission.

Qazi Muhammad Ahmad Kazmi : How was the selection made in England ?

The Honourable Sir Thomas Stewart : It was made by a Selection Committee.

Qazi Muhammad Ahmad Kazmi : What was that Selection Committee ? Had it anything to do with the Public Service Commission in India ?

The Honourable Sir Thomas Stewart : No, Sir.

Qazi Muhammad Ahmad Kazmi : May I know who appointed that Selection Committee to select this gentleman ?

The Honourable Sir Thomas Stewart : Our High Commissioner in England.

Qazi Muhammad Ahmad Kazmi : Were there many candidates out of whom this gentleman was selected or was he the only applicant ?

The Honourable Sir Thomas Stewart : He was certainly not the only applicant.

Mr. Mohan Lal Saksena : Was the post advertised ?

The Honourable Sir Thomas Stewart : Yes, Sir, both in India and in the United Kingdom.

Mr. Sri Prakasa : In view of the fact that this particular gentleman is stated to possess knowledge of world affairs, may I know if he has visited any of the many theatres of war and received any shot wound ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

COLLECTION OF STATISTICS ON LABOUR CONDITIONS AND LIVING WAGE FOR LABOURERS.

343. ***Mr. T. S. Avinashilingam Chettiar :** (a) Will the Honourable Member for Industries and Labour state whether he is aware that statistics on conditions regarding labour and enquiries as to what constitutes a living wage for labourers have not been made in many of the provinces ?

(b) Are Government prepared to consider the advisability of collecting such statistics and publishing them, or do they propose to instruct Local Governments to do so ?

(c) In case they are already available, will Government state in what industries these statistics have been taken and in which provinces ?

The Honourable Sir Thomas Stewart : (a) and (c). A certain amount of statistical information regarding hours, holidays, safety and such matters in factories is collected in all provinces and published in the Provincial Governments' reports. These are collected in the Government of India publication "Statistics of Factories" and corresponding particulars for mines are given in the Chief Inspector of Mines' reports. Both these last publications are in the Library of the House.

I am not aware of any official estimates of the sum regarded as constituting a living wage for labourers. In respect of actual wages, a considerable amount of statistical information has been and is being published by the Government of Bombay.

(b) As I have explained, the statistics collected are published. I am in any case not in a position to issue instructions to Provincial Governments on a matter for which the constitution makes them fully responsible.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that labour is a Central subject and most of the labour laws are made in this Assembly, is it not advisable to issue instructions in order to find out the conditions of labour in different provinces so that a common understanding may be arrived at ?

The Honourable Sir Thomas Stewart : I am informed that the various provinces are themselves very much alive to these problems.

Mr. T. S. Avinashilingam Chettiar : The Provincial Governments may be alive with regard to these labour problems but a common hand may not be visible to make them regularise with each other and to have a common policy throughout India to consider this question.

The Honourable Sir Thomas Stewart : The view of the Government of India is that such action is not at the present moment required.

Prof. N. G. Ranga : Do the Government of India propose in the near future to call for a Conference of Labour Ministers in various provinces and consult them in regard to this particular question ?

The Honourable Sir Thomas Stewart : The Government of India have no such intention at present.

MINING AND GEOLOGICAL INSTITUTE OF INDIA.

344. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Is the Honourable Member for Industries and Labour aware that there is an all-India Association under the name of 'Mining and Geological Institute of India' ?

(b) Is the Honourable Member aware that the office of the said Mining and Geological Institute of India is housed in the Geological Survey of India premises and that one room is being occupied by the said Institute ?

(c) Will the Honourable Member state what rate of rental has been fixed by the India Government for the use of the said room in the Geological Survey of India premises at 27, Chowringhee Road, Calcutta, and for how many years the said Institute has been occupying the said room ?

(d) Will the Honourable Member state if an annual contribution is made by Government to the said Institute ? If so, what is the amount and for how many years has the said Institute been getting it ?

(e) Will the Honourable Member state what amount of money is paid by the India Government to this Institute by way of subscription for inserting advertisements in the transactions of the said Institute ?

(f) Will the Honourable Member state what amount of money has been spent by the India Government during the last financial year as travelling allowances to the staff of the Geological Survey of India, Indian School of Mines and the Indian Mines Department for attending the meetings and excursions of the said Mining and Geological Institute of India ?

(g) Is the Honourable Member aware of the present accumulated funds of the said Mining and Geological Institute of India ? If so, what is the actual figure ?

(h) Is it a fact that some officers of the Geological Survey of India, who attended the excursion at Ghatsila arranged by the Mining and Geological Institute of India in the month of June, 1937, were allowed to draw travelling allowances from the India Government ? Is it not a fact that some of these officers belonged to the Singhbhum Party and spent many sessions of field work in that locality ?

The Honourable Sir Thomas Stewart : (a) and (b). Yes.

(c) Re. 1 per mensem in addition to charges for water and electric current. I am unable to say how long the Institute has been occupying the room referred to.

(d) Yes. An annual grant of Rs. 500 is being made to the Institute since 1906 to be awarded as a prize for the best original paper accepted for publication in the Transactions of the Institute.

(e), (f) and (h). An enquiry is being made and a reply will be placed on the table of the House in due course.

(g) I have no official information on the subject but the annual balance sheets of the Institute are published in its Transactions.

REJECTION OF A PETITION FOR ANNUAL CONTRIBUTION TO THE GEOLOGICAL, MINING AND METALLURGICAL SOCIETY OF INDIA.

345. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Is the Honourable Member for Industries and Labour aware that there is an All-India Association similar to the Mining and Geological Institute of India, under the name of 'The Geological, Mining and Metallurgical Society of India' ? (The Society was started some thirteen years ago.)

(b) Do Government help this Society financially ?

(c) Is it a fact that this Geological, Mining and Metallurgical Society of India made a petition to the Government of India (Department of Industries and Labour) for an annual contribution for help and encouragement similar to that given to the Mining and Geological Institute of India ?

(d) Is it a fact that this petition of the Geological, Mining and Metallurgical Society of India was rejected by the Government of India ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) No.

(c) and (d). Yes.

Mr. Amarendra Nath Chattopadhyaya : With regard to the answer to part (b) of the question, may I ask why the Government have not helped this Society financially ?

The Honourable Sir Thomas Stewart : Government see no reason why they should help the Society financially. If the Honourable Member is relying on the fact that Rs. 500 is given to a similar society, I would point out to him that that Rs. 500 is not in the nature of a grant-in-aid but is merely a sum which is offered as a prize to scientists who write papers on these particular scientific subjects.

Pandit Lakshmi Kanta Maitra : Has the Honourable Member's Department inquired as to whether this institution has been functioning properly ?

The Honourable Sir Thomas Stewart : Which institution, Sir ?

Pandit Lakshmi Kanta Maitra : I mean the very institution that is referred to in the question ?

The Honourable Sir Thomas Stewart : Is it the Institute or the Society ? There are two Societies and I cannot make out which particular Society is being referred to.

Pandit Lakshmi Kanta Maitra : The second Society referred to in part (c).

The Honourable Sir Thomas Stewart : Government have no reason to believe that the Society is being conducted in any way but a proper one.

Seth Govind Das : Do they receive annual reports from the Society ?

The Honourable Sir Thomas Stewart : I understand that we get copies of their Transactions.

Mr. Amarendra Nath Chattopadhyaya : Do not Government recognise the services of this Society ?

The Honourable Sir Thomas Stewart : I do not understand what the Honourable Member means by 'recognising' the services of the Society ?

Mr. Amarendra Nath Chattopadhyaya : I mean, do not Government recognise that the Society is doing useful work in the line and deserves financial help ?

Pandit Lakshmi Kanta Maitra : Is there any agency of the Government of India to hold regular inspection of these Agencies ?

The Honourable Sir Thomas Stewart : No, Sir. This is purely a private Society and the Government of India have nothing to do with it.

EXPENDITURE OF THE GEOLOGICAL SURVEY OF INDIA.

546. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Industries and Labour state the annual expenditure of the Geological Survey of India with respect to (i) salary of the staff, (ii) field work of the staff and (iii) laboratory equipment ?

(b) Will the Honourable Member state the total amount of money spent to build up the laboratory of the Geological Survey of India in its present condition ?

(c) Is it not a fact that the Geological Survey of India was brought into existence really for the purpose of helping in the development of the mineral industry of India ?

(d) Is the Honourable Member aware of the presidential address delivered by Prof. N. P. Gandhi of the Benares Hindu University before the Geology section of the 20th session of the Indian Science Congress held at Patna, when Sir Lewis Fermor, the then Director of the Geological Survey of India, was the General President ?

(e) Will the Honourable Member state what steps were taken by the Geological Survey of India in carrying out the suggestions made by Prof. Gandhi in his Presidential Address (pages 340—344) ? Has any action been taken to organise industrial mineral research as suggested in the said Address ?

(f) Has the Honourable Member considered, as suggested by Prof. Gandhi in his Presidential Address (page 342), to start industrial mineral research by the various research departments of the India Government in co-operation with the other recognised laboratories in India ?

The Honourable Sir Thomas Stewart : (a) (i). The actual expenditure on account of the pay of officers and establishment in the Geological Survey of India, during the year 1935-36, was Rs. 2,80,866.

(ii) and (iii). Figures are not readily available.

(b) I regret that these figures also are not available.

(c) Yes.

(d), (e) and (f). I am unable to answer as I have not seen the presidential address in question. I shall endeavour to secure a copy and the suggestions contained therein will be examined.

ALLOWANCES GIVEN TO CERTAIN PERSONS IN THE GEOLOGICAL SURVEY OF INDIA.

347. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Industries and Labour state if the Palaeontologist of the Geological Survey of India, resident at the Headquarters, is given an extra allowance ? If so, will the Honourable Member be pleased to state the amount ?

(b) Is it a fact that many palaeontological specimens are sent to foreign experts for investigation ?

(c) Will the Honourable Member state what amount of money has been spent by the India Government for such work during the last five years ?

(d) Is it a fact that there is one Petrologist and one Curator at Headquarters ? If so, on what allowance ?

(e) Is it a fact that the Geological Survey of India sends large number of rock and mineral specimens to foreign laboratories for assaying and testing ?

(f) Will the Honourable Member state what amount of money has been spent by the India Government for such work during the last five years ?

The Honourable Sir Thomas Stewart : (a) and (d). Yes. There are two officers at headquarters performing the duties of Palaeontologist and Petrologist respectively. A special pay of Rs. 150 a month is admissible only to Geologists performing those duties who held Class I posts on the 10th November, 1931. The designation of the post of Assistant Curator has been changed to Curator and no special pay is attached to it.

(b), (c), (e) and (f). Information has been called for and a reply will be placed on the table of the House in due course.

DISCHARGE OF POSTAL CANDIDATES AFTER RE-EXAMINATION IN THE MADRAS POSTAL CIRCLE.

348. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member in charge of Posts and Telegraphs be pleased to state how many men have been discharged after recent re-examination of postal candidates held on different dates and at different centres in the Madras circle ?

(b) Is it a fact that the postal authorities have prescribed a fresh set of rules for recruitment and that those candidates whose names are on the waiting list up to the 25th June, 1937, will have to sit for the new Postal University Examination in August, 1937?

(c) Will the Honourable Member be pleased to state how many candidates had appeared at the examination conducted in April, 1935, and how many had successfully passed?

(d) Is it a fact that those who had passed and were on the waiting list for employment, have all been asked to appear at another examination proposed to be held after a lapse of 18 months?

(e) Is it a fact that only 7 per cent. of the candidates, who appeared at the examination of 1935, had passed?

(f) Will the Honourable Member be pleased to state the usefulness of such repeated examinations in his department, obliging passed candidates to present themselves before Selection Boards over and over again? Was there any such condition laid down that candidates whose names were already on the waiting list, having passed in the examination, would be required to appear at a subsequent examination?

(g) Is it a fact that new candidates who passed examination had been made permanent, while old ones acting as temporary clerks, have been ousted?

(h) Is it a fact that this arrangement for examinations and appointments, as suggested in the preceding parts, is in vogue in the Madras circle only and not in any other circle? If so, why?

(i) Will the Honourable Member place on the table the orders relating to those departmental examinations in the Postal Department all over India and the recruitment of fresh hands, as has been done by the Divisional Officers of Posts and Telegraphs in all provinces and circles?

(j) Is the Honourable Member prepared to take such steps as to find employment for all those candidates who were placed on the waiting list after they had successfully passed the examination held in 1935?

The Honourable Sir Thomas Stewart : I regret that I must ask the Honourable Member to accept an *ad interim* reply as enquiries are not yet complete.

It appears, *prima facie* however that some hardship has been occasioned. Further enquiries are in progress and I shall lay on the table, in the course of the present Session, a statement of the position and of the steps which have been taken to redress any inequities which may have occurred.

Mr. Amarendra Nath Chattopadhyaya : How long will it take for the Honourable Member to make a statement?

The Honourable Sir Thomas Stewart : I have promised a statement in the course of the present Session.

PROPOSAL TO SEND AN OFFICER OF THE ARCHAEOLOGICAL DEPARTMENT ABROAD FOR MUSEUM TRAINING.

349. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Secretary for Education, Health and Lands be pleased to state whether Government propose to send any officer of the Archaeological Department to foreign countries for museum training?

(b) What is the museum experience and the qualification of the officer whom Government propose to send abroad for museum training?

(c) Is there any officer at present in the Archaeological Department who, by his administrative, labelling, arranging, cataloguing and complete practical experience in the running of a museum and a knowledge of European languages, will benefit by a visit to foreign countries?

(d) If no officer with the requisite qualifications referred to in part (e) above is available in the Department, are Government prepared to consider the advisability of selecting one of the experienced Indian Curators from any of the Provincial Government museums, so that Government might get a full return for the money spent on thus deputing the officer?

Sir Girja Shankar Bajpai : (a) Yes; but no officer has yet been selected for the purpose.

(b) and (c). There are in the Department officers with sufficient experience of museum affairs to profit by the kind of deputation we propose.

(d) Does not arise.

VACANCIES OF ASSISTANT SUPERINTENDENTS, ARCHAEOLOGICAL DEPARTMENT.

350. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Secretary for Education, Health and Lands be pleased to state if it is a fact that recently several posts of Assistant Superintendents fell vacant in the Archaeological Department?

(b) Is it a fact that the Director General of Archaeology has been fixing the age limit for recruitment to these posts at 32 years?

(c) Is it a fact that in a very recent advertisement which appeared this month, calling for applications for the post of Assistant Superintendent, the age limit has still further been lowered to 30 years?

(d) Are Government aware that to acquire a knowledge of European languages and foreign experience, it will take one considerably higher than 32 years of age?

(e) Is it a fact that during the days when Sir John Marshal was Director General of Archaeology, there was no restriction of age limit for the posts of Assistant Superintendents?

(f) Is it a fact that Mr. Mackay, Rai Bahadur Chanda and Mr. Vogal were all recruited to the Archaeological Department when they were 40 years old and over?

(g) Are Government prepared to consider the advisability of fixing the limit for future recruitment to this Department so as not to shut out qualified Indians who have gained long experience both in India and abroad?

Sir Girja Shankar Bajpai : (a) Yes.

(b) Age limits are fixed by Government and not by the Director General of Archaeology.

(c) Yes.

(d) The possession of foreign experience has not been advertised as one of the qualifications required for the post ; Government do not agree that a knowledge of French or German cannot normally be acquired unless a person has attained the age of 32 years.

(e) Yes ; but this was designed to make Indian graduates, who had been selected as scholars for departmental training, eligible for appointment to the Survey.

(f) Dr. Vogel was recruited when he was under 30. The other two gentlemen mentioned by the Honourable Member were recruited for special work.

(g) For the ordinary work of the Department Government require men with certain linguistic and historical qualifications who can be fitted, by departmental training, for archaeological exploration, excavation and conservation. Candidates above 30 will not ordinarily prove suitable for such training. Moreover there is no evidence that there is an insufficiency of candidates possessing the requisite qualifications amongst persons of 30 years of age or less. For posts for which recruitment of older persons is desirable Government can always relax the age limit in question.

+351*.

LEVY OF A CHARGE ON CARTS CARRYING FIREWOOD AND AGRICULTURAL PRODUCTS FROM BRITISH TERRITORY TO PONDICHERRY.

352. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Honourable the Finance Member be pleased to state whether it is a fact that country carts carrying firewood and other agricultural products from the adjacent British territory of South Arcot district into Pondicherry are charged two annas and more per cart by the British Customs authorities besides toll fees levied by the French authorities ?

(b) Is it an authorised levy or an unauthorised one ?

(c) Does any portion of it go to swell the all-India finances ?

(d) If it is an unauthorised levy, are Government prepared to put it down and punish the culprits who have been collecting this levy ?

(e) If it is an authorised levy, do Government propose to consider the advisability of abolishing it ?

Mr. J. F. Sheehy : (a) In accordance with the provisions of section 5 (1) of the Land Customs Act, 1924, an application has to be made to the Land Customs Officer at the land frontiers for a permit for the

+This question was not put by the questioner.

passage of goods by land out of British India into Pondicherry or Karikal. Such applications are required to be stamped under Item 1 (a) of Schedule II to the Court Fees Act, 1870. It is presumed that the charge mentioned by the Honourable Member has reference to this court fee.

(b) The levy of court fee is certainly authorised.

(c) The fee is credited entirely to the provincial revenues.

(d) Does not arise.

(e) Not at present. The question was considered once before, but the Madras Government were opposed to an exemption as it involved loss of their revenue.

Prof. N. G. Ranga : Is this particular fee to be paid every time a cart passes, or only once a year ?

Mr. J. F. Sheehy : Every time that the cart passes the boundary.

OFFICERS IN THE COMPUTING OFFICE OF THE SURVEY OF INDIA.

353. ***Mr. Mohan Lal Saksena :** (a) Will the Secretary for Education, Health and Lands be pleased to state if there are two class I Officers in the Computing Office of the Survey of India ?

(b) Is it not a fact that the charge of the office (including Workshops, Tidal Observatory and Printing sections) was previously held by Dr. Hunter all alone ? If so, has there been any increase in work since then necessitating two class I Officers ?

(c) Are Government prepared to consider the feasibility of reducing one of them ?

Sir Girja Shankar Bajpai : (a) There is one Class I officer and one officer of the General Central Service, Class I, who is attached in connection with Geodetic Work.

(b) The answer to the first part of the question is in the negative and, therefore, the second part does not arise.

(c) No.

INCOME-TAX RECOVERABLE ON PENSIONS EARNED IN INDIA AND PAID IN ENGLAND.

354. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Finance Member be pleased to state what will be the total amount of income-tax recoverable on pensions earned in India and paid in England ?

(b) Do Government propose to consider the advisability of making a representation to authorities in England to amend the Government of India Act, 1935, in such a way as to make these pensions assessable to income-tax in India ?

The Honourable Sir James Grigg : (a) It is not possible to frame any reliable estimate of the income-tax recoverable on such pensions.

(b) No.

Mr. Mohan Lal Saksena : Government must have a statement of all pensions drawn in England, and why cannot Government calculate it ?

The Honourable Sir James Grigg : It is impossible to frame any reliable estimate because one has to examine each individual pension to show the precise rate applicable. I can assure the Honourable Member that the amount which would be saved or gained by making these pensions liable to tax in British India is not of the order of crores as some of the Honourable Members opposite seem to think, but of the order of comparatively a few lakhs.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that this involves a principle that income-tax ought to be collected where it accrues regardless of the amount involved—less or more—will the Government consider the advisability of representing to the Government of Great Britain that the income-tax should be deducted.

The Honourable Sir James Grigg : This question I have already answered.

Mr. T. S. Avinashilingam Chettiar : No, Sir, it was not answered.

The Honourable Sir James Grigg : I have answered it.

Prof. N. G. Ranga : Stand up on the bench and answer.

Mr. President (The Honourable Sir Abdur Rahim) : Order. The Honourable Member should not make that kind of remark.

Prof. N. G. Ranga : Sir, he is answering questions without standing up in his place.

Mr. President (The Honourable Sir Abdur Rahim) : He has answered that question more than once.

Mr. S. Satyamurti : Sir, you are entitled to call us to order, when we commit any breach of the rules and orders, but I submit, with all respect, that Members on the Treasury Benches are no better than we are, and when one of them sits down and answers questions, we expect the Chair to call him to order.

Mr. President (The Honourable Sir Abdur Rahim) : I do not think any Honourable Member has yet tried to suggest that I differentiate between Members on the Treasury Benches and Members on the other side ? The Honourable the Finance Member said that he had already answered the question.

Mr. S. Satyamurti : But I submit that no Member can address the House sitting down.

Mr. President (The Honourable Sir Abdur Rahim) : He had already answered the question more than once and I do not think the Finance Member meant any disrespect to the House at all.

Prof. N. G. Ranga : Only he neglected his duty.

Mr. S. Satyamurti : With reference to the answer to clause (a), on the figures available for the year for which accounts have been made up, may I know what was the amount actually paid in England, on account of pensions earned in British India ?

The Honourable Sir James Grigg : I am afraid I must ask for notice.

Mr. S. Satyamurti : With reference to the answer to clause (b), may I know categorically the reasons why, apart from the amount involved, Government refuse to address His Majesty's Government for amendment of the Act ?

The Honourable Sir James Grigg : Sir, I do not think it is a suitable subject for answer by a question and answer, and therefore I must ask to be excused from giving an answer which would, as I say, take much longer time than could be dealt with in reply to a question.

Mr. T. S. Avinashilingam Chettiar : Sir, may I have an answer to my question ?

Mr. President (The Honourable Sir Abdur Rahim) : That has been answered. Next question.

UNEMPLOYMENT PROBLEM.

355. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable Member for Industries and Labour be pleased to state what steps have been taken to tackle the problem of unemployment amongst the educated youngmen in the centrally administered areas ?

(b) Have Government drawn up any scheme for fighting unemployment ? If not, why not and how long do they propose to take in doing so ?

(c) Is it not a fact that in his first broadcast speech His Excellency Lord Linlithgow had stated that the reduction of unemployment amongst Indians shall be one of his special concerns ? If so, will the Honourable Member state what progress, if any, have Government made in tackling this problem ?

The Honourable Sir Thomas Stewart : (a) and (b). I would refer the Honourable Member to the answer given by Sir Frank Noyce to his starred question No. 393 of 15th September last.

(c) Yes. The question has received constant attention with special reference to the Sapru Committee's recommendations. As the Honourable Member is doubtless aware, "Unemployment", apart from "Unemployment Insurance" has become, since 1st April last, a purely provincial subject. The policy of the Central Government in respect of other matters has important effects in alleviating unemployment, and I hope to place on the table shortly a statement indicating the progress made with the examination of the Sapru Committee's recommendations.

Seth Govind Das : Is there no unemployment in Delhi or in the centrally administered areas ?

The Honourable Sir Thomas Stewart : I should be very reluctant to make any such statement.

Seth Govind Das : The Honourable Member has just said that it has now become a provincial subject. Therefore, I am asking him whether there is no unemployment in Delhi or in the centrally administered areas.

The Honourable Sir Thomas Stewart : If the Honourable Member would refer to my answers to parts (a) and (b), he would see that these refer to an answer given by Sir Frank Noyce. In that answer Sir Frank Noyce indicated that no distinction could be drawn between unemployment in centrally administered areas and unemployment in the provinces.

Seth Govind Das : What are Government going to do as far as the centrally administered areas are concerned ?

The Honourable Sir Thomas Stewart : I have said that I propose to lay on the table in the near future a statement showing what has been done on the Sapru Committee's report.

Seth Govind Das : Will it be before the conclusion of this Session ?

The Honourable Sir Thomas Stewart : It will be within the next week or ten days.

Mr. Mohan Lal Saksena : With reference to the answer to part (a), may I know whether anything has been done since that answer was given in September last ?

The Honourable Sir Thomas Stewart : If the Honourable Member will refer to the statement which I propose to lay on the table, he will get a considerable amount of information.

BROADCASTING STATIONS IN INDIA.

356. ***Mr. Kailash Behari Lal :** (a) Will the Honourable Member for Industries and Labour be pleased to state how many Broadcasting Stations of different wave lengths there are in India ?

(b) How many new Broadcasting stations Government are constructing and of what wave lengths and in which places ?

(c) Is it a fact that the Delhi Broadcasting station is a medium wave broadcasting station with 20 kilowatt power and is meant for serving an area of 80 miles round about Delhi at all times throughout the seasons and that the broadcasting beyond 80 miles for a longer distance can only be audible during night and in fair weather ?

(d) Is it not a fact that all the major Provinces, including Bengal, Madras, Bombay, Punjab, the United Provinces, and even the North-West Frontier Province, have been provided with Broadcasting stations, and none of the Broadcasting stations in these Provinces can serve the Province of Bihar properly as the distance of Bihar from these stations is longer than what is guaranteed by the power of these stations ?

(e) What are the reasons of Government in singling out Bihar for not providing with a Broadcasting station, whereas some Provinces have got more than one station ?

The Honourable Sir Thomas Stewart : (a) and (b). A statement giving the required information is laid on the table of the House.

(c) As a general statement this is correct, but the range of a wireless station is, as was explained in the memorandum of the Standing Finance Committee in February, 1935, in connection with the Delhi station, variable and not capable of being expressed by precise figures of mileage.

(d) The development scheme provides for stations in all the provinces mentioned. It is expected that Bihar will get a satisfactory service from the short-wave stations to be established shortly at Delhi, Calcutta, Bombay and Madras.

(e) There are other provinces, e.g., Orissa, Sind, Assam, and Central Provinces which are not provided with stations and the Honourable Member is wrong in supposing that Bihar was singled out. The location of stations was settled with the object of providing as good a service as possible with the resources available to the greatest possible number of people.

Statement showing the existing and the proposed Stations of All-India Radio and their wavelengths.

Location of the Station.	Wavelength.	Remarks.
<i>Existing Stations—</i>		
Delhi, Medium-wave, 20 K.W.	340.13	
Calcutta, Medium-wave 1.5 K.W.	370.4	
Short-wave 0.25 K.W.	49.10	
Bombay, Medium-wave 1.5 K.W.	350.9	
Peshawar, Medium-wave 0.25 K.W.	200	
<i>Proposed New Stations—</i>		
Lahore, Medium-wave 1 K.W.	275	
Lucknow, Medium-wave 5 K.W.	295	
Madras, Medium-wave 0.25 K.W.	211	
Trichinopoly, Medium-wave 5 K.W.	39	
Dacca, Medium-wave 5 K.W.	2	
Delhi, Short-wave, 5 K.W.	Not yet fixed.	
Short-wave, 10 K.W.		
Bombay, Short-wave, 10 K.W.		
Calcutta, Short-wave, 10 K.W.		
Madras, Short-wave, 10 K.W.		

Mr. D. K. Lahiri Chaudhury : With reference to clause (b), may I know whether the power of the Calcutta station is going to be increased ?

The Honourable Sir Thomas Stewart : No, Sir, what is proposed in respect of Calcutta is that a new short-wave station be added to the existing equipment.

Mr. D. K. Lahiri Chaudhury : When is that going to be done ?

The Honourable Sir Thomas Stewart : I am informed that by the end of the year it will probably be in working order.

Mr. Muhammad Azhar Ali : Will the people of the provinces who are unemployed find employment in these broadcasting stations in their respective provinces ?

The Honourable Sir Thomas Stewart : That, Sir, does not arise out of this question.

Mr. Mohan Lal Saksena : Before the decision as to the location of the various broadcasting stations, may I know if the properties of the earth are investigated ?

The Honourable Sir Thomas Stewart : Yes, Sir ; the technical aspect of the problem was considered before these sites were decided upon.

Pandit Lakshmi Kanta Maitra : May I know if the Provincial Governments concerned were consulted in the matter of establishing these broadcasting stations in these places ?

The Honourable Sir Thomas Stewart : I must ask for notice of that.

Seth Govind Das : What are Government going to do in those provinces where these broadcasting stations have not yet been opened ?

The Honourable Sir Thomas Stewart : The system we have devised is one which will enable the inhabitants of those provinces to receive an adequate service.

Pandit Lakshmi Kanta Maitra : May I know if the Honourable Member's department got any representation from the Government of Bihar about the installation of a broadcasting station there ?

The Honourable Sir Thomas Stewart : I understand there was a provincial conference on this matter and Provincial Governments have been addressed in this connection.

INSUFFICIENT ACCOMMODATION GIVEN TO THE LEGISLATIVE ASSEMBLY DEPARTMENT IN THE KENNEDY HOUSE, SIMLA.

357. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable Member for Industries and Labour please state why so insufficient accommodation has been given to the Legislative Assembly Department in the Kennedy House ? Is it a fact that the Audit Officer, to pre-audit the bills of the Members, has been shifted to the Telegraph buildings, much to the inconvenience of the Members and the Department as a whole ? If the answer be in the affirmative, are Government prepared to redress the same immediately ?

The Honourable Sir Thomas Stewart : The accommodation allotted to the Legislative Assembly Department in Kennedy House compares very favourably with accommodation allotted to other Departments. I understand that it is a fact that the Assistant Audit Officer and his clerk who pre-audit the bills of Honourable Members of this House were accommodated in the Telegraph Building this Session. This was due to the fact that the room which is reserved for touring officers at Kennedy House, in which they used to be accommodated in the past, was required

for, and allotted to, the Finance Officer, Posts and Telegraphs Department. Having regard, however, to the alleged inconvenience to Honourable Members, arrangements have been made for the Assistant Audit Officer to share a room with another officer in Kennedy House for the remainder of the Session.

Dr. Ziauddin Ahmed : In view of the insufficient accommodation in Kennedy House, will Government consider the extension of this building.....

Mr. S. Satyamurti : No : nothing doing in Simla ! (Laughter.)

Dr. Ziauddin Ahmed : I am not asking the Honourable Member : I am asking the Government. Will Government consider the desirability of extending this building in order to have a few more rooms for officers ? (Cries of " No, no " from Congress Party Benches.)

The Honourable Sir Thomas Stewart : I will consider the Honourable Member's proposal.

WITHHOLDING OF A TELEGRAM SENT TO THE STUDENTS CONFERENCE BY MR. S. SATYAMURTI.

358. ***Mr. S. Satyamurti** (on behalf of Mr. M. Asaf Ali) : Will the Honourable Member for Industries and Labour be pleased to state :

- whether it is a fact that a telegram sent by Mr. S. Satyamurti to the Students Conference care of Dr. Ashraf, Swaraj Bhawan, Allahabad, to the effect " We born slaves, we must not die slaves. Equip yourselves to become free citizens " was held objectionable by a telegraph officer at Agra, and withheld ;
- whether the telegram was sent from Simla and no objection was taken here ; and
- the authority under and the reasons for which such action was taken ?

The Honourable Sir Thomas Stewart : (a) and (c). The telegram was stopped as an objectionable one on the advice of the local civil authority at Agra to whom the message was referred by the Superintendent-in-charge of the Central Telegraph Office, Agra, under Rule 15 of the Indian Telegraph Rules.

(b) Yes.

Mr. T. S. Avinashilingam Chettiar : May I know who is the local civil authority ?

The Honourable Sir Thomas Stewart : The district magistrate.

Mr. K. Santhanam : May I know whether the Government of India actually consider this as an undesirable message ?

The Honourable Sir Thomas Stewart : The Honourable Member asks me for an expression of opinion.

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Mr. S. Satyamurti : May I know whether the Government propose to issue any general instructions, in view of the fact that this telegram merely stated " We born slaves, we must not die slaves. Equip yourselves to become free citizens ", and in view of the fact that the telegram was sent to other stations—will Government issue instructions to see that their officers do not make the Government look ridiculous ?

The Honourable Sir Thomas Stewart : I do not think that one isolated incident would justify the issue of any such general instructions.

Mr. S. Satyamurti : With reference to the answer to clause (c), what are the reasons alleged by the local authority for withholding this telegram ?

The Honourable Sir Thomas Stewart : There can only be two reasons : one is that the contents were plainly objectionable, the second that the telegram was of an alarming character.

Mr. S. Satyamurti : Was it considered objectionable or was it considered alarming ?

The Honourable Sir Thomas Stewart : On that I can give no opinion.

Mr. S. Satyamurti : Is it true that the Government have examined the decision of this local authority in view of the fact that the Simla telegraph authorities sent out the telegram, and do they propose to review the action of this district magistrate, and call his attention and ask him not to interfere with such telegrams ?

Mr. Muhammad Azhar Ali : Will a refund be made ?

The Honourable Sir Thomas Stewart : Yes. (Laughter.)

(b) WRITTEN ANSWER.

RECOGNITION OF EQUAL RIGHTS OF CITIZENSHIP OF DOMICILED INDIANS WITH EUROPEAN SETTLERS IN BRITISH COLONIES.

359. ***Mr. G. V. Deshmukh :** Will the Secretary of the Education, Health and Lands Department be pleased to state what British Colonies, if any, have recognised the full and equal rights of citizenship of lawfully domiciled Indians with European settlers therein ?

Sir Girja Shankar Bajpai : On the assumption that by ' rights of citizenship ' the Honourable Member means the right to vote, a statement embodying the available information is laid on the table.

Statement showing the countries within the British Empire where Indians possess rights of citizenship equally with domiciled Europeans.

- | | |
|-------------------------------------|------------------------|
| 1. New Zealand ; | 4. Southern Rhodesia ; |
| 2. Australia ; | 5. Mauritius ; |
| 3. Canada except British Columbia ; | 6. Tanganyika ; |

- | | |
|---------------------------|----------------------------|
| 7. Kenya ; | 13. British North Borneo ; |
| 8. Uganda ; | 14. British Malaya ; |
| 9. Zanzibar ; | 15. Ceylon ; |
| 10. British Guiana ; | 16. Burma ; and |
| 11. Trinidad and Tobago ; | 17. Aden. |
| 12. Fiji ; | |

UNSTARRED QUESTIONS AND ANSWERS.

BULLS AND COWS DISTRIBUTED FREE BY THE CENTRAL AGRICULTURAL DEPARTMENT.

49. **Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands state how many bulls and cows have been distributed free by the Central Agricultural Department since the arrival of Lord Linlithgow in India ?

(b) Where have they been distributed ?

Sir Girja Shankar Bajpai : (a) and (b). None. Agriculture being a Provincial subject the responsibility of the Central Government in regard to it lies in the fields of research, education and co-ordination. Herds are maintained as a charge on Central Revenues for experimental and research purposes and only surplus animals are disposed of from time to time.

POSITION OF DOMICILED INDIANS IN BRITISH COLONIES.

50. **Mr. G. V. Deshmukh :** Will the Secretary for Education, Health and Lands be pleased to lay on the table of the House a statement showing what the position of the lawfully domiciled Indians in each of the British Colonies was in 1923 and 1936 in respect of their political and trading rights and acquiring immovable property ?

Sir Girja Shankar Bajpai : Information is being compiled and will be laid on the table of the House in due course.

PROPOSAL TO SEND INDIAN AGENTS TO CERTAIN COLONIES TO LOOK AFTER THE INTERESTS OF INDIANS.

51. **Mr. G. V. Deshmukh :** Will the Secretary for Education, Health and Lands be pleased to state if Indian Agents are proposed to be sent to Trinidad, British Guiana and Fiji to look after the interests of the Indians residing there ? If not, why not ?

Sir Girja Shankar Bajpai : The question of appointing Agents to look after the interests of Indians, settled in certain countries, including those mentioned by the Honourable Member, is under consideration.

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PENSIONERS APPOINTED AS POST MASTERS AND SUB-POST MASTERS.

52. **Mr. N. M. Joshi** : Will the Honourable Member for Industries and Labour be pleased to state :

- (a) the number of pensioners appointed as Post Masters and Sub-Post Masters during each of the last three years ;
- (b) the total number of pensioners who are at present employed on the posts of Post Masters and Sub-Post Masters ;
- (c) whether his attention is drawn to the following passage in the Sapru Committee's Report on Unemployment among educated people on page 247 :

“ Men, who have retired from Government service, should not be employed by Local Bodies if and when young men possessing the necessary qualifications are available for such appointments.” ;

- (d) whether he proposes to reconsider the policy of employing pensioners in the light of the spirit of the Sapru Committee's recommendation ; and
- (e) if not, why not ?

The Honourable Sir Thomas Stewart : (a) and (b). Pensioners are not appointed direct or re-employed as postmasters or sub-postmasters. The Honourable Member presumably refers to extra-departmental branch and sub-postmasters. Information as to the number of pensioners appointed to these posts is being collected and will be laid on the table in due course.

(c) Yes.

(d) No.

(e) The employment offered to extra-departmental agents is in small post offices in which the traffic is small and justifies the employment of a part time official only. It would thus not be suitable for young men. An essential feature of the employment of extra-departmental agents is that they must have some other source of income than that offered by the Post Office. Thus by itself such employment does not afford a career.

ACCELERATION OF MAILS FOR DABHOL, GUHAGAR AND THEIR SUBORDINATE OFFICES.

53. **Mr. N. M. Joshi** : Will the Honourable Member for Industries and Labour be pleased to state :

- (a) whether steps are being taken to accelerate mails for Dabhol, Guhagar and their subordinate offices ; and
- (b) if the reply to part (a) above be in the affirmative, how far the proposal has progressed ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) New arrangements were in an advanced state when the Bombay Steam Navigation Company intimated their intention of cancelling a steamer service which was to have been utilised. This has necessitated a reconsideration of the proposals which is now proceeding.

PROMOTION OF POSTMEN AS POSTAL CLERKS.

54. **Mr. N. M. Joshi** : Will the Honourable Member for Industries and Labour be pleased to state :

- (a) whether under the old rules the postmen and inferior servants were permitted to be promoted to the clerical cadre after ten years of approved service and later this period was reduced to five years in 1924 ;
- (b) whether under the old rules these officials had to pass a simple test and had to pay no examination fees and that under the new recruitment rules they have to pass the same test as outsiders and to pay a total fee of Rs. 11 ; and
- (c) whether Government propose to restore the old simple test for postmen and inferior servants with five years approved service and reduce the period in the case of those who are willing to appear at the same test along with outsiders ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) Yes.

(c) No, as such a course would defeat the object of the new examination.

GRANT OF PERMISSION TO POSTMEN, ETC., TO APPEAR AT THE CLERICAL EXAMINATION AFTER THREE YEARS' SERVICE.

55. **Mr. N. M. Joshi** : Will the Honourable Member for Industries and Labour be pleased to state :

- (a) whether it is a fact that in the Posts and Telegraphs Department the departmental officials in cadre below the clerical ones have under the new rules of recruitment been permitted to appear at the clerical examination after five years of permanent service ;
- (b) whether the postmen, village postmen and inferior servants are not in their ordinary course of duty required to be in touch with the English language and arithmetic as much as clerks ;
- (c) whether the officials referred to in part (b) above have to pass the same test as outsiders who are matriculates and even graduates ; and
- (d) whether the period of five years will be reduced to three years so that the intelligent amongst that class will have scope to show their abilities ?

The Honourable Sir Thomas Stewart : (a) Yes, provided they have a good record.

(b) No.

(c) Yes, but the test in the case of departmental candidates is a qualifying one and not competitive as in the case of outsiders.

(d) No. Those men who are fit for advancement have ample scope under the existing rules to establish their suitability for promotion.

CAUSES OF MALARIA IN NEW DELHI.

56. **Mr. Suryya Kumar Som :** (a) Will the Secretary for Education, Health and Lands, please state whether Government directed an enquiry to be made into the causes of malaria in New Delhi, and whether the enquiry has been made? If so, with what result? Will Government lay that report on the table?

(b) Is it a fact that the officer who conducted that enquiry is of opinion that the cause of malaria in New Delhi is the accumulation of the surface water that is used abundantly to water the streets and gardens within 8-10 feet of the surface on account of obstruction by a layer of impervious rock that lies within eight or ten feet below the surface?

(c) What step, if any, have Government taken to drain out the underground accumulation of water?

(d) Is it a fact that the former site of the New Capital had to be abandoned on account of malaria, and was there any survey of the soil of the present site of the Capital by any expert from the point of view of sanitation before it was decided to build the new city at its present site? If not, why not?

(e) What was the total expenditure in building the former capital at Civil Lines and why has it been abandoned?

Sir Girja Shankar Bajpai : (a) Yes. Reports of the three enquiries made during the last ten years have been placed in the Library of the House.

(b) No.

(c) Does not arise.

(d) A malaria survey extending over 16 months was made in 1912-13 by Captain E. C. Hodgson, I.M.S. The former site was abandoned not only because it was the most unhealthy but also because of its liability to inundation.

(e) The information has been called for and will be furnished to the House on receipt.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred question No. 43 asked by Mr. Sri Prakasa on the 24th August, 1937.

SUPPLY TO THE POLICE OF FULL PARTICULARS ABOUT GUESTS STAYING IN INDIAN HOTELS IN DELHI.

(a) The Managers of all hotels in Delhi are in the habit of keeping registers of guests; and I understand that the police inspect these.

(b) There appears to be no legal requirement for the maintenance of the registers, and guests are not bound to give the information required.

(c) No. Registers are maintained in all hotels in Delhi.

Information promised in reply to starred question No. 71 asked by Seth Govind Das on the 24th August, 1937.

BAN ON THE PUBLICATION OF NEWSPAPERS IN CERTAIN CANTONMENTS.

(a) The Press and Registration of Books Act, 1867 (Act XXV of 1867), has been applied, *mutatis mutandis*, under the Foreign Jurisdiction Order in Council, to the Cantonments of Neemuch and Mhow, the Rajkot Civil Station and the Indore Residency Area, but not to the Baroda and Kolhapur Residency Areas or the Abu leased area.

(b) No newspaper is published in Mhow or Neemuch.

(c) It is hardly correct to say that several people wanted to establish a newspaper from either Mhow or Neemuch. So far as is traceable from the records of the Central India Agency one application only has been received to publish a newspaper in Neemuch. This was received in 1918 and was refused.

An application to publish a newspaper in Mhow was sanctioned in 1887, and since that date there has been one application only, received this year, which has been rejected.

(d) None of these areas are part of British India and the policy is now therefore no concern of the Governor General in Council, but rests solely with the Crown Representative.

Information promised in reply to starred question No. 94 asked by Mr. Sham Lal on the 25th August, 1937.

REDUCTION OF FEES IN SECONDARY SCHOOLS OF THE DELHI PROVINCE.

(a) Yes.

(b) No.

(c) The fees were enhanced as the result of an amendment of the Punjab Education Code, which is in force in Delhi, and there are no adequate reasons for charging lower fees in Delhi than in the Punjab.

Information promised in reply to part (c) of starred question No. 172 asked by Mr. T. S. Avinashilingam Chettiar on the 30th August, 1937.

EXPORT OF MONKEYS.

(c) The following are the figures of export of monkeys to various countries during 1936-37, namely :

America	..	..	..	..	..	14,700
Belgium	..	..	..	..	..	2,656
Germany	..	..	..	..	..	1,860
Straits Settlements	..	..	..	..	..	1,698
United Kingdom	..	..	..	..	..	962
Italy	..	..	..	..	..	537
France	..	..	..	..	..	100
Kenya Colony	..	..	..	..	..	17
China	..	..	..	..	..	10
Iraq	..	..	..	..	..	2
Union of South Africa	..	..	..	..	..	2
Total	..	..	..	..	..	22,544

Mr. President (The Honourable Sir Abdur Rahim) : I understand the Honourable the Defence Secretary wishes to make a statement with reference to an answer he gave.

Mr. C. M. G. Ogilvie : In the course of an answer I gave to a supplementary question, arising out of Sardar Mangal Singh's question No. 320 I fear that I may have unintentionally misled the House. The supplementary question was "Have the Punjab Government addressed the Government of India asking that the construction of the slaughter house be discontinued?" And the answer I appear to have been understood to have given was "I am not aware". The answer which I intended to give was "I am not prepared to say". (Laughter.)

Mr. S. Satyamurti : May I make a submission, Sir? With regard to the voting which took place on Friday, Mr. Satya Narayan Sinha, the whip of our Party, did vote in the lobby; but, unfortunately owing to some mistake, his name does not appear in the division list. He is prepared to say, and I believe and I hope you, Sir, will also believe it, that he actually went into the lobby and did vote. I think it was a clerical error, and I request you to direct that his name may be recorded as having voted.

Mr. President (The Honourable Sir Abdur Rahim) : I will find out.

THE INSURANCE BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the Insurance Bill.

The Honourable Sir Nripendra Sircar (Law Member) : Sir, it is hardly possible for me to meet the various points which have been raised during a debate which has lasted full four days; and whatever I cannot finish by twelve minutes past one, I shall leave unsaid for discussion on the amendments, because, I understand, every section of the House is extremely anxious that this motion should be disposed of before we rise for the midday adjournment. The provisions of this Bill are of relative unimportance compared to the supreme necessity of expiating my sins for having referred to big Bombay business in an irreverent spirit. Three of my gallant friends, Mr. Vissanji, Sir Homi Mody, and Sir Cowasji Jehangir—I am referring to them in the order of their speeches, and not in the order of their capital assets (Laughter)—having regard to the disturbed state of their mind, each was asked, as to what was the statement they were complaining of. To that I got no answer. Mr. Vissanji was good enough to say that it is quite true that Big Bombay have been using their big drums, because the Government of India are so deaf that it is the only means of reaching their ears. If that is so, then there is no issue joined between my friends and myself. I admit that I do not belong to one of the martial races according to Government classification,—and I confess that I have a mortal dread of three animals whom a kind Providence, in his inscrutable ways, has brought into existence; and those are the tiger, the snake and the Managing Agent of insurance companies. (Laughter.)

Now, I come to what my friend, Dr. Ziauddin Ahmad, would call the serious part of my lecture. I would like to take up first the assertion which was made by my Honourable friend, Mr. Mathuradas Vissanji,

that these Managing Agents have rendered great financial assistance to insurance companies. I would beg of Honourable Members to remember that when I talk of Managing Agents on this occasion I am confining myself to the Managing Agents of insurance companies and I do not extend my observations to those of industrial or manufacturing concerns. How much the assistance has been given, and what is the condition of Indian business in life insurance of these I am sure most Honourable Members of this House have no accurate information. I propose to give some with the help of no other document except the Indian Insurance Year Book and its supplement, and as regards Managing Agents, I have got some documents within the last week which may not be altogether devoid of interest. Taking this book,—the Insurance Year Book—for obvious reasons I will not and cannot mention the names of any particular companies because that might do incalculable damage to them, but in order that Honourable Members may be able to check the statements which I am making, I will give reference to the page and to the number in the list given in this Book. Sir, at page 44, there begins a summary of Life Insurance Revenue Accounts and the Valuation Results of Indian Companies

Mr. M. S. Aney (Berar : Non-Muhammadan) : Is that for 1935 or 1936?

The Honourable Sir Nripendra Sircar : It is for 1935, we have not got the Book for 1936.

I think Honourable Members will find that, if they add up the figures, 156 Life Companies have sent in their returns. What has happened to the others I do not know; probably they were late. One has got only to look at the Life Fund of some of these companies to realise the appalling condition of this business. I will take up some at random. At page 44, item No. 1,—as I said I am not going to mention any names,—there is a company which, in the year 1935, had a premium income of 9,000, and in the previous year it had an income of 10,000. I am not going into the past history because that cannot be found from this Book, but the premium income of this company in two years was Rs. 9,000 plus Rs. 10,000 or Rs. 19,000. The life assurance fund is Rs. 2,000. That is to say, if today this company is asked to pay the policyholders, it will be unable to do so. I have not forgotten the fact that only a certain percentage of claims can mature in any year. Let me take, Sir, number of companies where the life fund is shown as a negative quantity. There is one at page 46. I mean the first item. The second column gives the various amounts received as premium, namely 75, 59 and 11, that is in thousands. In the year of Grace 1934, the life fund is minus 200, that is to say minus two lakhs. And there are ever so many, but shall give one or two more and then summarise. Another will be found at page 56, the last item but one. Amounts received as premium only for three years have been disclosed in this book and these are 23, 17 and 16,—they are again in thousands, total 56. The life fund is minus 218. That is the condition of the life fund, and if Honourable Members will pursue this inquiry,—and this book is easily available,—they will find that in connection with at least 15 companies out of the 156 companies, the life fund is in a negative condition. That is not all. Then we have another and a much bigger class where the life fund though not negative is less

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than the last year's premium. Honourable Members will realise that those companies must have been receiving premiums in previous years also, and, therefore, if their life fund is less than the previous year's premium, it certainly discloses a horrible state of affairs. If you include them, then the number is 77, or in other words, out of 156 companies, 77 companies are with life funds which are represented either by negative quantities or grossly inadequate amounts, even less than one year's premium. It is not possible to trace, nor had I the time to trace other companies because I have not got the accounts of the previous years, but would it be an exaggeration to say that in at least two-thirds of the Indian life business, the life funds are in a grossly inadequate condition

Sardar Mangal Singh (East Punjab : Sikh) : What about the assets ?

The Honourable Sir Nripendra Sircar : If the life fund is negative, where would the assets be ? It means, really, I am talking to my friend very seriously,—that they have spent the whole of the premium income and they are going on spending the capital, plus anything which they can borrow. There are no assets in their possession.

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : Not even in the shape of buildings !

The Honourable Sir Nripendra Sircar : I do not know, Sir, the shape of the building or whether they have any buildings at all, but if my friend will kindly not interrupt me, I may be able to do a lot more than I would otherwise be in a position to do.

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : How many of the Companies have been managed by Managing Agents ?

The Honourable Sir Nripendra Sircar : I have got that information too, but my friend should exercise a little patience.

A statement was made by Mr. Chattopadhyaya, and he said ' Oh, these are all companies with only one or two years' standing '. I quite realise that a company with a standing of a year or two may not have a substantial life fund, but was he right in saying that these tottering companies are really only one or two years old ? Last evening my friend's wrong assertion gave me a little occupation, and I tried to see what they were like, I counted the first 40, and the position is this. Of the companies which are in the condition which I have described, one was started in 1906, another in 1907, a third one in 1910, a fourth in 1919, three were started in 1928, five were started in 1929, three in 1930, eight in 1931, two in 1932 and six were started in 1933. Therefore, my friend is entirely wrong in saying that these companies were started only one or two years ago. The relevance of these facts is this that, while the House should have proper regard to the interests of young companies,—and I can assure the House that I have paid more attention to them than to any other matter (Hear, hear.)—Shall we be really doing any good by giving them a long extension of life ? Some of you are thinking of mercy to the Managing Agents,—and I

took a considerable time to trace whether these companies have Managing Agents or not,—I found that 95 per cent. of these sickly companies have Managing Agents. If you show mercy to the Managing Agents, I dare say you will be blessed. Don't forget the Poet who says the quality of mercy is blessed and so on. But will you have some mercy for the policy-holders ? Every one was talking here of policy-holders' interests being the primary consideration. If that is so, why not, instead of mercy, let us have justice which my friend, Sir Cowasji Jehangir, wants. If I may, using a colloquial expression, leave the small fries alone, and come to the big companies.

Mr. N. M. Joshi (Nominated Non-Official) : Bombay Big ?

The Honourable Sir Nripendra Sircar : They are mostly Bombay Big, but there is one Calcutta Big too. I may remind Honourable Members once again of that beautifully got up book to which I referred as the Prima Donna, and you will find there are seven signatories to that book ; two of them are European Managers of Indian-owned companies. The point of that is they are not really owners,—and I am not really jealous of their salaries, although they may be bigger than mine. I dare say, they deserve every piece of what is paid to them, and perhaps they are worth a little more, but leaving aside those two, we are left with five signatories. Three of the signatories are in charge of big companies. These gentlemen constitute the Indian Insurance Legislation Committee. Here, again, I will not mention names, but it will not be very difficult to spot who they are. Let me take one of the seven signatories whom I call the Seven Wise Men of the East. (Laughter.) Now, the first gentleman I take up is a Managing Agent, and his is a General Assurance Company. The terms, if I may repeat the words of my Honourable friend, Mr. Jinnah, are probably unconscionable. May I just tell the House what they are ? First of all, the Managing Agents can retire, and can assign. If a completely new set of men come in, they have got to be taken as Managing Agents. That is one clause. Without going through the other clauses, the most illuminating clause is clause 14 :

“ On the winding up of the company the Managing Agents will be entitled to compensation equal to five times the amount earned during the five years preceding the winding up.”

Thanks to a Bombay gentleman who is a friend of mine, I have got a copy of their balance sheet. I have got only two years accounts, the average profit was something like Rs. 1,22,000 during 1935-36 and the previous year. That is to say, if the Managing Agent will kindly condescend to put the company into liquidation, or if by any mischance that happens he gets Rs. 6½ lakhs. (Laughter.) What for ? For having taken the trouble of putting it into liquidation ! (Laughter.) What does the gentleman earn ? The managing agency agreement provides that he will have a minimum of Rs. 40,000 as commission. That is not a large amount, I know that my Honourable friend, Sir Homi Mody, is already sniffing at the smallness of the figure. (Laughter.) He gets Rs. 40,000, but to do him justice I must say that in the year concerned, he has not drawn the full amount, and has drawn only Rs. 29,500. That would be quite moderate, but there is an interesting item, and that

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is this. It appears that under the managing agency agreement the Managing Agents are entitled to have two directors on the Board. Of course, that right was exercised. (Laughter.) There is a small item—commission Rs. 96,620-15-9 in which “the directors were interested”. What does that mean? Interested in putting that into their pockets. (Laughter.) I hope, the business will prosper—it is prospering and Bombay people know how to do their business well, but, if, God forbid, it goes to winding up it will not mean an absolute ruin of the Managing Agent. That is signatory No. 1. Then, I will come to signatory No. 2. Numbers 1 and 2 do not refer to the order in which the names appear in the report of the Committee of the Seven gentlemen. I now come to No. 2. The agreement provides that he cannot be removed. It is an agreement for 21 years.

An Honourable Member : Life convict !

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : Short life !

The Honourable Sir Nripendra Sircar : No. The Managing Agent, I assure my Honourable friend, Mr. Sri Prakasa, has a very long life as he deserves. (Laughter.) The only condition for his removal is that “if he chooses voluntarily in writing to resign”, but if he does not exercise his pleasure, you cannot get him out. Then, to make things perfectly clear it says that he can be only removed if found guilty of fraud. But even then that must be accepted by a special resolution, and as he has got more than one-fourth of the shares he cannot be removed even for fraud. That is the position of this Managing Agent. This Managing Agent, it must be said, has put a self-denying ordinance on himself and the agreement provides that he will not draw more than Rs. 42,000 for salary and Commission. That is a very moderate amount, if one can judge by the cynical smile on Sir Homi Mody's lips. I will now take signatory No. 3. As usual, the accounts being before the commencement of the new Companies Act, they have taken good care not to show remuneration of Managing Agents as a separate item. I mean to say, they rather object to unreasonable inquisitiveness on the part of the public. That is quite right. The Managing agency terms are here, and not being very strong in mathematics myself I employed an accountant and I find that this company has drawn Rs. 1,62,000 last year and Rs. 1,63,000 the year before last. That is not all. Another company was started for doing business in another class of insurance. And how was it started? A large bulk of its capital is derived from monies from the other company. Having started the other company he promptly gets himself appointed the Managing Agent of that company too, and he draws I do not know whether it is Rs. 40,000 or a lakh or any other small amount in addition to his Rs. 1,62,000. He reaps the advantage of his double capacity as the Managing Agent of both the companies! As regards the fourth who is not a signatory, he had no part in beating the drum here at Simla. He has drawn—the figures are (I will give you only the last three years) for the year ending with the financial year 1935 Rs. 1,89,579; 1936 Rs. 1,67,471; and 1937 up to 1st April 1937, Rs. 1,91,355. A lakh or two lakhs of rupees is possibly a trifling amount; we need not bother

about it, we are all rich people. But what were they paid for? Each of these companies have got highly paid managers, actuaries who are highly paid—I do not say that they are over-paid. They have got Secretaries, and Assistant Secretaries, Managers and Assistant Managers and the whole of the staff necessary for running a big business. All the work is done by them. Why should these gentlemen then draw Rs. 1,91,000 or Rs. 1,65,000, etc.? In this connection may I ask you to consider a very important matter, namely, if you are going to put any restrictions on Managing Agents, will any good be done by giving them ten years with emoluments limited to Rs. 2,000? I beg of you solemnly to consider this matter. Supposing we enact that law and assuming that the law can be enforced, what will happen? Probably, five or six or seven or eight, or whatever the number is, of the big Managing Agents, at the top, will be hit. Quite true, but taking 100 cases, what about the other 92 or 94? The maximum limit fixed by the Select Committee is Rs. 2,000. If you go through the figures in the Insurance Year Book you will find, that if they are allowed to draw Rs. 2,000 or even Rs. 1,000 for ten years, most of the smaller companies run by Managing Agents will be defunct before the end of those ten years. I will give you some examples because I cannot tire the House with a very large number of figures, and after all, they are all to be found in the blue book. At page 48, last item but one is a life insurance company. In 1935, it has a premium income of Rs. 1,09,000. Its life fund is Rs. 23,000. As you may have seen from the list which was annexed to the opinion of the Bombay shareholders, very often the Managing Agents are getting (in addition to other emoluments) ten per cent. of the gross premium. Therefore it means this. This company is under a Managing Agent. It is not a new company. It was started in 1931. In one sense, it is new but it is not one or two years old. With a life fund which is depleted, which has come down to only 23,000 rupees the Managing Agent will draw his Rs. 11,000. Figures relating to many other companies will be found to be equally startling and my point is this. By giving the restriction of Rs. 2,000 for ten years, you may get at the biggest ones at the top. They may be five or may be ten, but all these smaller companies which require your more careful attention than the big companies will be absolutely ruined. The fact is that the state of finance of the small companies does not permit this very heavy burden of the Managing Agents, if they are allowed to draw their usual allowances, although such allowances may be less than Rs. 2,000 a month.

Mr. Sri Prakasa : They may get only 100 or 200 ?

The Honourable Sir Nripendra Sircar : But they may not. That is the trouble. Their agreements will allow them to draw at the rate of ten per cent. on gross premiums.

Sir, in this connection I may remind the House that yesterday my Honourable friend, Mr. Jinnah, read certain statements of Mr. Munshi. May I supplement that by giving you the opinions of others. In connection with Company Law, it will be remembered that the opinion which I so often quoted and on which I so strongly relied was the evidence given before the committee by Sir Purshotamdas Thakurdas and others. He was a strong protagonist of Managing Agents. He stressed on their necessity for industrial and manufacturing concern but he made one exception or rather two exceptions and he said that

[Sir Nripendra Sircar.]

we do not want them in connection with either banking or with insurance and he gave his reasons. I shall refer to that in a minute. In banking, this House, I think, without a division, has given two years to the banking companies and is there any reason why greater mercy should be shown to the Managing Agents of insurance companies. It is not a question of justice. Justice requires their removal at once.

An Honourable Member : Mercy then.

The Honourable Sir Nripendra Sircar : We are all in a merciful mood, some more and some less.

Then, Sir, this is what Sir Purshotamdas Thakurdas says. It was published on the 27th December, 1936, in the Congress Number of the *Hindustan Times* :

“ I feel that the system of paying the executive of insurance companies and banks by a commission will have to go if the new Bill is to do justice to the insured. Insurance companies are investors of money and not borrowers of money and therefore any unnecessary and avoidable charge paid to the executive will mean only so much less for the policy holders by way of bonuses.”

Then, I come to a consideration which is very important and which has got to be borne in mind :

“ There is this to be considered that the longer an insurance company works the more its funds accumulate and at the end of 50 or 60 years, on the commission payable even on the profits, leave aside the turnover of the life insurance company, must amount to an unjustifiable figure.”

That is Sir Purshotamdas' opinion.

If you refer again to the opinion of the Bombay shareholders in the annexure, you will find the scale of remunerations of managing agents. Let us take one at random. I have got it here—ten per cent. on gross premium plus three per cent. on renewals. It means this. If you take the last ten years, he gets ten per cent. on the premium of the current year and he gets three per cent. in each of the nine years which preceded the current year. If it is 15 years old or if he is there over 15 years, he is multiplying three by 15.

Then, Sir, I may read to the House a statement of Sir Munmohandas Ramji. He was a leading Managing Agent himself and he presided at the annual general meeting held in June 1929 of the Indian Mercantile Insurance Co., Ltd. He said :

“ The insurance companies could be much better managed by the help of a qualified secretary with a thorough knowledge of insurance business than by the Managing Agent who has also to engage qualified men.”

That is the point which I made ten minutes ago. You don't avoid the expense of the manager or assistant manager or actuary or the Secretary by paying your lakh of rupees or two lakhs of rupees to the Managing Agents. I have been told by some people, who do not like that any restrictions should be placed on Managing Agents of insurance companies or at any rate too heavy a restriction—what is the good of your having these restrictions? One can drive a coach and four through your provisions. I admit, Sir, that dishonest people can get round, if not wholly, partly the provisions of any statute, but the question is if

these provisions make it difficult for them to exist under the present conditions, then the measure will be amply justified. After all, section 302 has not stopped murder but you don't think of repealing the section because murders have not stopped, or some murders cannot be detected. I submit there is nothing in that argument and without repeating my arguments over the managing agency—because I am sure I shall have to do it all over again, at any rate in some part, when the relevant section comes up for its amendment, I strongly object to giving them ten years subject to these restrictions. I admit that some good will be done in the case of men at the top but the bulk of them are parasites on companies with less financial resources and no good will be done to those companies and if you are merciful, then like the All Merciful, spare their lives, but if you want to do justice, it is no good giving ten years having regard to the necessity of the small companies which are in large number, which are leading a struggling existence and which cannot bear the heavy expenses of the Managing Agents.

An Honourable Member : Two years.

The Honourable Sir Nripendra Sircar : If you move an amendment for one year, I may accept it.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : Abolish it tomorrow.

The Honourable Sir Nripendra Sircar : Even then he will get six months because the Act will come into operation after six months. All I can say is that if there are amendments for restricting the period to two years or one year or even one hour, I may accept it, provided the Companies get reasonable time for adjusting their affairs.

Then, there is one matter which I must touch and that is the keeping of assets. As regards the keeping of assets, I must make it clear that I want to support that idea. What exactly the details ought to be, I cannot yet state with particularity. I can only tell the House what is in my mind and that will be found in the amendment which I am drafting. I think a distinction has got to be made between Indian companies and foreign companies. Whether my British friends will be deemed to be Indian companies or not, I have already told you my conviction about that. I feel no doubt, that we cannot discriminate against them. Be that as it may, may I for the moment use the word 'Indian' in the sense of Indian plus 'deemed' Indian.

Mr. S. Satyamurti : Doomed Indian !

The Honourable Sir Nripendra Sircar : My suggestion is this. There is nothing sacrosanct about the figures I am mentioning. It is really for giving the House my ideas so that all of us can pool our ideas together and see the best that can be done.

Now, supposing the Indian companies, following the Canadian model are asked to keep the assets under their control. I will just explain to the House what the phrase 'keeping under control' means. And when I refer to Canada, I am aware that my Honourable friend, Mr. A. C. Datta, having seen England loves England, but hates Canada. (Laughter.)

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions : Non-Muhammadan Kural) : I hate Canada because under the scheme of the Act as given by the Mover of the Bill, it is said to be English and not Canadian.

The Honourable Sir Nripendra Sircar : I am glad that he has not contradicted my statement that he loves England. There is no harm in that.

Mr. Akhil Chandra Datta : I do love England so far as this principle is concerned.

The Honourable Sir Nripendra Sircar : I was saying what is meant by the phrase "keeping under control". Now, let us take an Indian company. It has got to declare on affidavit what are the assets which are earmarked for purposes of section 26 and it ought to declare the numbers and the descriptions and so on. Then, that is subject to investigation and verification and necessary steps have to be taken by the Superintendent for seeing that they are kept intact by the company. It means that at any moment the Superintendent can call upon them to produce at the principal place of business the securities which are being held for the purpose of section 26. That is holding under their control.

As regards the non-British foreign companies, if I may use that expression, the much hated Canadian Law provides that they should not be allowed to keep it merely under their control but they should keep it either with a Trust Company or with the Minister, which means keeping under the control of the Government, to put it shortly. If that distinction is made, then one has got to think of the investments which will be allowed. I have been impressed by various representations which have been made that we must not make the forms of investment too rigid but we must allow as much latitude as possible in the matter of investments of the insurance companies provided they are safe. My suggestion is something like this. If 25 per cent. is held in Government securities, by which I mean the securities of the Government of India, and 35 per cent. in other approved securities, then it leaves a margin of 40 per cent. As regards this 40 per cent. my idea is that this Indian company, in order that we may not tie its hands too tightly, should be allowed to keep any security, movable or immovable, which will be acceptable. There must be some discretion left to the Superintendent so that worthless securities may not be taken. But any securities, movable or immovable, if approved as to their nature and valuation by the Superintendent ought to be allowed to be kept there by the Indian company provided they are realisable in India. As regards the forms of securities available to the non-British foreign companies, I admit that under the Canadian Law there is a great latitude. That is to say, a company is allowed to put in the entire amount in stocks of the country of its origin but obviously it cannot be allowed here. It is no good taking Italian bonds which may be cancelled the next morning by Mussolini by a written order. The same remark may apply to Germany or Japan. Therefore, our large-heartedness cannot be so great as that of the Canadian. We cannot possibly allow these non-British companies to keep their securities in any form they like. Then, what will be the limitations? That is a matter of detail. But, again, under the Canadian Act, apart from the securities of the country of origin, they are allowed to put in various other

forms of securities including British securities and others. Those are matters of detail which have got to be worked out and I have not just at this moment any concrete proposition to put up before the House though I hope to be ready within the next 24 hours. That is my general idea. But if this idea is accepted, a number of sections have got to be introduced which I have already drafted as supplementary provisions incidental to the enactment of this measure. That is to say, whether any company—and here I am not distinguishing between an Indian company and a non-Indian company—should be allowed to substitute securities. Occasions will also arise when they will want their securities for paying their dues. All this has been drafted in legislations of other countries and we must also make these provisions and I cannot leave the matter in the bald form in which section 26 appears without any supplemental provisions for working out the measure.

I must now come to the vexed clause of re-insurance. I must be very brief because my Honourable friend, Mr. Desai, and, I believe, others too have made it perfectly clear that they are not insisting on that being kept. But I would like once more to make my position perfectly clear before this House. I have said that I am very definitely of opinion that clause 3-A if retained will not mean any benefit to India. Discrimination against the U. K. insurer is not permissible. I have given my reasons and I am not going to repeat them. But I cannot let pass unnoticed the remark of the Leader of the European Group about fair field and no favour. If it were permissible under the law, if I felt that I could get this ten per cent. for the Indian companies for Indian business, I would not have been troubled with any ideas of unfairness. (Hear, hear.) I would like to ask in connection with "fairness" whether at the present moment any country is prepared to allow its nationals to compete with foreigners on absolutely equal terms. (Hear, hear.) (Applause.) It is said, "But, oh! after all you, Indian people, do not know proper methods of business, you have not got our experience, you have not got our powers of organisation our large resources and so on". True, let us assume for the sake of argument it is so. Will that be a ground for not helping the Indian Industry (Hear, hear) in a reasonable manner without seriously injuring foreign competitors? I like to know why if our incapacity stands in the way of our securing help from the Government, why is that, there is objection to Japanese textiles and Belgian steel being dumped in England? (Laughter.) I believe, Sir, they are equally well organized as the British producer and surely there is nothing in that. I would remind my Honourable friend, Sir Leslie Hudson, and once more I assure him that I am not introducing any racial question in this matter, and he knows as well as I do that I have not been unfriendly to any interest in this House, including the interest of U. K. businessmen. I would ask him whether on the merits, he thinks that a demand of ten per cent. reinsurance was not a moderate and even a humble demand. (Hear, hear.) I have explained my position and I have nothing further to say about it. I do not think that Foreign interests would have been appreciably injured by ten per cent. re-insurance, as their case is that they do re-insure with Indian companies to the extent of 7 per cent. I do not want this Bill to be delayed or to be destroyed by reason of enacting provisions which will do no good to India. As I have said I shall strenuously resist any discrimination which is not permissible under the law.

[Sir Nripendra Sircar.]

Sir, in this connection with reference to the definition of "Indian" and "non-Indian" that was introduced in the Bill as it has emerged from the Select Committee for the purpose of being used in clause 3-A, if as I now understand there is no serious insistence on clause 3-A being retained then there is hardly any occasion for these definitions. I say there is no necessity whatsoever for keeping these definitions. But it may be said that we want those definitions not for re-insurance (conceding for the sake of argument that clause 3-A is not being enacted), but yet that definition may be wanted in connection with clause 26, that is to say when you are going to distinguish between Indian companies, and non-Indian companies and, therefore, some kind of definition may be wanted. Without expressing any definite opinion I would ask this House to consider the matter from this aspect. If we are going to provide that a certain percentage, say 40 per cent. will be allowable in any kind of security approved of by the Superintendent, if the condition is hedged in with the provision that those securities whatever they are must be realisable in India, (that is to say, we are not going to accept even for this 40 per cent. either German or Italian bonds), then I would ask the House to consider what incentive there will be for a German company to get incorporated and start business here in India. If it does not start business here, of course there is the provision compelling it to keep assets in India. If business is started here in India by a German company—(assuming for one moment for the sake of argument there is no definition on the lines of three-fourth capital being owned by Indians and so on and so forth)—what is it that it will gain? I will tell you what it may gain and what my view is. This company which *ex-hypothesi* is a German company has been started under an Indian name in India will still have to hold 100 per cent. assets. There is no getting out of that. The difference will be that this camouflaged company will be allowed to hold, in India, assets under its control, instead of being compelled to make them over to the Reserve Bank. Now, Sir, what is the practical difference, assuming that the securities are Indian securities—I mean securities realisable in India whether a house in India or jute shares in India. Does the German company which has been incorporated in India by running away with those securities that are permissible, does it gain anything? What is it going to do with those securities? I presume, in the Act, at least that is my idea, some kind of provision will be made for having an undertaking, that they will not deal with the shares. But here again I know some of the Honourable Members of this House are not agreed with me, but I have not yet realised why we cannot enact that whatever assets are held in India whether by an Indian company or by a non-Indian company, they will be, by force of statute, a first charge in favour of the Central Government. Will it tie the hands of the Indian companies in dealing with them, if they want to take away some of them for selling them and substitute others? I say no. Because if this thing has got to be worked out, just as in the Canadian Act, you must give permission to the Indian and Foreign companies to sell or negotiate these securities or to substitute them with the sanction of the Superintendent. That must be done. They might like to substitute some or a case may arise where the claims on the company have been reduced by deaths and so on and they say we want to realise a certain amount of our securities. I see no practical difficulty in working this out without a definition and I submit it is futile to have a definition like this which really serves no useful pur-

pose. I understand there is a good deal of sentiment behind it, that is to say some Honourable Members are of this opinion, "we do not care whether it does us any good or not, that we do not care for, but we want to show to the foreigner that we can make a distinction between the foreigner and the Indian". To that my answer is, of course you can, as against the non-British foreign insurer. You can make different provisions for the non-British companies and for the Indian companies, but how is our national status going to be increased by putting in an unnecessary definition? I beg of the Honourable Members to consider this matter. I think the House ought to have some idea of what is the implication of keeping assets. I am now confining myself to non-British foreign companies. I made some enquiries and I find that the biggest Canadian company which is doing life business here, if this rule is enforced, they will have to keep in India nine crores. I enquired and I was told, of course I have no reason to think that that was untrue, but I have no means of verifying it, that they have invested six crores in Indian securities. Well, if that is so, that company will be under no difficulty because certainly latitude will be given as regards investment, and I see no objection to British securities for the purposes of keeping assets. Another Empire company will have to put in three crores of rupees. When I asked their representative he said that as a matter of fact his company has got two crores in Indian securities and it would have to find one crore more. I told him that in that case the thing was quite easy; if 2/3rd is already in Government of India securities, there should be no difficulty in their getting the balance in permissible securities. In this connection this House will have to consider also whether British securities would be permissible. I find an amendment has been given by one of my friends of the European Group to extend the definition of approved securities by adding to them British securities. My point of view is this. I myself have given notice of an amendment which I will not move, and for this reason. There is no reason for extending the definition of approved securities for roping in other kinds of securities. If the House accepts the idea that 1/3rd or 40 per cent. will be left to be given in any form acceptable to the Superintendent, then surely we need not bother ourselves about extending the definition of approved securities further, because under the 40 per cent. the insurer will be able to give securities which are not "approved" according to the technical definition which appears in the Select Committee's report. I submit, Sir, that it is a much easier way of working out the thing than to go on tinkering with the definition of 'approved securities'. I have received notice of about 20 amendments on this matter; somebody wants municipalities to be included and somebody wants land mortgage banks to be included; I think it was my Honourable friend, Mr. Avinashilingam Chettiar, who wants land mortgage banks to be included. I said, "What kind of animal is that?" He tried to explain it to me but I could not follow it, nor is it worth while having regard to the scheme I have in mind.

Now, Sir, an argument has been advanced which I cannot accept for half a moment and it is this, that if you are going to be so strict with these German companies and Canadian companies and so on, what if they close their business and run away with ten crores or 20 crores of Indian money? The answer to that is that if they are going to be dishonest, they can do it today. Supposing they all run away today, what are you going to do? You cannot do any-

[Sir Nripendra Sircar.]

thing. So that is not an additional terror which will prevent this House from enacting what it considers to be just. Personally,—if I may express an opinion for the consideration of the House,—for the purposes of clause 26 and for that purpose only and for no other, I would be inclined to admit British securities. The difference which I make between British securities and German or Canadian securities is this, that as between Great Britain and India under the amendments of the Civil Procedure Code we have complete reciprocity. We can enforce our judgments there and they can enforce their judgments here. That is what we did last year, with a slight extension of the old practice. Therefore, if British securities are kept here, from the practical point of view I see no difficulty whatsoever. But, on the other hand, even if the House allows British securities to be kept, I would personally insist on a substantial and a very substantial block being represented by Indian securities. (Hear, hear.) We are interested in that and I see no reason why that should not be insisted upon by the House.

Sir, I want to close within a few minutes and I should like this House to consider one matter. I drew a dismal picture of the struggling Indian life companies, but I can speak in a far more cheerful tone when I come to general insurance. All of us start with the idea that in general insurance we are nowhere,—I mean Fire, Marine, Accident, etc.,—and we cannot compete with the big foreign companies, a sense which has been accentuated by the drums which have been beating here. But let us see what the facts are. It is true that the number of companies doing general business in India is small as compared to foreign companies and, therefore, the sum total of insurance business done by foreign companies is bigger; but whether we can hold our own or not if the Indian business is run properly will appear from the following figures which I shall give very briefly. Honourable Members will find a reference to the figures which I am giving from page 152 onwards of the Indian Insurance Book of 1935. First of all, we have the Indian companies at page 152, we have the non-Indian companies from page 153, and it shows in separate columns the amount of business done in India outside India, in Fire, Marine and so on.

Mr. Ram Narayan Singh (Chota Nagpur Division : Non-Muhamadan) : Is that book a Government publication ?

The Honourable Sir Nripendra Sircar : Yes.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Non-Muhamadan Rural) : It is in the Library.

The Honourable Sir Nripendra Sircar : My Honourable friend, Dr. Ziauddin, is assuming that whatever is in the Library has been read by all and carried in the head. (Laughter.)

We find, speaking again in thousands, that in Fire the non-Indian companies had a total premium income of Rs. 7,127 (i.e., you must multiply it by a thousand). There were 43 companies and the average premium income of each foreign company was Rs. 165 (i.e., 1 lakh and 65,000). The total of the non-Indian companies was Rs. 29.60, but if we divide among 15 companies the average works out at 1.97. But two of them can be neglected altogether because they had an income of something like Rs. 1,000

a year. If we take the 13 companies which are well established, their average comes to something like 2.28,—considerably more than that of the average foreign company. When we come to Marine where we supposed to be on the weakest ground. I have made no mistake. Among the Indian companies, I have not included companies which are registered in India but are substantially English. To be on the safe side, I have taken companies which are undoubtedly Indian like Hukumchand, Jupiter, New India and so on. And in passing you will find that New India has a very large income indeed from general assurance. Taking these six companies their total is 5.54 in thousands, and their average works out at 92,000 a year as premium. If you take the non-Indian, the total is 12,23,000 and that is divisible among 29 companies, yielding an average of 42,000 or less than half of that of the Indian companies. You will realise that in giving these figures there is a gap because I have kept out the companies which are incorporated in British India but which are run partly or wholly on English capital.

In this connection, Honourable Members will clearly realise the difference between Indian life companies and Indian companies doing general assurance. Mr. Duff, the Manager, I believe, of New India, who was examined as a witness before the advisory committee and who was a strong protagonist for putting down foreign companies altogether (although that is probably a slight exaggeration) said this in answer to a question (page 12) :

“ I think the reason for that is that because life assurance has been practised in India much longer and gone more ahead.”

He was next asked “ I think you will agree in the matter of other classes with which we are dealing (fire, marine, and so on) the position is very different ”. The answer was :

“ Here we have not a host of small struggling concerns as in life, but a comparatively small group of Indian companies with money behind them, in a position to set up an organisation and conduct propaganda in favour of what they want.”

The last portion I have no hesitation in confirming, viz., they can carry on propaganda in respect of what they want. Therefore, there is no doubt that although the number of Indian fire and marine insurance companies are few, as compared with foreign companies, they have done very much better if you look at the averages they have earned, than the foreign companies, and Mr. Duff was quite right in saying that they are a small group with money behind them in a position to set up an organisation and conduct propaganda in favour of what they want. This bears out what I suspect, that this fear of foreign dumping and so on is really a camouflage for appealing to the patriotic Indian mind. What is at the back of it is this : “ here we are a small group of well-to-do companies, with plenty of money for organisation, plenty of money for propaganda : we do not want small little fellows to peep in and encroach into our preserve.”

I must finish and I shall add only one word, and that is about maximum commission; and what I want to say is that I am not yet convinced that this fixing is necessary and I shall give a reason in addition to what I have already told the House. As the Leader of the Opposition said and very rightly said, the scientific method is to fix expense ratio, but in practice it is so difficult that the idea must be given up.

[Sir Nripendra Sircar.]

There I agree also. But what I do beg of you to notice is this, that although we are not fixing an expense ratio, if the House carries out the idea of compelling companies to keep their assets here, are you not automatically tying their hands? If they have got to have their assets with the Reserve Bank or keep it earmarked separate under a charge and so on, what are they going to play with? Out of what funds will they go on recklessly paying 300 per cent. to the licensing agents? Therefore, although there is no expense ratio, (I do not for a moment suggest that we are fixing an expense ratio), I do suggest that to a very large extent the result is attained by this method of compulsion on companies to keep assets here.

Sir, I promised to finish: all that is left unsaid I shall say at the time of the amendments. (Cheers.)

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill to consolidate and amend the law relating to the business of insurance, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Members will notice that there is a consolidated printed list which covers amendments to clauses 2 to 9. There are also two supplementary lists of amendments with respect to those very clauses,—one of the lists is typed. The printed consolidated list contains 257 amendments. What I propose to do is to take the consolidated list and take the amendments in the order in which they are printed, but if any Honourable Member has any amendment on the other list which should take precedence over particular amendment on the printed list he must bring it to the notice of the Chair at once. The Chair cannot undertake, as has been repeatedly pointed out, to call out every amendment standing in the name of any Member, and if any Member fails to bring to the notice of the Chair any amendment which he wishes to move, he will do at his own risk.....

Mr. Akhil Chandra Datta: We have not got the second and third lists of amendments.

Mr. President (The Honourable Sir Abdur Rahim): I think everybody has got the second list. I understand that the third list contains amendments which were filed in the office today, and there has not been time to supply copies to all the Members, but copies have been supplied to those who have given notice of the amendments.

Mr. S. Satyamurti: One copy may be given to the Leader of the Opposition.

Mr. President (The Honourable Sir Abdur Rahim): I do not know if the Honourable the Leader of the House has got a copy either.

The Honourable Sir Nripendra Sircar: No, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Then, we will have to go on with the first and second lists.

Then, as regards the amendments to clause 2, which is a definition clause, I suppose I had better go on in the order in which they are printed. The question is:

"That clause 2 stand part of the Bill."

Amendment No. 1. I do not want to call out the name of every Honourable Member who has given notice of amendments. Amendment No. 1, Mr. Ayyangar.

Mr. M. Ananthasayanam Ayyangar: Sir, I do not want to move 1 (a), and therefore, (b) becomes 1 (a). I move:

"That after sub-clause (1) of clause 2 of the Bill, the following new sub-clause be inserted:

1. (a) 'Policy Holder' means the person who for the time being is legal holder of the policy for securing the contract with the insurer."

Sir, I am glad that in the Bill, which has now been brought in for the purpose of safeguarding the interests of the policy holders, I will now have the privilege of defining that individual for whose benefit we have all been at great pains all these days, as, unfortunately, though the term "policy holder" occurs at various places, it has not been defined at all. In the previous Act, Act VI of 1912, the term "policy holder" is defined in the same terms in which I have given the amendment. Now, Sir, the Act says that it is open to the policy holder to assign the policy, and, therefore, this definition is necessary for the purpose of including that assignee also within the definition of a policy holder wherever the name "policy holder" occurs, lest there should be confusion that it applies only to a person whose name appears prominently in the policy. Therefore, to avoid such confusion and to prevent mistakes, I hope the House will accept the amendment I have placed before the House.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That after sub-clause (1) of clause 2 of the Bill, the following new sub-clause be inserted:

1. (a) 'Policy Holder' means the person who for the time being is legal holder of the policy for securing the contract with the insurer."

The Honourable Sir Nripendra Sircar: Sir, I oppose the amendment, and I want the House to realise what will happen if this amendment is carried. Let us suppose there are ten policy holders, and each one of them has assigned his policy to somebody else having taken a loan of Rs. 50 or Rs. 100. The result of inserting this definition will be that these assignees, who are really mortgagees,—it may be for a small amount that they have advanced,—will be the persons who will claim to be the policy holder's representatives and the other clauses will apply to them. Is that the intention of the House? I submit this amendment ought not to be accepted. So far, no difficulty has been created anywhere under any Act in connection with the interpretation of a policy holder. The

[Sir Nripendra Sircar.]

acceptance of this amendment would mean that it would not remove a difficulty but it will create a difficulty. It will give rights to persons whom surely it is not the intention of the House to give any such rights. As I gave an example,—I become a legal assignee of a policy holder having advanced Rs. 50. I submit this amendment will only create difficulties and, therefore, this amendment should not be accepted by the House.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Will the Honourable Member consider that a policy holder will include an absolute assignee ? Otherwise it is rather unfair that the man who has acquired all the rights under the policy should have to leave it to the policy holder, for instance, the right of vote of a policy holder as *inter alia* a right of vote for the nomination of Directors. I recognise that a mortgagee may be excluded, but if the words "absolute assignee" were added, I think it would be a right thing to do from the point of view of a man who has paid consideration for it.

The Honourable Sir Nripendra Sircar : That will be a very different amendment. It will mean not merely the addition of the words 'absolute assignee' but I think I heard the Honourable the Leader of the Opposition to say that policy holder includes a person who is absolute owner.....

Mr. Bhulabhai J. Desai : Who is an absolute assignee of the benefit of the contract under the policy.

The Honourable Sir Nripendra Sircar : May I know what words will go out ?

Mr. Bhulabhai J. Desai : A policy holder shall include or includes, whatever the proper legal form may be, a person who is for the time being an absolute assignee of the policy,—the rest does not matter at all.

The Honourable Sir Nripendra Sircar : If the amendment is moved in that form, I shall not object, but as long as it is not clear, I must object.

Mr. F. E. James (Madras : European) : May I raise one point ? I do not wish to make it more difficult to proceed with the clauses of the Bill. Having regard to the experience we have had on the Companies Bill last year, I think, it is undesirable that amendments should be, so to speak, drafted on the floor of the House and accepted, particularly, an amendment of this character which might have technical results of a far reaching character.

Mr. President (The Honourable Sir Abdur Rahim) : Then, let the Honourable Member give notice of it. The consideration of the present amendment will stand over.

Mr. S. C. Sen (Government of India : Nominated Official) : Sir, I move :

"That in sub-clause (2) of clause 2 of the Bill, after the word 'guaranteed', occurring in the fourth line, the words 'fully as regards principal and interest' be inserted."

If I may draw the attention of Honourable Members to the definition of approved securities, they will find that it includes, amongst others, securities "charged on the revenues of the Central Government or of a Provincial Government, or guaranteed by the Secretary of State in Council or the Secretary of State or the Central Government or a Provincial Government."

What we want to make clear in this is that only those securities will be taken of which both the principal and interest are guaranteed.

Mr. S. Satyamurti : We agree.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (2) of clause 2 of the Bill, after the word 'guaranteed', occurring in the fourth line, the words 'fully as regards principal and interest' be inserted."

Mr. T. Chapman-Mortimer (Bengal : European) : On a point of information, Sir. My Honourable friend, Mr. Sen, has just now moved an amendment in which he says that only securities guaranteed fully as regards both the principal and interest should be included. But I believe it is customary in England and here also in the case of sterling loans and I think also other loans, that where it is an irredeemable stock the question of guarantee of principal does not arise. I think, therefore, that it should be "guaranteed fully as regards principal and or interest."

The Honourable Sir Nripendra Sircar : I am afraid I cannot accept the suggestion and my reason is this. Mr. Sen moved this amendment on the advice given by Sir James Taylor of the Reserve Bank who pointed out that there are and there may be loans of which only the interest is guaranteed. As regards irredeemable stock, suppose we do without them it may not matter, but 3½ per cent. which is irredeemable is included.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (2) of clause 2 of the Bill, after the word 'guaranteed', occurring in the fourth line, the words 'fully as regards principal and interest' be inserted."

The motion was adopted.

Mr. Sami Vencatachalam Chetty (Madras : Indian Commerce) : I move :

"That in sub-clause (2) of clause 2 of the Bill, after the words 'port trust' the words 'Municipal Corporations in any Presidency town' be inserted."

After reading the definition of approved securities which includes, among other things, city improvement trusts in Presidency towns and also the Harbour Trust of Karachi, I think that the omission of Municipal Corporations in Presidency Towns was quite unintentional.

The Honourable Sir Nripendra Sircar : May I cut short the matter ? If it is confined to Municipal Corporations in the Presidency towns, I am willing to accept it.

Mr. Sami Vencatachalam Chetty : It is only limited to that.

Mr. Bhulabhai J. Desai : The words to be inserted are " or Municipal Corporations in any Presidency town ".

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (2) of clause 2 of the Bill, after the words ' port trust ' the words ' Municipal Corporations in any Presidency town ' be inserted."

The motion was adopted.

Dr. P. N. Banerjee (Calcutta Suburbs : Non-Muhammadan Urban) : I move :

" That in sub-clause (2) of clause 2 of the Bill, the words ' in any Presidency town ' be omitted."

This sub-clause of the Bill as it stands excludes Improvement Trusts outside the three Presidency towns of Calcutta, Madras and Bombay. But Improvement Trusts have been established in several other places, such as, Allahabad, Lucknow, Cawnpore, Nagpur, and so forth. It is very desirable that the securities or debentures issued by these bodies which are established under the authority of the Provincial Legislatures should be included in the provisions of this sub-clause. Therefore, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That in sub-clause (2) of clause 2 of the Bill, the words ' in any Presidency town ' be omitted."

Mr. S. C. Sen : Sir, I am afraid, I have got to oppose this amendment and for this reason. The form in which this amendment has been moved does not limit it to the towns of Lahore, Cawnpore and Allahabad but it leaves the matter entirely at large and that is a state of things which we cannot possibly accede to. For instance, there is the municipality of Nadia, in Bengal. Suppose there is a scheme there and a loan is issued does my Honourable friend think that that is a security which will be accepted. That is one of the reasons why in the original Bill, although the word ' municipality ' was left at large, it was curtailed. This amendment is not so framed so as to apply only to presidency towns. I oppose the amendment.

Mr. Sri Prakasa : Will you accept them, if they are guaranteed by the Governments, Provincial or Central ?

Mr. S. C. Sen : It is not necessary. It is in the definition of approved security.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (2) of clause 2 of the Bill, the words ' in any Presidency town ' be omitted."

The motion was negatived.

Mr. F. E. James : I beg to move :

" That to sub-clause (6) of clause 2 of the Bill, the following be added at the end :

' and any other security charged on the revenues of the Central Government or of a Provincial Government, or guaranteed by the Secretary of State in Council or the Secretary of State or the Central Government or a Provincial Government '."

The original clause defining Government securities reads : Government securities means Government securities as defined in the Indian Securities Act. On reference to the Indian Securities Act, in section 2 we find that Government securities means promissory notes including Treasury Bills, stock certificates, bearer bonds and all other securities issued by the Governor General in Council or by any Local Government in respect of any loan either before or after the passing of this Act but does not include a currency note. Our point is, that the definition of Government securities in the Bill is too restrictive. The definition in the Indian Securities Act had reference to the purpose of the Act which was to consolidate and amend the law relating to rupee securities. We take the general view that in all these matters it is unsound to prescribe too specifically or too narrowly for the locking up of part of insurance funds because the undue restriction of the liberty of the insurer is a detriment to the general body of policy-holders. A definition which may be quite appropriate to the Indian Securities Act is not, I suggest, appropriate to a Bill which relates to the general law dealing with the business of insurance. The object of my amendment is to bring within this definition Indian sterling loans which, though charged on the revenues of India, are raised by the Secretary of State in Council on the authority of the British Parliament or are secured on the revenues of a Provincial Government. I hope that Government will be able to accept this amendment. It is an extremely modest one, which I am sure will appeal to my friends on the other side of the House.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That to sub-clause (6) of clause 2 of the Bill, the following be added at the end :

' and any other security charged on the revenues of the Central Government or of a Provincial Government, or guaranteed by the Secretary of State in Council or the Secretary of State or the Central Government or a Provincial Government '."

Mr. S. C. Sen : I am sorry I have to oppose this amendment moved by my Honourable friend, Mr. James. The provisions regarding Government securities occur at two places in the Bill. One is with regard to the provisions for deposits and another where you provide for the keeping of assets. In both the places, the Bill provides for Government securities and approved securities, and if my Honourable friend will look at the definition of approved securities as given in clause 2 (2), he will see my point that it is already provided for. I do not quite appreciate why he wants the same words to be repeated in clause 6, because those which he wants are already there. Therefore, Sir, the question of restricting the rights of the insurer with regard to his investments does not really arise. I therefore oppose this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That to sub-clause (6) of clause 2 of the Bill, the following be added at the end :

‘ and any other security charged on the revenues of the Central Government or of a Provincial Government, or guaranteed by the Secretary of State in Council or the Secretary of State or the Central Government or a Provincial Government ’.”

The motion was negatived.

Mr. Sham Lal (Ambala Division : Non-Muhammadan) : Sir, I wish to move amendment No. 2* on Supplementary List No. 1, but I want it to stand over till clause 26 has been considered.

Mr. George Joseph (Madura and Ramnad *cum* Tinnevely : Non-Muhammadan Rural) : This is the same as No. 23 in the original printed list. It should read as sub-clause (8A).

Mr. President (The Honourable Sir Abdur Rahim) : This will stand over.

Mr. K. Santhanam (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Sir, I beg to move :

“ That in sub-clause (8) (c) of clause 2 of the Bill, the words ‘ or of any other association of insurance underwriters approved by the Government of the country in which such association is domiciled ’ be omitted.”

Sir, if we look at clause 2 (8) (a) and (b), we will find that they are meant to define all insurers, but in sub-clause (c) they have tried to make one exception owing to the historical development of the Society of Lloyd's. There is no reason why we should extend this exception to include every unknown and unlimited association of this kind. Of course, all the other people must come under sub-clause (a) (i) and (ii). The implication of this amendment is that if there are such associations in other countries and if they carry on the insurance business here, each person who has got a contract with them will have to pay deposits and will have to be treated as a separate insurer. But in the case of the Society of Lloyd's we are giving them certain privileges. I do not see any reason why the same privileges should be given to other people whom we do not know.

Sir, I move this amendment and I hope it will be accepted by the Government.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That in sub-clause (8) (c) of clause 2 of the Bill, the words ‘ or of any other association of insurance underwriters approved by the Government of the country in which such association is domiciled ’ be omitted.”

The Honourable Sir Nripendra Sircar : Sir, I oppose the amendment. There is no risk of another Association starting from a coffee house as Lloyd's did some centuries ago. As regards the Lloyd's, we have made a special provision because they are an exception. They will have to put in one and a half times of the deposit which is payable by others. As

*That in sub-clause (8) (a) of clause 2 of the Bill, the word ‘ British ’, wherever it occurs, be omitted.”

regards the argument that other people will come in about whom we know nothing, I submit that it may be an argument based purely on theoretical considerations and no such case is likely to arise.

I oppose the amendment.

Mr. S. Satyamurti : Sir, I am sorry the Honourable the Law Member does not see his way to accepting the amendment. I do not want to say what happened in the Select Committee but I do want to say this that even today, in spite of the great literature which has been thrown at our heads, the big business of Bombay is not the only culprit but Lloyd is also a culprit in spite of that I have not understood what Lloyd's business actually means. But in order to save time and in order to get into a settlement on this question, we agreed that so far as the Lloyd's are concerned, considering their historical position and the fact that it is a world-wide organisation and that it is being treated as a special case, even in Canada and other countries, we agreed reluctantly to leave the Lloyd's alone. If Honourable Members will read the clause as it stands, they will see how wide it is :

“ Any person who in British India has a standing contract with underwriters who are members of the Society of Lloyd's..... ” And then look at the words which follow : “ or of any other association of insurance underwriters approved by the Government of the country..... ”.

It may be Timbuctoo.

The Honourable Sir Nripendra Sircar : My Honourable friend has just stopped at the right word. Sir, I would like to shorten the discussion. If my friends feel so strongly about it, I have no strong feeling in the matter and let it pass.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (8) (c) of clause 2 of the Bill, the words ‘ or of any other association of insurance underwriters approved by the Government of the country in which such association is domiciled ’ be omitted.”

The motion was adopted.

Mr. S. C. Sen : Sir, I move :

“ That sub-clause (8A) of clause 2 of the Bill be omitted.”

I do not think it is necessary to make any long speech about it. The matter has been thoroughly discussed on the floor of the House during the general discussion and the reasons which prompt us to ask for the deletion have already been made known. Sir, I move it.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That sub-clause (8A) of clause 2 of the Bill be omitted.”

Mr. Bhulabhai J. Desai : Sir, I oppose this omission unless the explanation which has been hitherto given is intended to materialise into a definition when we come to clause 26. The position, as was pointed out to the House, is this that for purposes of clause 3A, the definition was unnecessary. I respectfully agree with that view. But the speech of the

[Mr. Bhulabhai J. Desai.]

Honourable the Leader of the House made it quite plain that a distinction would have to be made, I mean legally incorporated into this Act, for the purposes of clause 26 dealing with investments of either the assets or the life fund or the reserve fund, whatever category may be adopted by this House. I, therefore, suggest that it would be very much better to let it stand over. When we come to clause 26, then, by way of explanation or otherwise, this may be moved for deletion.

Mr. S. C. Sen : Sir, after hearing the Honourable the Leader of the Opposition, we think that the suggestion made by him is reasonable, and we agree to it.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment No. 20 will stand over.

Mr. Sham Lal : Sir, my amendment No. 2 on the Supplementary List may also stand over.

Mr. S. Satyamurti : I suggest that amendments Nos. 20 to 30 printed on the order paper should stand over.

The Honourable Sir Nripendra Sircar : That is reasonable, because they are all connected together. If amendment No. 20 is standing over, it follows that the other amendments up to 30 will also stand over.

Mr. President (The Honourable Sir Abdur Rahim) : Then, there are certain amendments on the Supplementary List No. II also. There is amendment No. 2 on this list which relates to the same subject.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : I have also got amendment No. 1 on Supplementary List No. II. I gave notice of this amendment today.

The Honourable Sir Nripendra Sircar : Sir, I have an objection to that amendment standing over. We must have some kind of order. My Honourable friend gave notice of his amendment today of which I have not even seen a copy and I cannot allow a thing to stand over, not knowing what it is standing for. He had ample time to give notice. I admit that some indulgence may be given on the first day. If he had given notice of it yesterday, I can understand it ; but to come this morning with a notice, I think it is very hard on the House.

Mr. President (The Honourable Sir Abdur Rahim) : I am perfectly in agreement with the point raised by the Leader of the House, and I want it to be clearly understood that from today there must have been given two clear days' notice of every amendment, otherwise it will not be taken up.

Mr. Akhil Chandra Datta : Sir, I beg to move :

“ That after sub-clause (8C) of clause 2 of the Bill, the following be added :

“(8D) A Chief Agent is a person or body of persons appointed by an Insurer to organise and secure business by appointing agents, collecting premium and to generally look after and conduct the business of the insurer in any defined area and territory allotted to him.”

Mr. T. Chapman-Mortimer : Sir, I rise to a point of order. I got notice of this amendment only this morning, and, under the Standing Orders, two clear days' notice ought to be given. This is an important matter which affects other clauses of the Bill which have been left to stand over. I, therefore, suggest, that this amendment also should stand over.

Mr. President (The Honourable Sir Abdur Rahim) : I understand that copies of the amendment were sent to Honourable Members last night.

Mr. Akhil Chandra Datta : My submission is this. There is nothing in the point of order raised. But I accept that this amendment may stand over till clauses 35, 37 and 38 are disposed of. This amendment can be considered along with those clauses.

The Honourable Sir Nripendra Sircar : I object to this amendment standing over. I would ask the House to reject this amendment on its merits because, in the present Bill, the word ‘ Chief Agent ’ has not been used at all. If it is my Honourable friend's idea that in some other clause he will introduce the words ‘ Chief Agents ’, surely in that section he can describe what that expression means. At the present moment, this is a complete misfit. We have no such expression as ‘ Chief Agent ’ in any of the clauses.

Mr. President (The Honourable Sir Abdur Rahim) : His case is that it ought to be in the definition.

The Honourable Sir Nripendra Sircar : My point is that the expression does not appear in the Bill at all.

Mr. Akhil Chandra Datta : May I explain, Sir ? If clauses 35, 37 and 38 are accepted and carried, then automatically the inevitable result of these three clauses will be that Chief Agents will go. If those provisions are carried, it will be necessary for us to put in some amendments in regard to ‘ Chief Agent ’, because ‘ Chief Agent ’ is a very old well-established institution in the insurance system of business.

The Honourable Sir Nripendra Sircar : Whatever is old need not be defined. (Laughter.)

Mr. Akhil Chandra Datta : The expression “ policy-holder ” is also a very old, perhaps older, institution, and yet you have defined it in the Bill.

The Honourable Sir Nripendra Sircar : To buy peace, let it stand over. (Laughter.)

Mr. President (The Honourable Sir Abdur Rahim) : Then, amendment No. 5 in the Supplementary List No. 1 will stand over.

Mr. Akhil Chandra Datta : Sir, I beg to move :

“ That in sub-clause (9) of clause 2 of the Bill after the word ‘ double ’ the words ‘ and triple ’ be inserted.”

The Honourable Sir Nripendra Sircar : We stopped with twins, but the Honourable Member wants triplets.

Mr. Akhil Chandra Datta : I hope the Honourable Member will not start with a biased mind. There are schemes of double indemnity and there are also schemes for triple indemnity. If there is an accident, then under the stipulation the man or his heirs get double the amount.

[Mr. Akhil Chandra Datta.]

The policy may be for Rs. 1,000, the man gets Rs. 2,000 if the death is due to an accident. Under the triple indemnity scheme, without the payment of additional premium, the beneficiary gets Rs. 3,000 if that accident takes place in a train or in any other public conveyance.

The Honourable Sir Nripendra Sircar : Surely double indemnity does not mean double the amount.

Mr. Akhil Chandra Datta : As a matter of fact they receive double the amount. The scheme about which I am speaking does not affect anybody in the world. It does not mean any additional premium. Only the beneficiary gets treble amount.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That in sub-clause (9) of clause 2 of the Bill after the word ‘ double ’ the words ‘ and triple ’ be inserted.”

Mr. S. C. Sen : Sir, I am afraid I have got to oppose this amendment. I wish the Honourable Member had explained to us what exactly is in his mind. The example which he gave us was neither an example of double indemnity nor of triple indemnity. We have not yet been able to follow. It is one thing to say that as a result of certain risks he gets twice or thrice the amount, but that surely is not a scheme for double indemnity or triple indemnity. As it is we have not been able to follow or understand what the Honourable the Deputy President has in his mind.

Mr. M. S. Aney : If my Honourable friend, Mr. Sen, is in a position to explain what ‘ double indemnity ’ means, it would be easy for us to explain the expression ‘ triple indemnity ’. Instead of asking the House to reject this motion, he should have explained what double indemnity meant.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (9) of clause 2 of the Bill after the word ‘ double ’ the words ‘ and triple ’ be inserted.”

The motion was negatived.

The Honourable Sir Nripendra Sircar : Sir, I move :

“ That in sub-clause (10) of clause 2 of the Bill, the words ‘ Managing Agent ’ and the figure ‘ (9A) ’ be omitted, and, after the said sub-clause, the following be added :

‘ (10) (a). ‘ Managing Agent ’ means a person, firm or company entitled to the management of the whole affairs of a company by virtue of an agreement with the company, and under the control and direction of the directors except to the extent, if any, otherwise provided for in the agreement, and includes any person, firm or company, occupying such position by whatever name called.’

Explanation.—If a person occupying the position of Managing Agent calls himself manager or managing director, he shall nevertheless be regarded as Managing Agent for the purposes of section 27 of this Act.”

If I may explain to the House, this is an exact reproduction of the definition of “ Managing Agent ” in the Companies Act which this House passed. The main paragraph is copied from that Act, but in the

Explanation we have said, “ If a person occupying the position of Managing Agent calls himself manager or managing director ”. That is the only addition. That is to say, for the purposes of section 27, which is intended to restrict the use of Managing Agents, we have added the words, for a limited purpose, to rope in the managing director because we do not want a managing director, who *de facto* is Managing Agent, to get out of this clause simply by choosing not to accept the name of the Managing Agent but to call himself managing director.

Mr. M. A. Jinnah (Bombay City : Non-Muhammadan Urban) : Or *vice versa*.

The Honourable Sir Nripendra Sircar : That is the only change, the addition of the words “ managing director ”.

Mr. Akhil Chandra Datta : I do not oppose it, but is not that covered by the definition already in the Companies Act ? I am afraid this is redundant.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That in sub-clause (10) of clause 2 of the Bill, the words ‘ Managing Agent ’ and the figure ‘ (9A) ’ be omitted, and, after the said sub-clause, the following be added :

‘ (10) (a). ‘ Managing Agent ’ means a person, firm or company entitled to the management of the whole affairs of a company by virtue of an agreement with the company, and under the control and direction of the directors except to the extent, if any, otherwise provided for in the agreement, and includes any person, firm or company, occupying such position by whatever name called.’

Explanation.—If a person occupying the position of Managing Agent calls himself manager or managing director, he shall nevertheless be regarded as Managing Agent for the purposes of section 27 of this Act.”

Mr. M. Ananthasayanam Ayyangar : Sir, the expression “ Managing Agent ” occurs in various places in the Act. There are special liabilities imposed and duties cast upon them and penalties imposed in case of default of carrying out certain regulations prescribed under the Act and also in default of submitting certain returns, making certain statements, and if they are incorrect statements they will also be penalised in certain circumstances. Therefore, I do not know why the Honourable the Mover restricts the term “ Managing Agent ” to the purpose of section 27 of the Act. Why not say, “ for all purposes of the Act ” ? If he wants to include manager or managing director under the term “ Managing Agent ” for the purpose of disabling him from continuing as such Managing Agent, after the prohibition of the continuation of the managing agency, which is enacted in clause 27, a suitable provision may be added there that the Managing Agent for the purpose of section 27 shall include director, officer, or by whatsoever name called, who carries on any business of Managing Agent. Therefore, the earlier portion of the definition, if it is restricted to clause 27, that definition will cover the words “ Managing Agent ” or the term “ wherever it occurs in the whole of the Act ”. But I do not see any reason why the scope of the term “ Managing Agent ” should be restricted only to what is contained in clause 27. The definition may be left as it is to cover all cases of managing agency ; and suitable amendment may be made in clause 27

[Mr. M. Ananthasayanam Ayyangar.]

to include such other person who may act in that capacity. I, therefore, submit that the Explanation may be made to read thus: "As in the Companies Act for all purposes of this Act". You will kindly refer to section 2, clause 9A of the Companies Act, which has been bodily incorporated, as the Leader of the House says. Instead of the words "for the purpose of this Act", it is stated in the present Bill that "for the purpose of section 27". I would suggest to the Honourable the Mover to make it correspond to that in the Companies Act and thus remove all difficulties. A suitable amendment may be made in clause 27. I have also given an amendment to cover this matter, and that amendment will be taken up when we come to clause 27.

The Honourable Sir Nripendra Sircar : Sir, I do not agree to withdraw this amendment or have it postponed. If the House be against me let the amendment be refused.

Dr. P. N. Banerjea : Sir, I should like to make a suggestion regarding a very slight addition to the Explanation? My suggestion is that after "manager" the words "general manager" may be added. Perhaps it is not necessary but for the sake of clearness I think it is better that these words should be there.

Mr. Thirumala Rao (East Godavari and West Godavari *cum* Kistna : Non-Muhammadan Rural) : Sir, I want to know if the purpose of the amendment is to rope in managing directors and managers who do not legally constitute as Managing Agents but, nevertheless, take a large remuneration from the companies not by virtue of an agreement with the companies. There are certain managing directors and managers who simply come as a result of a resolution of the Board of Directors and they never insist on any agreement and such people are not covered by this amendment. And I request my Honourable friend, the Law Member, to see if the wording of the amendment could be so altered as to remove this disability.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (10) of clause 2 of the Bill, the words 'Managing Agent' and the figure '(9A)' be omitted, and, after the said sub-clause, the following be added :

'(10) (a). 'Managing Agent' means a person, firm or company entitled to the management of the whole affairs of a company by virtue of an agreement with the company, and under the control and direction of the directors except to the extent, if any, otherwise provided for in the agreement, and includes any person, firm or company, occupying such position by whatever name called.'

Explanation.—If a person occupying the position of Managing Agent calls himself manager or managing director, he shall nevertheless be regarded as Managing Agent for the purposes of section 27 of this Act."

The motion was adopted.

Mr. A. Aikman (Bengal : European) : Sir, I beg to move :

"That in sub-clause (12) of clause 2 of the Bill, after the word 'officer' the words 'being a fully qualified actuary' be inserted."

Sir, in view of the duties and the responsibility that will fall on this officer, it might have been well if my amendment had stated "a fully qualified actuary with not less than 15 years' practical experience"; because it appears to me that as on this officer will fall the onus of seeing that this Bill, if and when it becomes law, is properly administered, his duties can only be carried out by a man not only with the highest qualifications but with great practical experience. It is impossible to exaggerate the importance and influence of this officer in discharging his responsibility under this Bill. One Honourable Member, I think it was Dr. Banerjea, suggested that this officer should be an adviser and not a dictator. We do not want him to be a dictator; but unless he utilises the powers given to him under clauses 20 and 21 strictly and fearlessly the purpose of his appointment will be lost. Sections 30 and 32 of the Bill deal with amalgamations and transfers, and although the Superintendent is not included in the Bill in this connection, it is more than likely that after the remarks of the Honourable the Law Member with regard to many of the life assurance companies which are in very great difficulties, he will act as adviser, and if he is to act as adviser, he ought to have had very great experience. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (12) of clause 2 of the Bill, after the word 'officer' the words 'being a fully qualified actuary' be inserted."

Mr. Sri Prakasa : Sir, I have an amendment which is next in the order paper, similar to this, and if you will please permit me, it may also be moved now, and, whichever is preferred, may be accepted. I simply say "who shall be a qualified actuary".....

Mr. President (The Honourable Sir Abdur Rahim) : Is not that object achieved by the former amendment?

The Honourable Sir Nripendra Sircar : No, Sir : there is a difference : I will accept Mr. Sri Prakasa's amendment.

Mr. Sri Prakasa : I am glad, very glad indeed, to have an opportunity of supporting the motion moved by my Honourable friends of the European Group.....

Mr. M. S. Aney : Are you moving your amendment or supporting theirs?

Mr. Sri Prakasa : I am moving my own amendment and supporting the principle that underlies their motion. English being their language, they have learnt it not in the same way as we learn it with the help of grammar and dictionary, and, therefore, our English is almost invariably better than theirs (Laughter), as I am willing to acknowledge their Hindustani is better than mine. I am glad that on this point I am one with them; for it is a conviction with me that the problem in India is not that of European *versus* Indian as that of official *versus* non-official; and I am always glad when non-officials, whether Indian or English, join hands against all officials, whether Indian or English. Whatever reasons Mr. Aikman may have for his own amendment, I am very anxious to avoid all multiplication of bureaucrats. When one head is appointed he has to have a large number of clerks, assistants, chaprassis, offices and everything else; and suggestions are made that the Kennedy House should be

[Mr. Sri Prakasa.]

improved and extended to house them comfortably. If we have two gentlemen functioning, one as Superintendent and the other as actuary, both will have their separate offices, both will be at variance with each other; and the general taxpayer will be burdened with additional expenditure. I, therefore, want one person who shall be a qualified actuary; who shall fulfil the purposes both of superintendent and of actuary. I am glad that the Honourable the Law Member is willing to accept this, though I am sure his reasons will be different to mine: anyway so long as this goes on the Statute-book it does not matter what his reasons are, because nobody will look into the proceedings of this House and care to know on what grounds it was originally supported. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (12) of clause 2 of the Bill, after the words 'the officer' the words 'who shall be a qualified actuary' be inserted."

The Honourable Sir Nripendra Sircar: Sir, I have got to save my young friend, Mr. Sri Prakasa, from himself. He says he finds no difference between his amendment and Mr. Aikman's amendment. I am willing to accept his, but I am not willing to accept Mr. Aikman's amendment. May I just point out to him what the difference is? Unfortunately, my friend is right in saying that English is not our language and one word makes all the difference. Mr. Aikman's amendment is "being a fully qualified actuary". He explained it by saying that before you become a fully qualified actuary you must be an actuary for fifteen years. The result of that will be that all Indian actuaries are shut out. None of them will come in. So I say I want to save Mr. Sri Prakasa from himself. (Laughter.) If I accept Mr. Sri Prakasa's amendment "who shall be a qualified actuary", then under clause 101, we can prescribe the qualifications to be possessed by actuaries and it may not have the fifteen years limit which is laid down by Mr. Aikman—I did not know that that was the meaning of a fully qualified actuary.....

Mr. F. E. James: May I rise just to explain the matter? As I understand it, a fully qualified actuary is one who is a Fellow of the Institute of Actuaries: while a qualified actuary may be an Associate. That is the only difference.

The Honourable Sir Nripendra Sircar: If that is the only difference, will my friend kindly explain for Mr. Aikman why he said that it meant one with fifteen years' experience? But as it is, if my Honourable friend, Mr. James, thinks both are the same, he can have no objection to accept Mr. Sri Prakasa's amendment. I oppose Mr. Aikman's amendment and accept Mr. Sri Prakasa's amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (12) of clause 2 of the Bill, after the word 'officer' the words 'being a fully qualified actuary' be inserted."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (12) of clause 2 of the Bill, after the words 'the officer' the words 'who shall be a qualified actuary' be inserted."

The motion was adopted.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadian Rural): Sir, I move:

"That in sub-clause (12) of clause 2 of the Bill, the following be added at the end:

'under the control of an Indian Insurance Council, consisting of members nominated by the Provincial Governors one from each province, and the Governor General in Council, so long as the Federal Assembly is not established'."

Sir, in view of the powers given in the Bill to the Superintendent who singly rules over all insurance companies, I believe there should be a controlling power. With that object in view, I propose this amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (12) of clause 2 of the Bill, the following be added at the end:

'under the control of an Indian Insurance Council, consisting of members nominated by the Provincial Governors one from each province, and the Governor General in Council, so long as the Federal Assembly is not established'."

The Honourable Sir Nripendra Sircar: Sir, I oppose all amendments about Insurance Boards for this reason. If the House thinks that too much power has been given to the Superintendent, I will not object, in suitable cases, that his decisions should be subject to revision by the appellate authority of Court, but if we accept this amendment, it will be simply unworkable. If the House will consider the nature of the work of the Superintendent, that is to say,—he has to look into hundreds of insurance offices, and their accounts; then questions will arise as to whether a particular form has been complied with or not, whether the life fund is up to the required amount or not, and many other things he will have to look into,—and so, as I said, if the House will consider the multifarious duties of the Superintendent, and if they think that you require an Advisory Board to sit round a table, administration will be simply impossible. On the other hand, I quite realise the desire of some section of the House that they should have some kind of appellate authority to control a man with such large powers when necessary. When the amendments come up, if any Honourable Member thinks that some of the sections give him too much power, I shall have no objection to accept the proposal of an appellate Court, but if it is held that there should be a Board like the one suggested here consisting of members or representatives of different provinces, the Governor General in Council and so on, that is not a thing which will help the daily administrative work of an officer who has been placed in charge of the affairs of Insurance Companies. Nor do I think it would be conducive to expedition or to satisfactory results being achieved.

Mr. M. A. Jinnah: That is one of the points which I urged on the Honourable Member, namely, the powers of the Superintendent are very wide, and, therefore, I made the suggestion, when I was speaking on the consideration of the Bill, that Government should really consider whether certain other tribunal should not have the power, either appellate or revisional, to whom an appeal can be made by aggrieved parties. For instance, there is in the Bill a section which says that if the Superintendent

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orders inspection after certain investigation and so on, and then if the company or the insurer is aggrieved, he can apply to the Court against that order. Have you provided for that particular thing? I should like the Government to seriously consider this. I really expected that the Honourable Member in charge of this Bill, who understands this Bill better than anybody else in this House, would provide for this. Really I would ask him to apply his mind and provide some sort of appellate or revisional power to whom appeals can be made against the order of the Superintendent, I don't say in all cases, but in matters of a very serious character.

The Honourable Sir Nripendra Sircar: I must make my position clear. Government are not only considering, but they will be quite prepared to accept power of appeal being given to the Court in certain cases. Now, what are those cases? The one which I have in mind is the power to cancel registration or to withhold registration. That is so drastic that a company may be finished at once by a written order of the Superintendent. That is eminently a case which should be open to revision or appeal. I have not come across any other section which requires power of appeal to be given. It may be that there are some sections where some power has been given which requires to be controlled,—but I have not come across any, but should any Honourable Member move any amendment relating to that particular section, we shall certainly consider it. The general principle on which the Government is willing to act is where the power is very drastic, it will not be undesirable to give some kind of authority to control the action of the Superintendent.

Mr. S. Satyamurti: By a Court?

The Honourable Sir Nripendra Sircar: Yes.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : Sir, the difficulty is we do not find any amendment to this effect today, and the suggestion made by my friend, Mr. Jinnah, last evening was that Government should take cognisance of this and set up a suitable appellate authority to whom appeals can be filed against the order of the Superintendent in suitable cases. If the Honourable Member is prepared to agree that this amendment should stand over or if he himself moves.....

The Honourable Sir Nripendra Sircar: There is an amendment by Mr. Satyamurti. There are 1,100 amendments in the list.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (12) of clause 2 of the Bill, the following be added at the end :

‘ under the control of an Indian Insurance Council, consisting of members nominated by the Provincial Governors one from each province, and the Governor General in Council, so long as the Federal Assembly is not established ’.”

The motion was negatived.

Mr. Sri Prakasa : Sir, I move :

“ That to sub-clause (12) of clause 2 of the Bill, the following proviso be added :

‘ Provided that his salary shall in no case exceed one thousand and five hundred rupees per month ’.”

Sir, I have not much to say on this subject, I think the principle has been accepted that there should be some limit to these salaries, and as this is the first occasion on which this Legislature has an opportunity of having a say on a subject like this, I think we may as well begin here. I think I have given a fair sum, to which no objection can be raised. I hope the Government will accept it.

Mr. George Joseph : Sir, may I draw your attention to the next amendment which stands in my name. I suggest there that the salary should be Rs. 500.

Mr. President (The Honourable Sir Abdur Rahim) : Yes, you can move it. Motion moved :

“ That to sub-clause (12) of clause 2 of the Bill, the following proviso be added :

‘ Provided that his salary shall in no case exceed one thousand and five hundred rupees per month ’.”

Mr. George Joseph : Sir, I move :

“ That to sub-clause (12) of clause 2 of the Bill, the following proviso be added :

‘ Provided that his salary shall in no case exceed Rs. 500 per mensem ’.”

The next clause I don't propose to move, if you agree, Sir, I attach very great importance to this motion. This is the first time, Sir, I think, after the Congress has come into power in the seven provinces and tried to implement a certain item of the Congress programme, decided at the Karachi Congress, that this opportunity has offered itself to us to bring forward a similar issue before the Central Legislative Assembly.....

Mr. President (The Honourable Sir Abdur Rahim) : Only with reference to this matter.

Mr. George Joseph : Yes, only with reference to this matter. This is the first time that we are in a position to put to test the principle which was accepted and defined at the Karachi Congress, and which was subsequently implemented by the seven Congress provinces, because it now falls to the House to constitute a new office and, therefore, it is within the competence of this House to fix a salary for the incumbent of that office.

Generally speaking, it is the Government that is in a position to present budgets and suggest figures that are to be paid and the grants that are to be made by this House. It is only on the initiative of the Government that you can make a grant or refuse to make a grant. But here, for the first time, it falls to any Member of this House to make a suggestion as to the fixing of a salary. I know that there is a prejudice in the atmosphere of Delhi and Simla and the high headquarters of the Government of India that Rs. 500 a month is a negligible figure and that a man cannot subsist in decency or in efficiency on anything short of thousands. I really want to repudiate that idea. We stand

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for the Congress principle that Rs. 500 is as much as any man need have, as much as any man need expect in the service of a country which is filled with starvation, with poverty. I want to make that position absolutely clear and beyond all possibility of doubt. I want, if possible, to overcome that prejudice that exists in this place. Till the Congress men assumed office in the provinces it was accepted almost as an indisputable proposition that a Minister could not fulfil his functions unless he was paid salaries running to thousands, that a Minister cannot be honest, that a Minister could not be efficient and could not fulfil his duties to the country unless he was paid enormous salaries. I submit, with some degree of confidence, that the experience of the last few weeks has made it perfectly clear that a man can do the highest work that the country may demand from anybody—it is possible for a man to do that work even on a salary of Rs. 500. That is a matter which has now been proved beyond all doubt. It is not a matter of theory, or a matter of illusion. It is a matter which we find actually working in the provinces and nobody can suggest for a minute that the six or seven Congress provinces are administered less efficiently or less honestly than the other provinces where men draw salaries far beyond Rs. 500. That proposition having been established as a matter of common experience, there is nothing either in theory or in practice to militate against the suggestion made in all seriousness, in perfect sincerity, that the salary of a new officer, whose functions are being defined by this Legislature for the first time, should not be above Rs. 500. I want to combat the other suggestion also that if a man is paid Rs. 500 there is a possibility of his being corrupt or inefficient. I want to combat the suggestion that a poor man is less honest than a rich man. It is just an illusion or a superstition that has been built up by the superstitions and illusions of this age which worships Mammon and thinks that a man getting Rs. 10,000 is more honest and more efficient than a man who takes Rs. 100 a month. I do not really believe in that proposition for a minute. If there is anything in this Legislature or in this atmosphere or in this background which suggests that a man can be honest only if he is paid over Rs. 3,000 a month, I want to repudiate that suggestion. It is not now a matter of theory or of ideals. It is based on experience, and I do say in all seriousness, I really want to press it on the House, that, if not today, it is going to come in this House, there is no doubt about it, and it would be much wiser, reading the signs of the times and marking the portents everywhere—it would be wise and expedient and prudent on the part of this House to accept the amendment which I have moved.

Mr. Sri Prakasa : I crave your permission to withdraw my own amendment in favour of my Honourable friend, Mr. Joseph's.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“That to sub-clause (12) of clause 2 of the Bill, the following proviso be added :

‘Provided that his salary shall in no case exceed Rs. 500 per mensem.’”

The Honourable Sir Nripendra Sircar : I am glad that my Honourable friend had an opportunity of telling us all about sacrifice and how big men are working on Rs. 500 a month. But I ask him to realise what

is happening. This House, ten minutes ago, passed an amendment by which the Superintendent must be an actuary. May I inform my Honourable friend that there are only six Indian actuaries. (Interruption.) If my Honourable friend will allow me to go on, none of them will be available on Rs. 500 a month, not even for Rs. 1,200. It is no good saying that other people are working for Rs. 500 a month. If the Ministers, whether from Bengal or from the Congress, were allowed to sit for this examination they will get a series of ducks. (Laughter.) After all, you have got to remember, Sir, that the man who is getting Rs. 500 a month as a Minister,—he is not getting much in the way of money, I quite admit that, that is great sacrifice, but he has got power, he has got patronage, his name appears every day in the newspapers, there are huge crowds following him for his *darshan*. (Laughter.) That is some compensation for people who love power. It may be that the man is doing good to his country, but you cannot expect an actuary to be moved by this spirit of sacrifice and to say, “Yes. I am earning Rs. 1,500 a month elsewhere, but Mr. Joseph asks me to show my spirit of sacrifice and so I am joining the Government of India on Rs. 500 a month”. This will be an absolutely impracticable proposition and I beg of my Honourable friend not to press it.

Maulana Zafar Ali Khan : I beg to oppose the amendment of my Honourable friend over there. My Congress friends seem to think that anything that comes out of the mouth of Mahatma Gandhi is sacrosanct.

Honourable Members on Congress Benches : Of course, yes.

Maulana Zafar Ali Khan : Please have a little patience. Gandhiji once thought that it was quite possible for a man holding an exalted office to work on Rs. 500 a month. Rs. 500 a month has now become so sacred as if it were a verse of the Bible.

Mr. M. S. Aney (Berar : Non-Muhammadan) : May I correct my Honourable friend ? It is a resolution of the Karachi Congress. Gandhiji was one of the persons who passed that resolution, but the idea did not originate from him at all.

Mr. Sham Lal (Ambala Division : Non-Muhammadan) : Maulana Zafar Ali Khan was a party to that resolution.

Mr. Sri Prakasa : I was on the Working Committee then and I know. (There were further interruptions.)

Maulana Zafar Ali Khan : Wherever the idea emanated from, it is rubbish. Why not Rs. 599, why not Rs. 600, why not Rs. 400, why not Rs. 75 ? I think I can live like a prince on Rs. 50 a month. Formerly there used to be a Postmaster General in the Punjab who seemed to think that a native of India could live on Rs. 50 a month, but an Englishman as an ordinary citizen could not live on even Rs. 500 a month. So these are relative things. Everything is relative. Why say Rs. 500 ? Why not cut it down to Rs. 75 a month ? Was not Mr. Gokhale of blessed memory getting Rs. 30 a month when he was Principal of the Fergusson College ? Are there not men in the Punjab like Mahatma Hansraj who was getting Rs. 75 a month and who was far more clever and far more brilliant in attainments than any of you ? (Laughter.)

An Honourable Member : Move an amendment to that effect.

Maulana Zafar Ali Khan : I realise that the six Congress Governments.....

Some Honourable Members : Seven.

Maulana Zafar Ali Khan : I thought there was a coalition ministry in the N.-W. F. P.

Some Honourable Members : He has signed our pledge.

Maulana Zafar Ali Khan : Has he ?

Some Honourable Members : Yes.

Maulana Zafar Ali Khan : All right. (Interruptions.)

Mr. President (The Honourable Sir Abdur Rahim) : I must ask Honourable Members not to go on interrupting and creating such noise. It is impossible to follow the proceedings.

Maulana Zafar Ali Khan : I beg your pardon, Sir, if I am irrelevant. (Laughter.) Congress holds sway in seven provinces, but the centrally administered areas are not within the authority of those Provincial Governments. I am very much surprised that these gentlemen have not urged upon Sir Abdur Rahim to give up Rs. 4,000 a month. Why should he get Rs. 4,000 a month, why not Rs. 1,500 or Rs. 500 a month ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can leave the Chair alone.

Mr. N. M. Joshi : Mr. President, I rise to oppose this amendment.

4 P.M. I am one of those people who feel that in India some of the public servants are paid extravagantly but I know equally well that in India as well as in most other countries there are other classes of people who are paid more extravagantly. It is not the public servants only who are paid very large salaries. There are men in the professions, barristers, doctors and so on, who are paid more extravagantly than the public servants. There are other classes of people than the professional men such as the merchants and industrialists like my Honourable friend, Sir Cowasji Jehangir, who are paid even still more extravagantly than the public servants and the professional men. I believe that there is need in India for more equitable distribution of incomes but if I want to bring about a more equitable distribution of income and wealth, I shall not begin with public servants. I shall begin that process with other classes of people.

An Honourable Member : Employers ?

Mr. N. M. Joshi : Not employers necessarily but people who work for private profit and are not of much use for the public good. I would, therefore, suggest, that if Congressmen are anxious to bring about more equitable distribution of income and of wealth, they should not begin with public servants. There are various methods of equalisation of distribution of wealth or at least equalisation of distribution of incomes.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member is embarking on a very general discussion. I think he should confine himself to the salary of this gentleman.

Mr. N. M. Joshi : I shall not go into the general question. We are discussing today what salary we should pay to the gentleman who is to be appointed as the Superintendent of Insurance. It has been said that the Congress Ministers accept Rs. 500 a month and the Members of the Legislatures are to be given Rs. 75 a month. In the first place, this experiment of securing Ministers on Rs. 500 a month and legislators on Rs. 75 is a very new one. Let us have some experience of this experiment and let us see whether you really get the best men to join politics on those salaries. If the Congressmen want to have that experience, we do not want to stand in their way at all. I have never suggested that Congressmen should take more than Rs. 500 a month as ministers. If they want, they may take less, but I would ask them not to bring in their ideas of receiving very small salaries in the appointment of public servants. We want the best men to join the public service. The Honourable the Leader of the House has pointed out that there are only six actuaries who are fit to be appointed as the Superintendent of Insurance. Now, we want the best man for this to be obtained. Is it likely that you will be able to get a man for Rs. 500 ? If it is not possible to get a man for Rs. 500, it is much better to fix the salary at a higher figure. If we really want public servants to take to public service on smaller salaries, let us, as I have suggested, begin that process with the other people who are drawing very large salaries and whose incomes are very large. I, therefore, oppose this motion.

Mr. S. Satyamurti : I am not surprised at the Honourable the Leader of the House opposing this amendment, but I am rather surprised at the "statutory labourer" and a distinguished *ex*-Congressman opposing this amendment.

Mr. M. A. Jinnah : You are going wrong.

Mr. S. Satyamurti : We are not going wrong, but it is you who are going wrong and you are so vain that you do not realise that you are going wrong and you always say that others are going wrong. That is the tragedy of the situation. I think the distinguished Maulana was present at Karachi. I had the distinction of working with him, and I do not remember that he dissented from this resolution. It does seem to me that learning must not be so big or rapid, even in the case of Maulanas and Maulvies. The Congress is pledged to draw Rs. 500 a month not only for themselves but also to pay Mr. Joshi only Rs. 500 a month.

Mr. N. M. Joshi : In that case, I shall get four times more than what I am getting now !

Mr. S. Satyamurti : There is no use asking us, Congressmen, to do something else than what we are doing now by putting forward this specific amendment. This is the first time that the Indian Legislature has an opportunity of pronouncing what is the proper salary for an Indian public servant. I know the argument of the Honourable the Leader of the House is the most valid one that can be advanced against it. He said that you cannot get a qualified Indian actuary on Rs. 500. I say, Sir, that we have more faith in Indian human nature than he seems to have.

Mr. M. A. Jinnah : Your faith is misplaced.

Mr. S. Satyamurti : Yes, it is in you. But, thank God, you are not the only Indian left. There are other Indians more patriotic and more resilient and more willing to respond to the appeal of the Congress. I have faith in human nature. I, therefore, believe, Mr. President, that although the argument of the Law Member may be valid today, I am hoping that when this Legislature votes this salary, there will be at least one Indian actuary, willing and competent, who will accept this salary. We must make that attempt. If the Law Member comes and tells us later on that he cannot get anybody on Rs. 500, we will consider that.

Mr. M. A. Jinnah : You will amend the law then.

Babu Baijnath Bajoria : The Act will remain suspended for the time being.

Mr. S. Satyamurti : The Act need not remain suspended.

Babu Baijnath Bajoria : There will be no Superintendent.

Mr. S. Satyamurti : It does seem to me that we must go forward with this amendment. We are pledged to this, and we must enforce it, wherever and whenever we can. If Honourable Members feel that Rs. 500 is too small, let them join the Congress and persuade us to raise the amount to Rs. 1,000 a month, but this matter should be agitated in the Congress and not outside it. We are bound by the Congress mandate. My friend, Mr. Joshi, said : "Why not begin with the professions, the industrialists?" I say that the moment we get power, we propose to have a scheme of taxation, of death duties, of succession duties and so on, by which we shall see that the rich are not making as much as they are making, and that they are made to pay more to the State but we are not in power yet.

An Honourable Member : You are in power in six provinces.

Mr. S. Satyamurti : They will do it. They took office only a month ago. In Madras, they have already started taxing the mill-cloth traders. We will go on with that. There will be a new scheme of taxation. I suggest that we must not try to confuse the issue by suggesting something else. On the merits, what is the objection? Why should not, in this country, men do work on salaries on which people do good work in France, in Japan, in Russia and other countries? What salaries do they get? Do they get these fat salaries? They get much less, and yet they do great and good work for their country. While we want the best men for the public service, it does not necessarily follow that unless you pay them Rs. 5,000 or Rs. 7,000 or even Rs. 10,000, you cannot get the best men. I suggest we can. Therefore, I ask the House to vote for Rs. 500, in the belief that we will get the best man.

Dr. Ziauddin Ahmad : Sir, I think that the salary of Rs. 500 proposed by the Congress is rather extravagant. The proper salary is really the salary which the Vice-Chancellor of the Aligarh University gets. That is, no salary, no sumptuary allowance and no other allowances of any kind. As compared to that, it is really an extravagant proposition to pay a salary of Rs. 500 a month. The second point which I would like to put forward is this. Had we not passed the previous amendment that the Superintendent should be an actuary, there might have been some

sense in the limitation of the salary. But after passing the amendment that the man must be a technical expert,—and there are only six such technical experts,—there is not much point in restricting the salary for an expert. I am given to understand by my Honourable friend, Mr. Satyamurti, that there is one person in his mind out of these six who will be willing to accept the salary of Rs. 500 a month. Practically, it comes to this, that if this proposal is carried, there is only one particular individual in the whole of India who will be appointed. If that is the object, why not say in the Bill that Mr. so-and-so ought to be appointed the first Superintendent of Insurance. Why ask for it in an indirect manner? But after having laid down the condition that he must be an expert possessing certain qualifications, we have really to find out the most efficient man and pay him the salary which is really the market value of the expert.

Sir Cowasji Jehangir (Bombay City : Non-Muhammadan Urban) : Mr. President, I thought, that I would have the privilege of congratulating my friend, Mr. Sri Prakasa, on having exhibited a little sanity. He proposed an amendment, that this post should carry with it a pay of Rs. 1,500 a month, but he was carried away by the eloquence of his colleague behind him which induced him to immediately withdraw his amendment. Now, Sir, his real object in withdrawing his amendment was, that he felt that Rs. 1,500 was insufficient. We have heard a good deal about Rs. 500 being paid to Government servants, who should all follow the excellent example set by the Ministers in provinces. I think Mr. Joshi said just now that this is an experiment and we shall see how it works. But it will be a very dangerous thing indeed to try this experiment in this Bill for a post which you are bringing into existence, and which is going to be of the greatest importance to a large number of very important commercial concerns. If you really want a good actuary, you will have to pay him much more than Rs. 1,500 a month.

Mr. Sri Prakasa : Like Managing Agents.

Sir Cowasji Jehangir : Some time, in the future, when Mr. Sri Prakasa knows a little more, than he does now, he will realise that Managing Agents have more often than not earned their commission; while, I have known instances of many who have received commissions without earning them.

Now, Sir, my Honourable friends here are trying to make this a test case, as this is the first time, they have had an opportunity of moving such an amendment. I beg of them not to look at it from that point of view. This is not a test case. We will see in the future what salaries our friends will ultimately draw. You may say that your Ministers are at present drawing Rs. 500 a month, but if you add to it the motor car allowance and other allowances, it becomes a higher figure. I have no objection to their drawing Rs. 500 a month, but I do believe, that they will realise their mistake that paying Rs. 500 a month to Government servants will not pay in the end, but will end in disaster. There may be a few patriotic men, who will serve on Rs. 75 a month, and a very excellent example of that is my friend, Mr. Joshi, whom I have known for nearly 35 years. There are men like that, but they are exceptions; they are not the rule. As was pointed out, Gokhale was also a Servants' of India Society man and he served on Rs. 75 a month. But there was one Gokhale only.

Mr. Sri Prakasa : And there is one actuary only.

Sir Cowasji Jehangir : Yes, that is just the point. Is there only one actuary, whom you have earmarked for this post? If that is so, let us have his name. Then as my friend, Mr. Jinnah, says, he should serve for nothing.

Let us now really face realities. Let us not waste the time of the House. If my Honourable friends wish to talk on public platforms of Rs. 500 a month for Government servants and for Ministers, we have no objection. Let them do so to their heart's content, but when we come to realities and to legislation, let us be practical. We beg of them to be practical, and we beg of them not to waste their time in a discussion of this sort. They have plenty of time and plenty of opportunities outside this House of lecturing and of going on with their propaganda for lower salaries.

Mr. S. Satyamurti : We want to convert you.

Sir Cowasji Jehangir : Convert me! I am quite prepared to be converted by you. (*Voices : "But you are never converted."*) A day will come when we shall have the pleasure of converting Mr. Satyamurti. The chances of my being converted to a salary of Rs. 500 a month are less than are the chances of Mr. Satyamurti, being converted to a salary of Rs. 5,000 a month. I feel sure, that a day will come, when nobody will be more pleased than myself to see Mr. Satyamurti at the head of a Provincial Government, a great successful Prime Minister, drawing what he deserves, more than Rs. 500 a month. While looking round just now I see the faces of many friends who, in their time, have earned more than Rs. 500 a month. I have known some of my friends—one on my right here—who has earned Rs. 1,000 a day. There is another friend of mine in this House who has earned, perhaps, a little more than Rs. 1,000 a day and may he continue to do so in the future. And there even may be an occasion when this poor humble individual may have to put his hands into his pocket and pay these friends more than Rs. 1,500 per day....

An Honourable Member : God forbid.

Sir Cowasji Jehangir : My Honourable friend says, 'God forbid', but that may happen when I shall remember this debate. I shall take the opportunity of applying for the services of my Honourable friend to my right, or my Honourable friend, the Leader of the Opposition, on Rs. 500 per month and may my case last for many months.

Mr. Bhulabhai J. Desai : But there, I am not serving the public; that is the difficulty. I am serving only a rich individual.

Sir Cowasji Jehangir : I admit there is a difference. When he serves me, he asks for Rs. 1,500 a day and he thinks that it is not extravagant, but that it is fair remuneration for him. We are not now dealing with a man who serves the public. My Honourable friend, the Leader of the Opposition, is doing service for the public, when he loses his practice at the Bar and sits in this House. There are many other Honourable Members who do that, for instance, my Honourable friend to my right. We are all making some sacrifice ourselves by coming here. But we are not talking of that. We are talking of what a man would earn not in patriotic service—you do not call the post of Superintendent a

patriotic service—we are talking of a man who comes here to earn his living. He does not come to perform patriotic service. Please do not confuse the two things. Patriotic service is service, as Servants of India, on Rs. 75 a month. I can understand that. There are not many who would undertake such service on Rs. 75 a month. Therefore, I should remember this debate in future and I shall act up to it if I can.

Mr. M. A. Jinnah : Not with me.

Sir Cowasji Jehangir : There is a distinguished surgeon amongst us here. He does not perform operations for nothing. He might talk here of scalps, but when he does that in his professional capacity, he takes jolly good care to see that he gets his proper dues.

Dr. G. V. Deshmukh (Bombay City : Non-Muhammadan Urban) : If I could get you, I shall do it free.

Sir Cowasji Jehangir : Therefore, let us face realities, and leave this kind of talk to public platforms. Here we are transacting business. We are not here to canvass votes. Perhaps, when I am also out to canvass votes, I might exaggerate sometimes, but here on the floor of the House, we are transacting business and not canvassing votes; let us, therefore, face realities and talk sense.

Mr. Abdul Qaiyum (North-West Frontier Province : General) : Sir, my Honourable friend, Sir Cowasji Jehangir, tried to differentiate between public platform and this Honourable House by saying that when Congressmen state a thing on the public platform, they are not really serious about it and that they do not mean what they say—and that when they come to this Honourable House, they should mean business and be a little more serious. Sir, I want my Honourable friend, Sir Cowasji Jehangir, to realise, that when Congressmen stand up on public platforms and state things they mean every word of what they say. When we advocate a salary of Rs. 500 a month for the Superintendent of Insurance, we really mean business and we are out to enforce it, because it is a principle by which we firmly stand. I was really surprised when I noticed an opposition to this very sensible suggestion from certain Muslim Members of this House. The cry is often raised that the Muslims are very poor, that the Muslims are very heavily taxed, and that when a Muslim dies intestate his property should go to the Muslim community and not to the country at large. I am really surprised that those very Muslim Members who represent such a very poor community should come to this House and advocate very high salaries in opposition to that proposed by the Congress for the Superintendent of Insurance. I hope my co-religionists realise that a very high salary means additional taxation and that additional taxation is likely to hit the poorer community harder than it would hit a community which is much better off like the majority community in India. (Hear, hear.) I am really surprised that Maulana Zafar Ali Khan should differ from the Congress, even when the Congress is out to do the right thing. We sometimes state things, we sometimes advocate measures which really are not in the true interests of the community which we represent. It is asserted that an actuary will not serve on Rs. 500. We have been told that there are only six actuaries in India and that none of them is going to serve for Rs. 500 a month. I submit, Sir, that Government

[Mr. Abdul Qaiyum.]

servants who are highly paid come in contact with people who are out for high salaries and I refuse to believe that there are only six actuaries in India and that there is nobody who is willing to serve on Rs. 500. I submit, Sir, that we are out to secure not an actuary, but a patriotic actuary who will be willing to serve his country for a smaller amount.

The Honourable Sir Nripendra Sircar : Get a patriarchal actuary !

Mr. Abdul Qaiyum : Patriarchal will be for the other side to get.

I submit, Sir, this is a question of principle and when the Congress has laid down that Rs. 500 should be the maximum salary which any public servant should receive, we are going to enforce this principle in this House and if we stand defeated, the responsibility will lie on the shoulders of others who are here to represent the other communities and interests.

Several Honourable Members : The question be now put.

Mr. President (The Honourable Sir Abdur Rahim) : The question is that the question be now put.

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : I will first put the motion of Mr. Sri Prakasa.

Some Honourable Members : Mr. Sri Prakasa has already withdrawn his amendment.

Mr. Sri Prakasa : Sir, I beg leave of the Assembly to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That to sub-clause (12) of clause 2 of the Bill, the following proviso be added :

‘ Provided that his salary shall in no case exceed Rs. 500 per mensem ’.”

The Assembly divided :

AYES—49.

Abdul Qaiyum, Mr.
Aney, Mr. M. S.
Ayyangar, Mr. M. Ananthasayanam.
Banerjee, Dr. P. N.
Bhagavan Das, Dr.
Chaliha, Mr. Kuladhar.
Chattopadhyaya, Mr. Amarendra Nath.
Chaudhury, Mr. Brojendra Narayan.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Vencatachelam.
Chunder, Mr. N. C.
Das, Mr. B.
Datta, Mr. Akhil Chandra.

Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
Gadgil, Mr. N. V.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.
Hosmani, Mr. S. K.
Jedhe, Mr. K. M.
Jogendra Singh, Sirdar.
Joseph, Mr. George.
Kailash Behari Lal, Babu.

AYES—contd.

Lahiri Chaudhury, Mr. D. K.
Maitra, Pandit Lakshmi Kanta.
Malaviya, Pandit Krishna Kant.
Mangal Singh, Sardar.
Misra, Pandit Shambhu Dayal.
Mudaliar, Mr. C. N. Muthuranga.
Muhammad Ahmad Kazmi, Qazi.
Paliwal, Pandit Sri Krishna Dutta.
Pande, Mr. Badri Dutt.
Raghubir Narayan Singh, Choudhri.
Ramayan Prasad, Mr.
Rao, Mr. Thirumala.

Saksena, Mr. Mohan Lal.
Sant Singh, Sardar.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sham Lal, Mr.
Sheodass Daga, Seth.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.
Sinha, Mr. Satya Narayan.
Som, Mr. Suryya Kumar.
Sri Prakasa, Mr.
Varma, Mr. B. B.

NOES—68.

Abdul Ghani, Maulvi Muhammad.
Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Aikman, Mr. A.
Anwar-ul-Azim, Mr. Muhammad.
Azhar Ali, Mr. Muhammad.
Bajoria, Babu Baijnath.
Bajpai, Sir Girja Shankar.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Buss, Mr. L. C.
Chanda, Mr. A. K.
Chapman-Mortimer, Mr. T.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
DeSouza, Dr. F. X.
Eesak Sait, Mr. H. A. Sathar H.
Fazli-Haq Piracha, Khan Bahadur Shaikh.
Fazli-Ilahi, Khan Sahib Shaikh.
Ghiasuddin, Mr. M.
Ghulam Bhik Nairang, Syed.
Ghulam Muhammad, Mr.
Griffiths, Mr. P. J.
Grigg, The Honourable Sir James.
Hudson, Sir Leslie.
Ismail Khan, Haji Chaudhury Muhammad.
James, Mr. F. E.
Jehangir, Sir Cowasji.
Jinnah, Mr. M. A.
Joshi, Mr. N. M.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Laljee, Mr. Husenbhai Abdullabhai.
Lang, Mr. J. C.
Mackeown, Mr. J. A.
Manavedan Raja, Rao Bahadur K. C.
Mani, Mr. R. S.

Mehta, Mr. S. I.
Mody, Sir H. P.
Mudie, Mr. R. F.
Murid Hussain Qureshi, Khan Bahadur Nawab Makhdum.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Parsons, Lieut.-Colonel A. E. B.
Purssell, Mr. R. S.
Rahman, Lieut.-Colonel M. A.
Roy, Mr. S. N.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Shahban, Mr. Ghulam Kadir Muhammad.
Shaukat Ali, Maulana.
Sheehy, Mr. J. F.
Sher Muhammad Khan, Captain Sardar Sir.
Siddique Ali Khan, Khan Sahib Nawab.
Sikandar Ali Choudhury, Maulvi.
Sircar, The Honourable Sir Nripendra.
Sivraj, Rao Sahib N.
Spence, Mr. G. H.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sukthankar, Mr.
Sultan Ahmad, The Honourable Sir Saiyid.
Thorne, Mr. J. A.
Tylden-Pattenson, Mr. A. E.
Umar Aly Shah, Mr.
Vissanji, Mr. Mathuradas.
Zafar Ali Khan, Maulana.
Ziauddin Ahmad, Dr.

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim) : I cannot now put clause 2 to the House. I shall now take up clause 3. The question is :

“ That clause 3 stand part of the Bill.”

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Mr. Sami Vencatachelam Chetty : Sir, I move :

"That in sub-clause (1) of clause 3 of the Bill, for the word 'insurer', where it occurs for the first time, the word 'person' be substituted."

This is a very minor amendment : I think a person who begins to carry on insurance business cannot become an insurer before he begins his business, and hence I suggest this verbal amendment. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (1) of clause 3 of the Bill, for the word 'insurer', where it occurs for the first time, the word 'person' be substituted."

Mr. K. Santhanam : Sir, an individual can become an insurer only after he carries on business of insurance, not before. This is only a formal verbal amendment.

The Honourable Sir Nripendra Sircar : I quite see the point, but the difficulty was pointed out at one stage by the Leader of the Opposition which has got to be borne in mind, and his view was that the word 'person' as defined in the General Clauses Act, includes incorporated bodies, individuals and so on. What the Leader of the Opposition suggested was that the incorporated body which is appearing there may refer to a body which has been incorporated under the Indian Companies Act and that definition may not rope in a body incorporated, say, in the United Kingdom. That is a point I would like the Leader of the Opposition to consider, whether in that view it would be desirable to accept this amendment.

Mr. M. Ananthasayanam Ayyangar : May I suggest a way out of this difficulty ? This has arisen out of the definition of 'insurer' in clause 2 (8) (a). Before he begins business no person can become an insurer under the definition. If he is already an insurer, he must be carrying on business. Therefore, to avoid the difficulty, my Honourable friend, Mr. Chettiar, has given in this amendment. No doubt it is true

The Honourable Sir Nripendra Sircar : Are you suggesting the word 'intending' to be inserted between 'no' and 'insurer' ?

Mr. M. Ananthasayanam Ayyangar : Yes. To avoid the difficulty I suggest that this word 'intending' should be inserted between 'no' and 'insurer' in the first line of clause 3 (1). If you will permit me, Sir, to introduce this amendment, it may be accepted.

Mr. T. Chapman-Mortimer : On a point of order, Sir, I think, we have already agreed that you would not allow amendments on the floor of the House, however simple they may appear to be. This is one of the most technical Bills that has ever come up before the House and small amendments may slip through, the intention of which we may all sympathise with but which may have consequences which even the Mover himself had not intended ; and I suggest it should not be accepted.

Mr. President (The Honourable Sir Abdur Rahim) : I thought it was merely a verbal amendment ; and once an amendment has been moved, I cannot insist on time being given—that is not the practice. But if any Honourable Member has reason to think that it is not a mere

verbal amendment but that it might have other consequences, then, in that case, I cannot allow it to be moved.

Mr. Sami Vencatachelam Chetty : The balance of advantage is on the side of intention, and so I beg leave to withdraw it.

Mr. President (The Honourable Sir Abdur Rahim) : What about this new amendment ? Is it merely verbal ? Does the Honourable Member accept it as a verbal amendment ?

The Honourable Sir Nripendra Sircar : No, Sir : I do not accept that.

Mr. President (The Honourable Sir Abdur Rahim) : Very well, then : I cannot allow it to be moved. Has the Honourable Member, Mr. Sami Vencatachelam Chetty, leave of the House to withdraw his amendment ?

The amendment was, by leave of the Assembly, withdrawn.

Mr. K. Santhanam : Sir, I move :

"That in sub-clause (1) of clause 3 of the Bill, the words 'after the expiry of three months from the commencement of this Act' be transposed between the words 'shall' and 'continue'."

There is no change in the meaning at all : it is only intended to make it clear. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (1) of clause 3 of the Bill, the words 'after the expiry of three months from the commencement of this Act' be transposed between the words 'shall' and 'continue'."

The Honourable Sir Nripendra Sircar : Sir, I accept the amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (1) of clause 3 of the Bill, the words 'after the expiry of three months from the commencement of this Act' be transposed between the words 'shall' and 'continue'."

The motion was adopted.

Mr. S. Satyamurti : Sir, I move :

"That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

'Provided that nothing in this Act shall apply to any insurance business carried on by the Governments of the Governors' Provinces, under laws passed by the Provincial Legislatures thereof'."

Honourable Members will notice that clause 3 (1) says :

"No insurer shall carry on any class of insurance business in British India unless he has obtained from the Superintendent of Insurance a certificate of registration."

That is a comprehensive prohibition. Once this Bill becomes the law of the land, hereafter, nobody, not even the Local Governments, can institute or begin to carry on any class of insurance business

The Honourable Sir Nripendra Sircar : Sir, if the House approves of it and if you allow it, I would ask this to stand over because I have really no hostility to the amendment, but am not sure about the drafting ; and if the House will permit this matter to be postponed, I may have a talk with the Leader of the Opposition and the Mover and come to some kind of arrangement.

Mr. S. Satyamurti : I am quite agreeable to that.

Mr. T. Chapman-Mortimer : May I suggest that other Parties also be drawn into this round table conference ?

Mr. President (The Honourable Sir Abdur Rahim) : I shall allow it to stand over if that is the desire of the House as a whole.

The Honourable Sir Nripendra Sircar : I hope I have not committed myself to a round table conference : what I propose to do is that if we do come to some arrangement, my Honourable friends will be informed in quite good time that this is what is going to be moved, so that they can consider the matter and come to some conclusion. I have always done that, but no more round table conferences.

Mr. T. Chapman Mortimer : On a point of personal explanation : I was neither approving nor disapproving : I was merely saying that in this matter other Parties should be considered as well as the Congress.

The Honourable Sir Nripendra Sircar : Yes ; but no round table conference.

Mr. President (The Honourable Sir Abdur Rahim) : Then, this will stand over.

Mr. Sri Prakasa : Sir, I move :

“ That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

‘ Provided that if an insurer, incorporated under the Indian Companies Act, 1913, notifies to the Superintendent of Insurance, within three months from the commencement of this Act, his intention to amalgamate with or to transfer his business to another insurer, the provisions of this subsection shall not apply to him for a period not exceeding twelve months from the date of the commencement of this Act ’.”

Sir, so far as I am able to make out, one of the many purposes of this Bill is to encourage smaller existing insurance companies, that are not able to find their feet in the world of business, to amalgamate with other companies. If I am reading the purpose of the Act aright, I think sufficient and clear provisions should be made to enable these small companies to amalgamate with others with ease and efficiency. So far as I have been able to find out, there are no definite provisions which lay down the methods by which such amalgamation shall take place. There is no doubt that this idea is inherent in many clauses of the Act ; but there are no provisions to enable these small companies to amalgamate easily and quickly. I, therefore, thought that if a provision like this were inserted, the position would be made clear. The Bill, as it is, requires all insurers to register themselves with the Superintendent of Insurance within three months of the commencement of this Act. The Governor General in Council, or the Governor General

himself, is authorised to give out the date when the Act shall come into force ; and from that date within three months all insurers must register themselves with this Superintendent of Insurance. Now, Sir, many companies may find that they are unable to meet all the obligations and liabilities imposed upon them under this Act ; and they would naturally like, in the interest of themselves as well as in the interest of the policy-holders, to amalgamate themselves with other companies. If this proviso is added, I feel that our purpose will be served. Sir, a suggestion has been made to me that there should be an additional proviso to this something like this :

‘ Provided, however, that a copy of the notice to the Superintendent is published in such newspapers as may be prescribed by the rules.’

If, Sir, you will permit me to add these words, personally I have no objection to add them ; and if the matter is made clearer thereby

Mr. President (The Honourable Sir Abdur Rahim) : Objection has already been taken more than once to amendments of this kind being suggested on the floor of the House. I really cannot allow any more.

Mr. Sri Prakasa : Then, I will adhere to the wording of my own amendment, which I myself prefer without any further additions.

Mr. M. A. Jinnah : What is your meaning ?

Mr. Sri Prakasa : I shall explain again. The purpose of the Act is that there should be greater control over Insurance Companies. The suspicion is that insurance companies which do not start with sufficient capital are likely to let down the policy-holders in whose interests alone they should function. There are many insurance companies which might find themselves in hot waters after this Act is passed. They may feel that they cannot find Rs. 75,000 and the other monies required under this Act at once ; and they may go to another company which is more prosperous and flourishing,—may be a Bombay company,—and they may say to them : ‘ We are willing to amalgamate with you ’. Now, this other company may like to entertain the application. In these circumstances, I feel that the time allowed for giving statutory deposits and to fulfil the other obligations may be extended, for in that case the companies amalgamating will naturally require more time to settle their affairs. It may, however, happen that negotiations for amalgamation may fall off after six months, the two companies which desired to amalgamate may feel that the conditions are not such that they can amalgamate ; and so the smaller company may continue to remain a separate entity. For that contingency, I have got another proviso, and I shall come to it later if this proviso is accepted by the House. In that proviso I say that in case the company does not amalgamate within twelve months, then that company should not have the status of an old company and enjoy all the privileges that old companies are given under this Act ; but should be regarded as a new company with additional liabilities and additional obligations. That proviso I shall take up only if this proviso is accepted. And I am anticipating matters, so that my point may be made perfectly clear. In that proviso I have definitely stated that in case a company, under the pretence of amalgamation, has been adopting a *mala fide* method of putting off the payment of the additional sums that would be demanded under this Act, and if that

[Mr. Sri Prakasa.]

company is not really serious with regard to amalgamation, then that company will come to be regarded as a new company and will have to pay extra deposits in case it wants to function. I hope I have made my meaning perfectly clear to the House.

I shall, however, Sir, in order to elucidate my meaning further recapitulate what exactly I mean, because I think this is a very important point. I do not want to stab any one in the back. I don't think, despite his homicidal tendencies, the Honourable the Law Member wants to stab any one in the back, he would, if at all, stab him in the front. I feel if we do not make a provision making amalgamation easy, it is quite possible that many small companies that have come into existence under the old Act; who had no reason to believe that the Act was going to be changed; who thought that the old Act of 1912 was going to stand;—all such companies will feel that they are being stabbed in the back. So the only thing that we can do to facilitate them is to make a suitable provision so that they may amalgamate with other companies; they may live even as subsidiary or subordinate bodies; and that their policy-holders, shareholders and others interested in such companies, may be safe and free from all avoidable harm and hardship.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

‘Provided that if an insurer, incorporated under the Indian Companies Act, 1913, notifies to the Superintendent of Insurance, within three months from the commencement of this Act, his intention to amalgamate with or to transfer his business to another insurer, the provisions of this sub-section shall not apply to him for a period not exceeding twelve months from the date of the commencement of this Act.’”

I think it is now time to adjourn. I want to make it clear to the House that several amendments have been left over for further consideration, but that does not mean that the whole clause is left over, and that fresh amendments to the clause will be received. Except for those amendments which have been allowed to stand over, no further amendments will be accepted.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 8th September, 1937.

LEGISLATIVE ASSEMBLY.

Wednesday, 8th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

CONTRACT FOR PARKING OF *Ekkas* OUTSIDE THE BENARES CANTONMENT RAILWAY STATION.

360. ***Mr. Sri Prakasa** : Will the Honourable Member for Commerce and Railways state :

- (a) what rules, if any, are there for giving of contract for permission to *ekkawalas* to park their *ekkas* for hire on railway land outside railway stations on the East Indian Railway ;
- (b) what are the conditions under which *ekkawalas* can park their *ekkas* on railway land outside the Benares Cantonment Station ; and whether it is a fact that formerly no charge was made from them ;
- (c) if so, since when was a charge introduced and what have been the rates at which contracts have been given per year since the inception of the charge ;
- (d) what is the figure for the current year ;
- (e) whether it is a fact that the *ekkawalas* have been on strike refusing to park their *ekkas* on railway land outside the Benares Cantonment railway station premises, and instead keeping them on the Grand Trunk Road a little further away ; and
- (f) whether Government are aware that this has been causing a great deal of inconvenience to the travelling public, and if so, what steps are the Railway taking to ease the situation ?

The Honourable Sir Saiyid Sultan Ahmad : (a) At stations of importance on the East Indian Railway, a contractor is employed to regulate the supply of *ekkas* and tongas.

(b), (c) and (d). I am calling for the information and will lay a reply on the table in due course.

(e) *Ekka* and tonga drivers who are members of the *Ekka* and Tonga Union at Benares have been boycotting the Railway stand at Benares Cantonment.

(1295)

(f) I understand that Railway passengers are not greatly inconvenienced. The tongas and *ekkas* stay outside the railway boundaries about 60 yards from the Railway stand. The Railway contractor provides buses for passengers to go to the city.

Mr. Sri Prakasa : With reference to the Honourable Member's reply to part (e) of the question, may I know if the District Magistrate has written to the railway authorities to try to settle this matter because great hardship is being experienced by passengers ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information of that, but the Collector of the District has addressed the Railway asking that the contract might be given to the *Ekka* and Tonga Union whom he now recommends. The matter is being considered now and it is quite possible that it will be settled soon.

Mr. Sri Prakasa : Am I to take it that the men are still on strike ? On the day I left Benares they were.

The Honourable Sir Saiyid Sultan Ahmad : I have no information on that.

Mr. Sri Prakasa : With reference to his reply to part (f) of the question, will the Honourable Member find out the exact distance from the portico to the place where the *ekkas* are now parked, which is at least 200 yards, not as the crow flies but as the road winds ?

The Honourable Sir Saiyid Sultan Ahmad : The information I have got is that it is 60 yards, but I will make further enquiries in view of the statement made by the Honourable Member.

Mr. Mohan Lal Saksena : Do the Government charge any contract money for the parking of the *ekkas* and tongas within the railway compound ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information.

Mr. Mohan Lal Saksena : Will the Honourable Member kindly make enquiries relating to Benares as well as Lucknow ?

The Honourable Sir Saiyid Sultan Ahmad : Lucknow does not come into the question.

Mr. Mohan Lal Saksena : The Honourable Member said that there were certain stations on the East Indian Railway where the contract system is in vogue, and I would like the Honourable Member to make enquiries about those other stations also.

The Honourable Sir Saiyid Sultan Ahmad : I would like the Honourable Member to put down a question.

Qazi Muhammad Ahmad Kazmi : May I know since when this contract system has been started ?

The Honourable Sir Saiyid Sultan Ahmad : It has been in existence for a long time.

Qazi Muhammad Ahmad Kazmi : Was it for the convenience of the passengers or for the realisation of money from the people who go to the railway station ?

The Honourable Sir Saiyid Sultan Ahmad : For the convenience of passengers.

Qazi Muhammad Ahmad Kazmi : What particular convenience of the passengers is consulted by the regulation of these *ekkawallas* who have got to pay a further sum of money if they want to stand within the railway compound ?

The Honourable Sir Saiyid Sultan Ahmad : My Honourable friend might put down a question, and I will get all the details.

CONSTRUCTION OF AIR-CONDITIONED COACHES.

✓ 361. **Mr. Sri Prakasa :** Will the Honourable Member for Commerce and Railways state :

- (a) what progress has been made in the construction of air-conditioned first class coaches ;
- (b) what is the cost of each coach according to the final estimates ; and how many compartments has each coach and what is the sitting and sleeping accommodation provided in each coach ; and
- (c) whether it is possible to instal the necessary apparatus in the already existing coaches or whether it is necessary that a new coach must be built for air-conditioning purposes ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Five air-conditioned coaches are expected to be placed in service next month.

(b) The estimated cost of each coach is Rs. 95,000. Each coach has six compartments. Seating and sleeping accommodation is provided for 14 passengers.

(c) Yes, but under certain conditions the provision of a new body is the more economical course to follow. Much depends upon whether all or only a part of the accommodation in the coach is to be air-conditioned and upon whether the 'corridor' type of construction is to be substituted for the 'compartment' type now in general use.

Mr. Sri Prakasa : Has the Honourable Member made sure that the health of the passengers who travel in these compartments will not suffer in view of the fact that Pandit Jawahar Lal Nehru, President of the Congress, while travelling in Malaya, was given such a compartment and the result was that his speeches were often punctuated with sneezes ? (Laughter.)

The Honourable Sir Saiyid Sultan Ahmad : I have no information about the experience of Pandit Jawahar Lal Nehru, but all enquiries have been made by the Department, and they are satisfied that the health will not suffer.

Mr. Sri Prakasa : Have any health officers been consulted in the matter ?

The Honourable Sir Saiyid Sultan Ahmad : I do not know.

Mr. N. M. Joshi : May I ask whether the Government of India are aware that when this air-conditioned coach is attached to a train the train is delayed at those places where it takes ice ?

The Honourable Sir Saiyid Sultan Ahmad : I have no such information.

Mr. N. M. Joshi : May I ask whether the Government of India will enquire into the matter ?

The Honourable Sir Saiyid Sultan Ahmad : Always ready to enquire.

Seth Govind Das : As the Honourable Member is the head of the Railway Board in India, will he himself travel by that route and see what his experience is ?

The Honourable Sir Saiyid Sultan Ahmad : I shall be quite ready if questions are not put to me the whole of next week and the week after. (Laughter.)

Seth Govind Das : After the Session is over.

RAISING OF THE STATUS OF OFFICE AND SALARY OF THE HIGH COMMISSIONER FOR INDIA.

362. ***Mr. Badri Dutt Pande :** Will the Honourable Member for Commerce and Railways state :

- (a) whether Sir Feroz Khan Noon, the Indian High Commissioner in London, has recently made representation to the Government of India for the status of his office and salary to be raised until they correspond with those of the Dominion High Commissioner ; if so, what action has been taken by the Government of India ;
- (b) what is his status at present ;
- (c) whether the pay has been raised, if so, by how much ; what was the pay formerly given ; what increase has been given ;
- (d) whether he has been supplied with a free house in London ;
- (e) whether he gets motor and sumptuary allowances, if so, what is the total additional cost incurred now ?

The Honourable Sir Saiyid Sultan Ahmad : (a) No such representation has been received.

(b) It is not clear what the Honourable Member exactly means by status but if the reference is to precedence, I may state for his information that the High Commissioner for India ranks with the Dominion High Commissioners in London on ceremonial occasions.

(c) The salary of the High Commissioner for India has always been £3,000 per annum. No increase in this salary has been sanctioned.

(d) No.

(e) A grant of £300 per annum is made for the upkeep of the High Commissioner's motor car which is provided at Government expense. He is not granted any sumptuary allowance.

Seth Govind Das : Will the Honourable Member consider the desirability of reducing the salary in the present state of things ?

The Honourable Sir Saiyid Sultan Ahmad : I am afraid it is impossible.

CONTROL OF THE RADIO DEPARTMENT AND APPOINTMENT OF THE NEWS EDITOR.

363. ***Mr. Badri Dutt Pande :** Will the Honourable Member for Commerce and Railways inform the House as to :

- (a) who controls the Radio Departments ;
- (b) who appoints the musicians and singers ; and
- (c) whether the News Editorship of All-India Radio has been filled up ; and if so, who has been appointed ?

The Honourable Sir Saiyid Sultan Ahmad : With your permission, Sir, I propose to answer questions Nos. 363 and 365 together.

These questions do not concern me. They should have been addressed to my colleague in the Department of Industries and Labour, who will, I am sure, answer these questions in due course.

APPOINTMENT OF AN ACTUARY FOR INSURANCE WORK.

364. ***Mr. Badri Dutt Pande :** Will the Honourable Member for Commerce and Railways state :

- (a) whether Government have appointed an Actuary for insurance work, or if it is under contemplation to appoint one ;
- (b) where will his headquarters be located ;
- (c) whether the Honourable Member has seen the recommendations made by the Federation of Indian Chambers of Commerce and Industry in this connection ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b) : The Honourable Member apparently is referring to the post of Superintendent of Insurance, proposed to be created by the Insurance Bill now before the House. No decision can be taken as to how this post is to be filled until the Bill has been passed into law.

(c) Yes.

Mr. S. Satyamurti : Has the attention of the Government been drawn to one of the recommendations of the Federation of Indian Chambers of Commerce and Industry, namely, that the proposed appointment should go to an Indian ?

The Honourable Sir Saiyid Sultan Ahmad : Representation has been received and there is a statement to that effect.

Mr. S. Satyamurti : Will Government take that into their very careful consideration, before they make up their mind as to how to fill up this appointment, after the Insurance Bill becomes law ?

The Honourable Sir Saiyid Sultan Ahmad : Certainly.

PRESS TELEGRAM RATES, ADMISSION OF NEWS PRINT INTO INDIA FREE OF DUTY AND RATES OF POSTAGE AND TELEGRAMS BETWEEN BURMA AND INDIA.

†365. ***Mr. Badri Dutt Pande** : With reference to the reply to questions in the House of Commons in June, 1937, regarding (i) lowering press telegraph rates, which were increased in 1933, (ii) admitting news print into India free of duty, and (iii) increase of postal and telegraphic rates imposed by the Burma Government, will the Honourable Member in charge of Commerce and Railways inform the House what action Government have taken on these matters ?

BRITISH COLONIES RECEIVING IMPERIAL PREFERENCE IN TRADE.

366. ***Mr. G. V. Deshmukh** : Will the Honourable Member for Commerce and Railways be pleased to state if the Crown colonies and territories in Africa under the mandate of the self-governing British colonies received imperial preference in trade ? If so, which of them ? Are they enjoying it still ?

The Honourable Sir Saiyid Sultan Ahmad : It is assumed that the Honourable Member refers to the grant of preferences by India. Under Articles 9 and 12 of the Ottawa Trade Agreement between India and the United Kingdom reciprocal tariff preferences have been granted by India to the British Colonies specified in the First Schedule to the Ottawa Trade Agreement Rules, 1932, and *vice versa*. Copies of the Ottawa Trade Agreement and of the Rules referred to are in the Library. The reply to the last part of the question is in the affirmative.

Mr. G. V. Deshmukh : May I know if the preferences are being enjoyed still ?

The Honourable Sir Saiyid Sultan Ahmad : I do not know whether they are being enjoyed, but they do exist.

RAILWAY ACCIDENT AT BIHTA ON THE EAST INDIAN RAILWAY.

367. ***Mr. S. Satyamurti** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether, in regard to the tragic train disaster to the Punjab Express on the 17th of July near Bihta, he proposes to appoint an independent committee to enquire into the causes of the accident, and if not why not ;
- (b) whether Government proposes to offer, without waiting for formal applications, relief to those who have been wounded in the disaster, and to the survivors of those who have been killed ; and
- (c) whether Government will place a full statement of the causes of the disaster on the table of the House, after full and independent investigation ?

†For answer to this question see answer to starred question No. 353. ad†

The Honourable Sir Saiyid Sultan Ahmad : (a) The Honourable Member's attention is invited to the Gazette of India Extraordinary published on the 6th instant notifying a Resolution, dated Simla, the 4th September, 1937, as follows :

"N. 7043-T. (II).—The Government of India have received a report from the Senior Government Inspector of Railways on the accident which took place near Bihta on the East Indian Railway on 17th July, 1937. In view, however, of the importance of the issues involved, both to the public and to the Railway Administration, Government have decided to institute a judicial enquiry. This enquiry will be conducted by a High Court Judge.

The report of the Senior Government Inspector of Railways, together with all relevant papers, will be placed before the High Court Judge appointed to conduct the enquiry."

(b) The Honourable Member is referred in this connection to my reply to part (e) of Mr. Amarendra Nath Chattopadhyaya's starred question No. 304 on the 3rd instant.

(c) The question will be considered when Government have arrived at a final conclusion on the result of the Judicial Enquiry to be conducted as stated in (a) above.

Mr. S. Satyamurti : Has the High Court Judge been appointed ?

The Honourable Sir Saiyid Sultan Ahmad : Not yet.

Mr. S. Satyamurti : Will the inquiry be a public inquiry ?

The Honourable Sir Saiyid Sultan Ahmad : It depends on the Judge.

Mr. S. Satyamurti : The Judge will be free to conduct an open and public inquiry, if he so decides ?

The Honourable Sir Saiyid Sultan Ahmad : Yes.

Mr. S. Satyamurti : Will all useful and relevant evidence be called for ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer that. It depends on the Judge as to what sort of evidence will satisfy him.

Mr. S. Satyamurti : Will the Judge be free to call for evidence from any person who may be in a position to give useful evidence ?

The Honourable Sir Saiyid Sultan Ahmad : I do not like to fetter his discretion. He will be given a free hand.

Mr. S. Satyamurti : May I know if the Government propose, after the liability of the railway company has been established one way or the other, to offer voluntary relief to those who have been wounded in the disaster, and to the families of those who have been killed ?

The Honourable Sir Saiyid Sultan Ahmad : The matter will be considered after the report has been received.

Qazi Muhammad Ahmad Kazmi : Will the Judge be supplied with a list of witnesses who will be examined.

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer that.

CONSTITUTIONAL POSITION OF THE OFFICIAL REPRESENTATIVES OF THE PROVINCIAL GOVERNMENTS NOMINATED TO THE INDIAN LEGISLATIVE ASSEMBLY.

368. ***Mr. S. Satyamurti** : Will the Honourable the Leader of the House be pleased to state :

- (a) the exact constitutional position of the official representatives of the Provincial Governments, i.e., of those Official Members of the Assembly who are nominated to the Legislative Assembly on the recommendations of Provincial Governments ;
- (b) whether those official representatives of the Provincial Governments are expected to obey the official Whip of the Government, or the instructions of the Local Governments on whose recommendations they are appointed here ; and
- (c) whether Government contemplate any change in the procedure of these nominations, and if so, what ?

The Honourable Sir Nripendra Sircar : (a) and (b). The Honourable Member is referred to my replies to starred questions Nos. 133 and 134 asked by the Honourable Sardar Mangal Singh on the 26th August.

(c) No.

Mr. S. Satyamurti : May I know if the answer to clause (c) means that the Government do not contemplate any change in procedure ?

The Honourable Sir Nripendra Sircar : Yes.

Mr. S. Satyamurti : May I take it, therefore, that, from the next Session onwards, Government will leave it to the Provincial Governments either to nominate their representatives on the condition that they would accept the whip of the Government of India, or in the alternative the Government of India will appoint their own nominees, without reference to the Provincial Governments concerned ?

The Honourable Sir Nripendra Sircar : That is so.

Mr. Abdul Qaiyum : May I know why the Central Government flouts the views of the Provincial Governments in this matter ?

The Honourable Sir Nripendra Sircar : I don't know what the Honourable Member means by flouting. The Provincial Governments were given a free choice and they have made their election.

Mr. Mohan Lal Saksena : What is the function of the provincial representatives here.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has been here long enough to know the reason.

Mr. S. Satyamurti : Will the Government consider the question of appointing only those who serve in Delhi and Simla, with a view to effecting retrenchments in public expenditure, by way of travelling and other allowances given to nominees from outside ?

The Honourable Sir Nripendra Sircar : There is another question on this subject which has to be answered on Monday.

CO-ORDINATION OF DIFFERENT KINDS OF TRANSPORTS ON AN ALL-INDIA BASIS.

369. ***Mr. S. Satyamurti** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether Government have considered or propose to consider the question of organising all transport in India rail, road, inland water and coastal on an All-India basis, with a view to co-ordinating the whole scheme of transport ;
- (b) whether Government have considered or propose to consider the question of getting the co-operation of provinces, on the basis of their share in the receipts to the extent to which they now get on motor transport in their own provinces being given to them ; and
- (c) whether for this purpose Government propose to take steps to consult all Provincial Governments and other relevant authorities ?

The Honourable Sir Saiyid Sultan Ahmad : (a), (b) and (c). This question should have been addressed to my colleague, the Honourable Member for Industries and Labour Department.

FIGURES OF THE LAST PROVINCIAL ELECTIONS.

370. ***Mr. S. Satyamurti** : Will the Honourable the Leader of the House be pleased to state :

- (a) whether Government have now received figures of the last Provincial elections, viz., the number of voters who went to the polls, and the number of votes cast in favour of the Congress candidates, and of others ; and
- (b) whether Government will place that information on the table of the House ?

The Honourable Sir Nripendra Sircar : (a) and (b). Yes. Arrangements are being made to supply to the Library of the House, as soon as possible, the information available with the Government of India.

TRAVELLING TICKET INSPECTORS OF THE EAST INDIAN RAILWAY.

371. ***Qazi Muhammad Ahmad Kazmi** : With reference to answers given in this House to starred questions No. 744, dated 26th September, 1935, and No. 831, dated 26th February, 1936, will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether it is a fact that records of the Railway Board were incomplete when the consideration of the memorials of the old Travelling Ticket Inspectors of the Accounts Department of the East Indian Railway now working under the Operating Department was made by the Government in December, 1932 (*vide* Railway Board letter No. 822-E.G., of 22nd December, 1932) ;

- (b) whether it is a fact that Government were not aware of the decision of the Committee which held a discussion regarding pay and allowances of the Travelling Ticket Inspectors on transfer from Accounts to Operating Department which was held at Calcutta on the 3rd May, 1927 ;
- (c) whether it is a fact that Government were also not aware of the Rules which were framed by the Director of Finance, Railway Board and approved by the Agent, East Indian Railway (vide page 45 of the Report on the Crew System by the Chief Operating Superintendent, East Indian Railway, dated the 5th January, 1928) ;
- (d) whether Government propose to revise their decision of December, 1932 and examine the grievances of the old Travelling Ticket Inspectors of the East Indian Railway who were originally appointed on certain scales of pay and mileage allowance and were subsequently after long years compelled to accept less remunerative consolidated allowance and were also made to forego grade advancement in their old grades in contravention of the following rules :
- (i) paragraph 362 of State Railway Open Line Code, Volume II ;
 - (ii) Government of India Resolution No. 4863 of 4th December, 1891 ;
 - (iii) decision of the meeting held at Calcutta on 3rd May, 1927 ;
 - (iv) rules framed by the Director of Finance, Railway Board, and sent to the Agent, East Indian Railway, with his No. 65096, dated 13th July, 1928, and approved by the Agent in his No. T.E. 65 [O.D.] Crew., dated 9th August, 1928 ; and
 - (v) Railway Board letter No. 822-E.G., dated 16th August, 1933, to the Agent, North Western Railway, according to which old Travelling Ticket Inspectors of his Railway were allowed to get grade advancement according to their old grades and their colleagues on the East Indian Railway (under similar circumstances) are denied this concession ?

The Honourable Sir Saiyid Sultan Ahmad : With your permission, Sir, I propose to reply to questions Nos. 371 and 372 together. I would refer the Honourable Member to the reply given to his starred question No. 832 asked by him on the 26th February, 1936, in this House.

Qazi Muhammad Ahmad Kazmi : So far as question No. 832 is concerned, it is a refusal by the Government to consider the question of travelling ticket inspectors. I have got a copy of that and it goes on to say that more than 400 questions have been already answered. What I have asked is regarding definite questions that were asked in this House on the 26th September and 26th February and in which it was stated that the materials which I have mentioned in this question were not available in the Railway Board. So I ask the Honourable Member to state whether it is a fact that the records of the Railway Board were

incomplete when the consideration of the memorials of the old Travelling Ticket Inspectors was before them. May I ask the Honourable Member to call for the information which I have asked for ?

The Honourable Sir Saiyid Sultan Ahmad : I submit that more than 400 questions have already been answered on this subject and that Government should not be called upon to furnish further information.

Mr President (The Honourable Sir Abdur Rahim) : This question has been sufficiently discussed.

TRAVELLING TICKET INSPECTORS OF THE EAST INDIAN RAILWAY.

†372. ***Qazi Muhammad Ahmad Kazmi :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether it is a fact that the abolition of a post of a Government servant and his transfer to another post as a result of this abolition must necessarily involve a distinct change of duty ; and
- (b) whether it is a fact that the old Travelling Ticket Inspectors of the East Indian Railway are held to perform the same or approximately the same duties now as they used to perform when they were under Accounts and were in receipt of mileage allowance (vide paragraph 2 of Railway Board letter No. 822-E.G., dated the 22nd December, 1932) ?

SALE OF A BUILDING OF THE BOMBAY PORT TRUST.

373. ***Mr. Mathuradas Vissanji :** (a) Will the Honourable Member for Commerce be pleased to say if it is a fact that a property built in 1920 by the Bombay Port Trust at a cost of Rs. 1,95,000 was sold by that body recently for Rs. 3,500 ?

(b) Will he be pleased to state what were the materials used in its construction, and what was the cause of depreciation in its value to such an extent ?

(c) Who was responsible for supervising the work while the building was being constructed ?

(d) Who were the contractors ?

(e) Have any steps been taken against any party or parties for this depreciation in value and the consequent loss to the Bombay Port Trust ?

(f) What was the resolution passed by the Board of Trustees of the Bombay Port Trust with regard to this sale ?

(g) Did any Trustee or Trustees raise any objection to this sale ?

The Honourable Sir Saiyid Sultan Ahmad : The information asked for is being obtained and will be laid on the table of the House when received.

†For answer to this question, see answer to starred question No. 371.

Mr. T. S. Avinashilingam Chettiar : In view of the suggestions made, will the Honourable Member go into the matter himself and make inquiries ?

The Honourable Sir Saiyid Sultan Ahmad : Information has been asked for and when it is received it will be laid on the table.

Mr. T. S. Avinashilingam Chettiar : Before the end of the Session ?

The Honourable Sir Saiyid Sultan Ahmad : I hope so.

Mr. T. S. Avinashilingam Chettiar : Will you take up the matter and make inquiries ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot make any promise at present.

Mr. S. Satyamurti : In view of the fact that a lakh and 80 thousand have been lost and this looks like a fraud, may I ask my Honourable friend whether he will pursue the matter himself, independently of any report which will be laid on the table of the House ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot make any promise. I will see what can be done if I am satisfied that there is necessity for an inquiry by me.

RAILWAY ACCIDENT AT BIHTA ON THE EAST INDIAN RAILWAY.

374. ***Seth Haji Sir Abdoola Haroon :** (a) Will the Honourable Member for Commerce and Railways be pleased to state the number of passengers dead as well as injured in the derailment of the Punjab Howrah Express as it was entering the Bihta Station on the East Indian Railway on the 17th July, 1937 ?

(b) Will the Honourable Member for Commerce and Railways be pleased to state whether Government have investigated into the chief reason of the above Railway disaster, with a view to taking proper measures for averting such disaster in future ?

(c) Will the Honourable Member for Commerce and Railways be pleased to state whether Government propose to mitigate the loss by extending help to those who have suffered in the above unprecedented havoc ?

(d) What provision do Government intend to make for families of those who were dead or disabled to earn their livelihood by injuries during the above Railway tragedy ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Honourable Member is referred to the reply I gave to part (c) of Mr. Amarendra Nath Chattopadhyaya's starred question No. 304 on the 3rd instant.

(b) The Honourable Member is referred to my reply to part (f) of question No. 304 on the 3rd instant and also to my reply today to part (a) of question No. 367.

(c) and (d). The Honourable Member is referred to my reply to part (e) of question No. 304 on the 3rd instant.

APPOINTMENT OF A MUSLIM AS AN ASSISTANT SIGNAL ENGINEER ON THE NORTH WESTERN RAILWAY.

375. ***Maulana Zafar Ali Khan :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) the number of Europeans, Anglo-Indians, Hindus and Muslims, respectively, working at present as Assistant Signal Engineers on the North Western Railway ;
- (b) whether it is a fact that for a considerable time past, no Muslim has ever held the post of an Assistant Signal Engineer on the North Western Railway ;
- (c) whether it is also a fact that Muslims with western technical qualifications and mature experience have been offering themselves as candidates, whenever the question of fresh appointments by the Public Service Commission and promotions by the department to the aforementioned cadre has arisen ;
- (d) if the answer to part (c) be in the affirmative, why no Muslim has so far been appointed to any of the posts mentioned in part (a) ; and
- (e) whether Government are prepared to consider the case of any qualified Muslim candidate for appointment as an Assistant Signal Engineer on the North Western Railway with a view to removing the communal inequality and redressing the grievance of Musalmans ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Four Europeans and Anglo-Indians ; three Hindus.

(b) Yes.

(c) and (d). Direct recruitment to the Signal Engineering Department of the North Western Railway was last made in 1936. Although Government reserved one of the vacancies for a Muslim and three Muslim candidates applied for the post, the Public Service Commission did not consider any of them suitable for appointment. This deficiency was, however, adjusted by increasing the Muslim quota in direct recruitment to the Indian Railway Service of Engineers. Government do not make promotions on communal basis.

(e) In view of the reply to parts (c) and (d) above, this does not arise.

Maulana Zafar Ali Khan : May I ask whether it is a fact that in order to remove the glaring inequality between the communities in the North Western Railway superior service, 60 per cent. shares have been granted to the Mussalmans.

The Honourable Sir Saiyid Sultan Ahmad : That is subject to efficiency and not on a communal basis.

Maulana Zafar Ali Khan : Then how is it that the Government gave the Mussalmans this promise that they will receive 60 per cent. share in order to remove inequality ?

The Honourable Sir Saiyid Sultan Ahmad : Subject to efficiency, I take it.

Maulana Zafar Ali Khan : I know there are men who have received training in England and are efficient, but their repeated requests to Government have been without avail ?

The Honourable Sir Saiyid Sultan Ahmad : It is not a question. The Honourable Member has already got the information.

RAILWAY LANDS GIVEN ON LEASE BY THE BENGAL NAGPUR RAILWAY.

376. ***Seth Govind Dass :** Will the Honourable Member in charge of Commerce and Railways be pleased to state :

- (a) whether there is a clause, in the agreement entered into between the Bengal Nagpur Railway Company and the Secretary of State in Council, that railway lands should not be given on lease for industrial and mill purposes ;
- (b) whether Government are aware that the Bengal Nagpur Railway Company have given lease of the railway lands in contravention of that clause of the agreement ;
- (c) if not, whether they have ascertained from the Bengal Nagpur Railway and satisfied themselves in the matter whether such terms of the agreement have not been contravened ;
- (d) the penalties stipulated for the breach of terms in the contract ;
- (e) if Government are satisfied that there has been a contravention (breach) of the terms of contract, whether they propose to enforce the penalties stipulated, if any, if not, why not ;
- (f) whether Government are aware that the Bengal Nagpur Railway, having given the lease of railway lands for industrial and mill purposes to some have refused to give the same benefit to other merchants, when requested ;
- (g) whether Government propose taking steps in the matter to have the clause of the agreement in question modified, or see that the conditions stipulated upon in the agreement are honoured ; and
- (h) in the event of any changes made in the agreement, which authority is competent to deal with the matter, Government's or that of the Secretary of State in Council ?

The Honourable Sir Saiyid Sultan Ahmad : (a) No.

(b) to (e). Do not arise.

(f) Government have no information. Rules for the lease of available railway lands are contained in Section V of the " Revised Rules relating to the Acquisition of Land for Railway Purposes, 1918 ", as reprinted in 1935, a copy of which is available in the Library of the House. Under these rules leasing or licensing of surplus railway lands to outsiders is within the discretion of the Railway Administrations concerned.

(g) Government do not contemplate making any change in the agreement, in this particular regard. The second half of this part of the question does not arise, in view of the reply to (a).

(h) Does not arise.

Mr. T. S. Avinashilingam Chettiar : May I know who gets the money coming out of this lease ? Does it go to the Railway Company or to the Government ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information about it. If the Honourable Member will kindly put a question down, I will get the information.

Mr. T. S. Avinashilingam Chettiar : May I ask on what terms these leases have been given to the Railway Company, whether they have been given only for the purpose of the Railways or for someother purposes as well ?

The Honourable Sir Saiyid Sultan Ahmad : The lands have been given to the Railway Company for the purposes for which the lease was granted.

Mr. T. S. Avinashilingam Chettiar : That is what I want. May I know the purpose for which the lease is given to them ?

The Honourable Sir Saiyid Sultan Ahmad : That can be laid on the table, that is, the lease between the Government and the Bengal Nagpur Railway.

Seth Govind Das : May I know what is the principle on which the Railway Company gives this lease to the mercantile community ?

The Honourable Sir Saiyid Sultan Ahmad : That does not arise from the answer given or from the question.

Mr. T. S. Avinashilingam Chettiar : May I know whether it is a fact that ordinarily lands are given to railways only for purposes of railways ? Will Government examine the matter and see whether the land does not belong to them ?

The Honourable Sir Saiyid Sultan Ahmad : The Railways get the lease of land and they are entitled to make use of the land in any way they please.

Mr. T. S. Avinashilingam Chettiar : Is that a part of the lease ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, I believe so.

Mr. S. Satyamurti : Is the answer given by my Honourable friend that the Railways can make use of the land in any way they like, based on his study of the agreement made between the Secretary of the Railway Company and the Government ? I should like to know what is the basis on which my Honourable friend has given the answer that the public land given to Railways for railway purposes can be used by them for any purpose whatever.

The Honourable Sir Saiyid Sultan Ahmad : They can, of course, use it for any purposes connected with the Railways.

Mr. S. Satyamurti : Have Government examined the question whether the particular lease granted by the Bengal Nagpur Railway for industrial and mill purposes is connected in any way with railway impositions ?

The Honourable Sir Saiyid Sultan Ahmad : I have not personally examined it but I take it that it must have been examined.

Mr. S. Satyamurti : Will the Honourable Member examine this case and see whether the Railways are not walking away with money, which they ought not to get for themselves ?

The Honourable Sir Saiyid Sultan Ahmad : I will make inquiries.

Mr. T. S. Avinashilingam Chettiar : May I ask whether a copy of the lease is in the Library ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, there is a copy in the Library.

Seth Govind Das : May I know if any executive orders have been given by the Railway in this connection ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information.

ALLOTMENT MADE TO BURMA FROM THE DEPRECIATION FUND OF THE INDIAN RAILWAYS.

377. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable Member for Commerce and Railways state :

- (a) whether the Amery Tribunal allotted as the share of Burma 148 lakhs of rupees from the Depreciation Fund of the Indian Railways ;
- (b) whether the total profits of Burma Railways, ever since its inception, have been only about 231 lakhs of rupees ; and
- (c) if so, the grounds on which the above allotment was made to Burma ?

Mr. B. M. Staig : (a) and (b). The attention of the Honourable Member is invited to the reply given to his starred question No. 1 in this House on the 23rd August, 1937.

(c) The attention of the Honourable Member is invited to paragraphs 26, 40 and 41 of the Report of the Amery Tribunal, a copy of which has been placed in the Library.

Mr. T. S. Avinashilingam Chettiar : May I ask whether the Government are satisfied with the reasons given in the award of the Amery Tribunal ?

Mr. B. M. Staig : So far as I am aware, Government are completely satisfied.

Mr. T. S. Avinashilingam Chettiar : What exactly are the reasons given by the Tribunal ?

Mr. B. M. Staig : Paragraph 41 gives the basis of the Tribunal's award.

Mr. T. S. Avinashilingam Chettiar : Have they.....

Mr. President (The Honourable Sir Abdur Rahim) : Has the Honourable Member read the paragraph referred to ?

Mr. T. S. Avinashilingam Chettiar : It is patent that they get a profit of 241 lakhs. Will you kindly ask him to read paragraph 41 ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

PROCEDURE *re* INVITING OPINIONS FROM THE PROVINCIAL GOVERNMENTS.

378. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Law Member state :

- (a) when the Central Government want the opinions of Provincial Governments, whom they usually address—the Governor or the Governor and his Cabinet of Ministers ;
- (b) whether there has been any change in the procedure since the inauguration of Provincial Autonomy ; and
- (c) whether opinions (when sent to the Central Government) are those of the Governor alone, or of the Cabinet and the Governor ?

The Honourable Sir Nripendra Sircar : This question and question No. 381 should have been addressed to the representative of the Home Department.

APPEALS OF THE EAST INDIAN RAILWAY EMPLOYEES WITHHELD BY DIVISIONAL SUPERINTENDENTS.

379. ***Mr. Mohan Lal Saksena :** (a) Is the Honourable the Railway Member aware that a very large number of appeals of the employees on the East Indian Railway addressed to the Agent and the Secretary, Railway Board, are withheld by the various Divisional Superintendents ?

(b) Are there any rules in this behalf ? If so, will the Honourable Member enquire whether they are fully complied with ?

(c) Are the Divisional Superintendents required to submit any monthly or periodical statements of applications and appeals so withheld ? If not, is the Honourable Member prepared to consider the feasibility of introducing some such safeguard ?

(d) What remedy, if any, do the rules prescribe for the employees whose appeals or representations are wrongfully withheld ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government are not aware of any appeals which lie to the Railway Board having been wrongfully withheld. As regards appeals which lie to the Agent, East Indian Railway, Government have no information. I may, however, add for the information of the Honourable Member that this is a matter which is entirely within the competence of the Agent, East Indian Railway, to deal with.

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(b) As regards the first part, the reply is in the affirmative. As regards the second part, Government have no reason to believe that the rules are not being followed on the East Indian Railway.

(c) and (d). As regards the first part of part (c) and part (d) of the question, I would refer the Honourable Member to the rule regulating discipline and rights of appeal of non-gazetted railway servants, a copy of which is in the Library of the House. The latter part of (c) does not arise.

EMPLOYEES OF THE GREAT INDIAN PENINSULA RAILWAY TRANSFERRED TO OTHER RAILWAYS.

380. *Mr. Mohan Lal Saksena : (a) Will the Honourable the Railway Member be pleased to state if any employees of the Great Indian Peninsula Railway were transferred to other railways, including the East Indian Railway because of their being involved in the Railway strike of 1930 ? If so, are they still employed on the foreign lines far away from their residence ?

(b) Are Government prepared to consider the feasibility of reverting them to the Great Indian Peninsula Railway ?

The Honourable Sir Saiyid Sultan Ahmad : (a) As regards the first part, I would refer the Honourable Member to the reply given to the second part of part (b) of starred question No. 1203 asked by Bhai Parma Nand on the 13th March, 1936, in this House.

As regards the second part, Government have no information.

(b) I would refer the Honourable Member to the reply given to part (c) of question No. 403 asked by Mr. Joshi in this House on the 20th March, 1936.

COST OF ESTABLISHMENT AND MAINTENANCE OF THE FEDERAL COURT.

†381. *Mr. Mohan Lal Saksena : (a) Will the Honourable the Leader of the House be pleased to state what the total cost of establishment and maintenance of Federal Court will be ?

(b) What will be the total number of likely cases that may come before the Court ?

(c) What is the total number of Judges and their respective salaries ?

(d) In addition to judicial work, will they have any other duties ?

(e) Are Government aware that there is very little prospect of work for the Federal Court, and do Government propose to devise ways and means to reduce the unnecessary expenditure ?

The Honourable Sir Nripendra Sircar : I have already said that this question should have been addressed to the Home Department.

REFORMS OFFICE.

382. *Mr. Mohan Lal Saksena : (a) Will the Honourable the Leader of the House state what were the functions of the Reforms Department ?

(b) What is the total annual expenditure on the Department ?

(c) With the introduction of Provincial Autonomy, has not the work of the Department been considerably reduced ? If not, why not ?

(d) Why is not the Department amalgamated with the Home Department ?

(e) How long will the Reforms Department be continued as a separate Department ?

The Honourable Sir Nripendra Sircar : (a) The function of the Reforms Office is to deal with matters relating to constitutional reform.

(b) and (e). I refer the Honourable Member to the reply I gave to Mr. Satyamurti's starred question No. 14 on the 23rd August, and the supplementaries.

(c) With the introduction of Provincial Autonomy, the work of the Reforms Office has decreased to a certain extent. Consequently there has been a reduction in the establishment. It is now largely employed on matters connected with the establishment of the Federation.

(d) Government of India consider it necessary that the Reforms Office should be separate and that it should not be amalgamated with the Home or any other Department.

Mr. S. Satyamurti : With reference to the answer to clause (a) of the question, may I know whether one of the functions of the Reforms Department is to advise the Governor General under the Government of India Act, 1935, on matters which are vested in him "in his discretion" or, "in his individual judgment" ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. S. Satyamurti : With regard to the answer to clause (e) of the question, may I know whether the Government's intention at present is to keep the Reforms Department permanently, as a separate Department ?

The Honourable Sir Nripendra Sircar : I will not use the word 'permanently', but Government propose to keep the Department as long as it is necessary.

Mr. S. Satyamurti : Have Government made any calculation, at least roughly, as to the period of time for which they propose to keep the Reforms Department in existence ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. S. Satyamurti : Will the Government consider the desirability of closing the Reforms Department on the inauguration of the Federation, whenever it comes ?

The Honourable Sir Nripendra Sircar : That is a hypothetical question. The Federation has not yet come.

Mr. Mohan Lal Saksena : With regard to part (c) of the question, may I know if there has been any reduction in staff ? If so, how much ?

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The Honourable Sir Nripendra Sircar : I have said that there has been a reduction of staff. I cannot give the exact information as to how many men have been reduced.

Seth Govind Das : Has the reduction of staff been in proportion to the decrease of work ?

Mr. President (The Honourable Sir Abdur Rahim) : That he cannot say.

INTRODUCTION OF A BILL REGARDING THE INDIAN CHARTERED ACCOUNTANTS.

383. ***Mr. Mohan Lal Saksena :** Will the Honourable the Law Member be pleased to state when Government contemplate introducing any Bill regarding the Indian Chartered Accountants as promised last year ?

The Honourable Sir Nripendra Sircar : The matter referred to in the question is still under consideration.

Mr. Mohan Lal Saksena : May I ask how long the Government will take to come to a final decision ?

The Honourable Sir Nripendra Sircar : I cannot say how long it will take. It is doing its business with reasonable expedition, but I cannot make any calculation in months or in days.

FILLING UP OF THE POST OF THE CHIEF MEDICAL OFFICER OF THE EAST INDIAN RAILWAY.

384. ***Seth Govind Das :** Will the Honourable Member for Railways be pleased to state :

- (a) whether it is a fact that there are four posts of Chief Medical Officers on the Indian State Railways ;
- (b) the number of posts (out of the four) held by Europeans at present ;
- (c) by whom the post vacated by Sir H. Suhrawardy (Medical Officer in Chief of the East Indian Railway) has been filled ;
- (d) whether Government have decided to fill the post by appointing a junior European Medical Officer, while senior and competent Indian officers are available ; and if so, their reasons therefor ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Three.

(c) and (d). Government have come to no decision as yet. Dr. F. E. R. Laborda is for the time being officiating as Chief Medical Officer, East Indian Railway. When making permanent arrangements the claims of all Medical Officers, Europeans and Indians, will be fully considered.

Seth Govind Das : Does the Honourable Member think that the proportion of Indians in the service is sufficient ?

The Honourable Sir Saiyid Sultan Ahmad : That is a matter of opinion. I cannot answer that question.

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Qazi Muhammad Ahmad Kazmi : What is the reason when the post was permanently vacant that a junior officer was appointed to fill up the post without considering the claims of all ?

The Honourable Sir Saiyid Sultan Ahmad : The question does not arise from the answer I gave.

Qazi Muhammad Ahmad Kazmi : The answer was that a junior man has been appointed and that the claims of all the officers will be considered afterwards ?

The Honourable Sir Saiyid Sultan Ahmad : I never used the word 'junior' at all anywhere.

Qazi Muhammad Ahmad Kazmi : The fact is that an officer has been appointed without considering his qualifications. Was he appointed temporarily ?

The Honourable Sir Saiyid Sultan Ahmad : I did not say, without considering the qualifications.

Qazi Muhammad Ahmad Kazmi : The claims of all persons were not considered when making this appointment ?

The Honourable Sir Saiyid Sultan Ahmad : I am afraid the Honourable Member has not quite followed, if I may respectfully say so, the question put by Seth Govind Das.

REDUCTION IN THE PRICE OF THE INDIAN RICE.

385. ***Seth Govind Das :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether it is a fact that the rate of freight by steamer on rice from Rangoon to Bombay in the years 1919 and 1920 was somewhere about Rs. 18 a ton ;
- (b) whether it is a fact that the present rate of freight is, on the same goods from Rangoon to Bombay, only Rs. 6 per ton ;
- (c) whether the reduction of freight is due to the competition between the steamer companies, viz., the B. B. S. I. Co., Ltd., and the Scindia Steamship Company ;
- (d) whether Government took any steps to prevent this competition that reduced the price of rice in India owing to the Burma rice being dumped in this country at cheaper rate ;
- (e) if not, why Government did not take necessary steps in the matter ; and
- (f) whether Government propose taking steps, now that Burma is separated from India and in order to keep the price of Indian rice up ?

The Honourable Sir Saiyid Sultan Ahmad : The information is being collected and will be laid on the table in due course.

Seth Govind Das : Will it be before the close of this Session ?

The Honourable Sir Saiyid Sultan Ahmad : I hope so.

INDIAN SHIPPING COMPANIES.

386. ***Seth Govind Das** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) the number of Shipping Companies (Indian) started during the last 40 years and which were closed down ;
- (b) their aggregate subscribed capital lost ; and
- (c) main reasons for the Indian shipping concerns for closing their business ?

The Honourable Sir Saiyid Sultan Ahmad : (a), (b) and (c). There are no official statistics available, and Government do not see sufficient justification for instituting inquiries from other sources which would have to cover so long a period as forty years, and could not be expected to give full or accurate information.

Seth Govind Das : On account of the failure of so many companies, this industry being of great national importance, do Government not think it desirable to collect this information, because in case they collect this information, the Government might like to introduce some legislation ?

The Honourable Sir Saiyid Sultan Ahmad : Not until we are satisfied that by doing that we will get full and accurate information. We are satisfied that that will not be possible.

Seth Govind Das : Not even approximate information about that.

The Honourable Sir Saiyid Sultan Ahmad : Government do not like to act on approximate information.

Seth Govind Das : Very near to correct and accurate information ?

(No reply.)

Mr. T. S. Avinashilingam Chettiar : Are Government not able to collect information for a period of forty years or are they not able to collect information for any period at all ?

The Honourable Sir Saiyid Sultan Ahmad : The question referred to forty years and the answer relates to that.

Seth Govind Das : Can't you collect information for 20 years or 15 years or even ten years ?

The Honourable Sir Saiyid Sultan Ahmad : I have given the answer that it is impossible to give full or accurate information.

Mr. T. S. Avinashilingam Chettiar : I asked a question whether the information was not available for a period of 40 years or for any period and I did not get an answer ?

The Honourable Sir Saiyid Sultan Ahmad : The official statistics are not there in existence and therefore we can only have unofficial figures which are not quite accurate.

INDIAN SHIPPING COMPANIES.

387. ***Seth Govind Das** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) the total percentage of Indian shipping tonnage in the coastal trade as against British Shipping Companies in the Indian Coastal Trade ;
- (b) the total share of Indian Shipping in the Overseas Trade of India as compared with that of English Shipping Companies ;
- (c) the total tonnage capacity of Indian ships and the number of steamships ;
- (d) the number of steamships the British India Steam Navigation Company owns in India and their total capacity ;
- (e) the average total number of men employed annually in England in the ship building and repairing industry ; and
- (f) the average total number of men employed annually in this country (1) in the ship-building, and (2) in the ship repairing industry ?

The Honourable Sir Saiyid Sultan Ahmad : The information is being collected and will be laid on the table of the House in due course.

Seth Govind Das : Will the information be available before the end of this Session.

The Honourable Sir Saiyid Sultan Ahmad : I cannot give a definite answer. It may be or it may not be available.

SUSPENSION OF RAILWAY TRAFFIC BETWEEN PARSARMA AND SUPAUL.

388. ***Babu Kailash Behari Lal** : (a) Will the Honourable Member for Commerce and Railways be pleased to state if it is a fact that every year the railway traffic is suspended between Parsarma and Supaul on account of flood, and that passengers are put to hardships on account of want of arrangement by the Railway authorities ?

(b) Do the Railway authorities contemplate remedying this grievance by constructing a bridge on the spot, or by making some other arrangement for the prompt crossing of the passengers ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I understand that there are causeways at mile 39 between Supaul and Parsarma on the Mansi-Bhaptiahi Section of the Bengal and North Western Railway which are liable to be flooded during the rains. When this occurs, the train service is interrupted, but transshipment by boat is arranged, provided that the water through the causeways does not rise above the safety limit.

(b) I am sending a copy of this question and of my reply to the Agent, Bengal and North Western Railway, for such action as he considers necessary.

Babu Kailash Behari Lal : Has the attention of the Government been drawn to the articles in *Searchlight* regarding this matter ?

The Honourable Sir Saiyid Sultan Ahmad : Not officially. I get a copy of *Searchlight* myself and I have looked into it.

Babu Kailash Behari Lal : Has the attention of the Government been drawn to the article in the issue of *Searchlight*, dated the 14th July, 1937 ?

The Honourable Sir Saiyid Sultan Ahmad : I gave the answer. Yes, unofficially.

Babu Kailash Behari Lal : May I know if Government instituted any enquiry about that complaint ?

The Honourable Sir Saiyid Sultan Ahmad : Yes ; this was taken up with the Bengal and North Western Railway who report that on that day the water rose above the safety level and transhipment of passengers had to be suspended and I may inform the Honourable Member that Mr. Mukherjee has lodged a claim for Rs. 517 against Bengal and North Western Railway.

Babu Kailash Behari Lal : Is it a fact that the trolley was used by the son of a railway servant on that day, but first class passengers were refused the use of trolley ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information to that effect at all.

DISCONTINUANCE OF THE RAILWAY LINE BETWEEN CINNAMARA AND TITABA JUNCTION, ETC.

389. ***Mr. Kuladhar Chaliha :** (a) Will the Honourable the Railway Member be pleased to state whether the Jorhat Provincial Railway is going to be taken up by the Assam Bengal Railway, or by the Railway Board ? If so, when ?

(b) Is it a fact that the Assam Bengal Railway or the Railway Board intend to discontinue the line between Cinnamara and Titabar Junction of the said line ?

(c) Are Government aware of the strong public feeling against the discontinuance of the said line ?

(d) Will Government please state whether the connection with the steamerghat at Kokilamukh will be kept up by the Assam Bengal Railway or by the Railway Board whichever takes up the said line ?

(e) Are Government aware that the public demands the connection of the Jorhat Town with the steamerghat at Kokilamukh ?

The Honourable Sir Saiyid Sultan Ahmad : The matter is under consideration.

LAVATORIES IN THIRD AND INTERMEDIATE CLASS CARRIAGES OF THE ASSAM BENGAL RAILWAY.

390. ***Mr. Kuladhar Chaliha :** (a) Will the Honourable the Railway Member be pleased to state how many third and intermediate class carriages of the Assam Bengal Railway have been provided with lights in lavatories and their sizes increased from 2 ft. 4 inches to the standard size ?

(b) Will Government be pleased to state whether the lavatories of third and intermediate class carriages of the Assam Bengal Railway are provided with basins and looking glasses for the convenience of the passengers ?

The Honourable Sir Saiyid Sultan Ahmad : The information is being collected and will be laid on the table of the House in due course.

TAKING OVER OF THE ASSAM BENGAL RAILWAY BY GOVERNMENT.

391. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable Member for Railways be pleased to state when the Assam Bengal Railway will be taken up by Government ?

The Honourable Sir Saiyid Sultan Ahmad : The earliest date on which Government can exercise the option to determine the contract with the Assam Bengal Railway Company is the 31st December, 1941. The question has not yet been considered at all.

T. I. AS. ON THE ASSAM BENGAL RAILWAY.

392. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable Member for Railways please state the number of T. I. A.'s on the Assam Bengal Railway and what is the number of the Muslims among them ?

The Honourable Sir Saiyid Sultan Ahmad : With your permission, Sir, I propose to reply to question Nos. 392, 393, 394, 395 and 396 together.

I am collecting information and will lay a reply on the table of the House in due course.

TRAFFIC INSPECTORS ON THE ASSAM BENGAL RAILWAY.

†393. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable Member for Railways please state the number of Traffic Inspectors on the Assam Bengal Railway and what is the number of Muslims in that cadre ?

MUSLIM OFFICERS IN THE MEDICAL DEPARTMENT OF THE ASSAM BENGAL RAILWAY.

†394. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable Member for Railways be pleased to state how many Muslim officers are there on the Assam Bengal Railway in the Medical Department, including upper subordinates ?

OFFICERS RECRUITED BY THE ASSAM BENGAL RAILWAY IN THE AUDIT DEPARTMENT.

†395. ***Mr. Muhammad Anwar-ul-Azim :** (a) Will the Honourable Member for Railways be pleased to state how many officers have been recruited by the Assam Bengal Railway in the Audit Department, during the last two years, and what are their qualifications ?

†For answer to this question, see answer to starred question No. 392.

(b) What are the qualifications of the Chief Auditor ?

(c) Were any of these posts advertised ?

ENGINEERS RECRUITED BY THE ASSAM-BENGAL RAILWAY.

†396. ***Mr. Muhammad Anwar-ul-Azim** : Will the Honourable Member for Railways be pleased to state how many engineers have been recruited by the Assam Bengal Railway during the last four years, and how many of them are Muslims ? Have they kept to the ratio fixed by Government in this matter ?

POLITICAL STATUS OF GOVERNMENT IN NEGOTIATING TRADE AGREEMENTS WITH CEYLON, DOMINIONS AND FOREIGN COUNTRIES.

397. ***Mr. G. V. Deshmukh** : Will the Honourable Member for Commerce and Railways be pleased to state what is the political status of the Government of India in negotiating trade agreements (i) with the Dominions and Ceylon, and (ii) with foreign countries ? What is the nature and extent of control by the British Government in respect of these agreements ?

The **Honourable Sir Saiyid Sultan Ahmad** : Sir, with your permission, I shall answer questions Nos. 397 and 398 together.

I would invite the attention of the Honourable Member to the provisions of section 314 of the Government of India Act, 1935, regarding the general control of the Secretary of State over the acts of the Governor General and the Governor General in Council. India does not enjoy as regards the negotiation of Trade Agreements the same political status as the self-governing Dominions but the difference is more of form than substance since as a matter of practice it has been established that Trade Agreements shall be negotiated by the Government of India direct with other empire countries and also foreign countries.

Seth Govind Das : Are Government aware that sometimes difference in form becomes more than difference in substance ?

The **Honourable Sir Saiyid Sultan Ahmad** : Possibly.

Mr. S. Satyamurti : There is a specific question in the last part, namely :

“What is the nature and extent of control by the British Government in respect of these agreements ?”

The **Honourable Sir Saiyid Sultan Ahmad** : I have referred to section 314 of the Government of India Act.

Mr. S. Satyamurti : My Honourable friend referred to the Secretary of State for India. I am not concerned with the Secretary of State for India. I am asking specifically, apart from the Secretary of State for India who is part of the governmental machinery for India, what is the nature and extent of control exercised by the British Government. I am asking as a matter of fact, and not as a matter of law

†For answer to this question, see answer to starred question No. 392.

just now, the control exercised by the British Government in respect of these agreements.

The **Honourable Sir Saiyid Sultan Ahmad** : As far as at present advised—I have not gone into the Government of India Act very carefully—there is no control by the British Government except through the Secretary of State.

Mr. S. Satyamurti : I want to know whether the Secretary of State, the extent to which he has control, takes his decision in consultation with the Government of India, or takes orders from the British Government.

The **Honourable Sir Saiyid Sultan Ahmad** : I have no information about that.

Mr. S. Satyamurti : With respect to the pending Indo-British trade negotiations in London, does the Secretary of State for India take any part in them or about them ? If he does so, does he do it as Secretary of State for India carrying out the wishes of the Government of India, or the commands of His Majesty's Government ?

The **Honourable Sir Saiyid Sultan Ahmad** : I am sure he does not take the commands of His Majesty's Government. The other part of the question, I cannot answer.

Mr. S. Satyamurti : Does he take the advice of His Majesty's Government ?

The **Honourable Sir Saiyid Sultan Ahmad** : On that I have no information.

Mr. N. M. Joshi : Is it not a fact that the Secretary of State for India is a Member of the British Cabinet and as such he is bound to take their advice ?

Mr. S. Satyamurti : I have read the Act carefully, and I say he is not bound to, in such matters.

POLITICAL STATUS OF GOVERNMENT IN NEGOTIATING TRADE AGREEMENTS WITH CEYLON, DOMINIONS AND FOREIGN COUNTRIES.

†398. ***Mr. G. V. Deshmukh** : Will the Honourable Member for Commerce and Railways be pleased to state if the Government of India occupies the same political status as the self-governing dominions in negotiating trade agreement (a) with one another, and (b) with foreign countries ? What is the nature and extent of control by the British Government in respect of trade agreements ?

EFFECT OF THE CHINA-JAPANESE WAR ON INDIAN TRADE AND COMMERCE.

399. ***Mr. T. S. Avinashilingam Chettiar** : Will the Honourable Member for Commerce and Railways state :

(a) what has been the effect of the China-Japanese war on Indian trade and commerce ;

†For answer to this question, see answer to starred question No. 397.

- (b) whether the imports and exports from and to China and Japan have been affected by the war ; and

- (c) if so, to what extent and effect ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (c). It is presumed that the Honourable Member refers to the current hostilities and not to the China-Japanese war of 1894. It is obviously too early yet to estimate the effect of Sino-Japanese hostilities on Indian trade and commerce.

RECRUITMENT OF SINDHIS ON THE NORTH WESTERN RAILWAY.

400. *Mr. Lalchand Navalrai : (a) Is the attention of the Honourable Member for Commerce and Railways been drawn to the information published in the *Karachi Daily*, dated Saturday, the 14th August, 1937, under the caption "Sindhis in North Western Railway glaring injustice" showing difficulties for Sindhis being recruited on the North Western Railway ?

(b) Is it a fact that the final selection for recruitment to Railway services is made in the Headquarter's office at Lahore ? If so, on what system are the candidates sent from various divisions of the North Western Railway for final selection to the Head Office and on what system are they finally selected ?

(c) Is it a fact that the process of selection, before the divisional system came into existence, was to make the recruitment locally in each District or Division ? If so, why is not that system of local recruitment being followed now instead of making double selection both in the Division and at the Headquarters of the Agency ?

(d) Will the Honourable Member be pleased to state the number of Sindhi candidates selected for employment at each of the four selections made at the Headquarter since 1935 ?

(e) Is it a fact that from Karachi Division not even as many candidates are sent up for selection as there are vacancies in that Division ? If so, why ?

(f) In view of the fact that there is a general complaint that Sindhis do not receive fair treatment at the Headquarter, are Government prepared, as a matter of a rule or a convention, to guarantee a number of places for Sindhis for selection at these boards in order to give a fair and reasonable share of appointments to them, or make some other arrangement to remove their grievance ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) and (c). Government have no information. These are matters of detailed administration within the competence of the Agent, North Western Railway, to decide, to whom a copy of the question has been sent for such action as he may consider necessary.

(d) I am collecting information and will lay it on the table of the House in due course.

(e) and (f). Government have not laid down any restriction on a territorial basis for recruitment to railway services, and see no reason to do so.

ANALYSIS OF REPLIES RECEIVED FROM THE STATES TO THE VICEROY'S LETTER ENQUIRING INTO THEIR VIEWS ON FEDERATION.

401. *Mr. S. Satyamurti : Will the Honourable the Leader of the House be pleased to state :

(a) whether it is a fact that the Political Department had for some time been engaged in consultation with the Government of India and the Secretary of State in a detailed analysis of the replies received from the States to the Viceroy's letter last August inquiring into their views on Federation ;

(b) whether, as a result of this analysis, the issues have been clarified, and what those issues are ;

(c) whether certain decisions on these issues will be arrived at soon and the next stage in the Federal negotiations will be pursued and if so, when ; and

(d) whether the Indian Legislature will be consulted, or any other steps taken to ascertain British Indian opinion on the issues involved before final decisions are taken and if not, why not ?

The Honourable Sir Nripendra Sircar : (a) Yes.

(b) Yes : it is not in the public interest to make any statement at this stage as to the nature of those issues.

(c) It is hoped so, but no date can be given.

(d) The attention of the Honourable Member is invited to the reply I gave to part (b) of his question No. 211 on the 31st August last.

Mr. S. Satyamurti : With reference to the answer to parts (a) and (b) of the question, may I know whether any final decisions have been arrived at on these issues ?

The Honourable Sir Nripendra Sircar : There cannot be any final decision until the Instrument of Accession is signed.

Mr. S. Satyamurti : May I know whether, before final decisions are reached leading to the signing of the Instruments of Accession, any opportunity will be given or availed of by Government to ascertain British Indian opinion, either through this House or in any other manner ?

The Honourable Sir Nripendra Sircar : I cannot give any undertaking at the present moment.

Mr. S. Satyamurti : Have Government considered this question, or are they considering this question ?

The Honourable Sir Nripendra Sircar : They must have considered the question.

Mr. S. Satyamurti : Have they come to any decision ?

The Honourable Sir Nripendra Sircar : The decision is that no undertaking is to be given now.

SHORT NOTICE QUESTION AND ANSWER.

ADDITIONAL RAILWAY FACILITIES FOR PASSENGERS DURING THE *Pitripaksha* FAIR AT GAYA.

Mr. Ram Narayan Singh : (a) Is the Honourable the Railway Member aware of the fact that the annual All-India *Pitripaksha* fair at Gaya is likely to begin from the third week of this month and that an unusually large number of Hindu pilgrims from all parts of the country gather there to perform religious duties ?

(b) If the answer to part (a) be in the affirmative, will the Honourable the Railway Member be pleased to state whether the Railway authorities there are making all possible special arrangements to cope with the situation, and, if so, what ?

(c) In view of the circumstances mentioned in parts (a) and (b) above, will the Honourable the Railway Member be pleased to state whether additional arrangements for more temporary resting sheds, running of special trains, more latrines, greater supply of water, sale of tickets all twenty-four hours at the station and also in the town and all such other necessary arrangements are being made ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) and (c). Yes. The additional arrangements being made to cater for the convenience of the pilgrims include the following :

- (i) the introduction of an additional train daily between Patna and Gaya in either direction ;
- (ii) stoppage of Poonpooon-Gaya Branch trains at Poonpooon meta platform ;
- (iii) opening of Palmerganj bathing ghat station on the banks of Poonpooon river ;
- (iv) opening of a city booking office at Gaya ;
- (v) introduction of twenty-four hours booking at Gaya station ;
- (vi) opening of an enquiry office in the third class passengers' waiting hall at Gaya ;
- (vii) additional coaching stock is being stabled at suitable points with which to strengthen trains to meet traffic requirements ;
- (viii) suitable waiting halls already exist at Gaya and Poonpooon ;
- (ix) the necessary medical and sanitary arrangements are being made in conjunction with the Local Government authorities ;
- (x) the period of availability of cheap week-end tickets is being extended.

Mr. Sri Prakasa : Is it not a fact that these pilgrims go to Gaya for the welfare of their dead ancestors, and not themselves ?

The Honourable Sir Saiyid Sultan Ahmad : The Honourable Member ought to know that better.

UNSTARRED QUESTIONS AND ANSWERS.

COLD STORAGE STATIONS ESTABLISHED IN INDIA.

57. Mr. Badri Dutt Pande : Will the Honourable Member for Commerce please state if any cold storage stations have been established in India ? If so, where, and at what cost ?

The Honourable Sir Saiyid Sultan Ahmad : The question does not concern me. It should have been addressed to the Secretary, Defence Department.

INDIAN INSURANCE COMPANIES.

58. Mr. Sri Prakasa : Will the Honourable Member for Commerce and Railways state :

- (a) the names of Indian insurance companies transacting life insurance business on the 10th August, 1937, and subject to the provisions of the Indian Life Assurance Companies Act, 1912, with the following particulars about them :
 - (i) year of establishment, (ii) paid up capital, (iii) deposits made upto the 10th August, 1937, under section 4 (1) of the said Act ;
- (b) the names of companies that were defaulters for deposits under section 4 (1) of the above mentioned Act and the dates since they have been such defaulters, as also the amounts due for such deposits from them ;
- (c) the names of companies to whom warning had been given regarding any default made by them for non-payment of such deposits ; and
- (d) the names of such companies that had been notified under section 34 of the Indian Life Assurance Companies Act, for being defaulters for non-payment of statutory deposits ?

The Honourable Sir Saiyid Sultan Ahmad : Information is being collected, and a statement will be laid on the table of the House in due course.

TICKET COLLECTORS AT MANMAD STATION ON THE GREAT INDIAN PENINSULA RAILWAY.

59. Mr. N. M. Joshi : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether it is a fact that the number of Ticket Collectors at Manmad Station on the Great Indian Peninsula Railway was reduced from 21 to 15 in 1934 ;
- (b) whether it is not a fact that they were classified as " continuous " workers and were getting a day's holiday in a week ;
- (c) whether it is a fact that they were re-classified as " intermittent " workers after the above reduction in the staff was effected in 1934 ; and

- (d) if so, whether Government are considering to bring those Ticket Collectors under the category of continuous workers and thus restore them to their former classification ; if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : With your permission, Sir, I propose to reply to questions Nos. 59, 60 and 65 together.

Government have no information. I may add for the information of the Honourable Member that the Hours of Employment Regulations are in force on the Great Indian Peninsula Railway, and Government have no reason to think that they are being infringed. I am, however, sending a copy of the questions to the Supervisor, Railway Labour, for such action as he may consider necessary.

HOURS OF WORK OF SHUNTING MASTERS AT THE POONA RAILWAY STATION.

†60. **Mr. N. M. Joshi :** Will the Honourable the Railway Member be pleased to state :

- (a) whether it is a fact that the shunting masters all over the Great Indian Peninsula Railway are required to work eight hours' a day ;
- (b) whether it is not a fact that the shunting masters working in goods and passenger yards at Poona Station are required to work ten hours ;
- (c) if so, why this differentiation is made and whether Government propose to reduce the working hours of those shunting masters to eight ; and
- (d) if not, why not ?

SUPPLY OF FREE UNIFORMS TO CABINMEN ON THE GREAT INDIAN PENINSULA RAILWAY.

61. **Mr. N. M. Joshi :** Will the Honourable the Railway Member be pleased to state :

- (a) whether it is a fact that the cabinmen on all Railways, excepting the Great Indian Peninsula Railway, get free uniforms ;
- (b) if so, whether Government propose to give a uniform treatment to the same class of employees over all railways ; and
- (c) if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information. These are matters of detailed administration within the competence of the Agents of Railways to decide.

†For answer to this question, see answer to unstarred question No. 59.

RESTORATION OF TRAVELLING ALLOWANCE TO *Hamals* WORKING ON CERTAIN STATIONS ON THE GREAT INDIAN PENINSULA RAILWAY.

62. **Mr. N. M. Joshi :** Will the Honourable the Railway Member be pleased to state :

- (a) whether it is a fact that a batch of 24 *hamals*, who were working on " tranship " trains between Sholapur and Dhond on the Great Indian Peninsula Railway, were attached to Sholapur station pay-sheet till 1935 ;
- (b) whether it is not a fact that *hamals*, working on " tranship " trains at other stations, are attached to the station pay-sheets and not to goods shed pay-sheets ;
- (c) whether it is a fact that in 1935 the said 24 *hamals* at Sholapur were attached to goods shed pay-sheet, and were thus deprived of their monthly travelling allowance which roughly amounted to Rs. 8 per head ;
- (d) if so, whether Government are considering the question of re-classifying them under their old category and restore to them their travelling allowance ; and
- (e) if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information. These are matters of detailed administration within the competence of the Agent, Great Indian Peninsula Railway, to decide, to whom a copy of the question has been sent for such action as he may consider necessary.

LEAVE ENJOYED BY THE EMPLOYEES ON THE GREAT INDIAN PENINSULA RAILWAY.

63. **Mr. N. M. Joshi :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) the total number of employees working on the Great Indian Peninsula Railway during the year 1936-37 ;
- (b) the total number of days during which the employees enjoyed leave in the year 1936-37 ;
- (c) the total number of employees who enjoyed leave during 1936-37 ;
- (d) the duration of the average leave enjoyed by an employee on the Great Indian Peninsula Railway during 1936-37 ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The latest information available with Government will be found in the statement at pages 234 and 235 of Volume II of the Railway Board's Report on Indian Railways for 1935-36, a copy of which is in the Library of the House.

(b) to (d). Government have no information, and they do not consider that the amount of time and labour involved in its collection will be justified by the results.

CONTINUOUS AND INTERMITTENT WORKERS ON THE GREAT INDIAN PENINSULA RAILWAY.

64. **Mr. N. M. Joshi** : Will the Honourable Member for Commerce and Railways be pleased to state the total number of "Continuous" and "Intermittent" workers on the Great Indian Peninsula Railway during the years 1934-35, 1935-36 and 1936-37, under the Hours of Employment Act ?

The Honourable Sir Saiyid Sultan Ahmad : The information available with Government will be found in Appendix to the Annual Report on the working of the Hours of Employment Regulations on certain Class I Railways during the year 1936-37, a copy of which is in the Library of the House.

HOURS OF WORK OF CABINMEN IN CERTAIN CABINS ON THE GREAT INDIAN PENINSULA RAILWAY.

†65. **Mr. N. M. Joshi** : Will the Honourable Member for Commerce and Railways be pleased to state :

(a) whether it is a fact that the cabinmen in Mazagaon and Elphinstone cabins (between Victoria Terminus and Kurla) on the Great Indian Peninsula Railway are required to work continuously for 12 hours a day ; and

(b) if so, whether the Hours of Employment Act is made applicable to them ; if not, why not ?

RUNNING OF AN ADDITIONAL EXPRESS BETWEEN MADRAS AND ERNAKULAM.

66. **Mr. C. N. Muthuranga Mudaliar** : (a) Will the Honourable Member for Railways state whether it is proposed to run a new train called the "Cochin Express" from Madras to Ernakulam from 1st October next ?

*(b) Is it proposed to run it shortly after the Malabar and the Blue Mountain Express ?

(c) Are Government aware that both the above Express trains are usually badly over-crowded ?

(d) Is it proposed to put in third class carriages, and, if so, how many ?

(e) Do Government propose to consider the desirability of starting the train in the evening, say at 4 or 5 P.M. so that the train can reach Ernakulam early next morning ?

(f) Are Government prepared to consider the desirability of running one or more Express trains composed entirely of third and intermediate class carriages between Madras and Ernakulam ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) No. The Cochin Express will leave Madras in front of the Malabar and Blue Mountain Expresses.

(c) Government understand that the Malabar and Blue Mountain Expresses are now usually full and these trains are strengthened when necessary by extra coaches being attached.

†For answer to this question, see answer to unstarred question No. 59.

(d) Yes. Provision is being made to accommodate 262 third class passengers from Madras in the new train.

(e) The new train will leave Madras at 19.25 hours and arrive Ernakulam at 9.45 hours the following morning. An earlier departure would not suit the Madras public and it is considered that the proposed timings best meet the public convenience.

(f) This is a matter within the competence of the South Indian Railway Administration and the suggestion will be conveyed to the Agent for his consideration.

THE INSURANCE BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume discussion of the following amendment to clause 3 moved by **Mr. Sri Prakasa** yesterday :

"That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

'Provided that if an insurer, incorporated under the Indian Companies Act, 1913, notifies to the Superintendent of Insurance, within three months from the commencement of this Act, his intention to amalgamate with or to transfer his business to another insurer, the provisions of this sub-section shall not apply to him for a period not exceeding twelve months from the date of the commencement of this Act.'

The Honourable Sir Nripendra Sircar (Law Member) : Sir, before the discussion goes on, may I mention one matter ? Amendments Nos. 20 to 30 have stood over, and I was quite agreeable and I am still agreeable to that. But I should like the House to dispose of them next week, either on Monday or Tuesday. My difficulty is this that they are wanted for drafting section 26, the one which relates to the keeping of assets, and I have got to prepare my drafts either on the basis of those definitions being accepted by the House or those definitions being refused. If clause 26 and these amendments are taken up together, it will be impossible for me to put up alternative drafts. I do not want them to be taken up today, but I believe there is no objection if they are taken up either on Monday or on Tuesday. Sir, with regard to the amendment moved by my Honourable friend, **Mr. Sri Prakasa**, yesterday, I object to it on behalf of Government and we oppose the scheme which is indicated in the amendment, that is to say, to give them some time and then notify and then get twelve months to make up their minds as to what they are doing. I am afraid I cannot accept this amendment which is really not wanted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

'Provided that if an insurer, incorporated under the Indian Companies Act, 1913, notifies to the Superintendent of Insurance, within three months from the commencement of this Act, his intention to amalgamate with or to transfer his business to another insurer, the provisions of this sub-section shall not apply to him for a period not exceeding twelve months from the date of the commencement of this Act.'

The motion was negatived.

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Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : Sir, I beg to move :

“ That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

‘ Provided that these provisions shall not apply to an Indian insurer for a period of twelve months who intimates to the Superintendent of Insurance within three months of coming into force of this Act, his decision to amalgamate with another insurer and undertakes not to transact any new business in the interval ’.”

The object of this is that in case the existing companies are not able to provide the deposit required under clause 6, they are given only three months now but they must be given 12 months so that they may be given time to negotiate with another company for amalgamation. I have provided for time in this proviso not for any evasion of this rule but for merely keeping the company on for a period of 12 months. Within the first three months the insurer should intimate to the Superintendent his intention to amalgamate. During the rest of the period he is actually proceeding with the amalgamation and in that period no new business should be transacted. They can only collect premia that are due on the existing policies, for otherwise, if new business is transacted, it will go on endlessly to the detriment of the new policy holders. Sir, I submit it is a most reasonable amendment and I hope the House will accept it. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

‘ Provided that these provisions shall not apply to an Indian insurer for a period of twelve months who intimates to the Superintendent of Insurance within three months of coming into force of this Act, his decision to amalgamate with another insurer and undertakes not to transact any new business in the interval ’.”

Mr. S. C. Sen (Government of India : Nominated Official) : Sir, I oppose this amendment. The object of this amendment is to create a period of interregnum for a period of 12 months in favour of a company which seeks amalgamation and the reasons given are that the company ought to be allowed to carry on one part of its business, namely, the collection of the premia in order to enable it to keep the business going pending the scheme of amalgamation. The sections do not impose any obligation upon a company which does not want to carry on new business either to register or to make any deposits. It is only if the company wants to carry on business that it is required to register or to make a deposit.

Mr. M. Ananthasayanam Ayyangar : The business of collecting premia, even on old policies, is business under this Act. Therefore, the company is prohibited from doing that business though it may not carry on new business.

Mr. S. C. Sen : The main basis upon which the company wants to amalgamate is that it is unable to carry on business by itself and, therefore, it must take the help of another company and amalgamate with it in order to enable it to carry on business. Therefore, if that is a company which is unable to carry on business of its own, why should it be allowed a

period of 12 months within which it can collect further premia on the off chance that it may succeed in amalgamating with another company. What is to happen if the amalgamation does not come off ? The suggestion is not at all reasonable and what I submit for the consideration of the Honourable Mover is that it is necessary, for the purposes of such a company which cannot go on of its own, either to make up its mind beforehand or otherwise to put a stop and not incur further liabilities to its policy holders in the shape of receiving premia unless the amalgamation is pretty certain of coming off. On these grounds, I oppose the amendment.

Mr. K. Santhanam (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Sir, I am rather surprised at this opposition from Mr. Sen. If you look at section 60 (2), you will find that a similar discretion has been given to the Superintendent of Insurance to give upto one year, and the consequence of this opposition, if this amendment is rejected, will be that every company which is not able to provide the deposit will be compulsorily forced into liquidation. It is not to the advantage of the policy holder, it is not to the advantage of the country that such a consequence should ensue. After all what is asked for is, that this company should keep itself alive so that it may merge itself into another company, and it is provided in the amendment that no new business should be transacted—only that the old business should be kept alive, so that it may be handed intact to the other company. If such a possibility is there, what is the difficulty in giving nine months' time ? After all, the other company with which this will be amalgamated will make deposits and the other company will be a guarantee that this company will be amalgamated with it. If no new business is to be transacted, the old policy holders will not suffer in the least because, at the most, only one half-yearly or quarterly premium will be collected : probably even that money will not be paid till the amalgamation is complete. Only the right of collection will be there. I think this amendment is quite necessary for giving relief to a large number of companies. The Leader of the House has quoted instances of companies not being able to get on just now : they will not be able to get on under the new conditions. Therefore, it is the duty of the Government to have some provision for these companies. It is no good saying : “ You should go into liquidation and all your policy holders must lose their policies.” I say that that is not fair. We suggest that the Government should consider seriously about accepting this amendment. I may also draw the attention of the House to the fact that amalgamation takes a very long time : you cannot decide on amalgamation today and have it carried out tomorrow. You have to have a shareholders meeting, special resolutions and policy holders meetings, and, therefore, it will take six months or eight months. This is the least possible period which is consistent with the idea of amalgamation and so I suggest that the House should carry this amendment and give relief to many companies which may not be able to fall in with the new scheme.

Mr. T. Chapman-Mortimer (Bengal : European) : Sir, we on these benches have considerable sympathy with the point of view expressed by my Honourable friend, the Mover of this motion, and also with the remarks of my Honourable friend, Mr. Santhanam. He has pointed out that this is a matter which is very closely associated with the amalgamations that we foresee must take place if life assurance especially, and Indian assurance is general, is to be put on a sound footing. On the other hand, we also

[Mr. T. Chapman-Mortimer.]

see the force of the arguments of my Honourable friend, Mr. Sen, and we feel that it will be much better not to press this amendment now, but to consider together whether we cannot frame a suitable amendment to come in the amalgamation section, so that we can, on the one hand, facilitate amalgamation of some small companies, and, on the other hand, meet the very real dangers and difficulties that my Honourable friend, Mr. Sen, has pointed out. Sir, I oppose the amendment.

Mr. Sami Vencatachalam Chetty (Madras : Indian Commerce) : Sir, I think in this matter Government must take a very large view of the state of such companies which *bonâ fide* want to carry on their business but for the restrictions that have been imposed under this Act. It is not from the point of view of the companies that we are arguing, but it is more from the point of view of the interests of the policy holders involved in these companies that we are pressing this amendment. If it is not the intention of the Government to affect these policy holders who have done business with the companies which will not be able to stand the rigours of the conditions of this Bill, it is necessary that facilities should be given to these companies who want to protect the interests of the policy holders. I suppose when amalgamation offers a chance for retrieving the business of any company which is not able to carry on business individually, reasonable facilities should be given. There are a number of cases in which companies feel that they may not be able to get the large capital and the large deposit that may be required as soon as this Act is passed, and the only way in which they can be honest towards their policy holders is to seek affiliation with some big company so that the policy holders might not be affected, and in order to enable them to carry out their honest intentions towards the policy holders, time must be given, and it is not as if under the cover of this time they can carry on their trade and affect the policy holders' interests much larger than what they are today; because within three months the intention to affiliate must be given to the Superintendent of Insurance; and that intention itself will be ample notification to the policy holders whether they are convinced of the attempts of the company to affiliate and amalgamate with other companies, and therefore the premia that they will have to pay will be quite safe. If they feel that this attempt to amalgamate is not quite substantial or quite sound, they will themselves not pay the premium. Apart from that there is already the initial deposit of Rs. 25,000 of these companies with the Government and therefore the risk that the policy holder incurs is covered by the Rs. 25,000 which is already there. There is no additional risk which the policy holders will incur on account of this attempt. On the other hand, they will be protected. As regards my friend, Mr. Chapman-Mortimer's sympathy with the motive of this amendment he talked of some other opportunity to give effect to this intention: I want to know what is really the place and the situation that we can possibly give.....

Mr. T. Chapman-Mortimer : Clause 30.

Mr. Sami Vencatachalam Chetty : In that case we would only require an assurance from the Government that they will be able to consider this matter when the proper occasion arises, in which case we may consider the question of withdrawing this amendment.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Sir, may I call attention to clauses 30 and 31, not with a view to examining them in detail, but with a view to submitting this; that the process of amalgamation there pointed out would have little or no value because if within three months the company has got to find the deposit, the process of amalgamation as pointed out and provided in clauses 30 and 31 will not be completed within that period, because as you see in sub-clause (3) of clause 30, the amount of time required for the several notices there mentioned may easily exceed three months. What I would suggest at this stage is this, that if when these sections are taken up a petition is being filed, the court can give extension of time for deposit to the company which has so petitioned for amalgamation, the objection will be met, and it would also be a reasonable guarantee that time is not being taken up only with the object of wasting it and at the end of the year to find themselves in the same position. I therefore submit this that, if when sections 30 and 31 are considered, the amalgamating company is allowed sufficient time for the purpose of making the deposit required under the Act on a petition being filed for that purpose, it will meet the requirements, and it will also check a mere evasion of the Act.

The Honourable Sir Nripendra Sircar : Sir, there cannot be any

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objection to consider the proposition which the Honourable the Leader of the Opposition has suggested which, *primâ facie*, is a reasonable one, but I only want to point out one fact. Speaker after speaker has proceeded on the assumption that they have got to do something in a day or two, that amalgamation will take time and so on, but it must not be forgotten that if this Bill is passed, surely the Government will not think of bringing it into operation the next day or the next month or even within two months, because it is making such drastic changes that six months' time is the minimum I can think of. So I wish to point out that when this matter comes up, they will get a reasonable time for amalgamation.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That to sub-clause (1) of clause 3 of the Bill, the following proviso be added :

'Provided that these provisions shall not apply to an Indian insurer for a period of twelve months who intimates to the Superintendent of Insurance within three months of coming into force of this Act, his decision to amalgamate with another insurer and undertakes not to transact any new business in the interval.'

Mr. M. Ananthasayanam Ayyangar : Sir, in view of the assurance given by the Honourable the Law Member, I beg leave of the House to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. T. Chapman-Mortimer : Sir, I move :

"That in sub-clause (2) (b) of clause 3 of the Bill, for the words 'in any other case' the words 'in the case of an insurer specified in sub-clause (a) (ii) of clause 8 of section 2' be substituted."

Sir, this clause really links up with our previous amendment, and also with 58 and 60 which hang together. With your permission, I should like to move them together, as it will simplify debate.....

Mr. President (The Honourable Sir Abdur Rahim) : Why don't you put in one amendment ? That will be far more convenient.

Mr. T. Chapman-Mortimer : No, Sir, they relate to different parts of the clauses. So I shall move them separately if you have no objection.

Mr President (The Honourable Sir Abdur Rahim) : All right.

Mr. T. Chapman-Mortimer : The object of this amendment, Sir, is really to clear up the meaning of the interpretation of the section. This sub-section (2) (b) was inserted, as Honourable Members are aware, by the Select Committee, and the intention was to provide for the case of firms as well as the case of companies. But as the clause is now drafted, it says there "and in any other case",—that would include not merely firms but it would also cover companies incorporated abroad ; and if Honourable Members will look further down the section, they will observe what has been provided,—the names and addresses of proprietors. That is all-right for the case of firms, but in the case of companies, proprietors and shareholders are really the same people. If Honourable Members will turn to clause 25 of the Bill, they will see that it is there provided that whenever any alteration occurs or is made which affects any of the matters which are required under the provisions of sub-section (2) of section 3 to accompany an application, they must immediately furnish particulars of the alteration made. Well, Sir, it is obviously quite impossible for companies with hundreds and thousands of shareholders to notify the Registrar every time a change is made, and our amendments No. 56 and the following amendments Nos. 58 and 60 are designed to clarify that position. If our amendment goes in, then the clause will read thus : "and in the case of an insurer specified in sub-clause (a) (ii) of clause 8 of section 2.....", that is to say, the names and addresses of the proprietors, i.e., the partners and managers in British India ; then we go on in our subsequent amendments to say "and in any other case.....", that is to say, firms or companies outside British India—these would then come in and they would have to provide the full address of the principal office of the insurer in British India. Then, we have a further amendment to say that they must also provide the name of the manager at such office ; in other words, they would have to do the same thing as is provided in other cases. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (2) (b) of clause 3 of the Bill, for the words 'in any other case' the words 'in the case of an insurer specified in sub-clause (a) (ii) of clause 8 of section 2' be substituted."

The Honourable Sir Nripendra Sircar : Sir, as the ambiguity is one for which we cannot disclaim responsibility, I may explain to the House why the word "proprietor" was put in. Our idea was that there may be insurance companies consisting of firms or of individuals, and we intended the word "proprietor" should also apply in those cases. It was not our intention that the list of shareholders or any changes in the shareholders' list should be communicated to the Superintendent. I think there may be some force in what has just been urged, that in the case of companies it may be said that the shareholders

are the proprietors, but I doubt it very much, but it is not our intention that the list of shareholders or any changes in the shareholders' list should be sent to the Superintendent. In that view, therefore, I have no objection to accept the amendment, but I have reasonable doubts as to whether, in the case of companies, "proprietors" will include shareholders, but I do not want any doubt to remain.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (2) (b) of clause 3 of the Bill, for the words 'in any other case' the words 'in the case of an insurer specified in sub-clause (a) (ii) of clause 8 of section 2' be substituted."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : I think it will be more convenient if the Honourable Member, Mr. Chapman-Mortimer, moves the other amendments which are connected.

Mr. T. Chapman-Mortimer : Very well, Sir, I will move 58 and 60. Sir, I move :

"That in sub-clause (2) (b) of clause 3 of the Bill, after the words 'British India', in line 6, the words 'and in any other case' be inserted."

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (2) (b) of clause 3 of the Bill, after the words 'British India', in line 6, the words 'and in any other case' be inserted."

The motion was adopted.

Mr. T. Chapman-Mortimer : Sir, I move :

"That in sub-clause (2) (b) of clause 3 of the Bill, after the words 'British India', in line 7, the words 'and the name of the manager at such office' be inserted."

Mr. M. Ananthasayanam Ayyangar : Amendments Nos. 56 and 58 have been adopted for the purpose of clarifying as to whether proprietors meant shareholders or not. But so far as this amendment No. 60 is concerned, the names of Directors need not be given at all though it is a company whose principal place of business is here, but it will give only the name of the manager. You must have the names of directors in addition as in the case of companies incorporated under the Indian Companies Act, and I therefore suggest that the names of the directors also should be given.

Mr. F. E. James (Madras : European) : May I point out that in clause 54 there is a provision that a list of the Directors, if the insurer is a company, should be filed with the Superintendent of Insurance.

Mr. Bhulabhai J. Desai : That is all the greater reason why it should be here, because this is the stage of inception, of application, so that if the words "names of the Directors and managers" were used, then it would cover the whole ground and bring it in a line with that clause.

Mr. T. Chapman-Mortimer : I have no objection.

ident (The Honourable Sir Abdur Rahim) : The ques-

sub-clause (2) (b) of clause 3 of the Bill, after the words ' British ', the words ' and the names of the directors and the manager at such ed.'"

The motion was adopted.

Mr. K. Santhanam : I beg to move :

" That in sub-clause (2) (b) of clause 3 of the Bill, after the word ' manager ' the words ' and other principal officers ' be inserted."

The principal officers have been given some functions and it is necessary that from the outset their names should be sent to the Superintendent. I think it is a purely clarifying amendment and I hope it will be accepted.

The Honourable Sir Nripendra Sircar : I think it is unnecessary and embarrassing. They have got to disclose the names of the manager and of the directors and my friend wants the names of the principal officers. Who are principal officers is not defined in the Bill. The manager is considered one of the principal officers. It is really of no use to anybody to get the names of certain persons who have not been defined at all.

Mr. M. Ananthasayanam Ayyangar : May I refer my Honourable friend to the definition clause (10) where it says, ' Managing Agent ' ' manager ' and ' officer ' have the meanings assigned to those expressions in clauses (9-A), (9), and (11) respectively of section 2 of the Indian Companies Act."

The Honourable Sir Nripendra Sircar : Officers have been defined but not principal officers.

Mr. M. Ananthasayanam Ayyangar : " Principal officers " find a place in the various sections of the Act, what a principal officer has to do lest there should be a mistake if the man who performs the functions of the manager may perform those functions without the designation of manager. It is the principal officer that has to file affidavits. The manager's designation may not be there and some other person may be doing that work. All cannot be principal officers and a principal officer can be defined when there is a definition of an officer. It is necessary that the names of principal officers should be given for the same purpose for which the name of a manager is given and the name of the director is required in the clause.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (2) (b) of clause 3 of the Bill, after the word ' manager ' the words ' and other principal officers ' be inserted."

The motion was negatived.

Mr. Sami Vencatachelam Chetty : I move :

" That in sub-clause (2) (d) of clause 3 of the Bill, after the words ' the principal officer of the insurer ' the words ' authorised in that behalf ' be inserted."

Certain statements have got to be made by this person before the Superintendent of Insurance. Such statements are *ipso facto* taken to be authorised statements of the principal officer. It may be that he was not authorised to do so. It is necessary that he should be safeguarded by an authority from the principal officer to make the affidavit that is necessary.

The Honourable Sir Nripendra Sircar : I accept that amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (2) (d) of clause 3 of the Bill, after the words ' the principal officer of the insurer ' the words ' authorised in that behalf ' be inserted."

The motion was adopted.

Mr. P. J. Griffiths (Assam : European) : I move :

" That sub-clause (2) (e) of clause 3 of the Bill be omitted."

We dislike this clause not because it involves any practical difficulties or any special principle is involved. We dislike it merely because it appears to us a somewhat clumsy method of achieving the desired end. Roughly speaking, the clause states that a non-Indian insurer before he starts business in India must file an affidavit stating what restrictions are in force in his own country on the carrying on of insurance business by Indians. We fully agree that the Government of India ought and indeed must have full information on that point. But we are not prepared to admit that on such an important matter the Government should depend for its information merely upon affidavits filed by would-be insurance company. After all, you would have a Superintendent of Insurance and he is going to be paid more than Rs. 500 a month and I am sure he will do his job well. There will be no difficulty on his part in ascertaining the law or the practice in force in the different countries concerned. After all, laws and regulations are not esoteric matters ; they are contained in books of statute and manuals of regulations and it will be perfectly easy for the Government to obtain those statutes and those regulations and to be fully aware of the conditions in those countries without compelling the filing of these affidavits.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That sub-clause (2) (e) of clause 3 of the Bill be omitted."

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : I rise to oppose the amendment that has been moved by my Honourable friend. My Honourable friend said that the Government are supposed to be, or are, in fact, fully aware of the conditions prevailing in foreign countries. Only last year I gave notice of a question to which a lengthy reply was given in the month of August saying that the information would be collected. In my question I had asked the same point that has just arisen. I asked what was the condition under which the Indians were trading in those countries, and the reply was that, so far as the British Colonies and the Dominions were concerned, they were collecting the information and so far as the outward world is concerned I am sorry to say our Government said they did not think it would be commensurate with the labour and the trouble involved to find out the conditions that existed. Sir, up to now, I have not received any reply and I do not think I regret to say that our

[Mr. Husenbai Abdullabhai Laljee.]

Government is aware of the condition prevailing. Therefore, I do hope that those who wish to come to my country to trade and do business and make some money should be able to say what is the condition they are prepared to give to my people and what are the conditions prevailing there. Furthermore, I know it for a fact that in the foreign countries conditions are changing from day to day, according to the alliances they make and we find that the conditions which prevailed a couple of months ago do not prevail today. Therefore, I think the provision made is really fair and equitable and the gentlemen who wish to come to this country ought to make that declaration.

Sir H. P. Mody (Bombay Millowners' Association : Indian Commerce) : I am not in agreement with the amendment on another ground. I think the provision does not go far enough. After all, what is the value to be attached to the affidavit of an applicant himself? I am not suggesting that he would make a false declaration. He may not have sufficient knowledge, and the affidavit of such an officer should not be regarded as sufficient for the purpose. Once we concede that we are entitled to know whether any restrictions have been imposed upon our nationals in another country, we should have something more than the statement of a party who is interested. My own submission would be that the application should be accompanied by an affidavit of some responsible statutory authority of the country. I, therefore, do not agree with the amendment, and I think the provision itself does not go far enough. It should be strengthened.

The Honourable Sir Nripendra Sircar : I oppose the amendment. I think my Honourable friend, Mr. Griffiths, is of opinion that it is difficult for the Czecho-Slovakian to tell us what his law is but it is quite easy for the Indian in Delhi to find out that law. And not only law. It is a question of practice. One can imagine the difficulty of the officers at Delhi or Simla to find out the practice prevailing in Rumania, Czecho-Slovakia or Australia....

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : Or Timbuctoo !

The Honourable Sir Nripendra Sircar : But I thought the laws of Timbuctoo were well known to us. (Laughter.) He says that it may be that the officer who will swear the affidavit does not know the laws of his own country. Let him take a little trouble to find that out. If he has got to do insurance business, it is up to him to exert himself just a little and find out the law prevailing in his own country. I submit there is no reason why this section should be deleted. It is said that the thing to be achieved is quite all right but our method is clumsy but I cannot conceive of a more elegant method and, therefore, we have followed this clumsy method. If the gentleman is not aware of his law and if he can prove it in a court of justice, he may escape the three years' rigorous imprisonment which is the penalty embodied here. I oppose the amendment.

Mr. B. Das (Orissa Division : Non-Muhammadan) : I would not have spoken but the sense of co-operation and good will of the United Kingdom gentleman, like my Honourable friend, Mr. Griffiths, has prompted me to take part in this debate. I am glad the Government have

opposed this amendment. I want to know the mentality of the representatives of the United Kingdom who are sitting in the European Group. They have secured certain protection and they are deemed to be Indians but I want to know how far, in their own minds, they identify themselves with the interests of Indians, in the fight with the common enemy, the foreigners, including the Dominions. Probably my friend, Mr. Griffiths, has a soft corner for the Dominions. Has it not happened before the War that every Tom, Dick and Harry, every Japanese.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member need not go into all that.

Mr. B. Das : I want to show why this affidavit is necessary. I will give the House certain figures which will make my friend, Mr. Griffiths, and Members of the European Group shudder and they will not move another discriminating amendment like this. It is well-known that Japan does not permit an Indian insurance company to handle business and imposes a sum of 30 lakhs of rupees to carry out business in Japan. Italy imposes about 20 lakhs.....

The Honourable Sir Nripendra Sircar : Is this heavy cannon necessary for killing this mosquito? (Laughter.)

Mr. B. Das : I want my friends the Members of the European Group to realise the degree of their offence. They are showing so much sympathy to foreigners who are exploiting India and they want to do this only to help the Dominions.

Mr. P. J. Griffiths : May I make it quite clear that in this particular matter we are not concerned with the question of retaliation at all. We are merely saying that Government should not depend for their information on this clumsy method.

Mr. President (The Honourable Sir Abdur Rahim) : The question is : "That sub-clause (2) (c) of clause 3 of the Bill be omitted."

The motion was negatived.

Babu Baijnath Bajoria (Marwari Association ; Indian Commerce) : Sir, I move :

"That in part (c) of sub-clause (2) of clause 3 of the Bill, the word 'British' be omitted."

This clause is meant for foreigners and if the word 'British' is there it means that people outside British India will also have to give this statement. Then it will apply to subjects of Indian States. I do not think it is the intention of this House that the subjects of Indian States resident in India should furnish all these particulars. In my opinion, subjects of Indian States are as much Indians as British Indian subjects and there should not be any discrimination between British Indian subjects and subjects of Indian States in the Bill. Otherwise the business of those people who come from Indian States and do business in British India will be greatly hampered. I hope Government will accept this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in part (c) of sub-clause (2) of clause 3 of the Bill, the word 'British' be omitted."

The Honourable Sir Nripendra Sircar : Sir, I oppose this amendment. I am told that there are about 670 States in India, and I am not familiar with the laws of all these 670 States. I am not aware whether in all the States there is anything about insurance or insurance law.

Mr Sri Prakasa : They are insured by the British Government.

The Honourable Sir Nripendra Sircar : We have got to consider not only the position as it exists today, but as it may exist hereafter. I am not sure what laws will be passed in the States.

Babu Baijnath Bajoria : The States are also coming under the Federation.

The Honourable Sir Nripendra Sircar : My friend says that the States are coming under the Federation. I believe he is the astrologer I was looking for. (Laughter.)

Mr President (The Honourable Sir Abdur Rahim) : The question is :

“ That in part (e) of sub-clause (2) of clause 3 of the Bill, the word ‘ British ’ be omitted.”

The motion was negatived.

Mr. M. Ananthasayanam Ayyangar : Sir, I beg to move :

“ That after sub-clause (2) (e) of clause 3 of the Bill, the following new part be inserted and the subsequent part be re-lettered accordingly :

‘ (f) In the case of an insurer mentioned in sub-clause (e), a declaration verified by an affidavit declaring that it carries on its independent business and issues policies in its own name at its principal place of business or domicile and is not subsidiary to or merged in or amalgamated with any other insurer and ’.”

The object of this amendment is to avoid companies, which really have no existence in foreign countries, carrying on business here. They are merely registered in their own country and come here and do the insurance business. Neither the public opinion of their country nor the public opinion of this country would be responsible for their properly maintaining certain reserves or for carrying on their business properly. A number of such companies have already been in existence in this country and their names are given in the Appendix to the Blue Book, to which a reference has already been made by the Leader of the House as the *de luxe* edition. Honourable Members will find from this Appendix how numerous these companies are which have been trading under practically a false name. When they are asked to submit a balance-sheet or the profit and loss account, they refer to the balance-sheet of some other company which is in existence in a foreign country. I draw the attention of the Honourable Members to page 93 of this *de luxe* edition.

The Honourable Sir Nripendra Sircar : I know her very well !

Mr. M. Ananthasayanam Ayyangar : This is the list of subsidiary companies which appear to have no separate identity.

“ Asiatic Fire Insurance Co. . .	..	Owned by ‘ Sun ’ Fire Office of London. Cannot trace any independent existence. Inquiry for balance sheet produced balance sheet of Sun Fire.
Eastern Insurance Co. Ltd. . .	..	Incorporated in the ‘ Triton ’ of Calcutta. Inquiry for balance sheet produced that of ‘ Triton ’.
Equitable Fire Office . .	..	All shares bought by ‘ London and Lancashire ’ in 1901. Paid part cash and part shares in ‘ London and Lancashire ’. (Some of our own friends are also carrying on business with this company.)
Greater Britain Insurance Corporation, Ltd. . .	..	Direct Fire and Accident business acquired by ‘ North British and Mercantile ’ in 1921. The ‘ Greater Britain ’ appears to have been wound up in 1922.
Imperial Insurance Co. . .	..	Shareholders given shares of ‘ Alliance ’ of London, in 1902. (It is not responsible nor is subject to any of the laws or provisions which might be incorporated in this Act.)”
Indian Guarantee and General Insurance Co. of Bombay.”		

Now, Sir, I do not want to quote all the names of the various Companies but the list contains about 25 names of companies. But even this scanty information is not available regarding those companies which are mentioned towards the end on page 95, such as, Batavia Sea and Fire Insurance Company, Limited, British Traders Insurance Company, Limited, China Fire Insurance Company, Limited, Eastern United Assurance Corporation, Limited, Java Sea and Fire Insurance Company, Limited, Maiji Fire Insurance Company, Limited, Yangtze Insurance Company, Limited. These are all subsidiary companies but, as they are established outside Great Britain and India, we have no information as to their position. All are working in India. These mushroom companies have, unfortunately, escaped the all-vigilant eye of the Honourable the Leader of the House. He was very anxious to put down the black mushrooms of this country and I do not know why he is not so anxious about the white mushrooms from other countries. Many provisions have been made in this Bill with reference to the existing companies and the policy-holders have been given representation on the Directorate. But if they are foreign companies, we have absolutely no such representation on their Directorate. Besides, these foreign companies are carrying on their business elsewhere also. Is it not necessary, in the absence of safeguards, also to know that these foreign companies are really sound companies and are subject to public criticism in their own country ? Are we to allow those companies which have no existence in their own country but want to carry on their business here by deceiving our people ? Sir, if any safeguard is necessary, it is in the case of such companies and the growth of such companies should be immediately put down.

As regards the opinions that have been collected, I wish to quote one opinion which is to be found on page 5. It says :

“ The Committee in their experience have known several instances where foreign insurance companies, although not carrying on any insurance business in their own country, purport to do insurance business in India in their own Indian name.”

[Mr. Ananthasayanam Ayyangar.] /

If these companies want agents, they call themselves by some particular names and, when they are scratched, they say that they are doing business on behalf of some important company. But all the same they do their own business. They have already got their touring agents. Therefore, it is necessary, in the interests of the existing companies here and also the policy-holders, that these foreign companies should not be allowed to continue any longer.

One word more, Sir, and I have done. I find that almost every word that has been incorporated in the Bill, as it has emerged from the Select Committee, is to be found in the suggestions which have been incorporated in the *de luxe* edition before it developed into such a good edition as this. I do not know how the Members of the Select Committee or the Leader of the House can say much against this *de luxe* edition. All the same, justice requires that we who use so many portions of the book ought not to make light of this book. I, therefore, request the House to adopt this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That after sub-clause (2) (e) of clause 3 of the Bill, the following new part be inserted and the subsequent part be re-lettered accordingly :

"(f) In the case of an insurer mentioned in sub-clause (e), a declaration verified by an affidavit declaring that it carries on its independent business and issues policies in its own name at its principal place of business or domicile and is not subsidiary to or merged in or amalgamated with any other insurer and."

The Honourable Sir Nripendra Sircar : Sir, I oppose the amendment. If that is my friend's speech where he has not been carried away, I wonder what will happen if that calamity takes place. Whether the foreign company is a mushroom or whether it is a toadstool, if it wants to do business here it has got to make the large deposits, it has got to keep assets, and it is subject to all the control and powers of investigation of the Superintendent. We are not concerned as to what its position is in the foreign country. Secondly, we must be consistent. We have shown no consideration to the subsidiaries. My Honourable friends of the European Group are going to move an amendment (No. 156) to the effect that these subsidiaries may be taken as subsidiaries and the subsidiaries *plus* the principal company may make one deposit and things of that kind. I am going to oppose that amendment and the Select Committee also did not accept it. But I have not yet understood what is a calamity which is going to happen to the policy-holders or to the Indian insurance business if a company, whether it is a principal company or a subsidiary company or a substantial company or an insolvent company. If that comes to carry out business, it has got to comply with all the conditions which the Select Committee has put on companies including foreign companies. I absolutely see no necessity for this amendment. Of course, theoretically everything is possible. A company which is going to carry on business has got to say that, in its own place of origin it issues policies in its own name. Supposing it does not, what does it matter to us whether it issues policies in its own name or in the name of any other particular company. If any one carries on business, we are

only concerned with the question whether it is a foreign company or an Indian company and if it keeps heavy deposit and keeps its assets subject to the control of the Superintendent, we feel quite secure.

Mr. B. Das : Sir, I have a similar amendment (No. 107), and I am sorry to say that though I listened most attentively to the Honourable the Law Member, I cannot take such a broad view as the Honourable the Leader of the House has taken, naturally because I am the affected party. This Insurance Bill, if passed into law, is going to put certain restrictions on foreign insurance companies and foreign exploiters. The Honourable the Law Member admits that there are certain companies that may not be doing insurance business in their home country, but when they work in India, they have to conform to the rules and procedure as laid down in the Bill, they have to put down the deposit that is specified in clause 6 of the Bill and they can carry on business.....

The Honourable Sir Nripendra Sircar : And keep assets.

Mr. B. Das : Of course. What the Indian insurer wants is this ; he does not want any more competition from outside foreign companies. We know, to our cost, how German doctors have been coming out from Germany and are practising in every odd place in India taking away the bread out of the mouth of doctors, though not out of such eminent surgeons like my Honourable friend, Dr. Deshmukh. We do not want such a company that was started with the original purpose of doing insurance business in certain foreign countries or even in the United Kingdom, but did not carry on that business in the home country, but coming to India it blossoms forth as "European"—it always adds a premium to their names and to their appearance in this country—such subsidiary companies carry on better business and they give more inducements to their Agents and to the policy-holders, and they carry on a competitive trade. If, Sir, the original and the only purpose of this Insurance Bill is to develop Indian insurance industries and to restrict competition, this clause is essential and necessary and I appeal to the Honourable the Law Member to consider it from that aspect. We do not want bogus companies from Czecho-Slovakia or Japan or Germany to come here and in spite of their paying necessary securities to the Government, and carry on competitive insurance business in India.

Mr. K. Santhanam : Sir, there are one or two important aspects which were not pointed out by the several speakers. For instance, in the case of a general insurance company, it is not asked to keep any other assets except a deposit of one lakh. A fire insurance company can collect a crore as premium and spend it away within the year or knock it away. Unless we know that it is a company well established somewhere, we can have no hold on it. Secondly, the conditions imposed by this Bill are minimum conditions. They are not maximum conditions. Therefore, when we lay down minimum conditions, we expect that all the business done will be trustworthy business. Again if there is a surplus, and if the surplus is carried away, it does matter to us. We are interested in seeing that the surplus is utilised by people doing legitimate business and not by interlopers. If it is a well-established company, if it does honest business in the country and if its business is likely to be stable, then it will be of some advantage to the country. Suppose some mushroom companies come and knock away a large sum of money in one

[Mr. K. Santhanam.]

or two years, how does it benefit this country? I, therefore, suggest that this amendment is a very useful amendment, it is a necessary clause and I do not see any harm in enacting it. Moreover, if the Honourable the Law Member wants to oppose this clause, he should have given some reasons which he has not done. What is wrong if this clause is incorporated in this Bill? How will this Bill suffer? How will the insurance business suffer? Will anybody suffer by a provision like this? I suggest it is a useful amendment which the Honourable the Leader of the House ought to accept. Even if he opposes this, because he does not think it proper to accept many amendments proposed by the Opposition, I suggest that the House should accept it and I suppose then the Government will not raise any objection.

Mr. Husenbhai Abdullabhai Laljee : May I know, Sir, if the Honourable the Law Member is aware of the fact that in foreign countries big companies establish subsidiary companies in different parts of the world to meet the requirements of those parts of the world. Now, Sir, assuming it is a fact—and it is a fact—that Italian or American or German companies establish subsidiary companies in France, England and other countries and do business there in life and other insurance and if those companies come in here and establish business in New Delhi, then under what law will they come so far as reciprocity is concerned. Will the Honourable the Law Member treat them as a foreign company—Italian or American or German or United Kingdom? This is going on actually and it is a fact. I should like the Honourable the Leader of the House to consider this aspect of the question seriously specially with regard to clause 53 because our real objective is we want to treat these foreign companies in the same way as they treat us. We ought not to allow them to evade the law which they ought to be prepared to carry out unless they treat us as equals in their countries. I can give half a dozen such instances where foreign companies carry on business here.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“That after sub-clause (2) (e) of clause 3 of the Bill, the following new part be inserted and the subsequent part be re-lettered accordingly :

“(f) In the case of an insurer mentioned in sub-clause (e), a declaration verified by an affidavit declaring that it carries on its independent business and issues policies in its own name at its principal place of business or domicile and is not subsidiary to or merged in or amalgamated with any other insurer and.”

The Assembly divided :

AYES—47.

Abdul Qaiyum, Mr.
Abdullah, Mr. H. M.
Aney, Mr. M. S.
Ayyangar, Mr. M. Ananthasayanam.
Banerjee, Dr. P. N.
Chaliha, Mr. Kuladhar.
Chattopadhyaya, Mr. Amarendra Nath.
Chaudhury, Mr. Brojendra Narayan.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami. Vencatachelam.

Chunder, Mr. N. C.
Das, Mr. B.
Datta, Mr. Akhil Chandra.
Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
Gadgil, Mr. N. V.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.

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AYES—contd.

Hosmani, Mr. S. K.
Jogendra Singh, Sirdar.
Joseph, Mr. George.
Kailash Behari Lal, Babu.
Laljee, Mr. Husenbhai Abdullabhai.
Maitra, Pandit Lakshmi Kanta.
Malaviya, Pandit Krishna Kant.
Mangal Singh, Sardar.
Mudaliar, Mr. C. N. Muthuranga.
Muhammad Ahmad Kazmi, Qazi.
Pande, Mr. Badri Dutt.
Parma Nand, Bhai.
Raghubir Narayan Singh, Choudhri.
Ramayan Prasad, Mr.

Rao, Mr. Thirumala.
Saksena, Mr. Mohan Lal.
Sant Singh, Sardar.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sham Lal, Mr.
Sheodass Daga, Seth.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.
Sinha, Mr. Satya Narayan.
Som, Mr. Suryya Kumar.
Sri Prakasa, Mr.
Varma, Mr. B. B.

NOES—61.

Abdul Ghani, Maulvi Muhammad.
Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Aikman, Mr. A.
Anwar-ul-Azim, Mr. Muhammad.
Bajorin, Babu Baijnath.
Bajpai, Sir Girja Shankar.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Buss, Mr. L. C.
Chanda, Mr. A. K.
Chapman-Mortimer, Mr. T.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
DeSouza, Dr. F. X.
Essak Sait, Mr. H. A. Sathar H.
Fazli-Ilahi, Khan Sahib Shaikh.
Ghansuddin, Mr. M.
Ghulam Bhik Nairang, Syed.
Ghulam Muhammad, Mr.
Gidney, Mr. C. W. A.
Griffiths, Mr. P. J.
Grigg, The Honourable Sir James.
Hudson, Sir Leslie.
Ismail Khan, Haji Chaudhury Muhammad.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Jehangir, Sir Cowasji.
Jinnah, Mr. M. A.
Kamaluddin Ahmed, Shams-ul-Ulema.
Lang, Mr. J. C.
Mackeown, Mr. J. A.
Manavedan Raja, Rao Bahadur K. C.

Mani, Mr. R. S.
Mehta, Mr. S. L.
Mody, Sir H. P.
Mudie, Mr. R. F.
Murid Hussain Qureshi, Khan Bahadur Nawab Makhdam.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Parsons, Lieut.-Colonel A. E. B.
Pursell, Mr. R. S.
Rahman, Lieut.-Colonel M. A.
Roy, Mr. S. N.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Shaukat Ali, Maulana.
Sheehy, Mr. J. F.
Sher Muhammad Khan, Captain Sardar Sir.
Siddique Ali Khan, Khan Sahib Nawab.
Sircar, The Honourable Sir Nripendra.
Sivara, Rao Sahib N.
Spence, Mr. G. H.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sukthankar, Mr. Y. N.
Sultan Ahmad, The Honourable Sir Saiyid.
Thorne, Mr. J. A.
Tylden-Pattenson, Mr. A. E.
Zafar Ali Khan, Maulana.
Ziauddin Ahmad, Dr.

The motion was negatived.

Mr. Sami Vencatachelam Chetty : Sir, I beg to move :

“That after sub-clause (2) (e) of clause 3 of the Bill, the following be inserted :

“(ee) a certified copy of the prospectus, if any, and of the table of assured rates, commissions and advantages together with all other terms and conditions offered to policyholders together with a certificate by a qualified actuary that such rates, commissions and advantages, etc., are workable and sound.”

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Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That after sub-clause (2) (c) of clause 3 of the Bill, the following be inserted :

' (cc) a certified copy of the prospectus, if any, and of the table of assured rates, commissions and advantages together with all other terms and conditions offered to policyholders together with a certificate by a qualified actuary that such rates, commissions and advantages, etc., are workable and sound '."

The Honourable Sir Nripendra Sircar : Sir, I shall accept this amendment. I do not think this is really any burden on anybody. As a matter of fact, all responsible companies get their tables vetted by an actuary. I accept the amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That after sub-clause (2) (c) of clause 3 of the Bill, the following be inserted :

' (cc) a certified copy of the prospectus, if any, and of the table of assured rates, commissions and advantages together with all other terms and conditions offered to policyholders together with a certificate by a qualified actuary that such rates, commissions and advantages, etc., are workable and sound '."

The motion was adopted.

Mr. Sami Vencatachalam Chetty : Sir, I suggest that the next three amendments, i.e., Nos. 67, 68 and 69 may be taken up and discussed together as they relate to the same subject.

The Honourable Sir Nripendra Sircar : May I venture to make a suggestion ? The three amendments are whether the fees should be Rs. 25, Rs. 50 or Rs. 100. Moving them separately and having separate speeches will be rather a waste of time of the House.....

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : What are you prepared to accept ?

The Honourable Sir Nripendra Sircar : Of course I prefer Rs. 100 to Rs. 25.

Mr. F. E. James : Sir, I move :

" That to sub-clause (2) (f) of clause 3 of the Bill, the words ' which shall not exceed fifty rupees ' be added at the end."

This is a very small amendment, and I shall make a very small speech. It is a very small request that we ask the Honourable Member in charge—I hope he has no homicidal tendencies today. But the point about requesting that there should be a figure mentioned in the Bill is that we should prefer to see exactly what registration fee will be charged. We have suggested the figure of Rs. 50 because we believe that the prescribed fee should be a nominal one. The applicant for registration has to do a large number of things before he can get registration : he has to produce a number of documents : he has then to bring a certificate that he has made the requisite deposit in the Reserve Bank. If it is a new company, he has to put down a certain amount of working capital. Therefore the fee, purely for registration, once he has fulfilled all the other

conditions, should be a nominal one. There are other amendments—there is one suggesting that it should be Rs. 100 for each class of business. I suggest that might possibly work hardship on a small company which is doing several classes of business, to have to put down Rs. 500 or Rs. 600 merely for registration, after it had fulfilled all the other obligations which are placed upon the shoulders of insurers. I do hope, therefore, that the nominal nature of the fee—whether it is 50 or 25 or even 100—will be accepted.....

An Honourable Member : 50 for each class of business ?

Mr. F. E. James : Actually it will work out in this way : the insurer will have to fulfil all the conditions in the Act : even if he were transacting more than one class of business, he would pay only 50. But if after registration of that business he wanted to transact any other class of business as an insurer he would then have to get registration again in connection with that particular class of business. We do rather object to having to pay the prescribed fee *ab initio* for every class of business. That, we suggest, is not necessary, since all the other conditions have to be fulfilled before the stage is reached when the prescribed fee has to be paid. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That to sub-clause (2) (f) of clause 3 of the Bill, the words ' which shall not exceed fifty rupees ' be added at the end."

Mr. K. Santhanam : Sir, I move :

" That to sub-clause (2) (f) of clause 3 of the Bill, the words ' being not more than Rs. 100 for each class of business ' be added at the end."

I have to say only one word. We are incurring a lot of expenditure by creating this office of Superintendent of Insurance, and I do not see why the general taxpayer should pay for it, and I suggest that the provision for each class of insurance business is important : the insurer who does many classes of business is certainly a rich man and he should certainly be able to pay this Rs. 100 which is less than the commission given even to the poorest agent, and, therefore, I move this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

" That to sub-clause (2) (f) of clause 3 of the Bill, the words ' being not more than Rs. 100 for each class of business ' be added at the end."

The Honourable Sir Nripendra Sircar : Sir, I accept the last amendment. I would add only one sentence, that my Honourable friend, Mr. James, in talking of my homicidal mania when Rs. 50 is proposed, probably shows that he has lost all sense of proportion : for the companies in whose interest he is speaking, 50 is not a thousandth part of a drop of blood.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That to sub-clause (2) (f) of clause 3 of the Bill, the words ' which shall not exceed fifty rupees ' be added at the end."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That to sub-clause (2) (f) of clause 3 of the Bill, the words ‘ being not more than Rs. 100 for each class of business ’ be added at the end.”

The motion was adopted.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : Sir, I beg to move :

“ That for sub-clause (3) of clause 3 of the Bill, the following be substituted :

‘ In the case of any insurer having his principal place of business or domicile outside British India, the Governor General in Council may direct the Superintendent of Insurance to withhold registration or may cancel a registration already made, if he is satisfied that in the country in which such insurer has his principal place of business or domicile, companies incorporated in British India are debarred from carrying on the business of insurance, or that any requirement imposed on such insurer under the provisions of section 53 is not satisfied.’ ”

I am only restoring the original provision of the Bill. The difference between the original provision and the recommendation of the Select Committee is that the Select Committee has said that this should be done automatically by the Superintendent of Insurance : the word “ shall ” is used in both cases ; but I thought, when there was a case of retaliation, it will affect not only in insurance business, but we have to consider the general political conditions of the country. It may be possible in some cases to have retaliation, but sometimes the political condition between the two countries is such that retaliation in an automatic manner may not be desirable. As my friend, Mr. Husenbhai Abdullabhai Laljee, just pointed out, there are certain companies which really have interests, not in one country alone, but in several countries, and if in one country we ever apply the principle of retaliation, we may not be able to do it in another country. Therefore, I think we really ought to invest this power in the Governor General in Council who should be the final authority to decide whether he should or should not apply that principle, or it should not be done in an automatic manner as proposed by the Select Committee. All that I am trying to do is to restore the provisions of the Bill as originally proposed by the Government. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That for sub-clause (3) of clause 3 of the Bill, the following be substituted :

‘ In the case of any insurer having his principal place of business or domicile outside British India, the Governor General in Council may direct the Superintendent of Insurance to withhold registration or may cancel a registration already made, if he is satisfied that in the country in which such insurer has his principal place of business or domicile, companies incorporated in British India are debarred from carrying on the business of insurance, or that any requirement imposed on such insurer under the provisions of section 53 is not satisfied.’ ”

The Honourable Sir Nripendra Sircar : I oppose this amendment. I agreed yesterday in answer, I believe, to a question from my friend, Mr. Jinnah, that I propose that there shall be a right of appeal in a case of this kind, but no amendment has yet been handed in, and it is for this reason.....

Mr. Bhulabhai J. Desai : It has been.

The Honourable Sir Nripendra Sircar : Our idea is to put that as (1) after section 88 so that there is time yet.....

Mr. M. A. Jinnah : I would prefer that.

The Honourable Sir Nripendra Sircar : That being so, I see no reason whatever why a discretion should be given to somebody as to whether this should be put into operation or not. If any wrong has been done by the Superintendent, the idea is, and I am quite sure the House will agree with me, later on, to give a right of appeal to go to the Court, and there is no reason why a matter of this kind should be left to the discretion of anybody. Sir, I oppose the amendment.

Mr. L. C. Buss (Nominated Non-Official) : Sir, I rise to support the amendment proposed by my friend, Dr. Ziauddin Ahmad. I do so not because we here have any desire to interfere with the right of the Indian Legislature to take action against countries who legislate against India, but because the clause, as it stands, is far too wide. In particular, I support very strongly the re-introduction of the permissive principle because I feel that the Superintendent of Insurance should have discretion to consider whether, for example, a case arising out of the provisions of clause 53 is important or it is merely technical or trivial. Take again a case where an individual residing abroad is involved in some case of moral turpitude and is turned out of the country. In such a case it would, as the clause stands in the Bill, be obligatory to take action against all insurers of that country operating in India by refusing or cancelling their registration.....

Mr. M. A. Jinnah : Give an instance of moral turpitude.

Mr. L. C. Buss : I will deal with it later. It does not even appear necessary that the individual concerned should have any connection with insurance or contemplate becoming an insurer. It would be sufficient to bring insurers of that country working in India within the scope of clause 3 (3) if the individual to whom I have referred above was in the position of being debarred from doing insurance business there by being turned out of the country, or to carry it a step further, by being incarcerated in jail, and, therefore, incapable of carrying on such business. That, Sir, is the position as I see it, and I have no doubt a situation of this sort was not contemplated when the clause was amended by the Select Committee. I, therefore, strongly support the amendment of my friend, Dr. Ziauddin Ahmad, which, I consider, fully meets any situation which is contemplated by the clause.

Mr. M. Ananthasayanam Ayyangar : I should like to say something on this, Sir.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can speak after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Dr. P. N. Banerjee (Calcutta Suburbs : Non-Muhammadan Urban) : I rise to oppose the amendment moved by my Honourable friend, Dr. Ziauddin Ahmad. This amendment seeks to make two changes in the provisions of this sub-clause. The first is that the responsibility for taking action in this matter is thrown on the Governor General in Council, and the second is that he wants to make it optional instead of making it obligatory. As regards the first point, I do not see why this responsibility should be thrown on the shoulders of the Governor General in Council. It is the business of the Superintendent of Insurance and surely it is for him to take note whether any disability exists against Indians in other countries. As regards the second, I am surprised to find that an eminent man of the position of my Honourable friend who occupies a seat as an elected Member of this House should move this amendment. Are we devoid of all sense of self-respect that we should make it optional? Disabilities have been heaped upon us in all the countries of the world, and are we going to sit silent and make a provision like this optional? I hope that this House will reject this amendment without any division.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : We on this side of the House are always against giving any powers to the Governor General or the Governor General in Council whenever it is possible not to give him that, and in the present case this is a matter in which the Governor General need not interpolate at all. It is within the province of the Superintendent of Insurance to find out whether there is any discrimination made against the insurance companies of this country in the country of origin of the company which applies. We do not see any reason why the Governor General should butt in between the Superintendent of Insurance and the order that he makes about the insurance company of any other country. Secondly, as my Honourable friend, Dr. Banerjee, has said, it makes it optional, and as we know that blood is thicker than water, in many cases the option may be exercised in favour of the foreign companies. So we do not want to leave any loophole in this clause, and the clause as it stands is quite all right. We oppose the amendment.

Mr. B. Das : Sub-clause (3) of clause 3 is the keystone of the whole structure of the Insurance Bill and if that is modified to any extent it takes away all the possible advantages that the Indian insurer can get and takes away all the penalties that have been designed by the Select Committee to ban foreign insurers. When this Bill is passed into law it will be the first enactment that will have a retaliatory provision against foreign companies and foreign countries barring, of course, the U. K. Therefore, it is very essential. I wish that the provisions of this clause could be extended to other cases of discrimination. If the Italians can drive out Mahomed Ali Stores from Abyssinia we can drive out every Italian from the land of India, but we are going to legislate that only Italian insurance companies will be banned or will be retaliated upon. The same thing happens in the

case of Japanese insurance companies. I talked about it this morning and I again say that the Japanese are very much anti-Indian and they try not to allow any Indian company to trade in Japan. Under this clause, the Superintendent of Insurance will take action. My Honourable friend, Dr. Ziauddin Ahmad, forgets that the Superintendent of Insurance shall withhold registration or cancel a registration. Then power should be given to one officer and not to the Governor General in Council who will not exist after a year or two and which will become the Central Government.

One word more. My Honourable friend, Mr. Buss,—I have a great deal of sympathy with him because he and I have visited Paris and Berlin and have had our moral turpitudes. (Laughter.) But I never knew that the moral turpitude of individuals or of individual companies should be taken into account and that particular nations should be banned. The clause does not aim at the moral turpitude of one Indian individual or one Indian insurer but aims at the good of India as a whole. I believe in his sweet reminiscences of past life my Honourable friend applied those reminiscences wrongly to a big country like India.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That for sub-clause (3) of clause 3 of the Bill, the following be substituted :

“ In the case of any insurer having his principal place of business or domicile outside British India, the Governor General in Council may direct the Superintendent of Insurance to withhold registration or may cancel a registration already made, if he is satisfied that in the country in which such insurer has his principal place of business or domicile, companies incorporated in British India are debarred from carrying on the business of insurance, or that any requirement imposed on such insurer under the provisions of section 53 is not satisfied.”

The motion was negatived.

Mr. L. C. Buss : I move :

“ That in sub-clause (3) of clause 3 of the Bill, for the words ‘ Indian nationals’, occurring in the seventh line, the words ‘ companies incorporated in British India’ be substituted.”

This raises the point which I hope I made clear when I was speaking on Dr. Ziauddin Ahmad’s amendment, that the inclusion of “ Indian nationals ” greatly widens the scope and implications of the clause which makes it possible for insurers from outside India to lose their registration in India for reasons quite other than restrictions on the carrying on of insurance business by Indian companies in that foreign country ; for example, the exclusion of an undesirable character from a foreign country or the conviction of an Indian for some crime having nothing to do with insurance or any other business. I do not think I need take up the time of the House in elaborating that argument. From what I have said before, it is clear what we have in mind and I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in sub-clause (3) of clause 3 of the Bill, for the words ‘ Indian nationals’, occurring in the seventh line, the words ‘ companies incorporated in British India’ be substituted.”

Mr. Bhulabhai J. Desai : I think if the words, which are intended to be substituted, are read, it becomes meaningless. I hope my Honourable friend will appreciate it, because it comes to this that though an Indian may be debarred from carrying on business in Italy, if an Italian or seven Italians incorporate themselves into a company in India,—notwithstanding that fact this clause would not apply. I need not say more.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in sub-clause (3) of clause 3 of the Bill, for the words ‘ Indian nationals ’ occurring in the seventh line, the words ‘ companies incorporated in British India ’ be substituted.”

The motion was negatived.

The Honourable Sir Nripendra Sircar : I do not move this amendment*. If necessary, I shall insert suitable words in the relevant clauses.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : I beg to move :

“ That to clause 3 of the Bill, the following new sub-clause be added :

‘ (6) The Superintendent of Insurance shall, on being satisfied that the applicant has fulfilled all the requirements of the Act, applicable to him, grant the insurer, a certificate of registration ’.”

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That to clause 3 of the Bill, the following new sub-clause be added :

‘ (6) The Superintendent of Insurance shall, on being satisfied that the applicant has fulfilled all the requirements of the Act, applicable to him, grant the insurer, a certificate of registration ’.”

The Honourable Sir Nripendra Sircar : I accept the amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That to clause 3 of the Bill, the following new sub-clause be added :

‘ (6) The Superintendent of Insurance shall, on being satisfied that the applicant has fulfilled all the requirements of the Act, applicable to him, grant the insurer, a certificate of registration ’.”

The motion was adopted.

Mr. S. Satyamurti : I beg to move :

“ That to clause 3 of the Bill, the following new sub-clause be added :

‘ (6) An appeal shall lie to the court from an order of the Superintendent of Insurance refusing to register, or cancelling the registration of an insurer ’.”

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That to clause 3 of the Bill, the following new sub-clause be added :

‘ (6) An appeal shall lie to the court from an order of the Superintendent of Insurance refusing to register, or cancelling the registration of an insurer ’.”

“ That in sub-clause (4) of clause 3 of the Bill, the words ‘ or of section 26 or 26A as to the maintenance of assets in British India ’ be added at the end.”

The Honourable Sir Nripendra Sircar : May I make a suggestion. I accept the principle of this amendment, although I may have some thing to say about the language, because the Code is not mentioned. I suggested this morning that we should have a section in the miscellaneous provisions laying down what are the orders under the different sections under which an appeal will lie. Mr. Jinnah thought that would be more convenient. If you agree, I would request you to withdraw this amendment on the assurance that the principle of this amendment will be accepted by me.

Mr. S. Satyamurti : In view of the assurance, I beg leave of the House to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That clause 3A stand part of the Bill.”

Mr. S. C. Sen : I beg to move :

“ That clause 3A of the Bill be omitted.”

The reasons which have prompted this amendment have been agitated in this House, and I need not mention them over again. I, therefore, move that this clause be deleted.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That clause 3A of the Bill be omitted.”

The motion was adopted.

Mr. M. Ananthasayanam Ayyangar : Sir, I beg to move :

“ That after clause 3 of the Bill, the following new clause be inserted :

‘ 3A. No insurer shall carry on any business upon the dividing principle, that is to say, on the principle that the benefit secured by a policy is not fixed but depends either wholly or partly on the results of a distribution amongst policies maturing for payment within certain time limits of certain sums ’.”

The life insurance companies which have been in existence on the principle of this dividing plan have been discouraged by the actuaries and also by the expert, my Honourable friend, Mr. Sen. So far as the Provident Societies are concerned, this principle has been adopted and dividing companies are not allowed to exist beyond one year. Even that one year's grace can be allowed by the Superintendent of Insurance if he is satisfied that within that year it will be so altered as to be able to carry on life insurance business under this Act. A similar provision, I believe, inadvertently has been omitted in the earlier portion relating to the life insurance business. In fact, there is absolutely no principle involved in the dividing plan. The principle on which the dividing plan is framed is a mere wager. A man has to go on paying for 10 or 15 years equal sums and at the end of that period he may get a fraction of whatever amount is

[Mr. M. Ananthasayanam Ayyangar.]

collected during that year. This practice is not based upon any particular principle. In this connection, I would like to refer to the report of the Actuary for the year 1935. In paragraph 5 of the report, it is stated :

"Some Indian companies transact life assurance business on the dividing plan under which the sum assured is not fixed but depends on the division of a portion of each year's premium income amongst the claims arising in that year. The defects of dividing insurance business have been explained at length in the previous issues of the Year Book and hardly need repetition. Most of the companies which transacted dividing insurance business realised that they could not continue this business for a long time. It is accordingly highly essential that those companies which still transact this class of business should stop it forthwith and consult actuaries with a view to converting their existing business into ordinary life assurance business on sound principles."

It is, therefore, necessary that the insurance companies which continue on this dividing line ought not to be allowed to carry on their business.

Dr. P. N. Banerjee : On a question of information, Sir. Is not the dividing principle given up in this Bill? It is a bad principle and it has been given up. Then, why do you introduce this amendment?

Mr. M. Ananthasayanam Ayyangar : Unfortunately this provision is still in the Bill. A provision is made for the Provident Societies to do away with the dividing plan societies. This amendment refers only to the earlier portions and Chapter III relates to Provident Societies. I am only trying to have the same principle worked out in the earlier portion if the House accepts my amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That after clause 3 of the Bill, the following new clause be inserted :

'3A. No insurer shall carry on any business upon the dividing principle, that is to say, on the principle that the benefit secured by a policy is not fixed but depends either wholly or partly on the results of a distribution amongst policies maturing for payment within certain time limits of certain sums.'

The Honourable Sir Nripendra Sircar : Sir, I fully accept the principle of this amendment. What I intend to do I may be permitted to explain. As clause 43 deals with certain restrictions, I propose to put in clause 43A, between which and this amendment there is no real difference but only a slight difference in language. If I may just read out what I intend to add :

"No insurer shall, after the commencement of this Act (those words are not here) undertake any business upon the dividing principle, that is to say, on the principle that the benefit secured by a policy is not fixed but depends either wholly or partly on the results of a distribution amongst policies maturing for payment within certain time limits of certain sums."

As I said, there is no difference in substance, but I think the slight change in the language is an improvement and the other place is the proper place. So, if my Honourable friend will accept the assurance that I shall move for the addition of clause 43A, I hope he will agree to withdraw it on that understanding.

Mr. M. Ananthasayanam Ayyangar : On the assurance given by the Honourable the Leader of the House, I beg leave of the House to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. K. Santhanam : Sir, I beg to move :

"That after clause 3 of the Bill, the following new clause be added :

'3A. No insurer, not being a provident society to which Part III of this Act applies, shall pay or undertake to pay on any policy of life insurance an annuity of fifty rupees or less or a gross sum of rupees five hundred or less provided that this shall not prevent an insurer from converting any policy into a paid up policy of any value or payment of surrender value of any amount'."

I may add only one word of explanation. The Provident Societies cannot issue policies for more than this sum and the object of this amendment is to keep them aloof from life insurance companies. As I understand that Government is going to accept this amendment, I do not want to indulge in a long speech.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That after clause 3 of the Bill, the following new clause be added :

'3A. No insurer, not being a provident society to which Part III of this Act applies, shall pay or undertake to pay on any policy of life insurance an annuity of fifty rupees or less or a gross sum of rupees five hundred or less provided that this shall not prevent an insurer from converting any policy into a paid up policy of any value or payment of surrender value of any amount'."

The Honourable Sir Nripendra Sircar : Sir, I accept the amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

"That after clause 3 of the Bill, the following new clause be added :

'3A. No insurer, not being a provident society to which Part III of this Act applies, shall pay or undertake to pay on any policy of life insurance an annuity of fifty rupees or less or a gross sum of rupees five hundred or less provided that this shall not prevent an insurer from converting any policy into a paid up policy of any value or payment of surrender value of any amount'."

The motion was adopted.

Mr. T. Chapman-Mortimer : Sir, may I ask what is the position now 3 P.M. in regard to the debate generally? We found once or twice today that the Congress Members propose some amendments and immediately the Honourable the Law Member in charge of the Bill accepts them and the motion is put to vote before any one else has any chance of expressing his opinion on that point. I would like to have your ruling in the matter. Am I to take it that when the Honourable the Law Member accepts a motion moved, that is the end of the matter?

Some Honourable Members : No, no.

Mr. S. Satyamurti : The House has got to vote on the motion.

The Honourable Sir Nripendra Sircar : May I make a statement? My Honourable friend, Mr. Chapman-Mortimer, did not raise this point when I accepted his amendment. (Laughter.) Surely whether I get up immediately after the Mover or after the 'nth' speaker has spoken, it is quite open to my Honourable friend to continue the debate. I submit there is no point of order.

Mr. S. Satyamurti : It is all a question of nervousness.

Mr. Deputy President (Mr. Akhil Chandra Datta) : As a matter of fact, although Mr. Chapman-Mortimer got up he at once sat down without waiting to be called upon. There was no other Member willing to speak, and that was why I put the motion to the House. Now, on the point raised, the mere fact that the Honourable Member in charge of the Bill accepts a motion does not bar anybody else from speaking.

Mr. T. Chapman-Mortimer : That is all I wanted to know. I apologise to the House for my ignorance on that point. Now, I know that even if the Government Member accepts a motion, other Honourable Members can speak.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That clause 4 stand part of the Bill.”

Sardar Mangal Singh (East Punjab : Sikh) : Sir, I beg to move :

“ That in sub-clause (2) of clause 4 of the Bill, for the word ‘ may ’, occurring in the sixth line, the word ‘ shall ’ be substituted.”

Sir, if Honourable Members turn to clause 4, sub-clause (2), which has been added by the Select Committee, they will find it reads thus :

“ If an insurer, through inadvertence or otherwise, is without such consent as aforesaid registered by a name identical with that by which an insurer in existence is previously registered, or so nearly resembling it as to be calculated to deceive the first mentioned insurer may with the sanction of the Superintendent of Insurance change his name.”

I submit, Sir, that it should not be open to the second insurer to continue the same name after it has been registered by mistake. If a mistake has been committed, it is but proper that it should be rectified. The second insurer should be required by law to change his name and therefore I suggest that instead of the word ‘ may ’, the word ‘ shall ’ be substituted. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in sub-clause (2) of clause 4 of the Bill, for the word ‘ may ’, occurring in the sixth line, the word ‘ shall ’ be substituted.”

Babu Baijnath Bajoria : Sir, I rise to support this amendment. It is really undesirable that there should be two companies with the same or similar name and if the word ‘ may ’ is retained, then the second company may or may not change its name. So, in my opinion, it should be ‘ shall ’ so that the second company must be forced by law to change its name to another name with the approval of the Superintendent. Sir, I support the amendment with these words.

Mr. George Joseph (Madura and Ramnad cum Tinnevely : Non-Muhammadan Rural) : Sir, I quite agree with the substance and the purpose that is sought to be achieved by this amendment. But as a question of simple literary purism, may I suggest that the word ‘ shall ’ makes—I will not say nonsense—but very awkward reading. “ With the sanction of the Superintendent of Insurance ”, as a condition in addition to the word ‘ shall ’ becomes very wrong. If the substance of the amendment is to be secured, I shall suggest that the whole of that sub-clause might be recast and the word ‘ shall ’ can be introduced in the proper context. When you obtain the sanction of the Superintendent of Insurance, there is no

use your saying that the first mentioned insurer ‘ shall ’ change. Supposing the Superintendent does not give sanction, what is the unfortunate man to do ? Therefore, I think the word ‘ may ’ is the accurate language, but naturally the difficulty is there. With all respect I would suggest that the whole sentence might be recast and redrafted so as to make the meaning clear. But according to the amendment, the word “ shall ”, if introduced there, will be extremely unhappy and inaccurate.

Mr. T. Chapman-Mortimer : Sir, I agree with my Honourable friend, Mr. George Joseph, that this amendment is not quite so easy or simple as it looks, and I strongly suggest that we should adhere to the present wording in the Bill. If Honourable Members will remember, when the Indian Companies Bill was amended recently, there was a certain amount of talk about this very matter, and, in the end, so as to meet the requirement of the case, it was decided to leave it as it was. The wording here is substantially the same as the wording in the Companies Act except the substitution of the word “ insurer ” for the word “ company ”. I, therefore, suggest that for that reason alone, the House should consider it and retain it. There is another point of view to be considered, and that is that if Honourable Members will look at the definition of an “ insurer ”, they will see that it includes not merely insurers in this country, but insurers from all parts of the world. It may easily happen that you have companies in India and companies in other countries both trading *bonâ fide* for many years past with a very similar name. I suggest that discretion should be left to the Superintendent to decide whether or not the first named insurer or the man who has got himself registered later on should change his name. I suggest that it should be discretionary power and not a mandatory power.

Mr. N. C. Chunder (Calcutta : Non-Muhammadan Urban) : May I suggest a small alteration ? I suggest that we change the expression “ with the sanction of ” into “ when called upon by ”. This alteration will make the sentence read all right.

Mr. F. E. James : Might I suggest that this matter might stand over. My Honourable friend, Mr. Chunder, might give notice of the amendment, which he has suggested, to meet the convenience of the House. It is very difficult to deal with this without notice of an amendment.

The Honourable Sir Nripendra Sircar : If the matter is going to stand over on the ground that two days’ notice has not been given, I would like to point out that I am prepared to accept amendment No. 9 in the name of my Honourable friend, Mr. Ananthasayanam Ayyangar, which reads :

“ Provided that the restriction in this clause shall not apply to existing insurers.”

What I wanted to say was that that had really to be put in here and if this thing is going to be redrafted and if my Honourable friend is going to give notice, that may still be taken into consideration so that this amendment may be unnecessary. I am making this suggestion that if this matter is standing over, whoever drafts it may kindly take into consideration amendment No. 9. That may be incorporated and in one amendment we can finish both.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I think this matter may stand over.

Mr. M. Ananthasayanam Ayyangar : Sir, I beg to move :

“ That to clause 4 of the Bill, the following new sub-clause be added :

‘ (3) No insurer other than a provident society to which Part III applies, who begins to carry on insurance business after the commencement of this Act, shall adopt as its name and no such insurer carrying on business before the commencement of this Act shall continue after the expiry of six months from the commencement thereof to use as its name, any combination of words, which include the word ‘ provident ’.”

This is only complementary to clause 58 in the chapter relating to provident societies. I understand Government have no objection to it.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That to clause 4 of the Bill, the following new sub-clause be added :

‘ (3) No insurer other than a provident society to which Part III applies, who begins to carry on insurance business after the commencement of this Act, shall adopt as its name and no such insurer carrying on business before the commencement of this Act shall continue after the expiry of six months from the commencement thereof to use as its name, any combination of words, which include the word ‘ provident ’.”

Mr. T. Chapman-Mortimer : Sir, I regret to find myself in opposition to my Honourable friend opposite on this matter. Though I perfectly understand the reasons that prompted him to move this amendment, and very sound reasons they are,—I suggest that, as it is worded, he is going far beyond what he himself intended. There are famous well-known companies that have been in existence in some cases for 80 or 100 years or more that use the word “ provident ” in their names. And I again remind the House that “ no insurer ” now is not merely confined to insurers incorporated in British India ; it refers to insurers all over the world, and I suggest that the amendment as it is now worded should be opposed. There are at least three or four names that I can think of straightaway, world famous names, that employ the word “ provident ” in their names.

The Honourable Sir Nripendra Sircar : Sir, I am not aware of the companies which will be put to difficulty by this amendment being accepted. But surely as there is no objection to this being applied so far as we are concerned, if there is any difficulty by reason of any company being hit,—we have no desire to hit them,—could we not have it as, “ No insurer incorporated in British India ”, etc.? If it is limited to that, my friend’s point is met.

Mr. Bhulabhai J. Desai : That defeats the object of the amendment.

The Honourable Sir Nripendra Sircar : My position is that I do not know anything about these companies which will be hit. Is my friend absolutely sure that there are insurance companies which are carrying on insurance business in India using “ provident ” as part of its name?

Mr. F. E. James : Sir, may I just say one word? There are such companies who use the name “ provident ”, and if the Honourable Member agrees to hold it over for some time we shall be able to supply him with a list of well-established companies using the word “ provident ”.

Mr. Bhulabhai J. Desai : Sir, I may point out that the whole object of the amendment would be defeated if any company, does not matter from where it hails, is allowed to carry on business in a name part of which is “ provident ”. The object of this amendment is to caution persons dealing with companies and prevent them from getting into the wrong people, that whereas they are really insuring with an ordinary insurance company they are not dealing with a provident company. The distinction between provident societies and insurance companies is now so well drawn that it does not require any further argument. If that distinction is to have any value at all, the object of this amendment is to see that no person reading the word “ provident ” as part of a company’s name may be misled into dealing with that particular company as a provident company. And, therefore, the mere fact that somebody else may have difficulties does not affect the issue. It certainly cannot be a sound principle to say that difficulties if any should be removed so far as Indian companies are concerned but they should not be removed so far as non-Indian companies are concerned.

Mr. K. Santhanam : Sir, clause 58 runs thus :

“ No provident society established after the commencement of this Act shall adopt as its name, and no provident society established before the commencement of this Act shall continue after the expiry of six months from the commencement thereof to use as its name, any combination of words which fails to include the word ‘ provident ’ or which includes the word ‘ life ’.”

Now, today, there are many concerns which are called provident life societies. Now these companies and firms are asked not to continue their names. I do not see why other companies also should not be asked not to continue their names. You cannot, in fact, give privileges to foreign companies more than for our own companies. It is a restriction we are placing on ourselves and I do not see why foreigners should object to placing it on themselves.

The Honourable Sir Nripendra Sircar : Sir, may I just add a word with the permission of the Chair, as I have no right of reply? Some names have been given to me by Mr. James and the European Group but I do not find these names in the Insurance Year Book that they are carrying on business here. So my friend’s assertion of fact is not borne out of our Blue Book.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That to clause 4 of the Bill, the following new sub-clause be added :

‘ (3) No insurer other than a provident society to which Part III applies, who begins to carry on insurance business after the commencement of this Act, shall adopt as its name and no such insurer carrying on business before the commencement of this Act shall continue after the expiry of six months from the commencement thereof to use as its name, any combination of words, which include the word ‘ provident ’.”

The motion was adopted.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That clause 5 stand part of the Bill.”

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Mr. Sri Prakasa : Sir, I should like to move amendment No. 11 on supplementary list No. 1, instead of No. 114 on the main list. It refers to the same subject. I move :

“ That in clause 5 of the Bill, after the words ‘ No insurer ’, in line 1, the words ‘ incorporated after, or ’ be added.”

There are only two matters on which I should like to draw the attention of the House. The clause in the original Bill was No. 4, and it ran thus :

“ No firm established or company incorporated in British India.....”

I am only quoting the relevant words. Now the Bill, as it has emerged from the Select Committee, uses the word ‘ insurer ’ instead of ‘ firm ’ or ‘ company ’; and so this word has been introduced here as well. The idea of the original Bill was that the date governing the provisions of this section should not apply to actual commencement of the business, but only to the incorporation of the company. That is quite clear by clause 4 of the original Bill. I really think that there has been some mistake in the drafting of this section. If we turn to sub-clause (3) of the following clause, clause 6, we find the words :

“ an insurer incorporated before, or carrying on any insurance business before.....”

That means that the idea is to have this phraseology. So I think the same language should be adopted here as well.

I have one other purpose : if the clause stands as it is proposed, then a large number of companies who were actually incorporated before the mystic date given in the clause, will be hit and hit adversely. That cannot be the purpose of this Bill. It takes about three months to get the necessary certificate in the circumlocation offices of the Government after company is actually incorporated. Therefore, if we have the clause as it stands, then all companies that were incorporated in the months of September and October and could not start business before the 31st day of December, 1936, because they could not get the necessary commencement certificate owing to the formalities involved, will all be regarded as new companies and come under the disabilities that now pertain to new companies. I am sure that this simple amendment of mine will be acceptable to the House. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in clause 5 of the Bill, after the words ‘ No insurer ’, in line 1, the words ‘ incorporated after, or ’ be added.”

The motion was adopted.

Mr. Sri Prakasa : Sir, I move :

“ That in clause 5 of the Bill, after the word ‘ commenced ’ the words ‘ or commences ’ be inserted.”

It is only a matter of language : as the clause deals with the companies that will commence business in the future also, these words may be inserted just to make the meaning clear. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in clause 5 of the Bill, after the word ‘ commenced ’ the words ‘ or commences ’ be inserted.”

The motion was adopted.

Dr. P. N. Banerjea : Sir, I move :

“ That in clause 5 of the Bill, for the words and figures ‘ 31st day of December, 1936 ’ the words and figures ‘ 31st day of January, 1937 ’ be substituted.”

Clause 5 relates to the requirements as to working capital ; and a line is drawn between existing companies and future companies. For this purpose the date which is accepted is the 31st December, 1936. This Bill was introduced in the Legislative Assembly on the 26th January, 1937. If the existing provision is retained then it will apply to companies which had been incorporated or which had commenced business before the Bill was even introduced. That would be an unfair attitude to take up towards these companies. I understand that quite a number of companies was incorporated or commenced business between the 31st December, 1936 and the date of introduction of this Bill

Mr. S. C. Sen : Would my Honourable friend explain why they were eager to be incorporated within that period ?

Dr. P. N. Banerjea : They wanted to be incorporated in the ordinary course : there was no question of eagerness. We are not concerned with psychology here. It is quite possible that in the ordinary course of business some companies were incorporated on the 3rd of January or the 10th January or the 15th January, 1937.....

The Honourable Sir Nripendra Sircar : May I try to bring a little peace ? While I will not insist on the 31st December, 1936, I am willing to accept Mr. Sri Prakasa's amendment No. 120, which fixes 26th January, 1937, because the Bill was introduced on the 27th January and this is an appropriate date and it is very difficult to resist Mr. Sri Prakasa when he is bent on getting something. If Mr. Sri Prakasa will agree and if Dr. Banerjea will agree to put the date as the 26th January, I shall accept.

Dr. P. N. Banerjea : All right, Sir. I beg leave of the House to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. Sri Prakasa : Sir, I move :

“ That in clause 5 of the Bill, for the words and figures ‘ 31st day of December, 1936 ’ the words and figures ‘ 26th day of January, 1937 ’ be substituted.”

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in clause 5 of the Bill, for the words and figures ‘ 31st day of December, 1936 ’ the words and figures ‘ 26th day of January, 1937 ’ be substituted.”

The motion was adopted.

Mr. Mathuradas Vissanji (Indian Merchants' Chamber and Bureau : Indian Commerce) : Sir, I move :

“ That in clause 5 of the Bill, for the words ‘ fifty thousand rupees ’ the words ‘ ten per cent. of the total issued and paid up capital of the company if the insurer is a company ’ be substituted.”

I have given another amendment of a similar nature, Sir, and they both go together. My object in moving this amendment is to maintain a proper proportion and equity in the concerns which have no capital or which have a high capital. The strength of a company is not at all going

[Mr. Mathuradas Vissanji.]

to be diminished by the acceptance of this amendment; in any case the minimum deposit of Rs. 50,000 will be maintained. Supposing the capital of a company is 5 lakhs, then 10 per cent. is maintained with the Government but supposing the paid up capital is 10 lakhs, the deposit required will be about one lakh. So a proper proportion and equity will be maintained, and therefore I have brought forward this amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in clause 5 of the Bill, for the words ‘ fifty thousand rupees ’ the words ‘ ten per cent. of the total issued and paid up capital of the company if the insurer is a company ’ be substituted.”

The Honourable Sir Nripendra Sircar : Sir, I oppose this amendment. The Select Committee has very carefully considered the matter. They have come to the conclusion that this is a minimum requirement which should be enforced, and while we have every sympathy for growing insurance companies, we do not really want a number of sickly companies to grow up. This 10 per cent. may mean only Rs. 5,000. I spoke on this subject in the general discussion, and, therefore, I have nothing further to add. Sir, I oppose the motion.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in clause 5 of the Bill, for the words ‘ fifty thousand rupees ’ the words ‘ ten per cent. of the total issued and paid up capital of the company if the insurer is a company ’ be substituted.”

The motion was negatived.

Mr. Sami Vencatachalam Chetty : Sir, my amendment is :

“ That in clause 5 of the Bill, for the words ‘ deposits to be made under this Act ’ the words ‘ amount required under section 6 before or at the time of application for registration is made ’ be substituted.”

Sir, there is another amendment in the name of Mr. Sri Prakasa, and as that amendment seems to be better than mine, I don't wish to move it.

The Honourable Sir Nripendra Sircar : I may say, Sir, that I prefer amendment No. 130 to No. 129, from the language point of view.

Mr. Sri Prakasa : Sir, I move :

“ That in clause 5 of the Bill, for the words ‘ deposits to be made under this Act ’ the words ‘ deposits to be made before registration under sub-section (6) of section 6 of this Act ’ be substituted.”

The Honourable the Law Member has obliged me, and so I am going to oblige him in return by moving this amendment. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in clause 5 of the Bill, for the words ‘ deposits to be made under this Act ’ the words ‘ deposits to be made before registration under sub-section (6) of section 6 of this Act ’ be substituted.”

The motion was adopted.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That clause 5, as amended,.....”

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : Sir, there is an amendment which stands in my name, and that is No. 15 on Supplementary List No. 1.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I am extremely sorry. The Honourable Member ought to have got up in proper time. He is too late now.

Maulana Zafar Ali Khan : It is not my mistake, Sir. I was not called

Mr. Deputy President (Mr. Akhil Chandra Datta) : The position was made clear by the Honourable the President yesterday, that, so far as the supplementary lists are concerned, it is for Honourable Member concerned to get up and move them, and he also distinctly said that the Chair would not call out Honourable Members by name.....

Maulana Zafar Ali Khan : Sir, I would most respectfully draw your attention to the fact that the names of Honourable Members who have given notice of amendments are called out from the Chair. My amendment is already on the supplementary list, it is No. 15, and my name was not called out.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I am sorry I have already given my ruling. The question is

Dr. Ziauddin Ahmad : Sir, when an amendment is already on the list, unless the Member concerned withdraws it or is not present in the House, he has got a right to move it. The Mover of an amendment cannot stand up by himself unless his name is called out.

Mr. Deputy President (Mr. Akhil Chandra Datta) : That is not a correct statement of the position. The mere fact that a certain Honourable Member is in the House does not matter much. It is for him to get up at the proper time.

Mr. F. E. James : Sir, may I make a submission to you ? As I understand the position, you have just indicated that where an Honourable Member's amendment is on the supplementary list, the responsibility is upon him to catch your eye before the clause is put. I understand that that was said yesterday. But, with very great respect, may I say that it puts an Honourable Member in a rather difficult position, and in the particular case, which is now under consideration, the Honourable Member, in whose name this amendment stands, did not really have an adequate opportunity to catch your eye before you put the clause to the House. I think there is a danger of an Honourable Member having an important amendment on the Supplementary List being put to a very great disadvantage for no fault of his.

Maulana Zafar Ali Khan : Besides I got up in time.

Some Honourable Members : No.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Although I must repeat that as a matter of right the Honourable Member cannot ask the Chair to give him a chance now, still I do not like that there should be any feeling of grievance. If the House desires, I shall allow the Honourable Member to move his amendment.

Several Honourable Members : Yes.

Maulana Zafar Ali Khan : I beg to move .

“ That in clause 5 of the Bill, for the word ‘ fifty ’ the word ‘ twenty-five ’ be substituted.”

I move it with great trepidation, because this very amendment was to have been moved by Messrs. Kuladhar Chaliha, Sami Vencatachelaiah Chetty, K. Santhanam, M. Ananthasayanam Ayyangar and Mohan Lal Saksena, but they did not move it. It seems to me that nobody advocates the cause of the poor in these days, and I am afraid capitalistic tendencies are creeping into this side of the House (pointing to Congress Benches). So a poor man like myself holds the brief for the poor.

Mr. Badri Dutt Pande (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : Why did you not vote for Rs. 500 salary yesterday ? (Laughter.)

Maulana Zafar Ali Khan : I see before me the Honourable the Law Member who is in charge of the Bill. I have been hearing his speeches and I am afraid he will, after I have finished, get up and say, “ We do not want mushroom companies. We want big companies with big capital behind them.” But the object of this Bill is to encourage insurance throughout the length and breadth of India, and they are poor people in this country. They cannot scrape altogether in some instances more than Rs. 25,000. Even Rs. 25,000 is too much for them, but in the case of the new companies if the amount could be brought down from Rs. 50,000 to 25,000 it would be doing great good to the country. After all, what is the objection ? They say that these mushroom companies would not be able to carry on. There is this Bill, and as it emerges from this discussion it will be an Act of draconian rigour. With the powers of the Superintendent of Insurance, executive and judicial, authority being centered in him, with the powers of inspection, with the powers of sudden visits, and all sorts of other rigorous powers you will be able to see to it that those companies come up to your standard of efficiency and honesty. If they are not honest or if they are not efficient, and if they do not perform their duties in the manner in which they are required to do, then wind them up. There is another aspect of the question and that aspect is Islamic. As I said the other day the Muslims regard insurance and have been regarding insurance as a legalised form of gambling. (Interruptions.) With the utmost difficulty some of the theologians assured them that it was not gambling but that it was a provision against the rainy day and therefore they ought not to fight shy of insurance. We are bringing the Muslim public round to this view and you know that the Muslims of India are comparatively very poor and not so rich as their neighbours. There is only one Muslim company. Other companies might come in. So if the amount of Rs. 25,000 was substituted in this Bill it would be doing lasting good to a great minority community of India. I think I can appeal only to the “ sweet reasonableness ” of the Honourable the Law Member.....

The Honourable Sir Nripendra Sircar : None exists. (Laughter.)

Maulana Zafar Ali Khan :reasonableness which kills sometimes.....

An Honourable Member : Hoping against hope.

Maulana Zafar Ali Khan : When you are against me, it is hoping against hope ; when there is a conspiracy between the Opposition and the Government Benches I think my case is lost. But I still hope against hope that this amendment will be accepted by the House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in clause 5 of the Bill, for the word ‘ fifty ’ the word ‘ twenty-five ’ be substituted.”

Dr. Ziauddin Ahmad : I do not take part in the discussion of this Bill or any of its clauses in a communal spirit, because I believe that it represents the interest of the people and not the interest of one particular section of the community. One point I should like to make, and that is, are we or are we not in favour of extending insurance business in this country ? We have just passed an amendment exempting companies that came into existence in January, 1937. We are now passing a measure by means of which we regulate the establishment of future companies and we say that no company should be started unless it has got sufficient capital, firstly, deposit with the Reserve Bank, secondly, to carry on their business, and thirdly, Rs. 50,000 for capital expenditure. The collection of a large sum is absolutely essential in case a new company wishes to be established. May I say that the insurance business as it is now carried on in this country is appealing to the people of big towns, to commercial magnates, but it has not yet gone down to the masses of India. I think it is very desirable that we should encourage the establishment of smaller industries in the smaller towns and not confine this business to towns like Bombay, Calcutta or Allahabad. My friends say that the money will be unsafe. In the case of the life insurance company, the money will always be forthcoming from the very inception of this particular company. Therefore, if we want to encourage the establishment of smaller insurance companies and to habituate the people to insure their lives more and more, then we ought to give every facility to the smaller companies coming into existence and carrying on business for the benefit of those persons who cannot have an approach to the insurance companies in Calcutta and Bombay. With these words, I support the amendment.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division : Non-Muhammadan Rural) : I rise to support this amendment and I heartily support it. I know how difficult it is to raise capital in our country. If the working capital is fixed at Rs. 50,000, I think there will be a very few companies coming forward and perhaps many companies which have been working for the last three or four years will have to go out. It is very difficult to convince the people who are rich about the difficulties of the middle class people and poor men who take to business. From the reports which I have got before me I can say with all the emphasis at my command that our companies have not done anything to deserve discouragement. There may be some companies which are yet struggling and the Honourable the Leader of the House had said that not only mercy should be adopted towards these insurance companies but there should be justice. I am afraid that no rich man has ever done justice to poor men and those companies which have already become rich and have got crores of life funds have no sympathy for the poor companies. Otherwise, they could have helped the poor struggling

[Mr. Amarendra Nath Chattopadhyaya.]

concerns. I have got before me a report of total business of ten years, from 1922 to 1933. The total business remaining at force at the end of the year 1922 was 37 crores and in 1933 it was 119 crores. The net income of the insurance business from premiums and interest was 7 crores and the claims came to 2 crores. Life assurance funds during 1933 amounted to 127 crores. The average rate of interest earned on the life funds during the year was 5.70 per cent. In these circumstances I do not understand why in spite of such results this new clause of 50,000 for working expenses should be introduced. I am sure that the authors of this Bill have found it impossible to tolerate the growth of mushroom companies. I welcome mushroom companies because I see a change in the mentality of the people to take more to industry than to service. By combining some capital, they may be able to eke out an independent livelihood and create employment for many young men and if the Honourable the Leader of the House condescends to accept this little diminution in the amount of working capital, I believe many companies will be able to come into existence and carry on.

Mr. S. Satyamurti : I oppose this amendment. I do not welcome mushroom companies. I should like to eat mushrooms if I can get them ; but in business, I do not like mushroom companies. I am glad that my friend the Vice-Chancellor of the Aligarh University said that this clause is not discussed in a communal spirit. Maulana Zafar Ali Khan pleaded for this clause, on behalf of the poor Muslims.

Maulana Zafar Ali Khan : I never said that.

Mr. S. Satyamurti : On behalf of the people of India and especially of the poorest of policy holders, I want to tell him one other syllogism. All Mussalmans are not poor. Those Muslims who promote insurance companies are not likely to be the poorest of Muslims.

Maulana Shankat Ali (Cities of the United Provinces : Muhammadan Urban) : The majority of them are poor.

Mr. S. Satyamurti : Those Muslims who promote insurance companies are not likely to be the poorest among the Muslims.

4 P.M.

There is no point in the argument that because Mussalmans are poor, therefore you ought to reduce the amount. My next point is this. We constantly hear of young companies, minor companies, poor companies and so on ; but I want to plead the cause of one other party, namely, the policy holders. We believe that insurance is not industry. What is the industry in insurance ? You take my money, and you invest it, and you pay up the claims when you are called upon to do so. A man who wants to make profits goes to the share market. The humble man who invests in a policy wants security, and he wants to see that, if anything happens to him, his wife and children may not be in the streets. Therefore, it seems to me that, in enacting insurance legislation, the dominant consideration ought to be the interests of the policy holders and the financial soundness of the company. It has been argued more than once in this House, and I see a great deal of force in that argument, that when a new company is started, it must, *ex-hypothesi*, spend more out of its premium income for building up business in competition with older companies, indigenous or foreign. I entirely

sympathise with that view. Nobody on these benches wants the big companies to strangle younger companies by unhealthy competition. At the same time, the argument must also lead to the further admission on the part of those who advance it that, if young companies and new companies must spend more of their premium income over building up new business, they must have the sound financial backing of the deposits of 2 lakhs to be built up in the course of a few years and the working capital of Rs. 50,000, besides the deposits and the preliminary expenses. Therefore, this Rs. 50,000 is the absolute minimum on which the House, I think, ought to insist, in order to guarantee the safety and the sound progress of these younger companies and those who depend upon them, namely, the policy holders and those who may be left behind by these policy holders. They must be secure of their money. I do not think that any company is likely to be started on other conditions. Let us remember also that this clause 5 applies to those who carry on the business of life insurance in British India, after the 31st day of December, 1936. We are not talking of existing young companies, but we are talking of companies to come into existence hereafter. So far, we have heard powerful arguments and some of them have gone home to this House that if certain companies have been functioning, on the whole, successfully under the existing law, we ought not to make conditions more difficult for them, at least not more difficult than is actually necessary. But when we are enacting legislation for the first time for companies to carry on business hereafter, I submit with some confidence that there is no unnecessary hardship, if the House demands that they should have a working capital of Rs. 50,000. It seems to me that it is not good for the progress of any business in this country, that we should have a lesser standard than is absolutely necessary. I am as keen as any other Honourable Member that we must promote business and industry in this country, although I do not grant insurance to be an industry. I want insurance business to progress : I want Indian companies to progress : and I want the insurance habit to spread in my country. It can spread only if we support the growth and development of sound companies. I, therefore, submit that this amendment will not serve the interests of anybody at all. It will certainly not serve the interests of the policy holders, and ought, therefore, to be rejected by this House.

The Honourable Sir Nripendra Sircar : I hope the strength of my opposition will not be judged by the length of my speech. I oppose the amendment.

Mr. M. Ananthasayanam Ayyangar : Sir, reference has been made to some of us who have tabled a similar amendment on this subject and are not moving it. I ask you to refer to Chapter IV which relates to mutual insurance companies and co-operative insurance societies which are for the benefit of policy holders and are not proprietary concerns started for the benefit of proprietors. In the case of the mutual and co-operative societies the amount required for working capital is Rs. 25,000 and not Rs. 50,000. A reduction has been made. In the case of the insurance companies let the policy holders assure themselves that they have a substantial working capital otherwise there will be started mushroom companies and it will be difficult for the policy holders to realise their moneys at the time the policies mature. That is the reason why we have

[Mr. M. Ananthasayanam Ayyangar.]

not moved our amendment and also because necessary provision has been made in the case of those companies which deserve it.

Mr. Suryya Kumar Som (Dacca Division : Non-Muhammadan Rural) : I support this amendment. I may be in a minority, but I must give expression to the public opinion, at least on a matter which concerns the poor people. In these days of unemployment, there are a large number of graduates with character and capacity who do not find employment nor do they find funds to start business. They are capable men and possess very good physique and capacity, but they have neither the money nor the opportunities for getting employment. When there is so much unemployment in the country, I am afraid, I cannot support the policy of this Bill. We find that our Honourable friend, Mr. Sen, who made an inquiry into this business, also reported Rs. 25,000 as working capital. That is how he began. Let us see now what is the motive behind this large working capital. Is it the intention that whoever wants to start an insurance company should undergo some suffering and sacrifice, as penance for starting insurance company? If he is required to raise a lakh of rupees or Rs. 50,000, it is apparent that he will have to roam about the country in order to collect such a large sum. But the question is—why this sum is necessary? This working capital of Rs. 50,000 is not necessary for carrying on the insurance business because in this business we find that you take the money from the policy holders for a certain length of time and it is after a long time that that money becomes due. A large working capital may be necessary for other industrial movements but it is not so necessary in the case of the insurance business. This provision has been introduced only to kill or stop the mushroom companies. Now, Sir, according to this Bill, there is some bad odour about these mushroom companies. I do not think the Leader of the House means by mushroom companies those companies which are started by very honest and capable men who do not possess as much capital as the Birla's and the Tata's. I think by mushroom companies he means those companies which are started by men of indifferent character, who have no capital and who are not very sure of or anxious for their success. They are more after starting the companies and enjoying their funds than making them successful. I think that is what he means by mushroom companies. Why should smaller companies started by honest and capable men with small capital should be penalised especially at this time when our principle should be to encourage middle class men to start business with smaller sums provided they work honestly and possess the working capacity. But here I find that honesty, capacity and education is given the go-bye. By the Indian Companies Act, I found that the industry was handed over to Birlas and Tatas and by this Insurance Bill, the industry is handed over not to such big men but to men like my Honourable friend Babu Baijnath Bajoria.

Babu Baijnath Bajoria : Will the policy holders be paid by honesty, capacity and education or by money?

Mr. Suryya Kumar Som : I am coming to that. Now, so far as the policy holders' interest is concerned, I think by clause 26 you have sufficiently provided for their safety because the whole life fund is to be deposited in Government and Trust securities. So you find that the policy holders' interest is fully safeguarded.

The Honourable Sir Nripendra Sircar : What is the good of depositing a negative life fund?

Mr. Suryya Kumar Som : If I do not insure any life, there will be no fund and so no loss. The companies only will be the losers. Why do you prevent young men going about to start insurance companies. If they do not get any business, it does not injure anybody. Nobody suffers thereby. The policy holders' interest has been secured and when you have done that, I submit that so much working capital is not necessary for the insurance company. It will not also be desirable to fix such a heavy sum. With these words, I support the amendment of my Honourable friend.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“That in clause 5 of the Bill, for the word ‘fifty’ the word ‘twenty-five’ be substituted.”

The motion was negatived.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“That clause 5, as amended, stand part of the Bill.”

The motion was adopted.

Clause 5, as amended, was added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“That clause 6 stand part of the Bill.”

Mr. Amarendra Nath Chattopadhyaya : Sir, I beg to move :

“That in sub-clause (1) of clause 6 of the Bill, for the words ‘market value’ the words ‘face value’ be substituted.”

Sir, I do not think any speech is necessary from me to commend this amendment for the acceptance of the House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“That in sub-clause (1) of clause 6 of the Bill, for the words ‘market value’ the words ‘face value’ be substituted.”

The Honourable Sir Nripendra Sircar : I shall follow the very good example of the Mover and make no speech, but simply oppose the amendment.

Dr. P. N. Banerjee : Sir, I support this amendment on the ground that the market value of securities might change from day to day, but the face value does not change. (Laughter.) When you take the market value, you have to calculate the amount from time to time and that leads to all sorts of complexity. When the market value of securities appreciates, what will you do? Will you return part of the securities to the insurer? What is the proposal in the Bill? If that is not done, then it will be doing great injustice to the insurer. On the other hand, when the market value depreciates, then you will ask the insurer to make good the deficiency.

The Honourable Sir Nripendra Sircar : No ; it is not in the present Bill.

Dr. P. N. Banerjea : But subsequently what will be done ? I mean on the day when he makes a deposit, the securities will be of certain value, but if they change subsequently in value, what do you propose to do ?

The Honourable Sir Nripendra Sircar : Nothing.

Dr. Ziauddin Ahmad : When the insurer is called upon to deposit by instalments, the value will change from year to year.

Dr. P. N. Banerjea : There will be a provision in the Bill that the deposit is to be made in the course of seven or ten years. But from the very beginning you will not be able to compute the value of the total amount to be reached which may be either less than two lakhs or more.

The Honourable Sir Nripendra Sircar : How will the face value improve it ?

Dr. P. N. Banerjea : The face value will remain constant. I am afraid the Bill introduces a great deal of complexity when payment is to be made by instalments. If the instalment system had not been there, there would have been no difficulty.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in sub-clause (1) of clause 6 of the Bill, for the words ‘ market value ’ the words ‘ face value ’ be substituted.”

The motion was negatived.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment No. 138. If any Honourable Member does not wish to move the amendment standing in his name, in all fairness to the Chair he must get up and say he does not move it. Otherwise the time of the House is wasted.

Dr. Ziauddin Ahmad : I do not move my amendment No. 138.*

Mr. Amarendra Nath Chattopadhyaya : Sir, I move :

“ That in sub-clause (1) (a) of clause 6 of the Bill, for the words ‘ two hundred thousand rupees ’ the words ‘ one hundred thousand rupees ’ be substituted.”

I know that this amendment also will share the same fate as my previous amendment. I submit that a sum of Rs. 200,000 in respect of life fund is absolutely of no value. When life funds grow, then the security deposit of Rs. 100,000 or Rs. 200,000 will have no value and will be of no consequence. In case of those insurers who will not accumulate life funds, they will die a natural death. Consequently I appeal to my Honourable friends of the Congress Group to see if they can support this amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in sub-clause (1) (a) of clause 6 of the Bill, for the words ‘ two hundred thousand rupees ’ the words ‘ one hundred thousand rupees ’ be substituted.”

“ That for sub-clause (1) of clause 6 of the Bill, the following be substituted :
‘ (a) where the business done ought to be done in life insurance only, 25 per cent. of the total assets with a minimum of Rs. 50,000 ’.”

Dr. Ziauddin Ahmad : Sir, I rise to support this amendment, and my reason is this that life insurance is on a different footing from accident insurance. Here we have not got to pay the policies immediately. From the history of life insurance companies we find that in the first few years they get more and have to pay less, and after a few years their capital increases substantially, and therefore it is not necessary that a big deposit should be expected from them at the very outset. Sir, I support the motion.

Mr. Suryya Kumar Som : Sir, I again rise to support the amendment and on the very same principle. I find that this deposit is useless and unnecessary, when in clause 26 we have provided that the whole life fund shall be deposited with Government or in some safe security. So the policy holder's interest has been made absolutely safe. Then we have provided that mushroom companies should have Rs. 50,000 as working capital. Then why does this question of deposit arise ? In whose interest and for what reason ? I do not find any reason for it. Up to this time there was no provision for the life funds being deposited with Government or deposited in safe securities. Of course that question would have arisen only then because there was no safety for the policy holders. But here we have already provided that the whole life fund should be deposited with Government or in safe securities ; and we have again provided Rs. 50,000 for working capital which is rather too high. Then why should such a big sum be deposited with Government and enrich the Government exchequer ? And they will pay you only 1, or 2 or 1½ per cent. interest. I appeal to the House to consider this. I should also like to hear, from those who oppose this, what the necessity is for demanding such a high deposit when the interest of the policy holders is safe and the working capital is already in hand. This deposit taken with Rs. 50,000 as working capital will make it impossible for ordinary men to start any insurance business. Sir, I appeal to my friends on the Congress benches to support this amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in sub-clause (1) (a) of clause 6 of the Bill, for the words ‘ two hundred thousand rupees ’ the words ‘ one hundred thousand rupees ’ be substituted.”

The motion was negatived.

Mr. F. E. James : Sir, I beg to move :

“ That in part (b) of sub-clause (1) of clause 6 of the Bill, the words ‘ and fifty ’ be omitted.”

I ought to explain that this particular amendment should be read with the succeeding amendments put in by our Group. Their effect is this : that we reduce the deposits for Fire, Marine, Accident and Miscellaneous from 1½ lakhs to 1 lakh ; and then as far as Life plus three other classes are concerned, from 4½ lakhs to 4 lakhs ; as far as no Life plus two other classes are concerned, from 2½ to 2 lakhs ; and as far as no Life plus three others are concerned, from 3½ to 3 lakhs. The reason why we have made a differentiation between life insurance and other classes of insurance is that in the case of life insurance the liability is far more extended than in the case of other classes of insurance. That is why we did not support the previous amendment ; we have left the life insurance deposit at its original figure of 2 lakhs.

[Mr. F. E. James.]

The short point is this : that the reason for deposits is to prevent companies with inadequate financial backing from coming into being and getting registered under this Act. We consider that on the whole for other classes of insurance than life, 1 lakh is sufficient ; and therefore this amendment should be considered with the other amendments that follow as part of a general scheme for the reduction of the deposits on the non-life classes of insurance.

Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in part (b) of sub-clause (1) of clause 6 of the Bill, the words ‘ and fifty ’ be omitted.”

The Honourable Sir Nripendra Sircar : Sir, I oppose this amendment.

Dr. P. N. Banerjee : Sir, during the last half hour we have been advocating the cause of the poor and the small. Now, we have begun to advocate the cause of the rich and the well-to-do, and of those who can afford to deposit large sums. I hope the Government will not accede to this request.....

The Honourable Sir Nripendra Sircar : I said I opposed it.

Dr. P. N. Banerjee : Yes, but without a speech, on the ground that brevity is the soul of wit. I do not object on the ground of principle to this amendment, but I find that my friends did not think it necessary to support the demands made from this side of the House. Reciprocity is the rule of life. “ Do unto others as you would be done by ”. That should be the motto of our friends in future.

Mr. T. Chapman-Mortimer : Sir, it was not my intention to intervene in the discussion on this particular amendment ; but in view of the remarks passed by my Honourable friend and colleague from Bengal, I must just make our position quite clear. There is a good deal of difference in principle between the position of people doing life insurance and people doing ordinary business of insurance in non-life classes.....

Mr. S. Satyamurti : You must pay more !

Mr. T. Chapman-Mortimer : No, Sir ; we must pay less ! In the first place, we suggest along with the Government that you should demand 2 lakhs from people who do life business, and I would like to remind my friend that we did support him and will support him in regard to extending the time limit within which deposits must be paid in the case of companies doing life insurance. But I should like just to explain for the benefit of the House why it is that you require a larger deposit for life business than you do for non-life, and the reason is quite obvious. In the case of life business, you undertake a contract which is going to extend throughout the whole life or in certain cases over the greater part of the life of the assured, and it is for that reason that you require to insist that there should be larger security or rather I should say larger guarantee of the stability of the person who is doing the insurance. There is no question at all of our doing something for the rich and not for the poor.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That in part (b) of sub-clause (1) of clause 6 of the Bill, the words ‘ and fifty ’ be omitted.”

The motion was negatived.

Dr. Ziauddin Ahmad : Sir, on a point of order : I have given in an amendment which is coming on later that no insurer.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : What is the amendment that the Honourable Member is speaking about ?

Dr. Ziauddin Ahmad : I am talking in connection with No. 145.

Mr. Deputy President (Mr. Akhil Chandra Datta) : That has not yet been called.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Dr. Ziauddin Ahmad : Sir, before I move my amendment No. 145, I would like to have your ruling on one point. The object of this amendment is that no company carrying on life assurance business should engage in other forms of insurance. I have given notice of an amendment which says that no such combination should be permitted, and, therefore, I would like to know whether the debate should be taken up on this amendment or any other amendment.

The Honourable Sir Nripendra Sircar : What is the other amendment ?

Dr. Ziauddin Ahmad : No. 257.

Mr. President (The Honourable Sir Abdur Rahim) : As this is an amendment which would affect the entire structure of this Bill, I should like to know whether any amendment has been passed so far, especially in the definition clause No. 2, which would affect this amendment.

Dr. Ziauddin Ahmad : If you permit me to move amendment No. 257 when the time comes, then I will not move this amendment now.

Mr. President (The Honourable Sir Abdur Rahim) : That I cannot allow now. I will allow the Honourable Member to move his amendment No. 145 unless it is barred by anything that is passed by this House.

Dr. Ziauddin Ahmad : Then, I move :

“ That sub-clause (1) (f) of clause 6 of the Bill be omitted.”

The intention of this amendment, which I have explicitly mentioned in a subsequent amendment is that no insurer carrying on business specified in part (a) of clause 6 (1) shall carry on the business specified in parts (b), (c), and (d) of the same sub-clause : that is, any insurer carrying on business in life should not be permitted to carry on insurance in the other three forms, that is, fire, marine and accident. That is really my intention. Sir, this is a very important....

Mr. President (The Honourable Sir Abdur Rahim) : It has been pointed out to me that clause (1) (e) has already been adopted by the House, and clause (1) (c) says “ where the business done or to be done includes life insurance and any one of the three classes specified in clauses (b), (c) and (d) ” and so on. That has been adopted by the House.

Dr. Ziauddin Ahmad : No, Sir, nothing has been adopted. No voting has taken place on (e).

Mr. President (The Honourable Sir Abdur Rahim) : Is there any amendment to that ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. President (The Honourable Sir Abdur Rahim) : Then, the Honourable Member's amendment is barred.

Mr. M. S. Aney (Berar : Non-Muhammadian) : An amendment cannot be barred, because it has not been adopted.....

Mr. President (The Honourable Sir Abdur Rahim) : I understand voting on the clause has not been taken, but the amendment has been adopted. I think Mr. Aney is right. I thought there was an amendment and it was put to the vote.

The Honourable Member can go on with his speech.

Dr. Ziauddin Ahmad : Thank you, Sir. The point that I was trying to impress upon Honourable Members was that there should be a clear differentiation between life insurance and other forms of insurance like fire, marine and accident. The last three forms stand on an entirely different footing. In the case of life insurance, we have to keep in view prominently the interest of the policy-holders from first to the last, but in the case of other forms of insurance, the position is very different. Therefore, it is very desirable that a company dealing with life insurance should not be permitted to engage itself in other forms of insurance which involve grave risk and which may endanger the position of the policy-holders. Probably the Honourable the Law Member may say that sufficient safeguards have been provided to see that the accounts of life policy-holders are kept separate from the accounts maintained for other forms of insurance, but I feel, Sir, that it is not a very satisfactory arrangement, and my reasons are these. In the first place, you may say that in the case of life policies, you have long term payments, that is to say, payments are not to be made immediately, but they are to be made after a long period ; but, in the case of other forms of insurance like accidents, fire, etc., the payments to be made are really short term contracts, and, therefore, the position is entirely different. Suppose a man has insured in a company which is carrying on business in life, as well as in fire, and that company has accepted a fire policy for, say, 20 or 30 lakhs, and there is a fire. Then the company will have to meet the claims of the fire accident. No doubt, there is a provision for maintaining separate sets of accounts, one for life, and others for accidents, marine and fire, but the company is the same, the directors and shareholders of the company are the same. I do not know if provision has been made to see that if one part of the company goes into liquidation, the other parts of the company can continue its business. Even assuming there is some such provision, if a company, which is doing life business, goes into liquidation in respect of the other forms of business, there will be very great nervousness on the part of the policy-holders whether the company will be able to meet the life claims, and it is very doubtful whether the provisions in the Bill will be able to save the interest of the policy-holders sufficiently. In that case, a large number of policy-holders

will hesitate to make payments of premiums and keep their policies alive, because they will feel that the company has sustained a huge loss on account of fire and that it will not be able to meet the life claims when they are put forward. That is one difficulty which I have in mind.

Then, my second difficulty is this, the method of investment differs in these two cases. In the case of life insurance, the company does not want the money immediately. They want to invest their capital in such a way as to get the money after a long interval, whereas, in the case of other forms of insurance, they want the money in hard cash to be paid in full immediately an accident takes place.

Then, again, in the case of fire, marine and accident insurance, the interest is limited to shareholders of the company, but in the case of life insurance it is the policyholders who are most interested. Suppose a company has a capital of, say, 50 lakhs, 25 lakhs would belong to policyholders side and the other 25 lakhs to the other three sides of the company, then in the 50 lakhs side the policyholders are interested, while, in the other side, it is the directors and shareholders who will be interested. It is quite possible that the company will invest their money in profitable concerns—only that portion which belongs to other forms of insurance—and will not invest the money belonging to the life insurance in those investments which bring the maximum amount of profit. If the two sides belong to the same directors, and, in one of them, they have got the entire interest, and, in the other, only a partial interest, it is but human weakness that they will look after the part in which they have got more interest than the one in which they have not got so much interest. Therefore, I am afraid that, in the manner of investment, differentiation will be made to the detriment of the policyholders and to the benefit of the shareholders. These things have been examined, and the Honourable the Law Member will bear me out when I say that in America after experiments they have come to the conclusion that an insurance company dealing with life business should not enter into any other form of insurance business, but should confine itself to life insurance business only. If America has come to such a conclusion, I do not see why we should not learn from the wisdom of other countries. Canada also is coming to this view, and why should we, with all this experience, repeat the mistakes that had been committed in the past ? I understand that the British companies have not yet adopted this particular principle, but I am perfectly sure that it will be adopted sooner or later in Britain. When we are discussing this Bill, we should lay down very definitely, if not for the past, at least for the future that companies which are started for doing life insurance business should deal with that business only and not combine it with other forms of insurance business, that is, fire, marine and accident. I do not want to penalise companies which are already in existence. Let them carry on their business as best as they possibly can. But in the case of new companies, which will come into existence, it would be a mistake to allow them to carry on business in both kinds of insurance business, and it would be exceedingly unsafe to allow them to do so. A company, after acquiring some experience in one form of insurance, may perhaps add to it another form of insurance, but it is exceedingly dangerous to start with these two forms from the very outset. In the case of life insurance, payment may be postponed for a considerable time, but the income is constantly there. In the case of other forms of insurance, it is only a small payment, and if there happens to be no accident, the money is safe ;

[Dr. Ziauddin Ahmad.]

but if, in the beginning, there is any kind of big accident, I am afraid that the reputation of the insurer will be ruined, and that will also affect the business on the life side also. It is, therefore, very desirable that we should separate these two things together (Laughter), and we ought to become wiser by the example of America, Canada and other countries.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That sub-clause (1) (f) of clause 6 of the Bill be omitted.”

The Honourable Sir Nripendra Sircar : I oppose the amendment.

Dr. Ziauddin Ahmad : As usual.

The Honourable Sir Nripendra Sircar : As usual I oppose objectionable amendments. (Laughter.) My Honourable friend has no objection really to combining life insurance with other business from the business point of view. I do not understand that he has any objection from the point of view of morality or health. What is his objection ? It has been done in America and therefore that is the strongest argument for adopting that here. I have been in America, and without going into details, I may warn my Honourable friend that he need not do whatever is done in America. (Laughter.) My Honourable friend has completely overlooked sub-clause (3) of clause 9 :

“ The life insurance fund shall be as absolutely the security of the life policy-holders as though it belonged to an insurer carrying on no other business than life insurance business and shall not be liable for any contracts of the insurer for which it would not have been liable had the business of the insurer been only that of life insurance and shall not be applied directly or indirectly for any purposes other than those of life insurance.”

Dr. Ziauddin Ahmad : What would happen if the company goes into liquidation in that particular business ?

The Honourable Sir Nripendra Sircar : That is provided for in the Bill. So far as the life insurance part is concerned, it runs no risk from other parts of the business. My Honourable friend started by saying that those are three different kinds of things and therefore they ought not to be combined, that you cannot combine life with fire or with marine. That again shows that logic is prevailing over business point of view or over common sense. I would put an example before my Honourable friend which may appeal to him, showing that the two can be combined. Suppose I insure the life of a horse, then it is both life insurance and accident insurance. (Laughter.) I do not want to take my speech over the day. I have very little to add. Talking seriously, I have not heard any convincing argument from my Honourable friend as to why two different kinds of business should not be combined. You might as well say that the man who is selling mangoes should not sell another kind of fruit because the interest of the mango will be in conflict with the interest of the pears. (Laughter.) I do not think that is a very reasonable argument. I oppose the amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That sub-clause (1) (f) of clause 6 of the Bill be omitted.”

The motion was negatived.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 9th September, 1937.

LEGISLATIVE ASSEMBLY.

Thursday, 9th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

BATTALIONS OF THE KUMAON REGIMENT.

402. ***Mr. Badri Dutt Pande** : Will the Defence Secretary state :

- what is the strength of the first Battalion Kumaonies ;
- why was the Second Battalion of the Kumaon Regiment abolished ;
- whether it is a fact that recruits from Kumaon are attached to several Battalions ; and if so, whether Government will give the names of those Battalions in which Kumaonies are attached and number of the combatants ;
- whether it is the intention of the Defence Department to collect all these Kumaonies soldiers from different Battalions and thus revive the second Battalion Kumaonies ; and
- what is the number of Indian troops engaged ex-India at present ?

Mr. O. M. G. Ogilvie : (a) 721.

(b) In consequence of the necessity for reducing the size of the army after the War.

(c) The battalions in which Kumaonies are serving and their numbers in each on the 1st January, 1937, are, apart from the First Kumaon Rifles, as follows :

1st Bn., 19th Hyderabad Regiment	232
2nd Bn., 19th Hyderabad Regiment	269
4th Bn., 19th Hyderabad Regiment	225
10th Bn., 19th Hyderabad Regiment	259

(1377)

Besides these, the Kumaonies are in the following corps :

Royal Indian Army Service Corps	235
Royal Indian Army Service Corps (Mechanical Transport)	114
Sappers and Miners	231

Also a certain number in the Indian Hospital Corps.

(d) No.

(e) 3,262.

Mr. Badri Dutt Pande : Is there any prospect in the near future of these Kumaonies being assimilated into the Second Battalion ?

Mr. C. M. G. Ogilvie : I am afraid not.

Mr. Badri Dutt Pande : May I know the reason why ?

Mr. C. M. G. Ogilvie : The reason is that the four existing battalions would be disorganised and also an additional battalion would have to be created.

Mr. Badri Dutt Pande : Why was the second battalion disbanded just after the war ?

Mr. C. M. G. Ogilvie : Many battalions had to be disbanded and the Kumaonies who had not been recruited before the War lost one of theirs.

Mr. T. S. Avinashilingam Chettiar : What is the meaning of "engaged ex-India" ?

Mr. C. M. G. Ogilvie : I think you had better ask the questioner.

Mr. Badri Dutt Pande : Is there any Kumaon battalion in Hong-kong ?

Mr. C. M. G. Ogilvie : I think so.

Mr. Badri Dutt Pande : In the fighting line or in garrison duty ?

Mr. C. M. G. Ogilvie : There is no fighting line.

MUHAMMAD ALI STORES IN ABYSSINIA AND TRADE TRANSACTED WITH ITALY.

403. **Mr. Badri Dutt Pande :** Will the Foreign Secretary state :

- whether all Muhammad Ali Stores have been disbanded in Abyssinia ; and if so, what loss, if any, this firm has suffered ;
- what is the amount of annual trade that India transacts with Italy ; and
- whether the Italian Government have locked up their money in the Abyssinian Banks ; and if so, are they not allowing them to take it outside ?

Lieut.-Colonel A. E. B. Parsons : (a) All the branches of Messrs. Muhammad Ali's Stores in Abyssinia are being liquidated. Government are unable to estimate the loss the firm has suffered.

(b) Figures for the last three years are :

1934-35.				
				Rs.
Exports	..	..	..	5,87 lakhs.
Imports	..	..	..	3,02 lakhs.
1935-36.				
Exports	..	..	..	3,54 lakhs.
Imports	..	..	..	2,00 lakhs.
1936-37.				
Exports	..	..	..	4,68 lakhs.
Imports	..	..	..	1,21 lakhs.

(c) It is understood that the firm is experiencing some difficulty in arranging for the transfer of its funds from Abyssinia, but the matter is under negotiation with the Italian authorities.

Seth Govind Das : Was any compensation paid to the owners of the firm ?

Lieut.-Colonel A. E. B. Parsons : Compensation for what ?

Seth Govind Das : For their losses.

Lieut.-Colonel A. E. B. Parsons : None, I think.

Seth Govind Das : Will the Government press upon the Italian authorities to give compensation because the Muhammad Ali Stores were owned by Indians ?

Lieut.-Colonel A. E. B. Parsons : I do not think it will be possible to obtain compensation from the Italian Government.

Mr. Badri Dutt Pande : Is the money still locked up in the Italian Banks ?

Lieut.-Colonel A. E. B. Parsons : I am afraid I don't know. The firm probably knows.

Mr. Badri Dutt Pande : Was any representation made to the Government of India by the firm ?

Lieut.-Colonel A. E. B. Parsons : The Government are in constant communication with the representatives of the firm through an association called the Indian Citizenship Association, or something of that sort.

Mr. S. Satyamurti : May I know the nature of the difficulty which the firm is experiencing, in connection with the transport of their monies ?

Lieut.-Colonel A. E. B. Parsons : I think, so far as I gather, it is a question of exchange and similar financial matters.

Mr. S. Satyamurti : Apart from the question of exchange, may I know whether Government will find out what is the exact nature of the difficulty which prevents the Italian Government allowing them to export their monies ?

Lieut.-Colonel A. E. B. Parsons : The Italian Government, I do not think, are prohibiting the export of money. They are trying to arrange terms for taking over the business and if they take over the business, the Italian Government would naturally arrange for payment in some form acceptable to the firm.

Mr. S. Satyamurti : What is the nature of the present difficulty ?

Lieut.-Colonel A. E. B. Parsons : I have already referred to the exchange difficulty. Negotiations are still going on.

Mr. Badri Dutt Pande : Is it the intention of the Mussolini Government not to allow the firm to take their money outside.

Lieut.-Colonel A. E. B. Parsons : I am afraid I cannot say what the intention of the Italian Government is.

Seth Govind Das : How will this exchange difficulty be overcome ?

Lieut.-Colonel A. E. B. Parsons : I should imagine, by negotiation. If the Italian Government comes to terms with the firm, they would arrange to pay the firm.

Mr. Badri Dutt Pande : Have the Government entered into a treaty with Mussolini ?

Lieut.-Colonel A. E. B. Parsons : About the Muhammad Ali Stores ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.
†404* and 405*.

HAND-BILLS THROWN BY AEROPLANES IN THE TRIBAL TERRITORIES IN THE NORTH-WEST FRONTIER.

406. ***Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

- (a) whether it is a fact that recently hand-bills were thrown by aeroplanes in some tribal territories in the North-West Frontier, warning tribesmen to refrain from their anti-Government activities and bringing home to them that bombing operations will be re-started if they turn deaf ears to the Government demands ; and

†These questions were withdrawn by the questioner.

- (b) what these bombing operations are and whether they include bombing of non-combatants including women and children, and if so, the reasons for this inhuman warfare ?

Mr. C. M. G. Ogilvie : I refer the Honourable Member to the answers gave on the 27th August, 1937, to Mr. B. D. Pande's starred question No. 153 and the supplementary questions arising from it.

Mr. S. Satyamurti : May I know whether Government have any information that the people for whom handbills are intended know the language in which these handbills are printed ?

Mr. C. M. G. Ogilvie : That question was answered by me several times on the 27th August.

Mr. S. Satyamurti : Have Government taken any steps to see that women and children are not bombed even by accident, when these bombing operations take place ?

Mr. C. M. G. Ogilvie : That question was also answered by me on the 27th August.

Mr. S. Satyamurti : Have Government received any information as to whether any women and children were bombed by these aeroplane bombs ?

Mr. C. M. G. Ogilvie : That question was also answered by me on the 27th August, 1937.

Mr. S. Satyamurti : Have any women and children been bombed at all ?

Mr. C. M. G. Ogilvie : That question was also answered by me on the 27th August, 1937.

Mr. S. Satyamurti : Have the bombing operations stopped now ?

Mr. C. M. G. Ogilvie : Yes.

†407* and 408*.

GOVERNMENT ADVERTISEMENTS GIVEN TO NEWSPAPERS.

409. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- (a) whether the policy of Government in respect of giving advertisements to the press remains the same, that is to say, based on a distinction between "friendly" and the "unfriendly" press ;
- (b) whether the Government of India propose to consider the desirability of giving advertisements to newspapers, purely on grounds of securing maximum publicity, bearing in mind only the circulation of the newspaper concerned, and ignoring all other considerations ; and
- (c) if not, why not ?

†For these questions and replies thereto, see pages 1400-01 of these debates.

Mr. J. A. Thorne : The present policy of Government is to secure, from a commercial point of view, the maximum value for advertisements ; and the selection of newspapers for advertisements is based on this principle.

Mr. S. Satyamurti : May I ask if this answer covers all the Departments of the Government which advertise in newspapers, such as the Railway Department, the Commerce Department, and so on ?

Mr. J. A. Thorne : I think I can say that it covers the decision of Government in respect of all Departments except in so far as the matter is under discussion with the Railway Department.

Seth Govind Das : What is the definition of a friendly press ?

Mr. J. A. Thorne : I have not used that expression.

Mr. S. Satyamurti : May I inform my Honourable friend that his distinguished Chief, Sir Henry Craik, Governor-designate of the United Provinces, used these words in this House ? These words are not mine, but I have simply taken them from him.

Mr. Mohan Lal Saksena : Have the Government made it a rule that advertisements should not be given to papers having less than a minimum circulation ?

Mr. J. A. Thorne : It follows from the answer that I have given that papers with a negligible circulation will not be selected for the purpose.

Mr. Mohan Lal Saksena : Will the Government fix the number ? What does the Honourable Member mean by 'negligible circulation' ? I know there are certain papers which are published simply for the purpose of getting Government advertisements.

Mr. J. A. Thorne : I do not know if it is possible to fix an absolute number for all purposes and for all advertisements, but the suggestion will be considered.

Seth Govind Das : In view of the fact that Sir Henry Craik has used the expression 'friendly and unfriendly', will the Honourable Member kindly tell the House what is meant by that ?

Mr. President (The Honourable Sir Abdur Rahim) : That is a common expression.

Mr. S. Satyamurti : When does my Honourable friend expect the Railway Board to come to a decision on this question, that is to say, coming into line with the present policy of the Government, namely, commercial considerations alone will count ? And in the meantime, will the Railway Department carry on the past policy of distinguishing "friendly" and "unfriendly" press irrespective of commercial value ?

Mr. J. A. Thorne : I hope that the matter will be settled very soon.

Mr. S. Satyamurti : In the meantime, what is the policy that is being followed by the Railway Department ? Are they following the spirit of "friendly" or "unfriendly" press or are they coming into line with the new policy ?

Mr. J. A. Thorne : I cannot answer that without notice. In the case of the Railway Department many of the advertisements are not put in from headquarters but by Agents themselves. If the Honourable Member wants further information on that subject, I suggest that notice should be given to the representative of the Railway Department.

Mr. S. Satyamurti : Will my Honourable friend press on the Railway Department the expediency of coming to a quick conclusion on this subject ?

Mr. J. A. Thorne : I do not know about "press", but the matter is under discussion with the Railway Department.

Mr. K. Santhanam : Will the Government consider the desirability of stopping the advertisements of the Railway Department till they come into line with the new policy ?

(No reply.)

Seth Govind Das : May I ask what is the amount of money that is spent on these advertisements ?

Mr. J. A. Thorne : I cannot say.

INTERCEPTION OF LETTERS AND TELEGRAMS AND TAPPING OF TELEPHONE CALLS.

410. **Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- (a) whether the instructions with regard to the interception of letters sent by post and addressed to particular individuals, the interception of telegrams of the same category, and the tapping of telephone calls between certain persons, have been recently modified ;
- (b) whether, in view of the acceptance of office by Congress in six Provinces, the Government of India propose to consult the Provincial Governments as regards any necessary changes in such instructions ; and
- (c) if not, why not ?

Mr. J. A. Thorne : (a) It is not in the public interest to give any information as to the measures taken in this regard.

(b) and (c). The Government of India do not consider any consultation necessary ; they no longer control the action of Provincial Governments in such matters.

Mr. S. Satyamurti : With reference to the answer to part (a) of the question, may I ask whether instructions on this particular question are given independently by each Provincial Government, or whether it is the Central Government which lays down the general principles and the instructions are carried out by the various Provincial Governments ?

Mr. J. A. Thorne : Under the present constitutional position it is obviously for the Government concerned—whether the Central Government or the Provincial Government—to give instructions as to what should be done within its own executive sphere.

Mr. S. Satyamurti : May I take it, therefore, that the Central Government comes in in respect of this matter, only in respect of the centrally administered areas ?

Mr. J. A. Thorne : Not necessarily.

Mr. S. Satyamurti : Then, may I know where do the Local Governments come in, and where the Central Government comes in in respect of their respective jurisdictions ?

Mr. J. A. Thorne : It depends on the executive sphere, and for that the Government of India Act is the authority.

Mr. S. Satyamurti : May I ask whether in the provinces which are now administered by autonomous Provincial Governments there is any executive sphere, in respect of the matters mentioned in clause (a), where the Central Government exercises such powers ?

Mr. J. A. Thorne : That is a big question and a constitutional question to which, as I said, a perusal of the Government of India Act will provide the answer. But certainly there are such subjects.

Mr. S. Satyamurti : With reference to the answer to parts (b) and (c) of the question, may I know whether the Government have contemplated that there may be contrary instructions issued by the Central Government and the Provincial Governments ? For example, the Central Government may want to intercept a letter but the Provincial Government may not. In view of that, will the Government consider the desirability of consulting Provincial Governments in respect of all such matters ?

Mr. J. A. Thorne : That is a hypothetical question. I suggest that if any difficulties arise, they would certainly be resolved by consultation and discussion with the Provincial Governments.

Seth Govind Das : Is the private correspondence of the Congress Ministers subject to the interception of the Central organisation ?

Mr. J. A. Thorne : I do not think that arises from this question. But so far as it does arise, it is covered by the general answer I have given to Mr. Satyamurti.

Mr. Mohan Lal Saksena : May I ask if the list of persons whose *dak* is ordered to be censored by the Government is ever revised ?

Mr. J. A. Thorne : That is obviously a question which I cannot answer.

Mr. S. Satyamurti : May I ask if the Government will examine the question of the correspondence of Provincial Ministers not been intercepted by the orders of the Central Government ?

Mr. J. A. Thorne : That will certainly be considered if my Honourable friend thinks that such an occasion is likely to arise.

Seth Govind Das : Because the Government have agreed to consider the question, may I take it that at present the correspondence of the Ministers is being intercepted by the Central organisation ?

Mr. J. A. Thorne : It is not in the public interest to answer any question of that kind.

STATE OF HEALTH OF CERTAIN PRISONERS.

411. ***Mr. Amarendra Nath Chattopadhyaya :** Will the Honourable the Home Member be pleased to state if the following statement about the state of health of the following prisoners is correct ? If not, will he be pleased to give a correct statement ?

The Statement.

Name of prisoner.	Year.	Disease.
Biren Roy	1932	Appendicitis.
Mukul Sen	1932	T. B. Lungs.
Satya Bose	1934	Gastric Ulcer.
Bidhu Sen	1934	T. B. Lungs.
Nikhil Guha Roy	1934	T. B. Lungs.
Prafulla Mazumdar	1935	T. B. Lungs.
Nepal Sarkar	1936	Stone in kidney.
Kamal Srimani	1936	Stone in kidney.
Suren Sarkel	1936	Asthma.
Amaar Sutradhar	1937	Rheumatism.
Kartie Deysirkar (he still cannot walk)	1937	Rheumatism.
Dhrubesh Chatterjee	1937	V. D. H.
Fani Nandi	1937	T. B. Lungs.
Sudhir Samajdar	1937	Polyurea (Heart disease).
Ananta Bhattacharya	1937	Heart disease.
Sudhindra Bhattacharya	1937	Cannot pass motion or make water without douche or catheter respectively.
Hemendu Chakravarty	1937	Dilated stomach.
Mrityunjoy Banerji	1937	Heart disease.
Rebati Saha	1937	Gastric Ulcer.

Mr. R. F. Mudie : None of these prisoners is now in the Andamans, but the statement regarding Biren Roy, Mukul Sen, Bidhu Sen, Prafulla Mazumdar, Kamal Srimani, Suren Sarkar, Dhrubesh Chatterjee and Ananta Bhattacharya is correct. Statement regarding Nikhil Guha Roy, Nepal Sarkar and Sudhir Samajdar is not correct. Government

have no information regarding Satya Bose, Amar Sutradhar, Kartik Dey Sarkar, Fani Nandi, Sudhindra Bhattacharya, Hemendu Chakravarty, Mrityunjoy Banerjee and Rebati Saha.

Mr. S. Satyamurti : The Honourable Member cannot pronounce the names of his own detenues !

DETENTION PERIOD OF ONE KAMAL SRIMANI.

412. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable the Home Member please state if it is not a fact that one Kamal Srimani was operated upon three times and his detention period in the hospital was not counted within the period of his sentence and he had to serve five months more than his period of sentence ?

(b) Was he repatriated while he became insane ?

Mr. R. F. Mudie : (a) The prisoner Kamal Srimani was never operated upon in the Andamans. The rest of this part does not arise.

(b) No.

Mr. Kuladhar Chaliha : Was he wrongfully detained for five months more than his term ?

Mr. R. F. Mudie : No, Sir.

RELEASE OF INVALID POLITICAL PRISONERS IN THE ANDAMANS.

413. ***Mr. Amarendra Nath Chattopadhyaya :** Will the Honourable the Home Member please state whether Government are prepared to release those political prisoners in the Andaman Islands who have become invalids and attacked with tuberculosis ?

Mr. J. A. Thorne : The remission of sentences imposed on prisoners, convicted outside the jurisdiction of the Central Government, is not within the power of the Central Government. But prisoners in the Cellular Jail who suffer from tuberculosis or other serious diseases are returned to their Provinces.

Mr. Mohan Lal Saksena : How many persons have been returned ?

Mr. J. A. Thorne : I cannot say without notice.

PRISONERS IN THE ANDAMANS SUFFERING FROM DYSPEPSIA.

414. ***Mr. Amarendra Nath Chattopadhyaya :** Will the Honourable the Home Member please state whether it is a fact that over 30 prisoners in the Andamans at present have been suffering from chronic dyspepsia in consequence of which they cannot stand food cooked in the prisoners' kitchen and have to depend upon ' Ic-Mic ' cooker ? If so, are Government prepared to consider the advisability of repatriating those prisoners ?

Mr. J. A. Thorne : I presume the question relates to the period immediately before the hunger-strike began on July 24th. At that time 24 terrorist prisoners were on a special kind of diet as an experiment.

As I have already stated, the question of repatriation of terrorist prisoners who have given up the hunger-strike is under examination.

Mr. Mohan Lal Saksena : What was the experiment ? Was it done under the advice of the medical doctors ?

Mr. J. A. Thorne : It was certainly done under instructions from the medical staff.

Mr. Mohan Lal Saksena : Were they suffering from any disease ?

Mr. J. A. Thorne : Dyspepsia.

Mr. Bhulabhai J. Desai : I think the Honourable Member said that persons suffering from tuberculosis are generally repatriated and the question I am asking is whether tuberculosis and other similar diseases have attacked the prisoners since they were taken to the Andamans ?

Mr. J. A. Thorne : The answer to which my Honourable friend refers was given on the previous question, but I have no objection to answering this question now.

Mr. Bhulabhai J. Desai : I shall be grateful.

Mr. J. A. Thorne : As a general rule the serious diseases such as tuberculosis had already affected the prisoners to some degree before they came to the prison.

PRISONERS IN THE ANDAMANS SUFFERING FROM CERTAIN DISEASES.

415. ***Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable the Home Member please state whether it is not a fact that out of 316 prisoners in the Andamans, 130 in the sleeping yard are under the treatment of the Senior Medical Officer ? Will the Honourable the Home Member be pleased to lay on the table a comparative chart of their weight taken from time to time since they arrived in the Andamans to serve their terms of sentences ?

(b) Will the Honourable the Home Member lay on the table a statement of the prisoners in the Andamans who are at present suffering from diseases like pyorrhoea, caries, eye diseases, malaria, influenza and piles ?

(c) Will the Honourable the Home Member be pleased to state if Government had sent Miss Cornelia Sorabji to the Andamans in the middle of February, 1937, to visit the political prisoners ? If so, will Government lay on the table the reports she had submitted, and will the Honourable the Home Member be pleased to state if those reports of Miss Sorabji were challenged by the prisoners during her subsequent visits ?

Mr. J. A. Thorne : (a) On the assumption that the question refers to the terrorist prisoners confined in the Cellular Jail the reply to the first part is that on the 23rd July last 41 terrorist prisoners were on the convalescent gang list. As regards the second part, I would refer the Honourable Member to the reply given to Mr. Mohan Lal Saksena's starred question No. 386 on the 15th September, 1936.

(b) The number of terrorist prisoners in the Andamans undergoing treatment for the diseases named on the 17th August, 1937, was as follows :

Pyorrhœa	..	..	..	35
Dental Caries	..	..	..	Nil.
Eye Diseases	..	..	..	2
Malaria	..	..	..	2
Influenza	..	..	..	Nil.
Piles	..	..	..	2

(c) Miss Cornelia Sorabji visited the Andamans of her own accord but permission to proceed there was granted her by Government. She has submitted no report to Government and she has made only that one visit to the Andamans.

Pandit Lakshmi Kanta Maitra : Is the Honourable Member aware that some terrorist prisoners made representations to the Government of India alleging that the statements made by Miss Sorabji after her return from the Andamans were inaccurate in material particulars ?

Mr. J. A. Thorne : I am not aware of that. In any case Miss Sorabji made no report or statement.

Pandit Lakshmi Kanta Maitra : Has the Home Department never heard anything from her by way of report or statement after her return from the Andamans ?

Mr. J. A. Thorne : Not after her return.

Mr. S. Satyamurti : Do Government give permits to any person who wants to visit the Andamans, or do they exercise discrimination and if the latter is a fact, may I know the reasons why this Miss Sorabji was allowed to visit the Andamans ?

Mr. J. A. Thorne : Government certainly exercise discrimination. Miss Sorabji has been for many years past interesting herself in questions of penal reform and it was on that footing that she sought and obtained permission to visit the Andamans.

Mr. S. Satyamurti : Is it not a fact that she is notoriously anti-Indian and consistently against Indian aspirations, and was that the reason why she was allowed to visit the Andamans ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot cast reflections in putting supplementary questions.

Mr. S. Satyamurti : But she is not a Member of the House.

Mr. President (The Honourable Sir Abdur Rahim) : That question cannot be allowed.

Seth Govind Das : What is the principle on which this discrimination is made for allowing persons to visit the Andamans ?

Mr. J. A. Thorne : It is difficult to say that there is any principle. When applications are received, they are considered on their merits.

Pandit Lakshmi Kanta Maitra : Is it not a fact that Miss Sorabji was induced by the Government of Bengal and the Government of India to undertake that tour to the Andamans and to report in favour of Government ?

Mr. J. A. Thorne : It is certainly untrue that the Government of India.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member already said that she went of her own accord.

Pandit Lakshmi Kanta Maitra : I have information at my disposal that she was made to go to Andamans by the Government.

Mr. President (The Honourable Sir Abdur Rahim) : That may be the information of the Honourable Member, but the information of the Government is apparently to the contrary.

Pandit Lakshmi Kanta Maitra : I want to elicit an answer to my question whether she has been sent by the Government.

Mr. President (The Honourable Sir Abdur Rahim) : He has already answered that.

Mr. S. Satyamurti : With reference to part (a), may I know what is the latest report available to the Government, with regard to the health of these prisoners—30 or 40, I do not know—who are now in the convalescent list ?

Mr. J. A. Thorne : I have no information later than that relating to the 17th August, 1937, and the number which I have already given to the House was 41 which appears to be the same as the number under treatment on the 23rd July last.

Mr. S. Satyamurti : Are Government satisfied that these men are given adequate and prompt medical treatment ?

Mr. J. A. Thorne : Yes, Sir ; entirely.

Pandit Lakshmi Kanta Maitra : I understood the Honourable Member to say that Miss Sorabji made an application to the Government of India. May I know how many other applications did his department receive from other persons intending to visit Andamans ?

Mr. J. A. Thorne : I want notice.

Seth Govind Das : The Honourable Member just stated that the decision of the Government of India is taken after the applications are received. May I ask the Honourable Member to state whether only such Indians are permitted to go there who are definitely anti-Indian in their views ?

Mr. President (The Honourable Sir Abdur Rahim) : That contains allegations.

Mr. S. Satyamurti : Why was the application of Mr. Mohan Lal Sakseena, a Member of this House, rejected ?

Mr. J. A. Thorne : I have already answered that question.

Pandit Lakshmi Kanta Maitra : Several Honourable Members of this House sought permission to visit the Andamans, but they were all refused ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question. The Honourable Member, Mr. Amarendra Nath Chattopadhyaya, has exhausted his quota of questions and so answer to question No. 416 will be treated as written answer.

†416*.

PROPOSED SLAUGHTER HOUSE IN THE LAHORE CANTONMENT.

417. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state whether it is a fact that Government contemplate the establishment of a big slaughter house at Lahore Cantonment ?

(b) Is it intended to slaughter all kinds of animals at this place ? If not, will Government inform this House what particular kinds of animals and cattle will be slaughtered here ?

(c) How many animals are likely to be slaughtered daily at this place ?

(d) How many people are likely to be employed in this slaughter house ?

(e) How far has the construction of this slaughter house proceeded, and what is the estimated total cost of the entire scheme, including construction of buildings, purchase of machinery and stores ?

(f) Is this scheme of establishing a slaughter house to be combined with that of cold storage ? If so, what is this cold storage scheme to cost ?

(g) Is it a fact that animals at this proposed slaughter house are intended to be killed at one stroke by big sharp-edged bars worked by electricity ? If so, are Government aware that this method of slaughtering animals is in India known by the name of *Jhatka*, a process which is very offensive to the Muslims ?

(h) Are Government aware that in the Punjab *Jhatka* or slaughtering at one stroke has led to many communal riots ?

(i) Are Government aware that the slaughtering of a large number of bovine animals at this place will wound very much the feelings of the Hindus and the Sikhs, and that the electrical method of slaughter by one stroke will offend the Muslims ?

(j) Did Government before deciding to construct this slaughter house at Lahore Cantonment consult public opinion in this matter ? If not, why not ?

†For this question and the reply thereto, see pages 1401-02 of these debates.

(k) Are Government aware that the news about the establishment of this proposed slaughter house has agitated very much the minds of the Hindus and the Sikhs in the Punjab ?

(l) In view of this strong agitation against the establishment of this slaughter house, do Government intend to abandon this scheme ?

Mr. C. M. G. Ogilvie : (a) Yes.

(b) No. Cattle only.

(c) An average of 83 per day.

(d) 236.

(e) About one-fifth of the work on the buildings has been finished and most of the steel work had been manufactured. Orders have been placed for the whole of the machinery. The total estimated cost of the complete scheme is rupees 28½ lakhs.

(f) Yes. The Government have made a contract with the Cold Storage Company of India, Limited, for hire of the necessary cold storage space at a cost of Rs. 4,63,680 per annum for a period of 15 years.

(g) No. Slaughter will be carried out by Muslim butchers by the method known as "halal".

(h) Does not arise.

(i) The answer to the first part is, that Government had no reason to believe that the establishment of the abattoir would injure the feelings of Hindus and Sikhs owing to the fact that less cattle will be slaughtered than formerly and that better conditions generally will obtain. Government were confirmed in this view by the fact that local opinion, which was consulted, was unanimously to the effect that no injury to religious sentiments could, in the circumstances, be apprehended.

The second part of the question does not arise.

(j) Public opinion was consulted by the Government of the Punjab.

(k) Yes, but it is believed that their agitation is due to misunderstandings and misrepresentations.

(l) I refer the Honourable Member to the answer given by me on the 6th instant to Sardar Mangal Singh's starred question No. 320.

Seth Govind Das : Are Government aware that a similar slaughter-house was to be built in Ratana in Saugor district in the Central Provinces in 1919 and the building of that was stopped on account of public agitation there ?

Mr. C. M. G. Ogilvie : I have no knowledge of that.

Seth Govind Das : Will Government do the same thing with regard to this slaughter-house ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member said he has no information.

Seth Govind Das : I am telling him that a similar thing was done there. Will they do the same thing here ?

Mr. Abdul Qaiyum : Knowing the strong feelings of the Hindus and the Sikhs on the point, are Government prepared to give up the futile arguments which they have been advancing and respect the sentiments of these communities by giving up the construction of this slaughter-house ?

Mr. C. M. G. Ogilvie : I have already answered that question.

Mr. Sham Lal : How long will it take for the Central Government to come to a final decision ?

Mr. C. M. G. Ogilvie : I am not yet in a position to say that.

Mr. Sham Lal : Are Government aware that the delay aggravates the situation ?

Mr. C. M. G. Ogilvie : Government, on the other hand, hope that delay may ease it.

Mr. Mohan Lal Saksena : What animals will be slaughtered there ?

Mr. C. M. G. Ogilvie : Cattle ; I have already answered that.

Pandit Lakshmi Kanta Maitra : When and with whom did this idea of constructing a slaughter house at Lahore originate ? Was it the Provincial Government or the Defence Department of the Government of India ?

Mr. C. M. G. Ogilvie : It originated with the Defence Department.

Sardar Mangal Singh : Was any public body consulted in this matter, e.g., the Hindu Sabha or any other body ?

Mr. C. M. G. Ogilvie : I think that is a question which ought properly to be put to the Punjab Government.

Mr. Sri Prakasa : Have the feelings of the animals also been consulted ? (Laughter.)

Mr. Badri Dutt Pande : Are Government aware that there was a *hartal* in Simla also ?

ABANDONMENT OF THE IDEA OF OPENING SLAUGHTER HOUSES IN CERTAIN PROVINCES.

418. ***Mr. Sham Lal** : (a) Will the Defence Secretary be pleased to state if it is a fact that Government intended to open a slaughter house at first in the Central Provinces, then in Shahjahanpur in the United Provinces, and then at Delhi, before it was decided to have it in the Punjab ?

(b) If so, why was the idea to have these slaughter houses in the Central Provinces, United Provinces and Delhi, abandoned ?

Mr. C. M. G. Ogilvie : (a) and (b). It was first intended to erect the abattoir in the Punjab after obtaining the sanction of the Punjab Government. Later, however, certain advantages of Shahjahanpur came to light and the United Provinces Government agreed to its location there, but owing to subsequent opposition the proposal was dropped and it was decided to return to the Punjab. The possibilities of the Central Provinces were briefly examined but Delhi was never considered.

Mr. Sham Lal : Why was the Punjab selected ?

Mr. C. M. G. Ogilvie : Because the Punjab welcomed the scheme.

Mr. Sham Lal : Who welcomed it ?

Mr. C. M. G. Ogilvie : The Punjab Government.

Mr. Sham Lal : What is the view of the new Punjab Ministry ?

Mr. C. M. G. Ogilvie : I am not prepared to say what the present view of the Punjab ministry is.

Mr. Sham Lal : Does not Punjab Ministry represent the views of the Punjab ?

Mr. C. M. G. Ogilvie : Presumably, certainly.

Mr. Sham Lal : And if it is against the scheme, does it not mean that the Punjab is against it ?

Mr. C. M. G. Ogilvie : That is a hypothetical question which I cannot answer.

Mr. Mohan Lal Saksena : When was the consent of the Punjab Government obtained ?

Mr. C. M. G. Ogilvie : I think I have already answered that but, as far as I remember, it was in May, 1937.

Sardar Mangal Singh : Is it not a fact that the Punjab Government has recently asked the Government of India to drop it ?

Mr. C. M. G. Ogilvie : I have several times said that I am not prepared to answer that question.

Mr. Mohan Lal Saksena : Has the attention of the Honourable Member been drawn to a statement to that effect appearing in the press ? Is he prepared to contradict it ?

Mr. C. M. G. Ogilvie : My attention has been drawn to the statement in the press but I am not prepared either to affirm or to contradict it.

PROPOSED SLAUGHTER HOUSE IN THE LAHORE CANTONMENT.

419. ***Mr. Sham Lal** : (a) Will the Defence Secretary be pleased to state the amount of tinned beef and other kinds of meat imported into India from Australia and other countries for Military Department ?

(b) Will the establishment of the proposed slaughter house at Lahore Cantonment affect this import of beef and other kinds of meat from foreign countries ? If so, to what extent ?

(c) How many slaughter houses in the Punjab, the Frontier Province, Sind and Baluchistan are at the present moment maintained by the Military Department ?

(d) Will the establishment of the proposed slaughter house at Lahore Cantonment mean the closing down of the existing slaughter houses ? If so, to what extent ?

Mr. C. M. G. Ogilvie : (a) 55 tons of tinned meat and 1-1/3 tons of meat extract are imported annually.

(b) It will be possible to produce all requirements for the Army and Air Force at the central abattoir at a much lower cost.

(c) Punjab	..	..	..	17
North-West Frontier Province	..	..	..	9
Sind	..	..	..	1
Baluchistan	..	..	..	2

Total .. 29

(d) All the 29 butcheries referred to above will be closed.

PROPOSED SLAUGHTER HOUSE IN THE LAHORE CANTONMENT.

420. ***Mr. Sham Lal :** Will the Defence Secretary be pleased to state the number of animals that are at the present time slaughtered in the Government slaughter houses in the four provinces mentioned in the preceding questions and the extent to which this number will be increased by the establishment of the proposed slaughter house at Lahore Cantonment ?

Mr. C. M. G. Ogilvie : The average number of animals slaughtered every day are as follows :

Punjab	..	..	..	48
North-West Frontier Province	..	..	..	24
Sind	..	..	..	9
Baluchistan	..	..	..	4

Total .. 85

The establishment of the proposed abattoir will not cause an increase but a reduction of cattle slaughtered to the extent of approximately 1,000 to 1,100 per annum.

Mr. Sri Prakasa : Are the requirements of the army judged from the amount which the soldiers *should* eat or *can* eat ? (Laughter.)

Mr. C. M. G. Ogilvie : I should require notice of that. (Laughter.)

Seth Govind Das : Among the cattle slaughtered, are there any milch cows also ?

Mr. C. M. G. Ogilvie : No, Sir.

Mr. Badri Dutt Pande : Cannot this abattoir be banished to the Andamans ? (Laughter.)

PROPOSED SLAUGHTER HOUSE IN THE LAHORE CANTONMENT.

421. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state whether Government have calculated the effect the establishment of the slaughter house at Lahore Cantonment will have on the agriculture of these provinces ?

(b) Did Government make any enquiries in this matter ? Were the Punjab Ministers consulted in this connection ? If so, what was the result of these enquiries ?

Mr. C. M. G. Ogilvie : (a) and (b). I refer the Honourable Member to the Press communiqué issued on the 6th September, 1937, on the subject.

DISEASE CALLED THE " ORIENTAL SORE " PREVAILING IN QUETTA.

422. ***Mr. C. N. Muthuranga Mudaliar :** Will the Defence Secretary be pleased to state :

(a) if there is a disease called the " Oriental Sore " prevailing in Quetta ;

(b) if so, how long it has been prevalent there ; who are the people commonly affected, and if any remedy has been found to cure the disease ;

(c) whether any medical officer or officers have been specially deputed to study this disease ;

(d) whether this disease is due directly to the ' sealing up ' of Quetta after the last earthquake and the fact that many corpses are allowed to rot without being properly disposed of ; and

(e) whether Government will issue a full *communiqué* on this subject without any loss of time ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes ; at certain seasons of the year.

(b) The disease has been endemic in Quetta for many years. All classes of people are affected. The infection is caused by sandfly bites. Its treatment has proved very difficult and so far no satisfactory remedy has been discovered.

(c) Yes. In 1936 an officer of the Medical Research Department was specially deputed to study the question.

(d) No. The Honourable Member will remember that the closing of Quetta was for a short time only, and that as soon as arrangements could be made, the disposal of corpses was undertaken and prosecuted continuously and at high pressure until it was complete.

(e) No communiqué seems to be required.

Mr. Sri Prakasa : Is this disease so called because orientals suffer from it in the occident or occidentals suffer from it in the orient ?

Lieut.-Colonel A. E. B. Parsons : It is simply because it is an eastern disease.

USE OF THE BARA WATER BY THE MILITARY AT PESHAWAR.

423. *Mr. Abdul Qaiyum : (a) Will the Defence Secretary please state whether Government are aware that the use of the Bara water in Peshawar District by the Peshawar Cantonment and other military posts in Peshawar Tehsil is causing great hardships to the agriculturists in the Peshawar Tehsil ?

(b) Are Government aware that the use of such water by the military has resulted in considerable land being thrown out of cultivation owing to scarcity of water ?

(c) Have Government considered that water for the said cantonments can be obtained from other sources, e.g., the several rivers which flow in the Charsadda Tehsil ?

(d) Do Government propose to take immediate steps to release Bara water for irrigation by agriculturists and tap fresh sources for the use of the cantonment ?

Mr. C. M. G. Ogilvie : There is not sufficient material available at headquarters of Government to answer the Honourable Member's question. A full statement of the case has been called for and the information will be laid on the table in due course.

Mr. Abdul Qaiyum : May I know, Sir, if Government will consider sympathetically this case if the facts turn out to be as stated, viz., that these agriculturists have been suffering great hardship ?

Mr. C. M. G. Ogilvie : The matter, so far as I have been able to understand it at present, is one of extreme complication and its history goes back to beyond Sikh times. I am not prepared, therefore, to give an answer off-hand.

Mr. Abdul Qaiyum : Will Government try to straighten out these complications, because the diversion of the Bara water for the use of the military cantonment means that the lands of the agriculturists have gone dry ?

Mr. C. M. G. Ogilvie : Government always try to straighten out all complications.

Mr. Abdul Qaiyum : Will they try to straighten out this great complication ?

Mr. C. M. G. Ogilvie : Certainly.

INDIANS AND EUROPEANS IN SHANGHAI.

424. *Mr. T. S. Avinashilingam Chettiar : Will the Foreign Secretary state :

(a) the number of Indians and Europeans in Shanghai and other areas of the present Sino-Japanese war ;

(b) whether proper arrangements have been made to protect them ; and

(c) whether they have suffered any injuries in the war, or their properties any loss ?

Lieut.-Colonel A. E. B. Parsons : (a) and (c). Information on these points, is I regret, practically impossible to obtain in present circumstances. The situation is changing daily and British officials are fully occupied with the pressing problems of the spot.

(b) His Majesty's Government are taking all possible steps to protect the life and property of all British subjects.

Mr. T. S. Avinashilingam Chettiar : May I know whether the Government of India are in daily communication as to the happenings there ?

Lieut.-Colonel A. E. B. Parsons : The cable to Shanghai has unfortunately been cut.

Mr. T. S. Avinashilingam Chettiar : For how long has it been cut ?

Lieut.-Colonel A. E. B. Parsons : I got news of it this morning.

Mr. T. S. Avinashilingam Chettiar : Were they getting communications before this ?

Lieut.-Colonel A. E. B. Parsons : May I ask the Honourable Member if he has ever been in an engagement ? Does he think that it is possible, when people are trying to save lives on the spot, that they should answer questions about the number, religious, occupations, etc., of people in China ?

Mr. Mohan Lal Saksena : May I know if a representative of India was present at the conference recently held at Downing Street of the representatives of the dominions to consider this ?

Lieut.-Colonel A. E. B. Parsons : I do not think that arises out of this question.

Mr. M. Ananthasayanam Ayyangar : Are any efforts being made for the repatriation of Indians there ?

Lieut.-Colonel A. E. B. Parsons : I think that like all other British subjects Indians are being sent to Hong Kong out of the danger zone, as shipping and other circumstances permit.

Mr. S. Satyamurti : Are the Government of India in touch with the Indian nationals in the theatre of war, and are they satisfied on the information which they have themselves, that the interests of the Indian nationals are protected, just as much as they can be protected by adequate steps ?

Lieut.-Colonel A. E. B. Parsons : The Government of India are entirely satisfied that His Majesty's Government are looking after the interests of Indians just as much as those of any other British subjects.

Mr. S. Satyamurti : May I know whether this answer is based upon any definite knowledge, or on a mere assumption of faith in His Majesty's omnipotence and omniscience ?

Lieut.-Colonel A. E. B. Parsons : It is founded on the invariable practice of His Majesty's Government.

Mr. S. Satyamurti : May I take it that in this case the Government of India have made no inquiries, and have obtained no information ?

Lieut.-Colonel A. E. B. Parsons : The Government of India receive a certain amount of information, but as I have already explained, it is practically impossible to get detailed information on such matters during the present state of hostilities in Shanghai, Peiping, Tientsin and Nanking.

Mr. S. Satyamurti : Have the Government of India obtained any information, or will they obtain any information as to what is being done to protect the interests of the Indian nationals there ?

Lieut.-Colonel A. E. B. Parsons : The Government of India have no particular information as to Indians only, but they are aware that His Majesty's Government are protecting with all the means in their power all British subjects.

Mr. S. Satyamurti : Will the Government of India take steps to obtain this information, with regard to Indians particularly committed to their charge ?

Lieut.-Colonel A. E. B. Parsons : The Government of India will not do so.

Mr. S. Satyamurti : Why not ?

Lieut.-Colonel A. E. B. Parsons : Because Indians also are British subjects, and that is sufficient.

Mr. Mohan Lal Saksena : Is it a fact, Sir, that most of the Parsi residents have returned to India leaving behind their property ?

Lieut.-Colonel A. E. B. Parsons : I am afraid I cannot give an answer. I saw in the papers that a few Indians from there have returned, but I do not know even if that is correct.

CREATION OF A POST OF RESIDENT TO DEAL WITH TRIBAL AREAS IN THE NORTH-WEST FRONTIER PROVINCE.

425. ***Mr. Abdul Qaiyum :** (a) Will the Foreign Secretary please state whether it is a fact that a new post of a Resident to deal with all the tribal areas in the North-West Frontier Province has been created ?

(b) If so, when was it first created ?

(c) What is the official style and designation of the said officer ?

(d) How much pay per month does the said officer draw ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes.

(b) April, 1937.

(c) Political Resident on the North-West Frontier.

(d) Rs. 3,500 a month.

CREATION OF A POST OF RESIDENT TO DEAL WITH TRIBAL AREAS IN THE NORTH-WEST FRONTIER PROVINCE.

426. ***Mr. Abdul Qaiyum :** (a) Will the Foreign Secretary please state whether the newly created post of Resident in the North-West Frontier Province is a temporary or a permanent one ?

(b) If temporary, for what length of time has the above post been created ?

(c) What were the reason or reasons which led to the creation of this post ?

Lieut.-Colonel A. E. B. Parsons : (a) and (b). Permanent.

(c) To help the Governor of the North-West Frontier Province in the discharge of his responsibilities as Agent to the Governor General for the tribal areas on the North-West Frontier.

Mr. Abdul Qaiyum : May I know, Sir, if after the introduction of provincial autonomy, the work of the Governor in the N. W. F. P. with respect to settled areas has decreased considerably and there was absolutely no necessity for the creation of an altogether new post for the tribal areas when the Governor could devote more time and leisure to the work ?

Lieut.-Colonel A. E. B. Parsons : I am interested in the Honourable Member's views.

Mr. S. Satyamurti : May I know, Sir, whether the Government of the N. W. F. P. was consulted before the creation of this post ?

Lieut.-Colonel A. E. B. Parsons : Of course.

Mr. S. Satyamurti : May I know in view of a change in the Government of the Province, whether Government will consult the present Government, as to the necessity of continuing this post ?

Lieut.-Colonel A. E. B. Parsons : I have explained before in answer to previous questions that the administration of these tribal areas is a matter for the sole consideration of the Governor General in Council.

Mr. S. Satyamurti : I am asking whether, in view of my Honourable friend's answer that the Government of the Frontier Province was consulted.....

Lieut.-Colonel A. E. B. Parsons : I am sorry, I thought you said the Governor, not the Government ; the Government was not consulted.

Mr. S. Satyamurti : May I know since the creation of this post if all matters connected with the tribal areas are now disposed of by him, or whether he simply acts as adviser to Governor ?

Lieut.-Colonel A. E. B. Parsons : I imagine, Sir, that he disposes of some himself ; in other cases he refers them to the Governor.

Mr. S. Satyamurti : Does he correspond with the Government of India directly, or only with the Governor of the Province ?

Lieut.-Colonel A. E. B. Parsons : Not directly so far, but there would be no objection, I think.

Mr. Abdul Qaiyum : May I know, Sir, if after the creation of this post for all the tribal areas, the post of Resident in Waziristan will be abolished ?

Lieut.-Colonel A. E. B. Parsons : That is the proposal.

CREATION OF A POST OF RESIDENT TO DEAL WITH TRIBAL AREAS ON THE NORTH-WEST FRONTIER PROVINCE.

427. *Mr. Abdul Qaiyum : Will the Foreign Secretary please state the estimated cost per annum of the new establishment in connection with the newly created post of a Resident in the North-West Frontier Province ?

Lieut.-Colonel A. E. B. Parsons : About Rs. 3,000 a year.

Mr. Abdul Qaiyum : Does that include the pay of the Resident ? I want to know the total expenditure, the pay of the Resident plus the cost of his establishment.

Lieut.-Colonel A. E. B. Parsons : If the Honourable Member will add Rs. 3,500 to Rs. 3,000, he will get the total which is Rs. 6,500.

Sir Muhammad Yamin Khan : Who will bear this expenditure, the Government of the Frontier Province or the Government of India ?

Lieut.-Colonel A. E. B. Parsons : Central Revenues.

Mr. Abdul Qaiyum : May I know if the pay of the Resident is Rs. 3,500 per annum or per mensem ?

Lieut.-Colonel A. E. B. Parsons : I have already answered that.

(b) WRITTEN ANSWERS.

CLAIMS FOR DISABILITY PENSIONS.

407. *Seth Haji Sir Abdoola Haroon : (a) Will the Defence Secretary be pleased to state whether Government are prepared to apply the ratio of 1s. 4d. to the rupee instead of the ratio of 1s. 6d. to the rupee, which ratio came into force some time after the year 1920, in consonance with recommendation No. 9 of the War Pensions Committee published with India Army Order No. 560 of the 25th September, 1933, and the decision of the Government thereon ?

(b) Is it correct to say that disability claims of those retiring on pay of Rs. 200 per month and over and which are payable in sterling are to be converted at the rate of 1s. 4d. to the rupee, if the pensioner was in Government service from 1902, i.e., long before the present ratio of 1s. 6d. came into force ?

(c) With reference to the reply given in this House to parts (a) and (b) of starred question No. 376 on the 16th September, 1935, will the Defence Secretary be pleased to state the total percentage of disability that will be taken in assessing the disability pension of a civil officer or subordinate who is assessed 60 per cent. disability on account of post war service ?

(d) Is it correct that the total percentage arrived at with reference to the preceding part for the individuals' disability pension claim will be taken for calculating the allowance payable to the individuals' wife and children ?

(e) Is it correct to say that minor children of an individual on the date of his final invalidment from Government service on account of Field Service disability are entitled to children's allowance, according to the rules in force from 1902 to 1914 ?

(f) Is it correct that the children born nine months after the termination of the Great War 1914—1918 are not eligible to any children's allowance ? If so, under what paragraph of that regulation, and when was this order first introduced, that is the year and the month of the introduction of this order may kindly be stated ?

(g) Will the Defence Secretary be pleased to state the weekly rate of allowance admissible respectively to the wife and three minor sons of a civil officer retiring with the relative rank of a sub-conductor and assessed 100 per cent. disability on account of Field Service ?

Mr. C. M. G. Ogilvie : I am collecting the necessary information and will lay it on the table as soon as possible.

EXEMPTION OF DISABILITY PENSIONS FROM INCOME-TAX.

408. *Seth Haji Sir Abdoola Haroon : With reference to the reply given in this House to starred question No. 1066 (b), dated 10th March, 1936, will the Defence Secretary be pleased to state whether it is correct that the disability as well as the ordinary pension of a Civil Officer or subordinate admissible under paragraph 738 of Chapter 38 Civil Service Regulations are both exempted from the Income-tax ? If not, will the Defence Secretary be pleased to state whether Government are prepared to exempt the total pensions of civil officers and subordinates in the same way as that of military officers as intimated in Government reply to starred question No. 375 of 16th September, 1935 ?

Mr. C. M. G. Ogilvie : (a) The ordinary pension of a civil officer or subordinate admissible under paragraph 738 of Chapter 38, Civil Service Regulations, is *not* exempt from income-tax.

On the other hand, the disability pension granted to those members of His Majesty's Naval, Military or Air Forces, British or Indian, or the Auxiliary Force (India) or of the Indian Territorial Force, who have been invalided from service on account of bodily disability attributable to, or aggravated by, the service are totally exempt from income-tax.

(b) Does not arise.

HUNGER-STRIKE BY POLITICAL PRISONERS IN THE ANDAMANS.

416. *Mr. Amarendra Nath Chattopadhyaya : (a) Will the Honourable the Home Member please state if it is a fact that a considerably large number of political prisoners have resorted to hunger-strike in the Andamans ? If so, what is the exact number of such strikers ?

(b) Did they petition the Government before their strike, demanding certain things to redress their grievances ? If so, will the Honourable the Home Member state the items of their grievances and what steps have been taken by Government to redress their grievances ?

(c) Do Government propose to repatriate them without delay ?

Mr. J. A. Thorne : (a) and (b). I would refer the Honourable Member to the replies which I gave to Mr. Mohan Lal Saksena's short notice questions Nos. 1 to 4 on the 23rd August. Eight terrorist prisoners are still on hunger-strike in the Andamans.

(c) As I have already stated, the question of repatriation of terrorist prisoners who have given up the hunger-strike is under examination.

APPLICATIONS FOR ADMISSION TO EXAMINATIONS CONDUCTED BY THE FEDERAL PUBLIC SERVICE COMMISSION.

428. ***Sardar Sant Singh :** (a) Will the Honourable the Home Member please state if it is a fact that all applications for admission to examinations conducted by the Federal Public Service Commission are invited through the District Magistrate or Deputy Commissioner of the district from which the applicant comes ? If so, what is the policy behind the procedure prescribed ?

(b) Is it a fact that such District Magistrates or Deputy Commissioners endorse on the application submitted through them the political views of the parents of the applicants or describe the services rendered to the State by the family of such applicants ? Why are such remarks permitted by the Federal Public Service Commission ?

(c) Is it a fact that in some examinations the marks allotted for interview far exceed those allotted for written subjects ? Is it a fact that many applicants have plucked in interview who had secured very high marks in written papers ?

Mr. R. F. Mudie : (a) and (b). Not in all cases. Submission through local authorities is required primarily in order that the Federal Public Service Commission may be enabled to discharge the obligation placed on them of satisfying themselves that the candidate is of good character and suitable in all respects for the public service to which he aspires. In some cases the statements in the application forms also require to be checked locally. In forwarding applications, Collectors or Deputy Commissioners naturally include information on all points bearing on the candidate's general suitability, including at times mention of the matters referred to by the Honourable Member.

(c) (i) The maximum marks that can be awarded for interview vary in the different examinations from 13.79 per cent. to 23.26 per cent. of the total marks. The maximum interview marks may exceed the maximum marks for an individual written paper, but as stated above, in no case does it exceed 23.26 per cent. of the total maximum marks for any Examination.

(ii) In some cases this may have happened in the case of the Indian Military Academy and Royal Indian Navy for which services a minimum qualifying mark must be obtained at the interview.

UNSTARRED QUESTION AND ANSWER.

FIRST BATTALION KUMAONIES STATIONED AT HONGKONG AND KUMAONIES IN THE BURMA MILITARY POLICE REGIMENTS.

67. **Mr. Badri Dutt Pande :** (a) Has the Defence Secretary received reports on the general health of the first Battalion Kumaonies, at present stationed at Hongkong ?

(b) Has the health of the soldiers suffered in any way by living in a damp climate ?

(c) How many Kumaonies are there in the Burma Military Police Regiments ?

(d) Is it a fact that these Regiments are composed mainly of recruits from the eastern parts of the Almora District, viz., Pithoragarh and Lohaghat circle ?

(e) with the advent of the separation of Burma, will recruiting from the areas mentioned above stop or will it continue ?

(f) Will the rights and titles of all combatants be protected as hitherto ?

Mr. C. M. G. Ogilvie : (a) Yes the last report received was dated the 27th April, 1937.

(b) No, the report states that the general health of the 1st Kumaon Rifles, 19th Hyderabad Regiment, stationed at Hong Kong, was excellent.

(c) 804 on the 1st January, 1937.

(d) Of the 804 mentioned above, 798 belonged to Almora District. Government have no details regarding different parts of the district.

(e) There is no intention at present of closing the recruitment.

(f) The matter lies between the Government of Burma and the individual recruit as being the two parties to the contract.

Mr. T. S. Avinashilingah Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : Sir, yesterday certain questions which were to be answered by the Honourable the Home Member were not answered. I now ask him to give answers according to your ruling. Only one question has come for answer.

Mr. President (The Honourable Sir Abdur Rahim) : That list is not yet before the House.

THE MUSLIM INTESTATE SUCCESSION BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the following motion moved by Sir Muhammad Yakub on the 2nd September :

" That the Bill to declare that properties of a Muslim dying intestate and without any heir devolve upon the Muslim community be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable the Home Member, Qazi Muhammad Ahmad Kazmi, Mr. Abdul Quyum, Syed Ghulam Bhik Nairang, Maulvi Syed Murtuza Sahib Bahadur, Khan Bahadur Sir Abdul Hamid, Maulana Shaukat Ali, Mr. Muhammad Azhar Ali, Maulvi Zafar Ali Khan, Khan Sahib Nawab Siddique Ali Khan, and the mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Khan Sahib Nawab Siddique Ali Khan (Central Provinces and Berar : Muhammadan) : Sir, before I deal with the merits of the Bill, I feel it necessary to make a few introductory remarks with respect to the history of this proposed legislation. In Bhandara district of the province, to which I belong, there is an estate called the Rajoli Zemindari. It belonged to a prominent Muslim family, whose last holder died, as held in judgment of the late Judicial Commissioner's Court, without

[Khan Sahib Nawab Siddique Ali Khan.]

leaving any heir or making any bequest. The result was that the Government took possession of the estate claiming it as escheated to the Crown. The situation thus created led Mr. Abdul Razzaque Khan, M.L.A., a prominent Advocate of Nagpur, to start, in 1935, an India-wide movement against this supposed right of escheat which was being exercised by Government without a proper appreciation of the true principles of Muslim law for which the Muslim public and the generations to come will ever remain grateful to him. The result is this Bill which I had sought to introduce in 1935 and which is now being piloted through the worthy hands of my Honourable friend, Maulvi Sir Muhammad Yakub.

Sir, the true rule of Muslim law is that the estate of an heirless and intestate Muslim devolves on the Muslim community which holds it in trust for the Muslim poor and the destitute. But as there is a tendency in British Indian courts to decide otherwise and hold that such a property escheats to the Crown, it is necessary that the law on the subject should be clarified and declared to be in consonance with the real principles of Islamic law. The necessity becomes all the more imperative when we find that the income from such properties is spent on objects which are of no benefit to the Muslim community and are sometimes repugnant to its best interests. In applying the rule of escheat, the British Indian courts seem to resort to the application of English common law to Indian or Muslim conditions. But in the matter of inheritance or succession, the law to be applied to the Muslim community is their personal law according to which there is no vacant inheritance and the "final heirs" are the Muslim poor. The Privy Council had once created a confusion in regard to private Waqfs of the Muslims and the law had to be cleared up by the Mussalman Waqf Validating Act of 1913. A similar occasion has now arisen in respect of estates of Muslims dying heirless and intestate and the Muslim community strongly feels that in this matter their personal law should be made applicable. The Bill embodies the real principle of the *Shariat*. The late Mr. Syed Amir Ali says in his Muhammadan Law at page 147 in the last paragraph :

"It is clear, therefore, that the British Government in India is not entitled under the Muhammadan Law to the property of the Musalmans dying heirless and intestate in that country. The claims advanced on its behalf are consequently not warranted according either to the Shiah or to Sunni doctrines. The only ground on which the claim could be based would be that the property would remain in trust in the hands of the officers of Government for the benefit of the poor. But the Musalman Law insists that such property should be applied exclusively to the benefit of the Moslem poor ; whereas the claim advanced on behalf of the Government does not entertain this object."

Sir, before I resume my seat I wish to make a fervent appeal to the Honourable Members of the Congress Party to support this motion. I am told that the Congress Party decided yesterday to remain neutral. I am further told that several Members of the Congress Party have decided to support the *Shariat* Bill. I wish they had not made any distinction between these two Bills. The reason is obvious. *Shariat* holds that the property of the Mussalmans dying heirless and intestate should be applied exclusively to the benefit of the Muslim poor. It is, therefore, clear, that this Bill is also governed by *Shariat*.

Sir, it is a universal belief that the Indian National Congress is the champion of the poor.....

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : Do you accept that ?

Khan Sahib Nawab Siddique Ali Khan : Yes, that was my belief, but now I have begun to doubt. May I appeal in the name of the poor to the Congress Members to reconsider their decision and to support this motion so that a large number of the poor Muslims may be benefitted by it.

Finally, may I sound a note of warning that it is not desirable to oppose or remain neutral on such an important legislation which is wholeheartedly supported by entire Muslim Press and Muslim community. To oppose or to remain neutral on a popular measure like this is sure to create uneasiness amongst the Muslims and is bound to create a suspicion in their minds that they cannot expect justice and fairplay at the hands of the majority community. May I, therefore, appeal once more to the Congress Members to support this motion ? Sir, I support the motion.

Sir Muhammad Yamin Khan (Agra Division : Muhammadan Rural) : Sir, this is an obvious Muhammadan law that when a Muslim dies heirless and intestate, then the property must devolve on the Muslim community ; and if it has not been the law in practice in this country, then it is time it is made law now. There are certain circumstances in which a Muslim may not get an opportunity before dying to leave either a will or appoint successors. For instance, when plague prevails in a locality or in the influenza epidemic of 1918, a father might lose all his children and yet might not know the fact in time. If he had any knowledge he might probably make some kind of arrangement for his property by waqf or otherwise. Under these circumstances it is hard on the Muslim community who would have got the benefit of the property. For this reason it was believed and interpreted as Muhammadan law that when people died in the war or left no heirs because the heirs died in the same war, then the property left by those people devolved on the whole community. I know that some kind of objection might be raised as how it will be managed, to whom will it revert, how will the Muslims as a community get it and who is going to profit by it and on what questions of Islamic importance the income of this property will be spent. But the motion now is to refer to Select Committee, which will certainly see to all these matters and will take into consideration all points which may be pressed before it. Certain rules might have to be framed and Local Governments might have to be authorised in this behalf and so forth. This motion to refer the Bill to Select Committee is the proper motion, because the Bill is not properly drafted and it leaves a great deal of loophole : it requires to be overhauled, and I think with the help of the members named here and the help of the Government departments, it will be put into proper shape.

From the beginning I have been consistently averse to Muslims taking part in voting on issues which relate to the

12 Noon. social reforms of the Hindus amongst themselves : I oppose it on this principle that neither should the Muslims have any voice in standing in the way of any reforms suggested by the Hindu members for their own community, nor should we stand against the orthodox members of the Hindu community who do not like any change

[Sir Muhammad Yamin Khan.]

in their social customs. In the same way I would not like that the Hindu members who do not want to help the Muslims or stand in the way of their social reforms should vote one way or the other ; but this is not social reform. This Bill does not seek to do away with any social custom or bring about any change in the law which is opposed by one section and supported by the other. There is no difference of opinion amongst Muslims on this issue, and I do not see what the idea is of any party in this House saying that as a party they will remain neutral on a question like this. Of course they have their free opinion and they can do whatever they like, but if it is for political considerations, that is a different matter, and I have got no appeal to make to them to go against their political ideas as the Muslim community will have to judge on their merits political issues which may come before the country later on as advanced by one party or other. If the objection to this is on the ground that it relates to social reform, then I think any party which abstains from voting on this issue does not do the right thing, and they must come forward and give their vote one way or the other. We do not want that they should support the Muslims against their will, whatever their free opinion may be on the merits of the case they must record it. That appeal has already been made by Nawab Siddique Ali Khan, and I hope it will not go in vain and will be taken up in a good spirit by all the members. It is really doing some kind of injustice to the Muslim community if the properties of a Muslim dying intestate and without any heir are not allowed to devolve upon the Muslim community. I support the motion for the Select Committee.

The Honourable Sir Nripendra Sircar (Law Member) : Sir, every Member who does not belong to the Muslim community finds himself in a rather delicate and embarrassing situation, because, whenever a question like this arises and the *Shariat* is appealed to, even if any objection is quite legitimate, it is likely to be misconstrued. I can assure the Muslim Members of this House that I propose to be as conciliatory as possible, and that I do not want any heat to be brought into this controversy. We shall be quite prepared, on this occasion, even to remain neutral, although we think that on the merits of the Bill it is quite possible to oppose it. But, Sir, I think it is my duty to point out as to what this House is doing. I do not want to stand in the way of the Muslim or any community, but let the House realise what is being done. First of all, Sir, we have been referred to Muhammadan Law. Let us see, Sir, what is the position under the Muhammadan Law. My Honourable friend, Nawab Siddique Ali Khan, read from page 147, the bottom of the page, of Honourable Amir Ali's book. May I read a little ahead ? I am reading from page 146 :

“ The *Bait-ul-Mal* consists of four departments or divisions, viz. :

- (1) The chamber of alms ;
- (2) The chamber of booty ; ”

We are not concerned with that : that will only arise if there is a Hindu-Muslim riot.

“ (3) The chamber of the *kharaj* or the tax levied upon the Rayahs ;

(4) The chamber of uninherit property.”

This is the last clause with which we are concerned—uninherited property,—but skip over a few lines : I find at the bottom of the page :

“ The revenues are employed in the following manner :

- (1) Those of the department of alms ; ”

We are not concerned with that :

“ (4) Those of the department of unclaimed property, in the relief of those who are sick and poverty stricken, the burial of the poor, the support of foundlings, in affording succour to the indigent and the helpless—”.

Then comes the portion which my Honourable friend read out, but I should read it again :

“ The only ground on which the claim could be based.....”

I draw the attention of the Honourable Members to this, the only claim means the claim of the Muslim community :

“ would be that the property would remain in trust in the hands of the officers of Government for the benefit of the poor.”

Therefore, Sir, as I read Mr. Justice Amir Ali's book, it means this property does not become personal property, but remains in the hands—of course they were contemplating a Muslim Government—it remains in the hands of the Government for the relief of the poor. Then the learned author goes on to say :

“ The Musalman Law insists that such property should be applied exclusively to the benefit of the Moslem poor ; whereas the claim advanced on behalf of the Government does not entertain this object.”

According to Muslim Law, therefore, the uninherited property should be held in trust for the relief of the poor, that is, the Muslim poor. If the Honourable Member will turn to the Bill, he will find :

“ Notwithstanding any law or custom to the contrary the estate of a Muslim, subject to the Muslim law of succession, dying intestate without any heir shall devolve on the Muslim community and shall not escheat to the Crown.”

What does that mean ? Is there any question of trust or relief of the poor or anything of the kind ?

I will deal with my Honourable friend, Sir Muhammad Yamin Khan. He said all that can be done in the Select Committee—that is his favourite argument : if something is wrong, that will be put right by somebody in the Select Committee. Now, Sir, the matter is not so simple as all that. If you are going really to create a fund for the poor, it does not matter that it is the Muslim poor. Assume for the sake of argument that this House agrees to create a fund for the Muslim poor. I would ask the House to consider what are its rights or powers of legislation. Honourable Members will find in the Provincial List, 7th Schedule, Exclusive Provincial List, I am reading the relevant items :

“ No. 21. Devolution of agricultural land.”

So that, in so far as property without any heir consists of agricultural land, that must clearly be kept out of this Bill. This House has no

[Sir Nripendra Sircar.]

power to frame any law with reference to agricultural land : that must be left to the provinces. Now, Sir, coming lower down :

“ 32. { Relief of the poor ;
Unemployment ;

34. Charities, charitable and other endowments.”

If this is going to be really a charitable fund for the help of the Muslim poor, this House has no power to legislate. The way the Bill has been drawn, it is not *ultra vires*, because the Bill reads :

“ the entire Muslim community, 70 millions or more, become the owners of the property.”

There is not a single word here about the formation of a trust or the property vesting in a trust or things of that kind. What will the Select Committee do now ? If Sir Muhammad Yamin Khan is put on the Select Committee will he propose amendments which will not conflict with the Government of India Act. Because as I read the Muslim Law.....

Sir Muhammad Yamin Khan : I will take into consideration all the points which have been made by the Honourable Member.

The Honourable Sir Nripendra Sircar : My friend may think for days, weeks and years. He will have no solution, because it cannot, in the same breath, be said that we shall follow the *Shariat* law but we shall not follow it when the Government of India Act creates any difficulty. That cannot be done, and if the *Shariat* law, as I understand it, subject to correction, lays down that it is a fund which is created for the benefit of the poor, assuming that we have got a dozen of the most brilliant lawyers in the Select Committee, including my Honourable friend, Sir Muhammad Yamin Khan.....

Sir Muhammad Yamin Khan : I am not proposed to be on the Select Committee.

The Honourable Sir Nripendra Sircar : No, no. We must have your assistance. Supposing you were there and supposing you were given plenty of time to think over the matter what then ? At present he has no ideas on the subject (Laughter), it is quite clear—how is he going to get out of the horns of a dilemma ? Either follow the Muslim law, and then this must be a charitable fund for the poor. If that is so, this House has nothing to do with this Bill, it will be *ultra vires*. If, on the other hand, if you do not follow the *Shariat* law no question arises. It is not in any spirit of antagonism to Muslim interests or in any spirit of communalism that I desire to point out these matters to the Members of this House.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official) : If this Bill is sent to the provinces and the Muslim Members there produce it in their Assembly, will it be all right ?

The Honourable Sir Nripendra Sircar : I give a well-known formula ; I do not express opinions on hypothetical questions. (Laughter.)

Sir Muhammad Yamin Khan : May I ask whether the Honourable Member proposes that this matter should be dealt with by the provinces and not by the Central Legislature ? Is that the idea ?

The Honourable Sir Nripendra Sircar : May I know in what sense my Honourable friend has understood me ? (Laughter.)

Sir Muhammad Yamin Khan : I have understood him in the self-contradictory statements which he has made.

The Honourable Sir Nripendra Sircar : For the benefit of my Honourable friend—I do not think that any other Honourable Member had any difficulty in understanding me—I will repeat it very slowly. As I understand the Muslim law, the authority being this book from which the passage was read.....

Sir Muhammad Yamin Khan : Is that the only authority ?

The Honourable Sir Nripendra Sircar : Have you got any other authority ? (Laughter.)

Sir Muhammad Yamin Khan : Yes, there are many.

The Honourable Sir Nripendra Sircar : May I assure my Honourable friend that if there were other books, if anything favourable in other books had been found, that would have been quoted by this time. He can take it from me (of course, there may be something in Arabic which neither my Honourable friend understands nor do I understand) (Laughter), but so far as the English books are concerned, I have not come across any other.

Sir Muhammad Yamin Khan : I have got other books with me.

The Honourable Sir Nripendra Sircar : To that we shall refer when my Honourable friend comes to the Select Committee. May I just explain over again the point I am making ? It is not very intricate nor is it very difficult. (Laughter.) The Muslim law says that the property of a person dying intestate would go to the department of *Bait-ul-mal*. For what purpose ? It would be treated as a fund created for the benefit of the Muslim poor. I am now raising no question about whether the poor of other communities should be allowed to come in or not. Let us take the law as laid down here, completely, the entire sixteen annas. My point, therefore, is, that you are creating a charitable fund for the relief of the Muslim poor, and I would draw the attention of my Honourable friend to the Provincial List which stands in the way of this House legislating on that matter. Is there any difficulty in following me ? (Laughter.) I may be entirely wrong but I do not know that I have spoken in such a confused strain that the point may not be understood. (Laughter.) My arguments may be wrong.

Major Nawab Sir Ahmad Nawaz Khan : Quite clear. (Laughter.)

The Honourable Sir Nripendra Sircar : There is one other matter which I would like to point out before I resume my seat. I was so far proceeding on the assumption that the law applicable was the Muslim law as I understood it—and I am waiting for another book to be produced by my Honourable friend on the subject—and I would like to say that the law as it stands at present is very clearly laid down in a case which is one of the classical cases on the subject, reported in Moore's *Indian Appeals*. If I may read just a passage from that—this is a case

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with which those Members who are lawyers must be familiar—*Collector of Masulipatam vs. Cavalry* :

"On the death of an absolute owner, any question touching the inheritance from him of his property is determinable in a manner personal to the last owner (*in the case of Hindus and Muhammadans*)..... But when it is made out clearly that by the law applicable to the last owner, there is a total failure of heirs, then the claim to the land ceases to be subject to any such personal law and as there can be legally speaking no unowned property, the law of escheat intervenes and prevails, private ownership not existing, the State must be the owner as the ultimate Lord."

That is the present law, there is no doubt about it. But we are going to change that law, it is quite within the competence of this House to change that law, but according to *Shariat* law, it must be in the direction of creating a charitable trust, which is not permissible to this House. The Bill, as drafted, says nothing about charity. The entire Muslim community becomes the owners instead of the Crown. When property now escheats,—let us not take the case of a Muslim, let us take the case of a Hindu or a Christian,—the Crown does not hold it subject to any trusts. And the whole idea of this Bill is—just as at the present moment the Crown becomes the owner of the property of the man dying without heirs,—so if this Bill is passed, the entire Muslim community would be the owner of those properties. Not a single word is breathed here about a trust or the property being held according to the laws of the *Shariat*. We are taking a portion of the *Shariat* law and cutting out the other portion which is an essential portion, namely, the property is meant not for the benefit of any particular person but for the charity of the Muslim poor. The Bill says, "It shall devolve on the Muslim community and shall not escheat to the Crown". That is, the Crown, which under the law as it now stands, is the absolute owner of the property, is going to be replaced by the Muslim community. Be it so; if that is Muslim law, let it be enacted. But that is not the Muslim law. The Muslim law does not suggest, even in an indirect manner, that the Muslim community will get the property as absolute owners just as the Crown at the present moment becomes the absolute owner of escheated property. What are the consequences of the Bill as it stands? Supposing a Muslim gentleman dies at Cawnpore leaving a house, what would happen according to Sir Muhammad Yakub's Bill if it becomes law? Upon his death the house devolves on, that is to say, becomes the absolute property of 70 million Mussalmans. That is the position. May I know how that house is going to be possessed, how that house is going to be enjoyed? Will there be a suit for partition, for the house being divided into 70 million shares? What is going to happen? Who is going to pay the rents and taxes in the meantime until the 70 million Mussalmans meet and decide for themselves as to what they will do with the House? As I said, you are on the horns of a dilemma. If you follow the Bill, then this is opposed to the *Shariat* law, completely opposed to the *Shariat* law. This is not the *Shariat* law. If you do not follow the Bill, but if you really want to make it correspond to the *Shariat* law by putting in the necessary words that the property will be held in trust for the relief of the Muslim poor, it is quite permissible but for the fact that this House cannot do it. That will be a matter for the provinces to take up and lay down the law. If any province takes it up it is quite open to it to make for that province a law that the escheated property will go in this way. As I said I do not want it to be said that the Muslims

wanted a particular law and Government killed that Bill at the earliest stage. I do not want that to be said, and therefore, as I said, Government on this occasion will remain neutral. Later we shall be unable to support a measure which we find, even now, to be open to objection. The property belongs to a Muslim and if it goes to a Muslim by Muslim law, and if that can be validly enacted here, and if objections taken can be removed by the Select Committee it may be a different matter. We cannot support the Bill, because it must be made clear, especially having regard to what Sir Muhammad Yamin Khan said, that we must retain the liberty of taking such course as we think fit in any later stage of this House, either in this House or anywhere else. We do not accept the principle of the Bill, and we shall wait to see if the Select Committee can remove our objections, and if not removed we shall oppose the Bill later. Sir, that is all I have got to say.

Syed Ghulam Bhik Nairang (East Punjab : Muhammadan) :
Mr. President, the motion before the House being one for reference of the Bill relating to intestate succession to a Muslim who has left no heir, to a Select Committee, the important question is whether in the light of the speech made by the Honourable the Law Member, the Bill is so defectively worded or misconceived as really to amount to nothing tangible in the shape of legislation. That is one question and the second is whether there is any legal bar to the Bill being entertained in this House and being passed. Now, as far as the defects of form are concerned, the point was really adverted to and dealt with at some length by the Honourable the Mover on the last occasion when he moved for reference of this Bill to a Select Committee. He admitted the several defects which, as at present drafted, the Bill contains, but I think he was right, and I am repeating the point here, in requesting that, in spite of the defective drafting, the Bill may very well be referred to a Select Committee and the Committee may be left to remedy those defects as far as possible within the rules and practice of this Honourable House. He instanced the case of the famous Sarda Act and I may refer to a Bill which is now being considered by this House, the Insurance Bill. We know that this important measure had been for a very very long time on the Government anvil. A very competent staff had been engaged and paid to draft the Bill and after the Bill had been drafted and duly introduced by our learned and Honourable friend, the Law Member, it was referred to a Select Committee and yet, after it has been through the Select Committee, we find that about two-thirds of the Bill has been entirely redrafted. So, really there is no difficulty in remedying formal defects if it is intended to make it an intelligible measure and a measure which, if passed into law, will be capable of being carried into effect. That is no difficulty really; if the House is so minded it can certainly have the defects remedied in the Select Committee. The second ground on which objection has been taken by the Honourable the Law Member is really more important and worthy of serious consideration. There is no doubt whatever that under the Seventh Schedule, List No. 2, any legislation, whether in the shape of the present Bill or in the shape of any other Bill, with regard to the devolution of agricultural land is beyond the competence of the Central Legislature and that objection has got to be admitted. There will also be difficulty about charities and charitable institutions but I think, on a careful consideration of the entire question, it will be admitted, that properties which are left by

[Syed Ghulam Bhik Nairang.]

persons who die intestate and without leaving any heirs comprise properties other than agricultural land or a scheme which is contemplated by succession to an heirless intestate Muslim embraces much more than charities and charitable institutions and, therefore, we can frame the law in such a way as to leave alone agricultural property situated in the provinces which can be dealt with by the Provincial Legislatures and other things which come within the excepted list of legislative subjects and can legislate only so far as the Central Legislature is competent to legislate but there are very large areas which are centrally administered. The Central Legislature can certainly pass legislation with regard to properties situated in those areas and it can certainly pass legislation with regard to property which is not covered by the excepted list. So, there is no doubt that what this Legislature is not competent to do will have to be left undone, but if it can do something to meet the wishes of the Muslim community, which wants a law of this kind unmistakably, that should be done. I may, while discussing this point, submit, that the property of a Muslim who dies without leaving any personal heirs and without leaving any will cannot be regarded as property which has got no heirs in law. All that happens in law is this. The person dies without leaving any personal heirs such as personal relatives but the Muslim community as a corporate body is an heir to such a person and it cannot be said that the personal law has ceased to apply to the case because the question of succession to his property has to be decided with reference to the personal law of the last owner and the last owner having left no heirs the question of applying his personal law does not arise at all. This was the line of argument followed in the Privy Council case to which reference has been made by the Honourable the Law Member, the Masulipatam Case, and, with all deference to Their Lordships of the Privy Council, it must be said, at least by a Muslim claiming to understand the spirit of the Muslim law, that the view taken in that case was incorrect so far as the Muslim law is concerned. The Privy Council case related to succession to the property of a Brahmin. If the question of heirs to the last owner had to come in, the law to which reference had to be made was the Hindu law. For, under the Hindu law, really no heir had been left by the last owner. That may be a fact and under such circumstances it may have been correct on the part of the Courts to hold that the last owner having left no heir, under his personal law, there is no question of applying his personal law to this case and we must have recourse to the law of escheat and by the law of escheat the property goes to the Crown. That might have been perfectly correct. But on the analogy of a case relating to the property left by a Hindu, I would submit to this Honourable House, it would be wrong to hold, with all deference to Their Lordships of the Privy Council, that the same principle will apply to the case of a Muslim. In the case of a Muslim, I claim—and probably I shall be able to take up the challenge of the Honourable the Law Member at a later stage if a later stage comes—and will prove from authorities that this is a case really of succession. It is not a case of failure of succession, or failure of all possible heirs and only the creation of a trust on the failure of heirs for the benefit of the Muslims. It is not a case like that, although it has been so put by some of the text writers. The real position is that the Muslim community is the heir; it is not a beneficiary under a kind of Charitable Trust. It is the heir and we have got this undoubted principle in the words of the Holy Quran

itself, which says : “ *Innamal muminuma ikhwatun* ”. All the believers are brothers. This is the relationship which is recognised by the Holy Quran and by the tenets of Islam, and, therefore, this is a case of succession.

The Honourable Sir Nripendra Sircar : May I offer a personal explanation ? My Honourable friend need not take up any challenge, because no challenge was thrown out. I quite agree that, according to the Muslim law, it is not a case of escheat, but that the last heir, instead of being a particular person, is the Muslim community. In that sense I have not raised any question about it.

Syed Ghulam Bhik Nairang : I am much obliged to the Honourable the Law Member, and I may add incidentally that the attitude taken up by the Honourable the Law Member from the very beginning was such that even the words of explanation which he has added were not needed. None of us in this House misunderstood his attitude. It was one of absolute impartiality. He approached the question from an absolutely unbiased point of view and put before the House the legal view as he conceived it and we are obliged to him.

Anyhow, the question at the present moment is this. Two objections were taken by the Honourable the Law Member. Another objection has been taken in the several opinions which have been received on the circulation of the Bill and it was to a certain extent adverted to by the Honourable the Law Member. He said that if this Bill is passed into law, the Muslim community will get an advantage which other communities have not got, while the properties left heirless by the members of other communities will continue to escheat to the Crown as at present, the properties of Muslims, under similar circumstances, will henceforward, if this law is passed, vest in a certain way in the Muslim community. That will be a discrimination and a differential treatment. That was a point which was referred to by the Honourable the Mover in his speech and I repeat the same thing. I really wonder why some very responsible people who have expressed opinions about this Bill on circulation have entertained such an objection at all. Can any one in this House or any fair-minded person anywhere say that justice should be done only to one person or to one community and not to all persons and to all communities ? Can anybody ever have the courage to say so ? We say it openly that we are claiming, by bringing this Bill before this House, that justice which has been long delayed to us should now be done. But we also say, most unequivocally, that the same kind of justice should be done to all communities. I believe there must be a similar principle—although I can cite no authority on the point at present as I have not studied the matter from that point of view—in other communities also under their systems of law ; and, if there are such principles in those systems of law, I would welcome the introduction of Bills of a similar nature to deal with cases of a similar kind occurring in other communities. With these words I support the motion that the Bill be referred to the Select Committee.

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : Sir, in all the Great God's creation there are three creatures whom I dread the most,—the scorpion, the bug and the Law Member. But I dread the Law Member the most. When a scorpion stings me, I can rub ammonia or permanganate of potash and the excruciating pain caused by the sting

[Maulana Zafar Ali Khan.]

may be assuaged : while in the case of the bug, if he is awfully inconvenient, I can remedy this inconvenience by changing the pair of trousers. But there is no getting away from the fact that I cannot escape from the Law Member.

The Honourable Sir Nripendra Sircar : I will give you a pill as a remedy ! (Laughter.)

Maulana Zafar Ali Khan : The Law Member has a peculiar knack of ramming a law down my unwilling throat. If needs be, he will do so with the help of the powers behind at the point of the bayonet. We, the Mussalmans, for the past hundred years have been groaning under certain laws against which there has been no remedy. I have the greatest respect for the present Law Member. There are exceptions to every rule. But might I remind him, with great respect, that he may know everything about the Hindu law, he may know everything about the spirit of the Christian law, the European law, but so far as the Islamic law is concerned, he also can commit mistakes. Only this morning I was reading in a paper that the great High Court of Madras pronounced a judgment in the case of a Mussalman who married two sisters at one and the same time, and the High Court Judges, who pose as great authorities on Islamic law.....

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : I rise on a point of order. No Honourable Member can cast any reflection on any High Court, or on any Judge of the High Court.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member ought not to say anything which is a reflection on any High Court Judge. Besides, he must confine himself to the Bill before the House. We have nothing to do with the judgments of High Courts in this case.

Maulana Zafar Ali Khan : Then I will say a certain High Court. I simply wanted to point out the fact that according to Muslim law no two sisters can be married to a Mussalman at one and the same time.

Mr. President (The Honourable Sir Abdur Rahim) : But we have nothing to do with the marriage of two sisters.

Maulana Zafar Ali Khan : This is how British lawyers appreciate our sentiments, our feelings, our traditions and our point of view. Only the other day there was another case. According to the British law, in this country, a mosque which has been in adverse possession of a non-Muslim.....

Mr. President (The Honourable Sir Abdur Rahim) : Again, the Honourable Member is not confining himself to the Bill. The rule of this House is that he must confine himself to the Bill.

Maulana Zafar Ali Khan : The main idea underlying this Bill is that if a Muslim dies intestate, if he is stricken with palsy or if he dies in the battle field and he leaves no heir and he has had no time to make a will (Interruption), his property must not revert to the Crown, but to his own community. I am very much obliged to the Honourable the Law Member because he has assured us that in this matter at least the Government

Bench would remain neutral and so far as the Congress Bench is concerned, I had occasion to have a talk with a certain gentleman who is very close to me—a Member of the Congress Party—and he said that so far as this Bill was concerned, his Party would remain neutral. I am very much obliged to them. If the Congress Party also remains neutral, then we will carry our point. We were only afraid that the Congress Party might make common cause with the Government Bench and kill the Bill. In that case the Bill would be lost. This time we will win. I was saying, Sir, that a Muslim dies intestate. His property may be worth a thousand rupees or may be worth a lakh or four lakhs. To whom does the property revert ? To the Crown. The Crown uses that property whether it is in kind or in cash. How does it use that property ? Not in accordance with the desire of the man who died. According to Islamic law, the way in which the money should be spent is that it should be spent in the cause of the Lord. That is the law of Islam. Now, the law as it stands at present allows the money to revert to the Crown and the Crown makes use of it in any way it likes, which may be repugnant to the sense of the Muslim community as a whole and to the soul of the departed. As my Honourable friend, Syed Ghulam Bhik Nairang, pointed out, in this matter of reversion of property of an intestate deceased, we do not want anything for the Muslim community alone. We would gladly concede the same right to the great Hindu community to demand the same privileges for themselves. If a Hindu dies intestate, let his property revert to the Hindu community. In the case of the Muslims, it must revert to the Muslim community and, so far as the Muslim community is concerned, we, the Muslim Members of this House, represent them and in their name we call upon all those who are ready and willing to help us in legislating on this particular question to see to it that every property left by a Muslim intestate should revert to the community and that community may appoint a Trust in which the whole community might repose confidence and that Trust might be allowed to spend the money in the best way possible. Although the wording of the Bill is defective, this object might be achieved by suitably amending the Bill in the Select Committee. Ways might be found in the Select Committee to satisfy all the doubts raised by the Honourable the Law Member and when the Bill has emerged from the Select Committee and comes to this House for discussion, I think it will be found that it is not so impracticable as has been apprehended. With these words, I support the motion.

Pandit Krishna Kant Malaviya (Benares and Gorakhpur Divisions : Non-Muhammadan Rural) : Sir, I have been off and on in this Assembly since 1923, and, during this period, I never had occasion to request my Honourable friend, Sir Muhammad Yakub, who is not present here today, in vain. He always agreed to support any measure by his speech or his vote whenever I requested him to do so. It is, therefore, very painful to me, Sir, to stand up and oppose the Bill which has been sponsored by him. My Honourable friend, Syed Ghulam Bhik Nairang, says that it was not unexpected. I wish him joy. I have nothing to say to it, I am only glad that I have not disappointed him and have stood up for truth, but my Honourable friend, Maulana Shaikat Ali, will bear me out when I say, that whenever there was a righteous cause for which my Muslim brethren fought, I joined them, I suffered with them as well as any Muslim in the country and I assure my Muslim

[Pandit Krishna Kant Malaviya.]

friends even today that whenever occasion arises, whenever time demands, whenever they have a righteous cause to fight for, I will stand by them and fight their battles.

An Honourable Member : Why not today ?

Pandit Krishna Kant Malaviya : My Honourable friend wants to know why is it that today I am not supporting this measure which is before the House ? I want to tell my Honourable friend that from time immemorial, in all times, in all countries and in all history, the property of an intestate has vested in the State.

An Honourable Member : Not in all countries.

Pandit Krishna Kant Malaviya : I have yet to know a country where this is not the case. Either the power vested in the hands of the village community or in the hands of the Feudal Chief or in the Church or in the State. My Muslim friends say that according to the Islamic law the property of a man dying intestate vests in the Muslim community, with all due respect to them I may be allowed to differ from them and tell them that if what they say be a fact then in that period of their history the community must have been an interchangeable term with the State. What is the machinery provided, which in the name of any community can take possession of a property, can administer a property or any trust ? Is any machinery provided anywhere in this world in the name of any community which does this sort of work ?

An Honourable Member : We had *Bait-ul-mal* in those days.

Pandit Krishna Kant Malaviya : My friend says there was *Bait-ul-mal* in those days. May I know whether in those days Muslim States had only Muslim subjects and whether Jews and other people were or were not residing in Muslim States ? What became of the property of those who were non-Muslims ? Did the property of non-Muslims also go to *Bait-ul-mal* ? Was there a different law for non-Muslims and Muslims ? I think anything like that was not possible.

Sir Muhammad Yamin Khan : I may point out for the Honourable Member's information that in those days the laws of the different communities were administered by the Muslim State according to the laws of the person who died, whether he was a Christian or whether he was a Jew.

Pandit Krishna Kant Malaviya : I am very thankful to my Honourable friend, Sir Yamin Khan, for thus interrupting me, but I may assure him that he has given away his entire case. He told the House that in those days the property of different communities was administered by the Muslim State. That is just what I want to tell the House, that it was the State and not the community which administered the property and the law.

Sir Muhammad Yamin Khan : It was the law which was administered.

Pandit Krishna Kant Malaviya : Yes, the law was administered by the State and not by any community and, therefore, the property also of a man dying intestate was administered according to the laws by

the State. This is what I also am saying. I want to know, where was the "*Bait-ul-mal*" and where is it today in modern Turkey, in Iraq, in Iran, in Hedjaz or in any other country ? Coming to our own country, we had our Muslim kings here, we had the Moghul Emperors. Has anybody heard, is there any record in Indian history, that there was a "*Bait-ul-mal*" in Hindusthan ? Even in old Turkey, during the time of the Khalifa, the "*Bait-ul-mal*" was under the Sultan and not under the Khalifa. The Khalifa was the head of the Church and the Sultan was the head of the State.

Maulvi Syed Murtuza Sahib Bahadur (South Madras : Muhammadan) : They were both the same.

Pandit Krishna Kant Malaviya : The "*Bait-ul-mal*" was under the Sultan as the head of the State and not under the Khalifa whether you may or may not differentiate between the Sultan and the Khalifa. Let us not be led away by sentiment. I am surprised to see my Honourable friends are led away by sentiment and I am more than surprised to learn that the Congress Party has decided to remain neutral and even Government will remain neutral, as announced by the Honourable the Law Member. I can have no complaint for one is the present Government and the other is the coming Government of this country. (Laughter.) So far as the Congress Party is concerned it has always adopted the attitude of neither yes nor no whenever there was an occasion to stand by truth and nationalism. They may decide to remain neutral on an important question like this when an innovation is being introduced in the law of the land but I may tell them that they are not serving the country. According to all universal laws in all countries, the property of a man dying intestate vests in the State. Why is it then that a new change is sought to be introduced in this country ?

Sir Muhammad Yamin Khan : Because Islam wanted to change the ideas of the people. Islam itself was an innovation.

Pandit Krishna Kant Malaviya : And Islam was either a church or a State and not a community. Sir, I oppose this Bill.

Maulvi Syed Murtuza Sahib Bahadur : Sir, I associate myself with the previous speakers, of course excluding Pandit Malaviya, in saying that we will not level any charge of communalism against the Leader of the House. As regards the legal points raised by him, all those legalities and technicalities have been broken through by my Honourable friend, Syed Ghulam Bhik Nairang. As a layman, I need not and cannot go into them. The reason why we are very keen on having a measure of this nature is that no trust has been maintained as yet by the present Government, and so the intestate property of a Muslim is being used, we do not know in what way. It may be for the promulgation of Christianity itself which we cannot be a party to ; it may be debited to the Ecclesiastical Department of the Government of India. So it is necessary to have a measure of this kind enacted here, and we should all thank the Leader of the House for having said that Government would remain neutral in this matter, but as regards my Congress friends I do not see any justification.....

Mr. M. Asaf Ali (Delhi : General) : Muslim Congressmen are free to vote.

Maulvi Syed Murtuza Sahib Bahadur : I thought the same would be the case with non-Muslim Congressmen also, because we expect that under the national Government all measures should be introduced and passed without any difficulty. I am not at one with those like Pandit Malaviya who feel envious of the Congress Government which I am myself proud of.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : The Congress Government will take care of all Muslim poor ; you need have no anxiety about that.

Maulvi Syed Murtuza Sahib Bahadur : I have no anxiety. So, although there is option to vote, I expect them to whole-heartedly support it.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Sir, it is really a matter of regret to me that it should have fallen to my lot to oppose this measure.

Sir Muhammad Yamin Khan : What a pity !

Mr. M. S. Aney : Yes, but because of pity I will not think of abjuring the duty which I owe to myself and to the country.

The nature and object of the measure before the House have been explained by the Honourable Member who moved the motion, and they were also further explained by the Honourable the Law Member. He has very clearly shown why and how there are difficulties in the way of this measure being accepted by this House. In fact even he went to the length of pointing out,—and I think very rightly too,—that this House is not competent to deal with the measure in the form in which it is placed before it. Having said that, with due deference to him, I fail to understand how he has taken up the attitude of neutrality he has taken and how he has asked the Government Members behind him to take up the same attitude ? If it is not competent for the House to deal with a measure like this, it is his clear duty, not only as the Leader of the House, but as the Law Member, also to oppose the measure and ask the House to throw it out, on the ground that it is not within the competence of the House to deal with it....

Major Nawab Sir Ahmad Nawaz Khan : What the Honourable Member is saying is quite all right in so far as the provinces are concerned, but what about the areas administered by the Centre. This House has a right to legislate for them as well.

Mr. M. S. Aney : This measure is not intended exclusively for the people of the centrally administered areas only. This is a measure which is intended for the Muslim community as a whole which is scattered over the entire Indian peninsula from Kashmir to Cape Comorin and from Calcutta to Bombay. The entire Muslim community is going to be the heir under this law, and, therefore, my Honourable friend cannot take the limited and narrow view which he takes in respect of this important matter. I also want to make it perfectly clear,—although some of my friends might feel that there is some kind of communal feeling in me which prompts me to oppose this measure....

Some Honourable Members : Not at all.

Mr. M. S. Aney : Let me tell them clearly that I have no communal feeling at all. We are dealing with the estate of a dead man, without an heir and there can be no question of any feeling in regard to the estate of a dead man. We have to look at this question from a different point of view. The principle of the law of *Shariat*, which is enunciated here, is perfectly clear. I don't presume to know much about the *Shariat* law which some of my other friends probably know better. I do not know a bit of Arabic, and, therefore, the law laid down in that language is something like Greek and Latin to me, but I am not prepared to accept from them that the law, as expounded by them, is correct so far as the particular authority to which they have made a reference is concerned. My friend, who is not present in the House, based his arguments on the observations contained in Mr. Justice Amir Ali's Book in support of this measure. Therein it is stated that it is not the Muhammadan community which is intended to be the heir of an estate of a Muslim who died intestate and without an heir, but that it should be made into a Trust in the interest of the poor Muslims. The word 'poor' which occurs in the Muhammadan law, I take it, is intended to mean the Muhammadan poor. But the point is this. It is not altogether a new or novel provision exclusively belonging to the conception of Islamic law only. In the Hindu law also there are many *Smritis* which contain a provision like that. I don't want to take up the time of the House by quoting all the extracts from Manu, Narad, Yajnavalkya and others....

Sir Muhammad Yamin Khan : Does not the property of a Hindu monk go to the other monks ?

Mr. M. S. Aney : I am telling my friend just what he is telling me. I am coming to that point presently. There are express texts which lay down that the property of every member of the Hindu community can be escheated to the State in the absence of any heir, except that of a Brahmin. This text is repeated in more ways than one in three or four *smritis* to which I have just referred. The question really cropped up in the important case to which also reference was made by the Honourable the Law Member. That case is reported at page 500 in 8, Moore's Indian Appeals,—the book is in my hand. Now, according to that decision, even if the text is accepted, what does it come to ? And that is an important point. The Crown cannot take the estate left by a dying Brahmin, without an heir ; if it takes it, it is tainted with sin ; it has to be given to a Brahmin only. This text has been very rightly interpreted, in my opinion, by the Privy Council, to mean not that the Crown cannot come in, but it vests in the Crown in the interest of some Brahmin, and, therefore, the Crown holds it as a trust. I find personally no difference whatsoever between the interpretation put upon this text by the Privy Council and the way in which the *Shariat* text has been interpreted by Mr. Justice Amir Ali. He also interprets the *Shariat* law to mean that the estate of an intestate Muhammadan, dying without an heir, goes for the poor Muslims. And who is to administer the law ? The Bengal Regulation of 1810 and Madras Regulation of 1817 expressly contain provisions empowering the State to administer the estates escheated in this way. The provisions are given there, and according to those provisions, for over 125 years, I think, nearly all the estates thus escheated are being administered and managed by the Government which came into existence in those early times. I am assured by my Honourable

[Mr. M. S. Aney.]

friend, Mr. Nairang, that they would not stand in the way of Hindus if we come forward with a similar measure and ask for a similar concession for the Hindu community. I am quite sure my Muslim friends will not stand in our way. But my point is this, that there has been practically a method of administration of a particular law on a particular point in existence for the last 125 years. Unless a strong case is made out that the administration of the law, in that particular way which has been in existence for over 120 or 125 years, has been detrimental to the best interests of the society concerned, there is no justification for us to insist upon a departure from that practice and ask for an innovation. Our regard for the texts which contain not only the law of inheritance but also something which goes to minister to our spiritual needs and to our eternal benefit in the other world is great and ought to be great. We do not want that that sanctity of our texts should be impaired in any way. But if the Muhammadan community has already departed from that practice of the *Shariat* for 120 or 125 years, then there ought to be very strong justification for them to revert to that old law and depart from the present practice.....

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : What is the present practice ?

Mr. M. S. Aney : You have a better right than I have to say what it is. You are more conversant with the practice with regard to this point about Muhammadan law and the way in which it has been administered by the Government. And I hope when the time comes the Honourable Member will be able to tell us what it is. But I take it the practice is that such an intestate estate is escheated to the Government and the Government administers it. If we find that the administration is not strictly in the spirit in which the State is supposed to do it, then we must come out with a different measure and call upon the Government, that estates so escheated to the Government do not enure to the benefit of the State as such but to the benefit of such society or community as are interested in that, and for that purpose a measure entirely different from the one before the House is wanted. The question before us is, whether this particular measure has to go to Select Committee or not ; and it is no use saying that because some improvement can be made on the existing practice, therefore, a Bill which does not correctly embody the principle which you stand for should go to Select Committee. In giving our consent to that, in my opinion we shall be committing ourselves to a principle which is not really the principle which we want to work out. The Muhammadan community is a different thing altogether from the Muhammadan poor when it comes to the question of holding an estate in trust. I do not want to identify one with the other : I am sure nobody else will do it.

I have only to say one thing more. In this country these two communities and also the third growing community, the Christians, should live and have to live together in peace and harmony. Our attempts should be—I shall affirm without fear of contradiction and without any hesitation—that we should try to live under and be governed by common laws as far as possible. I say as far as possible. Of course, the Government is pledged, we are ourselves pledged to observe our personal law in certain matters.

But if we have tolerated a departure from the pure personal law for a number of years and we really do not see any evil coming out from that departure by being governed by common practices in certain matters, in the interests of the growing nationalism, it is not proper for anybody to ask us to turn from that practice and again try to add to the points of difference which, unfortunately, already divide this country in so many ways. I think that would be the highest blunder. I would appeal to my countrymen whether we cannot have one common Bill for the administration of these escheated estates both among Hindus and among the Muhammadans : we can make trusts for poor Muhammadans and for poor Hindus in one Bill, under the supervision of Government. That would be developing the common law at the same time retaining, as far as is necessary, the characteristic specialities of the two communities and regard for the text also. But do not bring in a measure which will make some kind of invidious distinction in favour of one community apparently but not in reality doing any good. I do not advise my Brahmin friends to come out with a measure like this for this reason. There was a concession given to Brahmins like that. Probably the Brahmins in those old days were much better than what we are today and they may have deserved it also. I say a concession like that was given to the Brahmin community in the old laws of Hindus and I do not grudge the concession that was enjoyed by them at that time.....

Mr. M. A. Jinnah : The Brahmins made the Act !

Mr. M. S. Aney : They always made the Acts, but without any sordid motives whatsoever.

Mr. President (The Honourable Sir Abdur Rahim) : If the Honourable Member wants to continue his speech, he can do so after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. M. S. Aney : I was dealing with the question of the principle for which my Muhammadan friends stand. Such a principle is not exclusively applicable to Muhammadans, but even amongst Hindus a provision like that existed. That matter was taken up to the Privy Council, and it was decided that, in spite of a provision like that existing in the Hindu Law to that effect, the property was declared escheated to the Crown. Now, the point I was considering was this. Although there is such a provision, still on the grounds I mentioned a short time ago, I am inclined to advise that if the Brahmin or any other community come up with a Bill like that and ask for exclusive concession for themselves and ask for benefits which cannot be shared in by other classes and communities living in this country, that sort of thing, in my opinion, is, not somewhat, but radically opposed to the policy which we want to evolve in this country and, therefore, nobody should do anything of the kind. In the interests of the growing nationality which we want to bring about, ideas and sentiments which may have their source in our scriptures, have to be subordinated, and a new kind of mentality has got to be brought into existence. That was the

[Mr. M. S. Aney.]

point which I was developing when the House adjourned. Before finishing, Sir, I would also like to draw the attention of the House to an expression of opinion which is published in the papers giving opinions on this Bill. It is an opinion given by the members of the Bar Association of Bombay, of which the Leader of the Opposition is one of the most distinguished ornaments. That Association has given very good grounds and strong reasons for opposing the very principle of this Bill. The opinion of a body such as that consisting of eminent lawyers is, I believe, entitled to very serious consideration by the Members on the official as well as the non-official sides of this House before any decision is arrived at. If they think that there is something in the reasoning which is given in the opinion of the Bar Association they should take it into consideration: that is my submission to them. I know most of the Members have not even looked into the question and it seems to me that they have no idea of what is called *Bait-ul-mal*. It is explained and defined here:

"In Wilson's Glossary *Bait-ul-mal* is defined as the 'public treasury or exchequer into which payments on various accounts are made and according to the sources whence they are derived, applicable to the support of different classes of persons'. The principal sources are stated to be four in number of which the fourth is: 'Property escheated, or for which there is no owner and also fines for manslaughter and murder which is to be expended on the maintenance of the sick, the poor and foundling children'."

Thus *Bait-ul-mal* was nothing but a public treasury which was entitled to receive all sources of income amongst which escheat of property coming in the form of an estate left by a man dying intestate and heirless was one, and if it is a public treasury it is a thing not belonging to any community, but it belongs to the State which represents all the communities inhabiting the country. A public treasury is a different thing from the treasury of a community, and I think, I am right in taking upon myself the responsibility of saying that this is the correct interpretation of the Arabic text. Wilson's work is accepted as authoritative and the interpretation given in his glossary is very often quoted in courts of law and accepted and acted upon by distinguished judges. So, if *Bait-ul-mal* was a public treasury, the law of escheat is not so radically in conflict with the Shariat law on this point as it is represented to be, and, therefore, the ground on which a claim for legislation like that is made is, to my mind, nugatory altogether. Further, in the opinion of the Bombay Bar Association it has been very eloquently brought out as to what is the real distinction or difference:

"When, therefore, it is stated by Wilson that 'the *Bait-ul-mal* is not the property of the ruling power, but that of all Muhammadans for whose benefit it should be administered', the real opposition is not between Muhammadans and non-Muhammadans, but between the King and his subjects who, in a Muslim state, would mostly be Muslims. This opposition is very well brought out in the *Encyclopædia of Islam*, I—598, where it is stated that *Bait-ul-mal* was the State Treasury or Exchequer, while the *Khizana-i-Amira* corresponded to the Civil List or Privy Purse of the Sovereign. The Association is of opinion that the *Bait-ul-mal* was really the public treasury, and that property which fell in it by escheat was as much liable to be used for the purposes of the State as property which came to it from 'duties on merchandise' which is given by Wilson as the first source of *Bait-ul-mal*."

Even that idea of *Bait-ul-mal* does not exclude the control and the right of the State to property which comes to it by way of escheat to the Crown owing to the absence of any proper heir or to a man dying leaving his property intestate. These are some of the grounds which I have

brought to the notice of the Honourable Members, so that they may consider that we are not here to secure a little advantage for this community or that or to bring the existing law into conformity with religion, but we are here in the form of this measure being talked upon to create a situation in which the right is not to be recognised as the prerogative of the State, as it is recognised in almost all the civilised jurisprudence, in respect of the property escheated to the Crown but that of a community without reference to the State. Secondly, I have to urge also that this has been the law here for more than 125 years. The third thing which I want to state is this. Now, if property is escheated to the State, and if we know that the Indian State does not, hereafter, mean Hindus or Muslims, but a combination, I shall say a brotherly combination of the various communities, the benefit of the estate escheated to the State will be shared by all these communities together. The Muhammadans will share in the property of Hindus escheated to the Crown, and the Hindus in that of Muhammadans, and we thus shall become the common heirs to the property of all those dying intestate. This is the position under the existing law, and is that not a better position than the one contemplated in the Bill, from a national point of view, from the point of view of the interests of the State that is to come into existence, from the higher ideal of an independent India which we all cherish and for which every one of us is anxious to make some sacrifice? Is not that a better ideal which we should all place before our minds? Shall we, for the sake of a little sentiment here or there, ask this Honourable House to depart from that ideal? That is what I want to urge. It is not a question of Hindu *versus* Muhammadan or any one community *versus* any other community. If this broad view is taken into consideration, it is necessary, particularly for my Honourable friends on the Congress Benches, also to reconsider the position they have taken. It is up to them to create a new India. I want to tell them that the whole nation is looking to them. When they are in power, will they adhere, in spite of a petty displeasure evinced probably in some unknown quarters through misunderstanding or misapprehension,—I ask whether they are prepared to discard this petty displeasure and resolve to stand for the right ideal which alone will enable India to be placed on a par with the other civilised nations of the world, an independent India, an India standing on a footing of equality with other independent nations of the world. Keeping this great ideal before them and understanding all the implications and responsibilities which the reaching of that ideal entails, I want them to reconsider the decision which they have taken. It has been my pleasure and privilege not only to vote with them in this House but to work with them outside this House. I have worked all my life for nothing except the Indian National Congress. I am a Congressman; I was a Congressman; I have lived a Congressman and I shall die a Congressman (Cheers), in spite of whatever may be said. Therefore, I claim the right of asking my Congress friends also to reconsider their position dispassionately on this point,—whether it would be proper for them to allow a Bill which embodies a wrong principle to go unchallenged. The motion which my Honourable friend, Sir Muhammad Yakub, has brought, unfortunately, is not well-conceived and the principle at the bottom of the Bill is unsound. I ask my Honourable friend, the Leader of the House, also to reconsider his attitude. His attitude of neutrality is entirely out of place and unintelligible. If he had correctly interpreted the law and the powers of this House, for that very reason he

[Mr. M. S. Aney.]

must go with me into the 'Noes' Lobby when this motion is put to the vote. Sir, I oppose the motion.

Mr. M. Asaf Ali : I had not the slightest desire to participate in this debate until I heard my Honourable friend, Mr. Aney. It appears to me that he has turned this particular question into a point of principle. Perhaps principles are involved in it, but instead of our trying to make heavy weather about them we might just as well concede what might be trifling points. After all, what does this Bill seek to do? It only seeks to establish the right of a community to the unclaimed property of one of its members. If that principle is applied to all the communities of India I do not think any one will be the loser. My Honourable and learned friend referred to the question of sacrifice in the interests of the nation. Conscious sacrifice I can understand, but sacrifice by a dead person who did not know what sort of sacrifice he was making is beyond my comprehension. Here you are not asking the individual who has left his property to make a little sacrifice in the interests of the nation or the country. You are really asking the Government, first of all, to claim the unclaimed property of a dead person who has left neither a will nor an heir, and then apply that property to whatever purposes they may like. I do not quite see the point. Would it or would it not be more equitable to apply such money to purposes which were nearer the heart of the person who had left it? Suppose a Jaini, or a Sikh or a Hindu or a Christian died intestate and without any heir, what use do you think he would like the Government to make of the money he had left? He would like that money to be applied to purposes which were close to his heart, probably the education of the members of his community or the help of the helpless, and so on and so forth. In those circumstances, I do not see what earthly objection there can possibly be to the principle underlying this Bill. The proposition before the House today is not to pass this Bill as it is. I do not agree with the Bill as it stands. I want to see it amended, properly amended, so that it may be made workable, and inasmuch as the motion moved by the Honourable Member is merely for reference of this particular Bill to a Select Committee I see no reason why we should not support it. I have heard it said that by supporting this Bill we shall perhaps be giving away the whole case; and that we shall be supporting a vicious principle. I see no vicious principle involved in this Bill at all.

Mr. M. S. Aney : I have not used the word "vicious".

Mr. M. Asaf Ali : I am not referring now to what my Honourable friend Mr. Aney said. I am referring to some of the other learned and erudite observations that have been made since about eleven thirty this morning. References have been made in this House to the Shariat, to Islam, to *Bait-ul-mal*, the history of *Bait-ul-mal*, the Khilafat, the Sultanate, etc.,—and all sorts of irrelevant matters have been gone into. I can assure you that, in so far as this Bill is concerned, none of those questions really arises. This Bill simply says that if a Muslim dies without an heir, and without a will, let his property be held in trust—this Bill does not say so in so many words, but I would like it to be amended so as to make it possible for the Government to hold such money, as may be left by an intestate and heirless Muslim, in trust for the deceased's community. Rules may be made for the application of such money. The rules as

regards the application of this money should state the beneficial purposes for which it must be used,—which again will be beneficial to the nation. If a part of the nation is being benefited by the money which is left by one of the members of a particular community, after all, it is the nation that is benefited. Why should the nation benefit only by way of sharing the money which one man may leave and spreading it all over the show, rather than the particular community of the deceased benefiting by that money? After all, that community also is a part of the nation. I therefore, really do not see how this Bill can be opposed by any person who holds any reasonable views. As I said a little earlier, the motion before the House is merely for reference to a Select Committee. Let the Bill go to the Select Committee. We have all expressed our views about it. And I am prepared now to tell any one straightaway who may care to hear, that the Bill as it is does not commend itself to me. I would like to see it amended very drastically.

Mr. M. S. Aney : A different Bill altogether!

Mr. M. Asaf Ali : I do not mind in what shape the Select Committee returns the Bill to the House. I shall still have the freedom to move amendments if I feel that such amendments should be moved, but I do not see why it should be condemned out of hand. I, therefore, support the motion for reference to a Select Committee.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : 3 P.M. Muhammadan Rural) : I have heard with very great interest the views which Mr. Aney has expressed on this small Bill for the benefit of the Mussalmans. The moral principles that he has preached would have been well placed on some other occasions and in connection with some other Acts. The object of this Bill is a very simple one. Some of my friends today have asked how many such Mussalmans are there in India who come under the provisions of this Bill to necessitate a legislation of this type. I tell them that even if one Mussalman dies intestate, and his property goes to others, it is against the *Shariat* and the principles of Muhammadan law. My friend, Mr. Asaf Ali, has dealt elaborately with this point, and I do not want to explain the object of this Bill at length at this moment, but I would like to say that the first heir to an intestate Mussalman or an intestate Hindu is the police of this country. When a rich Mussalman or Hindu dies, it is the barrister or the vakil who becomes his heir. In the same manner, it is the police of this country who take hold of the moveable possessions of an intestate Mussalman or Hindu. Does my friend want the police to rob these men, before the Government get these things by way of escheat? In the case of cash left in banks, it is the banks' agents and shareholders who take the property in their hands. It is very difficult to find out what money he held in the bank. If I am not wrong, in Bihar they have a *Amir-i-Shariat*. They have a *Bait-ul-mal*. If the Mussalmans in other provinces also want to form committees on these lines to protect the property of intestate Mussalmans, I don't think there is anything impracticable. They have done it in Bihar, if I am not wrong. So, I would ask my friend not to oppose this Bill in the way he has done, but to respect the feelings and sentiments of the Mussalmans. That is all that I have got to say.

Several Honourable Members : I move that the question be now put.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

"That the Bill to declare that properties of a Muslim dying intestate and without any heir devolve upon the Muslim community be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable the Home Member, Qazi Muhammad Ahmad Kazmi, Mr. Abdul Qaiyum, Syed Ghulam Bhik Nairang, Maulvi Syed Murtuza Sahib Bahadur, Khan Bahadur Sir Abdul Hamid, Maulana Shaikat Ali, Mr. Muhammad Azhar Ali, Maulvi Zafar Ali Khan, Khan Sahib Nawab Siddique Ali Khan, and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The Assembly divided :

AYES—26.

Abdul Ghani, Maulvi Muhammad.
Abdullah, Mr. H. M.
Anwar-ul-Azim, Mr. Muhammad.
Azhar Ali, Mr. Muhammad.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Dalpat Singh, Sardar Bahadur Captain.
Essak Sait, Mr. H. A. Sathar H.
Fazli-Haq Piracha, Khan Bahadur Shaikh.
Ghiasudin, Mr. M.
Ghulam Bhik Nairang, Syed.
Jehangir, Sir Cowasji.
Jinnah, Mr. M. A.
Kushalpal Singh, Raja Bahadur.
Laljee, Mr. Husenbhai Abdullahbhai.

Mehr Shah, Nawab Sahibzada Sir Sayad Muhammad.
Muhammad Ahmad Kazmi, Qazi.
Murid Hussain Qureshi, Khan Bahadur Nawab Makhdum.
Murtuza Sahib Bahadur, Maulvi Syed.
Rahman, Lieut. Colonel M. A.
Shahban, Mr. Ghulam Kadir Muhammad.
Shaikat Ali, Maulana.
Siddique Ali Khan, Khan Sahib Nawab.
Sikandar Ali Choudhury, Maulvi.
Umar Aly Shah, Mr.
Yamin Khan, Sir Muhammad.
Zafar Ali Khan, Maulana.

NOES—9.

Aney, Mr. M. S.
Banerjee, Dr. P. N.
Chattopadhyaya, Mr. Amarendra Nath.
Maitra, Pandit Lakshmi Kanta.
Malaviya, Pandit Krishna Kant.

Parma Nand, Bhai.
Sant Singh, Sardar.
Sivraj, Rao Sahib N.
Som, Mr. Suryya Kumar.

The motion was adopted.

THE MOSLEM PERSONAL LAW (SHARIAT) APPLICATION BILL.

Mr. H. M. Abdullah (West Central Punjab : Muhammadan) : Sir, I beg to move :

"That the Bill to make provision for the application of the Moslem Personal Law (Shariat) to Moslems in British India, as reported by the Select Committee, be taken into consideration."

The object of the Bill, as the House is already aware, is to replace the customary law by the *Shariat* law in certain matters where the parties to a dispute are Muslims. By doing so, it also helps the weaker sex as it enables women to succeed to the ancestral property and to claim dissolution of marriage on certain grounds. After explaining the object of the Bill briefly, it gives me great pleasure to say that the Bill has met with a unanimous support from the Select Committee except in one or two points. Objection has been taken to the words "or Law" in clause 2 of the Bill by Messrs Mudie, Muhammad Azhar Ali and Sir Muhammad Yamin Khan in their minutes of dissent. As there is an amendment on the agenda for the omission of these words, I shall deal with it when it is moved. Meanwhile, I would confine my remarks to the modifications suggested by the Select Committee. The main changes made by it are two, one relating to the exclusion of the agricultural land from the purview of

the Bill, and the other concerning the amplification of the word "divorce". As succession to agricultural land is an exclusively provincial subject under the Government of India Act, 1935, it had, much against my wish, to be excluded from the Bill. Having regard to the different forms of dissolution of marriage recognised by the *Shariat*, it was considered necessary to provide for all of them. In order to implement the provisions in this respect, a new clause 3 has been inserted in the Bill empowering the District Judge to grant dissolution of marriage on petition of a married Muslim woman on certain grounds. These changes have been introduced in the interest of the females who, in such matters, are at present at the mercy of their husbands.

I am sure that these wholesome changes will be supported by the House. In addition to the above, the Select Committee have made a few other amendments which are fully explained in the report, and I need not take the time of the House in dilating upon them. I hope that the Bill in its present form will meet with the approval of the whole House.

Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Motion moved :

"That the Bill to make provision for the application of the Moslem Personal Law (Shariat) to Moslems in British India, as reported by the Select Committee, be taken into consideration."

Mr. Abdul Qaiyum (North-West Frontier Province : General) : Sir, I am in sympathy with the objects which this very useful Bill aims at. There is a great awakening among the Muslim masses, and they are terribly conscious of their wretched condition socially, politically and economically. There is a desire in the community for an advance in all these directions. The feelings of the Muslim community have been expressed in public meetings throughout the length and breadth of this country. This feeling, I have great pleasure in stating, is not merely confined to males but it has spread to the females also, and for the first time the Muslim women in India have given expression to their strong feelings against the dead hand of customary law which has reduced them into the position of chattels. Sir, these feelings have been expressed by various organisations of Muslim women throughout India. A representative body of Muslim Ulemas like the Jamait-ul-Ulemai-Hind has also expressed its sympathy with the objects of this Bill. Sir, there is something in the word "*Shariat*",—may be it is Arabic,—which gives a sort of fright to some of my Honourable friends, but I think if they try to read the Muhammadan Law on the point, especially on the point of succession, they will realise that this Bill was long overdue and that it is a step in the right direction. People have no idea of what terrible conditions the Muslim women have had to endure in my own Province: I can say that whenever a Muslim died, at least before the Frontier Shariat Law was enacted in the North-West Frontier Province, his daughter, his sister and his wife all used to be thrown into the street, and the reversioner in the tenth degree would come round and collar all his property. I think that the conscience of all those who believe in progress, social, political and economic will revolt against such practice and once people realise that this Bill is primarily intended to improve the status of women and to confer upon them benefits which are lawfully their due under the Muhammadan law, then they will gladly support this measure.

[Mr. Abdul Qaiyum.]

Custom is a very indefinite term. I know it as a lawyer that in my Province whenever a question of custom used to crop up it used to involve any amount of research work, lawyers used to indulge in research work to find out cases, look up small books on customary law and it was found that the custom varied from tribe to tribe, from village to village and it has been held, by the High Court in our Province before the Shariat Act came into force, that custom varied from one part of the village to the other. The position was so uncertain that people had to spend so much money on litigation that by the time litigation came to an end the property for which people were fighting would disappear. It was with a view to put an end to this uncertainty that people in the Frontier Province pressed for an Act which was subsequently passed into law.

I have only one thing to say. Personally I want the Muslims in India in matters affecting them to follow the personal law of the Muslims as far as they can. I want them to move in this direction because it is a thing which is going to help the Muslims and because the Muslims form a very important minority community in this country—they are 80 millions—all well-wishers of this country will agree with me that if it enhances the states of Muslims, if it brings the much needed relief to the Muslim women, it will be a good thing for the cause of the Indian nation. Therefore, in our Province an Act was passed which goes much further than this particular Bill which is now under discussion before this House. It is a very well-known fact that under the new Government of India Act, agricultural land and waqfs and religious trusts are provincial subjects and that this Honourable House cannot legislate about matters which are now on the provincial legislative list. The Act which we have in the Frontier Province, Act VI of 1935, goes much further than this Bill because it includes agricultural land and religious trusts. Therefore, I have tabled an amendment that this particular Bill—though I heartily agree with the principles of the Bill—when enacted into law, should not be extended to our Province. If it is so extended, it would mean that the people of the Frontier Province would be taking a step backwards and not forwards. It is a well-known fact and it is laid down in the Government of India Act, section 107, that where a Federal Law comes into conflict with a Provincial Law and even if the Federal Law has been passed after the Provincial Law, then to that extent it over-rides the Provincial Law and the Provincial Law becomes null and void. Therefore, my submission is that the intention with which I tabled my amendment was not with any idea of opposing the object of this Bill, but my reason for moving this amendment is that this Bill does not go as far as we wish to go—at least in one Province, namely, the North-West Frontier Province. I submit this is a measure which has been long overdue. I have known cases where a widow who was enjoying life estate—and whose reversioners were waiting for her death, did not die but happened to have a very long life. There have been cases in the North-West Frontier Province where people have taken the law into their own hands and in order to get the property they have murdered the widow. I can cite other cases before this Honourable House. There have been cases which I have come across in my legal and professional career where, when a man dies leaving a wife who by customary law has to enjoy the property

till her death or remarriage, certain reversioners come forward and bring a suit to declare that the widow had married one of the reversioners with a view to proving that she was no longer a widow and with a view to terminate her life estate. There have been numerous cases where families have been ruined, murders and stabbings have taken place because the dead hand of customary law stood in the way of the reversioners who were anxious to get what they could not get and in order to deprive the poor widow, false cases have been trumped up that she had remarried. There have been many other illegal tricks resorted to by people with a view to get hold of the property. I submit, Sir, that the dead hand of customary law must be removed. We are living in an age in which very important changes are taking place. After all this customary law is a thing of the past. When many other things are going the way of all flesh, when even systems of Government have to change, when even mighty Empires have disappeared, when we see signs of softening even in the hearts of the Government of India, when we have got popular Congress Governments in seven Provinces—a thing which nobody would have believed six months ago or one year ago, I submit that it is high time that we got rid of this dead hand of custom. After all custom is a horrible thing as far as this particular matter is concerned, and by endorsing the principles of this Bill we would be doing justice to millions of Indian women who profess Muslim faith. I hope, Sir, the day is not far off when other communities will also bring similar measures and when in India women and men will be treated equally in the eyes of law in the matter of property, political rights, social rights and in all other respects. I have, therefore, great pleasure in supporting the principles of this Bill.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, fortunately in my province we have got no customary law, and, in my province, the Muslims are guided by the Muslim personal law. Therefore, I do not stand in the position in which the people coming from the Punjab or the N.-W. F. P. do.

An Honourable Member: What about special Magistrates in your province?

Sir Muhammad Yamin Khan: We have got special magistrates. I do not want to go into the question as to what they are for. That is not the point. That is the happy position in which the Muslims of my province are. Here, as a Mussalman, I am not going to be affected by the enactment of this law, but the people to be affected are the people of the Punjab and Bombay and some portions of Madras. The particular point involved in this Bill is about inheritance. More than 1350 years ago the law was given by the Prophet of Islam by which Muslim women enjoyed rights denied to women of any other country then. It was a great revolution in the existing law and justice was done to a sex which had not much voice at the time. That law gave the women a free hand to possess and transfer property and deal with it in any manner they liked. Even married women became full owners of the property. This law was not enjoyed by women in Europe even so late as 1870. And now in spite of this law, woman is being deprived under custom of her legitimate rights which she would otherwise enjoy. Once a man accepts Islam he cannot say that he is not going to allow a woman of his family to enjoy the privileges given to her. Customary

[Sir Muhammad Yamin Khan.]

law is the outcome of a custom made by men who looked to their own self-interest and they were not safeguarding the rights of women. Therefore, the party really affected had no voice up till now and the women in the Punjab have been suffering, because the men who owned certain kind of property did not like that the property should pass from their family through the women to the other family. But that is against the Muslim idea. The Muslim idea is not that a woman of the family becomes a different person on her marriage because Islam does not recognise different families in this manner. And in the Punjab the women have begun to protest and hold meetings and demand their just rights. If women can adorn the benches in the legislatures and preside over municipalities and district boards and become Presidents and Vice-Presidents of Councils, there is no reason why they should be ignored by this House and their just and legitimate rights be denied to them. This Bill does not seek to give woman anything which is not her due; it only seeks to do away with the injustice done to her for a long time by people who do not want to part with their property. And in that view I hope the whole House will support her case.

Then, we find that there have been different rulings in the different High Courts, and I think this House should now make clear what law should in future in cases of marriage, inheritance, etc., be applied to women and to parties when they are Mussalmans. This will really do justice to the people who have been suffering for a long time.

Sir, my Honourable friend, Mr. Qaiyum, referred to the fact that the word "Shariat" frightens some people. I may be included in them also because as a Sunni, Hanafi Mussalman, I understand "Shariat" in a different sense from my Shia friends who enjoy other laws. Doctors of law interpret certain laws in different ways, and according to the Shariat of the Hanafi law the only daughter of a man who dies gets half the property, whereas according to the Shia law she gets the full property. Therefore the word "Shariat" in this Bill frightens me as we do not know in what sense it has been used. How can we have a common law enacted for all the Muslims of India?

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): The word "Shariat" is not in the Bill.

Sir Muhammad Yamin Khan: It is used in brackets after the words "personal law" in clause 2, and I object to that word being there. "Personal law" is quite clear but "Shariat" has different meanings for different people, and if the word is introduced here, it may be misunderstood by the Courts later on. When Mussalman doctors of law have differed even with regard to the Koranic law, what can you expect of the High Courts? I do not want these difficulties to occur later and one High Court deciding a thing in one way and another High Court deciding in another way.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): What is happening in your province?

Sir Muhammad Yamin Khan: The word used is not "Shariat". There is no such word ever used in any law book which says that you are governed by the Shariat, and I do not want to involve Muslims

into any difficulties which may be created by lawyers in the Courts. Therefore, Sir, I object to the word "Shariat" being used in the Bill.

Mr. M. Asaf Ali (Delhi: General): What is your concrete suggestion?

Sir Muhammad Yamin Khan: I suggest that the words in the brackets should be dropped.

Qazi Muhammad Ahmad Kazmi: You ought to move an amendment to that effect.

Sir Muhammad Yamin Khan: If the Honourable Member has no patience to hear me, then the best thing for him to do is to go into the lobby and smoke there if he likes.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Will the Honourable Member be satisfied if the word is spelt "backward"?

Sir Muhammad Yamin Khan: The Honourable Member has never been taken seriously in the House, and what is the use of his interruptions? Again, Sir, we considered this in the Select Committee, and the Committee was equally divided on the use of the words "or law". My friends should have a little patience, because if they come here to enact a law for the entire Muslim community of about 80 million people they must be patient. If you don't show enough patience, then you show that you are not responsible to the people who have elected you here, and when serious matters are discussed, why are you so impatient? If you go on interrupting me, you will get something more unpleasant.

Qazi Muhammad Ahmad Kazmi: On a point of order, Sir; he cannot address me direct; he should address the Chair.

Mr. Deputy President (Mr. Akhil Chandra Datta): Let us now come back to the subject matter before the House.

Sir Muhammad Yamin Khan: I am sorry that the words "or law" have been used in the second clause, and those words mean the laws which have been enacted in the Legislature. As far as custom or usage was concerned, I fully agreed that they should be there, but the words "or law" go against certain laws which have been made with the full concurrence and common consent of the Mussalmans for protection of certain interests which are not peculiar to Muslims alone, but to a particular class in which the Mussalman happens to be one. Like the United Provinces Zemindari Act which gives protection to the zemindars so that the property cannot be divided, it is not the woman who is deprived of the property. If the Act had been seeking to deprive the daughters only, I would have been the first person to oppose those Bills; but it gives a right to a particular person to enjoy for his life time an interest in the property, and not to dispose it off. So far as the Agra Zemindari Act is concerned, it was brought forward on the request, I believe, of the late Nawab Mumtaz-ud-Daulah Fayyaz Ali Khan, and at that time many Muslim members of the Legislature supported the Bill. So protection is given to a particular class of people who come under the United Provinces Zemindari Act to see that

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the property is not divided whether it belongs to a Muslim or Hindu Talukdar or Zemindar. That property then remains intact according to the sanads and grants given by the Government under certain conditions. Now, if we have the words "or laws", it shall affect all Zemindars alike.

As far as the Waqfs are concerned, I dare say, many Honourable Members will have gone through the deeds relating to Waqf-ulul-Aulad, and the opinion held even at the time of passing that Act was, if a wakf-ulul-Aulad was or was not a wakf under the *Shariat*. That may be a debatable point, because Wakf-ulul-Aulad is made by a special law.....

Qazi Muhammad Ahmad Kazmi : Not by *Shariat*.

Sir Muhammad Yamin Khan : The law which empowers to make Wakf-ulul-Aulad is an Act, and a Muslim is given a right under that Act.

Qazi Muhammad Ahmad Kazmi : It is a validating Act.

Sir Muhammad Yamin Khan : It is an Act which gives special powers. Again, I say that according to *Shariat* you cannot restrict the free transfer of the property; that is the Muslim law. Anything which stops the free transaction of the property is repugnant to the Muslim law according to *Shariat*, and if my friend will read the law on pre-emption, he will find many rulings there, and pre-emption has been interpreted in many ways. Although it has been called the Islamic law and it has been adopted by Hindus as customary law, yet you will find that many learned Muslim doctors have shown that the whole spirit of pre-emption is against the Muslim law because the Muslim law presumes that every Muslim is sensible man and he must have a free hand to transfer or to dispose of his property in any way he thinks proper. Therefore, the *Shariat* law is against any restriction to the transfer of properties. Then when you do away with those laws, you come to Wakf-ulul-Aulad and as far as this is concerned, that is at once nullified. But the point is that since you are having the words "and wakfs" and also the words "and charities and trusts", anything relating to them in the shape of enacted law will be done away with. Then the only thing left to be decided is how to interpret the law, and various High Courts will give different interpretations, the Privy Council will give a ruling in a different way, and thus the Muslims will be involved in serious trouble if the words 'or law' are retained, because they will do more injustice to the people for whose benefit this Bill is introduced. I, therefore, cannot agree to the words "or law" being retained in this clause.....

An Honourable Member : He has withdrawn those words.

Sir Muhammad Yamin Khan : If he does that, then I will have nothing to say : but he merely said that he will have his say when the amendment is moved to drop those words. I did not hear him say that he agreed to the dropping of those words. I found in the Select Committee that he was not willing to omit those words and he was supported

by two or three others. When I find that the Committee was equally divided, I think I must place it before this House. This was carried by one vote.....

Mr. M. Ghiasuddin (Punjab : Landholders) : On a point of order, Sir, are the proceedings of Select Committee not confidential and can they be disclosed on the floor of the House ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member knows fully well that in theory, they are confidential : but very often it is observed more in the breach. What happened in the Select Committee should not be disclosed on the floor of the House. If objection is taken, I think the Honourable Member had better not refer to what happened in the Select Committee.

Sir Muhammad Yamin Khan : I am not referring to what happened in the Select Committee, but this is given in my note of dissent and it is before the House that the Committee was nearly equally divided on the question.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Although it appears in the Minute of Dissent, if in the course of a speech any Member takes objection to the discussion of anything that has happened in the Select Committee, I think it is better that he should not refer to it.

Mr. M. S. Aney (Berar : Non-Muhammadian) : May I just ask, Sir, when there is a Select Committee Report and there are Minutes of Dissent, are not the Members of this House entitled to make use of the opinions mentioned in those documents ? Can it be objected that these dissenting minutes also refer to some conversations in the Select Committee and therefore they cannot be made use of ? It is one thing to refer to arguments and conversations and talks that take place while the Committee was meeting. It is another thing to refer to matters which are embodied in the documents which are presented to this House. The opinions expressed there are the property of the House, and the House has a legitimate right to make use of them in discussing them in such manner as it thinks proper.

Mr. Deputy President (Mr. Akhil Chandra Datta) : As I understand it, the position is this : if a member of the Select Committee mentions anything in his minute of dissent as to what had happened in the Select Committee and which under the rules or the practice should not be discussed in the House, I am not aware of any procedure by which he can be prevented from doing so. I do not think that this is a very profitable discussion as it is very difficult to draw the line of demarcation between what is confidential in the Select Committee and what is not. As a matter of fact, very often things are discussed here which strictly speaking ought not to be discussed. On the present occasion, I do not think anything material has been disclosed except the fact that the members were equally divided on a certain matter. Nothing more has been disclosed by the Honourable Member.

Sir Muhammad Yamin Khan : That was what I was saying : I am not disclosing any other secret : the point I have to place before the House is one on which the Committee was divided. If the report had

[Sir Muhammad Yamin Khan:] I have been unanimous, probably the House would take into consideration the fact that the weight of opinion was all on one side : but when the question is decided by one vote and the other votes are equally divided, then the House has a right to form its own judgment. I say that these words "or law" are not really in accordance with the Statement of Objects and Reasons of the Bill. What the Mover of the Bill really aims at is to do away with custom and that is what is said in the Statement of Objects and Reasons : he has not put in a single word that there was any law which he thinks has been wrongly enacted which would adversely affect the Muslims and the Muslim law. Coming as he does from the Punjab I can quite understand that he aimed at removing the customary law which he thought was doing injustice to the women of the Punjab, not knowing what the law was in other provinces : probably he did not care to go into those laws.

I have explained my objection fully to the House and I hope I will be supported by the whole House and even the Members who did not agree with me in the Select Committee will now agree to dropping out the words "or law" on the grounds I have mentioned. My concern is not only to save the talukdars and zemindars of the United Provinces but also the Acts which might create some kind of difficulty in the High Courts and might give rise to different rulings involving Muslims unnecessarily by these words being embodied in the Bill. I also want that the word "Shariat" in brackets should be dropped. (Interruptions). These words "Moslem personal law" are quite explicit.....

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : How will you translate personal law in Urdu, Persian or Arabic ? What is the synonym of *Shariat* ?

Sir Muhammad Yamin Khan : This Bill is not brought in the language of Arabia nor in the language of Persia or in Urdu. This Bill is introduced in the English language and therefore we must try to understand it as such. (Interruptions). Personal law is understood now as administered by the Courts. If a Muhammadan belongs to the Sunni Jamat, Sunni law applies to him : if a Muhammadan belongs to the Hanafi Jamat, then Hanafi law applies to him.

An Honourable Member : We are talking of Muslims, and not of Shias or Sunnis.

Sir Muhammad Yamin Khan : There is no one law as far as the Muslims are concerned. There is a difference unfortunately between Shia Law and Sunni Law, however much my friend may ignore it. I will give one example. According to Shia law, if there is a single daughter and no other issue then she inherits the whole property of her father but according to Hanafi law she does not get the whole but only half. There is no one law : there is a difference in law, and each is differently interpreted.

Mr. M. Asaf Ali : Will the Honourable Member kindly throw a little more light on the subject. How were such cases decided before the Anglo-Muhammadan law came into India ? Is not *Shariat* law ?

Sir Muhammad Yamin Khan : Yes. I must suppose that my Honourable friend knows it. He is a barrister of 25 years standing.

Mr. M. Asaf Ali : 27 years, if I may correct.

Sir Muhammad Yamin Khan : I stand corrected. He puts up a question like this. Is it Anglo-Muslim law or is it anything different ? The difference between the Shia and Sunni law is more than 1,200 years old. Why do you say : "It is Shia Law, it is Sunni Law ? What are the rulings given by Imam Abu Hanifa, Imam Yusuf and other Jurists" ?

Mr. M. S. Aney : Suppose I am converted tomorrow to Islam. May I know if I shall be told at the time of my conversion that I am a Shia or a Sunni or a Hanafi ? Shall I have all the knowledge of the law by which I shall be governed ? That is what I want to know ?

Sir Muhammad Yamin Khan : If the Honourable Member is so fortunate as to embrace Islam tomorrow, the first thing I will do is to embrace him. Then I will tell him the law he will have to choose and abide by.

An Honourable Member : Will he be a Shia or a Sunni.

Sir Muhammad Yamin Khan : If you want a judgment, you will have to go into a law court. We are going to make a law for a big community, and it is not going to be achieved by emotion and by interruptions of that kind without giving proper thought to the difficulties which may come in your way. Here we claim to be representatives of the people. We must speak on behalf of the people whom we want to represent in this House truly and properly. Here you may not want to conceal what is really happening in the country. If my friends over there will get up and say that the Sunni Law and Shia Law are the same as far as succession is concerned, I shall bow down. If the Honourable the Commerce Member, who is an eminent lawyer himself, will get up and say that the Sunni law and Shia law are one and the same in regard to succession, I will bow down at once.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official) : So far as succession goes, Shia law and Sunni law are one and the same. The difference consists in the proportion of shares with which we are not at present concerned here.

Sir Muhammad Yamin Khan : When he says that Shia law and Sunni law are one and the same and only the proportion of shares is different, as a lawyer, it gives me horror. A difference in the proportion means a difference in succession. When you say that a woman is going to inherit 50 per cent. or 100 per cent. my friend does not seem to make any difference. When we make a law for the Muslim community we have to take into consideration all the *pros* and *cons* and not make a law which we shall repent for on another day. I do not want that the fate of this Bill should be the same as that of the Child Marriage Act which was passed hurriedly and which was later on denounced on the floor of this very House by the very persons who hurried it through.

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : May I ask the Honourable Member—I want to understand whether he means to say that under these words as they are now embodied in the Bill, in

[Mr. M. A. Jinnah.]
cases where the parties are Muslims, the law shall be the Muslim Personal Law (Shariat)? Does he wish to convey that every Mussalman will be governed by Hanafi Law if this Bill is allowed to stand as it is?

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Sir Muhammad Yamin Khan : It may be argued in a court of law that the Muslim Shariat Law must be the law as is embodied in the *Shariat*.

Mr. M. A. Jinnah : I am talking of this Bill.

Sir Muhammad Yamin Khan : If the word *Shariat* is there I can argue in a court of law that the succession should be according to the *Shariat* and not the personal law of the deceased.

Mr. M. A. Jinnah : Personal Law (Shariat)!

Sir Muhammad Yamin Khan : There is the Personal Law which we all understand, but when you come to the word *Shariat* there can be so many interpretations. There are the *fatwas* of Alimgarh, certain *fatwas* which have been made in Baghdad. We can say so many different things, and the law, which is now laid down, will have to be re-opened afresh and we shall be arguing what is the *Shariat* law and what is not. According to the *Shariat* a man can say I do not understand this to be *Shariat*. I think there is a great deal of difficulty, and I would not be a party, Sir, to the inclusion of the words which will involve the community in a lot of difficulties in Courts and unnecessary litigation in future. Therefore, I would like that these words "or law" and the word at the end "*Shariat*" should be dropped. We understand what Muslim Personal Law is.

Mr. Muhammad Anwar-ul-Azim (Chittagong Division: Muhammadan Rural) : Mr. President, the only purpose for which I intervene in this debate is to say a few words as to how far the various clauses of this Bill affect the Presidency that I come from. Generally speaking, it will not have any retrograde effect so far as the first two clauses are concerned, but with regard to the third clause, those Honourable Members who happen to be in any way connected with the High Court of Calcutta will have noticed from personal experience that in order to claim either a divorce or a maintenance or any status by a Moslem woman under the jurisdiction of the Calcutta High Court, she need not go to the District and Sessions Judge. If the clause is kept as it is, the purpose for which you would be giving this facility will not be realised. Mr. President, you must have known yourself the distance of the villages in a Bengal district. Sometimes it is 200 miles away from the place where the District and Sessions Judge sits. If Government are interested in making this matter straight and fair, they should see that so far as clause 3 is concerned, it does not affect us so far as the jurisdiction of the civil Court in my presidency is concerned. These are courts of first instance. Coming to the principle of the Bill itself, Mr. President, I think it is high time nay, it is a pity, it is a singular pity that the Government of India, who profess to know everything, who profess sympathetic consideration for the people of this

country, who profess to be just and impartial in all matters concerning the affairs of the people of this country, should have sat still for such a long time, and I am really surprised that it should have been left to my esteemed friend from the Punjab, the Hafiz Sahib, to introduce this Bill and by mere accident it got a ballot for discussion here in this Assembly. The leaders of my people—no doubt have done a lot of good things—it is a singular pity that it has escaped their notice for such a long time. If the Government and their officers had been in a humane frame of mind, here at the Centre, this piece of legislation would not have been so long delayed. A controversy has been raised by my Honourable friend, the Knight from Meerut, whether *Shariat* should be bracketed after Personal Law. Erudite as he is, experienced as he is in worldly affairs, I should have thought that he could have surely translated Personal Law by no other word than by *Shariat* because this is the only word which is understood by the people at large, so far as the Muslims are concerned. I think that the insertion of this word *Shariat*, far from doing any harm, has made the thing more clear and expressive. Coming to the real principle of the Bill, Mr. President, this is a vast continent which has come under the British and the East India Company from time to time, but they had not codified the law so far as the Muslims were concerned. The hardship felt by the province of the Punjab and the sister province of the North-West Frontier must have been great; otherwise a quiet gentleman of the position of the Hafiz Sahib would not have taken the trouble to bring forward this measure. May I ask what harm would be done by this piece of right given to Muslim women under this Bill? What is after all a Custom? If it removes that disability I think that it will have done a great service. I do not know whether this Bill will have a smooth passage in this House, composed as it is of various elements, but if a broader view is taken and if the condition of our women, especially of our Muslim women who are so helpless, is ameliorated to a certain extent, this House will be doing a great justice and a great service in the cause of uplift of women in this country. I need not go into the merits of the various amendments which have been given notice of by my esteemed Leader, the Leader of the Independent Party, but I should like to say something with regard to the amendment given notice of by the Government. That amendment wants the laws which have been passed on these various subjects of customs and usage, to be kept intact. If Government feel that that is necessary, perhaps it might be done, but, at the same time, they must take this into consideration. If you are going to give to Muslim women and Muslims certain status which has been denied to them unjustly for the last 150 years,—to take shelter under the laws which have been passed by the various Legislatures in India where they had no hand would not be a good thing. But if a choice were given to the various provincial councils, with what grace and with what favour they would receive it I cannot say. That being the suspicion even in the case of a layman like myself, I dare say that this might appeal to the sense of justice of the Government. I do not think I have got anything more to say except that this is a very good piece of legislation and I commend it to the acceptance of the House.

Khan Bahadur Shaikh Fazl-i-Haq Piracha (North-West Punjab: Muhammadan) : Sir, I feel it my pleasant duty to give my wholehearted support to the Shariat Bill, the necessity of which is so much being felt

[Khan Bahadur Shaikh Fazl-i-Haq Piracha.]

by the Muslim community of the country, especially the Punjab. I am glad that almost all the members of the Select Committee were unanimously in favour of the Bill, with the exception of a few minor objections which would well be covered by the proposed amendments of the Honourable the Leader of the Independent Party.

Sir, the Bill is a most harmless one. It affects only those who profess Islam as their religion and that even in matters of their personal property and their marital laws. Under the circumstances, I think, there should be no objection at all on the part of any other section of this House. The Bill has the unanimous support of the Muslim community in the country and the Muslim Members in this House. I think everybody in the House would sympathise with the womenfolk of the Muslim community who, without any reason or justification, are at present being deprived of inheriting the property of their parents, simply because they belong to the weaker sex. This House, in passing this Bill into law, will be doing nothing but removing, though partially, a great injustice which is being done to the female sex of the Muslim community, who are at present ill treated, in many parts of the country like the Punjab, a part of which I represent. The proposed amendments by Mr. Jinnah, if accepted by the House, will no doubt render the Bill absolutely optional, which is against our wishes. Owing to the differences of views on certain points and the opposition of Government, Mr. Jinnah had to intervene to facilitate the passing of the Bill without any opposition. The Bill, if passed in the proposed amended form, will give a right to every Mussalman, who may so desire, to follow the Islamic law in matters of succession, which at present is impossible on account of the customary laws existing in many parts of the country. In supporting the Bill, the Government will be simply doing their duty in removing a long standing grievance of the Muslims by removing obstacles from the way of right minded Muslims who desire to follow Islamic law in matters of succession and other objects mentioned in the Bill. If the Bill is passed into law, the responsibility will lie on the individual Mussalmans to follow or not to follow the Islamic Law.

There is one point which I would like to mention, and it is this. Under Islamic Law, the decisions regarding the dissolution of marriages ought necessarily to be given by a Muslim Judge, for which, though no provision is made in the Bill, the Provincial Governments will, I hope, feel it convenient to make arrangements. I think in every province there must be many Muslim judges in service. They can very well be invested with powers to hear such cases, without any extra expense. By suggesting this, I do not mean that special separate judges should be appointed for this purpose. Sir, I hope that, in case the Bill is passed, Government will keep this point in view. Sir, I support the Bill.

Maulvi Muhammad Abdul Ghani (Tirhut Division : Muhammadan) : Sir,* the speech of my esteemed friend, Sir Muhammad Yamin Khan, has compelled me particularly to make a speech. So long as he was confined to that part of his speech which was more or less an advocacy for the rights of women, I was led to think that he perhaps belonged to the

*Translation of the speech delivered in the vernacular.

weaker sex (Loud Laughter) ; but when he turned practically to oppose the rights of the weaker sex, I realised my mistake. Every body in the world very easily offers to prescribe principles, but it is altogether a different story when time comes for putting them into practice. This exactly is the case with my Honourable friend. He laid down very emphatically the dictum that, so far as the question of rights is concerned, there is no difference between men and women, particularly when women are seen working side by side with men in every walk of life ; but women should not get any property rights in the constituency of my Honourable friend, because the existing law of the land is against such move. Possibly my Honourable friend has something to do with the *ta' luk-dari*, and that appears to me to be the chief reason for his opposing the Shariat Bill.

Sir Muhammad Yamin Khan : On a point of explanation, Sir. The Honourable Member is making a wrong aspersion on me. He says he did not understand my speech, but he is doing me great injustice by saying that I have a personal motive or I am personally concerned in this matter.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must not impute any personal motive to another Honourable Member, especially if he has not been able to understand his speech.

Maulvi Muhammad Abdul Ghani : Sir, I am aware that the procedure in the House does not permit me to make any personal attacks against any Member. I have, therefore, always avoided this and shall continue doing so in obedience to your orders. However, I would submit that it is rather easy for every body to lay down principles, which are so very difficult to translate into action. Hence it pained me to notice that there are people in this world who feel a conscientious objection to the use of the word "Shariat". My Honourable friend has repeatedly declared that by the deletion of the word "Shariat" the Bill would become practicable. In this connection, I am rather inclined to say that time is fast approaching when a Muslim would consider it derogatory to use the words "Muhammad" or "Ahmad" along with his name.

Sir, so far as I have understood the Bill, I take it to mean that according to this, all that custom, usage and anti-Islamic practice, that have passed into law to the detriment of the Islamic law of inheritance, would disappear. Then, there is the controversy of bracketing the word "Shariat" after the words "Personal Law". But what is "Personal Law" after all ? I almost rose from my seat to ask my Honourable friend for a translation of the words "Personal Law", but he would not give me a chance for doing so. Nor did he offer any translation of that term even though it was demanded by other Honourable Members. I very much doubt if my Honourable friend knows the meaning of the words "Personal Law", and for that reason I am sorry for him.

My Honourable friend has been harping again and again on the theme that Sunni law is different from Shia'ite law, although there is no mention whatsoever in the Bill itself as to how it will stand in the way of those who follow the Hanafi, the Safi'i, the Maliki, the Hambali, the Shia'ite or the Khariji school. What it aims at is only this that in this

[Maulvi Muhammad Abdul Ghani.]

respect every section of the Islamic faith will be bound to abide by its own traditions, practice and internal law, and that he will be bound to disregard all such customs and usages that have passed into law in spite of the Islamic law. So, if my Honourable friend, the gallant Knight from Meerut, has formed his opinion against it, he would do well to revise it.

Sir, I would also take this opportunity of saying that I stand for the Bill, provided it is carried without an amendment; but I am not in favour of it in an amended form. I am raising this voice on behalf of the Muslims of Bihar. Let it not be said at any stage in the future that the Muslim representative from Bihar supported the amended Bill. In the province of Bihar, the Courts, even to this day, settle cases of inheritance, etc., according to the Islamic law. The Muslims of Bihar would stand to lose if the present Bill is in any way amended. With these words, Sir, I support the principles of this Bill and congratulate the Honourable Member who has moved it.

Qazi Muhammad Ahmad Kazmi : Mr. President, my own belief is that, to take part in the discussions of this House, unless something very important comes, is not proper for any Member of this House. I do not want to make it a general rule, but this rule must be observed especially on non-official days. Personally I always refrain from taking part in the debate, unless it is absolutely necessary for me to do so, for the simple reason that we have got a limited number of days for the non-official Bills and the non-official Resolutions, and we must be very careful to utilise that time. Still, as my learned friend, Sir Muhammad Yamin Khan, has tried to dissect this Bill clause-wise, I wish to say something on it. As a matter of fact, many of the points raised could have been easily dealt with at the time when the clauses would be discussed. But, as he has referred to those clauses on the basis of the principle itself, I will try to meet his objections as briefly as possible. Probably, the learned Knight has not seen the real necessity for which this Bill has been brought before this House. Probably he is not aware that there are the Punjab Laws Act, the Oudh Laws Act and other Acts which make the custom of the country override the personal law of the Muslims.

Sir Muhammad Yamin Khan : I may inform the Honourable Member that I have seen all those laws.

Qazi Muhammad Ahmad Kazmi : Had he only seen those laws, probably he would not have objected to the words "or law". The Bill says: "Notwithstanding any custom, usage or law to the contrary". By the words "or law to the contrary" is meant that all such laws, which provide that custom or usage should override the Muslim personal law, ought to be repealed. If we take out the words "or law" from this clause, then it would mean that "notwithstanding any custom, usage to the contrary, the Muslim law will prevail". Now, the Muslim personal law will prevail in spite of the custom or usage, but if any custom or usage has been recognised by law and the law lays down that that custom and usage shall have preference over the Muslim personal law, then it cannot be repealed by this Bill. If my Honourable friend only knew that the necessity for this Bill is due to the fact that in the Punjab, the North-West Frontier Province and at other places there are enactments to the

effect that custom and usage shall have preference over the Muslim personal law, then he would not have talked in the strain in which he did. For the information of my learned friend, I will read section 5 (b) of the Punjab Laws Act, which says :

"In questions regarding succession, special property of females, betrothal, marriage, divorce, dower, adoption, guardianship, minority, bastardy, family relations, wills, legacies, gifts, partitions, or any religious usage or institution, the rule of decision shall be—

- (b) the Muhammadan law, in cases where the parties are Muhammadans, and the Hindu law, in cases where the parties are Hindus, except in so far as such law has been altered or abolished by legislative enactment, or is opposed to the provisions of this Act, or has been modified by any such custom as is above referred to."

According to this section of the Punjab Laws Act, if there is any conflict between the Muslim personal law and the usage and custom, the usage and custom shall prevail as against the Muslim personal law.

Sir Muhammad Yamin Khan : Has that been enacted by a Legislature?

Qazi Muhammad Ahmad Kazmi : Of course, it has been enacted by a Legislature. That is why I said in the beginning that the learned Knight had not had the occasion of reading these laws. I am referring to the Punjab Laws Act (Act IV) of 1872 passed by the Government of India. It is the Legislature which has passed it, enacted it, and it is a law which is today regulating the whole of the Punjab. It is to meet this particular law, which makes custom and usage superior to Muslim personal law, that this Bill has been brought. Therefore, unless some other remedy had been suggested by the Knight from Meerut to meet this particular difficulty, the words 'or law' should not be deleted, otherwise the Bill would be absolutely useless. In other words, if we have this law without the words "or law", the result will be that as soon as a case under it goes before the Courts of the Punjab, they will say: "As against the custom and usage you can have your Muslim personal law, but when that custom and usage has been recognised by an enactment of the Punjab, then precedence will be given to the custom and usage over your personal law." Probably, I have not yet succeeded in making the point clear to the learned Knight, but, in the darkness of the night, it is very difficult to throw light. Therefore, I will stop at this point.

Now, I take the next point on which my Honourable friend, Sir Muhammad Yamin Khan, waxed very eloquent, the word "Shariat". He said that the word "Shariat" could not mean anything.

Sir Muhammad Yamin Khan : I never said that.

Qazi Muhammad Ahmad Kazmi : The word "Shariat", according to him, means something which he does not understand. I can see that according to him Muslim personal law has got some particular meaning, but the word "Shariat" has got none. According to him, Muslim personal law means the personal law of the Hanafis, the personal law of the Shias, the personal law of the Sunnis, but the word "Shariat", according to my Honourable friend, means only the personal law of one particular sect of the Muslim community.

Sir Muhammad Yamin Khan : Only one law of all the Muslims and not of different sects.

Qazi Muhammad Ahmad Kazmi : Whatever he says has to be accepted. Now, Sir, just as has been explained by Sir Muhammad Yamin Khan, if by "Shariat" he means one law, he must remember that all Mussaimans, who say that they are following the *Shariat*, are the believers in one Koran and are believers in one Prophet and one God, and, therefore, *Shariat* for Muslims means one *Shariat*, and he takes very serious objection to that. If Muslims say they have one *Shariat*, that is very objectionable to my Honourable friend.

Sir Muhammad Yamin Khan : No, no.

Qazi Muhammad Ahmad Kazmi : If that is the meaning that by splitting it up.....

Sir Muhammad Yamin Khan : Sir, I rise to a point of personal explanation. The Honourable Member has no right to misinterpret what I said. He may say whatever he likes, he may ventilate his own views, but he has no right to say that I mean this. I do not mean a bit of what he is talking about.

Qazi Muhammad Ahmad Kazmi : The only objection that was raised about the word "Shariat" was that *Shariat* is one, and there are different sects and different communities amongst the Muslims.....

Sir Muhammad Yamin Khan : What I mean is that *Shariat* can only be one and the personal laws of the Muslims can be different according to the sect to which they belong. Shias may have their own personal law, the Hanafis may have their own personal law, and, so far as *Shariat* is concerned, you cannot divide it into two different things—one *Shariat* for the Sunni, another *Shariat* for the Hanafis, and so on. You cannot do that.

Qazi Muhammad Ahmad Kazmi : Till now I have failed to get from the Honourable Member the translation of the words "Muslim personal law". He, as well as I, belong to this country and learned English at a very late stage and had learned Urdu or Persian phrases long before learning English, and yet I have been seeing that the Honourable Member had been insisting on the words "Muslim personal law" and has not been successful in giving a translation of it up till now. To me the word "Shariat" means Muslim personal law and nothing else, and if he thinks it means anything else, then he is mistaken. That is the reason why this word "Shariat" is the most appropriate word. These were the two main objections that have been taken so far as this Bill is concerned. If really the Honourable Member is serious, he could have very easily moved an amendment to that effect.

Mr. M. S. Aney : Is *Shariat* different from the law of Koran?

Qazi Muhammad Ahmad Kazmi : The question has arisen as to what is Muslim personal law. You will find even in elementary text books that the law of Koran is the Muhammadan law. My Honourable friend must be aware that the sources of Muhammadan law are the Koran, the Hadiz, i.e., the traditions, 'Qayas' and 'Ijma'.

Sir Muhammad Yamin Khan : The Shias have never accepted that.

Qazi Muhammad Ahmad Kazmi : Have they accepted the first one, or the second one, or the third one.

Sir Muhammad Yamin Khan : No.

Qazi Muhammad Ahmad Kazmi : Then, the Shias have never accepted either the Koran or the traditions or the 'Q'ayas'. If that is the allegation that has been made by the Honourable Member about Shias, then, I am afraid.....

Sir Muhammad Yamin Khan : I said they have not accepted the first Khalifa, or the second Khalifa or the third Khalifa. I thought he meant them after using the words "ijma-ul-ummat". I am sorry if I misunderstood.

Qazi Muhammad Ahmad Kazmi : When I was talking of the sources of law of Islam, my Honourable friend understood me to mean the Khalifas. The Khalifas were never the sources of the law of Islam as far as I know, and the mistake is probably on account of some misunderstanding that the sources of Islam mean the Khalifas. That was never my contention. The law of Islam is *Shariat*.

Now, Sir, taking the Bill as it is, we are sorry that, on account of the enactment of the Government of India Act, it is not possible for the Central Legislature to make any law for the whole Muslim personal law and for all the property of Muslims. We are excluded from making any such enactment on account of the provisions of the Government of India Act for "agricultural land", and, therefore, agricultural lands had to be excluded from the provisions of this Bill. Then, again, there was some misunderstanding about waqfs. It was suggested that as waqfs in favour of one's family and children had been enacted by a particular Act, so if we keep the words "or law", then that Act will also be repealed. I would only remind my Honourable friend that the Act of 1913 is not an Act in the sense that it gives new rights. The Waqf Validating Act of 1913 only validates particular waqfs which were considered by their Lordships of the Privy Council to be invalid in the light of Muhammadan law, and, therefore, there can be no question that this Bill can ever affect the Waqf Validating Act of 1913.

Sir, I was submitting that when this Bill was introduced in the Assembly, it was meant to cover a very large field, but, unfortunately, on account of the limitations imposed upon us by the Government of India Act, it has been considerably restricted in its scope because "agricultural lands" had to be excluded from the operation of this Bill. As we know, agricultural lands mean probably 99.5 per cent. of all the property that is available in India, so it is only .5 per cent. about which we can legislate and for which we are coming before this House. But it is not so much with the idea of getting sanction to this small property, but the idea in seeking the sanction of the House is that in addition to giving some little relief to the females of the country, we may get this principle accepted by this House, this being a representative House for the whole of India; the principle being that Muslim personal law should be applied to Muslims, and the difficulties and troubles that have come upon the women of India on account of the customary law should be removed. So, Sir, it is in this spirit that this Bill is being proceeded with in this House. It was only for that reason that the words "save as regards agricultural land" were

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inserted by the Select Committee without any hesitation. The same thing about waqfs—the words “other than charities and charitable institutions and charitable and religious endowments” were inserted, because they are the subjects which relate to Provincial Legislatures.

There are various amendments on the list, and I appeal to the House to consider this Bill from the point of view which has been placed before this House. So far as the Muslim Members are concerned, they are amenable to reason and are prepared to accede to every reasonable change in the Bill so as to accommodate the Government and even to accommodate my Honourable friend, Sir Muhammad Yamin Khan, if really he has got any serious objections. But what we want is that the principle of the Bill should be accepted by this House as soon as possible, because we hope, that it will give a lead to all the Provincial Legislatures to follow this particular principle and legislate in that light. Above all, we have got to realise that the principle is a sound one. Muslim personal law, so far as marriages, divorces and other things are concerned, is more or less already in force in all the provinces. It is the succession which is the chief matter in which Muslim women are being deprived of their proper rights. Daughters and widows of very rich persons, when they die intestate, are being deprived of their proper right in the property of their fathers and husbands, and people of the seventh and eighth degree come forward and take away the property. The principle of customary law might have been good at some stages in the development of the history of India, but now is the time when even the principle of joint family system of Hindus is being retained only to a greater extent in name only. Even in the Hindu joint family, you find that there is more or less complete disruption. A friend of mine, who belongs to the Vaish caste, told me that it is ridiculous to say that there can be any joint family system in the Vaish community; because, if you take up their account books, you will find that if four annas are spent for the son of one brother, an equal sum of four annas is to be spent for the son of another brother. So it is all right to say that they have got a joint family, but when you look into the inner conditions of that family, you will find that it is a family which is separate, and they are only labouring under that old name and are suffering from the handicaps of it. So, in short, I would submit that the principle of the Bill should be accepted by the House. It is a simple principle that we want to enforce that custom should be over-ridden by Muslim personal law, and, for these reasons, I give my support to this Bill.

Mr. M. A. Jinnah : Sir, I thought I would wait until I heard the Government view on this Bill but evidently Government have no views at all. The principle of this Bill, as I understand it, and its object is that, hitherto, amongst certain classes who are the followers of Islam there prevails a custom or usage by which they are governed in matters of succession and inheritance. These customs are age-long old and they have been pursuing them for centuries. Some customs have been established in Courts of law and have in fact the force of law. Some customs are nebulous and some are put up as they may suit the parties concerned. But as we grow and as India has developed, the customs which are still not established are sought to be established at the cost of a great amount of expense and prolonged litigation. Now, Sir, as I said, the principle underlying this Bill is to secure to the female heirs their due share

according to Muhammadan law. According to the customs and usages that have prevailed, the position of the female heirs has been a very precarious one. If a man dies his widow is only entitled to maintenance. When the question arises as to what maintenance she is entitled to, it is always a very difficult question to decide, because when a son or male heir succeeds to a large estate, he tells the widow that Rs. 100 is quite enough for her although it may be an estate of ten or twenty or thirty lakhs; and then invariably litigation arises. Then, as some Honourable Members know, the result of that litigation is that the widow claims maintenance according to the position in which her husband lived, according to the estate he has left, and that leads to very lengthy litigation and complicated inquiry, as to what estate was left and what is to be awarded, and so on. Similar is the position of daughters and female heirs. I will not dilate on it any more, but I think that the House will agree that the state of things is not very satisfactory, and I submit that the Islamic code of law is most just because the shares are defined there, namely, the daughter gets half the share of the son, and similar is the position of female heirs. If she gets half in her own right she is the sole mistress and master of that share of hers; and in these days and even in earlier days and even today the economic position of woman is the foundation of her being recognised as equal of man and share the life of man to the fullest extent. Therefore, that being the principle, namely, to avoid this uncertainty and to avoid the costly litigation that occurs for any of these customs not being defined or ascertained, it is desirable that at any rate we should secure to the female heirs their proper share according to the Muslim law.

Then, with regard to the other matters which are enumerated in the Bill, it seems that there is no difficulty. I do not think we are introducing or enacting a law which is in any way going back, but it is a more progressive and more advanced system of law than the customs and usages that are at present governing these various matters. You have got other matters enumerated there and, therefore, that really is the principle of the Bill. I, therefore, whole-heartedly support the principle of the Bill.

Having said that, there are certain very serious difficulties which we have to face, and things have been acted upon and laws have been enacted in this country; and, therefore, the question whether the word “law” should remain in that Bill or to what extent we should meet that difficulty will be a question that we will consider when these various amendments come before us. There is one point which I should like to mention and I did try to follow my Honourable friend, Sir Yamin Khan, with regard to his point. I find that as the language of this Bill goes, of course anything is possible for one to argue in a court of law. You can always raise a dispute, the doors of the court are always open and I can always concede to Sir Yamin Khan that whatever Bill you may pass, there will be some people who will go to a court of law for a construction of some clause or some word. But that is no reason why we should not take the utmost care and caution and see that there is absolutely no doubt left as far as we humanly can help. Now, “Muslim personal law” is mentioned there, and Sir Muhammad Yamin Khan admits that if it is stopped there, there will be no difficulty, and

[Mr. M. A. Jinnah.]

It is quite obvious to any one who knows anything about the Muslim law that there are different schools of law, that there are certain variations and certain differences which have come about by means of interpretation of great jurists on Muslim law. It is interpretation, but the fountain source of that law is *Shariat*.....

Sir Muhammad Yamin Khan : The fountain is the Quran.

Mr. M. A. Jinnah : May I point out to my friend what Mr. Wilson says in his book.

Sir Muhammad Yamin Khan : He may not be correct.

Mr. M. A. Jinnah : Then, there is nothing in this world which can be correct and the only correct thing is what the Honourable Member says. There is no use of asserting that everything is incorrect and the only thing that you say is correct. I am trying to persuade my friend to examine it carefully, and I assure him that we don't want to tie ourselves up into knots. If there is the slightest ground for it, at least I am prepared to consider it, but I was trying *prima facie* to persuade my friend to see that there is no substantial point in this. This is what Wilson says at page 6 :

“ The Muslim Sacred Law (*Shariat*)..... ”

I think my friend is thinking perhaps of that meaning of *Shariat* Muslim sacred law. Now, Muslim sacred law in English, in brackets, is *Shariat*. What do we say? Muslim personal law (*Shariat*). It makes all the difference in the world, and when Wilson defines what is Muslim sacred law or *Shariat*, he says :

“ Muslim sacred law stands on a different basis. It professedly centres more round the personality and the sayings and doings of the Prophet than did even the Canon Law of the Trinitarian Christians round the personality of the deified Jesus. And its scope is infinitely wider. It enters into the minutest details of the daily lives of men, women and children, private and public, religious and secular.”

Therefore, when you talk of *Shariat* in that sense, it embraces the whole system of your life, secular and otherwise. When we are putting in the Bill ‘ Muslim personal law ’ (*Shariat*), I ask Honourable Members to say whether any Judge would have any difficulty in interpreting this clause and would go to the extent of saying that ‘ no matter whether you are a Sunni, Hanifa, Shia or Shafi or you belong to any other school by which you are governed as to your personal Muslim law, I will only hold you by the rule of Hanifa school of law ’ according to this clause. Surely, I leave it to the House to judge. I don't wish to take up any more time of the House, but I once more say this. This is really a very progressive and advanced measure, and it is certainly intended to secure a distinct benefit to female heirs who have suffered, and it is high time that they were relieved of their suffering, and I hope the House will accept the main principle of this Bill subject to such modification as may be necessary having regard to other difficulties that are facing us.

Mr. M. Asaf Ali : Sir, may I continue today or would you like me to start another day ?

Mr. President (The Honourable Sir Abdur Rahim) : There are only five minutes left, and I think you can start on another day.

The Honourable Sir Nripendra Sircar (Leader of the House) : With your permission, Sir, I would like to make a statement and a request to the Chair. Although we are making very satisfactory progress with the Insurance law, I understand we are in a difficulty. On the one hand, we still have a lot of ground to cover, while, on the other, I understand many of the Honourable Members are not willing to enjoy the October in Simla for a long time.....

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Not at all, if possible.

The Honourable Sir Nripendra Sircar : So far as I can judge the position, having applied my mind to it, I don't think really we shall be able to finish before the 8th or 9th of October, unless there is a little speeding up. I had a chance of talking to two Leaders of the Parties here. We are getting only two days for insurance laws next week,— and I would request you to sit till 6 o'clock on Tuesday and Wednesday, and, as regards Saturdays, the 18th, and 25th possibly, I may be allowed to make my observations later.

Mr. President (The Honourable Sir Abdur Rahim) : I have no objection to sit till 6 p.m. if that is the desire of the House.....

Several Honourable Members : No, no.

Mr. President (The Honourable Sir Abdur Rahim) : And I understand on the 18th.....

The Honourable Sir Nripendra Sircar : No, Sir, I mentioned one Saturday for the present.

Mr. President (The Honourable Sir Abdur Rahim) : I do hope that Honourable Members will agree.....

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : Sir, beyond 5 p.m. it is impossible to sit. I do know of the Honourable the Law Member's great capacity, but these complicated amendments practically exhaust us. I agree to our sitting on Saturday, but to expect us to sit beyond 5 p.m. on these complicated amendments would be an impossibility.

Mr. President (The Honourable Sir Abdur Rahim) : But we sometimes sit till 6 p.m.

Mr. S. Satyamurti : Sometimes, but not on these complicated amendments ; we sit for adjournment motions.

The Honourable Sir Nripendra Sircar : My previous offer of sitting till 6 p.m. not having met with approval, I shall make another offer, Sir. If the House will sit on the 18th and 25th of September, that will equally suit my purpose. I don't want to inconvenience anybody. It is for Honourable Members to decide which is the least inconvenient course, but something has got to be done.

Mr. President (The Honourable Sir Abdur Rahim) : I should like the Leaders of Parties to meet me tomorrow at 10-30 and settle the matter then, without discussing it in the House.

As regards sitting till 6 p.m., it sometimes may be necessary to sit beyond 5 p.m., and it will be in the discretion of the Chair to do so.

The Assembly then adjourned till Eleven of the Clock on Friday, the 10th September, 1937.

LEGISLATIVE ASSEMBLY.

Friday, 10th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN.

Mr. Hugh Dow, C.I.E., M.L.A. (Commerce Secretary).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

†429*.

SHIFTING CHARGES OF A TELEPHONE FROM ONE HOUSE TO ANOTHER.

430. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Industries and Labour please state if it is a fact that the charge for shifting a telephone from one house to another even when the subscribers and the numbers remain the same, is Rs. 20 as in the case of new subscribers ?

(b) Are Government prepared to consider the desirability of abolishing or reducing this charge in case of *bona fide* change of premises by individuals or business firms after a telephone has been with them for a minimum number of years in a particular house and is likely to continue for a long time in the new house to which they are shifting ?

The Honourable Sir Thomas Stewart : (a) The fact is not as stated by the Honourable Member. The charge is Rs. 10 only.

(b) No. This charge, which is much lower than the charges made by other administrations for similar purposes, is levied to cover the incidental expenses connected with the removal of the telephone connection from one place to another, and is not susceptible of any reduction.

Mr. Sri Prakasa : Is it not a fact that in Cawnpore the charge is Rs. 20 ?

The Honourable Sir Thomas Stewart : I am informed that it is not.

Mr. Sri Prakasa : I will give detailed information.

†This question was not asked by the questioner.

(1449)

CENTRAL ADVISORY BOARD OF HEALTH.

431. *Mr. Badri Dutt Pande : (a) Will the Secretary for Education, Health and Lands state why and at whose initiative a Central Advisory Board of Health has been inaugurated recently ?

(b) What are its functions and public utility ?

(c) How many paid officials are attached to this Board ?

(d) Will the member receive travelling and halting allowances, if so at what rate ?

(e) What will be the additional cost to the tax payer per annum of this Board ?

Sir Girja Shankar Bajpai : (a) and (a). This information is given in the Education, Health and Lands Department Resolution No. F. 52-79/36-H., dated the 13th February, 1937, a copy of which is laid on the table of the House.

(c) Three clerks and two peons.

(d) A statement explaining the position is laid on the table.

(e) About Rs. 10,000 per annum from Central Revenues.

Statement.

The travelling allowance of Official Members is met from the source from which their salary is met at the rates admissible to them under the rules. Non-Official Members are entitled to mileage allowance (i.e., travelling allowance excluding daily allowance) at the rates admissible to Government servants of the first grade under the Supplementary Rules for a journey on tour, and to daily allowance at the rate of Rs. 15 a day for the days of the meeting subject to the condition that the meeting is held elsewhere than in the station where they are resident at the time. Members of the Central Legislature, who are members of the Board in their capacity as Members of the Legislature, are entitled to such rates of travelling and daily allowances as would be admissible to them for attending meetings of the Legislature. Such Members are not, however, entitled to any allowance for attending meetings of the Board or its Committees at Simla or New Delhi during the Session of the Legislature.

DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

RESOLUTION.

HEALTH.

New Delhi, the 13th February, 1937.

Establishment of a Central Advisory Board of Health.

No. 52-79/36-H.—The Government of India have been considering for some time past how best to ensure inter-provincial co-operation in the field of Public Health. The idea is not new. The Government of India in the days before Public Health became a Provincial Transferred subject occasionally convened Conferences of public health and medical experts. In 1921 they set up a Central Health Board composed of experts to advise the Central and Provincial Governments on technical matters which these Governments might refer to it. No provision was made for consultation between those responsible for medical and sanitary policy in the Government of India and in local Governments and the Board after one meeting came to an end, owing to financial stringency, in 1923.

The need for periodical consultation in the framing of common policies and for the interchange of information, the result of varying experience, is greater to-day than ever before. Neither the Government of India nor the Provincial Governments can adequately fulfil their responsibilities in the domain of Public Health without taking counsel with one another from time to time ; and it falls to the Government of India to provide suitable machinery for such consultation. Their experience of its value in matters relating to Agriculture, Animal Husbandry and Education encourages them to hope that an advisory Public Health organisation such as is described below and whose establishment was announced by His Excellency the Viceroy in his address of September 21st, 1936, to the Indian Legislature, will evoke a like measure of Provincial and State co-operation and in due course provide Federal India with a valuable forum for the discussion and formulation of Public Health policy.

2. The functions of the Central Advisory Board of Health will be :

(a) To act as a Central Information Bureau on all public health matters affecting India and as a clearing house for such information ;

(b) To advise on any matters referred to it by the Central or by Provincial Governments ; and

(c) To make suggestions to Government on any matters affecting public health in India to which the Board considers that Government's attention should be drawn.

The definition of the functions of the Board has been deliberately left broad to give the Board every opportunity of developing on lines dictated by its experience. Its recommendations will be entirely advisory.

3. The Board will consist of the following :

Chairman.

(a) The Honourable Member in charge of the Department of Education, Health and Lands.

Members.

(b) Representatives of the Government of India not exceeding three.

(c) A representative of each local Government who shall either be the Minister in charge of Public Health (or his deputy) or the Director of Public Health (or his deputy).

(d) One member elected by the Council of State.

(e) Two members elected by the Legislative Assembly.

(f) A representative of the Railway in India.

(g) *Ex-officio* Secretary and member : the Public Health Commissioner with the Government of India.

In addition to provide for the representation of Indian States and Centrally Administered areas the Governor General in Council will have power to nominate such persons not exceeding five as he may think fit.

4. Representatives of the Legislature will cease to be members of the Board on ceasing to be members of the Council of State or the Legislative Assembly as the case may be. Official members of the Board will continue until they are replaced by others. The tenure of non-official members will be three years.

5. The Government of India hope to complete the necessary arrangements shortly to enable the Board to hold its inaugural meeting in June, 1937, which will be opened by His Excellency the Viceroy.

ORDERED that a copy of this Resolution be communicated to all local Governments and Administrations and all Departments of the Government of India.

ORDERED also that the Resolution be published in the *Gazette of India* for general information.

M. S. A. HYDARI,

Joint Secretary to the Government of India.

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Mr. Badri Dutt Pande : May I know, Sir, if the Government of India have advised the provinces to establish Provincial Boards in the provinces as well ?

Sr Girja Shankar Bajpai : It is unnecessary for the Government of India to advise Local Governments to establish these Boards ; if Local Governments choose to do so, they will do so.

Mr. Badri Dutt Pande : There are so many Central Boards here, and I should like to know what are the departments which this Central Board will control ?

Sr Girja Shankar Bajpai : As its purpose states, Public Health.

Sceth Govind Das : Did the Standing Finance Committee approve of this scheme ?

Sr Girja Shankar Bajpai : Not only has the Standing Finance Committee approved of the proposal, but the House has voted the funds.

Mr. Ram Narayan Singh : Was there any meeting of this Board ever held ?

Sr Girja Shankar Bajpai : Yes, there was a meeting of this Board held on the 13th.....

Mr. Ram Narayan Singh : What are the decisions arrived at ?

Sr Girja Shankar Bajpai : That does not arise out of this question.

REMOVAL OF DISABILITIES AND SECURING OF THE RIGHTS OF CITIZENSHIP TO INDIANS IN THE COLONIES.

432. ***Mr. G. V. Deshmukh :** Will the Secretary for Education, Health and Lands be pleased to state what steps the Government of India propose to take to implement the Resolution passed at the Imperial Conference of 1921 to remove the disabilities and secure the rights of citizenships to Indians domiciled in the colonies ?

Sr Girja Shankar Bajpai : As the Honourable Member is probably aware, the Government of India deputed Mr. Sastri in 1922 to visit the Dominions of Australia, New Zealand and Canada in order to persuade the Governments of those Dominions to implement the Resolution referred to by him. An account of the disabilities to which Indians resident in these Dominions were subject at the time of Mr. Sastri's visit will be found in the report, copies of which are available in the Library of the House. As a result of Mr. Sastri's visit and subsequent representations, practically all the disabilities to which Indians in Australia and New Zealand were subject have been removed. Indians resident in British Columbia have not yet been admitted to the Dominion or Provincial franchise ; representations on this subject have only recently been made again. The representatives of South Africa expressed their inability to accept the 1921 Resolution. The position or Indians in that Dominion has formed the subject of interpellation or discussion in this House from time to time. For a broad statement of the position in that Dominion and the Colonies generally I would refer the Honourable Member to my statement on the cut motion discussed in this House on the 8th March, 1937, and to my reply to the Honourable Member's starred question No. 359 on the 7th of this month.

Mr. G. V. Deshmukh : Have there been no cases where persuasions or negotiations of the Honourable Mr. Sastri have failed either wholly or partly ?

Sr Girja Shankar Bajpai : Is my Honourable friend concerned to record the failures of Mr. Sastri or the success of the Government ?

Mr. G. V. Deshmukh : Failures of the Government of India ?

Sr Girja Shankar Bajpai : The information I have given has been the result of representations including those made by Mr. Sastri.

Mr. G. V. Deshmukh : And failures of Mr. Sastri's representations ?

Sr Girja Shankar Bajpai : In the Dominions which Mr. Sastri visited, there is only one case of failure and that is British Columbia.

Mr. G. V. Deshmukh : In cases of failures either of persuasions or negotiations what is the remedy left to the Government of India ?

Sr Girja Shankar Bajpai : That does not arise out of this.

Mr. G. V. Deshmukh : Do Government propose to introduce and pass Reciprocity Bills as well as a Bill to put an embargo on exports from such colonies in which persuasions or negotiations either by Mr. Sastri or by the Government of India have failed ?

Sr Girja Shankar Bajpai : As my Honourable friend is aware, a Bill with regard to reciprocity either has been introduced or is about to be introduced, and the attitude of the Government in regard to that Bill will be made known to the House in due course.

Mr. G. V. Deshmukh : What about the other suggestion made by me, to put an embargo on exports from such colonies where negotiations or persuasions have failed ?

Sr Girja Shankar Bajpai : Which particular colony is the Honourable Member referring to ?

Mr. N. M. Joshi : May I know if the Government of India propose to publish an annual report on the position of Indians overseas ?

Sr Girja Shankar Bajpai : My Honourable friend is aware that for those colonies where the Government of India maintain Agents, reports are published annually with regard to those colonies, and I will consider the suggestion for a general review of the position of Indians in the colonies of the Empire as a whole.

Mr. S. Satyamurti : Apart from South Africa, may I know what are the Dominions in the British Commonwealth which deny the political franchise to Indians resident or domiciled therein ?

Sr Girja Shankar Bajpai : South Africa, and one province of the Dominions, namely, British Columbia.

Mr. S. Satyamurti : May I know whether, apart from the franchise, to the knowledge of the Government of India, there are any other disabilities cast on Indians as such, in the possessions within the British Commonwealth ?

Sr Girja Shankar Bajpai : It is a very large question, but I think I did make a general reference to the matter when the discussion on the cut motion took place on the 8th March.

Mr. S. Satyamurti : On the question of reciprocity, apart from the non-official Bill which has not yet been introduced, may I know whether Government themselves propose to introduce any legislative or administrative measure on the lines of reciprocity, with a view to vindicate the rights of Indians settled in the Dominions which do not give them fair and equitable treatment ?

Sir Girja Shankar Bajpai : I think, Sir, I have answered that question over and over again.

Mr. S. Satyamurti : Will my friend consider the question of addressing His Majesty's Government with a view to amending the British Nationalities and Status of Aliens Act, so as to put India on the same footing as the Dominions with regard to conferring the status of British citizenship on people who come to India ?

Sir Girja Shankar Bajpai : As far as I am aware, under the new Government of India Act it will be possible for the Government of India in regard to the nationals of the Dominions to impose any disabilities that they like.

Mr. S. Satyamurti : Do Government propose to take any such action, with respect to citizens of South Africa and of British Columbia ?

Sir Girja Shankar Bajpai : As regards the province of British Columbia, it would be rather premature to come to any such decision, because, as I said in the body of this reply, we have only recently made representations again to the Dominion of Canada, and I am not by any means hopeless of achieving success there. As regards South Africa, our attitude has already been explained to the Honourable Member.

INDIGENOUS BANKERS AND THEIR RELATION WITH THE RESERVE BANK OF INDIA.

433. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) whether Government are aware that the Federation of Indian Chambers of Commerce and Industry have addressed the Deputy Governor of the Reserve Bank in India on the subject of indigenous bankers and their relation with the Reserve Bank ;
- (b) whether the Reserve Bank was asked to devise a scheme in which these indigenous bankers could be brought into direct relations with it ;
- (c) whether Government, in spite of the difficulties now put forward by the Deputy Governor of the Reserve Bank, propose to accept the opinion of the Federation and devise a scheme to link the indigenous bankers and the Reserve Bank, with a view to creating greater facilities in the economy of rural finance ;
- (d) whether Government have examined the proposals put up by the Committee of the Federation for this purpose and what their conclusion thereon are ; and

- (e) whether Government propose to take steps to see that the Reserve Bank carries out the recommendations of the Central Banking Enquiry Committee and also the provision in the Reserve Bank Act, and thereby help rural finance ?

The Honourable Sir James Grigg : (a) Yes.

(b) to (e). I must, as on previous occasions, invite the Honourable Member's attention to clause (a), sub-section (1), of section 55 of the Reserve Bank of India Act, 1934. The report which the Reserve Bank is statutorily required to make to the Governor General in Council, within the period specified, has not yet been received, and until the report is submitted Government do not propose to take into consideration the questions arising out of this subject.

Mr. S. Satyamurti : Have Government considered the particular recommendation of the Reserve Bank of India that the indigenous bankers cannot be brought into the system, until they accept what is considered to be the main function of banking, namely, the taking of deposit ?

The Honourable Sir James Grigg : I still adhere to the last words of my answer, namely, " Until the report is submitted Government do not propose to take into consideration the questions arising out of this subject ".

Mr. S. Satyamurti : May I take it that the Government will consider the question of not insisting on indigenous bankers to come into line with this main modern banking principle, in view of the fact that they form a very large part of rural banking, when they are considering the report ?

The Honourable Sir James Grigg : I rather admire the Honourable Member's ingenuity in asking the same question in a variety of ways. He will excuse me if my ingenuity is not equal to doing more than repeating my answer in the same way. (Laughter.)

Mr. S. Satyamurti : This is also ingenious,—refusing to answer !

RAILWAY RECEIPTS AND CONTRIBUTIONS TO PROVINCES.

434. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) the latest figures of railway receipts for this year so far ;
- (b) whether Government have made any calculations on the basis of the Neimeyer Report in respect of contributions to the provinces, after the Government of India are sure of an income of 13 crores taking income-tax receipts and the railway contributions ;
- (c) whether Government propose to make any contributions this year to the provinces ; and
- (d) whether Government have considered or propose to consider the disastrous effect of accepting the Wedgwood Committee's recommendations that railways should make no contributions to general revenues on the prospects of Provincial Autonomy ?

The Honourable Sir James Grigg : (a) The approximate gross earnings from 1st April to 31st August, 1937, are 38.17 crores for State-owned lines.

(b) and (c). It is too early as yet to form a reliable estimate of the results for the full year and until such an estimate is made proposals for distribution to the Provinces cannot be formulated.

(d) I would refer the Honourable Member to the pronouncement made on behalf of Government by my Honourable colleague, the Member for Commerce and Railways, in the course of his speech in this House on the 27th August during the debate on the Report of the Railway Enquiry Committee.

Mr. S. Satyamurti : May I take it, with reference to the answer to part (d) of the question, that the Niemeyer award will stand for the first five years under the Government of India Act, that is, of provincial autonomy, in spite of the recommendation of the Wedgwood Committee's report?

The Honourable Sir James Grigg : The Niemeyer award has been enshrined, if that is the right word, in an Order-in-Council, and it cannot be altered except by the issue of another Order-in-Council. And I do not think that there is any intention of doing that.

Mr. S. Satyamurti : May I know—I am rather nervous about it—that the Wedgwood Committee's report will not get enshrined in a further Order-in-Council?

The Honourable Sir James Grigg : No.

Seth Govind Das : What were the railway receipts for the corresponding period of last year?

The Honourable Sir James Grigg : I do not know. You had better ask the Honourable the Commerce Member but my impression is that the receipts are something like 2½ crores better this year than at the corresponding period of last year.

The Honourable Sir Saiyid Sultan Ahmad : 2 crores and 62 lakhs better than for the corresponding period of last year.

LOSS TO THE REVENUES OF THE FEDERATION ON THE SETTLEMENT OF CUSTOMS QUESTIONS WITH INDIAN STATES.

435. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) whether the Government of India have made a calculation, at least on a rough basis, of the loss to the revenues of the Federation on the settlement of the outstanding questions on customs with the Indian States who may join the Federation, and if so, what the amount is ;
- (b) whether the Government of India propose to have one customs line throughout the whole of the Federation or whether they propose to allow other customs frontiers and other duties besides federal, and if so, why ; and
- (c) whether Government will consult the Assembly on this question, and if not, why not ?

The Honourable Sir Nripendra Sircar : As a special case I will answer the question today.

(a) and (b). It is not in the public interest to give any information on this subject.

(c) I am unable to make any statement on this matter.

Mr. S. Satyamurti : May I know why the Honourable the Law Member, and not the Finance Member, answered the question? The question was, "Whether the Government of India have made a calculation at least on a rough basis, of the loss to the revenues of the Federation on the settlement of the outstanding questions on Customs with the Indian States who may join the Federation". Both these subjects, the revenues of India and Customs, are subjects in the special charge of the Honourable the Finance Member. I should like to know why the Honourable the Finance Member has not answered the question.

The Honourable Sir James Grigg : My Honourable friend the Leader of the House is a greater authority than I am on the subject of Federation.

Mr. S. Satyamurti : Is not my Honourable friend the Finance Member a greater authority on finance than the Honourable the Law Member?

Mr. President (The Honourable Sir Abdur Rahim) : That is the arrangement.

Mr. S. Satyamurti : But it affects us this way. My allegation in this connection is that the Honourable the Finance Member has been completely sent out and his voice is not heard, (Interruption)..... that is, even the Honourable the Finance Member's voice. I am, therefore, asking the Honourable the Finance Member to get up tell us as a man of honour..... (Laughter.)..... I am not saying that he is not.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must not use that language. It contains a sort of implication.

Mr. S. Satyamurti : No implication, I assure you. I take him to be a man of honour, and therefore, I want his opinion. I am only repeating a truism. I am asking him whether he is being consulted, and what his judgment is, on the effect of these negotiations on the revenues of the Federation—whether he is at all in the picture.

The Honourable Sir James Grigg : On the question whether I am being consulted on the financial issues arising out of the Federation, certainly, but beyond that I cannot add to the answer given by the Honourable the Law Member.

Seth Govind Das : Are the finances of the Federation going to be controlled by the Leader of the House?

The Honourable Sir James Grigg : That does not arise.

Mr. S. Satyamurti : May I know what is the present attitude of British India as such—I am not talking of the future, of the Federation—on the resulting loss of making over under customs crores of rupees, as compensation to these maritime States, in order to get them into the Federation?

The Honourable Sir James Grigg : I think that comes under what the Opposition has described as the conspiracy of silence.

BROADCASTING STATIONS, TRAINING OF INDIANS IN BROADCASTING AND MANUFACTURE OF RADIO SETS IN INDIA, ETC.

436. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

- (a) the progress made in the development and building of the Broadcasting Stations throughout the country up to date ;
- (b) the approximate date when the scheme of short wave station will be complete ;
- (c) the number of Europeans and Indians employed in the higher ranks of the services under broadcasting, and whether the Europeans employed are training Indians to take their places ;
- (d) whether any attempt is being made for manufacturing in India receiving sets and if so the results thereof ; and
- (e) whether Government are considering or propose to consider allowing the use of broadcasting by leaders of political parties on the lines followed by the British Broadcasting Corporation, and if not, why not ?

*** The Honourable Sir Thomas Stewart :** (a) and (b). A statement giving the required information is laid on the table of the House. In this connection I should like to correct a misstatement which I made a few days ago. In answer to a supplementary question by Mr. Lahiri Chaudhury speaking from memory, I said that the short wave station at Calcutta would be opening towards the end of this year. I wish to correct that statement by saying that it will open in or about June, 1938.

(c) There are only four posts in the All-India Radio held by Europeans. These are the posts of Controller, the Chief Engineer, the Station Director, Calcutta, and the recently created post of News Editor. All other posts are held by Indians. Indian officers serving in the All-India Radio are receiving training in the ordinary course of of their duties.

(d) I have no definite information. But the All-India Radio are doing their best to help manufacturers by publishing specifications of receiving sets required in India for "all-India" and "local" purposes. Specifications for receivers of a special type for use in villages were published in the *Indian Listener* of the 7th June, 1937, and the requirements in respect of other types of receivers have been explained in the *Listener* of the 22nd July, 1937. The Research Department of the All-India Radio are prepared to give any special advice which may be requested by any particular manufacturer.

(e) No, Sir.

STARRED QUESTIONS AND ANSWERS.

Statement showing the Progress made in the establishment of the the New Broadcasting Stations and the Approximate dates from which they are likely to star operation.

Name of the Station.	Progress made in the Building of the Station.	Approximate date from which the Station is likely to start operation.
Madras , 10 K. W. S. W. 2 K. W. M. W.	A site for the transmitter has been obtained from the Government of Madras and steps have been taken for the construction of the transmitter building. A hired building for the studio has also been selected.	April 1938.
Lahore , 5 K. W. M. W.	A site has been purchased for the transmitter and the building is under construction. A studio has also been hired.	November 1937.
Dacca , 5 K. W. M. W. ..	Negotiations are in progress for the acquisition of a site for the transmitter.	
Trichinopoly , 5 K. W. M. W.	A site has been provisionally selected for the transmitter.	Latter part of 1938.
Lucknow , 5 W. M. W. ..	A site for the transmitter has been purchased and sanction has been accorded for the construction of the building.	January 1938.
Bombay , 10 K. W. S. W.	The existing transmitter building is being extended to house the new S. W. transmitter.	February 1938.
Calcutta , 10 K. W. S. W.	The existing transmitter building is being extended to house the new S. W. transmitter.	June 1938.
Delhi , 10 K. W. S. W. 5 K. W. S. W.	The existing transmitter building is being extended to house the new S. W. transmitter.	December 1937.

Mr. S. Satyamurti : With reference to the answer to part (c) of the question, may I know whether these Indians who are being trained in the course of their duties are being specifically trained to take the places of those Europeans as and when such vacancies arise ?

The Honourable Sir Thomas Stewart : That is the policy of the Government.

*** Mr. S. Satyamurti :** With reference to the Honourable Member's answer to part (d) of the question, may I know whether, apart from publishing specifications, Government are taking any steps to encourage the manufacture in India of receiving sets ?

The Honourable Sir Thomas Stewart : No. They have taken no steps other than publishing the specifications of the sets that are suitable for Indian conditions.

Mr. S. Satyamurti : May I know whether, in view of the need, which I hope my Honourable friend recognises, for spreading the habit of listening in in India, the Government will consider, from the

point of view of cheapness apart from others, a proposal to make, not on a commercial scale necessarily, but as a guide to private manufacturers, receiving sets in this country?

The Honourable Sir Thomas Stewart : I am afraid that small scale manufacture would be no guide to the trade. The cheapness of receiving sets depends entirely on the possibilities of mass manufacture.

Mr. S. Satyamurti : Will Government explore the possibilities of mass manufacture in India either by themselves or in collaboration with private individuals?

The Honourable Sir Thomas Stewart : Preliminary steps in that direction have been taken by the All-India Radio. The Research Department have been investigating the type of set that is suitable for Indian conditions.

Mr. S. Satyamurti : With reference to the answer to part (e) of the question, namely, whether Government are considering or propose to consider allowing the use of broadcasting by leaders of political parties on the lines followed by the B. B. C., may I know whether Government will consider this question, not from the point of view of a foreign Government but from the point of view of a Government which is bound to be responsible sooner or later,—whether they will consider this question, in view of the success of the same under the auspices of the British Broadcasting Corporation?

The Honourable Sir Thomas Stewart : I have no doubt that as mentioned in the speech of the Honourable Mr. Clow on the 25th September, 1935, the matter will in due course be the subject of reconsideration.

Mr. S. Satyamurti : Will Government consult the leaders of political parties inside and outside this House on this question?

The Honourable Sir Thomas Stewart : From the Honourable Member's speeches in the past and from the questions that he has now put Government are already seized of the views of the leaders he mentions.

Mr. Muhammad Azhar Ali : May I ask the Honourable Member whether the employment of young men in the provinces will be taken into consideration when these broadcasting stations are established?

The Honourable Sir Thomas Stewart : I think I explained a few days ago that our recruitment was made for the most part through the Public Service Commission. Young men, both employed and unemployed, may make applications when vacancies are notified.

Prof. N. G. Ranga : Why is it that when so many provinces are obliged to go without any broadcasting station and several linguistic areas are starved of their broadcasting needs, broadcasting stations are being constructed for the Urdu speaking and Bengali speaking areas?

The Honourable Sir Thomas Stewart : Government are not prepared to admit that the scheme that they have formulated will fail to serve any particular area.

Prof. N. G. Ranga : Do the Government propose to construct in the near future at least one broadcasting centre for every province and one at least for a major linguistic area?

The Honourable Sir Thomas Stewart : As at present advised, Government believe that the scheme that they have formulated will serve the whole of India without the necessity of building a station in each individual province.

RECRUITMENT FOR SCIENTIFIC APPOINTMENTS UNDER THE GOVERNMENT OF INDIA.

437. ***Mr. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) the method of recruitment for scientific appointments under the Government of India ;
- (b) the reasons why sometimes these posts are not advertised at all in India ; for instance the Secretaryship of the Jute Committee ;
- (c) whether it is a fact that Mr. Galloway was recently appointed Mycologist at the new Pusa Institute but he resigned his post, which has been filled by Dr. Paul, on a third of his salary ; and
- (d) the reasons why, when competent Indians are available, who are willing to accept lower salaries, non-Indians are imported for these appointments ?

Sir Girja Shankar Bajpai : (a) and (b). Recruitment for scientific posts under the control of the Department of Education, Health and Lands is ordinarily made by advertisement through the Federal Public Service Commission in India only. In special cases in which it appears that suitably qualified candidates may not be available in India, the posts are advertised simultaneously in India and abroad. The post of Secretary to the Indian Central Jute Committee referred to by the Honourable Member is not primarily a scientific post.

(c) The reply to the first part is in the affirmative and that to the second part in the negative. Dr. Paul was appointed to fill the post of Imperial Economic Botanist and not that of Imperial Mycologist from which Mr. Galloway resigned.

(d) Competent Indians are appointed when available.

Mr. S. Satyamurti : May I know whether it is a fact that the post of Secretary of the Jute Committee was advertised only abroad, and not in India?

Sir Girja Shankar Bajpai : The post of Secretary to the Jute Committee was not advertised at all. We filled it from the Indian Agricultural Service, because the duties belonging or appertaining to the post are primarily administrative.

Mr. S. Satyamurti : May I take it therefore that no new appointment was made, on account of the creation of this appointment of Secretary of the Jute Committee?

Sir Girja Shankar Bajpai : Except to this extent that the appointment itself was new and we took somebody from the Indian Agricultural Service to fill it.

Mr. S. Satyamurti : Was he an Indian or an European ?

Sir Girja Shankar Bajpai : This particular officer is an European.

Mr. S. Satyamurti : Was he considered the most competent man for this job ?

Sir Girja Shankar Bajpai : We wanted somebody who had administrative experience as also experience of some area where jute is cultivated and he happened to be the only officer available with these qualifications.

Mr. S. Satyamurti : Was there no Indian officer available ?

Sir Girja Shankar Bajpai : Not with these qualifications.

Mr. S. Satyamurti : With reference to the advertisement abroad, does it mean England or other countries also ?

Sir Girja Shankar Bajpai : What happens is that when we wish to recruit somebody from abroad, we invite the High Commissioner to advertise in England, or for the matter of that, even to invite applications from candidates on the continent of Europe.

Mr. S. Satyamurti : With reference to clause (d) of the question, may I know whether the policy of the Government is to appoint competent Indians whenever they are available, and to appoint non-Indians, only when there is no competent Indian available ?

Sir Girja Shankar Bajpai : That is undoubtedly the policy and I might inform my Honourable friend that only recently, an appointment similar to that of Secretary of the Jute Committee, namely, that of Secretary to the Indian Central Cotton Committee, was filled by an Indian.

POSITION OF INDIANS IN SOUTH AFRICA.

438. ***Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands please state if the Fiji Government have amended the electoral regulations for 1937, depriving the Indian Justices of Peace of their rights in connection with getting themselves registered as voters for the coming elections ?

(b) Have the Government of India made any protest against this discrimination ?

(c) Is there a Bill before the South African Parliament introduced by the Minister of Lands, who is to be armed with "Undefined and Indefinite" powers to appropriate lands or farms that he considers non-beneficially occupied and non-productive of sufficient income to enable the Owners or Occupants of lands to adopt a reasonable standard of living, subject to three months notice ?

(d) Have Government seen this Bill ?

(e) Is the Indian community agitating against it ?

(f) Has the Honourable the Agent taken any action on it ?

(g) Is it a fact that the Bill omits the definitions of "Beneficial Occupation" and "Reasonable standard of living" ?

Sir Girja Shankar Bajpai : (a) No.

(b) Does not arise.

(c) to (g). The attention of the Honourable Member is invited to the reply given by Mr. Hydari on the 30th August, 1937, to Mr. Mohan Lal Saksena's question No. 190.

Mr. S. Satyamurti : Has this Bill been dropped now ?

Sir Girja Shankar Bajpai : This Bill has been passed.

Mr. S. Satyamurti : Has the Government been watching the working of the Act ?

Sir Girja Shankar Bajpai : The Minister has given an assurance that if an occasion arises to apply it to an Indian the Agent, or some representative Indian Association like the South African Indian Congress, will be consulted first.

Mr. Sri Prakasa : Are these Justice of Peace in Fiji of the same variety as honorary magistrates in India ?

Sir Girja Shankar Bajpai : I hope my Honourable friend will curb his impatience till the proper question is reached.

BAR FOR SERVICE IN CERTAIN DEPARTMENTS IN MALAYA.

439. ***Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands please state if a decree has recently been passed by the Malaya Government to the effect that there will be no longer any colour bar to men in the Malaya Government Technical Services, such as Public Works Department, Posts and Telegraphs, Customs, Agriculture, Forest, Medicine, Law, etc. ?

(b) Does any bar still exist for administrative Posts and for Railways ?

Sir Girja Shankar Bajpai : (a) No decree has been passed but a statement of the nature referred to by the Honourable Member was made by the Governor of the Straits Settlements in the Straits Settlements Legislative Council in June last.

(b) There is no bar against the admission of Indians into railway services but they are still excluded from the Malay Administrative Service in the Federated Malay States, a Service which is open only to members of the British and Malay races.

Mr. N. M. Joshi : May I ask whether people of Malayan races are eligible for the Indian Civil Service ?

Sir Girja Shankar Bajpai : As far as I know, according to recent orders, No.

INDIANS IN BRITISH GUIANA.

440. ***Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands please state if six thousand Indians of British Guiana entitled to free and half free passages up to Calcutta have submitted a petition to the Secretary of State for Colonies for repatriation to India at the cost of Government ?

- (b) Have these Indians fulfilled their part of the contract ?
- (c) Are they no longer required there ?
- (d) Did they apply for free land and money for cultivation ? If so, with what result ?

Sir Girja Shankar Bajpai : (a) to (d). Enquiries have been made and the information will be laid upon the table of the House as soon as possible.

APPOINTMENT OF AN AGENT TO LOOK AFTER THE INTERESTS OF INDIANS IN BURMA.

441. ***Mr. Badri Dutt Pande :** (a) Will the Secretary for Education, Health and Lands, inform the House, if it is the intention of Government to appoint an Agent in Burma to look after the interests of the Indian community and Indian labourers settled in Burma ?

- (b) Have any appointments been made so far ?

Sir Girja Shankar Bajpai : (a) and (b). Government are considering this question.

Mr. S. Satyamurti : May I know when the Government hope to come to a conclusion, in view of the fact that Indians have vital interests in Burma, and there is urgent need for an Agent there ?

Sir Girja Shankar Bajpai : As early as possible. I cannot assign any precise date.

Mr. Badri Dutt Pande : Is it a fact that the position of Indian labourers in Burma has deteriorated since the advent of separation ?

Sir Girja Shankar Bajpai : I have no reason to think that the position of Indian labourers in Burma has altered materially since the separation.

APPRAISERS AND EXAMINERS IN THE CUSTOMS HOUSE, KARACHI.

442. ***Seth Haji Sir Abdoola Haroon :** (a) Will the Honourable the Finance Member be pleased to state :

- (i) the total number of Appraisers working at present in the Customs House at Karachi, and how many of them belong to each of the following communities :
 - (1) Hindus,
 - (2) Parsis,
 - (3) Christians, and
 - (4) Muslims ;
- (ii) the total number of Examiners working in the Customs House at Karachi, and how many of them belong to each of the following communities :
 - (1) Hindus,
 - (2) Parsis,
 - (3) Christians, and
 - (4) Muslims ; and

(iii) the percentage of Muslim Appraisers and Examiners working in the Customs House at Karachi ?

(b) How many Christians, Parsis, Hindus and Muslim Examiners were recruited from outside, and how many were taken from the office during the last five years and what were their qualifications ?

(c) Were the posts of Appraisers and Examiners advertised in the Press ? If so, were any applications received from Muslim candidates ?

(d) How many appointments were filled through advertisement and how many otherwise ?

(e) Were any chances for the posts of Examiners given to Muslim clerks in the office ? If not, why not ?

(f) How many Appraisers are there whose educational qualification is only departmental examination and no other University degree ?

(g) Is the Honourable the Finance Member prepared to ask the Collector of Customs, Karachi, to submit to the Central Board of Revenue every year the list of Preventive Officers, Wharfingers, Assistant Wharfingers, Appraisers, Examiners and Clerks to be appointed hereafter showing the number of Muslims and non-Muslims required ?

Mr. J. F. Sheehy : I propose to reply questions Nos. 442 and 444 together.

The information is being collected and will be laid on the table in due course.

WHARFINGERS IN THE CUSTOMS HOUSE, KARACHI.

443. ***Seth Haji Sir Abdoola Haroon :** (a) Will the Honourable the Finance Member be pleased to state the total number of Wharfingers working at present in the Customs House at Karachi, and how many of them belong to each of the following communities :

- (1) Hindus,
- (2) Parsis,
- (3) Christians, and
- (4) Muslims ?

(b) Is it a fact :

- (i) that appointments of Preventive Officers are filled directly from outsiders ; and
- (ii) that Wharfingers, who are of long service and experienced in the line are not given appointment of Preventive Officers ; if not, why not ?

Mr. J. F. Sheehy : (a) According to returns received from the Custom House relating to the year 1936, there were 24 Wharfingers (including Assistant Wharfingers) on the 1st January, 1937, belonging to the various communities as under :

(1) Hindus	15
(2) Parsis	..
(3) Christians	2
(4) Muslims	5
(5) Others	2

(b) Appointments of Preventive Officers are made directly from outsiders as well as by promotion of suitable Wharfingers.

CLERKS IN THE CUSTOMS HOUSE, KARACHI.

†444. ***Seth Haji Sir Abdoola Haroon :** Will the Honourable the Finance Member be pleased to state :

(a) the total number of clerks working at present in the Customs House at Karachi ;

(b) how many of them belong to each of the following communities and draw Rs. 125 and above per month :

- (1) Hindus,
- (2) Parsis,
- (3) Christians, and
- (4) Muslims ; and

(c) how many of them belong to each of the following communities and draw Rs. 45 to Rs. 125 per month :

- (1) Hindus.
- (2) Parsis,
- (3) Christians, and
- (4) Muslims ?

COMMUNAL COMPOSITION OF OFFICERS AND CLERKS IN THE SIND AND BALUCHISTAN POSTAL CIRCLE.

445. ***Seth Haji Sir Abdoola Haroon :** (a) Will the Honourable Member for Industries and Labour be pleased to state the communal composition of various officers of all grades and clerks working in Sind and Baluchistan Postal Circle ?

(b) How many vacancies in the clerical staff occurred in the above circle during the years 1934 to 1936, and how many of them were given to Muslims and how many to non-Muslims ?

The Honourable Sir Thomas Stewart : (a) and (b). Two statements giving the information asked for by the Honourable Member are placed on the table of the House.

†For answer to this question, see answer to question No. 442.

Statement.

	Hindus.			Muslims.	Domestic Euro- peans and Anglo- Indians.	Sikhs.	Indian Christians.	Parsis.	Other commu- nities.	Total.
	Europeans.	Other than de- pressed classes.	Depressed classes.							
1. Gazetted staff	2	2	..	3	6	..	..	1	1	15
2. Engineering Supervisors, General and Telephones and Electrical and Cable Supervisors.	..	6	..	..	9	..	..	..	1	16
3. Wireless Supervisors and Wireless Operators.	6	8	..	..	3	1	2	1	..	21
4. Telegraph Masters and Telegraphists.	..	18	..	1	43	1	15	5	5	88
5. Clerical staff	..	499	1	226	13	14	21	1	2	777
6. Line staff	..	56	..	209	..	..	..	..	..	265
7. Branch postmasters overseers, reader, sorting, head, overseer postmen, postmen, village postmen and mailguards.	..	299	1	207	..	6	..	..	..	443
8. Miscellaneous superior staff	..	22	..	19	..	1	1	..	..	43
Inferior staff (to whom the communal orders apply).	..	276	1	197	1	1	..	..	1	477

Statement.

	Total number of vacancies filled.	Muslims.	Non-Muslims.
1934	10	2	8
1935	35	15	20
1936	34	21	13

ADEQUATE REPRESENTATION OF MUSLIMS IN THE SIND AND BALUCHISTAN POSTAL CIRCLE.

446. ***Seth Haji Sir Abdoola Haroon :** Will the Honourable Member for Industries and Labour be pleased to state :

(a) whether there is a majority of Muslims in the Sind and Baluchistan Postal Circle ; and

(b) whether the Honourable Member proposes to issue orders to the authorities concerned for an adequate representation of Muslims in the above department ?

The Honourable Sir Thomas Stewart : (a) Assuming that the Honourable Member is referring to the population of Muslims, the reply is in the affirmative.

(b) Government have already taken into account the high proportion of the Muslim population in this Circle and have accordingly fixed a 58-1/3 per cent. reservation for Muslims.

APPOINTMENT OF ONE MR. WADDINGTON AS AN ASSISTANT SUPERINTENDENT OF ARCHAEOLOGY.

447. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Secretary for Education, Health and Lands be pleased to state if one Mr. Waddington has recently been appointed as an Assistant Superintendent of Archaeology ?

(b) Are there no competent Indians available with similar qualifications to fill that post ?

(c) Is it a fact that Mr. Waddington was fixed on an initial salary of Rs. 450, while the starting minimum salary for the post is only Rs. 300 ?

(d) Is it a fact that Mr. Waddington gets his usual overseas allowance besides his pay ?

(e) What are the special reasons which prompted the selection of such a costly officer in preference to Indians ?

(f) Was the post advertised before this appointment was made ? If so, how many Indians applied for it ?

(g) Did not, on a similar occasion previously, twelve Indians apply for the post ?

(h) Why was not one of them thought of for this post ?

Sir Girja Shankar Bajpai : (a), (b), (e), (f), (g) and (h). An officer with architectural qualifications was required for the post to which Mr. Waddington has been appointed. It was first advertised in India, through the Public Service Commission, who reported in June, 1935, that they had been unable to find a suitable candidate. The post was then advertised in England through the High Commissioner for India who was asked to give special consideration to the qualifications of any Indians who might apply in the United Kingdom. The best qualified candidate was selected.

(c) and (d). Mr. Waddington had to be given a higher starting pay because of his qualifications and his prospects. The overseas pay has been granted to him because of his non-Asiatic domicile.

Mr. C. N. Muthuranga Mudaliar : May I know how the post was advertised in India and how many applications were received ?

Sir Girja Shankar Bajpai : It was advertised in India in the ordinary way, that is to say, a notice stating the qualifications and terms was put in the newspapers. How many candidates applied, I am unable to say.

Mr. N. M. Joshi : May I ask whether the higher salary will carry with it priority in service ?

Sir Girja Shankar Bajpai : No, Sir. Not at all.

Mr. S. Satyamurti : When Government advertise for a post on an initial salary of Rs. 300 and then offer Rs. 450, why should they not advertise the post in India and in England again, in view of the fact that 50 per cent. more is offered on the initial salary ?

Sir Girja Shankar Bajpai : As a matter of fact, in the body of the advertisement it is stated that Government may give a higher starting salary if the age and the qualifications of an individual justify this.

Mr. C. N. Muthuranga Mudaliar : Is it a fact that another post of an Assistant Superintendent of Archaeology is sought to be filled in the near future by another non-Asiatic domiciled person, one Mr. Allan, on the same salary ?

Sir Girja Shankar Bajpai : That does not appear to me to arise out of this question, namely, the filling of another post.

Mr. C. N. Muthuranga Mudaliar : May I ask if there is another vacancy ?

Sir Girja Shankar Bajpai : If my Honourable friend will give me notice of the question, I will answer it.

NEW IMPERIAL MUSEUM PROPOSED TO BE STARTED IN DELHI.

448. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Secretary for Education, Health and Lands be pleased to state the aims and ideals of the new Imperial Museum proposed to be started in Delhi ?

(b) What is its personnel ?

(c) Is it to be a sub-department of the Archaeological Department ?

(d) When will the scheme be put into action ?

(e) Do Government propose to import any foreign expert for the new Imperial Museum ?

Sir Girja Shankar Bajpai : (a) It is not proposed to establish a new museum in Delhi. The present accommodation for the Central Asian Antiquities Museum which is located partly in the Imperial Record Office and partly in a temporary building at the junction of the Queensway and King Edward Road is both unsuitable and inadequate and the possibility of improving on this arrangement is being investigated.

(b) to (e). Do not arise.

PLACES VISITED BY THE DIRECTOR GENERAL OF ARCHAEOLOGY.

449. ***Mr. C. N. Muthuranga Mudaliar :** Will the Secretary for Education, Health and Lands be pleased to state—

(a) what all places the present officiating Director General of Archaeology visited after he assumed charge of the department and

(b) the purpose for which he visited those places ?

Sir Girja Shankar Bajpai : (a) and (b). A statement giving the information asked for by the Honourable Member is laid on the table.

Statement showing places visited by the Offg. Director General of Archaeology in India since taking over charge on 20th March, 1937, and the purpose of these visits.

Places visited.		Purpose.
26-3-37 to 27-3-37	Benares	Inspection of Sarnath Museum.
28-3-37 to 29-3-37	Allahabad	Inspection of the site of Kosam, proposed to be excavated.
12-4-37 to 14-4-37	Bombay	Joint inspection of Elephanta with Superintending Engineer, Public Works Department. Inspection of the site of Sopara, proposed to be excavated. Inspection of the Prince of Wales Museum.
17-4-37 to 18-4-37	Lahore	Inspection of office of the Superintendent, Frontier Circle, and of Central Museum, Lahore. Inspection of conservation work at Shahdara.
19-4-37 to 22-4-37	Taxila	Inspection of Museum, excavation and conservation works.
24-7-37	Delhi	Inspection of Central Asian Antiquities Museum and Purana Qila.
27-7-37 to 28-7-37	Bombay	Joint inspection of Elephanta with Superintending Engineer, Public Works Department.
29-7-37 to 31-7-37	Poona	Inspection of office of Superintendent, Western Circle. Inspection of Shanwar Wada, Poona City.
21-8-37 to 22-8-37	Lucknow	Inspection of conservation work at Imambara; Interview with Secretary, United Provinces Government.
23-8-37 to 24-8-37	Patna	Inspection of office of Superintendent, Archaeological Survey, Central Circle and Patna Museum. Interview with Secretary, Bihar Government.
25-8-37 to 31-8-37	Calcutta	Inspection of office of the Archaeological Section, Indian Museum, and Archaeological Superintendent, Eastern Circle. Interview with Secretary, Bengal Government.

POSSESSION OF ACCOUNTANCY QUALIFICATIONS BY INCOME-TAX OFFICERS AND INSPECTORS.

450. ***Mr. Sham Lal :** (a) Will the Honourable the Finance Member be pleased to state if it is a fact that the Income-tax Enquiry Report, 1936, found that there was a complaint to the effect that with some Income-tax Officers there is lack of sufficient accountancy knowledge to enable them to deal with accounts broadly and intelligently, and that much time is wasted by the officers and the public thereby ?

(b) Is it a fact that most of the work of the examination of account-books of the assessee is done by Inspectors of the Income-tax Department ?

(c) Is it a fact that the Income-tax Enquiry Committee Report, 1936, has recommended that in future Inspectors of the Income-tax Department and those who are put on the work of examining accounts should be recruited from among those who possess accountancy qualifications ?

(d) Will the Honourable the Finance Member be pleased to state the total number of Income-tax Inspectors and Assistant Income-tax Officers in the Provinces of Delhi, the Punjab and the North-West Frontier ?

(e) What is the number of those Income-tax Inspectors and Assistant Income-tax Officers who already possess accountancy qualification, that is to say, have passed some public examination in Accountancy, Book-keeping, etc., in these three Provinces ?

(f) Will the Honourable the Finance Member be pleased to state whether Government have issued any instructions to Commissioners of Income-tax in this matter ?

(g) Have Government agreed to accept in this matter the recommendation of the Income-tax Enquiry Committee Report, 1936 ? If not, why not ?

Mr. J. F. Sheehy : (a) I would refer the Honourable Member to Chapter XIV, section 5 (a) of the Income-tax Enquiry Report, 1936, copies of which are in the Library.

(b) Yes, under the supervision of the Income-tax Officers.

(c) The Report merely says that in considering candidates greater weight should be given to accountancy qualifications than is done at present.

(d) and (e). The information is being collected and will be laid on the table of the House in due course.

(f) Instructions were issued in 1930, that candidates selected should be graduates with Honours and weight should be attached to the possession in addition of a degree in Commerce or Law or a Diploma in Accountancy.

(g) Yes.

PROPOSED TRANSFER OF THE PASTEUR INSTITUTE TO THE CENTRAL RESEARCH INSTITUTE.

451. ***Mr. Sham Lal :** (a) Will the Secretary for Education, Health and Lands be pleased to state if the attention of Government has been drawn to the note appearing in the *Civil and Military Gazette*, dated the 4th April, 1937, that it is contemplated that the work of the Pasteur Institute may be transferred to the Central Research Institute ?

(b) Is the Pasteur Institute a private body financed by public subscription ?

(c) Do Government propose to consult the subscribers before transferring the Pasteur Institute to the Central Research Institute ?

(d) Was the question of transfer of the Pasteur Institute raised once before, and what was the attitude of Government then ?

(e) Is the Pasteur Institute able to meet its own expenditure and has more than six lakhs in its capital account ?

Sir Girja Shankar Bajpai : (a) Yes.

(b) It is a non-Government institution. Its sources of income are treatment charges including sale proceeds of anti-rabic vaccine, an annual grant from Central Government, subscriptions from local bodies, interest on investments, and so on.

(c) No proposal regarding the transfer of the Pasteur Institute to the Central Research Institute, Kasauli, has so far been submitted to Government and this question does not arise.

(d) No.

(e) Yes, but with increasing difficulty. The capital account is just over six lakhs.

FINANCIAL POSITION OF THE CENTRAL RESEARCH INSTITUTE.

452. ***Mr. Sham Lal :** (a) Will the Secretary for Education, Health and Lands be pleased to state the financial position of the Central Research Institute at present ?

(b) Will Government lay upon the table a statement for five years showing the total budget allotments for each year and the expenditure against it, as also a comparative statement of its annual income for the same period ?

(c) If the Central Research Institute is running at a loss, do Government intend to make up the loss by amalgamating a charitable institution with a Government Institute ?

Sir Girja Shankar Bajpai : (a) and (b) : A statement giving the information asked for is laid on the table of the House.

(c) The Central Research Institute, Kasauli, the primary function of which is medical research, is not run on a commercial basis and the question of running it at a loss does not, therefore, arise. No proposal to amalgamate the Institute with any charitable institution is at present before Government.

Statement showing the financial position of the Central Research Institute, Kasauli.

Year.	Budget estimate.	Actual expenditure.	Income from sale proceeds of vaccines, sera, etc.	Remarks.
	Rs.	Rs.	Rs.	
1931-32	2,13,600	2,03,763	2,81,802	
1932-33	2,09,500	1,89,188	1,28,448	
1933-34	2,07,400	1,98,717	1,17,713	
1934-35	2,08,000	1,90,163	1,56,023	
1935-36	2,05,000	2,17,797	2,14,884	

Mr. Sham Lal : Is there any proposal to amalgamate the Central Research Institute, Kasauli, with the Pasteur Institute and not with any charitable institution ?

Sir Girja Shankar Bajpai : That I have answered in the previous question, namely, that Government have no such proposal before them.

Mr. Sham Lal : Has the attention of Government been drawn to the article which appeared in the *Civil and Military Gazette* ?

Sir Girja Shankar Bajpai : I have answered that question in the affirmative.

Mr. Sham Lal : Are Government prepared to give an assurance that the Pasteur Institute would not be amalgamated with the Central Research Institute ?

Sir Girja Shankar Bajpai : I cannot give an assurance in regard to a matter which has not been considered by Government and which is not before them.

Mr. S. Satyamurti : Consistent with the main object of research, will Government explore the possibility of making this Institute self-supporting, keeping in view the dominant object of medical research ?

Sir Girja Shankar Bajpai : My Honourable friend presumably refers to the Central Research Institute, Kasauli. He is a vigilant member of the Public Accounts Committee and probably knows that, in so far as the business or vaccine making side of this Institute is concerned, it is more than self-supporting. It actually makes a profit.

DEDUCTION OF INCOME-TAX ON DIVIDEND PAID TO SHARE-HOLDERS OF THE RESERVE BANK OF INDIA.

453. ***Mr. Mohan Lal Saksena :** Will the Honourable the Finance Member be pleased to state

(a) Whether it is a fact that income-tax on the dividend paid to share-holders of the Reserve Bank is deducted by the bank at the maximum rate irrespective of the share-holders' income ?

(b) What was the total amount of income-tax so deducted ?

(c) How much of it was refunded ?

(d) Is it not a fact that a considerable portion of it remained unclaimed because of the difficulties and expense involved in making claims ?

(e) Are Government prepared to issue instructions that in future income-tax should not be deducted by the Reserve Bank authorities and be recovered in the ordinary course ?

The Honourable Sir James C. G. (a) and (e) : I would refer the Honourable Member to the reply given to starred question No. 409 on the 16th February, 1937.

(b) Rs. 21 lakhs approximately in the year ended 31st December, 1936.

(c) The answer can only be obtained from a study of a large number of proceedings in connection with assessments and this would involve an expenditure of time and labour which would be entirely incommensurate with the value of the results obtained.

(d) Government have no information.

POSTAL STAFF IN THE BIHAR AND ORISSA POSTAL CIRCLE.

454. *Mr. B. B. Varma : (a) Will the Honourable Member for Industries and Labour be pleased to state whether he is aware that there are 64 selection grade appointments of Postmasters, Sub-Postmasters, Head and Sub-Records Clerk, to supervise the work of 1,850 time-scale appointments of clerks, Postmasters and sorters in the Bihar and Orissa Postal Circle ?

(b) Is it a fact that the above figure has a percentage of 3.45 and, whereas per *interim* report of the Posts and Telegraphs Retrenchment Sub-Committee of 1931, there should have been the figure of eight per cent. in relation to the time scale cadre ?

(c) Do Government propose to raise the status of all the Head Postmasters and Sub-Record Clerks in junior selection grade to the senior selection grade and that of all the Deputy Postmasters, Supervisors and Selected Sub and Record offices to that of the junior grade to complete eight per cent. as desired by the Committee ?

(d) Is it a fact that the Committee had recommended that 50 per cent. of the vacancies in the first grade or Upper Division should be filled from men in the second grade, or Lower Division clerks and should be filled partly by direct recruitment and partly from amongst postmen, etc. ?

(e) If the reply to part (d) be in the affirmative, are Government aware that undergraduates are recruited in the Second Division or Lower Division and not in the Upper Division, postmen are not appointed as second grade or Lower Division clerks, no Lower Division or Second Division clerk is promoted to the Upper Division or first grade and cent. per cent. vacancies are converted into those of the second grade or Second Division clerks in the Post Offices ?

(f) Will Government be pleased to state the figures of recruitment made in the first grade or the Upper Division by (i) promotion, (ii) direct recruitment, with qualifications, and (iii) promotion of postmen appointed in the Lower Division or second grade, clerks promoted to Upper Division since 1932 ?

The Honourable Sir Thomas Stewart : Sir, the answer to this question is a long and complicated statement, and I suggest, with your permission and with the consent of the Honourable Member, that it would conduce to the expedition of business were I to lay it on the table of the House.

Mr. President (The Honourable Sir Abdur Rahim) : Permission of the House is not necessary.

Statement.

(a) The number of supervisory staff in the posts mentioned is correctly stated by the Honourable Member, but they are required to supervise the work of 1,594 and not 1,850 subordinates of the clerical class.

(b) In arriving at this percentage, the Honourable Member has not taken into account all the selection grade appointments in the Circle, and, in his estimate of the time scale staff, has included the reserve clerks and sorters who do not form part of the operative strength. For the institution of a proper comparison between the supervisory and subordinate grades it is necessary to include, as the Posts and Telegraphs Sub-Committee of the Retrenchment Advisory Committee of 1931 did, the Inspectors and Head Clerks to Superintendents of Post Offices all of whom are in the selection grade. This raises the number of supervisory appointments to 109 and omitting the 307 reserve clerks and sorters selection grade appointments are approximately 6.75 per cent. of the time scale appointments. I may mention that the Posts and Telegraphs Retrenchment Sub-Committee did not recommend that the percentage mentioned in the previous part should be 8. They merely indicated the proportions which existed at that time between the time scale and selection grade appointments throughout the service.

(c) No. The selection grade appointments are not fixed on a percentage basis but having regard to the importance of the duties to be carried out.

(d) The fact is not exactly as stated by the Honourable Member. The Committee recommended that the upper division of clerks should be recruited partly by promotion of men from the lower division and partly by direct recruitment and that a maximum of fifty per cent. of the appointments vacant in the upper division should be recruited from amongst men in the lower division. It may here be explained that the old upper and lower division of clerks are not the same as the present first and second grades of clerks, respectively. The former were two separate self-contained cadres, the duties of the lower division were those of a routine nature and direct recruitment was open to each of the cadres. In September, 1932, it was ordered that no vacancy in the upper division should be filled without the specific orders of the Director General and thus recruitment to the upper division was in effect suspended. With effect from the 1st April, 1935, the lower division was abolished and the clerical staff reconstituted into a single cadre divided between the first and second grades, the duties of which are interchangeable, and direct recruitment is open to the second grade only. Recruitment to the second grade is made by an examination which is open to departmental officials, such as postmen, etc., below the clerical grade ; fifty per cent. of the vacancies are reserved for such candidates if an adequate number qualify.

(e) The reply to part (d) of the question explains why there is no direct recruitment to the first grade of clerks. Promotions from the second grade of clerks to the 1st grade can only take place when the men attain the requisite seniority.

(f) Government regret that the information asked for is not available and they do not propose to call for it, as it will involve an undue expenditure of time and labour to obtain the particulars required.

CLERKS AND SORTERS IN THE BIHAR AND ORISSA POSTAL CIRCLE.

455. *Mr. B. B. Varma : (a) Will the Honourable Member for Industries and Labour state if it is a fact that the Bihar and Orissa Postal Circle with its circle office at Patna was created in 1914 ?

(b) Will Government be pleased to state :

(i) the total number of clerks and sorters in the Bihar and Orissa Circle and the total number of clerks in the Circle Office, as it stood on the 31st March, 1937 ;

(ii) the number of (1) Biharees, (2) Oriyas, (3) Domiciled in Bihar and Orissa, and (4) others in (i) time-scale, (ii) junior selection grade, and (iii) higher selection grade appointments, respectively, in the Circle Office, Post Office and Railway Mail Service Office ?

(c) Is it a fact that the representation of Biharees and Oriyas in each of the categories above is still very poor, in spite of the assurances given by Government from time to time to make it satisfactory ?

(d) Are Government aware that there exists lots of discontent among the Biharees and Oriyas as evinced in articles that appear from time to time in the local papers and also in the proceedings of the Provincial Legislative Council and Assembly ?

(e) If the reply to part (d) be in the affirmative, will Government be pleased to state what measures they propose to take to remove this feeling of discontent ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) (i). The total number of clerks and sorters in the Circle and in the Circle Office on the 31st March, 1937, was 1,594 and 74 respectively.

(ii) The information is not available.

(c) Since 1926, all vacancies have been filled by persons domiciled in Bihar and Orissa. The composition of the staff cannot, however, become predominantly Biharee and Oriya until the full effects of this method of recruitment are felt.

(d) Government are aware of the existence of the feeling in the matter.

(e) Beyond ensuring a scrupulous regard for the orders already issued, Government regret that it is not possible to take any further measures to accelerate the recruitment of Biharees and Oriyas to the Posts and Telegraphs Service.

APPOINTMENT OF ADDITIONAL OFFICERS IN THE FINANCE DEPARTMENT.

456. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Finance Member state :

(a) the financial effect of the appointment of the recently appointed additional officers in the Finance Department ;

(b) the reason for the appointment of these extra hands ; and

(c) how many of them were appointed permanently, and how many temporarily ?

The Honourable Sir James Grigg : The attention of the Honourable Member is invited to the replies I gave on the 25th August, 1937, to Mr. C. N. Muthuranga Mudaliar's starred question No. 107 and the supplementary questions thereto asked by the Honourable Member himself.

Mr. T. S. Avinashilingam Chettiar : But the financial effect of it was not given.

The Honourable Sir James Grigg : Excuse me, it was given.

Mr. N. M. Joshi : What is in the nature of the work done in the Finance Department which makes the possession of hands as a special qualification ? I thought they required at least a little brain.

The Honourable Sir James Grigg : I think the Honourable Member is under a misapprehension. Of course, hands are necessary to wield the pen but before the pen is wielded in any particular sense, a good deal of brain is required.

Mr. S. Satyamurti : With regard to the answers given by my Honourable friend the other day, may I ask how many of these officers were created as part of the original Budget, and how many of them were created in the course of the year ?

The Honourable Sir James Grigg : I cannot answer that question off-hand. But the Honourable Member will be aware that he also asked a supplementary question on that occasion. In the course of the asking of that question he laid down certain general principles in this matter with which I expressed my general agreement.

Mr. T. S. Avinashilingam Chettiar : But the reason for the appointment of these extra hands was not given then. The Honourable Member gave only one reason, namely, the Income-tax Inquiry Report. But there are several other reasons which he did not give.

The Honourable Sir James Grigg : I also said increase of work.

Mr. T. S. Avinashilingam Chettiar : That is no answer.

Mr. President (The Honourable Sir Abdur Rahim) : He had given the information.

Mr. T. S. Avinashilingam Chettiar : He did not give the information.

Mr. President (The Honourable Sir Abdur Rahim) : He said increase of work.

Prof. N. G. Ranga : May I ask under what heads of his own department there is this increase of work ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

WITHHOLDING OF A TELEGRAM SENT TO THE PRIME MINISTER OF THE UNITED PROVINCES REGARDING FLOODS.

457. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Industries and Labour state if it is a fact that Messrs. Sarju Singh and Badan Singh sent a telegram to the Prime Minister of the United Provinces Government from the Moghal Sarai Railway Station Telegraph Office on the 5th August last, regarding floods in the village of Yusufpur in the district of Mirzapur, requesting investigation and assistance and complaining against the indifference of local authorities ?

(b) Is it a fact that the said telegram was detained by the Telegraph Office and not transmitted to the addressee and that the senders were informed that the telegram could not be sent, as it was objectionable and that the money paid for it might be recovered within a week from the Telegraph Office ?

(c) Why was this telegram stopped ? Under what authority did the Telegraph Office act ?

(d) Is there any rule giving power to the telegraph authorities to prevent communication between private citizens and the Provincial Prime Ministers regarding local troubles ?

(e) Are Government aware that there are still floods in many provinces and immediate communication may be necessary in the public interest between the sufferers and the Provincial Government, and are Government prepared to issue immediate instructions that such telegrams are not interfered with but transmitted immediately?

(f) Do Government propose to take any steps and if so, what, in connection with the stoppage of this particular telegram?

The Honourable Sir Thomas Stewart : The question should be addressed to the Home Secretary.

Mr. Sri Prakasa : In view of the fact that the telegraph operators and Telegraph Masters work under the Honourable Member for Industries and Labour and it is they who take the initiative in sending these telegrams to the District Magistrates, how am I to go to the Home Secretary? Is it not a fact that this particular Telegraph Master was working under the Honourable Member himself and has he not acted under instructions from the Honourable Member or his Department?

The Honourable Sir Thomas Stewart : The Home Secretary will explain the reasons why the question falls within his purview when he answers it.

Mr. Sri Prakasa : I want to know from the Honourable Member why this question does not fall within the purview of his department. Telegraph masters work under him and if they do something stupid; if they endanger life and limb and if the Honourable Member in charge of this Department asks me to go to the Home Department for redress—I ask: why should I go to the Home Department at all? The Honourable Member in charge of Industries and Labour is responsible for this.

The President (The Honourable Sir Abdur Rahim) : It is decided by mutual arrangement between the Departments of the Government of India. I have got to accept the statement of the Member of Government when he says that he is not concerned with this subject.

Mr. S. Satyamurti : I submit, Sir, that all the Honourable Members are supplied with a printed statement, which sets out the particular departments for which each Member of Government is responsible. In that statement, telegraphs are shown to fall within the responsibility of the Honourable Member in charge of Industries and Labour. If internally the Honourable Member for Industries and Labour makes some arrangement with the Home Secretary that he will obey the orders of the Home Department, it is his job. I can't be running after people whom he imports into his own department, for doing the work of Posts and Telegraphs. The Honourable Member for Industries and Labour is responsible to answer all questions relating to Posts and Telegraphs.

Mr. President (The Honourable Sir Abdur Rahim) : The position is this. Even in Posts and Telegraphs Department questions may arise which are dealt with not by the Member for Posts and Telegraphs but by another Department.

Mr. S. Satyamurti : We want to have a clear statement from you, Mr. President for a clear understanding of the position. These questions are addressed according to the details given in the printed statement as

which department deals with which subjects. The Government have informed this House as to what they decide from time to time. If there is a change of procedure, it is up to Government to inform you and this House that wherever censorship comes in, the Honourable Member for Industries and Labour is not responsible and that that subject has been handed over to somebody else. It is unfair to the House for any member of the Government to get up and say, "I will not answer this question because I have got somebody else to do this work".

Mr. President (The Honourable Sir Abdur Rahim) : I did not understand the Honourable Member for Industries and Labour to say that he has asked somebody else to do this work. I understood him to say at this particular question which was asked would be more appropriately and properly answered by the Home Department.

Mr. S. Satyamurti : Why can't he answer?

Mr. Sri Prakasa : I am labouring under another difficulty. I am afraid that the Home Secretary will say "Go to your Provincial Government because this is a matter concerning the District Magistrate of Irzapur who is under the Provincial Government". My submission is that the fault was committed by the Telegraph Department for which the Honourable Member in charge of Industries and Labour is responsible; and as such he should shoulder some responsibility and not shirk it and pass it on to somebody else.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can perhaps, if he likes, give some information as to why he is unable to answer this question.

The Honourable Sir Thomas Stewart : The particular interception was under the authority of the Act and not of the Rules. It was an interception by the civil authority and not by us.

Mr. Sri Prakasa : My question is this: on whose initiative did this Telegraph Master send the telegram to the District Magistrate? If the District Magistrate took the initiative, then I have no complaint to make here; but if the Telegraph Master himself took the initiative in this matter, then I have a grouse against the Department of the Honourable Member.

Mr. President (The Honourable Sir Abdur Rahim) : What the Honourable Member says is that under some Rule for which the Home Department is responsible, the interception took place.

DEFACING OF STAMPS ON POSTAL ARTICLES.

458. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Industries and Labour state if it is a fact that in defacing stamps on postal articles the marks are so made that the date and time mentioned hereon are illegible?

(b) Are Government prepared to take steps to ensure that these may be clearly read?

The Honourable Sir Thomas Stewart : (a) It is possible that postmarks are sometimes illegible owing to careless stamping in post offices.

(b) Special instructions exist as to the necessity for ensuring clear date stamp impressions on postal articles. The attention of all concerned will again be drawn to these instructions.

Mr. Sri Prakasa : In view of the fact that no marks are made on postcards in the offices where they are received, will the Honourable Member take special steps to ensure that the offices which send out these postcards stamp them very legibly ?

The Honourable Sir Thomas Stewart : I have already said that the attention of all concerned will again be drawn to the instructions in this regard.

LATE DELIVERY OF LETTERS, ETC., IN BENARES.

459. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Industries and Labour state if it is a fact that letters and other postal articles received from Calcutta by the Punjab Mail in the morning in Benares are delivered through the Benares Cantonment and Benares City Post Offices in the forenoon, while those received through the Lanka Post Office are delivered only in the afternoon ?

(b) Is it a fact that some portions of the city that were formerly included in the delivery beat of the Benares City Post Office have now been transferred to Lanka Post Office ?

(c) Are Government prepared either to re-include the said portions in the Benares City Delivery beat or arrange for quicker and simultaneous deliveries from the Lanka Post Office as well ?

The Honourable Sir Thomas Stewart : Government have no information. As the matter is one that lies entirely within the competence of the Postmaster-General, United Provinces Circle, a copy of the question and of this reply will be sent to him for examination, and such further action as is possible and desirable.

EXPORT OF GOLD.

460. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Finance Member state :

(a) whether the export of gold is still continuing ;

(b) if so, what is the export of gold in the year 1936-37 ;

(c) the reasons for this export still continuing ; and

(d) the total export of gold since the rupee was linked to the sterling ?

The Honourable Sir James Grigg : (a) Yes.

(b) Approximately 29½ crores of rupees.

(c) Because the world price continues to be attractive to owners of gold in India.

(d) Approximately 312 crores of rupees.

COST OF ADDITIONAL PERSONNEL IN THE GOVERNMENT OF INDIA DEPARTMENTS.

461. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Finance Member state :

(a) whether he has approved of additional personnel in any department of the Government of India since the 1st April, 1937 ;

(b) if so, in which departments and for what reasons ; and

(c) what has been the increased cost consequent on the increased personnel ?

The Honourable Sir James Grigg : The information is being collected and will be laid on the table of the House in due course.

RETRENCHMENT IN THE GOVERNMENT OF INDIA DEPARTMENTS.

462. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Finance Member state :

(a) whether the Finance Department have examined whether, in view of many subjects originally administered by the Government of India after 1st April, 1937, being transferred to the Provinces, any retrenchment could be made in any of the Departments ;

(b) if so, what has been the result of the examination ; and

(c) whether any retrenchment has been effected ; if so, in which departments ?

The Honourable Sir James Grigg : (a) No. It is too early yet to form any opinion as to whether, and if so, to what extent Provincial Autonomy will decrease work in the Central Departments. There has been no such diminution as yet : in fact, general experience has been to the contrary. The Honourable Member may rest assured that the matter will not be lost sight of.

(b) and (c). Do not arise.

PILGRIMS TO HEDJAZ.

463. ***Maulvi Muhammad Abdul Ghani :** Will the Secretary for Education, Health and Lands be pleased to state :

(a) the total number of pilgrims to Hedjaz from every part of India ;

(b) the amount of concession, if any, made to the Hedjaz pilgrims by the various Railway Companies ;

(c) the personnel of all the Provincial and Central Haj Committees in India ; and

(d) the number of special trains run on the occasion of the returns of Hedjaz pilgrims from Bombay in 1937 ?

Sir Girja Shankar Bajpai : Enquiries are being made and the result will be communicated to the House in due course.

CONVERSION OF UPPER DIVISION VACANCIES INTO LOWER DIVISION POSTS IN THE POSTAL DEPARTMENT.

68. Mr. Suryya Kumar Som : Will the Honourable Member for Industries and Labour be pleased to state

- (a) whether it is a fact that on the 3rd September, 1932, orders were issued by Government that all Upper Division clerical vacancies in the Postal Department should be converted into Lower Division clerical posts and that recruitment therein should be made in the proportion of 50 per cent. from postmen and the remaining 50 per cent. from ex-approved candidates on the same scale of pay ;
- (b) is it a fact that all Upper Division clerical vacancies as well as new creation of clerical posts were converted and made into Lower Division clerical posts between 3rd September, 1932 and 31st March, 1935 ;
- (c) is it a fact that directly recruited clerks who are graduates and under graduates and officiated in permanent Lower Division clerical posts between 3rd September, 1932 and 31st March, 1935, without any break of service, have been transferred to second grade, clerical cadre from 1st April, 1935 and have been getting nearly three-fourth pay of their brother junior non-matriculate lower division clerks recruited from postmen ? If so, why ;
- (d) are not the duties of first grade and second grade clerks the same ? Is not the pay of the first grade clerks much higher than that of second grade clerks ? If so, why ;
- (e) are not the duties of the Lower Division clerks much less responsible than those of the second grade clerks ;
- (f) are not all the posts of the Lower Division clerks at present filled up by postmen mainly non-matriculate ; and
- (g) is not the pay of the Lower Division clerks higher than that of the second grade clerks ? If so, why ?

The Honourable Sir Thomas Stewart : (a) and (b). The facts are substantially as stated by the Honourable Member.

(c) Clerks formerly designated lower division clerks have, with effect from the 1st April, 1935, been absorbed in the recently created second grade of clerks. Under the general order of Government only such officers as were in permanent employment on or before the 16th July, 1931, are entitled to retain the old rates of pay, those appointed later being eligible for the new and reduced scales only.

(d) The duties of I and II grade clerks are interchangeable. The I and II grade is a combined time-scale and until the II grade clerks attain by seniority and length of service a position in the time-scale which will enable them to draw the pay of a I division clerk, their pay must be lower than that of the I grade clerks who form the upper portion of the time-scale.

(1482)

(e) The lower division has been merged into the II grade and there is no difference in the duties now performed by each.

(f) No.

(g) It is obvious that the pay of clerks entitled to the old scales of pay must be higher than that of clerks recruited on the new and reduced scales.

MAINTNANCE OF ACCOUNTS OF MONEY ORDERS, PARCELS, ETC., BETWEEN INDIA AND FOREIGN COUNTRIES.

69. Mr. D. K. Lahiri Chaudhury : (a) Will the Honourable Member for Industries and Labour be pleased to state if it is a fact that accounts of money-orders, parcels, C. O. D. parcels and registered articles received by the exchange offices of India from foreign countries, or despatched to foreign countries by the exchange offices, are maintained by means of schedules ?

(b) If the answer to part (a) be in the negative, will Government be pleased to state how accounts are maintained between India and foreign countries ?

The Honourable Sir Thomas Stewart : (a) No.

(b) By means of money order lists, parcel bills for both ordinary and C. O. D. parcels, letter bills and special lists for registered letters. Monthly, quarterly or half-yearly the results of these are summarised by the creditor administration. The debtor administration then accepts the debit and remits the amount due by cheques or drafts payable at sight.

SUPERVISORS AND CLERKS IN FOREIGN DEPARTMENTS OF CERTAIN POST OFFICES.

70. Mr. D. K. Lahiri Chaudhury : Will the Honourable Member for Industries and Labour be pleased to furnish the following information :

- (i) number of money-orders received from and despatched to Burma by the Foreign Money-Order Section of the Calcutta General Post Office during the months of April to August, 1937 ;
- (ii) number of money-orders received from and despatched to other foreign countries by the Foreign Money-Order Section of the Calcutta General Post Office during the months of April to August, 1937 ;
- (iii) number of selection grade supervisors, time-scale supervisors and clerks who worked in the Foreign Money-Order Section of the Calcutta General Post Office during the above period ;
- (iv) number of foreign money-orders received from and despatched to foreign countries by the Foreign Money-Order Section, Bombay, during the months of April to August, 1937 ;
- (v) number of selection grade supervisors, time-scale supervisors and clerks working in the Foreign Money-Order Section of the Bombay Foreign Post ;

- (vi) number of foreign money-orders received from and despatched to foreign countries by the Foreign Money-Order Section of Madura Post Office during the months of April to August, 1937 ;
- (vii) number of selection grade supervisors, time-scale supervisors and clerks working in the Foreign Money-Order Section of the Madura Post Office during the above period ;
- (viii) number of foreign parcels, C. O. D. parcels, and registered articles received from foreign countries (including Burma) and despatched to foreign countries (including Burma) by the Foreign Parcel and Foreign Registration Departments of the Calcutta General Post Office during the months of April to August 1937 ;
- (ix) number of foreign parcels, C. O. D. parcels and registered articles received from foreign countries and despatched to foreign countries by the Foreign Parcel and Foreign Registration Departments of the Bombay Foreign Post during the months of April to August, 1937 ;
- (x) number of selection grade supervisors, time-scale supervisors and clerks who worked in the Foreign Parcel and Registration Departments separately during the above period in the Calcutta General Post Office ;
- (xi) number of selection grade supervisors, time-scale supervisors and clerks who worked in the Foreign Parcel and Registration Departments separately during the above period in the Foreign Post, Bombay ; and
- (xii) total number of selection grade supervisors, time-scale supervisors and clerks working in the Foreign Post, Bombay and Foreign Post, Foreign Parcel, Foreign Registration and Foreign Money-Orders Sections of the Calcutta General Post Office separately during the above period ?

The Honourable Sir Thomas Stewart : Government are not in possession of the information required and do not propose to collect it, as an undue amount of time and labour would be involved in doing so.

DIFFERENCE IN THE DETERMINATION OF STAFF IN THE FOREIGN DEPARTMENTS OF THE CALCUTTA AND BOMBAY GENERAL POST OFFICES.

71. Mr. D. K. Lahiri Chaudhury : (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that the time-factor fixed for the determination of staff in the Foreign Departments differs between Calcutta and Bombay ?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state why there is such difference ?

(c) If the answer to part (a) be in the negative, will Government be pleased to state how many selection grade supervisors, time-scale supervisors and clerks are justified in the Foreign Money-Order, Foreign Parcel, and Registration Sections of the Calcutta General Post Office according to the Bombay standard ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) The reason why the time standards in the foreign post, Bombay, and the Calcutta General Post Office differ is that the character of the work to be performed at Bombay and Calcutta is not identical. In Bombay the foreign post functions apart from the Bombay General Post Office, while in Calcutta all activities in connection with the foreign mails are concentrated in the respective foreign departments forming part of the General Post Office.

(c) Does not arise. In view of the reply given to part (b) of the question, the Bombay standard cannot properly be applied to the work done in Calcutta.

IRREGULARITIES IN THE MONEY ORDER DEPARTMENT OF THE CALCUTTA GENERAL POST OFFICE.

72. Mr. D. K. Lahiri Chaudhury : (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that the Assistant Presidency Postmaster in charge of the Money-Order Department, Calcutta General Post Office, has issued orders that the foreign money-orders received from Burma should be issued to the offices of payment after entering them in the schedule only but not after checking ?

(b) If the reply to part (a) be in the negative, will Government be pleased to state how many checkers there are ?

(c) Is it a fact that many telegrams are received daily by the Foreign Money-Order Section for irregularities committed by the section ?

(d) If the answer to part (c) be in the negative, will Government be pleased to state how many telegrams were received and despatched by the Foreign Money-Order Section during the months of May to August, 1937 ?

(e) Will Government please also state how far the Assistant Presidency Postmaster is responsible for the working of the Foreign Money-Order Section of the Calcutta General Post Office and whether he will be responsible for any loss due to irregularities of his department ? If not, why not ?

The Honourable Sir Thomas Stewart : (a) No orders of the nature referred to by the Honourable Member were issued by the Assistant Presidency Postmaster.

(b) Seven on an average.

(c) No.

(d) Received	..	..	193
Despatched	..	..	119

(e) The Assistant Presidency Postmaster performs such of the duties of the Presidency Postmaster in the Money Order Department as may be assigned to him, and would be responsible in cases in which it is established that he had failed to carry out his personal duties.

**SANCTION OF ADEQUATE STAFF FOR THE FOREIGN DEPARTMENT OF THE
CALCUTTA GENERAL POST OFFICE.**

73. Mr. D. K. Lahiri Chaudhury : (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that the clerks of the Bombay Foreign Post are required to work for seven hours only in view of their nature of duties while the clerks of the Foreign Money-Order Section of Calcutta General Post Office are compelled to work for more than eight hours a day ?

(b) If the answer to part (a) be in the negative, will Government be pleased to state the exact position ?

(c) Is it a fact that due to shortage of hands, many foreign money-orders were detained in the Calcutta General Post Office during the months of April and May and the position has not improved appreciably now ?

(d) If the reply to part (c) be in the negative, will Government be pleased to state how many foreign money-orders are entered in the schedule by each clerk in the Bombay Foreign Money-Order Section against a clerk of the Foreign Money-Order Section of Calcutta General Post Office ?

(e) Are Government prepared to consider the question of sanctioning adequate staff in the Foreign Money-Order Section of the Calcutta General Post Office as well as other Foreign Departments according to the Bombay standard ? If not, why not ?

The Honourable Sir Thomas Stewart : (a) The fact is not as stated.

(b) In Calcutta and Bombay alike the staff is normally required to attend for eight hours and work for 7½ hours.

(c) Some inward foreign money orders were detained during May only as the introduction of the new procedure for dealing with money orders between India and Burma coincided with a heavy rush of traffic. Additional temporary staff was employed to clear the accumulation. Further enquiries are being made regarding the position both in May and at present and the information will be laid on the table of the House in due course.

(d) The listing of money orders is confined to the compilation of outward lists both at Calcutta and Bombay. One clerk enters ninety orders daily in the lists prepared in Calcutta as against two hundred in Bombay.

(e) The Bombay standards cannot be applied to the work in the foreign money order or other foreign departments in Calcutta, because conditions differ. Government have no reason to believe that the staff provided for this purpose in Calcutta is inadequate for the work which has to be performed. The matter is within the competence of the Post-master-General, Bengal and Assam Circle, to whom a copy of the question and of this reply will be sent for such action as he may consider necessary.

REPORT OF THE HOUSE COMMITTEE.

Mr. President : (The Honourable Sir Abdur Rahim) : I have to announce that I have received a report from the Chairman of the House Committee setting out the main recommendations of the Committee, together with a statement giving particulars of the recommendations made

and the action taken thereon by Government. As this report will be of interest to the Honourable Members of the House, I have decided that it should be laid on the table and incorporated in the Debates.

The House Committee was originally constituted in 1932 to look after the comforts and conveniences of the Members of the Legislative Assembly and to this end it has been meeting from time to time and has considered, *inter alia*, questions pertaining to the amount of accommodation provided for the Members in New Delhi and Simla; the improvements necessary in such accommodation, and the most suitable manner of allotting it to the many applicants.

2. Increase of Accommodation.—It was early realised that the number of orthodox residences provided by Government at Simla and New Delhi was inadequate, and in view of the fact that many orthodox Members who applied for accommodation could not be provided with any, one of the first recommendations made by the House Committee was that the Government should be asked to provide at least ten additional orthodox residences in New Delhi before the Delhi Session, 1933. Owing to financial stringency, Government were unable to give effect to this recommendation but in 1934 the construction of 33 new orthodox bungalows was taken in hand and the bungalows completed by the end of that year, the House Committee having, prior to their construction, inspected the plan and suggested certain alterations the majority of which were embodied in the buildings. The Committee also recommended the construction of another fifteen orthodox bungalows suitable for joint occupation by two single members, but this suggestion was not accepted by Government.

The accommodation for orthodox members in Simla was also considered inadequate but as Government were unwilling to undertake any major construction works at Simla, the Committee recommended that of the sixteen rooms in the New Block at Longwood (which were originally intended for unorthodox members and entailed on the occupants the necessity of messing with the appointed Caterer) twelve should be converted into orthodox accommodation by the construction of separate kitchens to go with these rooms. The original recommendation made by the Committee in 1932 was for the construction of six kitchens only but after these had been built, orthodox accommodation was still found to be inadequate and, therefore, in September, 1933, a further recommendation was made for the construction of six additional kitchens. Government accepted these recommendations and there is now thus available in Simla accommodation for twelve more orthodox members than there was originally.

With regard to the unorthodox members, the main matters dealt with by the Committee pertain to the Western Court, New Delhi. The rooms here are divided among (i) Officials, (ii) Members of the Legislative Assembly, and (iii) Members of the Council of State. The House Committee has felt that the 31 rooms in the Western Court reserved for Members of the Legislative Assembly are not adequate to meet the demand and has been pressing on Government the necessity of increasing this number by at least four and correspondingly reducing the number of rooms reserved for officials, but so far it has not succeeded in getting Government to agree to this proposal. On the question whether the Western Court should be given up as a residential unit and converted into offices, the Committee was consulted by Government and informed Government that in its considered opinion such a proposal was definitely unacceptable, and that in view of the large increase in the numbers of members of the Federal Legislature and the inadequacy of hotel and other private accommodation in New Delhi, Government should on no account deplete the accommodation (orthodox and unorthodox) at present available for Members.

3. Improvements in Residences.—The House Committee has concerned itself also with the improvements necessary in the existing residences and on its recommendations certain improvements have been effected, chief among them being the provision of an extra bath and lavatory in all the Windsor Place residences, the provision of lights in the verandahs and entrances to all residences, the provision of extra windows in the residences on Ferozshah Road and Queensway and the provision of dining tables in all orthodox quarters. The Committee also recommended the construction of an extra bath and lavatory in the residences on the Cart Road at Simla and the installation of modern sanitation there, but these recommendations were not accepted by Government. Another recommendation made but not accepted was with regard to the

fixing of iron bars or wire mesh to the windows and ventilators of all the residences, but the Committee has again pressed the matter and Government's further reply is awaited.

4. *Method of allotting residences.*—The Committee approved the prevailing practice of making allotments of accommodation to the various Members who apply by means of a ballot, but it has decided that those Members who attend the session accompanied by their family (i.e., wife and/or near female relative) should be given preference over those Members who do not, and that for this purpose a separate ballot should be held for Members coming with their family, and that after they have been provided for, the remaining accommodation should be balloted for separately among the single Members. In order, however, to prevent cases of abuse it was further decided that if it was subsequently brought to notice that a Member who had been allotted a quarter on the ground that he was coming with his family did not have his family residing with him, he should be asked to vacate the quarter in favour of the family Member next on the waiting list, and that if he refused to vacate the quarter he should be penalised by not being given quarters for the following session. The Committee also decided that if the Deputy President required a residence, the residence of his choice should be automatically allotted to him and that he should not be required to take his chance in the ballot along with the other Members.

Statement showing the important matters considered by the House Committee of the Legislative Assembly, 1932—1936.

Serial No.	Date of House Committee Meeting.	Recommendation.	Action taken by Government.
1	3rd March, 1932	That in view of the inadequacy of orthodox quarters Government should be addressed to provide 10 additional orthodox quarters for the next Delhi Session.	On 25th, June 1932, the Government replied expressing the hope that in view of the financial stringency the Committee would agree to defer consideration of the proposal. See also item No. (6) below as to later developments.
2	Do.	That in Simla, Members who take up Summer Hill Quarters should be given an additional conveyance allowance of Rs. 3 per day.	The Finance Department regretted its inability to agree to this proposal as it considered that Honourable Members should, like Government servants who draw daily allowance in Simla, find from their daily allowance the cost of hiring any conveyances required.
3	Do.	That Government be addressed that in Simla at least six rooms in Longwood Hotel, New Block, should each be provided with a separate kitchen and that the existing kitchen arrangements at Longwood Range should be improved.	At first Government gave the same reply to this recommendation as they did to the one that bears Serial No. 1, but on the 13th April, 1933, the Committee reiterated this recommendation and in August, 1933, Government agreed to effect minor improvements in the kitchen arrangement at Longwood Range and to build six temporary kitchens for rooms in the New Block for use during the next session and to make these permanent structures thereafter.
4	13th March, 1932	That certain improvements were necessary in the existing quarters, notably:— <i>Simla.</i> —An extra bathroom should be provided on upper floor of Cart Road Quarters. <i>New Delhi.</i> —An additional lavatory and bathroom should be provided in Windsor Place Quarters.	Government's reply to this recommendation was that the financial stringency precluded consideration at the time. Attention is invited, however, to Serial Nos. 11 and 14.

Serial No.	Date of House Committee Meeting.	Recommendation.	Action taken by Government.
5	24th September, 1932.	That suitable covered garages should be constructed near the Council House, New Delhi, for the parking of Members' cars during the session.	The Government's reply in January, 1933, was that financial considerations made it impossible to give effect to this recommendation, but, the following year, garages were built on either side of the Council House.
6	6th September, 1933.	That in connection with Government's decision to build 33 additional orthodox quarters in New Delhi, Government should be informed that these quarters should be separate independent quarters and not built in blocks like the Queensway quarters, and the Committee should be given an opportunity of seeing the proposed plan before construction was taken in hand.	Government agreed to construct these 33 new quarters as separate independent units, and Mr. Brebner, the Chief Engineer, and Mr. F. T. Jones attended a meeting of the Committee held on the 14th December, 1933, with the plans of the proposed buildings. The Committee suggested certain amendments and alterations in the plan the majority of which were given effect to when the buildings were constructed.
7	Do.	That at least 4 additional rooms in the Western Court be placed at the disposal of the Legislative Assembly Department for allotment to Members of the Legislative Assembly.	Government regretted their inability to accept this recommendation, and though the House Committee reiterated their recommendation at a meeting held on the 1st February, 1934, Government again declined to accept it.
8	Do.	That six more kitchens be constructed for rooms in the New Block, Longwood Hotel, making a total of 12 such kitchens.	In March, 1934, Government accorded their administrative approval to the construction of these additional kitchens, but as no funds then existed the construction was to have been completed in 1935. In the meantime the House Committee on the 23rd August, 1934, recommended that instead of the six additional kitchens originally asked for, ten extra kitchens should be constructed. Government were unable to accept this recommendation as they considered that the site was already overcrowded with buildings, and the six extra kitchens—for which sanction was accorded in 1934—were eventually constructed in 1936.
9	1st February, 1934	That Government be asked to construct an additional 15 bungalows in New Delhi suitable for joint occupation by two single Members.	Government considered that the acceptance of this recommendation would mean building in excess of demand, and therefore declined to accept it.
10	Do.	That an extra window be provided in the dining rooms of the end quarters in the blocks of quarters on Queensway, Ferozshah Road and Windsor Place.	Government accorded their administrative approval to these recommendations and they have now all been given effect to.
11	Do.	That an extra bath and lavatory be provided in all the Windsor Place quarters.	
12	Do.	That a dining table, European pattern, be provided in all Orthodox quarters.	

Serial No.	Date of House Committee meeting.	Recommendation.	Action taken by Government.
13	20th September 1935.	That iron bars or wire mesh should be fitted to all windows and ventilators of quarters in Delhi and Simla.	Government considered this unnecessary as protection of this kind is not given to officers' bungalows. This decision caused dissatisfaction and the matter was again pressed at the meeting of the 14th September, 1936. Government's further reply is awaited.
14	Do.	That an extra bath and lavatory be constructed for each of the quarters on the Cart Road at Simla.	In view of the decision that new construction work in Simla should be cut down to a minimum Government declined to accept this recommendation. At their meeting on the 14th September, 1936, the Committee accordingly decided not to press this question, but to ask, as an alternative, that the existing bathroom should be improved by the provision of a ventilator. No reply has yet been received to this alternative suggestion.
15	14th April, 1936	That the Western Court should be retained for the residence of Members and should not be converted into offices.	No reply has been received as yet on this question.
16	14th September, 1936.	That in all orthodox quarters where there are three lavatories, one should be of European pattern.	

Mr. President (The Honourable Sir Abdur Rahim) : Before proceeding with the Resolutions, I should like to announce to the House that it has been agreed among the Leaders of Parties that the House will sit on Saturday, the 18th and on Saturday, the 25th September, 1937, so that the business of the Assembly can be finished by the 2nd October. So far as questions are concerned, there will be no questions on the 18th September, because ten days' notice cannot be given and as regards the 25th September, I understand that it is the desire of the Parties, or the Leaders of the Parties that there should be no questions on the 25th September, so that the whole day may be available for Legislative Business.

RESOLUTION RE APPOINTMENT OF QUALIFIED INDIAN CADETS BY BRITISH NAVIGATION COMPANIES.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the following Resolution moved by Sir Muhammad Yakub on the 3rd September, 1937 :

" That this Assembly recommends to the Governor General in Council to introduce, at a very early date, legislative measures in order to compel the British Navigation Companies to take qualified Indian cadets of the I.M.M.T.S. ' Dufferin ' as officers on their ships."

APPOINTMENT OF QUALIFIED INDIAN CADETS BY BRITISH NAVIGATION COMPANIES.

Mr. K. Santhanam (Tanjore *cum* Trichinopoly : Non-Munammadan Rural) : Sir, I beg to move :

" That for all the words beginning with the words ' introduce at an early date ' and ending with the words ' officers on their ships ' the following be substituted :

" take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I.M.M.T.S. ' Dufferin ' as officers in their ships by the British Shipping Companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets."

The Resolution of Sir Muhammad Yakub reads thus :

" That this Assembly recommends to the Governor General in Council to introduce, at a very early date, legislative measures in order to compel the British Navigation Companies to take qualified Indian cadets of the I.M.M.T.S. ' Dufferin ' as officers on their ships."

My amendment does not make any material alteration in the Resolution, but it tries to clothe it in happier words and expand its scope a little. I do not want to cover the ground already covered by the Mover of the Resolution, but, unfortunately, when he moved this Resolution the other day, this House was practically empty, and, therefore, it is necessary to recall to the House certain salient facts in relation to this matter.

Sir, the training ship " Dufferin " was started as a result of the recommendations of the Indian Mercantile Marine Committee which was appointed in 1923 and which reported in 1924. The terms of reference of that Committee were :

" To consider what measures can usefully be taken :

- (1) for the liberal recruitment of Indians as Deck or Executive officers and engineers in the Royal Indian Marine ;
- (2) for the establishment of a Nautical College in Indian waters for the purpose of training Executive Officers and Engineers of ships ;
- (3) for ensuring the entertainment of Indian apprentices for training as such officers and engineers in the ships owned by shipping firms that enjoy any subsidy or other benefits from Government on any account and for the creation of an adequate number of State scholarships for providing instruction in the Nautical Colleges and Training ships in England pending the formation of a Nautical College in India ;
- (4) for the encouragement of shipbuilding and of the growth of an Indian Mercantile Marine by a system of bounties, subsidies and such other measures as have been adopted in Japan ;
- (5) for the construction of the necessary dockyards and engineering workshops in one or more ports."

Soon after the war the British Government in India appeared to be a little more generous. They seemed to recognise that for a country like India with 2,000 miles of coast line it is a humiliating and disgraceful position not to have any mercantile marine worth speaking, and, therefore, it professed to sympathise with the desire of Indians to build up a mercantile marine, at least so far as the coastal trade of India was concerned. And this Committee was appointed with an influential personnel and as a result of the recommendations of that Committee this ship was started. It was then argued that there was no use having a mercantile marine unless you have officers to man the ships ; it was no use having

[Mr. K. Santhanam.]

your ships and indent for Britishers to man them as officers or engineers and, therefore, they would first start this training ship to train the officers and then build up a mercantile marine. Accordingly, this ship was started on the 1st September, 1927. I shall read to you one or two extracts to show under what auspices the ship was started. Speaking on the 6th December, 1926, before the starting of this ship, Lord Irwin, addressing the Associated Chambers of Commerce of Cawnpore, said :

"It is, however, no use training Indians in this way unless they have a career open to them. I hope, therefore, that British shipping companies will co-operate to make the training ship a success by giving fair opportunity of employment to Indian cadets."

Then, Sir, on the 17th December, 1928, one year after the starting of this ship, the same Lord Irwin said :

"On the same occasion I spoke of a question of vital concern to Indian shipping, the question of its personnel and the natural desire on the part of Indians to take a greater part in the transport systems of their country. To help to meet this claim the 'Dufferin' training ship was established, and I should like to acknowledge the assistance of British shipping companies in helping to start the ship and the interest that their representatives take as members of the Governing Body."

Again, on the 17th December, 1934, Lord Willingdon said as follows :

"The Government have received assurances from engineering firms and shipping companies in India regarding the workshop training and subsequent employment of the engineer cadets trained on the 'Dufferin'."

On the 26th February, 1936, the Honourable Mr. T. A. Stewart (now Sir Thomas Stewart) said in the Council of State :

"I would remind the House and my Honourable friend, Mr. Sapru, that both here and in another place a promise has been given that before the mail contracts now held by the British India expire in March, 1937, the fullest consideration will be given to the possibilities of providing further occupation for ex-'Dufferin' cadets through the bargaining power that we enjoy in granting a contract."

Therefore, Sir, from the beginning the Government of India had undertaken to find suitable employment for these "Dufferin" cadets. In fact, when you remember the conditions under which these cadets have been recruited and trained, even without the assurance of such employment, it will be not only a huge waste but it will be almost cruel to the cadets, their parents as well as the general body, to let them go unemployed. The cadets are engaged for three years for their training in the "Dufferin". Afterwards they are put as apprentices for three more years. Then they have to take service and then go out to sea for 1½ years. So practically their whole course consists of eight years. And how much do you spend for this? Government spend annually Rs. 2 lakhs and 64 thousand. Up to 1934 there were only 33 cadets under training; now there are 25 executive cadets and 25 Engineering cadets taken each year; that is to say, under the present arrangements 50 cadets come out of the ship every year. That means that the Indian taxpayers pay Rs. 5,000 for the training of each cadet, and the parents spend at least Rs. 3,000. Each cadet, therefore, costs Rs. 8,000 to the country; and what is the fun of spending Rs. 8,000 and say, "We are going to convert it into a public school"? We have heard much about the change in the

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prospectus of this training ship. In the 1935 Edition, it was stated in the Prospectus :

"The following shipping companies have agreed to accept as apprentices, youths who have completed the course of the Training Ship, and the Government of India consider that apprentices who give satisfaction should be able to obtain employment on the ships belonging to these and other companies :

- (1) P. and O. S. N. Company's India-China steamers.
- (2) British India Steam Navigation Company.
- (3) Scindia Steam Navigation Company, Limited.
- (4) Asiatic Steam Navigation Company.
- (5) The Nourae Line.
- (6) The Moghul Line.
- (7) The Burma Oil Company, Limited.
- (8) Cowasji Dinshaw Bros., Aden.
- (9) Bombay Steam Navigation Company (Home Trade)."

By 1937 the Government of India had grown much wiser, and they changed their prospectus as follows :

"Executive.—The Government of India have arranged with the principal shipping companies operative on the coasts of India to grant facilities to 'Dufferin' cadets to proceed to sea as apprentices as vacancies occur. Many of these have also agreed to accept as Officers in their Companies such apprentices who have passed through the 'Dufferin', completed their apprenticeship at sea with satisfaction and obtained the necessary certificates of competency.

Engagement of apprentices and the employment of officers in after life is, however, Mark here : "dependant on many factors, such as, conditions of trade, number of vacancies and the rules and regulations of each individual company."

Ten years after starting the ship, Government come round and say it is not our business to secure, at least to ensure, employment for these cadets : it depends upon individual companies, and all we shall do is to train them and give them the necessary S. S. L. C. certificate. I know, Sir, that many of the cadets of "Dufferin" are already holders of S. S. L. C., and after three years you want to say we have given you general education and are sending you with a S. S. L. C. certificate. Now, Sir, the first batch of cadets were available for employment in 1933. Therefore, only four batches have hitherto been put on the market, that is to say, only 132 cadets have passed out of the training ship and 88 cadets have got their competency certificates. How have they been employed? Nine have joined the Bengal Pilot Service, 32 have been employed as officers by the Indian Shipping Companies—of these 29 are employed by the Scindia Company alone—and 14 have been employed as officers by the non-Indian shipping companies of whom eight are employed by the B. I. S. N. and two by the Asiatic Steam Navigation Company. There are now 30 cadets who are waiting for employment, and each year there will be 25 engineering cadets and 25 executive cadets who will be available for employment. Now, if you allow for wastage and allow for each Indian 20 years' service, at the rate of 50 for each year, you will have a thousand cadets for whom Government will have to find employment. The total number of officers employed by all the shipping companies in the coastal trade of India—I have not been able to ascertain the exact number. I have put questions in the House, but the Commerce Department have for some reason or other stated, 'We have not been able to gather the information', and it ought to be very easy to collect information as regards the number of officers employed in the entire coastal trade of India,—but my estimate is that about 1,200 to 1,500 officers are employed in the coastal trade. The "Dufferin" ship has already been at work for

12 Noon.

[Mr. K. Santhanam:]
 ten years, and in about 15 years a thousand Indian officers will be available for employment, and unless all the officer posts in the entire coastal shipping is reserved, a large number of them will become unemployed. It is a question for the Government of India to solve, it is no use saying that we shall convert it into a public school. We do not want Government to spend Rs. 5,000, we do not want parents to spend Rs. 3,000, in order to turn out a public school boy. In fact we have already got one, a big swell institution at Dehra Dun. I do not see why the Government of India should spend taxpayers' money on the "Dufferin" training ship to send out merely public school boys. In reply to a question the other day the Honourable the Commerce Member said, that if it was the opinion of the House that the ship should be closed, they were willing to close it. The Party to which I belong is not frightened by such threats. I say, let them honestly try to find employment for the cadets, or let them by all means close the ship. After all, what will happen if they close the ship? The Indian public will have one more charge against the Government, there will be a wave of indignation, a wave of resentment, I shall also say a wave of hatred towards the country which compelled the Government of India to close the ship. There will be a demand for the nationalisation of the coastal shipping so that there will be no more the question of British and Indian ships, and not only all "Dufferin" cadets, but many more will be able to find sea employment in this country. With these words I move the amendment for the acceptance of the House.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That for all the words beginning with the words 'introduce at an early date' and ending with the words 'officers on their ships' the following be substituted :

'take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers in their ships by the British Shipping Companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets'."

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : Sir, I move :

"That after the words 'British Navigation Companies' insert the following :

'and shipping companies of other countries enjoying the benefit of Indian trade and contracts with the Government of India'."

One thing we must remember when we talk about the employment or unemployment of "Dufferin" Cadets is that we are not talking about a thing which concerns these cadets alone, but about a matter which is of national importance, for with it is concerned the development of the Indian Navy and Indian mercantile marine. Sir, in this matter I would like to quote a few lines from His Excellency the Viceroy's address to this House on the 24th January, 1927 :

"I now turn to the announcement made by my predecessor on the 9th February, 1926, in the Council of State conveying the decision of His Majesty's Government to reconstitute the Royal Indian Marine as a combatant force, thus enabling India to enter upon the first stage of her naval development, and ultimately to undertake her own naval defence. Lord Reading pointed out that much constructive work had to be

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done before the Royal Indian Navy could be inaugurated. I am glad to be able to say that considerable progress can already be recorded. The Bombay dock yard has been fully engaged on the equipment of the Depot Ship and only one sloop remains to be acquired in order to complete the initial strength in ships, etc., etc."

Over this matter a question was put in the Assembly to which the following answer was given. The question was put by Dr. Moonje :

"In view of the announcement made by H. E. the Viceroy in his address to the Members of the Legislative Assembly on the 24th January, 1927, that considerable progress has been made in the matter of reconstituting the Royal Indian Marine as a combatant force, for enabling India to enter upon the first stage of naval development and ultimately to undertake her own naval defence, will Government be pleased to state—

(a) what arrangement, if any, has been made for imparting education to Indian boys in the art and science of naval warfare?"

To this the reply was given :

"The arrangements for training Indian boys for the Royal Indian Navy will be generally on the lines recommended in paragraphs 8, 10 and 11 of the Report of the Departmental Committee on the reorganisation of the Royal Indian Marine. A copy of the report is in the Library. Some of the details are still under consideration, but the training of the boys as deck and engine room ratings has already been started on the Depot Ship established at Bombay, in advance of the inauguration of the Royal Indian Navy."

Sir, when this announcement was made with so much flourish of trumpets, the public of India should have exclaimed 'Our own Royal Indian Navy, our own mercantile marine are going to be inaugurated'. But what happened after a few years. Government's enthusiasm cooled down. On the 20th February, 1936, the question was asked :

"Is it a fact that some of the cadets trained on the S. S. 'Dufferin' are suffering from unemployment?"

Were some of them refused employment by the steamship companies trading in the Indian ports?"

I refer to page 1261 of the proceedings of the year 1936. The following reply was given :

"Since the establishment of the 'Dufferin' 181 cadets have completed their training and taken their passing out certificates. As regards the number of ex-cadets who are unemployed, I would refer the Honourable Member to the reply given by me to part (a) of Mr. Asaf Ali's starred question No. 456 on the 14th February. So far as Government are aware only one cadet has complained of neglect in the matter of employment."

So far as Government are aware shipping companies engaged in the coasting trade of India have not refused to employ ex-'Dufferin' cadets."

Representations have been received by Government from one or two Indian commercial bodies at Bombay urging them to introduce a condition regarding the employment of ex-'Dufferin' cadets as officers in their agreements with shipping companies who are in receipt of payments for the carriage of mails."

A definite suggestion was made that when contracts for postal service or for any other purpose were made, a condition should be introduced in the contracts that they would take as part of their contract under their employ "Dufferin" cadets. But the replies to these questions that have been put have been extraordinary. For two years the Government have been giving the reply that they have not received communications from

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the various companies. Here I refer to a question put by my Honourable friend, Pandit Govind Ballabh Pant, who is now the Chief Minister of the United Provinces : the question was :

“ Did the Government address the various shipping companies after they gave this assurance on the floor of this House ? ”

The answer was :

“ Yes, on several occasions. ”

The question was then put :

“ Have they received any replies from the companies concerned ? ”

The answer was :

“ Yes, on some occasions. ”

The next question was :

“ Have they met with the wishes of the Government ? ”

The reply was :

“ Not completely : Government are still pursuing the matter. ”

This was on the 24th February, 1936. We come to this year, and this year the Government have not progressed much further.....

The Honourable Sir Saiyid Sultan Ahmad (Member for Commerce and Railways) : They have gone very far.

Mr. T. S. Avinashilingam Chettiar : Let us see how far they have gone. There was a question by Mr. Mathuradas Vissanji :

“ Will Government be pleased to state what action they have taken or propose to take to see that the P. and O. Company employ *ex-‘Dufferin’* cadets as officers on their steamers, in the words of the previous Commerce Member, Sir Joseph Bhoré, in ‘adequate numbers’ ? ”

The answer given by Sir Muhammad Zafrullah Khan was :

“ It is a fact that the P. and O. Company do not employ any *ex-‘Dufferin’* cadets as officers and that both Government and individuals in India make use of the facilities provided by the Company.

The P. and O. Company have agreed to take a certain number of *ex-‘Dufferin’* cadets as apprentices, but have not undertaken to employ them as officers. ”

That is the distance we have traversed. Previously it was intended to train officers for the coming Royal Indian Marine, but today they say the prospectus has been amended and it is equal to a public school certificate. I can assure the Honourable Members of this House that boys sent to this training ship are not sent to get public school training : if they want public school training, we can do something else, but that is not the purpose with which the boys are sent to this training ship : they are sent there with the specific purpose that, not only will they get employment, but they will be developing a line which is new in this country and which the Government have to this extent falsified. They have promised, but the promise has not been carried out, and to that extent it has been a fraud upon the parents and upon the public in this country that their expectations have not been fulfilled. I say, the ways of this Government are rather mysterious. If I could use a stronger word, I would say that, to the extent they do not want to exercise the power they have got, they are impotent. There are many cases in which companies enjoying the contracts of the Government of India dare not go against the wishes of

the Government if they insist upon their employing *ex-‘Dufferin’* cadets in their ships as officers ; but they would not do anything of the sort : they are pleased to get evasive replies, and so I say that in this matter the Government have been guilty of not taking seriously a matter which they themselves have started, and it is high time that they took some steps, if necessary even legislative, to compel ships which trade in this country and companies which have contracts with the Government of India, not only to employ *ex-‘Dufferin’* cadets, but that these cadets should form a nucleus for the Royal Indian Marine and the Royal Indian Navy. Sir, I move.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Indian Marine, not Royal !

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That after the words ‘British Navigation Companies’ insert the following :

‘and shipping companies of other countries enjoying the benefit of Indian trade and contracts with the Government of India’.”

The combined effect of these amendments would be that the Resolution, as amended, would read like this :

“ That this Assembly recommends to the Governor General in Council to take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I. M. M. T. S. ‘Dufferin’ as officers in their ships by the British shipping companies and shipping companies of other countries enjoying the benefit of Indian Trade and contracts with the Government of India engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets. ”

Both the Resolution and the amendments are now open to discussion.

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhammadan Rural) : Sir, I rise to support the amendment of my Honourable friend, Mr. Avinashilingam Chettiar. The question of the Dufferin cadets has now developed into nothing short of a political scandal. We, in this House, are aware of the circumstances under which this training ship Dufferin was started in this country. It is indeed a truism to say that the question of developing an Indian mercantile marine is indissolubly linked up with the question of training the personnel, the people who will man and officer the future marine of this country. This case of the Dufferin is one other glaring instance of the way in which the Government of the country have broken to the heart the promises they have made to the ear. It was on the floor of this Legislative Assembly and in pursuance of the insistent demand of all sections of the Indian public that the Government was compelled to accept a sort of halting policy for the development of an Indian mercantile marine ; and, in order to train Indians to man and officer the Indian marine successfully, the Government agreed to start a training ship and it was started in the year 1927. From the very beginning the Government of the land, through its administrative heads, gave assurances to the country that full opportunities of employment would be given to the qualified cadets so that after having completed their training they could go in for a sea career. My Honourable friend, Mr. Santhanam, has referred to two occasions when the Viceroys gave assurances to that effect. In fact that great Viceroy, Lord Irwin, had made fervent appeals to all the shipping companies engaged

[Pandit Lakshmi Kanta Maitra.]

in the coastal and overseas trade of India that they should co-operate with the Dufferin ship to make it a success by employing its *ex*-cadets as officers in their different mercantile ships plying in and outside India. Later on, Lord Irwin went so far as to declare that this Government would not hesitate, if need be, to initiate legislation to compel the shipping companies to take Indian cadets. In fact, depending on that kind of assurance from Lord Irwin, the Government spokesman gave an assurance in identical terms before this House, and stated that Government wanted to emphasise the opportunities which were open to the Indian cadets from the Dufferin when they wanted employment in British ships. That assurance was given by no less a person than Sir George Rainy in 1928. Sir, assurances after assurances were repeated on the floor of this House and outside, and yet what do we find today? The Governing Body of this Training Ship Dufferin made a thorough and searching investigation into the question of employment of Dufferin cadets in the different mercantile marine ships, and it reveals a deplorable state of things. During the first three years of its operations, they found that as many as 99 cadets were turned out. Of these 15 quietly drifted away into civil life, of the rest about seven or nine, I am not sure of the exact number, were taken in by the Bengal Pilot Service, and 29 were taken by the Scindia Steam Navigation Company. I want the House to remember that the British India Steam Company, which enjoys the monopoly of coastal shipping trade in this country, took only four *ex*-cadets of the Dufferin, and the British India Steam Navigation Company has on its fleet no less than 75 ships, and I want Honourable Members also to remember that from the coastal and overseas trade of India these foreign shipping companies are making a profit of no less than 50 crores a year. I believe, it is also known to the House, that Government stores, Railway stores, telegraph stores, Army, Marine and other stores are conveyed to this country by these British Navigation companies. There have been questions in this House and also in another place, from time to time, asking the Government to patronise the Indian shipping companies and to give them an opportunity to carry the Government, railway and other stores, from ports outside India to Indian ports, and the Government committed themselves to the principle that, in future, if the quotations of Indian shipping companies were even approximate to those quoted by foreign shipping companies, preference would be given to Indian Shipping companies, but Government as usual violated their promise. So we find that by virtue of an agreement which dates back to 1906, the British India Steam Navigation Company has been carrying Government stores, Railway and military stores, etc., and practically monopolising the coastal trade of India since that date, wiping out of existence a large number of Indian concerns which sprang up from time to time and stood in their way. Therefore, these foreign companies are benefiting enormously at the expense of India, but when we ask them to employ the *ex*-cadets of the Dufferin, they look askance at it and refuse to do what is but an elementary act of justice and fairplay. When we urge the Government to put pressure on these companies, Honourable Members of the Treasury Benches stand up and say that they have made requests to these shipping companies to take in Indian cadets, that they have been pursuing a policy of sweet reasonableness, and that as a result thereof some of the foreign shipping companies have been persuaded to take on a few more Indian hands. Sir, for the last 1½ years or more this

question of employment of Dufferin cadets has been agitating the minds of the Indian public, for, it matters little if you give them training only as apprentices. If you cannot provide them with employment as officers on board the ship, after they have served their apprenticeship, all their training is wasted. The crux of the whole thing is providing employment for these trained *ex*-cadets. Sir, I am surprised at the name of this training ship 'Dufferin'. I believe those who christened it spoke with a tongue which had different meanings for different people. Probably they thought that those who would join the Dufferin Training Ship would only be duffers, and I won't know if that was the intention of the Government. After all, Sir, we have been treated as duffers. We know Government always make pompous promises whenever they are in a delicate and embarrassing position and that at the very earliest opportunity they try to wriggle out of the inconvenient and uncomfortable situations created by those promises.

An Honourable Member : Why do you believe those promises?

Pandit Lakshmi Kanta Maitra : Those who join the ship by believing those promises are duffers. Therefore, Sir, I believe the time has now come when we cannot any longer sleep over the matter. It is a matter of momentous consequence to this country; and, as I have said, if we have to develop a mercantile marine in this country, this question should be the most absorbing of all questions. We must now force the hands of the Government either to initiate legislative measures or some other measures to compel these British and other foreign shipping companies to employ *ex*-cadets of the Dufferin as officers on their ships; and so long as they enjoy the monopoly of contract for carrying stores and mails in this country, we can compel them, Government can compel them, if they like, to meet the demands of the public to take *ex*-cadets as officers. Therefore, I strongly feel that steps should be taken for that purpose without delay, and we want to see that something tangible is done by Government in this matter.

Sir, the other day my Honourable friend, Sir Saiyid Sultan Ahmad, the Commerce Member, made an observation, which was rather assertive. He stated that if Honourable Members thought that this training ship served no useful purpose, Government would be prepared to close it down. Have matters reached such a step that he thought it necessary to make a suggestion like that? Does he think that we, on this side of the House, who want a thoroughly equipped national mercantile marine in this country, would suggest that we do not want a training ship? All that we mean by this Resolution is that people who get training in a ship which is maintained at a cost of about two lakhs of rupees per annum should have suitable sea careers thrown open to them by shipping companies plying on the coast of India and elsewhere, and when I say shipping companies I include in that not only the British India Steam Navigation and P. and O. companies but also companies like the Moghul and Asiatic lines and also the ships run by Japanese concerns, which make enormous profits at the cost of India. Sir, it has been found from figures published that these Japanese are controlling 71 per cent. of the coastal trade. Now, we understand that trade negotiations are going on for the past 1½ years behind our back.

The Honourable Sir Saiyid Sultan Ahmad : That is not correct.

Pandit Lakshmi Kanta Maitra : Yes, you are secretly carrying on these trade negotiations behind our backs, we are not in the know of things.....

The Honourable Sir Saiyid Sultan Ahmad : What I suggested was that 71 per cent. of the coastal traffic is not in the hands of the Japanese.

Pandit Lakshmi Kanta Maitra : I am sorry, I meant the coastal trade that is carried on between India and other ports in the East. I meant the eastern trade. The Japanese are monopolising 71 per cent. of the eastern trade. If that is so, Government can use their great bargaining powers with the Japanese Government, at least to see that their shipping companies take a sufficiently large number of Indian *ex*-cadets in the posts of officers on board their ships. Sir, after the pompous promise made by one of the Viceroy's, there came another promise from Lord Willingdon. I believe at a meeting of the Associated Chambers of Commerce held in Calcutta in December, 1934, Lord Willingdon waxed eloquent over the training ship Dufferin.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has one minute more.

Pandit Lakshmi Kanta Maitra : He said that he was surprised at the phenomenal success that the Dufferin Training Ship had achieved, but he also made an important announcement that there would be a further development and that in the engineering side so that *ex*-cadets of the Dufferin would find careers not only in the executive side but also in the engineering side, but we do not know even now where exactly these matters stand. I am just now in receipt of a long telegram narrating the grievances of the Dufferin cadets and the new changes in the prospectus.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

Pandit Lakshmi Kanta Maitra : Therefore, with these words, Sir, I support the amendment.....

Mr. President (The Honourable Sir Abdur Rahim) : Which amendment ?

Pandit Lakshmi Kanta Maitra : I am supporting Mr. Chettiar's amendment.

Mr. President (The Honourable Sir Abdur Rahim) : I am afraid I was under the impression that the second amendment was an amendment to the previous amendment. That is not so. It is an amendment to the original Resolution, that is to say, its object is to extend the obligation of British Shipping Companies carrying on the coastal trade to other shipping companies.

Mr. H. Dow (Commerce Secretary) : I rise to oppose this Resolution and both the amendments. At the same time, I admit that, if the facts were what my Honourable friend, Sir Muhammad Yakub, said they were, and what apparently Honourable Members opposite who have spoken suppose them to be, I should agree at once that the House had a very reasonable cause for indignation and that something ought to be done about

it, though I might not be able to support the particular remedy which is put forward in this Resolution. Sir Muhammad Yakub's case is this, that the "Dufferin" scheme is about to break down owing to the fact that the British shipping firms have withdrawn their co-operation or refused to tender it ; that, in consequence, there are very large numbers of *ex*-cadets who are without employment ; that in order to cover this failure Government are insidiously trying to change the character of the ship and turn it from a training ship into a sort of public school ; and that, lastly, as a first step in this direction, they have already made certain changes in the prospectus.

Government have absolutely nothing that they wish to hide with regard to their administration of the "Dufferin" and they see no reason whatever why they should make a journey to Canossa or stand in a whiter sheet over this matter. A later speaker will deal in detail with the employment situation with regard to the cadets and will give you the true facts regarding the extent to which these cadets are employed or unemployed. I will say very little about that point, but I must say straightaway that the figures given by the Honourable the Mover are almost fanatically incorrect. For example, he has told you that British India employ only four cadets and that none of the other British firms employ any. Actually, according to the latest figures we have, the British lines are now employing 23. We told you that altogether there were only 29 officers serving afloat. Actually there are 63, and I am not including in this, people who are employed in other sea services, such as the Bengal Pilot Service, or in the various river surveys. Instead of there being the number of 34 out of employment, the actual number, as far as we can ascertain, at the moment is only two or three.

At this stage Dr. DeSouza rose in his place to put a question.

If I am to be interrupted, I should have to ask for extra time.

When the Government started the "Dufferin", they were perfectly aware that they were going to train more boys than the Indian Mercantile Marine was likely to absorb. There is no doubt about that fact whatsoever. It was at the time anticipated that year by year we might be able to find employment for ten or twelve boys, and in spite of that, Government deliberately undertook to train a very much larger number. I will give you the reasons. The first important reason was the expectations of wastage. If you will cast your minds back to 1927 you will recall that it was a matter of very great doubt then whether Indian boys of the middle class would show any aptitude for a sea career or would be prepared to stick to it. As memories are short, I would like to refer to paragraph 8 of the Indian Mercantile Marine Committee's Report. I do not propose to waste your time in reading it, but you will find the opinions on both sides set out. Many of you have always hoped that Indian boys would prove fit for a sea career, and with some of you it may have been a matter of passionate conviction that they would. But my point now is that actual knowledge was not available, and, therefore, it was very sensible of Government, in my opinion, to allow for a considerable wastage. Actually that wastage has not occurred and I will give one or two principal reasons for the same. First of all, the qualities of the boys themselves. These boys turned out to be pretty much like English boys or the boys of any other country, when they were caught at the right

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moment and given proper training. That I think is the principal reason why the wastage has not eventuated. I would give as a second reason, the excellent choice which Government made of the Captain Superintendent, and as Captain Digby-Beste is on the eve of retirement, and is not in good health, largely due to his devotion to duty, I would like to take this opportunity of paying a tribute to him. He has identified himself with the life of the ship, and the welfare of the cadets and I am perfectly sure that every member of the Governing Body and anybody else who knows anything about the ship, whatever their views may be on this Resolution, will agree with me that he has done excellent work and has made a great success of the ship. (Cheers.) Another important reason for deliberately increasing the number was that it would improve the actual training of the boys on the ship. There are probably several Members in this House who have had something to do with running schools or other educational institutions, and I am sure they will realise that for the success of any such institution a certain number of boys is necessary. Boys do a great deal towards educating themselves, and the recognition of this fact is one of the reasons for the success of the English public schools. They rub corners off each other; numbers too are necessary for the organisation of games. Thirdly, the ship which we were going to use was big enough to take in a larger number. The running cost of the ship was going to be pretty much the same whether there was a small complement of boys or the full complement. That meant that the more boys were trained the greater the reduction in the cost per head; and since the parents had got to pay for it, that was a very important consideration; my Honourable friend, Sir Muhammad Yakub, has told you that it costs a parent about Rs. 5,000. He displayed the same carelessness in this figure as he did in dealing with the numbers of those who were unemployed. The actual cost is nearer Rs. 2,000 spread over four years. I am afraid my Honourable friend, Sir Muhammad Yakub, has not much head for figures. I suppose that other speakers besides myself must have noticed that since he has been on the Committee of the "Dufferin" he has developed a certain nautical roll in his gait. I suppose at the same time he is trying to live up to the tradition of sea services that "Sailors don't care". (Laughter.)

So, for various reasons, Government deliberately increased the numbers on the ship. This decision did not involve any sacrifice of the character of the training. It was fully in accord with the recommendations of the Indian Mercantile Marine Committee themselves, that stress was laid on the necessity of a sound general education. I will quote on this subject from the old edition of the prospectus, not the new one to which exception has been taken. Let me, first of all, read from the Report of the Indian Mercantile Marine Committee. They say:

"We suggest that the curriculum of training on the training ship proposed should be similar to that in vogue in the English training establishments, which is a sound general and mathematical education in addition to one in the practice and art of navigation and seamanship. A sound general education, apart from being necessary for the profession of the sea, prevents a boy from falling behind his contemporaries on shore, so that should he for any reason give up the idea of a profession at sea, he will not be placed at a disadvantage when seeking employment in other walks of life."

We laid stress on this in the first edition of the prospectus. No. 2 of the Aims and Objects is thus set forth:

"to bring each cadet to an educational standard so that should he elect not to follow the sea, his education on board will stand him in good stead, whatever profession he enters to follow."

You will find the same point insisted on later on at page 10 of the prospectus.

Now, I come to deal with the changes that Government have recently made in the prospectus. Those that have been objected to are mainly two in number. The first is that Government have omitted these words:

"The Government of India consider that apprentices who have satisfactorily completed their preliminary training should be able to obtain employment on the ships belonging to the principal shipping companies in India."

This has been omitted because, in spite of frequent disclaimers by the Government of India, our hostile critics have constantly tried to read into this a Government guarantee that all ex-cadets would obtain sea employment. Now, if it is open to this construction, I say that it is only fair to the cadets, and to their parents and guardians who have got to pay for them, that we should not have it in the prospectus. Government have not given such a guarantee and are, obviously, not in a position to do so. We have made it perfectly clear that removing these words does not in any way connote any relaxation of Government's efforts to obtain them employment, or of Government's obligations to use all their efforts in that direction. Actually, of course, the plain wording does not convey a guarantee. It gives a statement of Government's opinion. I, for example, knowing well that the Honourable the Deputy Leader of the Congress Party opposite is not the hard, narrow, bitter little man that he sometimes pretends to be, may consider that, having listened to the Government's case in this debate, he should be able to withdraw his support from the Resolution, but, Sir, I should not like to have to guarantee it. (Laughter.)

The second change we have made is that we have set out rather more fully the nature of the general education on the "Dufferin" and the extent to which the value of this examination has been recognised by other institutions. We consider that the cadets and their parents and guardians, who pay for their education, are entitled to this information. Now if it is true, as the Mover of this Resolution has alleged, that the prospects of employment at sea are very poor, and that the ex-cadets will have to rely on shore occupations, why do those people who affect to believe this insist that we should continue to delude parents and guardians into believing that the position is otherwise? We have made it very clear, both to the Governing Body, and in answers in this House and in the Council of State, that no change whatever has been made or is involved in the curriculum or training and that the object of the ship remains, as it always has been, the fitting of the boys that wish to go to sea for actual service afloat, and I can challenge anybody, on the Governing Body or out of it, to point to a single suggestion made by or on behalf of Government which points to anything else than that.

Now, Sir, we are told that the Dufferin is turning out large numbers of boys who have no chance of employment at sea. Yet those who

[Mr. H. Dow.]

affect to hold this view steadfastly set their face against any reduction in the number of boys to be entered. They object to us making it clear that we do not give them a Government guarantee of employment and they object to Government drawing attention to possibilities of other employment ashore. After this long sustained propaganda about the widespread unemployment of cadets, it is sought to blame Government because the entries to the Dufferin show a tendency in recent years to fall off. Sir, it is true that the entries do show a certain tendency to fall off, and I anticipate a further falling off this year. I do not know on whose shoulders I can place the responsibility for this, except on the shoulders of those who, knowing very well the facts to be otherwise, have by ceaseless propaganda in the Press exaggerated the state of unemployment amongst the cadets and done everything they can to undermine the confidence of the public. Government are doing their best to meet this propaganda, but as you all know, a lie can go half way round the world before truth can get her boots on. All this propaganda has its source in and gets its chief support from the largest Indian company, which hopes eventually to supplant the British India Company in the monopoly on the coast. Now, Sir, why should this company which itself derives the greatest benefit from the expenditure which Government incurs on training its cadets, proclaim loudly that cadets have no chance of employment at sea, object to their being informed of opportunities of employment on land, and object to the entries into the Dufferin being restricted. (Interruption.) I do not know what inference I am to draw except that they themselves desire a large pool of unemployed officers. By so doing, they hope for a double advantage. In the first place they can resist the demand for better terms from their own officers. But principally they want a stick to beat their rivals. They want you to draw the conclusion that the only way to get rid of this unemployment is to transfer a greater share of the coastal traffic from British to Indian ships.

There are signs that this propaganda is already over-reaching itself.

Khan Sahib Nawab Siddique Ali Khan (Central Provinces : Muhammadan) : Sir, Today, being Friday, I request you to adjourn the House now.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has already taken more than fifteen minutes and I should like to know how long he will take.

Mr. H. Dow : I will finish in half a minute. I should like to close with a word of warning. If this propaganda is so successful that boys do not come forward to join the training ship in sufficient numbers, then the first to suffer from the absence of trained Indian officers will be those whose propaganda has brought this state of affairs about.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : Sir, we on this side perhaps were not so very anxious to make speeches on this Resolution of Sir Muhammad Yakub, but ever since we have heard the speech on the Government side, I am afraid that our minds have been disturbed to a very great extent. This "Dufferin" question may seem to Government to be a very small matter, but on this ship we had placed our great hopes. Our idea was that by the introduction of this "Dufferin" ship, a career will be open for our young boys, and that was the hope given by two great Viceroy of India. Even Sir George Rainy gave great hopes to this very House, and, therefore, we Indians on this side thought that in future a great career would be open for the Indian boys. But the speech which we heard today from the Honourable Mr. Dow has been not only discouraging, but it has been heart-rending to a great extent to all of us. Sir, it is very easy to threaten us by saying that if this propaganda which the Indian companies and the Indians have taken in their hands—according to Government it is propaganda and nothing else—is carried on and if the Indians go on agitating over this "Dufferin" ship, the result might be rather disastrous. This very morning I remember Pandit Maitra having put a question to the Honourable Sir Saiyid Sultan Ahmad, the Member in charge of the Railways, and he was kind enough to say that the other day he did not threaten anything about the "Dufferin". But I am sorry to find that Mr. Dow has, to a great extent, threatened that if this propaganda is carried on, it may be not to the benefit of the Indians, but it may lead to the abolition of something of the kind of the "Dufferin" ship.

Mr. H. Dow : I made no such threat or suggestion.

Mr. Muhammad Azhar Ali : By the word propaganda or something of that kind, we understood that the Honourable Member was threatening us. It may not have been said expressly, but we on this side think that this is a sort of implied discouragement. This Legislature has been sanctioning every year about two lakhs of rupees to be spent on this "Dufferin" ship. If we count that amount from the year 1927 up to this year—a period of 10 years—it will come to about 20 lakhs. If the result of this expenditure of 20 lakhs is that only four or six cadets have been taken by the British Shipping Companies, I must say that all the money that we have spent on this "Dufferin" ship has surely been wasted.

The Honourable Sir Saiyid Sultan Ahmad : That has been contradicted already.

Mr. Muhammad Azhar Ali : My idea was that my friend said that the figures quoted by Sir Muhammad Yakub were absolutely incorrect. One does not know really which figures are correct, whether those given by my Honourable friend, Mr. Dow, or those given by my Honourable friend, Sir Muhammad Yakub. But the fact remains that the present Government is not much inclined towards encouraging the cadets of the "Dufferin". Unless and until Government are prepared

[Mr. Muhammad Azhar Ali.]

to threaten these British Shipping Companies by saying that the Indian coastal trade and the Indian coast is a preserve of the Indians and it cannot be the monopoly of the British companies and the British people alone, I am sure, nothing will be done for the good of the "Dufferin" cadets. The question of the employment of Indians is at present engaging the minds of the people of this country. We not only want that higher posts should be reserved for Indians, but that employment for our young people and for our younger generation should be found by hook or by crook. I shall be much obliged if our Honourable friend could supply to this House, after making a complete inquiry from the British Shipping Companies, as to what is their programme now in regard to the cadets of the "Dufferin" ship. I may inform the House that last year one Indian student, whose name is Muhammad Asif, passed with great credit and stood first in the examination of the "Dufferin" cadets of India. When Indian students are prepared to qualify themselves, why should not the Government also come to their help? I am glad to inform the House that the boy, whose name I mentioned just now, belonged to a charitable institution of Bombay, with whose assistance he has gone to England and is being trained there. Under those circumstances, can it be said that Indians do not really want to work on this "Dufferin" ship? I can assure the Government that if proper arrangements are made and if the boys have a good chance of their training, hundreds and thousands of boys will offer themselves to be trained for the Indian Mercantile Marine. This side of the House is always pressing for the employment of boys in the army and navy, but unfortunately the reply of the Government is not very encouraging. I will, therefore, ask the Government to reconsider their position. Supposing, God forbid, there comes a time when we may not be in a position to get enough British protection, it is for that eventuality that we want the Government to take our warning, and just as they are training Indians for the Indian army, so should they also train Indians for the Indian Mercantile Marine. My Honourable friend said that it is not the natural desire of the Indian boys to serve on Mercantile Marine. That is not the case. Every Indian wants that, if he gets an opportunity, he should serve not only the Government, but also his own nation. Unless and until we can find more employment for the cadets of the "Dufferin" ship, it will be very difficult for Indians to be trained. With these words, Sir, I support the Resolution.

Mr. Sami Vencatachalam Chetty (Madras : Indian Commerce) : Sir, I have listened very carefully to the unrivalled speech of my Honourable friend, Mr. Dow, who has come to this House probably for the purpose of opposing this motion and the motion with regard to the Indo-British Trade Agreement. His speech was unrivalled for its speciousness. I thought the game of adroit construction of argument and facts in order to combat the popular demand has gone on far too long, and I am surprised whether there are still on the Treasury Benches today Honourable Members who think that with that kind of game they can possibly bamboozle the Opposition (Hear, hear) and cover the awkward truth of the situation in which the Government are finding themselves.

Sir, the country had agitated for a long time for the construction of an Indian Mercantile Marine. The Government, with their usual methods

of avoiding, delaying and postponing, at last appointed a Committee, namely, the Indian Mercantile Marine Committee, who recommended certain proposals out of which one was that there must be an arrangement whereby young men could be enabled to take this line of employment and thereby completely fulfill the personnel required for a proper mercantile marine. The "Dufferin" was, therefore, ushered in as a sop to the crying child for an Indian Mercantile Marine. Sir, certain young men have been trained in this teaching ship. I dare say that when they inaugurated this scheme of educating our young men in the art of navigation and also of nautical engineering, they really intended that these young men must find employment in this country. Otherwise, there would have been no reason, no logic in educating persons only to swell the ranks of the unemployed in this particular line also. As a matter of fact, Viceroy after Viceroy have assured the country that the Government would use all the powers which they have of bargaining with the shipping companies to take up these young men who are turned out of this "Dufferin" ship after undergoing the necessary training. We are quite aware, Sir, that the Government have no legal right, no legal power to impose upon any shipping company the condition of recruitment of the Indian youths for their concerns. But, certainly both the Government and the people are aware that though the Government had no statutory powers, they had still the power of bargaining with these shipping companies who trade with us and who take our custom and persuade them to take these young men in their shipping companies.

Now, Sir, the very power which the Government have in giving contracts for the conveyance of mails, etc., to these shipping companies can be invoked and pressure might be brought to bear on these shipping companies in favour of these young men being taken in as apprentices and as employees in these concerns. My Honourable friend, Mr. Dow, at one time said that the figures quoted by the Honourable Members on this side of the House were fantastically incorrect and that, as a matter of fact, only one or two persons were now out of employ. The question that I ask is whether there is unemployment or no unemployment. Does the Honourable Member, Mr. Dow, mean seriously to suggest to this House that if there had been unemployment of only one or two cadets, there would have been such a heavy agitation in regard to the unemployment of "Dufferin" cadets. He merely wants to throw dust into the eyes of the public by saying that there are only one or two persons who have not got employment.

Well, Sir, so late as January last in Delhi, the Honourable the Commerce Member said, in answer to an interpellation, that he has been in correspondence with the shipping companies in regard to the employment of these young men. If there had been only one or two young men who were out of employment, why should this mighty Government trouble themselves with corresponding with these shipping companies in order to get those one or two persons employed? The fact is that till early this year, there were as many as 26 who were unemployed. Is it that my Honourable friend, Mr. Dow's visit to Bombay during the last one or two months has had some considerable effect in relieving this unemployment? Was he not successful with these shipping companies in persuading them to take perhaps as many as 10 persons as apprentices

[Mr. Sami Vencatachalam Chetty:]

in the shipping companies? If that was so, he was merely trying to burk the issue and take credit for a situation which is nearly correct as depicted by Honourable Members on this side of the House.

There is another fallacy in this argument of my Honourable friend, Mr. Dow. He said that there were only one or two cadets. Perhaps it is only one or two cadets who are actually now crying for employment. But does my Honourable friend forget that there have been young men who have lost all hopes of employment in Shipping Companies and who took to other lines of business and that they are not now employed in the shipping line, but have been taken in other lines. Even among the young men who have been employed by the Shipping Companies or by the Port Authorities, might I know how many of them are actually on the technical side of navigation and how many are merely officers on the shore organisation? Therefore, the object with which these young men have been trained in this ship is practically frustrated. Apart from that, instead of frankly admitting that they did their best with regard to these Shipping Companies to take these young men, but that they were adamant and that their rules did not permit the Shipping Companies to take these men, and, therefore, the arts of persuasion of Government could no longer have any effect with these Shipping Companies, that they should come to this House and tell us that the Shipping Companies kept up their word and that there had been no unemployment among these young men is simply clouding the issue entirely. Far from encouraging and far from giving credit to that single Indian company which has taken as many as 21 young cadets into their service, the Honourable Member, Mr. Dow, had the temerity to condemn their action in making this propaganda. What can I say of this other propaganda which suits my Honourable friend, Mr. Dow, to carry on when he regretted the decision, in no doubt very euphemistic terms, of the previous Government in having admitted as many as 15 young men to be trained. The previous Government, according to Mr. Dow, had thought that there would be greater wastage than what had actually occurred, and, therefore, it was, instead of reducing the number of trained young men to 10 or 15, that they had provided for 15, and that was, therefore, the reason why there was the cry of unemployment. Probably if Mr. Dow had been connected with the Government of India as he is now connected in this particular Department, he would have advised the Government to reduce the number. But, somehow or other, I know that Government were not perhaps very sympathetic towards India in over-estimating that there would be as large a number as 50 persons to be trained in shipping. I know that it is just possible that the Government of India had really intended that this experiment must be a failure, but the Indian being a tenacious animal, having absolutely no other avenue of employment to look to, has adhered even to the rigours of the line of navigation, and, therefore, it is that there is not as much wastage as was expected by the Government. But whatever that may be, whether there is wastage or not, what is the position now of the Government? If they are not going to close down this "Dufferin" training ship, they must do their best to provide employment for these young men. (Hear, hear.) There is no use of your saying that the Shipping Companies would not agree, and, therefore, I have no means of supporting these young men. I wish those companies would refuse to take our young men so that that point itself

might be an incentive for this Government to institute an Indian Mercantile Marine for the full employment of our youths. (Hear, hear.) Apart from that, there is no use again of throwing the responsibility upon other shipping concerns which are after all mercantile concerns. What about the Government of India itself? Have you not got provision for some of these young men at least to be taken in the Royal Indian Navy? The average vacancies which occur in that navy is about six a year, and how many of these young men have been taken into this Royal Indian Navy? Will Government now give an undertaking that from today all the vacancies that might happen in the Royal Indian Navy will be recruited from these youths. Also what have they done with regard to the Bengal Pilot Service? How many of them have they taken from these youths? So far, I am told, only seven have been taken; and I am sure that as long as the view of Government is in consonance with the views expressed by the people that the young men trained in this institution should be employed, there must be no difficulty for Government to give an undertaking so far at least as their departments are concerned, namely, the Bengal Pilot Service and the Royal Indian Navy, whatever may be their arts of persuasion with regard to other companies. Even with regard to other companies I am not going to believe that Government cannot influence them to take young men from this ship; it only depends upon the manner of bargaining. There may be hesitation to take in the first instance, but if there is a compensating advantage in the shape of retention of the custom of the Indian Government, I am sure the English companies will be the first to oblige the Indian Government just for the sake of keeping the business which the Government of India are in a position to give them. I am sure, the Government of India will take early steps to get this thing done.

Mr. C. M. G. Ogilvie (Defence Secretary): Sir, in rising to oppose the Resolution and the two amendments, I must first say that, to my great regret, I was unavoidably detained and could not enjoy the advantage of hearing the speech of Mr. Santhanam. I gather that that small part of the amendment with which I am concerned was not dealt with by him in any detail; that is, that the majority of vacancies in the Royal Indian Navy should, in future, be filled from the "Dufferin". In the first place, Sir, it is obviously desirable to throw our net as wide as possible in recruitments for the young Royal Indian Navy. The "Dufferin" is not a Royal Naval College but is designed to supply the needs of the mercantile marine. It would, I submit, be entirely wrong to limit our field of selection to so small an institution. However, the results of the open competitive examinations have been, in recent years, so disappointing that in the first place, it was suggested that "Dufferin" cadets should sit for the open examination. That suggestion was turned down, as it appeared impossible for boys who had received the specialised training on the "Dufferin" to compete on equal terms with young graduates from the University. An alternative suggestion was, therefore, made which was more welcomed and that was that a proportion of the vacancies in any year should be reserved for the "Dufferin" and that they should compete for them among themselves. That has since been done. In the first year, 1934, we had eight candidates from the "Dufferin", but only two qualified; in the second year, 1935, we had nine candidates but none qualified; and last year we had eleven candidates and one qualified. The one who qualified got a vacancy. Sir, I

[Mr. C. M. G. Ogilvie.]

think from what I have said it will be clear that up to the present, at any rate, even if we had desired to fill all our vacancies from the "Dufferin", we should have been unable to do so.

The Honourable Sir Saiyid Sultan Ahmad : Sir, I do not belong to a martial race and I am a pacifist, and I do not propose to rouse the anger or excitement of the House. I feel very happy that Government have got this opportunity to clear up many misunderstandings and many misapprehensions with respect to the "Dufferin". The first question that was raised was the change in the prospectus. The House will remember that a motion for adjournment was attempted by my Honourable friend, Sir Muhammad Yakub, sometime ago, which I opposed. The reason for that opposition was that the adjournment motion does not give us sufficient time to discuss the various implications of the motion, and I was anxious that there should be sufficient opportunity for the discussion of an important matter like this. I hope, that at least Mr. Dow's speech, has satisfactorily established one point, and that is that the change in the prospectus did not, in the least, involve a change of policy with respect to the "Dufferin".

Mr. Bhulabhai J. Desai : Why change it then ?

The Honourable Sir Saiyid Sultan Ahmad : For the simple reason that we wanted to be more honest to the boys, to the parents and to everybody. We wanted to remove all doubts.

Mr. S. Satyamurti (Madras City ; Non-Muhammadan Urban) : Then you were not honest before !

The Honourable Sir Saiyid Sultan Ahmad : I never thought really that any assurance was needed that Government were exceedingly keen on the development of the Indian Mercantile Marine and was equally keen that there should be no lack of officers in order to man that Marine. Government are also very anxious that if, for some reason or other, some of the ex-cadets are not absorbed in service on sea they should not be stranded altogether, that they should receive such education which would enable them to find employment on shore. And that was the reason why Government come into contact with Provincial Governments as well as the various universities in India and got a recognition of the training received by the "Dufferin" boys. I do not want to say more and cover the ground which has been covered by my Colleague, Mr. Dow ; I will take up the Resolution as it stands and deal with the various points involved in it. Since this Resolution was tabled and even before that I found that at least in this House there was undoubtedly some anxiety, in fact alarm, with respect to the position of the ex-cadets of the "Dufferin". And I often wondered to myself as to what was the cause for this anxiety or alarm, whether there was any foundation for it, or whether it was simply engineered by some self-seeking persons outside. So far as the latter part is concerned I do not know myself whether there are other people interested in trying to down the efforts of the Government of India so far as ex-cadets were concerned, but, after the speech of the Honourable the Mover last Friday, I have become convinced that most of the agitation against Government's attitude or against what is being done with respect to "Dufferin" is due mainly to ignorance of facts. Once the facts are placed before the House I have absolutely no doubt

as to what the feeling of the House will be. If any assurance were needed we can give the assurance that we propose to stand by the certificated boys of the "Dufferin" and we will not allow them to be stranded and walk and roam about unemployed in the streets of Bombay or for the matter of that anywhere else. We are exceedingly anxious, just as anxious as you are, that they all should find employment, and Government of India will not fail in their efforts to secure employment for them. Now, I suggest, that much of this anxiety on your part and on the part of the people outside is due perhaps to correct information not having been conveyed here or outside. If the facts, as stated by my Honourable friend, Sir Muhammad Yakub, were correct even by 50 per cent., I should think there would be cause for great anxiety, and I can very well understand his desire, your desire and everybody's desire to adopt extreme measures. He stated more than once in the course of his speech that the British India Steam Navigation Company have only taken four cadets as officers. He being a Member of the Governing Body of "Dufferin" if he makes a statement, it is bound to be accepted by my Honourable friend, Mr. Maitra. I do not blame him for that, but the statement is absolutely untrue : in fact 16 cadets of the "Dufferin" have been employed by the British India Steam Navigation Co.

Pandit Lakshmi Kanta Maitra : As what ? As officers ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, as officers. That is exactly the point : let me go on and I am sure I will be able to convince the House....

Pandit Lakshmi Kanta Maitra : I want to know when these sixteen people were taken.

The Honourable Sir Saiyid Sultan Ahmad : Annually four or five. Every statement that I make will be supported by record.

Mr. Bhulabhai J. Desai : I have 372 cadets.

The Honourable Sir Saiyid Sultan Ahmad : That also I will be able to explain to you. You may also have been misled by the speech that has been made. Then he further suggested that not a single cadet was taken by the Moghul Line and the Asiatic Steam Navigation Co.

Mr. Bhulabhai J. Desai : There are four now.

The Honourable Sir Saiyid Sultan Ahmad : I shall give you the figures later. That also is incorrect. These facts are absolutely untrue, but when we are considering the fate of the boys and their future career let us have the true facts before us. He also stated that only 29 "Dufferin" boys are serving as officers afloat. But that statement again, is absolutely fantastic.

Sir Cowasji Jehangir (Bombay City : Non-Muhammadan Urban) : How many are there ?

The Honourable Sir Saiyid Sultan Ahmad : I will give you the figures now. He got the figures from a speech made on the floor of the House sometime in the beginning of 1936 with respect to the position in

[Sir Saiyid Sultan Ahmad.]

September, 1935, and applied them to September, 1937. Now I will give you the figures :

As regards actual employment :

B. I. S. N. Company	16
Asiatic Steam Navigation Co. ..	5
Moghul Line	2
Total	23

Indian Shipping Companies :

Scindia Steam Navigation Co. ..	40
Bombay Steam Navigation Co. ..	1
Cowasji Dinshaw Bros	1
Eastern Steam Navigation Co. ..	1
Total	43
Total	66

Out of that total of 66, 23 were employed by British companies. I should, however, explain that owing to uncertainties of sea life we are not certain whether all these are serving in the companies I have mentioned. Perhaps two of the B. I. S. N. Co. may have gone to the Scindia Steam Navigation Company or to the Moghul Line. Similarly some from the Scindia Steam Navigation Company may have gone to the Bombay Steam Navigation Company or to any other. But the result is 23.

Mr. Bhulabhai J. Desai : It is the story of "We are Seven."

The Honourable Sir Saiyid Sultan Ahmad : We are 23 ! Then, Sir Muhammad Yakub gave another set of figures where again he has gone completely wrong and misled the whole House. The figures given by him for the 99 Cadets who joined the ship from 1927 to 1930,—there were 99 cadets altogether—were—15 gave up sea career, 21 went into other services, 29 were serving as officers afloat and 34 were out of employment, total 99. The first mistake he makes is this, that he makes no distinction between those who have obtained certificates and those who actually joined the ship, because, as the House knows, after training in the ship, they have to serve as apprentices in various companies and after they get the certificates they are eligible for employment for sea service. Now, we have just received a letter from our Captain Superintendent, to whom very rightly a tribute has been paid by Mr. Dow, and he says that the utmost he could get from inquiries was that there may be two or three cadets out of employment. Now, consider the position. 34 mentioned as out of employment by the Honourable the Mover while the fact is that there are only two out of employment and are awaiting ships.

An Honourable Member : May I know, Sir, who appointed him to the Governing Body ? (Laughter.)

Sir Cowasji Jehangir : May I just ask one question ? If two only are out of employment, what has happened to others ? Have they got employment on shore or what has happened to them ?

The Honourable Sir Saiyid Sultan Ahmad : I will give the latest figures we have received up to the 5th of September : officers at sea are 63. In the Bengal Pilot Service 9—and I may inform the Honourable Member, as the last speaker but one inquired as to what we are doing with respect to the employment of these cadets by the Bengal Pilot Service—that all the officers taken recently by the Bengal Pilot Service are boys from the "Dufferin". 63 officers at sea, nine in the Bengal Pilot Service, eight in the river surveys and seven in the Navy—altogether 87. Two or three at the most are out of employment. It must amaze Honourable Members when a statement is made on the floor of the House by the Honourable Member who moved this Resolution, that 34 were out of employment and only 29 were serving at sea, though the facts are that there are only two or three out of employment, while the rest are all absorbed as officers at sea or in the Bengal Pilot Service or in the river surveys or Navy.

Sir Cowasji Jehangir : May I just ask one more question ? I take it that 87 are employed and only two are unemployed. Does it mean that 89 have received certificates out of 99 cadets altogether ?

Mr. M. S. Aney (Berar : Non-Muhammadan) : Does the Honourable Member accept the figure of 99 cadets as correct ?

The Honourable Sir Saiyid Sultan Ahmad : May I first of all answer Sir Cowasji Jehangir ? As a matter of fact there are some who are in the river surveys who have not got certificates.....

An Honourable Member : Why ?

The Honourable Sir Saiyid Sultan Ahmad : Because they failed. In fact, as far as we know there are only 76 certificated officers up to the 5th September—63 up to the end of June and 76 altogether up to the 5th September. 63 certificated, nine in the Bengal Pilot Service—that makes 72. Another four are certificated, and the balance uncertificated : I hope I have made the position clear.....

Sir Cowasji Jehangir : May I ask one more question ? In that case, two entering the Navy are without certificates ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, quite right. That is a fact.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : It is a non-certified Navy : so there is no harm done. (Laughter.)

The Honourable Sir Saiyid Sultan Ahmad : Now, compare the figures for which I have got records, and compare the figures given by the Honourable the Mover of this Resolution which naturally excited the ire of this House : The reason why Sir Muhammad Yakub made that statement.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has already spoken for 20 minutes.

The Honourable Sir Saiyid Sultan Ahmad : Very well, Sir. I have no objection to sit down : I thought I was entitled to half an hour.

Some Honourable Members : Go on !

Mr. Deputy President (Mr. Akhil Chandra Datta) : If that is so, then the Honourable Member is entitled to half an hour. I thought two other Members had already spoken.

The Honourable Sir Saiyid Sultan Ahmad : As I have already stated he got the figures from a statement made in this House in February, 1936, with respect to the position in 1935. Within the last two years, there have been various developments and a fresh impetus has been given : and I will give later on figures which I am sure will be received with a certain amount of gratification. (Interruptions.) I have got very little time and I will place the facts before you. It has been suggested that the British companies have done very little to take the "Dufferin" cadets. I have already given you the figures and I hope Honourable Members are satisfied that it is not correct to say that only four were taken by the British companies, while as a matter of fact 23 have been taken. Now there are many other small Indian companies doing coastal work in India, such as the Malabar Steam Navigation Company, the Indian Co-operative Company, the Merchants Steam Navigation Company, National Steamship Company—they do not take our cadets at all : I do not blame them for that because they are very small companies to begin with, and apart from that they train their own serangs and make them officers, but I just wanted to mention that there are other companies also where a cadet can be taken but has not been taken. The present position is, as I hope I have clearly established before the House, that with the exception of two ex-cadets who were eligible for appointment, all have been employed and they have received their appointments. Now, fresh developments have taken place within the last four months. It so happens that they coincide with my time, i.e., since I have been here, but please do not give me any credit for them, because all that has happened is due to the earnest efforts of other people and not myself....

Mr. S. Satyamurti :and the pressure of this House also !

The Honourable Sir Saiyid Sultan Ahmad : Now, the British India Steam Navigation Company, as Honourable Members are aware, had agreed to take only five cadets as officers annually. They have now agreed to increase their annual in-take of officers from the "Dufferin" from five to eight ; every year they are going to take, instead of five officers, eight officers on their ships

Mr. Bhulabhai J. Desai : It is a very trivial figure.

The Honourable Sir Saiyid Sultan Ahmad : Everything according to my Honourable friend is trivial, but let us try and approach this question in a dispassionate spirit ; where credit is due it must be given. Now, Sir, we have been hearing recently, and rightly too, that the P. and O. Company have refused to take our cadets. This matter has agitated this House many a time. The question has been raised in this House by various Honourable Members on previous occasions, and I am sure it will be a great gratification to the House if I announce that the P. and O. Company have now agreed to take four cadets.....

Prof. N. G. Ranga (Guntur cum Nellore : Non-Muhammadan Rural) : Only four ?

An Honourable Member : Is it yearly ?

The Honourable Sir Saiyid Sultan Ahmad : No, I said four cadets.

Some Honourable Members : Oh, oh !

The Honourable Sir Saiyid Sultan Ahmad : The question is not the number. I do hope that Honourable Members will appreciate this that, after serious efforts, the P. and O. have at last recognised the claims.

Mr. S. Satyamurti : How much money do you pay them for mail contracts ?

The Honourable Sir Saiyid Sultan Ahmad : I shall come to it presently. The Honourable Member should not think that he alone knows about these mail contracts, there are others as well who know something about them. I do suggest, Sir, that this is a very satisfactory arrangement, and I must pay a tribute to the officers of the British Companies in India, because it is mainly through their good offices that this result has been achieved. I may tell you that, so far as these officers are concerned, they have spared no pains in writing to their Home Board whenever the occasion arose, telling them that it was exceedingly desirable that more ex-cadets of the "Dufferin" should be employed on their ships. And while I am on this question, I must not overlook the good offices of our Honourable Colleague, Sir Leslie Hudson..... (Applause.)

Mr. S. Satyamurti : What does he get out of us every year ?

The Honourable Sir Saiyid Sultan Ahmad : So far as the British India Steam Navigation Company is concerned, I must also, in fairness to my department, mention one fact, and that is, that Mr. Dow by personal interviews and persistent correspondence impressed upon the company's officers in India the necessity of employing the ex-cadets of the "Dufferin" ; and for the recognition of our claims by the P. and O. Company, the greatest credit must go to our friend, Sir Muhammad Zafarullah Khan, who during his stay in London, by his persuasive eloquence, managed to secure this recognition. But, Sir, when I have paid all this tribute, I should not be misunderstood. I do not mean to suggest that this is all that had to be done and we have finished. No, certainly not. We all feel that we must always be on the alert and see that our boys from the "Dufferin" get employment in every company whenever chances occur.

My friend, Sir Muhammad Yakub, at the end of his speech.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member's usual time is up. I said his usual time, but if he wants a little more time, I have no objection.

The Honourable Sir Saiyid Sultan Ahmad : Thank you, Sir. Sir Muhammad Yakub at the end of his speech stated that about the end of this year, that is 1937, there would be at least 30 cadets without employment. Now, Sir, we have received a report from the Captain of the ship

[Sir Saiyid Sultan Ahmad.]

on this point also, and he says that the position is as I have stated,—namely, there may be two or three out of employment. At the end of 1938 there will be 19 vacancies available for the cadets, and we have already secured promises from the British India Steam Navigation and the P. and O. Company to absorb seven more, which means, 26 vacancies for the two who are out of employment and the new officers who will be available, and thus I hope that there will be no unemployment at all till the end of 1938. Therefore, I respectfully submit to the House that the whole basis of this Resolution completely disappears. Now the gravamen of the charge was that there were 34 *ex-cadets* out of employment, and 29 only had been employed, and the position at the end of 1937 will be that there will be 30 *ex-cadets* out of employment. These facts, I submit, having proved to be absolutely unfounded, I submit to the House that there thus is no foundation at all for this Resolution.

As I said before, there is no question on which you can claim a victory or I can claim a victory or I can say you are defeated or you can say I am defeated; all of us are out to do the best we can for our “Dufferin” boys, and I can give you the assurance that the Government of India will do its very best for them. (Applause.) I have examined the various papers on the question and the assurance given by the Government. I assure the House that I have not been able to put my finger on any paper where to show that we have given a guarantee for giving employment, but whether we have or we have not given this guarantee, I am prepared to repeat now, as was stated before, that we will do our best for these boys.

Mr. S. Satyamurti : Will they all become sea officers ?

The Honourable Sir Saiyid Sultan Ahmad : We will do our best for sea officers as well, but more than that we cannot do.

Mr. S. Satyamurti : Yes, you can.

The Honourable Sir Saiyid Sultan Ahmad : Then, Sir, my friend, Mr. Satyamurti, mentioned about the mail contracts. This is not the first time that the point has been raised; it was raised before in this House, and, as a matter of fact, Government did examine the position and they found that it would be impossible unless we modified considerably the financial terms of the contracts. (*Some Honourable Members :* “Oh, oh!”) They could not force the companies concerned to employ a certain number of “Dufferin” boys unless the financial terms of the contracts were substantially modified. We would be prepared to take that course provided there was a necessity for it. I submitted to the House a few days ago, on another occasion, that we believed in non-violence (*Some Honourable Members :* “Oh, oh!”), while Honourable Members on the other side believe in violence. Therefore, Sir, in the interest of these boys, I submit the better course to adopt is to carry our point by negotiations and persuasions, and, so far, I am glad to say, we have succeeded. If the time comes to adopt some other measures, the Government of India will not fail to do so, but no such question arises.....

APPOINTMENT OF QUALIFIED INDIAN CADETS BY BRITISH NAVIGATION COMPANIES. 1517

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) :
By means of persuasion..... ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : Order, order.

The Honourable Sir Saiyid Sultan Ahmad : There is no cause for alarm or anxiety, and I can repeat what I have said before, that the Government of India will do their very best for them and take all reasonable measures to secure employment for them. There were various inaccuracies in the speech of my Honourable friend, Sir Muhammad Yakub, as regards the expenses of the boys and so on. He was probably inclined to be poetical. He said that each cadet gets from his parent Rs. 5,000. In fact, this was reduced to Rs. 3,000 by my Honourable friend, the Mover of the amendment, Mr. Santhanam. The fact, however, is that it should not go beyond Rs. 2,000 in four years !

Mr. K. Santhanam : No, Sir.

Mr. T. S. Avinashilingam Chettiar : I think he has got his son there.

The Honourable Sir Saiyid Sultan Ahmad : I think he must control his son. Before, I finish, I will say only this, that I am not at all surprised at the extraordinary stories going round about the “Dufferin” when even a member of the Governing Body was so ill-informed about its affairs. I hope that this debate has cleared up all misunderstandings and misapprehensions and has created that healthy atmosphere which the “Dufferin” so urgently needs. (Applause.)

Mr. Bhulabhai J. Desai : Mr. Deputy President, during the short time that my Honourable friend, who has just resumed his seat, has been here, I am sure he will see, in the quietness of his evening, contemplation of the day's events, if not later in his retirement, that he has not had a worse case to present to this House. I quite agree that he has attempted to teach us arithmetic more or less as was taught to him by others. But I wish he had taken a little more trouble to appreciate what I am going to bring out about the “immense” services that have been rendered to this House by two of the largest vested interests in the matter of shipping in this country. I speak with bated breath in the presence of my Honourable friend, Sir Leslie Hudson, but I wish that he would look at himself sometimes or at least the company which he once so ably represented, as I see them for quite a number of years now, not as a legal adviser but as a public man. Instead of trying to beat the air and trying to find out whether Sir Muhammad Yakub, whom my Honourable friend or his predecessor assisted in putting on that high pedestal—if instead of trying to show that he was the most ignorant member of that Body—let us see the actual issue before the House. I may even confess my Honourable friend has succeeded in proving that Sir Muhammad Yakub knew less than what he ought to have done, but let him remember that by proving that Sir Muhammad Yakub is ignorant he does not prove what this Resolution requires should be done has been done. Let us, therefore, turn our attention to the Resolution. The Resolution is this. We only recommend to the Governor General in Council, while the Honourable Member is still here (Laughter)—“to introduce, at a very early date,” (that is why we have put in those words) “legislative measures in order to compel the British Navigation

[Mr. Bhulabhai J. Desai.]

Companies to take qualified Indian cadets of the I.M.M.T.S. "Dufferin" as officers on their ships". Let me read the amendment in connection with it.

"and take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers in their ships by the British shipping companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets."

Our demand is of such a nature that if it had not been evaded by an attack on Sir Muhammad Yakub it could not have been resisted. Let this House also remember another thing. This is not a censure motion so that the Government need not feel called upon to defend themselves and say that they have done what they have not done. We only call your attention to an obvious duty, but notwithstanding the pleading of three able men on the other side, the facts show that what the Resolution recommends still remains to be done. The next thing I wish to call attention to is one of the sections, section 115 of the Government of India Act, and if I do so, I do so with great respect and deference to this House but as I was reminded by my Honourable friend, Mr. Dow, that memories are short and generally the memory of the text of the Government of India Act is shorter still. Section 115 says :

"No ship registered in the United Kingdom shall be subjected by or under any Federal or Provincial law to any treatment affecting either the ship herself, or her master, officers, crew, passengers or cargo, which is discriminatory in favour of ships registered in British India, except in so far as ships registered in British India are for the time being subjected by or under any law of the United Kingdom to treatment of a like character which is similarly discriminatory in favour of ships registered in the United Kingdom."

I hope that my Honourable friends will realise that so far as British shipping is concerned British Parliament could not possibly have conferred or got conferred a mere protective treatment for their monopoly than section 115. But when you remember that, let us also remember what the Honourable Member said, that we had better cheer (as we were wont to cheer about ten or fifteen years ago) that whenever a crumb is announced it should be regarded as the whole loaf and not a sweet and the rest of the measure would not matter. We have learnt better and we now understand what our rights are even within the limited sphere of the Government of India Act. That Act does not prevent you from giving effect to as many measures as you reasonably can devise and the indefatigable labours of Mr. Dow can be a little more added to if he would consider it from our point of view. I will give you shortly what the actual situation is in respect of facts, corrected by the Honourable Member, as given to me since the end of the year 1936 of which I have got figures here before me. The figures which are of the greatest value for the enlightenment of this House are that out of the cadets who entered the "Dufferin", 20 left the course, that is of course not disputed. Twenty returned to civil life after being qualified, and out of the 42 cadets engaged in the merchant marine upto the year 1936, 33 were engaged by the Scindia Steam Navigation Company and eight by the British India Steam Navigation Company. Those are the stark naked facts. I am not denying that some more

may have been added since the period for which I have got figures before me. But later on I found that the 16 who are supposed to have been employed by the British India Steam Navigation Company had a story similar to that of the story of "We Are Seven", which I hope and trust my Honourable friend, Sir Sultan Ahmad, read as a young boy in school—that you begin by mentioning by seven and end perhaps with one in the real house. That is the story of the 16 that he was mentioning, during the course of this debate, for our satisfaction. But it is no use telling me that only two are unemployed. The matter of importance is, having regard to the commercial and other monopolistic advantages enjoyed by the British India and the P. and O., is my Honourable friend able to persuade this House that whereas 33 are employed by the comparatively small Indian steamship company it was a correct proportion for him to urge before this House that eight or even 16 for the matter of that were employed by the British India and the P. and O.

The true aspect which emerges before the House is this, that, but for the fact that the Scindia Steam Navigation Company did patriotically come to the aid of these boys who were trained, what would have happened? It is no use telling me : "I have done nothing for you, but there are some other good men and true who have found some employment for them." Is that a plea of which you would have been proud in another place if you had not been sitting here? I am quite certain he would then have said : "Please do not mislead me, because the question today is not whether those people have found employment but the question is 'what have you done'" as a matter of effort on the part of the Government of India. You started spending money of your own, which belongs to us and encouraged the parents to spend money of their own in order to train those boys. What progress have you really made even for a mere mercantile marine, remembering always the monopoly that is there, the inequality of strength and therefore unfairness of competition which is there. What is it that you have done for India by means of pressure which every high contracting party has in these matters. You can concede everything to pressure from other quarters, but do you concede anything to a request made to you for the purpose of a real progress in a direction for which India has been long waiting? Therefore, it is no credit at all to be able to say what you have said. I hold no brief for any particular company, for as a mere matter of being legal adviser, I happen to be the adviser of both and I hold the scales even there but in so far as a public man is concerned, I cannot say that you have done very very much indeed, in so far as your duty lies in the direction of putting such commercial and business pressure as in your hands lies today. For remember this, that though you do not mention the amount that you pay every year to the P. and O. for the purposes of contracts which you entered into (the P. and O. and the B. I. are twin brothers) and I am not aware of the contracts which you secretly entered into and though you had three opportunities of telling us the terms with these two companies you have chosen to remain silent. The promise of employing four in eternity is all that they have got out of the companies to whom they give these large sums by way of mail contracts. Therefore, we may rule that out. Let us see what else you have achieved—eight men in British India out of those qualified as against the remaining who have been employed according to the list which was already read out by the small Indian companies.

The Honourable Sir Saiyid Sultan Ahmad : That was eight every year.

Mr. Bhulabhai J. Desai : I am talking of the situation as it existed in the year 1936.

The Honourable Sir Saiyid Sultan Ahmad : That was four a year.

Mr. Bhulabhai J. Desai : You say you have got 16. I will accept your figures though you tried to attenuate them by an explanation. Since the year 1927 to 1936, I know a little arithmetic to see that it would not come to an average of more than two if it was 16.

The Honourable Sir Saiyid Sultan Ahmad : The boys came out after 1931.

Mr. Bhulabhai J. Desai : I have got these figures but the fact still remains that what you have mentioned is certainly not to your credit as compared with what an Indian company has done out of patriotic motives. You will see, therefore, if you want to play fair, that it is not a case of opposing this Resolution but of accepting it. For, what do we recommend ? We recommend this, that in so far as it lies in you, you should take either legislative or executive or commercial measures in order that those companies may be compelled to take qualified Indian cadets as officers. If you are really in earnest, you can double the number of men trained ; the point is the rate of progress at which we go now. Assuming we succeeded in getting behind section 115 of the Government of India Act, 1935, either by repeal or otherwise and reserved the coastal shipping to Indians, as other countries reserve their coastal shipping to themselves, do you mean to tell me that eight men trained on a mere matter of gratuitous promise, which may or may not be fulfilled, are going to suffice for building up India's mercantile marine let alone the Indian Navy for defence purposes. Are you able to tell the House today that there is an enforceable contract on these companies and even then how many would it be at the end of five years. The efforts made by the Government of India, in this behalf, are so extremely poor that they are on a par with what the predecessor of the Defence Secretary told us about Indianisation of the army—that it would take a century at the present rate of Indianisation. It is an honest truth. Is it your intention to have the same rate of progress in the case of the Indian mercantile marine ? I think my friend is said to be an Urdu poet and he will probably remember the lines which mean :

“The profit on the sea is incalculable but if you desire safety only it is on land.”

If that is the kind of lesson you are going to teach—that there is lot of profit at sea but contentment on land, we have been content long enough and I hope and trust that you would not teach that unsalutary, insalubrious lesson that kills all adventure, all progress, without which India cannot achieve her goal of independence. Let me again appeal to my friend that India deserves a wider, more rapid and more intensive progress in training youngmen for mercantile marine and the defence Navy and I put it to the Honourable the Commerce Member that he would be failing in his duty by not accepting this Resolution.

Maulana Zafar Ali Khan : I was so influenced by the figures of Sir Sultan Ahmad in support of the view he put forward with regard to the activities of the Government on this particular question of providing employment for our young boys in marine service, that I had very nearly made up my mind to go and vote on the side of the Government but when I pondered over the question, as Mr. Bhulabhai Desai developed his arguments, I was convinced that the Government have not done what they ought to have done. If the Scindia Steam Navigation Company had not come forward patriotically and provided 40 of our boys with service, where would have been the Government and where would have been its statistics. We thank the Government, however, for the small mercies that they have shown towards us.

The Honourable Sir Saiyid Sultan Ahmad : There is some misunderstanding about it. We are doing all this for our own companies. We did all this for the Scindia Steam Navigation Company and the Indian Mercantile Marine generally.

Maulana Zafar Ali Khan : What has the British India Steam Navigation Company done ? What has the P. and O. Company done ? These British companies have regularly been strangling the sea-faring life of the peoples of India. There were many ships owned by Indians in Karachi and Bombay and they used to take pilgrims from Bombay and Karachi to Jeddah. Then came Messrs. Turner, Morrison and Company and they strangled them. We ought to have had the coastal trade of India. India is not a land-locked country ; it has a large sea-board. We were a sea-faring people and I must tell you India has made up her mind to rise to the full height of her stature as a nation. We want a mercantile marine of our own ; we want a navy of our own. Where is the power to deny us this right ? We must have it and it must come sooner or later—sooner rather than later. The only thing that prevents us from getting all this is the difference of opinion existing between the Mussalmans and the Hindus. Let them make up their differences, and tomorrow we are free. But those differences will be made up. Then our boys will come to their own. The Government ought to do more than they have done. The Government is in difficulties all over the world. ‘Britannia rules the waves’ used to be their slogan. Where is that slogan now ? Where is Britain's pride in the Mediterranean ? Go and ask Mussolini. Where is Britain's pride in Gibraltar ? Go and ask Franco. Where is Britain's pride nearer home ? Go and ask Hitler. Where is Britain's pride in Hongkong and Singapore ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member had better speak on the Resolution.

Maulana Zafar Ali Khan : What I want to impress upon the House is this, that England never was in more need of India's co-operation than she is today. If anything can save Britain from disaster, I prophesy India only can save her. But a poor India, an India not having a mercantile marine of her own, an India not having a navy of her own, an India not having trade of her own, an India which is rich in men but poor in money,—what can she do ? If you want to save yourself, then give that help to India which she needs and which it is your duty to give her. We are thankful to you for all the small mercies that you have shown us. We help you but you discard us and ignore us. But when you do something for us, we thank you. Ours is Eastern nature and yours is Western. With these words I most strongly support the Resolution.

Mr. B. Das (Orissa Division : Non-Muhammadian) : Sir, when the Honourable the Commerce Member was speaking, I felt that he had just lifted the veil and was telling us what the Indian Delegation in London had achieved in the Imperial Conference. Whenever any question was asked, the Honourable the Commerce Member said that he had no knowledge and, therefore, he could not impart any knowledge as to the doings of the Indian delegation. Some of us went to the Library and began to seek what news we could get there. In the summary of the proceedings of the Imperial Conference we found that there was a Shipping Conference and when we read the summary of the proceedings of the Shipping Conference on page 30 we found that there was no reference to India. After reading that, I concluded that the representative of India—I learnt it from the Honourable Sir Saiyid Sultan Ahmad now that it was Sir Muhammad Zafrullah Khan—made no protest and demanded nothing for the Indian shipping. The only thing that I found there was a reference to India's contribution and that India can fight against Burma to reduce the amount of her contribution to the Indian Shipping Committee. That was the only news that I could gather from the published documents. But I find, that during the last week the Honourable the Commerce Member has received documents as to what Sir Muhammad Zafrullah Khan has done. He pleaded, as did his predecessor Sir Joseph Bhore did three or four years ago, before the Imperial Conference. Probably, he had to go down with bended knees to the representatives of the P. and O. Company and asked them to fulfil the pledges that were given some years ago to take a few "Dufferin's" cadets.

Mr. H. Dow : The P. and O. Company had never given any pledge on this subject. They had never said that they would take cadets as officers. This represents a change of attitude on the part of the Company. There has never been any question of the Peninsula and Oriental Company having broken any pledge. They never made a pledge.

Mr. B. Das : I am glad to learn that, but to me the Peninsula and Oriental Company, being an associate of the B. I., is as good as the B. I. and, therefore, the pledge of the B. I. is as good as the pledge of the P. and O.

Mr. H. Dow : The P. and O. Company made a promise and they have kept it.

Mr. B. Das : I wish to read a telegram now to the House which is as follows :

"On Lord Irwin's appeal British shipping companies should employ these cadets and only after receiving assurances that they would employ them and Lord Irwin after giving definite assurance, Members Governing Body through Sir Purshotamdas that if cadets did not receive employment as officers Government would take action by law on lines laid down recommendations of Indian Mercantile Marine Committee that training ship was established."

Mr. H. Dow : Who is that telegram from ?

Mr. B. Das : It is from a business friend of mine from Bombay. (Laughter.) I will now reply to a certain insult which was hurled by my Honourable friend, Mr. Dow, on the Scindia Steam Navigation Company, which is not represented on the floor of the House. Sir, we are not discussing the morality of the Scindia Steam Navigation Company here. My Leader has already told the House that the figures that the Honourable the

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Commerce Member gave are not the figures that we on this side have. But I wish to ask the Honourable the Commerce Secretary one thing. On the 7th of August, last, the Indian National Steamship-owners' Association, Bombay, addressed him a letter on the employment of the *ex*-cadets of the Indian Mercantile Marine Training Ship "Dufferin" in which they gave figures which were exactly the same as those which were read out by my Leader. If the Honourable the Commerce Secretary found all these figures wrong, why did he not issue a communiqué contradicting them ?

Mr. H. Dow : The answer is that that is exactly what the Commerce Secretary did. He did issue a communiqué on the subject. I cannot make the Honourable Member read it, I can only issue the communiqué.

Mr. B. Das : If it was an important communiqué I ought to have read it. Probably it did not contain the stuff that I wanted.

Mr. H. Dow : I issued a communiqué giving all the facts. There was immediately a complaint in the Press that there were some other facts on which the communiqué was silent. Having been asked for further facts, I immediately issued another communiqué and gave those facts.

Mr. B. Das : Will my Honourable friend read out the letter in which he replied to this Association that the figures were wrong ? I believe that the figures, which were mentioned in this letter of the 7th August, are true and, in the meantime, Mr. Dow's visit to Bombay has brought about the employment of a few more Indian cadets and these have gone into the B. I. S. N. Co. I do not like to hurt or wound the feelings of my European Colleagues, but I do want from them, some day, some generous response. We, on this side, have quietly bowed down to the provisions of the Government of India Act and are willing to recognise the U. K. businessmen and the U. K. shipping in India and we deem them to be Indians in all business affairs. If that be so, I am surprised that although the Honourable Member for Commerce and Railways paid a tribute, paid a compliment to my Honourable friend, Sir Leslie Hudson, whose past association with the B. I. S. N. and P. & O. the House is well aware of, yet neither the Honourable Member, Sir Leslie Hudson, nor any one of the European Group, representing commercial interests, cared to rise to assure this side of the House that the B. I. S. N. Co., carrying on coastal traffic or the P. & O. carrying on mail business are sympathetic to the training and employment of Indian youths as officers in the B. I. S. N. or P. & O. Although that message came from the Honourable the Member for Commerce and Railways, yet it has not come, so far, from any spokesman of the European Group on the floor of the House. If you want our goodwill, if you want our co-operation, it is time that one of the Members of the European Group got up and spoke that the British shipping companies were not averse to this demand on the part of Indians. (Hear, hear.) Sir, it is our misfortune that the other day when my Honourable friend, Sir Abdul Halim Ghuznavi, moved a reference to the Select Committee, the Bill on coastal traffic, Sir Leslie Hudson made the speech that he did. I listened most attentively and I did not find one word of response, one word of friendliness towards Indian aspirations. I found that, as the speech denoted, it was all a question of fair field to those who already had firm footing in certain business matters. If my Honourable friend, Sir Leslie Hudson,

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is going to speak on this debate or if one of the Members of his Group is going to participate in the debate later on, I would urge them to tell the House, as representatives of British commercial interests in India, what is their interpretation of sections 111, 112 and 113 of the Government of India Act, whether they mean that much or whether they want to go further, whether they have sympathy with our aspirations or whether they have other kinds of ideas in their mind?

Sir, much has been said about the "Dufferin" being turned into a public school. Just to silence the Indian public, the Government started the Prince of Wales Military school at Dehra Dun. I find that two or three boys of that institution join every term in Indian Military Academy and the other boys are thrown out and they have to start again from the first year class of a college. When there is already the Dehra Dun public school, which is training up boys for the Indian Civil Service or for other services that bureaucrats value most, I do not want that "Dufferin" should be turned into another public school or that the Prince of Wales Military school at Dehra Dun should be turned into a public school. That is the last refuge of the Honourable the Commerce Secretary because when he finds that these boys trained in "Dufferin" are not admitted to the shipping companies, he says let us turn them into public school boys.

Mr. H. Dow : I said nothing of the sort. I denied in the most categorical way that there was any intention of doing that or that any step had been taken or were contemplated in that direction.

Mr. B. Das : I am very glad to hear that. I was being guided by the speech of my Honourable friend, Sir Muhammad Yakub.

One point I want to know. What was the specific reason which prompted my Honourable friend, Mr. Dow, to utter that warning on the floor of the House against the Scindia Steam Navigation Company? We were not discussing the future of the Scindia company or how the Scindias will get their employees. We were only discussing the future of the "Dufferin" cadets and as most of us are interested in these young men, we want them to get employment. Probably the Resolution is drafted in a little bit strong terms and my Honourable friend may resent it. But if the Honourable the Commerce Secretary thinks that we, non-official Members of this House, are always influenced by the Scindia Steam Navigation company or by any outside body and that is why Sir Muhammad Yakub tabled this Resolution, he is entirely in the wrong. I see my Honourable friend, the Member for Commerce and Railways, shakes his head. I am glad to know that he does impute similar motives to us. Sir, I never wanted to participate in this debate, but when I listened to the speech of the Honourable the Commerce Secretary I felt that here not only injury has been done but that salt is being added to it. The Government of India did not back up the Indian companies when they were seeking certain privileges and rights. Did the Government allow the Indian shipping business to be represented at the Shipping Conference in London? That is my charge against the Government. Government have never shown any pleasure or any appreciation of the development of Indian shipping companies. My Honourable friend, Mr. Dow, could

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not reply the other day to the points raised by Sir Abdul Halim Ghuznavi. Most of the remarks made by the Commerce Secretary were directed against the Scindias which, in spite of non-patronage from the Government, has existed so long and will continue to prosper. (Hear, hear.) Sir, with these words, I support the Resolution.

Mr. M. S. Aney : Sir, the Resolution on which this House is called upon to vote is this :

"That this Assembly recommends to the Governor General in Council to introduce, at a very early date, legislative measures in order to compel the British Navigation Companies to take qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers on their ships."

To that amendments were moved which were also read out to the House. Now, Sir, I have listened to the very eloquent speech of the Honourable Member in charge, and I must confess that he has succeeded to a great extent in removing some of the misunderstandings under which the House has been labouring. In fact I find myself in this position. There is a judgment here which I can support but not on the grounds on which, unfortunately, it was pressed before this House by my Honourable friend, Sir Muhammad Yakub. Sometimes we lawyers find ourselves in this position, and it is a common experience, that we are called upon sometimes to stand on behalf of the respondents and support a particular judgment, but it is so badly reasoned that it is difficult to support any one of the arguments on which the lower court has given its finding, and yet the ultimate conclusion arrived at is satisfactory and can be reasonably supported on other grounds. The present position is one like that. Sir Muhammad Yakub has given us certain information which, unfortunately, turns out to be different from the actual facts which are revealed today. But one thing I do not understand and that is that he is a member of the Governing Body, and it appears that Government carries on these negotiations in the dark and without the knowledge of the members of the Governing Body. If Government does not take care to keep the members of the Governing Body duly informed, I do want to know why? Whether they regularly convene meetings of the Governing Body at all and place before them whatever progress they are making in these directions. If they did not do it, I want to know why they did not.

Mr. H. Dow : I am afraid this is a matter on which the Governing Body are in a better position to keep us informed.

Mr. M. S. Aney : That makes the matter still more mysterious. If the Governing Body knows everything and the matter comes from the Governing Body to the Government,

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how is it that some members of the Governing Body are completely in the dark about it? Is there anything like a Governing Body without any members? So it is somewhat surprising. I accept the facts and the facts are that the problem of unemployment, as it was thought to be yesterday, is not today at any rate so serious. In fact, we are given a reasonable assurance that Government will be doing everything to see that by the year 1938 no question of unemployment, so far as the cadets are concerned, will remain. All that is true, but the proposition before the House is this, that there are certain British companies plying in the Indian waters, with the permission of the Government of India, enjoying all the privileges and concessions which the Government of

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India gives them in matters connected with their business. What is the part they are playing in this affair? What is the part they are playing in building up an Indian marine service in India? What assistance are we getting from them? Are we entitled to get any assistance from them or not? That is the question which is raised by this proposition and that is the categorical question which the Government is called upon to answer. It is not a proposition or a Resolution which is intended to cast any aspersions upon Government. I admit that particularly on account of the pressure brought by this House during the last few years Government found that its attitude of inactivity or indifference in this matter was impossible; and, therefore, since 1936, they seem to have shown a commendable zeal in making certain progress in this direction. It also appears that when the Government tries to make some progress and is sufficiently active, even the immovable can be moved and even the unreasonable can be made to accept a reasonable position. The success which the Government achieved during the last one year, according to their own statement, gives me the hope that if the Government is sufficiently active and insistent and pertinacious in this matter, the most unreasonable attitude which the P. & O. and other companies have taken up cannot exist even for a short time. The point is this, that sufficient pressure has to be brought to bear upon them by Government, and I am sure that this Resolution is intended to help Government in the work which they have already commenced in right earnest. That is what I find. They tell us that they have begun to make an exertion to bring some amount of pressure even upon the most immovable and unreasonable companies; and the company which is making the largest possible profit and exploiting us in the worst manner, viz., the P. & O., even that company which was mum and dumb for a long time has now come forward with a reluctant gesture and a suggestion to employ four cadets. Whether that figure of four is a permanent figure till eternity or it is an annual recurring figure,—on that the Honourable Member may throw some light. Possibly their instructions are not sufficiently detailed in this matter.

Mr. H. Dow : I can throw a little light on that. The promise of the P. & O. is to employ one cadet in each of their four ships which are based in India, and they will continue to employ them as long as they are able to keep the trade.

Mr. M. S. Aney : The point is whether this distribution among four ships is to recur at the end of every year or not; that has not been sufficiently cleared. (*Voices of "Four till eternity", "Four for ever", etc.*) My Honourable friend has very astutely left my question unanswered and given me some information for which, however, I am thankful to him. But that will not satisfy the country at large; the difficulty is still there. Therefore, the point is this, that here in this Resolution, we are virtually asking Government to do what they say they have already begun to do. If that is the position, the question is not one of opposition between those benches and these; we are working for the same cause, so where is the difficulty for Government in the way of accepting this Resolution? The simple point is this; the speech, which the Honourable Member, Sir Sultan Ahmad, made, was not a speech to explain away the Resolution but one which was made in

defence of this Resolution. And having made such a convincingly strong case in support of this Resolution, it does not stand to reason that Government should not accept it. On the other hand they must accept and thus deprive us of the necessity of putting it to vote at all. I, therefore, appeal to Government that they should not look upon this Resolution as a motion of censure or as a motion which is meant to condemn them, but rather as a motion which is intended to strengthen the hands of Government to go ahead in the direction in which they have already begun to move and started work. And taking the Resolution in that light, they will be rightly advised in accepting this Resolution and not opposing it. Therefore, I support the Resolution and also the amendments moved.

Mr. H. Dow : Withdraw the Resolution; it will have exactly the same result.

Prof. N. G. Ranga : Sir, I had no desire to take part in this debate, but, having heard the speeches from the Official Benches, I felt bound to add my voice in support of this Resolution and the two amendments. I am at a loss to know whether the Honourable the Commerce Member was really opposing this Resolution or supporting it. As far as the principle underlying this particular Resolution is concerned, it is quite clear that he himself is not averse to the acceptance of that particular principle, the principle being that methods other than mere persuasion or mere discussion or mere table talk may have to be adopted in order to persuade these British companies to give employment to our "Dufferin" boys. If he is in favour of that principle, then the only point of conflict between Government and ourselves is the question of time when they should take these particular steps. We want these steps to be taken immediately, the Government want to play for time and to allow some more opportunities for my Honourable friend, Mr. Dow, to make some more visits to Bombay and other places and try and use his eloquence and persuasive personality in order to get some more jobs for our boys. It is not entirely a question of jobs: if it is a mere matter of obtaining 50 jobs for our boys, then I do not think it would be such an important thing as to take so much of the time of this House, but it is a question of principle, it is a question of national prestige and honour. We want to know whether this Government can be trusted to develop the mercantile marine to such an extent as to make India absolutely self-dependent and to make India's defence insuperable.

It is a well-known fact that in almost all other countries mercantile marine has been considered to be a second line of defence as far as naval warfare is concerned. It is a very peculiar thing with this Government that while we are asking for retrenchment in Army, it attacks our reasons, but while we are asking for more and more of this Navy, of this second line of defence—mercantile marine—it fights shy of it and say "wait for some time longer". Australia has had a very much shorter history than India even under the British, but while Australia has come to establish an excellent mercantile marine—and what is more, Australia has established a successfully State-managed mercantile marine and its Government gets very large revenues from its mercantile marine—the British Government, which has been here for the last 155 years, even today is not prepared to come and say: "We

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are prepared to reserve the coastal shipping for the people. We are prepared to do everything in our power to develop an Indian mercantile marine, but on the other hand asks us to show some more patience. It asks us to be non-violent. I want to know what sort of non-violence is this. My Honourable friend, Mr. Gadgil, says: "Devil quotes from the Bible." Yes, we are going to be non-violent, but even if we wish to be violent, would this Government allow us to show our violence against the British Shipping Companies which have been exploiting our markets? No. We are obliged to be non-violent, but in being non-violent it is necessary that this Company should stand by us and speak to these people in the only effective manner in which it can possibly speak, and that is by taking legislative and administrative measures in order to compel British navigation companies to take qualified Indian Cadets of the I. M. M. T. S. "Dufferin" as officers on their ships. I was expecting the Honourable the Commerce Member to give us information in regard to the policy of Government as far as the development of the Indian Mercantile Marine is concerned. We are getting no information whatsoever, and I find myself at a loss to know what exactly this Government want to do in regard to the development of the Indian Mercantile Marine. Does it want to develop it at all, and, if so, how soon and by what means? I want to have definite information on this. Here they say they are training 50 people every year, but I find that, in spite of encomiums paid by Mr. Dow and by the Honourable the Commerce Member to the Captain of the "Dufferin", twenty were useless and could not be given an appointment, could not even proceed to apprenticeship. If this is the result of the excellent training that they are being given and for which encomiums were being paid, I can only doubt the sincerity of purpose of this Government in their professions of giving training for our boys in the "Dufferin".

Then coming to the next question, every year we are getting 50 boys. If, supposing all the 50 are found to be thoroughly competent and useful and capable of occupying any responsible position in the Navy and on the Bengal Pilot Service and in the steamships, where is the provision for them? The Honourable the Commerce Member has shown that there is provision for 27 youths. What is to happen to the other 23 who every year would be added to the unemployed list? What measures are going to be taken by the Government of India to provide for them employment, full employment and satisfactory employment for these 50 people, small though that number is. They can be provided with employment only if they make it a point that in every ship and steamer, that ply in the Indian coast, two people at least are employed, two "Dufferin" boys.

Mr. H. Dow: You would have to cut down your shipping, I am afraid.

Prof. N. G. Ranga: I will not be sorry if the number of foreign ships that ply in the Indian coast is cut down, because there will be additional scope for Indians. I know why Mr. Dow was so very anxious to put in his helpful suggestion, because it will be cutting his own throat, because it will be cutting the throat of the British lines and the other life forces that rule in this world. Then, Sir, they are

giving such excellent training on the "Dufferin"—that is what they say—they do not train our people in marine engineering? Why is it no Indian is being trained in this line, why is it that no attempt has been made till now to train engineers? It is a well-known fact—I am just now told by my friend that they have now begun. I do not know when these tortoises will grow like "Vamana" right to the skies. I want Indians to be trained in marine engineering and mercantile science, so that it will be possible for our Indians to man ships and run them, provided, of course, this Government change their colours, change their own coat, and try to play for the nation. As far as the Indian army is concerned, in making their selections for their officers, they show a certain amount of preference to the children of the rank and file of soldiers. I do not know what steps have been taken by Government to see that out of the 50 recruits which are taken every year for the "Dufferin", how many are recruited from the ratings. It is a well-known fact that these people are most efficient.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the chair.]

Yet they are the most efficient workers on the sea. They have beaten the British themselves: the British are proud of saying that they are a sea-faring nation, yet on most P. and O. steamships you find only lascars doing the donkey's work, the main work, and the real work, and it is these people again who have to bear the brunt of the trouble whenever there is any accident on the seas. Yet no attempt till now has been made by the Government to give any sort of help to the children of these people and recruit some of them at least as cadets for these posts, give them some scholarships so that it would be possible for them to maintain themselves while undergoing this particular training. I want to know the policy of this Government as far as these people are concerned.

Then, I come to the P. and O. mail contracts. We were not given any information. My Leader has drawn the particular attention of the House that after all these four seats, that we are going to get on the P. and O., are not going to be enough and cannot solve the problem. In fact, it is a matter of national honour. How long are we to allow this P. and O. to ply on our coasts and in our waters if they are to persist in this particular policy of simply giving as a matter of concession because of the persuasion of three people, one getting 7,000 here, another 7,000 in England and a third getting 4,000 here—in all, three people getting 18,000 rupees between themselves every month—because of the wonderful persuasion of these three—the holy trinity—they have agreed to take four people till eternity: are we going to be satisfied with that? My answer is No. If we were to have a really nationally-minded Commerce Member on that side and a really National Government on that side, it is not necessary for us even to be afraid of this section 115, because it is not a matter of discrimination. We want to follow up a recommendation of the Industrial Commission of India, in which it was stated that such conditions should be imposed upon foreign companies that trade in India as would enable Indians to get themselves trained under the ægis of those companies. Why should not that recommendation be implemented by this Government? If that recommendation were to be implemented, there would be no

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trouble whatever, and we need not come up against this section 115 of the Government of India Act. How much money are we today giving to the P. and O. ? We were told that it is a financial question and that we are likely to lose more money if we were to insist upon our own point being accepted by the P. and O. My point is this : I want to know whether these mail contracts are given to the P. and O. after having called for tenders and after having found that the P. and O. tender was the lowest. I want to know the facts. I know the Government of India are not really keen on giving us facts. I know that my Honourable friend, Mr. Dow, is shy of facts that go against him. It was not the lowest tender at all. I do not think any tenders were called for at all. I am perfectly sure that if today tenders are called for from everybody,—it does not matter whether Indian, English, German or Dutch or anybody,—I am sure, it will be possible for us to have and to drive a much better bargain with these steamship companies than we have been able to do so far as this P. and O. is concerned. We can gain some money. And what is more, how much more money are you going to spend on the “Dufferin” in training these people, if you have spent so much money on them and after that you are prepared to be content with only.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has only one minute more.

Prof. N. G. Ranga : I can only say that this Government is not playing the game and is not doing its duty.

In conclusion, I wish to maintain that, much to the glee of my Honourable friend, Sir Thomas Stewart, it is an absolutely shameful thing for Members on that bench to come here and say that they are not prepared to implement this particular demand of the House, merely because they want to play for time. It is these people who are really violent in time and out of time : it is these people who are throwing bombs on the frontier who accuse others of violence. I do not know how it lies in their mouths—I do not know how they manage to keep these mouths on (Laughter)—to say that they are non-violent and that we are violent.

Sir Cowasji Jehangir : Mr. President, we have had, every Honourable Member will admit, a most interesting debate, and I would inform my Honourable friend, the Government Member, that on occasions more than one has his predecessor been severely cross-examined in supplementary questions about the “Dufferin” ; and on those occasions, I well remember he evaded a straight answer, undoubtedly because I now see, he was making great efforts to act as we desired, and, perhaps, at that time being unsuccessful, he evaded our direct questions. What we wanted to know was what efforts Government were making to persuade British companies to employ these cadets. Sir Muhammad Zafrullah Khan said that he was making every effort and he was persuading, he was begging, but these mighty companies were not agreeing to take any cadets and then we naturally asked : “Is Government so absolutely helpless ? Government know ways and means of twisting the tails of many in India. Surely, they are able to twist the tails of these companies if they want to do so.” Whether it is by twisting their tail or by persuasion, at any rate we have had the satisfaction of knowing from the Honourable Member's lips that

these British companies have now agreed to take these cadets. It may be the thin end of the wedge. But much the more satisfactory part of my Honourable friend's speech was, in short, the statement that there was practically none or little unemployment amongst the cadets who had got certificates,—that there were only two.....

Mr. N. M. Joshi (Nominated Non-Official) : 20 people returned to civil life !

The Honourable Sir Saiyid Sultan Ahmad : That is not correct.

Sir Cowasji Jehangir : According to my Honourable friend's statement that is not correct ; but there were so many facts stated, that I propose not to deal with the correctness of the facts mentioned by my friends. I am taking the facts as stated by the Honourable Member that there are only two unemployed today ; and what is most satisfactory from my point of view is the statement made by the Honourable Member that by the end of 1938—making a shrewd guess at the number that the “Dufferin” would turn out—there would be no unemployment. I consider that a very satisfactory statement, and from that statement I would go a little further and say that it is a very strong argument for not only maintaining the “Dufferin” but for having several “Dufferins” in our country ; and I hold that after this debate, we can well argue and contend and demand, that Government should take steps to have more training ships not only from the materialistic point of view of giving more employment to our young men, but from the more patriotic point of view of training our young men not only for the mercantile marine but for the Indian Navy, which must grow, and which we must have under our control in the future. Therefore, Sir, I deduce from today's debate that we can have more “Dufferins” in all the ports of India. If that is the case, then we shall require for the time, more avenues of work, more openings for our youngmen, that Government has been able to find for them till now. Now, Sir, I am one of those who has always taken a very strong attitude on this question of making the British companies take our youngmen as officers, and I may say that I am also one of those who always severely blamed the Member-in-charge for not making sufficient efforts ;—and when I say efforts I do not mean persuasion or begging,—I mean compulsion. (“Hear, hear” from Congress Party Benches).....

Mr. Bhulabhai J. Desai : That is the Resolution.

Sir Cowasji Jehangir : And it is in the power of the Government of India to compel. That has never been admitted, but, today it has come from the lips of the Honourable the Commerce Member, that Government could compel. Till now we have been told that Government had no means of compelling the British companies, but my Honourable friend, at the end of his speech, made the statement which to me was most encouraging,—and it was to this effect,—that if our efforts of persuasion failed,—he claimed they had succeeded,—but if they failed, in the future, the Government of India would have no compunction.....

The Honourable Sir Saiyid Sultan Ahmad : I did not use that word at all. All I said was that the Government of India would take such measures as they considered necessary. I did not use the word “compulsion”.

Sir Cowasji Jehangir : I was under the impression that the Honourable Member said that the Government of India would have no *compulsion* or he might have used some other word,—but I was under the impression that he did use the word ‘compulsion’. I am sorry that he did not use that word. I am not so encouraged now as I was. I felt optimistic, because I thought he had used that word, and I began to feel that there was a distinct change of mentality, and the efforts of this side of the House, in bringing this matter to the attention of the Government, was bearing fruit. If my Honourable friend says he did not use the word *compulsion*, then I have nothing further to say,—except that he will have to do so,—I don’t mean he himself personally,—but Government will have to do so, and that this side of the House will continue to insist on using *compulsion*. Persuade them by all means, get it by that means if you can, but failing that method, you will have to use your powers which you have, direct and indirect, and see that there are more than one “Dufferin” in India. If you refuse to do that, you will not be doing your duty by India and by yourselves.

Now, Sir, let us not forget that we are forced to insist upon British companies taking our cadets. No other nation has to go to another country and ask that its ships should accommodate their nationals for purposes of training and employment, but we are compelled to do so because we have a very small mercantile marine, if any at all, and there are certainly provisions in the Act, which will, for some years to come, prevent us from doing all we can, to build up our own mercantile marine. Under the present Government of India Act we are not able to do what England is able to do for her own mercantile marine,—in theory yes, but in practice it is impossible,—and this has been discussed over and over again in England and in India as well,—and, therefore, not being able to build up a mercantile marine of our own, not being by that means able to find employment for our youngmen, we are naturally compelled to look to the ships of Great Britain, that come to India for purposes of trade. And if we cannot succeed by persuasion to get today, what our own mercantile marine would have done for our boys, we insist that you should take such measures as are in your power for *compulsion* and nothing less. I admit our arguments would have had no foundation if we were in a position to build up our own mercantile marine ourselves, but not being in that position, having been deprived of being in that position, it is only fair and honest to allow us to use whatever powers we have, to compel those who have a mercantile marine and who make use of India for her trade to train our youngmen and give them employment. Therefore, Sir, while congratulating my friend for the very lucid statement he has made, I trust he will also acknowledge the fact that he was enabled to make that very lucid and interesting statement not entirely without the help and assistance of this side of the House, which, during the last five or six years, at least, to my knowledge, has been pressing this point upon the attention of Government. I am one of those who is quite prepared and ever ready to admit, whenever Government does anything in consonance with the views of this side of the House,—and I admit it now,—that on this question the Government seem to have paid heed to our wishes, and I do hope that they will listen to our voice in this matter of *compulsion* as well, and that when my Honourable friend or his successor will have occasion to reply to a similar debate in the future, he will be in a position to say that if persuasion fails Government will be prepared to use *compulsion*.....

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Mr. Sri Prakasa : You cannot go to war for the sake of a few unemployed cadets.

Mr. S. Satyamurti : The Honourable the Commerce Member said he did not use the word *compulsion*.

Sir Cowasji Jehangir : I accepted his contradiction. (At this stage, some conversation was going on between the Honourable the Commerce Member and Mr. Satyamurti.)

Sir Cowasji Jehangir : Sir, I don’t know what conversation is going on on that side of the House ; I cannot hear ; I am getting old ; my ears are not what they used to be,—at any rate I have accepted his contradiction. But I am expressing the hope,—let me repeat it for my Honourable friend, Mr. Satyamurti’s benefit,—that my friend the Honourable the Commerce Member, or his successor, when another debate takes place on this question, will be in a position to get up and say that if persuasion fails they would not hesitate to use *compulsion*.....

Mr. S. Satyamurti : It depends upon the vote of the House today.

Sir Cowasji Jehangir : I agree that the vote of the House is of great importance. I am glad that my friend is beginning to see that. Up to now I was under the impression that my friend, Mr. Satyamurti, believed that he was helpless, impotent being (Laughter) one who could use his eloquence, who could speak for hours, without the slightest effect on the opposite benches. Now I am delighted to learn that he is changing his mind. And if my Honourable friend believes that this vote of the House today, if carried, will have the desired effect, I will go into the Lobby with him, illogical as I believe his Resolution to be.

Mr. S. Satyamurti : Thank you very much.

Sir Cowasji Jehangir : The Resolution is illogical because it is not by legislation that *compulsion* can be used ; it is by other methods. Let us be clear as to what we mean. We know very well that Government cannot legislate to compel a company, especially a British company, to do anything. They can compel that company to do something by refusing to allow the company certain privileges that Government now extend. That is the only way in which they can compel them. They cannot compel by legislation. Having made that point perfectly clear, and having been assured by my Honourable friend, Mr. Satyamurti, that the passing of this Resolution is going to have this tremendous effect upon the Government, having made a convert of him to the form of constitutional government, I will go into the Lobby with him.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions : Non-Muhammadan Rural) : I really wonder that my Honourable friend, Sir Sultan Ahmad, should not have been able to appreciate the difference between an adjournment motion and a Resolution like this. There is a radical difference between an adjournment motion and a Resolution. I want to ask him one single question. Is there one single word in this Resolution to which exception can be taken by him ? What is that word, what is that part of the Resolution, to which exception is being taken by the Government ? The Resolution goes on to say :

“ That this Assembly recommends to the Governor General in Council to introduce at a very early date..... ”

[Mr. Akhil Chandra Datta.]

In the original Resolution, even the word "immediate" is not used,—a most moderate Resolution of a most moderate Member :

".....at a very early date, legislative measures in order to compel the British Navigation Company to take qualified Indian cadets."

Without going into the question of legislative measures at once, "compel the British Navigation companies"—, there is an amendment also. I am now speaking of the terms of this Resolution. Is there anything to which the Government can take objection? Some objection has been taken to the word "compel". I should think that the word "compel" does not necessarily imply any violence, any force. "Compel", as has been very well said by my Honourable friend, Sir Cowasji Jehangir, means that you can compel either by negotiation or by persuasion. Therefore, you cannot possibly take objection to this Resolution merely because the word used is "compel". But I should not like to labour that point, because objection to this Resolution has not been taken on account of this word "compel". Then, I should like to know what else there is in this Resolution to which any possible objection can be taken by the Government, or, for the matter of that, in the amendment, which says: "Take immediately legislative and other measures". So far as other measures are concerned, I do not think that any exception can be taken. So far as legislative measures are concerned, I for one fail to understand why even the eminent lawyers on the Treasury Benches—I do not use the word "eminent" in a mere conventional sense, they are really the most eminent people in the legal world of India,—I fail to understand as to why these legal giants should not be able to frame legislative measures in such a fashion as not to be unconstitutional, as not to be illogical,—why they should not be able to formulate legislative measures in order to compel or induce the British Navigation Companies to take qualified Indian cadets. Then :

".....to ensure the employment in adequate numbers....."

Is there any objection to this expression "adequate numbers"?

".....of qualified Indian cadets as officers in their ships....."

There, again, no objection can be taken. In fact, that is the case made also by the Honourable Member in charge of the Department in his speech :

".....as officers in their ships by the British shipping companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets."

Is it not, I ask, open to the Government of India to reserve a majority of the posts of officers on the Royal Indian Navy to such cadets? We are not speaking of the British Navy. So that I was trying to examine the terms of the Resolution and of the amendment to see if there is anything in them to which exception can be taken by the Government. I find that the Resolution and the amendment are absolutely consistent with the declarations of policy which the Government have been making for the last few years. It is a question which has been agitated in this House times without number, and, on every occasion, whatever the actual practice of the Government may be, so far as the profession of policy goes, there is nothing in that policy which is inconsistent with the policy formulated in this Resolution and in this amendment. There is,

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no doubt that there is some controversy as to the facts and figures, as regards the number of the employed and unemployed, and so on. Let us concede, for argument's sake, that the figures given on this side of the House are wrong and also that the figures as to the employed and unemployed given on the other side are right.

The Honourable Sir Nripendra Sircar (Law Member) : Both may be wrong. (Laughter.)

Mr. Akhil Chandra Datta : Both may be wrong, I shall accept that alternative also. But what I fail to understand is this. Whether these figures are right or those figures are right, or both the figures are wrong, so far as the principle of the policy formulated is concerned, I think those figures are absolutely immaterial. On the general policy regarding an Indian mercantile marine—is that a proposition to which Government take any exception? It appears to me that the real secret, the real explanation as to why Government are opposing this Resolution, in spite of their declared policy with regard to this matter—the real explanation is this. It has been suggested that it is mere perversity. I should like to be a little more charitable. It appears to me that the real explanation lies in the fact that there is discrepancy between their profession and their practice. It is that guilty mind which really explains this opposition to the Resolution, because all the time they feel in their heart of hearts that although they have declared this policy they have never acted up to that policy.

The Honourable Sir Nripendra Sircar : Your language is very mild, we do not like it!

Mr. Akhil Chandra Datta : People from Bengal are never known for strong language. They use strong things in other ways. (Laughter.) It is really a pity that on a most uncontroversial matter there should be this opposition. It is the mentality and the outlook of the Government that must be changed. I do not like to take up the time of the House any more. I support the Resolution.

Mr. S. Satyamurti : The dead hand of the Government of India has never been more forcibly evident than on the present occasion, when it has converted my Honourable friend, the Commerce Member, whose speech on the Wedgwood Committee's Report we all appreciated so much, into an apologist of one of the worst cases which the Government of India have had to advocate. His premise seems to be that this "Dufferin" is the last word in the training of Indian officers to a marine life, and that they have provided for nearly all of them and will provide for more of them. Therefore, the 350 millions of India, with their enormous coastal and overseas trade, ought to be satisfied with the magnificent attempt of himself and his able assistant, the Secretary of his department, in having got us eight more places in the British India Steam Navigation and, as my leader said, four for eternity from the P. and O. I trust that my Honourable friend will forgive us if we cannot take him seriously on this occasion. The real point of this motion is that it has been brought forward by a consistent friend of the Government, Sir Muhammad Yakub. It is not a Congress Resolution. It is a Resolution moved from that side and they must now say 'et tu Brute!

[Mr. S. Satyamurti.]

Then, fall Caesar !', and, instead of feeling ashamed, they try to oppose this motion by all sorts of fantastic arguments. They have changed the prospectus of the "Dufferin", and now they say in the prospectus :

"It is realised, however, that not all who join the 'Dufferin' may be able to proceed to sea, and indeed may not desire to. For this reason, and to allow for an element of competition in the Training Ship, in addition to vocational training, the Curriculum has been so designed that it combines the requirements of the sea with those of the Universities in India up to Matriculation standard and so provides a good public school education, a suitable preliminary to a University career or to employment in other walks of life and arrangements have been made by which the 'Dufferin' Passing Out Certificate has been recognised by the Government of India as equivalent to the Matriculation Examination."

This is from the sublime to the ridiculous. I will read the original prospectus as it was issued, including the aims and objects of the "Dufferin". It said :

"To obtain suitable candidates for the Indian Mercantile Marine and to train them in such a way that they may with confidence be expected to follow the sea as a career, and be fit in all respects to hold their own as good and efficient officers."

I recognise it is repeated here, but this new paragraph gives an entirely new colour to the whole thing. Lord Irwin, who took his duties seriously and tried to do what he considered his duty by this country, said in opening the "Dufferin" that he was very glad of an opportunity of addressing the boys, because they were the pioneers in an adventure which he hoped with the help of those responsible for guiding it, in their different capacities, was going to be a great contribution towards enabling the sons of India to become responsible in an increasing degree in the Merchant Service and the Mercantile Marine that served India and the world.

I ask Sir Sultan Ahmad whether he can honestly say that this ideal which the then Viceroy held out is compatible at all with this miserable statement that you are training matriculates for admission to the Universities. Is it honest, is it consistent? Even the educational experts who came out recently have said that we are having too much of general education, and that we ought to divert our boys to vocational training; and here the Government, having solemnly promised that they are going to train our boys for a sea career as officers, coolly turn round and say that this is going to be a preparatory school for matriculation. I suggest, Mr. President, that my Honourable friend should not rise in his place to defend this betrayal on the part of the Government. When I asked him, "Why did you do this?", he said he wanted to be honest. I admire him for his candour. It is an event which is rare in the history of this dishonest Government. When they are occasionally honest, they ought to blazon it forth in a document, and say: 'We propose to be honest, and, therefore, we changed the prospectus'.

Then, Mr. President he said that he would see to it that these ex-cadets are not stranded in the streets. This is poor consolation. We want them to be trained as officers, in order to build up an Indian mercantile marine. My friend may be satisfied with this snail's progress, but I am not; and I do suggest to him that, after this interval of a short official life, he will have to join me and others on this side, and he ought not to plead for this Government against his better judgment. After all, what

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does this Resolution want? It only recommends to the Governor General in-Council that they should introduce legislative measures to compel these shipping companies to take these ex-cadets as officers. My Honourable friend, in his speech, did not advance a single argument against the Resolution. Why should they not introduce legislation to compel these shipping owners? Here sit my friends, the Europeans. I saw a cartoon in the *Hindustan Times* the other day, one of those brilliant things by Shankar, in which all the Members of the European Group are sitting on one side with a privilege pass, namely, the Government of India Act and the poor Daw Member looks aghast when he tries to do something for Indian insurance. I want to warn them that they may go on depending on the statute for some time, but very soon they will find that the statute will do them no good. I warn them, and say, that they should come to the help of the Government and say: 'We will voluntarily and without compulsion take these cadets as officers'. My Honourable friend said, "Oh, there are financial commitments. How can we compel them?" He is a very able lawyer, and I ask him what are the financial commitments which we shall be compelled to incur, if we cancel the mail contract with the P. and O. and enter into a contract with somebody else? Why cannot you say that we will cancel the contracts, unless they take our people as officers? Then, Sir, my Honourable friend admitted that, of those who had successfully completed their training, 20 returned to civil life. That, Sir, is the condemnation of the Government attitude in training these boys. Why did they allow them to go back to civil life? If they had found a suitable occupation for them, they would have remained. Apart from all these arguments, I want that they should be trained in the words of Lord Irwin :

"to become responsible, in an increasing degree, in the Merchant Service, and the Mercantile Marine that served India and the world."

I want to say one word more about the origin of this ship. The origin of the ship is due to the recommendation of the Indian Mercantile Marine Committee, 1923-24. In the course of their recommendations for building this ship, the members of the Committee pointed out :

"In England, where ample facilities exist for the purpose, subsequent service at sea is arranged for either by the parents of the boys or by the authorities of the training establishment when they are about to complete their preliminary training. But we ascertained in the course of our enquiries that, with one or two exceptions, Steamship Companies in India were not willing to take Indians as apprentices. We came to the conclusion, therefore, that it would be necessary by negotiation with Steamship Companies to make specific provision for the further training of Indian apprentices to enable them to put in the qualifying sea service required under Board of Trade Regulations."

Those negotiations have not yielded the results which we expected of them. That is why we seek in this Resolution to recommend to the Government that they should introduce legislation to compel these Companies to train them. The Committee further says :

"We have, therefore, no fear that facilities will not be available for the further training of the candidates who will pass out of the training ship annually."

Then, they go further and add :

"Having provided for the education and training of young Indians for a sea life, it is necessary to consider what their prospects will be of obtaining employment. . . . We are also recommending in the scheme for Indianisation of the ownership the compulsory employment of Indians as Officers. Employment is, therefore, assured so far as the coasting trade is concerned."

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[Mr. S. Satyamurti.]

This Resolution merely seeks to translate into words today, what the Indian Mercantile Marine Committee recommended 13 or 14 years ago, viz., "We are also recommending in the scheme, for Indianization of the ownership the compulsory employment of Indians as Officers". I submit, therefore, that when we are asking the Government to take measures with a view to compel these companies to take Indians as officers, there should be no objection. After all, a Resolution is a recommendation to the Government. Why should they object to a recommendation being made to them? It will strengthen their hands. I grant that my Honourable friend is sincere in his statement that Government will take all necessary steps, but then why should they resist this recommendation? Let them accept this recommendation, and then take the necessary steps. Sir, I support the Resolution.

Several Honourable Members : The question may now be put.

Mr. President (The Honourable Sir Abdur Rahim) : I will first put the amendment. The question is :

"That for all the words beginning with the words 'introduce at an early date' and ending with the words 'officers on their ships' the following be substituted :

'take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers in their ships by the British Shipping Companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets.'"

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : I will now put the Resolution as amended. The question is that the following Resolution, as amended, be adopted :

"That this Assembly recommends to the Governor General in Council to take, immediately, legislative and other measures to ensure the employment in adequate numbers of qualified Indian cadets of the I. M. M. T. S. 'Dufferin' as officers in their ships by the British shipping companies engaged in the coastal and foreign trade of India and also to reserve a majority of the posts of officers in the Royal Indian Navy to such cadets."

The motion was adopted.

The Assembly then adjourned till Half Past Two of the Clock on Monday, the 13th September, 1937.

LEGISLATIVE ASSEMBLY.

Monday, 13th September, 1937.

SPEECH DELIVERED TO THE COUNCIL OF STATE AND THE LEGISLATIVE ASSEMBLY BY HIS EXCELLENCY THE VICEROY.

His Excellency the Viceroy having arrived in procession with the Presidents of the Council of State and the Legislative Assembly took his seat on the Dais at Eleven of the Clock.

His Excellency the Viceroy : GENTLEMEN,—It is a great pleasure to me to see you today and again to extend my greetings to you and to the distinguished Presidents of the Council of State and of the Legislative Assembly.

The year which has passed since I last addressed the combined Legislature has been marked by many developments, political and other, of great significance, and of great importance to India as a whole. Of these developments by far the most important is the great constitutional change which took place in the relation of the Centre to the Provinces and in the position of those Provinces on the 1st of April with the introduction of Provincial Autonomy.

Let me touch briefly on certain questions of immediate importance or interest to the Central Legislature.

The problem of middle class unemployment is, in present constitutional conditions, one primarily for Provincial Governments. My Government has, however, been in close contact with the various Provincial Governments with a view to following up the suggestions made by the Sapru Committee, including the obtaining of statistics of unemployment, the maintenance of employment records, the subsidising of medical practitioners in rural areas, the provision of facilities for secretarial training at the University stage, and the arrangements for recruitment to certain governmental services and posts. Any assistance which my Government can properly lend to the solution of this most important problem will most readily be given.

In the field of rural development, there have, since I last addressed you, been developments of much importance. Reports of great value have been received from Sir John Russell and Dr. Wright, and will shortly be published. The Jute Committee established last year has held two meetings; a number of schemes have already been taken up; and with the establishment by next year of a Jute Technological Institute and of a Jute Research Station at Dacca, the work will be in full progress both on the agricultural and on the technological sides. The Imperial Institute of Sugar Technology started its operations in October of last

year, and I am confident that it can be relied upon to produce results of real and immediate value. In the sphere of marketing, a Wheat Report has already been published and a Cold Storage Survey Report will be published in the very near future. I would like to take the opportunity to refer to the valuable contribution to marketing improvement made by the Central Legislature by the Agricultural Produce Grading and Marketing Act which was passed in February of this year. Steps have been taken to arrange for an enquiry into the possibilities of extending cinchona cultivation in this country with the object of meeting from our own resources the very large demands with which we are annually confronted for quinine.

The results of the appeal which I made last year for donations for the purchase of bulls have been most encouraging, and it is a source of keen personal satisfaction to me that so great an interest in this all-important question should have been manifested throughout India. Let me add with what satisfaction I have also learnt of the response to the appeal which I made at an earlier stage for co-operation in the eradication of the cruel and wasteful practice known as *Phooka*. I am glad to be able to announce that my Government, with a view to providing an added stimulus to the interest which has now been evinced in improving cattle-breeding, have contributed a sum of Rs. 25,000 towards the cost of a Cattle Show which will be held in Delhi in February next in connection with the Annual Horse Show held under the auspices of the National Horse-Breeding Society.

Since I returned to India in April of last year, I have been at pains to make myself familiar with the position in regard to archaeological research, and the preservation of ancient monuments in this country. The question is at present under review of how best to further these important objects within the inevitably limited funds available. The monuments of antiquity, eloquent witnesses to the historical and cultural achievements of this great country, constitute a heritage of incalculable value and significance which it must be our privilege to guard and to hand down to posterity. (Applause.)

I have already announced my decision to extend the period of the life of the present Legislative Assembly. This is an appropriate occasion on which to intimate that the date to which I contemplate its extension is the 1st of October, 1938.

The disturbances in Waziristan have been a source of much anxiety to my Government during the last few months, and they have resulted in heavy expenditure. I am glad to say that there are now distinct signs of a settlement, and of the acceptance by the tribes of the very moderate terms which have been imposed upon them. And it is my earnest hope that, thanks to the operations of the last few months, the foundation has been laid, of a greater measure of stability in this difficult and disturbed area.

In consultation with the Commander-in-Chief, I have been giving the closest consideration to the question of Army organisation and the re-equipment of the Army in India so as to maintain its efficiency at the highest possible pitch having regard to recent developments elsewhere in the matter of mechanisation, and the like. The expenditure involved is inevitably considerable. I have caused representations to

be made in the matter to His Majesty's Government for assistance in carrying out the reorganisation owing to the very heavy cost involved, and it is my hope that we shall receive a favourable reply. (Applause.)

The valuable recommendations made by the Wedgwood Committee are, as you are aware, under examination. I have watched with close attention the railway returns during the last year, for there is no surer barometer of the prosperity of a country. Nothing, I am glad to say, could have been more encouraging than those returns up to the present date. The revised estimates submitted to the Legislature in February for the year 1936-37 anticipated a surplus after meeting all obligations of 15 lakhs. The final figures show in fact a surplus of about 120 lakhs, and, thanks to a substantial decrease in working expenses, the year 1936-37 shows a net betterment of over five crores. I am not without hope, dangerous as it is to speculate in a matter of this nature, that that figure will be maintained, and indeed materially enhanced, during the current year, for the approximate earnings up to the end of August are some 2.75 crores better than over the same period of the previous year.

I cannot pass from this subject without a reference to the disaster which occurred at Bihta in July. We all know how heavy was the loss of life and how long the list of casualties in that disaster. I am glad to think that this shocking accident should be so wholly exceptional in character; and that during the five years ending March, 1936, the average number of persons killed in India per annum in collisions or derailments of trains should have been no more than eleven, a figure of great significance when it is remembered that during each year 525 million passengers are carried, and 125 million train miles run.

My personal concern for the improvement of conditions in the rural areas has always been close and immediate; but I would not have you think that because of that I am in any way indifferent to the claims of industry or in any way oblivious of the vital importance to the future of this country of lending all aid that properly can be lent to the development of industries. Here again the matters involved are now in a very considerable degree matters for Provincial Governments; but I have taken pains to ensure that all such action shall be taken as can appropriately be taken by the Central Government for the encouragement and the development of industries. In particular I would refer to the work of the Industrial Research Organisation. That organisation is now in its third year. It has, I am satisfied, proved its utility beyond any question, and my Government will in due course recommend to you that it should be placed on a permanent footing from the beginning of the next financial year. Another aspect of this matter which is of substantial importance, but which equally must depend to a very large extent, if not entirely, on provincial co-operation, is the question of industrial surveys. That question was considered both by the last Industries Conference and by the Industrial Research Council at their meeting in July, and it is being actively pursued. I need not stress the direct relation of investigations such as these, and of the development of industry as a whole, to the problem of middle-class unemployment. The next Industries Conference which will be held at Lahore in December will be asked to consider the question of training and assisting young men to start and conduct small industrial enterprises.

I referred in my speech last year to the position and the difficulties of Indians overseas. No one is more conscious than I am of the keen interest with which this question is watched by Indian public opinion, or of the close attention which has always been paid to it by the Indian Legislature. The past year has not been free from questions of considerable difficulty and complexity. Those questions are by no means yet in all cases finally resolved, but in any area in which they arise, the Government of India are in the closest touch with the situation. The most important of these questions, and the only one to which I propose to refer today, is that of Zanzibar. In the case of Zanzibar I will only say that in my judgment the scheme now proposed, while I am well aware that in certain respects it has fallen short of the expectations and of the demands of Indians in Zanzibar, holds out very definite possibilities and very definite advantages; and I would make an appeal to those concerned that it should be given a fair trial. It is my own belief and my earnest trust that with the co-operation of the Zanzibar Indians it should prove of definite benefit to those concerned.

When I last addressed you, India stood upon the verge of constitutional changes the profound significance of which it is not possible to overstate. I ventured then to say to you that we could hardly hope to compass the developments at that time imminent without some difficulty and some degree of anxiety. Since the inauguration of Provincial Autonomy on the 1st of April of this year, the course of political events has varied between Province and Province, a tendency which we may be sure is destined—having regard to the differing conditions obtaining in the various Provinces—to become more marked as time goes on.

To one feature of the elections, common to every Province, I feel I must refer. The smoothness with which arrangements were carried out for polling nearly 35 million people, over vast tracts of country, and in areas in which frequently communications were difficult to a degree, left nothing to be desired; and the first evidence of the solid interest of that immense electorate in the political problems confronting the new India, of its discipline and its self-restraint, was given by the orderly manner in which the process of polling was effected. Nothing could have been a greater tribute to the electorate and to those responsible for the organisation of the elections.

Speaking now within six months of the launching of this great experiment, it would plainly be premature to attempt any detailed appraisal of the working of the scheme of reform. Indeed, when it is remembered that we are witnessing changes which include the enfranchisement for the first time of very large sections of the community, we may be sure that the full political consequences of these changes will not be discernible for many years to come. Meantime it is enough to claim that together we have overcome at least the most serious of the difficulties that have so far confronted us. By the early days of August there were established in office, in every Province of India, Ministries enjoying the support of a majority of their respective Legislatures. The decision which has brought about this happy position does high credit to all concerned. One of the great turning points of our political history has been successfully negotiated, and we face now a future that in my judgment is full of promise. I have entire confidence that Ministers in every Province will find in the Public Services a body of men willing and

anxious to support their political chiefs by every proper means in their power, and zealous, under the direction of responsible Ministers, to continue to the best of their ability to serve their several Provinces. Nor do I doubt that Ministers will at all times be found ready to protect the just rights and interests of every servant of Government. There can be no stronger bond of mutual regard and understanding than that of labours shared—of constructive work done together. It is in this field of common aspirations and common endeavour that we see exemplified the first fruits of that new relationship which it is the prime purpose of the Constitution to establish and to foster.

The Provinces are now set upon their own courses, and the extent to which this Legislature and the Central Government are concerned with their affairs is very precisely conditioned by the terms of the Constitution Act. But it will not, I think, be held inappropriate that—with, I am confident, the whole-hearted support of all those who are present today—I should send to those Provincial Governments a message of cordial goodwill and of encouragement in confronting the many problems that lie before them.

I turn now to the next and final stage in the Constitutional Reforms, the introduction of the Federation of India. Since last I addressed you, my representatives have toured the States and held discussions with the Ruling Princes and their Ministers; and replies from almost every State to my letter of enquiry of last August have been received, expressing their views on the matters connected with Federation in which they are particularly interested. The work of collating and analysing these voluminous replies is nearing completion, and after decisions have been taken on the many difficult and complicated questions of policy arising therefrom, a process now far advanced, it will be possible to enter on the next phase of the programme, namely, that of placing the complete and final picture before the Ruling Princes and then formally addressing them in regard to their accession.

I am well aware that the scheme of Federation laid down in the Constitution Act gives rise in some quarters to doubts and criticism. I have done my best to make myself familiar with the nature of that criticism and I think I can say with complete truth that everyone of the grounds upon which it is levelled was before my colleagues and myself upon the Committee of Parliament at the time we made our recommendations. We saw clearly the difficulties of setting up a Federation composed of disparate units, and we were fully seized of the implications that must follow an arrangement of that kind. We were conscious as well of many other difficulties. Nevertheless, upon the best judgment of which we were capable, there were two considerations which in our view must be held to outweigh all others. The first, that the early establishment of a constitutional relationship within the federal sphere between the States and British India is of the utmost importance from the standpoint of the maintenance of the unity of India; the second, that the existence of a Central Government capable of formulating economic policies affecting the interests of the sub-Continent as a whole is of direct and immediate relevance to the economic circumstances of the India of today.

With regard to the first of these considerations, I will only say that, while on one, so far as I am aware, is disposed to question the strong

desirability of achieving a Federation of India at the earliest moment possible, the anomalies to which I have referred are the necessary and inescapable incidents, not merely of the introduction of an All-India Federation at this moment; but of its introduction at any time within the measurable future.

To the economic aspect of this question, too little attention has, in my opinion, been given. The commercial and industrial development of the sub-Continent stand now at a point where progress is in many respects definitely prejudiced by the absence of uniformity at present existing in, for example, Company Law, Banking Law, the Law of Copyright and Trademarks, and the like. Again, it is most desirable that there should be established without delay over the whole fiscal field the greatest possible degree of unity and uniformity. It goes without saying that, from the stand-point of British India as well as of the Indian States, substantial advantage is likely to result from the establishment of a system under which tariff policies which affect every part of India should no longer fall to be constructed by a Central Government in whose counsels, for historical and constitutional reasons, wide areas of India at the moment enjoy no direct representation. And I am myself confident that the achievement of Federation will presage an early and substantial modification of those disparate conditions the existence of which today, unavoidable, for the reasons I have mentioned, as it may be, tends in so many ways to hamper the growth of trade and commerce and the full development of our natural resources.

Finally, let me say that I hold it as a matter for profound satisfaction that at a time when, over wide areas of the world, political liberty is being increasingly curtailed, we should witness in India the establishment, upon foundations patiently prepared, of a new and vigorous system of parliamentary government. Differences of opinion there may be upon the merits of this or that provision of the new Constitution. Yet I cannot but think that we shall be wise, in the circumstances of the world today, to make a supreme effort to concentrate our gaze rather upon points of agreement and of common interest than upon those things in which complete accord is yet to be reached. We have many things in common that are infinitely precious to both peoples and many of those things are in grave jeopardy today. We love peace, and peace is threatened over half the world. Violence we both abhor, and the rule of force is in evidence in three continents. To democratic principles of government both countries are deeply attached, and those principles are, at this time, under question and even challenge in wide regions of the world. The regimentation of the human mind proceeds apace, freedom of opinion is systematically suppressed, and the right of the individual to live as he wills in the quiet and peaceable enjoyment of the family circle is a thing denied to half mankind. It is a common affection for these things, today in dire peril of destruction—a common determination to protect the elementary decencies of human life upon this planet—that holds together the people of the British Commonwealth of Nations in loyalty to the British Crown. I believe with every fibre of my mind that India at heart is loyal to those same ideals, and that her highest destiny lies within that brave sisterhood of States which stands today as a bulwark against forces that threaten the very soul of man. (Loud and Prolonged Applause.)

The Assembly met in the Assembly Chamber at Half-Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBERS SWORN.

Mr. John Desmond Boyle, M.L.A., (Bombay : European),
and

Mr. James Cochrane Highet, M.L.A. (Government of India : Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

PARKING OF *Ekkas* OUTSIDE RAILWAY STATIONS.

464. *Mr. Sri Prakasa : (a) Will the Honourable Member for Commerce and Railways state what, if any, are the respective rights and duties of the Police and the Railway in connection with the parking of *ekkas* and other vehicles outside railway premises?

(b) Is it a fact that *ekkawalas* have to pay the policemen on the beat one pice each time that they get a hire and that the railway contractor charges an extra pice?

(c) Are Government aware that this entails great hardship on the *ekkawalas* and the travelling public?

(d) Do Government propose either to induce the railway authorities to make parking free or communicate with the Police authorities with a view to stop the charge levied by the policemen?

The Honourable Sir Saiyid Sultan Ahmad : The Honourable Member has not indicated to what particular railway or station he alludes. If it is a general question, I have no information. But if it is with respect to any particular station, he may mention it and then we will take some action.

Mr. Sri Prakasa : Is it not a fact that the complaint I am making in this question is prevalent at all stations in the United Provinces, like Benares, Allahabad, Lucknow, etc.?

The Honourable Sir Saiyid Sultan Ahmad : I have no information.

Mr. Sri Prakasa : Will the Honourable Member kindly enquire into these complaints, because between the police and the contractor, the *ekkawalas* have a bad time and the passengers a worse one?

The Honourable Sir Saiyid Sultan Ahmad : Unless the Honourable Member would give me particular facts with respect to particular stations, it would be really a roving enquiry which the Government are not prepared to undertake.

Mr. Mohan Lal Saksena : Will the Honourable Member make enquiries relating to Lucknow station?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has already answered that a specific question should be given notice of. Next question.

RAILWAY TICKET OF MR. SRI PRAKASA CHECKED AT THE BIDDING OF THE CRIMINAL INVESTIGATION DEPARTMENT MAN AT MOGHUL SARAI.

465. ***Mr. Sri Prakasa** : (a) Will the Honourable Member for Commerce and Railways state if it is a fact that on June 20, 1937, when I travelled from Benares Cantonment to Allahabad on the East Indian Railway with an intermediate class return ticket No. 1058 by the 102 Down from Benares Cantonment and while changing into the 1 Up at Moghal Sarai, my ticket was examined at the barrier to the overbridge on the platform at which I got off and consequently not again examined at the barrier at the other end of the overbridge on the platform where the 1 Up was standing ; and that thereupon while I was proceeding towards the waiting train, a C. I. D. man in plain clothes nudged the Chief Ticket Collector and pointed me out to him and that the Chief Ticket Collector in his turn nudged his Assistant to follow me, when my ticket was re-examined ?

(b) Will Government state under what railway rule are C. I. D. officers allowed the use of railway platforms ? And what right, if any, they have to ask railway officials to pursue passengers in the manner described above ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have no knowledge of the incident, but I am prepared to accept the Honourable Member's version of it.

(b) There are no Railway rules on the subject, but the railway staff are expected to assist the Police in the execution of their duties.

Government propose to send a copy of this question and my answer thereto to the Administration concerned and also to the Provincial Government.

Mr. Mohan Lal Saksena : Are there any instructions to the railway authorities on this subject ?

The Honourable Sir Saiyid Sultan Ahmad : I have no knowledge.

Mr. Mohan Lal Saksena : Will the Honourable Member kindly lay on the table of the House a copy of the instructions, if any ?

The Honourable Sir Saiyid Sultan Ahmad : I do not think there are any instructions at all.

Mr. Sri Prakasa : Under the circumstances detailed by my Honourable friend, how is it that the C. I. D. officers get entrance into the railway stations ? Do they purchase platform tickets ?

The Honourable Sir Saiyid Sultan Ahmad : From enquiries I have been able to make so far, it appears that no platform tickets are taken by them, but they have got implied permission of the railway authorities to go to the platform.

Mr. Sri Prakasa : Do Government realise how railways are getting unpopular because, though a commercial department, they allow political considerations to enter into their administration in their helping the C. I. D. to harass passengers on railway premises ?

The Honourable Sir Saiyid Sultan Ahmad : That is the reason why I said that I propose to send a copy of this question and my answer thereto to the Administration and to the Provincial Government to take necessary action with respect to these C. I. D. officers.

Mr. Mohan Lal Saksena : If the C. I. D. Inspector asked the ticket collector to take the number of the Honourable the Finance Member while travelling by train by that route, will the ticket collector do it ?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise.

Mr. S. Satyamurti : What is the nature of the duties of the Police which they discharge on or about the railway premises, which the railway officials are expected to assist them in doing ?

The Honourable Sir Saiyid Sultan Ahmad : All the duties which they can perform under any rules or provision of the law.

Mr. S. Satyamurti : May I know whether those duties include shadowing an Honourable Member of this House ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer that question. I have answered whatever question was originally put.

Mr. S. Satyamurti : If the Honourable Member will look into part (a) of question No. 465, he will find that it refers to an Honourable Member of this House who was being shadowed. My Honourable friend said in answer to parts (a) and (b) that railway officials have instructions to assist the Police in their duties. I am asking with reference to those duties in the discharge of which railway officials are expected to assist the Police whether shadowing an Honourable Member of this House is included and if so, why.

The Honourable Sir Saiyid Sultan Ahmad : I do not find the word "shadowing" anywhere in the question. If it is assumed that the Police were shadowing the Honourable Member, then of course an enquiry may be made, but there is no question of shadowing at all.

Mr. S. Satyamurti : Will the Honourable Member please read this question again carefully ? It says :

"and that thereupon while I was proceeding towards the waiting train, a C. I. D. man in plain clothes nudged the Chief Ticket Collector and pointed me out to him and that the Chief Ticket Collector in his turn nudged his Assistant to follow me, when my ticket was re-examined."

If this is not shadowing, what else is it ?

The Honourable Sir Saiyid Sultan Ahmad : I am sending a copy of this question to the Provincial Government for any enquiry that they may consider necessary.

Beth Govind Das : It is worse than shadowing ?

NEGOTIATIONS FOR TRADE RELATIONS WITH CEYLON.

466. ***Mr. S. Satyamurti** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether any correspondence or negotiations are going on between the Government of India and the Government of Ceylon over the trade relations between the two countries ;
- (b) when the actual negotiations for this purpose are proposed to be started ; and
- (c) whether in conducting the negotiations the Government will bear carefully in mind the position of Indians especially of Indian labourers in Ceylon ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Honourable Member's attention is invited to the reply given to parts (b) and (c) of Mr. Avinashilingam Chettiar's question No. 50 on the 2nd September, 1936.

(b) It is difficult to say when the actual negotiations for this purpose will be started.

(c) Yes.

Mr. S. Satyamurti : May I know what is the nature of trade relations today between India and Ceylon ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer this question.

Mr. S. Satyamurti : Is there any preference being given between India and Ceylon with regard to trade relation ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer that.

Mr. S. Satyamurti : With reference to part (b), may I know the reasons for the delay in starting the actual trade negotiations between India and Ceylon ?

The Honourable Sir Saiyid Sultan Ahmad : Negotiations will be started immediately after the Indo-British trade negotiations are completed.

Mr. S. Satyamurti : With reference to part (c), may I know whether Government have come to any conclusion that, when they actually conduct trade negotiations, they will bear this in mind, that is to say, the political and other position of Indians and Indian labourers particularly in Ceylon ?

The Honourable Sir Saiyid Sultan Ahmad : Government have not come to any definite decision about it, but as I have already said, they will bear very carefully in mind the position of Indians in Ceylon.

Mr. T. S. Avinashilingam Chettiar : May I know whether at present the trade relations between India and Ceylon are governed by the Ottawa Agreement ?

The Honourable Sir Saiyid Sultan Ahmad : I have no knowledge of all these matters. If the Honourable Member will give me notice of this question, I shall get an answer. Perhaps the trade relations are governed by the Ottawa Agreement, but I do not know for certain.

APPOINTMENT OF INDIA'S REPRESENTATIVES TO THE LEAGUE OF NATIONS.

467. ***Mr. S. Satyamurti** : Will the Honourable the Leader of the House be pleased to state :

- (a) who appoints the representatives on behalf of India to the League of Nations ;
- (b) the considerations on which such appointments are made ;
- (c) whether the appointments are made by His Majesty's Government on their own responsibility, or whether they are made on the recommendations of the Government of India ; if the latter, whether these recommendations are always accepted ;
- (d) how the representatives to the next session of the League of Nations were appointed and if so what their qualifications are to represent Indian opinion and sentiment on the questions coming before the League of Nations ; and
- (e) whether Government propose to consult the Indian Legislature in the matter of selecting these representatives and if not why not ?

The Honourable Sir Nripendra Sircar : (a) The Secretary of State acting in consultation with the Government of India.

(b) Considerations of general suitability, an essential factor being the willingness of the representative to act in accordance with the instructions issued by the Secretary of State acting in consultation with the Government of India.

(c) I have already stated that the appointments are made by the Secretary of State acting in consultation with the Government of India. The process of consultation has ended in agreement.

(d) In the usual manner. Their records will be found in any standard work of reference.

(e) No. The matter is one in which in India as in any other country the Executive Government must reserve unfettered discretion to themselves.

Mr. S. Satyamurti : With reference to the answer to clause (b), may I know whether apart from the consideration set out by the Honourable Member, namely, their willingness to abide by the instructions of the Secretary of State and their suitability, any consideration is paid to their representative character, that is to say, the capacity of these gentlemen to represent the public opinion of India ?

The Honourable Sir Nripendra Sircar : Government exercise their discretion to the best of their judgment, having regard to that point of view pressed by my Honourable friend.

Mr. S. Satyamurti : With reference to the answer to clause (c), does the last sentence of my Honourable friend's answer mean that so far the recommendations of the Government of India have been accepted by the Secretary of State ?

The Honourable Sir Nripendra Sircar : I said the process ended in agreement, which means that there might have been *interim* differences but in the end both parties agreed.

Mr. S. Satyamurti : With reference to the answer to clause (d), may I know whether the representatives to the next session of the League of Nations have been given instructions with regard to Abyssinia and the proposed exclusion of Abyssinia from the League of Nations ?

The Honourable Sir Nripendra Sircar : As to the exact matter in which they have been instructed, I have not got it before me and I shall require notice about this.

Mr. S. Satyamurti : I have asked a question as to the qualifications of these representatives to represent Indian opinion and sentiment on the questions coming before the League of Nations, and the next session is intended to pronounce on the question of the exclusion of Abyssinia from the League of Nations.

The Honourable Sir Nripendra Sircar : I have told my Honourable friend, from what little I know, that Abyssinia is not on the agenda.

Mr. S. Satyamurti : With regard to the Sino-Japanese conflict and the appeal of China to the League of Nations to bring the Covenant into force against Japan, may I know whether Government have given any instructions to these representatives on this Sino-Japanese conflict ?

The Honourable Sir Nripendra Sircar : That will not be before the Assembly where the Indian delegates are going but before the Council.

Seth Govind Das : Is it a fact that a regular list of favourites is being maintained in this respect and one after the other is recommended and accepted by the Secretary of State ?

The Honourable Sir Nripendra Sircar : The insinuation is wholly unjustified.

Mr. S. Satyamurti : With reference to the answer to clause (e), may I know, in view of the fact that the Government of India in this country are not responsible and in view of the fact that even in countries like England Government does consult the House of Commons on questions before the League of Nations, the reason why this Government refuse to consult this House on these questions ?

The Honourable Sir Nripendra Sircar : My information is that in England the House of Commons is not consulted in the matter of the selection of representatives.

Mr. S. Satyamurti : With regard to questions coming up before the League of Nations, I am asking for the reasons why Government will not consult this House.

The Honourable Sir Nripendra Sircar : I have a question on that which I want to answer on Thursday and my Honourable friend may wait till then.

Mr. T. S. Avinashilingam Chettiar : Has any occasion arisen when any of these representatives has differed from the opinion of Government ?

The Honourable Sir Nripendra Sircar : This question could not have arisen if my Honourable friend had followed the answer which I gave, namely, that one of the conditions was willingness of the representative to act in accordance with the instructions issued by the Secretary of State acting in consultation with the Government of India.

Mr. Mohan Lal Saksena : May I know if in the matter of vote and speech the representatives of India are bound by the wishes of the leader of the British delegation ?

The Honourable Sir Nripendra Sircar : They are not.

Mr. S. Satyamurti : In giving these instructions, which ultimately these delegates are bound to obey, may I know if the Secretary of State usually accepts the advice of the Government of India or the Government of India usually accept the directions of the Secretary of State ?

The Honourable Sir Nripendra Sircar : When my Honourable friend says, "usually", that involves my looking into the records of the last 12 years and find out who started disagreement and who agreed, and so on. I cannot answer that question now.

Mr. S. Satyamurti : What is the convention with regard to this matter ? Does the Secretary of State normally accept the instructions of the Government of India, or the Government of India merely carry out the orders of the Secretary of State ?

The Honourable Sir Nripendra Sircar : There is no definite convention, but to the extent that there is a convention, it is that the Government of India are asked to make suggestions and we make suggestions, and that is how the thing starts.

Mr. S. Satyamurti : During all these years of the existence of the League of Nations, has the Indian delegation on a single occasion differed from the British delegation ?

The Honourable Sir Nripendra Sircar : On very many occasions, yes.

Mr. S. Satyamurti : On any international questions ?

The Honourable Sir Nripendra Sircar : Will my Honourable friend just indicate what questions he has in mind ?

Mr. S. Satyamurti : Questions of war and peace, the Abyssinian war, and other questions involving foreign policy.

The Honourable Sir Nripendra Sircar : The trouble is that they do not come up before the Assembly but before the Council of the League of Nations. If my Honourable friend will mention any particular case I can answer that question.

Mr. S. Satyamurti : Apart from labour questions on hours of work, are there any questions of first-class importance of foreign policy in the Assembly of the League of Nations, on which, even on a single occasion, the Indian delegation differed from the British delegation ?

The Honourable Sir Nripendra Sircar : I do not know that any such situation has arisen, or could arise. They are dealt with by the Council.

PROTECTION TO TRADE MARK USERS IN INDIA.

468. *Mr. S. Satyamurti : Will the Honourable Member for Commerce and Railways please state :

- (a) whether his attention has been drawn to the leading article entitled "Registered trade marks" in the *Statesman* of the 22nd July, 1937 pointing out that the trade mark users have little protection in India and that little only through costly litigation ;
- (b) whether Government propose to give the same protection to traders here as is given to them in England under the Trade Marks Act ; and
- (c) if so, when, and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) and (c). Government have at present under consideration the question of undertaking legislation for the statutory registration of trade marks in India. A memorandum on the subject was recently circulated for opinion to the Provincial Governments and through them to the commercial bodies in India. Copies of this memorandum have been placed in the Library.

Mr. S. Satyamurti : When do Government hope to be able to introduce a Bill in this House ?

The Honourable Sir Saiyid Sultan Ahmad : After the opinions of the commercial bodies and Provincial Governments are received they will be considered and legislation undertaken in due course.

Mr. S. Satyamurti : Will it be in the next Delhi Session of the Assembly ?

The Honourable Sir Saiyid Sultan Ahmad : It is very difficult to say.

JUTE IMPORTS FROM INDIA.

469. *Mr. S. Satyamurti : Will the Honourable Member for Commerce and Railways please state :

- (a) whether Government are aware that a deputation representing the Dundee Corporation, the Jute Manufacturers' Association and the Jute and Flax Workers Union recently met the Scottish members of the House of Commons and urged the need for taking steps to limit jute imports from India ;
- (b) whether it is a fact that the Calcutta mills had abandoned restriction of working hours ; and
- (c) whether Government propose to take any action in the matter ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have seen press reports of such a deputation.

(b) Yes, Sir.

(c) The question of imports of jute manufactures from India into the United Kingdom is receiving consideration in the present Indo-British Trade Negotiations.

Mr. S. Satyamurti : Has the attention of Government been drawn to a telegram published in the *Hindustan Times* yesterday, in which it was stated *inter alia* that these jute manufacturers have given an ultimatum to the Indian delegation that they should voluntarily put a restriction on the quantity of the exports of jute manufactures from India into England ?

The Honourable Sir Saiyid Sultan Ahmad : I have not seen it.

Mr. S. Satyamurti : May I know if Government have heard otherwise from their advisers, or from anybody representing them in London just now, the latest with regard to the demand of the Dundee jute manufacturers ?

The Honourable Sir Saiyid Sultan Ahmad : No, Sir.

Mr. S. Satyamurti : May I know whether Government have given any instructions to their non-official advisers, with regard to the stand they are to take on this matter ?

The Honourable Sir Saiyid Sultan Ahmad : I shall want notice.

Mr. S. Satyamurti : May I know whether the reason for the delay or the deadlock (to use a stronger word) is due to the demand of the jute interests in England for a voluntary embargo on jute exports from this country ?

The Honourable Sir Saiyid Sultan Ahmad : I do not admit that there is any deadlock at all.

Mr. S. Satyamurti : What is the delay due to ?

The Honourable Sir Saiyid Sultan Ahmad : Because there was holiday in England. (Laughter.)

Mr. S. Satyamurti : Has my Honourable friend heard that, in spite of the holiday, tempers have not improved and, that today Indian advisers or some of them are thinking of leaving England, because of the inordinate delay in these negotiations ?

The Honourable Sir Saiyid Sultan Ahmad : My Honourable friend is at an advantage ; perhaps he has got letters from them, I have not.

Mr. S. Satyamurti : I do not get letters : I only read newspapers and I read *Hindustan Times*. I am asking my Honourable friend whether he has done the same thing, whether he has read the newspapers, or heard anything in support or refutation of that statement.

The Honourable Sir Saiyid Sultan Ahmad : The question does not arise. I hear many things from my Honourable friend every day, but I do not always take him very seriously. (Laughter.)

Mr. Bhulabhai J. Desai : Have Government been apprised of the attitude either of the textile interests in England or of the jute interests in Scotland with reference to the negotiations which are going on ?

The Honourable Sir Saiyid Sultan Ahmad : Negotiations are going on, and naturally proposals will be made by one party and counter proposals will be put forward by the other. There is no question of any ultimatum or anything like that. There is no deadlock in the negotiations.

Mr. Bhulabhai J. Desai : Have the Government been apprised of the suggestions made, if you do not like the word demand, in the course of the negotiations by these two interests ?

The Honourable Sir Saiyid Sultan Ahmad : Government have some information as to what is going on there. More than that I cannot say.

Mr. S. Satyamurti : I wish to know what information Government have, with reference to the proposal of either of these or both these vested interests ?

The Honourable Sir Saiyid Sultan Ahmad : This question does not arise from either the question or my reply.

Mr. S. Satyamurti : My friend may not take me very seriously, but I take myself very seriously, and I will go on putting questions so long as I am here. I want to know whether Government are aware of any hitch in the negotiations.

The Honourable Sir Saiyid Sultan Ahmad : No hitch at all.

Mr. S. Satyamurti : I take your word as correct. I will hold you to it, later.

Mr. President (The Honourable Sir Abdur Rahim) : This question (No. 470) has been asked and answered the other day.

Mr. S. Satyamurti : Shall I put the question or not ? I certainly know the question has been the subject of discussion the other day. There is no question about that. But Government must have considered the note of the House.

INADEQUATE EMPLOYMENT OF "DUFFERIN" CADETS.

470. ***Mr. S. Satyamurti :** Will the Honourable the Commerce Member be pleased to state :

- whether his attention has been drawn to a leading article in the *Amrita Bazar Patrika* dated 28th June, 1937 under the heading "The Dufferin Cadets", with regard to the inadequate employment ;
- whether the Government of India recently issued a *communiqué* in connection with the employment of *ex-cadets* of "Dufferin" ;
- whether in the course of their *communiqué* Government have stated that they have never been in a position to guarantee that all the qualified "Dufferin" *ex-cadets* would obtain employment as ships officers ;
- whether the Government of India have tried to compel the British shipping companies, like the P. & O. and the B. I. S. N. Companies, which receive a large patronage in the shape of subsidies, to employ the *ex-cadets* in their ships ;
- what are the names of the shipping companies which have taken the *ex-cadets* as officers, and the number employed by each ; and

- whether the P. & O. Company have appointed a single *ex-cadet* as an officer, and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmed : (a) Government have seen the article referred to.

- and (c). Yes.

(d) I would refer the Honourable Member to my speech in this House on the 10th September, 1937, wherein the whole position has been explained fully.

- I lay on the table a statement giving the desired information.

(f) The P. and O. S. N. Company have not so far employed any *ex-cadet* as an officer, but have recently agreed to take four such cadets as officers.

Statement showing the names of Shipping Companies, which have employed ex-cadets, as officers, and the number employed by each up to the end of August, 1937.

Names of Shipping Companies.	Number of <i>ex-cadets</i> employed by each.	
1. The Asiatic Steam Navigation Company	..	5
2. The British India Steam Navigation Company	..	16
3. The Mogul Line	..	2
4. The Bombay Steam Navigation Company	..	1
5. Messrs. Cowasjee Dinshaw & Bros.	..	1
6. The Eastern Steam Navigation Company	..	1
7. The Scindia Steam Navigation Company	..	40
Total	..	66*

In addition to the above one *ex-cadet* is an officer on the S.S. "Silksworth"—Owner not known.

*Owing to the nature of employment of these officers statistics differ from day to day and Government cannot guarantee that all of them were actually in employ at any particular moment.

Mr. S. Satyamurti : With reference to answer to clause (d) of the question, have Government considered the whole position, in view of the vote of the House ?

The Honourable Sir Saiyid Ahmad : No.

Mr. S. Satyamurti : With reference to answer to (f), may I know when Government hope the P. and O. to employ the four officers, whom they have promised to employ ?

The Honourable Sir Saiyid Sultan Ahmad : At once.

†471*.

Mr. Sri Prakasa : I do not propose to ask the question as the Honourable Member is examining the trouble I am complaining of, having been a victim of it himself.

†This question was not put by the questioner.

SEATING CAPACITY IN SECOND CLASS COMPARTMENTS OF THE EAST INDIAN AND NORTH WESTERN RAILWAYS IN PUNJAB MAIL.

472. *Mr. Sri Prakasa : (a) Will the Honourable Member for Commerce and Railways state whether it is a fact that the Punjab Mail between Howrah and Lahore on the East Indian and North Western Railways consists of compartments of various classes of either railway ?

(b) Is it a fact that while second class compartments of the North Western Railway are marked to seat nine passengers, the neighbouring compartments of the East Indian Railway giving an equal amount of space, are marked to carry twelve passengers ?

(c) Do Government propose to take steps to obviate this anomaly and make a uniform rule on the subject ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Government have no information regarding details of the coaching stock running on Punjab Mail between Howrah and Lahore. The information, however, is being called for.

(c) If the facts are as stated by the Honourable Member in parts (a) and (b) of his question, the Honourable Member's suggestion will receive consideration.

Mr. Sri Prakasa : May I know if when this suggestion is considered, the number of passengers fixed for the E. I. R. compartments will be reduced from 12 to 9, and not the number of passengers for the N. W. R. compartments increased from 9 to 12 ?

The Honourable Sir Saiyid Sultan Ahmad : It will receive due consideration.

REDUCTION IN THE SPEED OF CERTAIN TRAINS.

473. *Mr. Sri Prakasa : (a) Will the Honourable Member for Commerce and Railways state whether there is any method by which the railway authorities compute the capacity of particular engines and railway tracks to carry trains in safety at a particular maximum speed ?

(b) Is it a fact that the prescribed speed is exceeded by drivers ?

(c) Is it a fact that very often Mail and Express trains now arrive at stations before time ?

(d) What was the speed at which the train was travelling when the recent accident at Bihta on the East Indian Railway took place ?

(e) What is the maximum speed at which that particular train can in any circumstance be run ?

(f) Are Government considering the possibility of the accident having taken place owing to the speed being more than the engine or track could bear ?

(g) Do Government propose to get some competent engineers to scrutinize the speed limits and decrease the speed of various trains to ensure safety of passengers ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Government have no reason to believe the fact that the prescribed speed is exceeded by drivers.

(c) Mail and Express trains may at times arrive at stations before the booked time of arrival in cases where the booked timings are not the limit of the prescribed speed for the engine.

(d), (e) and (f). The Honourable Member is referred to the answer given to question No. 367 on the 8th September, 1937, regarding the institution of a judicial enquiry into this accident. The subject matter of these parts of the question will come within the scope of the judicial enquiry which is to be held.

(g) The speed limits of the trains are fixed by Railway Administrations having regard to safe running under the conditions of working.

Qazi Muhammad Ahmad Kazmi : About (e), what is the maximum speed ?

The Honourable Sir Saiyid Sultan Ahmad : I do not know.

REVISED SCALES OF PAY GIVEN TO CERTAIN *ex*-APPRENTICE MECHANICS OF THE EAST INDIAN RAILWAY TECHNICAL SCHOOL, JAMALPUR.

474. *Mr. Amarendra Nath Chattopadhyaya : (a) Will the Honourable Member for Railways please state whether Government are aware that according to clause (iii) of East Indian Railway Agent's circular No. A.E.-2581/1, dated the 4th September, 1934, the persons who entered in the service as the result of competitive examination or of a Selection Board or Committee held before 16th July, 1931, provided that they were not specially warned before or at the time of the examination that the rates of pay of the services or posts for which they were candidates were under revision, are eligible for old scale of pay ?

(b) Are Government aware that all the apprentice mechanics of the East Indian Railway Technical School, Jamalpur, are recruited through competitive examination ?

(c) Are Government aware that some of the *ex*-apprentice mechanics of the East Indian Railway Technical School, Jamalpur, who have been re-appointed before 1st April, 1936, under the revised scale of 1934 entered service through competitive examination held before 16th July, 1931 ?

(d) Are Government aware that it has been stated in reply to starred question No. 297 (b) of 10th September, 1929, that apprentice mechanics of the East Indian Railway Technical School, Jamalpur, are not recruited in excess of the anticipated vacancies ?

(e) Are Government aware that the retrenched staff who were re-appointed before 1st April 1936, have been given the benefits of old scale of pay ?

(f) If the answers to parts (a) to (e) above be in the affirmative, will Government please state why those *ex*-apprentice mechanics of the East Indian Railway Technical School, Jamalpur, who entered in services through competitive examination on re-appointment before 1st April, 1936, have not been given the benefits of old scales of pay in strict conformity to clause (iii) of the East Indian Railway Agent's circular No. A.E.-2581/1 of the 4th September, 1934, and why the privileges imparted to the retrenched staff have not also been extended to them ?

(g) Are Government prepared to consider the point at issue sympathetically and to extend the same privileges to those *ex*-apprentice mechanics (who are few in number) who entered service before 16th July, 1931, and have been re-appointed before 1st April, 1936, the same privileges of old scales of pay as given to the retrenched staff? If not, will Government please state the reasons therefor?

(h) Will Government please state the number of *ex*-apprentice mechanics of the East Indian Railway Technical School, Jamalpur, who were re-appointed before 1st April, 1936, in the revised scales of pay (1934) in the same Railway with their names and particulars of services? If not, why not?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Yes.

(c) and (f). Apprentices who were engaged on or before the 15th of July, 1931, are entitled to the old scales of pay if appointed to service on completion of apprenticeship without a break. If, however, there be a break, they on being appointed or re-appointed after 15th July, 1931, are eligible for the revised scales of pay.

(d) The question referred to by the Honourable Member refers to Lillooah Workshops of the East Indian Railway and not to the East Indian Railway Technical School, Jamalpur and the reply stated that care was being taken not to engage apprentices much in excess of anticipated requirements.

(e) and (g). I would refer the Honourable Member to the information laid on the table of the House on the 25th January, 1937, in connection with parts (d) and (k), respectively, of starred question No. 254, asked by him in this House on the 9th September, 1936.

(h) Government have no information and they do not consider that any useful purpose will be served by obtaining it.

Mr. Lalchand Navalrai : With regard to clause (e), is it a fact that some railway staff were re-appointed on old scales and not on the new scales?

The Honourable Sir Saiyid Sultan Ahmad : I would refer the Honourable Member to the information already laid on the table.

Mr. Lalchand Navalrai : May I know from the Honourable Member if there is a difference between the staff re-appointed and the mechanical apprentices re-appointed?

The Honourable Sir Saiyid Sultan Ahmad : That is exactly the information that I have laid on the table.

RAILWAY FREIGHTS ON TOBACCO FROM GUNTUR TO CALCUTTA AND BOMBAY.

475. ***Mr. Mathuradas Vissanji :** (a) Will the Honourable Member for Commerce and Railways please state whether Government's attention has been drawn to the disparity in railway freights on tobacco from Guntur to Calcutta and from Guntur to Bombay?

(b) Is it a fact that the freight from Guntur to Bombay per bale of three maunds is Rs. 8, while freight from Guntur to Calcutta for the same weight is Rs. 1-15-0?

(c) What is the difference in mileage from Guntur to Andheri and Guntur to Calcutta?

(d) Have Government received complaints about the disadvantage in business competition arising from such a heavy disparity in the two rates?

(e) What action do Government propose to take to remove this disparity?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have received a complaint on the disparity in Railway freights on tobacco from Guntur to Calcutta and from Guntur to Bombay.

(b) No. The freight per bale of three maunds from Guntur to Bombay is Rs. 7-6-0, and from Guntur to Calcutta is Rs. 4-10-0.

(c) The difference in mileage from Guntur to Andheri and Guntur to Calcutta is 72 miles, the distance from Guntur to Andheri being 854 miles and from Guntur to Calcutta 782 miles.

(d) Yes.

(e) The rates to Bombay and Calcutta are both special rates, quoted to meet special conditions of traffic in each case. The quotation of such special rates is a question primarily for consideration by Railway Administrations and reference is being made to Railways to consider what action, if any, may be taken in this matter.

Seth Govind Das : Why do you not have a uniform system of rating on the State-managed Railways for the same distance and for the same commodity?

The Honourable Sir Saiyid Sultan Ahmad : I pointed out that rates are quoted to suit special conditions of traffic in each case.

Seth Govind Das : There is no uniform system of rating even on the State-managed Railways for the same distance and for the same commodity. Why do not Government have the same system of rating on all State-managed Railways for the same distance and for the same commodities?

The Honourable Sir Saiyid Sultan Ahmad : It is not only distance that counts. For instance, from Delhi to Kalka the rate will be different from the rate in plains, because the climb is great.

Seth Govind Das : That is a special case, but in the plains themselves there are different rates on the different State-managed Railways.

The Honourable Sir Saiyid Sultan Ahmad : If the question is put in a general form, there will be difficulty, but we are pointing out to the Railway Administrations to see if they can do anything in the matter.

Qazi Muhammad Ahmad Kazmi : What was the disparity originally due to? What were the considerations on account of which the disparity came into existence?

The Honourable Sir Saiyid Sultan Ahmad : If you will put down a question, I will be able to give you that information.

PROPOSAL TO CLOSE THE ROHTAK-GOHANA-PANIPAT BRANCH RAILWAY.

476. ***Sardar Mangal Singh** (on behalf of Mr. Sham Lal : (a) Will the Honourable Member for Commerce and Railways be pleased to state if there is any proposal to close the Rohtak-Gohana-Panipat Branch Railway?

(b) Is it not a fact that of late the goods traffic on this line is increasing and there has been an appreciable increase in the income of the Railway?

(c) Are Government aware that practically at all the railway stations of this Branch, *mandis* have been established and people have spent lakhs of rupees on the buildings of these *mandis*?

(d) Are Government aware that the news of closing this Branch line has alarmed the people of Rohtak and Karnal Districts and further development of *mandis* has been stopped?

(e) Are Government aware that if this line is closed, it would throw thousands of people out of employment and would involve heavy loss to the grain merchants of the two districts?

(f) If there is no proposal to close the above line, are Government prepared to see the advisability of issuing a statement in order to allay the fears of the people of the two districts and encourage the development of *mandis* in that area?

The Honourable Sir Saiyid Sultan Ahmad : (a)–(f). The gross earnings of the Rohtak-Gohana-Panipat line are insufficient to cover the working expenses and unless the recent revival in trade is maintained, it may be necessary to consider the closing of the line to avoid further loss. The matter is still under investigation and the views of the Provincial Government have been asked for and no decision will be taken until the results of working the line during the current financial year are known.

INVESTIGATION INTO THE MINOR INDUSTRIES.

477. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable Member for Commerce and Railways state :

(a) whether an officer of the Commerce Department has been appointed to investigate into the minor industries ;

(b) the object of this investigation ; and

(c) when his report is expected to be ready ?

The Honourable Sir Saiyid Sultan Ahmad : (a) An officer has been placed on special duty in the Commerce Department to investigate the case of such minor industries as claim to be suffering from Japanese competition.

(b) The Honourable Member is referred to the Commerce Department's Press Communique, dated the 1st June, 1937, on the subject, copies of which are in the Library.

(c) The officer will not produce a comprehensive report, but a separate departmental inquiry is being conducted into the circumstances of each minor industry that puts in a claim.

Mr. T. S. Avinashilingam Chettiar : May I know what action they propose to take over this report?

The Honourable Sir Saiyid Sultan Ahmad : There is no question of a report. As I said, departmental inquiry is being made with respect to each individual case, and when it is finished, we will then decide what action should be taken.

Mr. T. S. Avinashilingam Chettiar : May I know, in case they find that certain minor industries have suffered.....

The Honourable Sir Saiyid Sultan Ahmad : That is a hypothetical question.

Mr. T. S. Avisashilingam Chettiar : May I know if this inquiry is confined to Japanese competition and none other?

The Honourable Sir Saiyid Sultan Ahmad : Because that is the only competition that is affecting the minor industries seriously.

Mr. T. S. Avinashilingam Chettiar : May I know what are the particular industries which are being investigated?

The Honourable Sir Saiyid Sultan Ahmad : There is quite a large number : I think it is mentioned in the press communique : I am not sure : but I can get a list if the Honourable Member so desires.

Mr. T. S. Avinashilingam Chettiar : What is the reason for appointing a special officer to go into the case of the minor industries affected by the Japanese Trade Agreement? Did Government get any complaints?

The Honourable Sir Saiyid Sultan Ahmad : Yes : that is the reason why Government had to take action.

Mr. T. S. Avinashilingam Chettiar : May I know whether similar complaints have been received about the Ottawa Agreement?

The Honourable Sir Saiyid Sultan Ahmad : No.

Mr. S. Satyamurti : Will the results of this inquiry be made available to Provincial Governments, for such action as they may be called upon to take, with regard to these minor industries in their provinces?

The Honourable Sir Saiyid Sultan Ahmad : Certainly.

Mr. M. Ananthasayanam Ayyangar : May we know if the handloom industry is one of these industries?

The Honourable Sir Saiyid Sultan Ahmad : I do not remember.

†478*.

NEGOTIATIONS FOR TRADE AGREEMENTS WITH FOREIGN COUNTRIES.

479. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable Member for Commerce and Railways state :

(a) whether Government are negotiating trade agreements with any country other than Britain ; and

(b) if so, with which countries ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Yes, Sir. Government are in correspondence with the Government of the Union of South Africa for the conclusion of a temporary *modus vivendi* providing for most-favoured-foreign-nation treatment for goods of either country in the other pending conclusion of a formal trade agreement in due course. Negotiations are being conducted by His Majesty's Government in the United Kingdom on behalf of India on the question of an agreement between India and the Netherland Indies regarding import quotas. Negotiations are also being conducted with Siam for a commercial agreement.

†This question was not put by the questioner.

Mr. T. S. Avinashilingam Chettiar : May I know whether the interests of the Indians in South Africa will be the prime consideration in the negotiations ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot definitely say so, but I presume it will be.

Mr. T. S. Avinashilingam Chettiar : When do Government expect to come to some conclusion in the matter of the agreement with South Africa ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot give any definite answer to that.

Mr. S. Satyamurti : Are these negotiations confined merely to trade between the two countries, or do they include within their scope the status of Indians in South Africa ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot definitely answer that question, but I can find out if notice is given.

Mr. S. Satyamurti : Will Government consider, in view of the very hard situation in which the Indians are denied franchise in the Union, whether they should come to any agreement to trade, until and unless the question of the political status of Indians in South Africa is satisfactorily settled ?

The Honourable Sir Saiyid Sultan Ahmad : I regret that it is a very big matter, and I cannot give definitely any assurance or undertaking.

Mr. T. S. Avinashilingam Chettiar : Are these trade agreements being negotiated directly by the Government of India or by His Majesty's Government ?

The Honourable Sir Saiyid Sultan Ahmad : By the Government of India, so far as South Africa is concerned.

Mr. T. S. Avinashilingam Chettiar : For Siam, Sir ?

The Honourable Sir Saiyid Sultan Ahmad : I think directly by the Government of India. The only case where the negotiations are being conducted by His Majesty's Government is in respect of the Netherlands Indies.

Mr. S. Satyamurti : Why is it done by His Majesty's Government, and not by the Government of India directly ?

The Honourable Sir Saiyid Sultan Ahmad : Because it is a matter of very little importance : it is really a distribution of quotas only.

Mr. T. S. Avinashilingam Chettiar : May I know whether it is only small matters that are negotiated through His Majesty's Government and big matters are dealt with directly by the Government of India ?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise. I have only said in the particular case of the Netherlands Indies.

Mr. K. Santhanam : Why are not these negotiations with the Netherlands Indies conducted through the High Commissioner for India ?

The Honourable Sir Saiyid Sultan Ahmad : Because I understand we have no representative in the Netherlands.

Mr. K. Santhanam : Cannot the High Commissioner proceed to the Netherlands ?

Mr. President (The Honourable Sir Abdur Rahim) : That is arguing.

DEBARRING INDIA FROM EXPORTING SUGAR EXCEPT TO BURMA.

480. ***Mr. C. N. Muthuranga Mudaliar :** (a) Will the Honourable Member for Commerce and Railways please state if it is a fact that an agreement was arrived at at the International Sugar Conference to the effect that India should prohibit sea-borne exports of sugar except to Burma ?

(b) Was this agreement arrived at with the approval and consent of the Government of India ?

(c) Who represented India at that Conference ? Was any non-official representative of India present at that Conference ?

(d) Are Government aware that with the increased production of sugar in India, she would require markets across the seas ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (c). I would refer the Honourable Member to the reply given by me on the 23rd August, 1937, to Mr. Satyamurti's question No. 12 on the same subject.

(d) No.

Mr. C. N. Muthuranga Mudaliar : If I remember aright, I remember to have seen the report of the 23rd August, wherein it was said that the question was not put and so I am requesting the Honourable Member to repeat the answer.

The Honourable Sir Saiyid Sultan Ahmad : I lay the answer on the table.....

Mr. President (The Honourable Sir Abdur Rahim) : That is quite enough.

“ 12. ***Mr. S. Satyamurti :** Will the Honourable the Commerce Member be pleased to state :

(a) who was the representative of the Government of India at the recent World Sugar Conference, held in London, and what the terms of his appointment were ;

- (b) whether any non-official opinion, commercial, industrial or agricultural, was taken in connection with the agenda before the World Sugar Conference, and if not, why not ;
- (c) whether the representative of the Government of India was a party to the recommendation, that there should be no export of sugar from India by sea, except to Burma, and if so, on what grounds ; and
- (d) whether the recommendation is subject to the vote of the Assembly, and if so, when the subject will be placed before the Assembly ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Owing to the absence of the High Commissioner in America, the Indian Trade Commissioner, Sir David Meek, was appointed as sole delegate.

(b) Mr. Noel Deerr, late of Messrs. Begg Sutherland and Company, Cawnpore, a well-known sugar expert, was appointed as technical adviser, but beyond this it was not considered necessary by the Government of India to appoint other non-official advisers.

(c) The Honourable Member's attention is invited to Article 16 of the Sugar Agreement, which has its origin in instructions from the Government of India to the Indian Delegate.

(d) No. I would, however, refer the Honourable Member to the reply just given to parts (b) and (c) of Mr. Avinashilingam Chettiar's question No. 7.

PROTECTION TO THE GLASS INDUSTRY.

481. **Mr. C. N. Muthuranga Mudaliar :* (a) Will the Honourable Member for Commerce and Railways be pleased to state if it is a fact that Government rejected the recommendation of the Tariff Board for protection to glass industry on the ground that soda ash, one of the raw materials for the manufacture of glass, is not produced in India ?

(b) Is it a fact that Government allowed a rebate of duty on imports of soda ash from British Empire countries for use in the glass industry ?

(c) Is it a fact that the Industrial Research Bureau has published a bulletin, pointing out that Nepheline syenite rock, which is abundantly available in India, can be utilised as a partial substitute for soda ash in glass batches and that glass makers need not depend upon foreign soda ash to such a great extent as before ?

(d) Are Government now prepared to consider the advisability of granting protection to the glass industry ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I would refer the Honourable Member to the Government of India, Commerce Department Resolution No. 458-T. (14), dated the 22nd June, 1935.

(b) A refund of the entire duty paid on soda ash is granted to glass manufacturers in India in respect of imports from the United Kingdom or Colonies, and of the duty paid in excess of ten per cent. on imports of other origin.

(c) Yes, Sir.

(d) Representations have been received from the industry for assistance against Japanese competition and a questionnaire has been sent to all those who have represented in the matter. The case of the glass industry will be examined on receipt of the replies to the questionnaire.

Mr. Mohan Lal Saksena : When was this questionnaire sent ?

The Honourable Sir Saiyid Sultan Ahmad : It must have been a month or two ago.

Mr. S. Satyamurti : Do Government propose to appoint a fresh Tariff Board for the purpose, or do they propose to come to a decision themselves, on the receipt of the answers to the questionnaire, in view of the facts mentioned in clause (c) of the question and admitted by the Honourable Member ?

The Honourable Sir Saiyid Sultan Ahmad : Government have come to no conclusion about it ; they will come to conclusions after the receipt of replies to the questionnaire.

Mr. S. Satyamurti : May I take it that Government have come to no conclusion not only on the question of giving any protection, but even on the question of appointing a fresh Tariff Board for this purpose ?

The Honourable Sir Saiyid Sultan Ahmad : Government have come to no conclusion about anything ; they propose to consider the whole matter after receipt of the replies to the questionnaire.

Mr. M. Ananthasayanam Ayyangar : Is it not a fact that the Tariff Board have already sat over this matter very recently and recommended that protection may be granted for this industry, year before the last ?

The Honourable Sir Saiyid Sultan Ahmad : That was perhaps six years ago in 1931.

Mr. M. Ananthasayanam Ayyangar : Is it not a fact that orders were passed only the year before the last or last year by the Government ?

The Honourable Sir Saiyid Sultan Ahmad : As far as I understand, the answer is "no".

Mr. M. Ananthasayanam Ayyangar : May we know when Government passed orders ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot say : I cannot give any information offhand.

Mr. M. Ananthasayanam Ayyangar : Is it not a fact that because soda ash was not prepared in this country, protection was refused ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot give an answer to that, because I have not got the papers here.

Mr. M. Ananthasayanam Ayyangar : Are Government taking any steps to have soda ash prepared in this country, which is a very small proportion of the materials required for glass manufacture ?

The Honourable Sir Saiyid Sultan Ahmad : I do not think so : we have not considered that point.

Mr. M. Ananthasayanam Ayyangar : May we know if Government are taking any steps in that direction ?

The Honourable Sir Saiyid Sultan Ahmad : I do not know ; but most likely not.

Mr. M. Ananthasayanam Ayyangar : Are Government considering a substitute for soda ash so that protection might be given ?

The Honourable Sir Saiyid Sultan Ahmad : All these matters to which attention has been drawn by the Honourable Member will have to be considered on receipt of the replies to the questionnaire. What action should be taken will be finally decided when we consider the whole matter then.

Mr. M. Ananthasayanam Ayyangar : May we know on what basis and for what purpose the questionnaire has been issued ?

The Honourable Sir Saiyid Sultan Ahmad : Part (d) of the question is :

“ Are Government now prepared to consider the advisability of granting protection to the glass industry ? ”

and my answer was :

“ Representations have been received from the industry for assistance against Japanese competition and a questionnaire has been sent to all those who have represented in the matter. The case of the glass industry will be examined on receipt of the replies to the questionnaire.”

Mr. Mohan Lal Saksena : Will the Honourable Member lay on the table a copy of that questionnaire ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, certainly.

ALLEGED INJUSTICE TO MUSLIMS ON THE NORTH WESTERN RAILWAY.

482. ***Maulana Zafar Ali Khan :** Will the Honourable the Railway Member please state whether :

- (a) it is a fact that in view of the overwhelming preponderance of the Hindu community in all the departments of the North Western Railway, it was decided by the Railway Board that the Musalmans should get 60 per cent. share in all the above departments in order that the glaring communal inequality under which they are suffering might be removed ;
- (b) it is also a fact that five vacancies which have recently occurred in the Bridge Department of the North Western Railway have not been filled in accordance with the above decision of the Railway Administration, in as much as only one Muslim, who was already employed as a checker, was promoted to the post of a clerk, whereas four vacancies were filled up by newly appointed Hindus ;
- (c) he is aware that when the retrenchment policy of the Railway Administration is carried into effect, it is the Musalmans who suffer in the majority of cases, while in the case of new appointments preference is invariably given to Hindu candidates ; and
- (d) he is further aware that a Muslim Checker in the Jhelum Bridge Department of the North Western Railway was brought under reduction along with two Hindu Checkers, and when he appealed for reappointment his appeal was rejected on the plea that the staff brought under reduction on the 12th October, 1936, could not be re-employed, but the two Hindu Checkers who were retrenched along with him were reappointed ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The orders regarding the reservation of 60 per cent. for Muslims in direct recruitment to the North Western Railway Subordinate Services were issued with a view to improving the position of Muslims in these services. In this connection I would refer the Honourable Member to the Home Department Resolution No. F. 14/17-B.33, dated the 4th July, 1934, and to the Government of India, Railway Department (Railway Board) letter No. E-34-C.M.-113, dated the 12th December, 1934, addressed to the Agent, North Western Railway, copies of both of which are in the Library of the House.

(b) and (d). These are matters of detailed administration within the competence of the Agent, North Western Railway, to deal with. I may, however, add that Government have no reason to believe that the orders regarding communal representation in services are not being followed on the North Western Railway.

(c) Government have no reason to believe that the facts are as stated by the Honourable Member.

Maulana Zafar Ali Khan : With regard to clause (d) of the question, I should like to draw the attention of the Honourable Member to the glaring inequality in the case of a clerk who was refused re-employment, whereas under similar circumstances two others were appointed.

The Honourable Sir Saiyid Sultan Ahmad : I have only to give information to questions. If the Honourable Member will address the Administration, or the matter comes up before the Government of India in due course, it will certainly be considered.

Maulana Zafar Ali Khan : Will the Honourable Member please put himself in communication with the authorities and obtain an answer, because it is found that whenever such communications are addressed to the authorities, the stereotyped answer is received that the man is inefficient or the authorities could not do anything, and unless therefore the Honourable Member takes the lead himself in this matter, there is no chance of getting our grievances remedied.

The Honourable Sir Saiyid Sultan Ahmad : I will send the question to the Railway Administration and ask them to consider the matter.

ALLEGED INJUSTICE TO MUSLIMS ON THE NORTH WESTERN RAILWAY.

483. ***Maulana Zafar Ali Khan :** Will the Honourable Member for Railways give an assurance to the House that the promises made to the Musalmans as regards their percentage in all departments of the North Western Railway will be fulfilled with scrupulous care, and that in all cases in which injustice has been done to the Musalmans, effective steps would be taken to redress their just grievances ?

The Honourable Sir Saiyid Sultan Ahmad : I would refer the Honourable Member to the Government of India, Railway Department (Railway Board) letter No. E-34-C.M.-113, dated the 12th December, 1934, addressed to the Agent, North Western Railway, dealing with the subject of the reservation of certain percentages to direct recruitment to Railway Subordinate Services for Muslims and members of other minority communities, a copy of which is in the Library of the House. Government have no reason to believe that these orders are not being followed.

I may add that the operation of these orders is being watched by the Government of India by means of statements which the railway administrations are required to submit quarterly and annually.

Maulana Zafar Ali Khan : May I point out to the Honourable Member that from bitter experience we have found that the orders of the Government are not being carried out, and will he assure us that some effective steps would be taken to see to it that the orders of Government are carried out ?

The Honourable Sir Saiyid Sultan Ahmad : I have already given the answer that the Railway Administrations submit their reports quarterly and annually, and they are carefully considered.

Mr. Sri Prakasa : Will the Government also fix the percentage of the communities, so far as travelling is concerned ?

(No reply.)

TRAFFIC CANVASSERS ENGAGED BY THE BENGAL NAGPUR RAILWAY.

484. ***Seth Govind Das :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) the number of Traffic Canvassers engaged by the Bengal Nagpur Railway for their whole Railway ;
- (b) their functions ;
- (c) whether their duties include research work of market rates to advise the administration for reduction or increase of Railway freight rates suiting the conditions ;
- (d) whether the present number of Traffic Canvassers engaged is sufficient for the whole Railway ;
- (e) whether the Bengal Nagpur Railway gives the Traffic Canvassers of that Railway an opportunity to meet once a year to exchange ideas and study each other's conditions prevailing within their jurisdictions ;
- (f) whether their recommendations for the reduction or increase of freight rate on any commodity is accepted by the Railway and given effect to ;
- (g) the minimum qualification required for the appointment of a Traffic Canvasser ;
- (h) the remunerations paid to a Traffic Canvasser on the Bengal Nagpur Railway including travelling allowances, etc.; and
- (i) the officer under whose direct supervision they work ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (i). These are matters of detailed administration on which Government have no information. I may also add for the information of the Honourable Member that the staff employed on this Railway are not Government servants but are the servants of the Bengal Nagpur Railway Company.

Seth Govind Das : Is the staff employed on other State-managed railways ?

The Honourable Sir Saiyid Sultan Ahmad : I do not know.

OFFICIAL MEMBERS FROM THE PROVINCES NOMINATED TO THE INDIA LEGISLATIVE ASSEMBLY.

485. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Leader of the House be pleased to state whether in view of the decision of the Government of India that the official members of the Assembly from the various Provinces shall have to be bound in respect of speech and vote by the instructions of the Leader of the House, what useful purpose is likely to be served by their presence in the House from the point of view of the Provincial Government ?

(b) Is it not a fact that the various official members from the Provinces have to carry on their respective duties from Delhi and Simla, entailing additional expense to the Provincial Governments and to themselves ?

(c) Is it not a fact that of the two alternatives given to the Provincial Governments as stated by the Honourable the Law Member in the Assembly on the 26th August, 1937, the second will be economical both to the Provincial and the Central Governments ?

(d) What will be the likely amount of savings to the Government of India by adopting the second alternative ?

(e) Have Government considered the feasibility of having no official member from the Provinces ? If so, with what result ?

The Honourable Sir Nripendra Sircar : (a) This is a question for Provincial Governments, but it may be assumed that those Provincial Governments who have elected to make officials available see advantage in themselves in the enlarged experience accruing to a provincial officer from nomination to the Central Legislature and in the opportunity afforded to such officer of establishing informal contacts with the Central Government.

(b) It is for the Provincial Government concerned to decide whether an officer nominated to the Central Legislature should continue during the period of his nomination to discharge the duties of his provincial appointment. Where the decision is in this sense the Provincial Government incur no extra expenditure in connection with the nomination and the additional expense in which the officer himself is involved is designed to be covered by the travelling and daily allowances admissible to him as a Member of the Central Legislature.

(c) and (d). In respect of each provincial officer replaced by a headquarters central officer a saving would accrue to the Central Government of the allowances payable to the provincial officer, the amount of which varies in accordance with the length of a Session and the distance between the officer's ordinary station and the place at which the session is held. Against this direct saving must be set the increased dislocation of work in the Central Secretariat which would result from the nomination of additional central officers whose presence in the Assembly would be required only for the purpose of making up the statutory quota of nominated officials.

(e) Government have considered all aspects of the question and propose to continue to receive officers for nomination from those provinces of which the Government elect to make officers available for that purpose.

Mr. Mohan Lal Saksena : When was this choice given to the Provincial Governments ? Was it in April or in July ?

The Honourable Sir Nripendra Sircar : I answered the question once, and I informed the House that when it was done and that when Congress Ministers took charge of the provinces, they were given a chance to express their own opinion. All that I have answered in this House.

Qazi Muhammad Ahmad Kazmi : Will the Government consider the advisability of engaging temporary hands for the Assembly Sessions ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. M. Ananthasayanam Ayyangar : Is it a fact, Sir, that officers from the provinces are nominated just on the eve of their retirement ?

The Honourable Sir Nripendra Sircar : They don't look like that.

Mr. Thirumala Rao : What is the sort of experience these officers are expected to gain from the Centre ?

(No reply.)

ADVERTISEMENT FOR POSTS CREATED ON CERTAIN RAILWAYS.

486. ***Maulvi Muhammad Abdul Ghani :** (a) Will the Honourable Member for Commerce and Railways be pleased to state whether four additional posts of leave reserve junior scale posts on the Bombay, Baroda and Central India Railway have been created ?

(b) Have the said posts been advertised and appointments made ? If so, will Government please state the names and educational qualifications of the persons appointed and the amount of their salary and allowances, if any ?

(c) Has any additional senior scale post been created over Eastern Bengal Railway ? If so, has the post been advertised ? If not, when will it be advertised and when will the appointment be made ?

(d) Have the posts of one Chief Commercial Manager and three junior scale posts been created on the Madras and Southern Mahratta Railway ? If so, when will these appointments be made ?

(e) Does the Honourable Member propose to see that Muslims with minimum qualifications are appointed to posts mentioned in parts (a) to (d) above, as laid down in the Home Department Resolution No. F.14/17-B.133, dated the 4th July, 1934, and also the Resolution No. E.-34-C.M.-113, dated the 12th December, 1934, of the Government of India, Railway Department (Railway Board) ?

(f) If so, will the Honourable Member for Commerce and Railways get the abovementioned posts advertised in India and see that applications by Indians are not kept back ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Government have no information.

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(c) The reply to the first part is in the negative, the latter parts do not arise.

(d) The reply to the first part is in the affirmative. As regards the second part, Government have no information.

(e) The Bombay, Baroda and Central India, and the Madras and Southern Mahratta Railways, like other Company-managed Railways, have full powers in regard to recruitment of their staff and Government do not interfere. I would, however, add for the information of the Honourable Member that these Railways have agreed to apply the communal percentages laid down by Government in the Resolutions referred to by him in making direct recruitment to Superior Services in these Railways.

(f) Does not arise.

Maulvi Muhammad Abdul Ghani : Has the Honourable Member or Railways seen the statements issued by the Railway Companies for the years ending the 31st March, 1935, 1936 and 1937, in respect of communal composition of the Superior Railway Services ?

Mr. President (The Honourable Sir Abdur Rahim) : Since the Honourable Member has been able to follow the answer in English, I should ask him to put the supplementary question in English. I cannot allow him to ask supplementary questions in Urdu.

(The Honourable Member again put the question in the vernacular.)

Mr. M. S. Aney : May I ask whether an Honourable Member who can follow the reply in English can put a supplementary question in the vernacular ?

Mr. President (The Honourable Sir Abdur Rahim) : I will not allow the Honourable Member to put the question in Urdu when he can follow the answer in English.

Seth Govind Das : May I ask a ruling on one point ? An Honourable Member may understand English, but it may be difficult for him to speak in English.

Mr. President (The Honourable Sir Abdur Rahim) : I am not going to answer such a hypothetical question.

†487* and 488*.

TERMS FOR THE PRINCES FOR JOINING THE FEDERATION.

489. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Law Member state :

(a) whether the final terms for the Princes for their joining the Federation have been reached ;

(b) if not, when they expect to reach them ; and

(c) if they have been reached, whether Government will give this Assembly an opportunity to express their opinions in the matter ?

†Translation of the supplementary question put in the vernacular.

‡For these questions and replies thereto, see page 1576 of these debates.

The Honourable Sir Nripendra Sircar : (a) No.

(b) It is not possible to forecast this.

(c) The attention of the Honourable Member is invited to the reply which I gave to part (b) of starred question No. 211 on the 31st August last.

Dr. Ziauddin Ahmad : Is the Honourable Member aware that the speech which was delivered by His Excellency the Viceroy this morning contained the reply to this question ?

Mr. S. Satyamurti : With reference to the answer to part (b) of the question, may I know whether the announcement this morning by the Governor General that the life of this Assembly has been extended up to the 1st October, 1938, is intended to throw any light on the date when the Federation is coming into existence ?

The Honourable Sir Nripendra Sircar : No. The obscurity remains the same as it was. (Laughter.)

CORRESPONDENCE WITH CERTAIN PROVINCIAL GOVERNMENTS REGARDING FEDERATION.

490. ***Mr. Ram Narayan Singh :** Will the Honourable the Leader of the House be pleased to state whether, on the question of the proposed Federation of India as laid down in the Government of India Act, 1935, there has been any correspondence between the Government of India and the Provincial Governments after the Congress Members of six Provincial Legislatures have taken the responsibilities of the Governments in those six provinces and, if so, with what result and if not, why not ?

The Honourable Sir Nripendra Sircar : No.

Mr. S. Satyamurti : May I know the reasons why the Provincial Governments which are *ex-hypothesi* the most important units of the Federation are not being consulted even at this stage when conclusions are about to be reached on the terms of accession and Instruments are to be sent to the Princes for their assent ?

The Honourable Sir Nripendra Sircar : Because the Government of India have reserved the right to themselves to decide as to the time when any one should be consulted.

Mr. S. Satyamurti : May I know whether the Government propose to consult the Provincial Governments, but have not made up their minds only as to the time when they should consult them ?

The Honourable Sir Nripendra Sircar : It does not follow.

Mr. S. Satyamurti : What is the attitude of the Government at present—whether they intend consulting the Provincial Governments or not ?

The Honourable Sir Nripendra Sircar : They have no attitude one way or the other. (Laughter.)

EMPLOYMENT OF BIHAREES IN THE RAILWAY DEPARTMENT.

491. ***Mr. Ram Narayan Singh :** Will the Honourable the Railway Member be pleased to state whether he has received a copy of the Bihar Unemployment Committee's Report and, if so, whether his attention has been drawn to the Committee's suggestion with regard to the employment of Biharees in the Railway Department by the Railway Board ?

The Honourable Sir Saiyid Sultan Ahmad : Government have received an extract from the report of the Bihar Unemployment Committee and their attention has been drawn by the Government of Bihar to the Committee's suggestion regarding the employment of Biharees in the Railway Department.

Mr. Sri Prakasa : Were members of this Bihar Unemployment Committee themselves unemployed, or were they over-employed ? (Laughter.)

The Honourable Sir Saiyid Sultan Ahmad : Neither. (Laughter.)

RAILWAY ACCIDENT AT BIHTA ON THE EAST INDIAN RAILWAY.

492. ***Mr. Ram Narayan Singh :** Will the Honourable Member for Commerce and Railways be pleased to make a full statement with regard to the recent Bihta disaster with special reference to the following points :

- (a) Is it a fact that just after the accident no medical aid was immediately available on the spot, otherwise many more lives would have been saved ?
- (b) Is it a fact that the news of the disaster having spread, congressmen from the Sadakat Ashram, the residents of the Sitaram Ashram at Bihta, the employees of the Bihta Sugar Mills, the students of the Medical College and the University at Patna, the Government officials of Patna and many more members of the public had rushed to the spot for help to the sufferers and if so, did the Railway staff take any step or steps to inform the people mentioned above of this calamity and if so, what ?
- (c) How many of the dead persons are women, children, Europeans, and Railway servants ?
- (d) Were all the dead persons identified before they were buried or burnt and, if so, were all these identifications recorded ?
- (e) What arrangement, if any, was made by the authority to send all those people to their homes or destinations who had lost all their wealth with them ?
- (f) Has any arrangement been made by the authorities to compensate the injured and the relatives of the dead for the losses suffered due to the disaster and if so, what ?
- (g) Is it a fact that for want of sufficient precautions, much of the property of the dead and the invalids has been either looted or stolen ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). The accident occurred at some 600 yards from Bihta Station which is situated at some eleven miles from Dinapore. Medical aid was not, of course, available immediately on the spot. The accident occurred at about 3.55 hours and by 5.40 hours a special train had arrived at the site of the accident with medical assistance. In the meantime, first aid was given by the guard and valuable assistance was rendered by a local doctor to whom information had been given by the Bihta Station staff. Valuable assistance was also rendered by Seva Samiti Boy Scouts and Congress volunteers, but at present Government have not full information of all who rendered valuable assistance. By 8.30 A.M. all the injured had been extricated and despatched to Hospitals at Dinapore and Patna.

(c), (d), (e) and (g). Government have no information, but this will be obtained and laid on the table of the House in due course.

(f) The Honourable Member is referred to part (e) of the answer given to question No. 304 on the 3rd September, 1937. The matter of the Railway's liability to pay compensation will be considered when a conclusion has been reached as to the cause of the accident.

Mr. S. Satyamurti : With reference to the answer to clause (a) of the question, may I know whether the Government have since obtained any information, on which either to accept or to refute the suggestion, that many more lives might have been saved, had medical aid been available more promptly on the spot?

The Honourable Sir Saiyid Sultan Ahmad : I have personally made enquiries into that and that is without foundation.

Mr. S. Satyamurti : With reference to the answer to clause (g) of the question, may I know whether the Government have any information as to the stealing or looting of property of the dead and of invalids, owing to the absence of adequate protection?

The Honourable Sir Saiyid Sultan Ahmad : I answered that question on the 3rd September, 1937.

Mr. S. Satyamurti : I am asking specifically if Government have made enquiries and satisfied themselves, that no property was stolen or looted for want of prompt and adequate police protection.

The Honourable Sir Saiyid Sultan Ahmad : I had made enquiries myself along with the officials in the province and I was satisfied that no such thing happened.

TEA ESTATES APPLYING FOR EXPORT QUOTA.

493. **Mr. Kuladhar Chaliha :** Will the Honourable Member for Commerce and Railways please state :

(a) how many tea estates applied for export quota in 1933-34, 1934-35, 1935-36, 1936-37 and 1937-38?

(b) how many tea estates which applied for export quota during the period are Indian-owned and how many European-owned?

(c) how many Indian-owned tea estates were granted export quota, and how many were refused during the above period?

(d) how many Indian-owned tea estates appealed to the Governor General in Council, and how many were granted relief and how many rejected during the above period?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (d). The information is being collected and will be laid on the table of the House in due course.

QUARTERS FOR MEMBERS OF THE INDIAN LEGISLATIVE ASSEMBLY AT SIMLA.

494. ***Mr. Ram Narayan Singh :** Will the Honourable the Leader of the House be pleased to state :

(a) the number of quarters built or set apart at Simla exclusively for the use of the Members of this House for their residence during the Sessions of the Assembly here at Simla ;

(b) the number of petitions submitted jointly or severally for quarters this year, as well as the number of quarters allotted to the Members who have arrived for this Session of the Assembly ; and

(c) whether the Department is or is not bound to provide each and every Member of this House with quarters for his residence at Simla during the Sessions of the Assembly?

The Honourable Sir Nripendra Sircar : (a) There are 48 quarters set aside exclusively for Members of the Legislative Assembly in Simla as follows :

12 rooms in Longwood Hotel.

4 rooms in Longwood Hotel (for Members living in European style).

7 rooms in Longwood Range.

4 cottages in Longwood.

16 quarters on the Cart Road.

In addition to this number four quarters at Summer Hill have been placed at the disposal of the Legislative-Assembly Department this year for allotment to Members, being the residue of unallotted assistants' and clerks' quarters. Of these 47 quarters, 43 are for Members living in orthodox style and four for Members living in European style.

(b) Sixty-five applications for quarters were received this year and 43 orthodox and three unorthodox quarters have been allotted to Members, either jointly or severally.

(c) Government is not bound to provide accommodation for each and every Member of the Legislative Assembly.

Mr. Sri Prakasa : In view of the fact that the chairs and tables and other furniture supplied in the quarters meant for orthodox people are exactly the same as those in quarters meant for persons living in European style, where is the difference between the two types of quarters and why are they classed separately?

The Honourable Sir Nripendra Sircar : I do not suggest that a Hindu table is different from a Muslim table, I do not suggest that. But there are differences particularly in the matter of certain unmentionable places. (Laughter.)

(b) WRITTEN ANSWERS.

INSTALLATION OF LOUD-SPEAKERS IN THE INDIAN LEGISLATIVE ASSEMBLY CHAMBER.

487. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable the Leader of the House be pleased to state whether Government are aware that there are twenty loud-speakers in the Chamber of the Madras Legislative Assembly for the convenience of the Members? If so, are Government prepared to put similar loud-speakers here in the Assembly Chamber for the convenience of the Members?

The Honourable Sir Nripendra Sircar : With regard to the first part of the question the position is as follows :

Only eight microphones have been installed at present in the various parts of the Madras Assembly Chamber. Members have to walk to the nearest microphone and speak through it. Several members do not use the microphone at all while some others are not very distinct. The experiment, however, cannot be said to be unsuccessful.

With regard to the latter part of the question, the matter is under consideration and the reply will be laid on the table of the House in due course.

POSTRUM USED BY THE MEMBERS OF THE FRENCH CHAMBERS FOR DELIVERING SPEECHES.

488. ***Mr. Muhammad Anwar-ul-Azim :** Will the Honourable the Leader of the House be pleased to state whether Government are aware that the Members of the French Chambers speak from a rostrum for the convenience of the House?

The Honourable Sir Nripendra Sircar : Government have no information as to the practice obtaining in the French Chamber.

UNSTARRED QUESTIONS AND ANSWERS.

APPOINTMENT OF MUSLIMS AS ENGINEERS ON THE NORTH WESTERN RAILWAY.

74. **Dr. Ziauddin Ahmad :** (a) Will the Honourable Member for Commerce and Railways please state how many temporary Engineers were appointed by the North Western Railway during the last 12 years and how many of them were Muslims?

(b) How many of these Engineers have been taken in the Lower Gazetted Service and how many of them were Muslims?

(c) How many Engineers were promoted from the Lower Gazetted Service to the Indian Service of Engineers during the past five years and how many of them were Muslims?

The Honourable Sir Saiyid Sultan Ahmad : (a) The information available with Government is that from 1925, 41 temporary engineers were appointed on the North Western Railway according to requirements. Of these, five were Muslims.

(b) Of these temporary engineers one Muslim has been appointed to the Indian Railway Service of Engineers, two non-Muslims have been taken permanently into the Lower Gazetted Service, and two non-Muslims are officiating in that Service.

(c) During the past five years one Lower Gazetted Service Engineer—a Non-Muslim—has been promoted to the Indian Railway Service of Engineers on the North Western Railway.

SELECTION OF ENGINEERING STAFF IN THE QUETTA DIVISION OF THE NORTH WESTERN RAILWAY.

75. **Dr. Ziauddin Ahmad :** (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that the Divisional Superintendent of Quetta, North Western Railway, invited applications for appointment in the Engineering staff as Inspector of Works and Sub-Inspector of Works, etc.?

(b) Is it a fact that several persons presented themselves before the Selection Committee and about twenty-four persons were selected?

(c) Is it not a fact that these persons after selection were asked to go home at their own expense?

(d) Was any post given to any of these persons who were selected in this manner?

(e) Is it not a fact that appointment was also made before the Selection Committee met, on the strength of recommendation alone?

The Honourable Sir Saiyid Sultan Ahmad : I am obtaining information and will lay a reply on the table of the House in due course.

PAY OF DAILY-RATED STAFF IN CERTAIN DEPARTMENTS OF THE NORTH WESTERN RAILWAY.

76. **Mr. Ram Narayan Singh :** Will the Honourable Member for Commerce and Railways please state the scales of pay of daily rated staff employed in loco, carriage, electric, engineering, workshops, etc., on the North Western Railway, who are Government servants in superior service, in inferior service and in menial service, respectively?

The Honourable Sir Saiyid Sultan Ahmad : I propose to reply to questions Nos. 76 and 77 together.

I would refer the Honourable Member to Schedule 'C' of the North Western Railway Gazette Extraordinary, dated the 6th August, 1934, a copy of which is in the Library of the House, which gives the information available with Government.

DESIGNATION OF DAILY-RATED STAFF IN CERTAIN DEPARTMENTS OF THE NORTH WESTERN RAILWAY.

77. Mr. Ram Narayan Singh : Will the Honourable Member for Commerce and Railways please state the designation of the daily rated staff employed in loco, carriage, electric, engineering, workshops, etc., on the North Western Railway, who are Government servants in superior, inferior and menial services, respectively ?

DIFFERENCE IN THE SCALES OF PAY OF THE ELECTRIC AND TRAIN LIGHTING STAFF ON THE NORTH WESTERN RAILWAY.

78. Mr. Ram Narayan Singh : Will the Honourable Member for Commerce and Railways please state the reasons for treating differentially the Electric Staff of the Power and of the Train Lighting in respect of their scales of pay on the North Western Railway, and are Government prepared to remove the anomaly of monthly and daily rates ? If not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : These are matters of detailed administration within the competence of the Agent, North Western Railway, to deal with. I am, however, sending a copy of the question to the Agent for such action as he may consider necessary.

RACIAL DISCRIMINATION IN FACILITIES OFFERED TO DINING CAR CONTRACTORS ON THE NORTH WESTERN RAILWAY.

79. Mr. Ram Narayan Singh : With reference to the statement placed on the table of this House in reply to starred question No. 368, asked on 3rd February, 1937, will the Honourable Member for Commerce and Railways please state the reasons for treating Indian Dining Car Contractors differentially from the European Dining Car Contractors in respect of payments made by the administration for cleaners and for the supply and maintenance of utensils and whether these are not an essential implements for an Indian Dining Car ? And what action do the Government of India propose to take for not giving similar help to Indians ? If not, why not, and when will this racial discrimination cease on the North Western Railway ?

The Honourable Sir Saiyid Sultan Ahmad : I am having enquiries made and will lay a reply on the table in due course.

RACIAL DISCRIMINATION IN THE GRANT OF PASSES TO VENDORS AND CATERING CONTRACTORS ON STATE RAILWAYS.

80. Mr. Ram Narayan Singh : Will the Honourable Member for Commerce and Railways please state the policy of the grant of passes to Vendors and Catering Contractors on Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways and the reasons if any, for the racial discrimination and differential treatment between Indian and European Catering Contractors ?

The Honourable Sir Saiyid Sultan Ahmad : I am calling for the information from the Railways concerned and will lay a reply on the table in due course.

For answer to this question, see answer to unstarred question No. 26.

RACIAL DISCRIMINATION IN THE GRANT OF PASSES TO CATERING CONTRACTORS ON THE NORTH WESTERN RAILWAY.

81. Mr. Ram Narayan Singh : Will the Honourable Member for Commerce and Railways please state :

- whether it is a fact that the policy of the present Agent, North Western Railway, is to treat the Indians in all respects inferior to Europeans *cum* Anglo-Indians ; if not, to lay a statement of the grant and withdrawal of passes to Catering Contractors along with the names of the Contractors and the stations on which they are operating and the reasons for not granting passes to Indians where they are operating over more than one station ;
- the name of the Indian Contractors who are catering European Refreshment and Tea Rooms along with the names of stations ; and
- why the Agent considers the European Catering Contractors superior to Indian Catering Contractors of the same nature ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have no reason to believe that there is any ground for the assumption in the first part. The information required in the second part is being collected and will be laid on the table when received.

(b) I have called for the information and will lay it on the table when received.

(c) I cannot see that the Honourable Member has established this assumption.

DEDUCTION OF SUBSCRIPTIONS OF CERTAIN SOCIETIES FROM THE WAGES OF EMPLOYEES ON THE GREAT INDIAN PENINSULA RAILWAY.

82. Mr. N. M. Joshi : Will the Honourable Member for Commerce and Railways be pleased to state :

- whether on the Great Indian Peninsula Railway there are two societies by name "The Great Indian Peninsula Railway Mutual Benefit Fund" and "The Great Indian Peninsula Railway Death Benefit Fund" ;
- whether deductions of subscriptions to the said societies are made from the wages of the employees ;
- the object and nature of the work done by these two societies ;
- whether these societies are co-operative societies approved of by the Local Government and, if so, on what date and by what order such approval was given by the Local Government ;
- if the answer to part (d) be in the negative whether Government have issued an order authorising recoveries to be made from wages of the employees under clause (j) of sub-section (2) of section 7 of the Payment of Wages Act, 1936, and if so whether such exemption has been considered to be legal by their legal experts ?

The Honourable Sir Saiyid Sultan Ahmad : This question should have been addressed to my colleague, the Honourable Member for Industries and Labour Department.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to part (b) of starred question No. 457 asked by Mr. Sami Vencatachalam Chetty on the 26th February, 1937.

STRENGTH OF OPERATORS SANCTIONED FOR THE CENTRAL TELEGRAPH OFFICE, MADRAS.

(b) On the 31st January, 1937, the strength on the rolls of the Madras Central Telegraph Office was 158 telegraphists, including three lent to the Engineering Branch and four officiating as Telegraph Masters. The actual number of telegraphists available for operative duties was 124.

Information promised in reply to starred question No. 820 asked by Seth Sheodass Daga on the 31st March, 1937.

BAJRI QUARRIES IN THE NEW DELHI CANTONMENT.

(a) Yes.

(b) Yes. This was necessary because the area from which the contractor was permitted to dig stone, bajri, kankar and sand was varied and considerably reduced for anti-malarial reasons.

(c) The period was not the only important factor. The area also considerably affected the compensation.

(d) The application passed through the normal channel to the Cantonment authority.

(e) Yes, but the insinuation that this had anything to do with the matter is baseless.

(f) There was no irregularity.

Information promised in reply to starred question No. 53 asked by Mr. S. Satyamurti on the 24th August, 1937.

INSULT TO NATIONAL FLAG BY BRITISH SOLDIERS NEAR POONA.

The extract from the *Eastern Times* of the 9th of June, 1937, is as follows :

" Tricolour Flags snatched by Soldiers.

Congress Complaint.

Poona, June 7th.

The Secretary of the Reception Committee of the Poona District Political Conference, in the course of a statement says, that two tricolour flags in the hands of volunteers, stationed at the roadside to direct visitors to the conference holding at Charholi twelve miles from Poona off the main road, were forcibly removed by a party of soldiers who passed that way in a car yesterday noon. A complaint is being filed with the authorities."

2. The complaint was duly made to the District Superintendent of Police at Poona, on the 14th of June. It was made by the Chairman of the Reception Committee of the Charholi Conference and in his letter to the Superintendent of Police, he stated as follows :

* * * In order to point out the Charholi Road to the delegates and visitors to the conference, volunteers were posted at the spot where that road branches forth from the Poona Alandi Road. These boys had a couple of tricolour national flags in their hands. At about 9-30 A.M. on that day two European military soldiers or police sergeants (the volunteers being very young cannot distinguish between the two) seated in a motor car, went past the volunteers in the direction of Alandi. But after proceeding about a furlong, they backed to the spot where the boys stood and snatched away the national flags from their hands. * * * I know the act was not done in pursuance of an official policy and that it was due to mischievous irresponsibility of certain persons acting on their own initiative. * * * I know in the particular circumstances of the case it is difficult to trace the culprits, but if those persons belonged to the police force, it may be possible to identify them from the postings of the day for duty. * * *

3. Both the police and the military authorities have investigated the case. The police authorities state that no police were involved in this alleged incident. The military authorities report that no troops were under training in this distant locality on the date in question and that owing to the meagre evidence available, it is not possible even to assert that soldiers were implicated.

Information promised in reply to starred question No. 69 asked by Sardar Mangal Singh on the 24th August, 1937.

INDIAN NATIONALS KIDNAPPED BY THE FRONTIER TRIBESMEN.

(a) and (b). An up-to-date statement is laid on the table.

(c) There is reason to believe that in some cases ransom has in fact been privately paid by individuals, but Government are not in possession of the details.

(d) No.

List of persons kidnapped by tribesmen from the beginning of the Present Disturbances in the North West Frontier Province.

Item No.	Date and place of kidnapping.	Names and other particulars.
1	18th February, 1937. Mobali Barak-zai, 6½ miles S. W. of Bannu on the Mirian Road.	Tehl Ram and Asa Nand, sons of Bhawans Dass, Gold Smith. Asa Nand was returned through the Jani Khel on 19th May, 1937, and Tehl Ram released on the 20th/21st June, 1937. One Devi Dayal, son of Tehl Ram was wounded in the course of the struggle with the dacoits.
2	17th March, 1937. Bannu-Kohat Road, 6 miles from Bannu near Domel.	Three Muslims named Bahadur Sher, Muhammad Hassan and Muhammad Din and one Hindu Bogha Ram were kidnapped. All three Muslims were subsequently released and Bogha Ram retained. He is still in captivity.
3	19th March, 1937. Bhart. Police Station Saddar, Bannu District.	Parmanand, Hindu, uncle of one Rama Nand was kidnapped. He was released as a result of Military operation on the night of the 20th/21st June, 1936, near Baramand Shaktu.

Item No.	Date and place of kidnapping.	Names and other particulars.
4	19th March, 1937. Lakki Bazar, Bannu District.	Five Hindus named (1) Naubat Rai, Booking clerk, Lakki Station, (2) Sadhu Ram, (3) Wishan Dass, (4) Milap Chand and (5) Khan Chand were kidnapped. Babu Naubat Rai was returned on the 19th May, 1937, and Wishan Dass was released in early May. Milap Chand and Sadhu Ram were returned on the 24th May, 1937. Khan Chand is still in captivity.
5	23rd March, 1937. Two miles from Bannu on the Tochi Road. Raid on Mamash Khel Bannuchi Village.	Two Hindus, Guli Chand and Gopi Chand, were kidnapped. Both subsequently escaped.
6	6th April 1937. Two miles north of Razmak, Tochi Agency.	A lorry was looted on the Razmak Road and 3 Hindus named Ganisham and Lorinda and one Sikh Attma Singh were kidnapped. Ganisham and Lorinda were released on the 18th June, 1937, and Attma Singh on the 10th April, 1937.
7	8th April, 1937. Nikori Khassadar Post, Jani Khel 18 miles S.W. of Bannu.	One Muslim District Board Overseer named M. Abdullah Khan and one Hindu Uttam Chand, Agent of Diwan Jodharam contractor were kidnapped. Both were returned on 13th May, 1937. The Jani Khels were charged with complicity in this case, and on threat of severe action it is understood they themselves paid ransom of Rs. 1,500 for the release of these persons.
8	16th April, 1937. Behram Khel, village near Tajori, Lakki Tahsil, Bannu District.	One Hindu Nirmal Dass kidnapped. He was returned on the 29th April, 1937.
9	23rd/24th April, 1937. Gul Imam village, Tank Sub-Division.	Two Hindus Duni Chand alias Tala Ram, son of Note Ram and Tara Chand, son of Karām Chand, were kidnapped. They were recovered on the 31st May, 1937.
10	26th April, 1937. Nari Wala Narai, Tochi, Agency.	Two drivers, Harnam Singh, Sikh, and Topan Ram, Hindu, were kidnapped on the 26th April 1937. They were released on the 11th June, 1937.
11	2nd May, 1937. Paharpur, D. I. Khan District.	One Hindu Gokal Chand and Harnam Singh were kidnapped. Both were handed over to the Political Agent at Sararogha on the 24th May, 1937.
12	19th May, 1937. Umar Tittar Khel, Bannu District. 10 miles east of Bain Pass.	Four Hindu girls daughters of Mussammat Puni Bhai. Names (1) Mussammat Lekar Bai, (2) Mussammat Bensar Bai, (3) Mussammat Makhan Bai, (4) Mussammat Gupal Bai were kidnapped. Mussammat Bensari Bai returned on the 24th May, 1937, and remaining three girls on the 20th June, 1937.

Item No.	Date and place of kidnapping.	Name and other particulars.
13	19th May 1937. Bragi village, Bannu District.	Eight Muslim boys named (1) Abdul Karim, son of Ghulam Haider, (2) Said Khan, son of Lal Khan, (3) Begu Khan, son of Sher Jangi, (4) Almar Gul, son of Sher Gul, (5) Sardar Khan, son of Akbar Ali, (6) Gul Wali, son of Sarmast, (7) Said Khan, son of Gul Khan and (8) Ismail Khan, son of Khan Muhammad, were kidnapped. All returned by 15th June, 1937.
14	3rd July, 1937. Village Passanat, Bannu District.	One Hindu boy named Devi Dayal was kidnapped. He is still in captive.
15	13th/14th July, 1937. Darra Ka Sulaiman Khel, 4 miles N. W. of Police Station Tajori, Bannu District.	Romaldass, Hindu, was kidnapped. He is still in captivity.
16	1st/2nd August, 1937. Village Pai, Tank Sub-Division.	One Hindu woman wife of Chabil Dass and daughter of Tehl Ram was kidnapped. She is still in captivity.
17	10th August, 1937. Near Haved, Bannu District.	One Muslim girl and one Muslim boy names not known were kidnapped. They were returned on the 18th August, 1937.
18	13th/14th August, 1937. Umar Khel, Tank Sub-Division.	Two Hindus Asa Ram and Kotu Ram and one Hindu girl Mussammat Janni were kidnapped. They are still in captivity.
19	11th August, 1937	One Adam Khan of Umar Khel a tracker was kidnapped. He is still in captivity.
20	16th August, 1937. Sheikh Uttar, Dera Ismail Khan District.	Two girls, two boys and one man, all Hindus, were kidnapped. They are still in captivity. Names not known.

Information promised in reply to starred question No. 355 asked by Mr. Mohan Lal Saksena on the 7th September, 1937.

UNEMPLOYMENT PROBLEM.

Statement indicating the progress made with the examination of the Sapru Committee's Report.

[Note.—“ Paragraph ” denotes a paragraph of the Committee's Report.]

Conclusions and Recommendations of the Committee.

Results of examination.

Statistics of Unemployment.—Paragraph 28.

It should not be beyond the competence of universities, educational institutions, Government departments and local bodies to keep regular statistics of unemployment. The question of compilation of statistics of the educationed unemployed by universities and other educational institutions has been considered. After consultation with the

Conclusions and Recommendations of the Committee.

Results of examination.

Central Advisory Board of Education the Government of India addressed Local Governments and Administrations on the subject. The general conclusion was that the obvious difficulties in the way of collecting reliable statistics of unemployment could not be minimised and that statistics of employment were more easily securable. They recommended that colleges and universities should attempt as far as possible, to keep in touch with their students after they had left the institutions. The Government of India accordingly suggested that provincial Governments should request universities and colleges to maintain records of past students, which would be co-ordinated by the revived Bureau of Education.

The Government of India also examined the question with special reference to middle-class employment in industries, and after consulting the Director General of Commercial Intelligence and Statistics and the Standing Advisory Committee attached to the Department of Industries and Labour circularised Provincial Governments on the subject. The Government of India felt that in the absence of a scheme of unemployment insurance or some other substantial inducement to the unemployed to register, reliable statistics of unemployment could not be collected, except by universities and colleges maintaining personal contact with their alumni. The collection of statistics of middle class employment, besides being a practical proposition, would be of value to reveal misdirection of educational activities and the potentialities for absorption offered by industry and commerce, and to meet the demand for a statistical material to guide policy. They thus invited Provincial Governments to advise whether (1) the collection of such statistics was desirable, (2) Central legislation should be introduced for the purpose, (3) Provincial Governments would be prepared to co-operate in collecting and tabulating statistics, and (4) if their proposal received general support, Provincial Governments would be prepared to place a resolution before their Legislature to meet the requirements of section 103 of the Government of India Act.

Conclusions and Recommendations of the Committee.

Results of examination.

CHAPTER III.—The Professions—Civil Engineering—Paragraph 73.

With a view to reducing unemployment amongst Civil Engineers— This is not a matter concerning the Central Government directly, but certain aspects of it are being examined.

- (1) the policy adopted in the U. P. in connection with Buildings and Roads in 1922 should be reconsidered and revised to secure adequate supervision of all Government buildings and roads;
- (2) stringent rules and regulations should be laid down to make it compulsory for Municipal and District Boards to have qualified engineers and overseers to maintain the roads and buildings under their control in efficient condition;
- (3) in order to secure reliability and efficiency of execution of contract work it should be ruled that A and B class contractors must have qualified engineers as employees or partners and all C class contractors should similarly have overseers as partners or employees;
- (4) to secure compliance with these recommendations, the existing laws and rules may be amended, if necessary.

Mechanical and Electrical Engineering.—Paragraphs 76 and 81 (3) and 82.

- a) Arrangements should be made for more practical training for mechanical and electrical engineers (trained in Roorkee, Benares or abroad); for instance, while placing Government orders with firms it may be stipulated that subject to other terms and prices being the same, preference will be given to firms that will afford facilities for practical training of Indian engineers recommended by Government.
 - b) A well-thought-out system for imparting such practical training to civil, mechanical and electrical engineers should be provided after consultation with and with the co-operation of Departments of Government, factories and big industries, so that they be fit for immediate employment by the Government and industrial concerns.
- Under consideration.

Conclusions and Recommendations of the Committee.	Results of examination.
<i>Mining and Metallurgy.—Paragraph 81.</i>	
There is scope both in British India and Indian States for the employment of men trained in Mining and Metallurgy.	The passage of evidence quoted at page 23 of the Report to the effect that 90 per cent. of those trained at Dhanbad do not find employment is incorrect. This profession appears to be one of the most satisfactory, and figures supplied by the Chief Inspector of Mines suggest that a slight increase in the enrolments of Indian School of Mines—which are now much smaller than in its initial years—might be allowed as conditions in the coal industry improve.
<i>Chemists.—Paragraph 92.</i>	
While graduates in Chemistry succeed more than others in getting employment they are not always fairly treated by their employers. The remedy for these trained scientific employees is to organize themselves to enable them to deal effectively with unsatisfactory and unsympathetic employers.	The recommendation is for trade unionism and does not concern the Government of India. But it would tend to diminish rather than increase the number of chemists in employment.
<i>Bachelors of Commerce.—Paragraphs 105 and 106.</i>	
The utility of B. Coms. is considerably discounted partly because of a certain prejudice among Indian businessmen and partly because their education is almost wholly theoretical and does not fit in the standard required by commercial houses or business offices.	Indian businessmen usually reserve posts for those who have family or other connections with them and generally speaking the career is not an open one. The Sapru Committee are undoubtedly right in believing that the degree of B. Com. is not a passport to business. Commercial houses used to attach importance to the old Government Diploma in Accountancy of Bombay. In some Provinces there is a lower qualification, viz., the Commercial Diploma which is known as the Intermediate of Commerce in the United Provinces. Business men in that Province frequently keep their sons in Intermediate Colleges until they have passed this examination before admitting them to the family business. The question is being considered further with reference to the recommendation under Accountancy.
All universities which provide for instruction in the B. Com. course should make arrangements for some practical training being given to their students in consultation with the possible employers of such men.	
<i>Medicine.—Paragraph 124.</i>	
(1) There is a considerable amount of unemployment prevailing in the medical profession in these provinces due to the tendency of the medical practitioners to congregate in big towns and cities where the remuneration is higher than in the rural areas, though precise figures are not available.	Various suggestions have been made by the Government of India to Local Governments within whose competence all legislative and executive action lies. There is adequate employment for all medical practitioners, but it is insufficiently remunerative or attractive in the rural areas. The system of subsidizing practitioners in rural areas was successful in Madras, and the nature of their system, together with the rules they had framed to regulate the employment of honorary medical officers in public hospitals, were brought to the notice of Local Governments.
(2) The system of medical relief in hospitals maintained by Government or district boards or municipal boards requires reorganization and the strengthening of the staff employed.	

Committee.	Recommendations of the Committee.	Results of examination.
	(3) It is necessary that medical men should be persuaded to settle down in rural areas in larger numbers and for this purpose it is necessary to subsidize them on a more generous scale than has hitherto been done.	
	(4) Investigation should be made into the efficiency of the indigenous drugs according to modern methods and after the recognition of such medicines by the medical profession and their standardization, industries for the manufacture of such and other drugs should be started and, if necessary, subsidized at the initial stages. If this is done, it should provide employment for a sufficiently large number of qualified medical men.	
	(5) There is room for the complaint that the system under which a single man is appointed to treat patients for all sorts of diseases cannot be treated as a very modern or an up-to-date system. The attachment of private practitioners to hospitals, maintained by Government or local boards, should be encouraged so as to give the private practitioners a chance of becoming more efficient.	

*Public Health and Local Self-Government—
Paragraphs 134 and 207 (5) (e).*

- (1) This Department can provide scope for the employment of a fairly large number of educated men.
- (2) Posts of assistant superintendents of vaccination which have hitherto been given to men who are not even Matriculates should in future be given to men who possess some medical or scientific knowledge.
- (3) The number of medical officers employed in municipalities admits of an increase and such municipalities as have no medical officers of health of their own should be asked to employ qualified men.
- (4) New schemes of sanitary improvement both in the towns and the villages should be taken in hand and qualified medical men possessing some diploma or degree in sanitation should be employed by district boards.
- (5) More adequate provision should be made for medical inspection and treatment of schoolgoing children in the Province and for that purpose the strength of the medical staff should be increased.

The Government of India agree with the observations of the Committee and particularly with their observations in paragraph 207 (5) (e). They have consulted the Central Advisory Board of Health and propose to address provincial Governments suggesting an extension of the public health organization in rural areas, and recommending to them the system prevailing in Madras, where the cadre of Health Officers is provincial, a percentage of their pay, etc., being recovered from the Municipal (but not the District) Boards to which they are attached. The security of tenure thus offered to medical men would be an attraction which, especially in rural areas, would meet the peculiar circumstances of unemployment in this profession, while provincialization of recruitment would ensure the appointment of those who had trained themselves best for a medical vocation.

Conclusions and Recommendations of the Committee.

Results of examination.

- (3) If the district boards have not got sufficient funds to employ qualified medical officers they should be helped as far as possible by Government with financial assistance, unless by a re-arrangement of their budget or by fresh taxation specially for this purpose it is possible for the district boards to find the necessary funds.

Paragraph 207 (5) (e). There must be a local self-government service created, and appointments, which are at the present moment made by municipal and district boards and in regard to which it is notorious that there is very unhealthy canvassing, should in future be filled up out of a waiting list of candidates maintained by the Ministry of Local Self-Government. When a board, municipal or district, desires to fill up a certain appointment, it must apply to the Ministry concerned and the Ministry concerned may, in the case of each appointment, suggest three names out of which the board may select any. Rules and regulations with regard to such service, their emoluments, security of tenure, promotions, etc., should be framed, and in the event of dismissal, a member of such service should have a right of appeal to the Ministry of Self-Government or the Public Service Commission.

Subsidiary branches of Medicine—(1) Pharmacy
Paragraph 145.

- (1) The system which has been in vogue for the training of compounders is wholly inadequate ;
- (2) Provision should be made for the training of men in Pharmacy and the necessary qualifications should be prescribed by rules and regulations for those who may seek such education, and that after an examination held by a duly constituted authority the successful candidates should be granted a diploma ;
- (3) In future Government should employ exclusively in their hospitals and dispensaries such qualified men as Pharmacists ;
- (4) Suitable legislation should be passed organising this profession, providing for education, examination, and the grant of diploma, and penalising the employment by private agencies of unqualified men.

This is being brought to the notice of Provincial Governments.

The first recommendation concerns the U. P. only. The remaining were examined in connection with the question of implementing the recommendations of the Drugs Enquiry Committee, and Provincial Governments were invited to report what steps they proposed to take as regards the manufacture and sale of drugs, and the education and control of pharmacists. As a result of further examination of the question the Director General, Indian Medical Service, has furnished a Bill which is under examination before it is circulated to Provincial Governments for consideration. Its main object is to set up Pharmaceutical Societies in Provinces for the control of the profession.

Conclusions and Recommendations of the Committee.

Results of examination.

(2) *Dentistry.—Paragraph 148.*

A School of Dentistry should be established at King Georges' Medical College, Lucknow, and suitable legislation modelled on the English Act of 1921 should be passed prohibiting in future the practice of dentistry by persons other than those on the Dentists' register kept by the Dental Board of the provinces to be created by that Act.

Legislation under the new constitution would have to be provincial.

Law—paragraph 177.

- (1) (a) The subject of legal education at the universities must receive greater attention than it has hitherto done, provision being made for adequate instruction in subjects which have hitherto not received due attention ;
- (*) a Council of Legal Education should be created consisting of representatives of (a) the teachers of Law and Civics, (b) some Judges, and (c) some eminent lawyers whose function must be to promote higher legal education ;
- (2) The course of study for a Law degree should not be of less than three years ;
- (3) There must be a liaison established between the Faculty of Law and the Bar Council and the work of teaching should be divided between the two ;
- (4) A large number of teachers, more adequately paid than they are at present, should be employed for legal education ;
- (5) Concerted action must be taken by all the universities ;
- (6) If the lengthening of the course of study should affect the candidates for judicial service adversely in respect of the age qualification, the rules should accordingly be changed.

The recommendations, if adopted, would have the effect rather of improving the quality of legal practitioners than of reducing the volume of unemployment in the profession. Paragraphs 161 to 164 of the Report contemplate a separation of the profession into two distinct classes of Advocates and Solicitors. It is doubtful however whether the profession of drafting and conveyancing would ever be sufficiently remunerative, and the saving in litigation, due to the efficiency of the latter class, would do nothing to reduce unemployment among advocates. The Government of India do not propose to take any action.

Other Professions—(a) Accountancy—Paragraph 180.

With the growth of industries and banking institutions there should be demand for trained and qualified accountants. Intermediate Colleges and universities can easily with some extra cost, for which no doubt they should be helped, make special provision for education in those subjects which are usually taught to accountants.

Under consideration.

Conclusions and Recommendations of the Committee.

Results of examination.

(b) Architecture—paragraph 181.

While it is no doubt true that the ordinary engineer or overseer and very frequently the mistri is supposed to do the work of an architect, no attempt has hitherto been made to provide separate and special education in Architecture except a short course at Roorkee College. For the present a small beginning may be made in this direction. There being no system of pupilage and there being no possibility of entry into office as junior assistants, the only course left for developing this profession is by the establishment of a School of Architecture at some convenient centre.

Under consideration.

(c) Insurance—Paragraph 182.

In England, the qualifying examination for Fellowship and Associateship of the Chartered Insurance Institute consist of (a) a preliminary examination, (b) an Associateship examination in two parts and (c) a Fellowship examination in two sections. There is no reason why such training should not be given in some of the schools of intermediate colleges to those who may desire to join insurance companies.

Special commercial institutes such as the Calcutta College of Insurance, Davar's College of Commerce, Bombay, and the Insurance Society of Lahore, exist for the purpose of coaching candidates for the London Chartered Insurance Institute which holds examinations in India. No action by the Central Government seems to be necessary.

(d) Secretarial work—Paragraph 184.

Provision should be made for training Secretaries by universities or intermediate colleges provided they, at the end of training, grant diplomas to men who succeed at such examinations as may be held from time to time.

The Government of India brought this recommendation to the notice of all Local Governments and Administrations and asked for their views whether facilities for secretarial training could appropriately be provided at the university stage. They also suggested that so far as the recommendation related to secondary education, it should be taken up in connection with the proposals for the reconstruction of secondary education initiated by the Central Advisory Board of Education. The replies of Local Governments and Administrations are not yet complete.

(e) Librarianship—Paragraphs 183 and 191(3).

Universities should arrange for a course of instruction in Librarianship and should institute diplomas in this subject.

The Government of India informed Local Governments that a course of instruction in Librarianship was held every alternate year at the Imperial Library, Calcutta. The Madras and the Punjab Universities also hold training classes. The facilities already available probably exhaust the demand for trained librarians.

Conclusions and Recommendations of the Committee.

Results of examination.

(f) Veterinary Service.—Paragraphs 185 and 196 (5).

The veterinary service should be re-organised and the recommendations of the Royal Commission on Agriculture in regard to veterinary training and service should be given effect to at an early date.

Since the Royal Commission on Agriculture reported the constitutional position has changed and their recommendations are mainly for Provinces to consider. So far as the Central Government is concerned the Imperial Veterinary Research Institute is in process of being strengthened and the question of establishing a Central Veterinary College is under consideration.

(g) Journalism.—Paragraphs 189 and 190 (3).

Universities should arrange for a course of instruction in journalism and should institute diplomas in this subject.

The conclusion reached was that the proposal would do nothing to relieve unemployment. The Central Government have, however, taken action under the Government Servants' Conduct Rules to regulate within proper limits contributions to journalism made by Government servants under their administrative control, which compete with the contributions of professional journalists.

Government service.—Paragraphs 205 (5) (b) and (c).

Except in regard to those appointments for which university education is necessary or useful, Government must prescribe their own standards for subordinate services, and recruit new men either through competitive examination or by selection according to the needs of each department.

In regard to the subordinate service which attract by far the largest number of our youngmen, the age-limit for entrance should be reduced.

This proposal has been considered by two inter-departmental Conferences. Active steps are being taken to lower the maximum age of recruitment to all subordinate posts, and to classify them in two categories, according as a University education is or is not required. The question of modifying the practice of demanding educational qualification is under separate examination in consultation with the Federal Public Service Commission and the Educational Commissioner.

Agriculture.—Paragraph 244.

(1) It is extremely doubtful whether the schemes of colonization, which have been taken in hand, will make any appeal to that section of the educated classes, which has no connection with land, though it is likely that such schemes may be helpful in relieving unemployment in the case of those among the educated classes, who belong to the agricultural community or who have connections with village life.

The conclusions are, in part of a negative character and the recommendations are in the main a matter for provincial governments. But the question of common standards for dairy produce was examined by a Dairy Export in the cold weather, and his report, which has recently been received, is still under consideration.

Conclusions and Recommendations of the Committee.

Results of examination.

- (2) It is very doubtful as to whether subsidiary industries, such as fruit-growing, dairy-farming, market-gardening, floriculture, sericulture, poultry farming, canning, pieciculture spinning and weaving, carpet making, clay modelling, rope-making, pottery, cattle breeding, will attract a large number of our educated men unless they are adequately trained and financed or subsidized for such industries, though we think that several of these industries can be and should be developed with advantage to the country.
- (3) The development of dairy-farming is a possible avenue of progress, provided the law relating to the adulteration of food-supplies is stiffened, and an adequate knowledge of the subject and funds are available and the public are prepared to pay for unadulterated milk and milk products.
- (4) There is scope for the employment of educated men as farm managers and as estate managers, provided proper training is given to youngmen, and arrangements are made, for giving them opportunities to acquire practical knowledge of these subjects. In this matter, it is necessary that the point of view of the big zemindars should also undergo a change.
- (5) The possibility of educated youngmen being employed on private farms as managers would expand were agriculture to return to the more prosperous conditions of a few years ago.

Industries.—Paragraph 302.

- (1) That a detailed industrial and economic survey of the provinces should be made with a view to find out what industries can be developed.

The question of industrial surveys was discussed at the 8th Industries Conference at which it was generally agreed that (1) a survey of industries was desirable, (2) it should be undertaken by the Provinces and co-ordinated by a central agency, and (3) the question of cost should be the subject of correspondence with provincial Governments. Necessary action on these recommendations is being taken separately in consultation with the Chief Controller of Stores, Indian Stores Department and the Director, Industrial Research Bureau. No separate action on the recommendation of the Committee seems therefore to be necessary. The matter has been discussed by the Industrial Research Council at its third session held on the 5th and 6th July, 1937.

Conclusions and Recommendations of the Committee.

Results of examination.

- (2) That industrial research workshops should be established at different university centres or at important industrial centres.

The Government of India have already undertaken the work of co-ordination and advice relating to industrial research by the establishment of the Industrial Research Council. They are also actively contributing to such research by maintaining the Industrial Research Bureau. As regards researches carried out in provincial institutions, the view of the Government of India is that such researches should ordinarily be financed by the Provincial Governments concerned. It seems that nothing further can be done on this recommendation.

- (3) That cheap electricity should be supplied for the development of big industries and also for such cottage industries as can be run more effectively and cheaply by the use of power.

Provincial Governments have already realised the value of cheap electricity to industrial development and the Governments of Mysore, Madras, the United Provinces and the Punjab have carried out hydro-electric projects which have been of great benefit to industrial consumers.

- (4) That a special officer should be deputed to study the working of the scheme in Bengal for helping educated young men in starting small industries; that subject to adaptations to local needs and conditions, a similar scheme should be prepared and introduced in other provinces and that young men adopting such careers should be subsidised by Government and helped by expert advice.

This item is being taken up both in Bengal and the United Provinces. The item has been included in the agenda for the next Industries Conference to be held at Lahore on the 15th and 16th December 1937, and the Government of Bengal, United Provinces and the Punjab have been asked to submit memoranda on the subject.

- (5) That Government should take steps to collect authoritative information in regard to the running of small industries in Japan and in European countries.

There is no bar to Provincial Governments and Directors of Industries in the Provinces addressing the Indian Trade Commissioners abroad for such information as they might find useful. The recommendation has been brought to the notice of the local Governments for such action as they may deem expedient.

- (6) That the Department of Industries (in the United Provinces) should concentrate the greater part of its activities on the development of textile and leather industries in addition to sugar and oil industries and that if Government are called upon by private capitalists to give them any assistance in this matter it must be on the distinct understanding that they would employ a certain number of qualified educated men for technical work in their concerns.

This concerns the United Provinces Government.

Conclusions and Recommendations of the Committee.

Results of examination.

- (7) That the decision of the Government of India refusing to accept the recommendations of the Tariff Board for the protection of glass industry should be revised.

The recommendation of the Tariff Board was rejected on the ground that, as satisfactory sources of soda ash were not in existence in India, the industry did not satisfy the first condition prescribed by the Indian Fiscal Commission for the grant of protection. As the position in regard to the indigenous supply of soda ash remains the same as before, a modification of Government's previous decision in the matter is not possible for the present. The Government of India are, however, endeavouring to assist the industry in other ways. Researches and investigations relating to this industry are being conducted by the Industrial Research Bureau.

- (8) That special attention should be paid to the marketing of the products of cottage industrialists, giving them expert advice and carrying on experimental research work.

Provincial Governments are receiving financial assistance for such schemes in connection with the handloom and the small scale and cottage woollen industries. No further action seems necessary.

- (9) (a) That steps should be taken to create some agency for bringing qualified educated men into touch with commercial houses for employment.

This is alluded to the recommendation of the Committee contained in paragraph 392 of their Report where they have suggested that separate 'Appointment Boards' for the graduates of the Universities and for the products of the Secondary schools, etc., should be set up. The Central Advisory Board for Education has already addressed Provincial Governments on the desirability of constituting Employment Boards and on the need for colleges to keep in touch with their students. Action has already been taken by several provinces and Universities (e.g., Punjab, Bengal and United Provinces).

- (9) (b) That steps should be taken to foster and encourage the organisation of Co-operative stores wherever possible, employing educated men who have received proper training in salesmanship, etc.

The recommendation concerns Provincial Governments. The question of including this item in the agenda of the next Conference of Registrars of Co-operative Societies is being considered.

- (10) That the minor industries and many of the cottage industries in the United Provinces should be provided with a better form of organisation than that provided by the Arts and Crafts Emporium to give financial help, to provide adequate marketing facilities, etc.

This is a matter for the United Provinces Government.

Conclusions and Recommendations of the Committee.

Results of examination.

- 1) That a Committee should be appointed to examine the question of incidence of railway freight charges on the industries of the country with a view to the encouragement and development of industries and the internal trade of the country and that a permanent tribunal should be appointed to fix railway freight throughout India.

The Railways have always been prepared to consider any data put forward by trade interests with a view to co-operate in the agricultural and industrial development of the country. The general question of revising tariffs under consideration though it will take some time yet to reach a final decision. The Government to India see no sufficient ground for the appointment of a Committee.

There is a provision in the Government of India Act, 1935, for the appointment of a Railway Rates Committee to give advice to the Federal Railway Authority in connection with any dispute between the public and the Authority regarding rates or traffic facilities (Section 191 of the Act).

- 2) That the Industries Department should possess a larger number of experts to give technical advice on such industries major or cottage, that might be developed and that the Department should have a well-organised Intelligence and Publicity Branch.

This has the Provincial Industries Department in view.

Animal, industrial and vocational education—
Paragraph 318 (7).

a. importance and necessity of developing apprenticeship, in industries and crafts should be emphasized. This will only revive a very old tradition in Indian industries and crafts.

The question of the development of schemes of apprenticeship will be discussed at the ninth Industries Conference to be held at Lahore on the 14th and 15th December 1937.

Education.—Primary education—Paragraphs 332 (2), (3) and (4).

- 1) Primary education should be brought more into line with rural needs and agricultural conditions to enable boys reading at primary schools to become more efficient members of the agricultural community.

The Government of India obtained the views of the Local Governments on the recommendations of the Committee in regard to primary education and placed them before the Central Advisory Board of Education at its last annual meeting. It was agreed that the problem of primary education was mainly one of finance and that, unless more money was available little could be done. The Board recommended that the matter should be referred to the Vernacular Education Committee of the Board with certain definite suggestions. This will be done shortly.

The age-limit for the purpose of primary education should be raised to 12 or 13, and every child should remain at school for at least six years.

- 2) The compulsory primary education should be extended all over the province. In this connection it is worth while considering how far the agency of broadcasting can be called in aid.

Conclusions and Recommendations of the Committee.	Results of examination.
<i>Secondary education—Paragraph 336.</i>	
(1) The High School examination should have two kinds of certificates—one certifying completion of the course of secondary education and qualifying for admission to industrial, etc., schools and the other qualifying for admission to Arts and Science Intermediate colleges.	The recommendations of the Sapru Committee in regard to secondary education are fully covered in the resolutions of the Central Advisory Board of Education passed at its first annual meeting held in December, 1935. These have been brought to the notice of all Local Governments and Administrations and the report on Vocational Education in India by Messrs. A. Abbot and S. H. Wood—two educational experts, who were brought out from England last winter to advise Local Governments on the question of educational reconstruction in the secondary stage—has been also forwarded to all Local Governments. Their views on the recommendations in the report will be placed before the Central Advisory Board of Education at its next annual meeting.
(2) The Intermediate course, if the High School course is curtailed by one year, should be extended to three years and should be of four parallel types: (1) Industrial, (2) Commercial, (3) Agricultural and (4) Arts and Science.	
(3) Secondary schools should provide much more diversified courses of study, care being taken to give more practical than theoretical education.	
(4) The industrial courses in secondary schools should aim at giving technical training of general character designed to develop skill of hand and eye and cultivate practical aptitudes so as to predispose therein towards industrial life.	
(5) Proper agencies should be created for advising boys as to their careers.	
<i>University education—Paragraph 347(3), (4), (6), (8) and (9).</i>	
(3) While no arbitrary limit to admissions of students should be prescribed, there should be greater strictness exercised in the matter of admission.	The Government of India obtained the view of Local Governments on the recommendations of the Sapru Committee in regard to university education, and placed them before the Central Advisory Board of Education at its last annual meeting. The Board after having fully considered the matter resolved to obtain the opinion of the Inter-University Board before further discussing the matter.
(4) With discouraging education in what are called humanities, greater stress should be laid on scientific and vocational education.	
(6) There should be some system of co-ordination between different universities so as to secure the uniformity of standards and prevent unhealthy competition.	
(8) An Advisory Committee should be constituted to advise in regard to the grants which are made to the universities for research work and on this Committee not only the universities but also business, trade, industry and agriculture should be represented.	
(9) Governments and Indian parents should exercise greater discrimination in sending youngmen to foreign countries merely for academic education.	

THE REPEALING BILL.

The Honourable Sir Nripendra Sircar (Law Member) : Sir, I move for leave to introduce a Bill to repeal certain enactments.

Mr. President (The Honourable Sir Abdur Rahim) : The question

That leave be granted to introduce a Bill to repeal certain enactments."

The motion was adopted.

The Honourable Sir Nripendra Sircar : Sir, I introduce the Bill.

THE CRIMINAL LAW AMENDMENT BILL.

Mr. R. F. Mudie (Government of India : Nominated Official) : Sir, I move for leave to introduce a Bill further to amend the Indian Penal Code and the Code of Criminal Procedure, 1898, for a certain purpose.

Mr. President (The Honourable Sir Abdur Rahim) : The question

That leave be granted to introduce a Bill further to amend the Indian Penal Code and the Code of Criminal Procedure, 1898, for a certain purpose."

The motion was adopted.

Mr. R. F. Mudie : Sir, I introduce the Bill.

THE INDIAN MINES (AMENDMENT) BILL.

The Honourable Sir Thomas Stewart (Member for Industries and Labour) : Sir, I move :

"That the Bill further to amend the Indian Mines Act, 1923, for certain purposes, be referred to a Select Committee consisting of Mr. Ram Narayan Singh, Prof. N. G. Ranga, Mr. Thirumala Rao, Seth Govind Das, Mr. Muhammad Anwar-ul-Azim, Mr. Muhammad Azhar Ali, Dr. Ziauddin Ahmad, Mr. Amarendra Nath Chattopadhyaya, Mr. A. Aikman, Mr. S. N. Roy, Khan Bahadur Sir Abdul Hamid, Rao Bahadur K. C. Manavedan Raja, and the Mover, with instructions to report on or before the 22nd September, 1937, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

This Bill seeks to amend the Indian Mines Act, so as to provide still further for the safety of the lives of those who work underground in the Indian coal mines. I trust, therefore, that it will be regarded as a non-controversial measure, the more so as two of the three proposals that are herein made are proposals which have already received the approval of this House. The three proposals are independent of one another and I propose to deal with them separately. First of all, clause 2 has reference to a measure which was introduced in this House in the Delhi Session of 1936. At that time the Government of India were very much perturbed at the state of affairs in the Jharia coal field where there had been frequent collapses with consequent fires in the mines. My predecessor, therefore, brought forward a proposal which was accepted by this House that in order to prevent or at least to mitigate the danger of collapse and subsequent fire the mines inspectorate should be given powers, firstly, to

[Sir Thomas Stewart.]

control the extraction of coal from pillars in the coal mines and, secondly, to limit the dimensions of the working galleries of the mines. Sir Frank Noyce admitted that this was emergent and, indeed, hasty legislation and he sought to safeguard himself by introducing into this clause a proviso which had the effect of restricting, to a period of two years, the powers which had been given to the mines inspectorate. Another reason he gave for giving temporary effect only to those powers was that it was proposed to appoint a committee to examine matters connected with coal mining and that it would be one of the duties of that Committee to consider the necessity for the further retention of these temporary powers. The Coal Mining Committee has reported. I regret that I have not been able to place in the hands of Honourable Members the entire report which is now being reprinted but I have let them have the sections of the report which are relevant to this matter and Honourable Members will see that the Committee has recommended that those powers which were given in the first instance, temporarily, should be made permanent and in this recommendation they have the concurrence of a very large body of witnesses whom they examined. The effect of this clause 2 is to remove the proviso which limited the powers of the Mines Inspectorate to a period of two years and the result will be that these powers now become permanent.

Let me turn now to clause 3 which has reference to section 9 of the Mines Act. Section 9 of the Mines Act is one which imposes on the mines inspectorate secrecy in regard to any information which they may acquire in the course of their inspection of a mine. That, Sir, would be a very salutary provision if it were true that every Indian mine was an isolated unit. Unfortunately, that is not so, especially in the Jharia and Ranee-gunj coal fields where mines are very closely crowded together and it may well happen that a dangerous set of conditions in one mine may threaten the safety of its neighbours. Government have, therefore, thought it right to relax the restriction which is at present placed on the Mines Inspectors and to give them liberty to divulge knowledge of conditions in one mine which may threaten the safety of the lives of the workmen who are employed in a neighbouring mine. I think the House will agree that that is a very reasonable provision. The third proposal is set out in clause 4 and here again we have no new proposal. It is merely a redraft of section 30-A, which was inserted in the Indian Mines Act by the amending Bill of 1936. Section 30-A was inserted in order to make provision for the establishment, control and finance of rescue stations in the Jharia and Ranee-gunj coal fields. In pursuance of that section, technical regulations have been drawn up in consultation with the Chief Inspector of Mines and with experts on the coal fields but when it came to giving those regulations statutory force in virtue of section 30-A, as now drafted, certain difficulties were encountered. In particular, it was found difficult to make arrangements for the distribution of cost and for recovery of the proportionate share of the cost from individual mines. We decided therefore, that the best solution of the difficulty would be to redraft section 30-A in a manner which would enable us to establish, control and finance the rescue stations in the simplest way possible. Sir, from what I have said, I think it is obvious that this Bill is purely in the interests of the greater safety in the coal mines and for the alleviation of human suffering. I trust, therefore, that my motion will commend itself to the House and that it will agree that the Bill should go to a Select Committee. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

That the Bill further to amend the Indian Mines Act, 1923, for certain purposes, be referred to a Select Committee consisting of Mr. Ram Narayan Singh, Prof. N. G. Rangh, Mr. Thirumala Rao, Seth Govind Das, Mr. Muhammad Anwar-ul-Khan, Mr. Muhammad Azhar Ali, Dr. Ziauddin Ahmad, Mr. Amarendra Nath Chattopadhyaya, Mr. A. Aikmaz, Mr. S. N. Roy, Khan Bahadur Sir Abdul Hamid, Rao Bahadur K. C. Manavedan Raja, and the Mover, with instructions to report on or before the 22nd September, 1937, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

There is an amendment in the name of Seth Govind Das.

Seth Govind Das (Central Provinces Hindi Divisions : Non-Muhamadani): I don't move that.

Mr. N. M. Joshi (Nominated Non-Official): Mr. President, I rise to support the motion that this Indian Mining Act Amendment Bill be referred to a Select Committee. I agree with the Honourable Member in charge of the Department of Industries and Labour that this Bill may be considered as a non-controversial measure. I, therefore, hope that this Bill may be passed without much delay. This Bill is intended to make permanent the provisions of the Act passed in 1936 providing for certain measures for maintaining safety and preventing accidents. I feel that, though this Bill is a non-controversial one, in my view it is an inadequate measure for providing fully for safety in mines and for the complete prevention of accidents in mines. I feel that unless this measure is immediately followed by measures suggested by the Coal Mining Committee, which reported very recently, the object which we have in view will not be secured. That Committee has, after collecting information and examining witnesses, made various suggestions for the maintenance of safety in mines and for the prevention of accidents as well as for other important matters, such as, the conservation of coal. Besides suggesting that the Act of 1936 should be improved permanently, the Committee has suggested various other measures. In the first place, the Committee has devoted a great deal of attention to making sand stowing compulsory as a measure of safety as well as a measure for the conservation of coal and for other purposes. This Bill does not provide for that. The Committee has also suggested that certain general principles for the first working should be laid down by regulations. It also suggested that certain general principles should be laid down for section working, for rotation working and for various other matters. Unless the Government of India take steps to give effect to the recommendations of the Committee in all these matters, I feel the object which we all have in view will not be fully secured. Moreover, the Committee had devoted one full Chapter (Chapter XII) suggesting that certain additional regulations should be made in order that safety in mines should be secured and accidents prevented. The Government of India, in this Bill, do not make any provision to give effect to all the suggestions made by the Committee in order that the safety should be secured. I would like the Government of India and the Honourable Member in charge of the Department of Industries and Labour to tell us whether the Government of India propose to give effect to these recommendations without any delay. Moreover, the Honourable Member a few days ago, in reply to a question, suggested that the Government of India rejected the suggestion of the Committee that there may be some technical qualifications expected from these mineowners as is

[Mr. N. M. Joshi.]

recommended by the Committee. I do not know why the Government of India have rejected that recommendation of the Committee. If certain people want to undertake mining operations, it is necessary that they should understand something of that trade, something of the industry, and that the Committee made a very sound recommendation that these mine-owners should be expected to possess some knowledge of mining. The mining industry is a very dangerous thing. It involves great risks to the lives of the people who work there. Therefore, if any man wants to undertake an industry of this kind, it is but proper that that man should be expected to possess some knowledge of that industry. I would, therefore, like the Government of India to reconsider their decision as regards this recommendation of the Committee.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Where did you read these recommendations of the Committee ?

Mr. N. M. Joshi : They are in the Coal Mining Committee's Report. The Committee has devoted a good portion for the consideration of the wages in mines and for a very good reason. If we care to maintain safety in mines and if we care for the conservation of coal in Indian mines, then it is necessary that the Indian miner should be paid well. You cannot expect efficiency and carefulness from people who are starving. The Committee, realizing this fact, has devoted some attention to this question. The Committee found out, after investigation, that the wages of Indian miners have gone down by 45 per cent. during the last ten years. At the same time, the efficiency of the Indian miner has increased. In 1925, the average production of an Indian miner, per year, was 113 tons while in 1935, the average production per year was 128 tons, but the poor fellow gets 45 per cent. less wages. Then, the Coal Mining Committee has also found out, after investigation, that, while the wages of the Indian miners have gone down by 45 per cent., the dividends in almost all cases have increased.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : You do not know.

Mr. N. M. Joshi : My Honourable friend says that I do not know. The Coal Mining Committee is my witness and I shall read a few sentences from their report. On page 26, paragraph 56, they say :

"Wages of labour have fallen by 45 per cent., underground labour by 43 per cent. and surface labour by 47 per cent."

In the same paragraph, they say :

"Speaking at the annual dinner of the National Association of Colliery Managers held towards the end of February, 1937, the President observed that the earnings of miners and colliery labour 'are already ridiculously low'."

In the same paragraph, there are a few more sentences which are interesting :

"The efficiency of labour has not apparently deteriorated because, according to Table 21 at page 78 of 'Indian Coal Statistics, 1935', the quantity of coal produced annually per person employed above and below ground has increased from 113 tons in 1926 to 128 tons in 1935."

Further on, they say :

"It will, therefore, be necessary to pay labour better in any event."

Then, there is another very important sentence :

"The dividends paid by these particular companies have improved in almost every instance and indicate that, whatever may have happened to the property or the machinery or the labour force, the advisability of keeping the shareholders content has not been lost sight of."

I, therefore, feel that the Government of India will give serious consideration to the question of wages of the Indian miners. It is wrong to leave the matter of wages to the tender mercies of capitalists. As regards the attitude of these people who invest capital in the mining industry, their attitude towards the question of wages and welfare of labour, their attitude towards safety in mines, etc., the report very aptly describes on page 30. I shall read paragraph 58 on page 30 :

"In short to use a sporting metaphor, the coal trade in India has been rather like a race in which profit has always come in first."

that is the horse named profit comes in first,—

"safety, a poor second. Sound methods, an 'also ran' and national welfare, 'a dead horse' entered perhaps, but never likely to start. Neither the landlords nor the Government can escape responsibility for allowing this state of affairs to prevail for so long, but this does not alter the facts nor, still less, will it justify further inaction on the part of all concerned."

This report recommends that the Government of India should be active and give up their policy of inaction in these matters. I hope, Sir, the Government of India will give serious attention to these paragraphs of the report. Mr. President, a minority of the committee appointed to go into this matter has made certain recommendations for nationalising coal mines. I do not wish to discuss this question today, but at the same time, I would like to say this that if safety in mines is to be secured, if accidents are to be prevented, if Indian coal is to be conserved, then, Sir, the recommendations made by the minority of the Committee consisting of Mr. Nag and Mr. Krishnan should be given effect to as early as possible.

Sir, I do not wish to speak more on the question of the report and of the measures for safety, but I should like to say one word as to clause 4 (d) regarding the administration of rescue stations. Sir, this clause gives power to the Government of India to make regulations regarding the administration of rescue stations. I would very much like that these rescue stations should be under the full control of the Government of India. I do not know what the proposals of the Honourable Member are, but my suggestion is that if the rescue stations are to be worked properly, if all the mines are to get the advantage of rescue stations, then the rescue stations should be under the full control of the Government of India. But if the Government of India have no confidence in their own capacity to do good to the miners, and if they insist upon the rescue stations being in the hands of representative committees, then I insist that any committee appointed for the administration of rescue stations and the fund provided for it—that committee or that organisation should have full representation of Indian miners on it. I hope that the Government of India will take my suggestions into consideration and I also hope that the Assembly will pass this motion.

Seth Govind Das : Sir, the Bill which has been brought before this House, as has been pointed out by my Honourable friend, Mr. Joshi, is a very imperfect Bill and I doubt very much whether much improvement can be made in this Bill in the Select Committee. Now, Sir, it is a well-known fact that the entire Act IV of 1923 is to be overhauled if we want really a good law for mines. My Honourable friend, Mr. Joshi, said much about labour and other points. Sir, besides these there are several other important questions relating to our mines which are to be properly tackled if real improvement is to be effected to our mining industry and mines law. The reason why I wanted the Bill to be circulated is that Government at long and unfrequent intervals bring in legislation to improve anything, and it is very difficult for us to press them for bringing a further measure any too soon to improve the very legislation. It generally happens that when we ask for a certain improvement on any legislation they say that, since reform has been done lately in this respect, further reforms can wait and there is no hurry to it. In my opinion this piecemeal legislation, in respect of these important and pressing matters, cannot be of real benefit to us. Besides that, now-a-days we have in the provinces the real representative Governments who are competent to deal with these matters so far it concerns them, the reason why I wanted the Bill to be circulated so that we could hear from various provinces what their opinion is in respect of this legislation and at the same time we could hear from them such of the other recommendations on the matter of immediate importance concerning mines that they may feel is of urgent requirement. My Honourable friend, Mr. Joshi, referred to nationalisation of mines. It is mentioned in the minority report of the Indian Coal Mines Enquiry Committee, pertaining to his suggestions. There are many other recommendations in this report. They are all to be found from pages 189 to 201 and these recommendations are 132 in number. Statutory changes have been suggested in regard to some.

Now, Sir, the Bill which has been brought before us for the reform of mines law has four clauses only and I wish to submit that even these four clauses are not perfect ones, they fall short of our needs. With regard to clause 3 it is said that : "the Inspector shall not disclose to any person other than a Magistrate or an official superior unless the Chief Inspector or the Inspector considers disclosure necessary to ensure the safety of any person".

Well, Sir, I do not understand why these disclosures should not be made to owners of mines, be they managing agents or managing directors or managers or other authorised persons. As far as the dangers are concerned, the people who manage these mines are the proper persons to whom these disclosures should be made. Regarding the recommendations of this Coal Committee, I shall only read before this House two or three recommendations and from that it could be seen how imperfect this Bill is. On page 199, it is said : "Changes in the Act and Regulations considered necessary" are found in paragraphs 290—328.

If we go through these paragraphs, we find that the recommendations, one after another, are made and all of them are most important recommendations. I want to point out to the Honourable Member

that in this Bill should be incorporated at least ninety per cent. of the recommendations suggested by the Committee for legislation. The Committee was set up for that purpose. If we ignore their recommendations—important recommendations as they were, I cannot find the justification of the Committee being set up at all.

Then, Sir, on page 200 of the Committee's report it is said :

"The statutory authority should be empowered to adjust regular boundaries on equitable terms, and transfer areas which cannot be worked from the parent property to an adjoining property from which they can be worked."

We find nothing in this respect in this Bill and the Honourable Member knows that as far as accidents are concerned, much depends upon fixing of the boundaries and other things which are recommended in this report.

Again in paragraph 120 on the same page it is said :

"Appeals under section 19 (5) of the Indian Mines Act should be heard by an appellate tribunal consisting of a Chairman nominated by Government, a representative of the Mines Department nominated by the Chief Inspector of Mines and three mining engineers nominated by the Government of India one of whom will be suggested by the appellant."

No action has been contemplated to meet these recommendations as could be seen from the Bill.

Further, in paragraph 126 on page 201 it is said :

"The statutory authority might function as a mining education board and obtain the necessary funds, partly from Government, partly from local authorities and partly from cess funds."

Sir, I have read only some of the recommendations at random. What I want to point out is that a thorough overhauling is required as far as the Mining law is concerned. And the reason why I wanted the Bill to be circulated was that I do not think that any real reform can be effected by this kind of piece-meal legislation which does not fall within the expectations arising out of the recommendations made. If some real good is to be done in this respect, I would again request that a thorough overhauling be made of the mining law and a comprehensive Bill be brought before this House. It should be circulated for public opinion and we should invite the opinion of Local Governments also on this subject. But I thought that my motion would delay even the little reform which has been proposed, although I do not see what substantial reform it gives, and since I find that it is the desire of some sections of the House to expedite its going to the Select Committee—I do not wish to move my motion for circulation. I only wish to point out to the Honourable Member that if he wants some real reform he should bring in a fresh and comprehensive Bill.

Mr. Mohan Lal Saksena (Lucknow Division : Non-Muhammadan Rural) : Sir, I rise to bring to the notice of this House certain portions of the Mining Committee's Report and I do so because, as was pointed out by the Industries Member, it was not possible to circulate copies of the report to all the Members here. I was fortunate enough to get a copy from his department and I thank him for it. Sir, as the Honourable Member has pointed out, there is no controversy as to the object

[Mr. Mohan Lal Saxena.]

of the Bill. We are all agreed that we must incorporate such measures by legislation as may be conducive to the safety of the lives of miners. The amending Act which was introduced in the House was not passed in the Simla Session of 1936 but in the Delhi Session of 1936, and that Act has been in force. The Honourable Member has, by this Bill, sought only to make the provisions of that Act permanent. But what I want to submit before this House is that while that Act was in force there have been accidents and there has been loss of life. In 1936 in one disaster only as many as 200 persons were killed, and out of these, 50 women were working in the mines. And, as the members of the Committee themselves have said :

“ It is known, however, that over 50 women were killed who should not have been down in the mine at all.”

Similarly, the Honourable Member has certainly circulated an extract from this report, but I want to draw the attention of Honourable Members to paragraph 203 which the Honourable Member has not circulated. It says :

“ The extent to which the law and regulations now in force require to be strengthened as well may be considered with reference to (i) first or whole working, and (ii) pillar extraction or broken working. Unsound first working is a kind of over-draft on future production because subsequent working is made more difficult and dangerous and also more costly in money and life.”

So it is in regard to this that I want to know from the Honourable Member what steps he has taken or proposes to take to lay down rules and regulations for prescribing the first principles regarding the working of the mines. Then, the Committee pointed out further :

“ It can, therefore, be asserted that expert opinion is overwhelmingly in favour of general principles of first working being laid down by regulation, some witnesses being convinced that such general principles are essential if mining methods are to be improved generally.”

So I think some provision should have been made either in the present Bill or by means of regulations, if it is within the competence of the Government to do so under any other provision of the Mining Act.

Then, Sir, as regards the qualification of the owner of the mine or the managing agents, the Committee have laid special stress on it and they have said :

“ Firstly, the legal liability of owners and agents for methods of working should be made clear, and secondly, agents should be required to have at least the qualifications of the managers working under them.”

I think, Sir, for the safety of the lives of the miners these two recommendations are absolutely necessary. The other day I happened to see the film “ Anath Ashram ”. In that there is a scene regarding a colliery. The manager, who was no other than the son-in-law of the proprietor himself, had given orders that the labourers should not be allowed to work in a particular portion of the colliery but the owner who was there said that he was the owner and his orders must be carried out. The result was that the labourers were made to work in that particular portion of the colliery. The son-in-law, as the manager, was simply surprised when he came there, but he could not help it and there was disaster, and even the

manager who was the son-in-law of the owner lost his life in it in his effort to save the lives of the labourers. And I think the Committee have done very well in pointing out that :

“ It is generally admitted in this connection that the greed, incompetence or thoughtlessness of some mine-owners has added apparently to the difficulties, dangers and obligations of others.”

So, I think, there should be some provision regarding the qualifications of the owners or the managing agents, and unless their liability is fixed legally regarding the loss of life, I think there are bound to be accidents as they are bound to work the mines because of the motive of profit.

Sir, I do not want to refer to the other recommendations of this Committee. The Committee, as Honourable Members are aware, was appointed with a two-fold object and to suggest measures, namely, to enquire into the working of mines, for the safety of the miners and for the conservation of minerals or coal. And they have recommended certain measures for both, and the Committee came to the conclusion that there is a lot of waste and a considerable portion of it could be avoided. And they have suggested certain measures and I hope the Honourable Member will take this House into confidence as to what Government propose to do with regard to those recommendations. The majority of the members of the Committee have recommended that a statutory authority should be constituted, or some other steps taken, while the dissentients, Messrs Nag and Krishnan have recommended that it is high time that this industry which is vital for the welfare and prosperity of the country should be nationalised. This is the right time when steps should be taken in that direction.

If this Bill had not been introduced, the present Act would have continued till April, 1938. I think it would be much better if at least to secure the safety of the lives of those working in the mines, Government had brought another Bill which not only made the provisions of the present Act permanent, but also provided or incorporated some of the very important suggestions which this Committee had made. I hope the Honourable Member will not only concern himself with seeing that this motion is passed by this House, but will try to take the House into confidence as regards the Government's intentions in respect of the other recommendations of this Committee as it is something with which the whole country is concerned, and the Members, I think, will naturally be anxious to know the future intentions of the Government rather than merely making the present provisions permanent.

Mr. T. Chapman-Mortimer (Bengal : European) : I welcome the Bill now before the House. I am very glad to see that there is a unanimity of opinion in the House that this Bill is urgently necessary. As the Honourable Member in charge of the Bill has dealt fully with the reasons for it, I do not propose to waste the time of the House by going over these reasons again. We know this Bill is to make permanent provisions which will help to increase the safety of the working miners and it is very necessary that these provisions and regulations should be made permanent. The other provisions of the Bill suggesting certain alterations in regard to the working of the regulations and more particularly in regard to the disclosure of certain information are matters that seem to be necessary and will, I have no doubt, be fully and adequately dealt with by the Select Committee. Sir, I support the motion.

Prof. N. G. Ranga (Guntur *cum* Nellore : Non-Muhammadan Rural) : Sir, I always understood that it was the duty of Government to circulate a copy of the report to every Member of this House. I do not know why Government thought it fit to depart from that practice and to place us in a very difficult position because most of the Members are really not in a position to understand the significance of this Bill and also to follow the debate on it in the House. Then, Sir, coming to the recommendations of the Mines Committee, I find that they have dismissed the most important recommendation to be not worth the immediate consideration of the Government of India for some political reasons. Sir, I refer in this connection to their proposal for the nationalisation of mines in the near future. The only relevant and important objection they raise is that it is not the wisest policy at present, more particularly in the existing state of her political evolution. I do not know why her present stage of political evolution debar nationalisation of her mines if such a policy were considered to be really profitable and useful for the nation. As you are aware, a large portion of our Railways has today been nationalised and is being managed by the State, and we have had a certificate from the Wedgwood Committee that our Railways, on the whole, have shown better results than those of either England or South Africa or even the United States of America. Then, again, Sir, when we look into the manner in which these mines are being managed and exploited by our own mine-owners we find here the third great terror of which the Honourable the Law Member was so much afraid, of managing agents. These are prevalent on a very large scale as far as these mines-owners are concerned, and these managing agents have very little really to commend themselves to us even according to this report which does not say very much against them. I am asked by a friend of mine if I have ever been into a mine. I am afraid I have not been into any mine in India, but I have visited a number of mines in Lancashire and Derbyshire in England, and I know the working conditions in the mines there. I can also assure you, Sir, that I am personally acquainted with a large number of miners and their trade unions in Yorkshire, Lancashire and also South Wales. Therefore, I can claim to know just a little to be able to talk about the necessity for looking after the welfare of our miners. I find that our managing agents have not been very economical over the use that they have been making of our natural resources in these mines. During 1927 they were wasting 7.25 per cent. of the coal available of the first grade and 11.48 per cent. of the second grade just because of their uneconomic way of exploitation. Again between 1928 and 1936 they have lost 10.70 per cent. of the first grade and 20.70 of the second grade owing to their bad working. Then they have not been very economical of the lives of the people who have placed themselves at their disposal. Five thousand two hundred and forty-four lives have been lost in our mines out of which 384 are due to explosions alone. This is the way in which our mines are being managed by our people. I do not know why we should accept the recommendation of this Committee that our mines should not be nationalised if we want proper exploitation and conservation of our mineral resources, if we want the safety of our workers in the mines. Then, Sir, I may be asked whether it is going to be profitable at all for the Government to nationalise the mines. We hear a good deal from these mine-owners that they are not able to

make any profits, whatsoever, from their mines, but the fact, Sir, is this : there are three companies mentioned by this Committee whose profits have gone up in the last ten years from 12½ to 22½ per cent. from 12½ to 22½ in another case ; from 3¼ to 15 per cent. in a third case ; and in the fourth case there was no profit ten years ago and now there was a profit of five per cent. Therefore, it is clearly seen that even if the State were to take over the management of these mines, it will not be a losing proposition. On the other hand it will be a very profitable proposition and I recommend that the Government should take up this question for early consideration and try to rid the country of these managing agents and their bad management and the wasteful manner in which they have been exploiting the lives of our people who are losing their lives and limbs.

Then, coming to the three proposals that are placed before us, I find that the last one is much the most important one for the time being. It almost seeks to make a sort of departure from the recommendations made by this Committee. This Committee has recommended that a duty of eight annas per ton on coal and twelve annas per ton on hard coke should be levied in order to insist upon compulsory stowing in the mines, so that accidents may be prevented. Government now does not propose to give effect to this, one of the most important recommendations of the Committee at all. On the other hand they have come forward with this piecemeal proposal whereby we are to have a cess of not more than one anna per ton only for the purpose of financing these rescue stations. I do not know why Government has thought it fit to come forward with this very small proposal which, after all, does not seek to meet any of the important recommendations of this Committee. If it is merely because they want to make these temporary regulations permanent, there is really speaking no hurry for Government to do that because these regulations will be valid for another year to come and during the course of the next year it would have been possible for Government to have prepared a more comprehensive and more helpful and useful Bill covering most of the recommendations of this Committee, which should be accepted by Government and the House given an opportunity of considering the whole matter at one stretch.

We find that five lakhs of people are either directly or indirectly employed in our mines, in British India as well as in the States ; and out of these, 1,22,000 are being employed both underground and above ground every day and they are receiving lower and lower wages, all because of the rapacity of these employers. It is not because these workers are becoming less and less efficient that they are being paid lower and lower wages. On the other hand the coal produced by these workers in the Jharia mines alone has gone up from 126.33 tons to 138.91 tons per head, and that shows that these people are being paid less for working harder and producing more coal and exerting themselves to their greatest capacity. I would like to have an assurance from the Honourable the Industries Member, when he is going to introduce the next Bill which really will be the most important thing and by which alone we can really seek to implement most of the recommendations made by this committee. If such an assurance is not forthcoming, I can only say that this Bill is not really worth much and cannot commend itself to the House as even a mere half-way house.

[Prof. N. G. Ranga.]

Coming to the administration of these rescue stations my Honourable friend, Mr. Joshi, has suggested that these stations should be kept directly under the management and supervision of the Government of India. I do not know whether such a proposal is going to improve matters, but it may be better than leaving these rescue stations under the management and supervision of these employers. If, on the other hand, these rescue stations are not going to be kept under the control of the Government of India, then I would like that there should be a properly constituted committee on which the representatives of workers also are directly represented.

Coming to the second most important recommendation of this committee, about which my Honourable friend, Sir Thomas Stewart, is so discreetly silent, that is the establishment of the statutory authority for administering the mines and their working, I have to lodge a protest against the recommendation made by the committee itself. This committee itself is not expert one and yet it has made a very useful report consisting of many necessary recommendations. If it was possible for them to have gone through the whole question, examine it and come to very useful recommendations, I do not know why there should be an expert statutory authority and not a representative statutory authority. The only ground on which they dismiss the plea that there should be a representative statutory authority is that there are so many interests involved which have got to be represented and to give them an opportunity to be represented will make this committee an unwieldy one and even unanimity on some important questions may not be obtainable from the deliberations of such a committee. Even a superficial examination of that plea will be enough to show that it is not really tenable and they were somehow or other hard pressed to plead for the appointment of this expert committee, for what reason God only knows. I, therefore, strongly commend to the attention of the Government of India that they should not accept this particular recommendation, but, on the other hand, they should try, if there is to be a statutory authority at all, to make it a representative one, so that all the interests concerned would have an opportunity of getting themselves represented and seeing that their interests did not suffer and also contributing their best towards the growth of safety in our mines.

Then, coming to that recommendation of the committee that the managing agents should also try to learn something of mining and possess some qualification for administering these mines which the Government has thought it fit to dismiss, I would like to lodge a protest. It is only fair that these managing agents, who have been so very inefficient in the working of the mines, who have been so very callous in failing to look after the lives of the people who have placed themselves at their disposal for a pittance of a living, and who have, at the same time, not even tried to assure security of service to their managers for managing these mines, should be compelled to pass some examination or other to obtain some technical qualification or other so that they would never feel inclined to give wrong orders to their managers and arbitrary orders and dangerous orders causing great risk for their lives. As long as managers have not got security of service as long as managing agents continue to be as ignorant as they are today and to be as callous as they are today, there can really be no adequate

safety for the workers who are employed in these mines. I would, therefore, like the Honourable Member in charge of this Bill to give a categorical assurance to this House that he would take the earliest possible opportunity to give a chance to this House by bringing forward a resolution or any other motion to discuss the recommendations of this committee and ascertain the views of the House. If he does not take that opportunity and if he does not take the House into his confidence, then we can only say that the Honourable Sir Thomas Stewart is really trying to shirk his own responsibility towards labour and to try and get some sort of a half-hearted Bill passed by this House in order to suit his own purposes, in order to absolve him from performing his duties towards labour in the near future.

Mr. B. Das (Orissa Division : Non-Muhammadian) : Sir, I was very much disappointed at the shortness of the draft Bill and at the very short speech.....

Dr. P. N. Banerjee (Calcutta Suburbs : Non-Muhammadian Urban) : It was also sweet ; it was both short and sweet.

Mr. B. Das : It was not sweet to me, but it was sweet to my friend, Professor Ranga.

Sir, it would appear that my Honourable friend, the Industries Member, ignored the promise that his predecessor gave to this House. Sir Frank Noyce, in concluding his speech when referring the Bill to the Select Committee, said :

" I hope that we shall shortly be in a position to review the whole situation and to take more comprehensive measures for ensuring the safety of those who labour in this industry."

Then, in another passage, while he was talking of the Bagdigi Court of Inquiry, he said :

" But I may say that I think it is likely that it will be asked also to deal with the general and very important and complex problem of coal conservation. As recent events have emphasised, this is bound up to a certain extent with this question of safety."

Sir Frank Noyce said last year that the question of safety was bound up with the question of the conservation of coal, and this House permitted the 1936 amendment to the Mines Act to stand for two years. I do not see, therefore, the necessity for bringing in this Bill. My Honourable friend could have waited for another year and brought in a more comprehensive Bill giving effect to some of the important recommendations of the Coal Mining Committee. Sir, I have read many reports, and I was rather pleased to read this report which contains such technical and statistical data that would prove very useful to mining and geological students. I do hope that this Book will form a text-book to the students of the Mining College at Dhanbad and to other university students who learn mining and geology. I did not hear one word as to what was the opinion of the Provincial Governments concerned on this Coal Mining Committee ; we do not know what was the opinion of the Government of Bengal, the Government of Bihar, and of the Government of the Central Provinces. I find from this Report that all the three Coal Associations, the Indian Mining Association, the Mining Federation and the Indian

[Mr. B. Das.]

Colliery Association were consulted, and I wish the Honourable Member in charge had taken us into his confidence and told us what was the view of these three bodies on the Report of the Coal Mining Committee. They want that the Government should introduce a comprehensive measure for the safety of the mines and of the people who work in the mines, and also for the conservation of coal, and, as the Report rightly points out, coal is running short in India, and it is high time that coal is conserved properly. Nothing was said by the Honourable Member, and my friend, Dr. Banerjee, said that he talked sweetly. Sir, it is a very simple thing to ask the House to pass a certain measure or to refer it to a Select Committee and to pass it, but it seems my friend, being new to the department, is not alive to the danger with which the coal industry is threatened, nor do I think that he is aware of the agitation that took place in 1935-36 over the frequent fires that were then taking place, and this Report has definitely laid down that most of the fires that then took place occurred in the old mines. Simply opening rescue stations will not free these mines from danger.

In this connection, I should like to ask one question. I want to know if Government started any rescue stations after the 1936 Bill was passed? I believe not. Why is it that in April, 1936, Sir Frank Noyce was in such a great hurry to pass this measure and why did he tell us that he would start rescue stations in Dhanbad and Jharia area in coal mines, and how is it that no rescue stations have been started? Is it the plea of the Industries Member that he could not get proper contributions from the coal mine owners, and, therefore, his department could not devise means, and that is the urgency for his coming to this House and get its approval to clause 4 of the Bill whereby the mine owners could pay one anna cess per ton of coal? If that is so, then, I submit, Sir, it is a very lame excuse. If the Honourable Member wants to have permanent rescue stations in the light of the recommendations of this Committee, he has still got another year under the 1936 Act to carry on the work till he brings out a comprehensive measure. He could have examined the recommendations for the formation of this statutory authority for conservation of coal. Sir, I have given this question my close attention, and I think that some such authority is needed to control coal. May I ask my friend, who will control the central rescue station fund? Will it be left to the Chief Mining Engineer? Why should it be so? Why should the Government be in a hurry to proceed with this measure? Why can't they wait for another year?

Sir, I am not one of those who talk loudly about the nationalisation of industries. I do not know if the Government of India can afford to have the coal industry nationalised, but I do believe that coal happens to be the chief material on which the industries of the nation depend, that there should be coal conservation and control incidentally, so that there may be less wastage, fewer fires and accidents, and that coal may be conserved in the already exhausted coal mines in the Jharia and other coal fields to which this Committee has made reference. Most of the fires that took place last time were in the Jharia coal mines, and they were all old mines. I do hope that the Select Committee will consider and introduce suitable legislation whereby steps will be taken to see that all these old fields in the Jharia area submit a report to the Govern-

ment every year showing what steps they have taken to avoid fires, to stop coal dust flying about and other means taken to stop fires and other accidents in the mines. But I have no confidence in the Government, because even that much they will expect the Chief Inspector of Mines to look after, and naturally he will forget in the course of his usual duties, and he will not pay that much attention to the safety regulations as the Legislature expects him to do. I suggest that the Select Committee should so amend the Bill as to compel the framing of regulations so that every year the Industries Department may submit a report to this House showing that those old mines which have hitherto defied the Chief Inspector have taken such measures as experience had suggested and such a report should be laid on the floor of the House. I have not received any opinions from the Mining Federation or the Collieries Association, but last night I received this note from the Secretary of the Collieries Association. He objects to the levying of a cess for starting rescue stations, and the view of the Indian Collieries Association is that the Government should provide the cost. But my personal view is that the situation is so difficult and so big that Government are bound to levy a cess; but that cess does not come from the owners of collieries, it will come from the consumers who will be poor people like myself or the Government who buy a large amount of coal. It is the only suggestion I have received, but, as for the other two, they approve. I hope that my Honourable friend will make clear in his reply what the Government's view is about the recommendations of the Coal Mining Committee—whether it is not a subterfuge to evade the control of this House and to throw this report into the waste paper basket. I would very much like to know what are the views of the three Associations on the main recommendations and also the views of the three Governments which I mentioned.

Mr. Ram Narayan Singh (Chota Nagpur Division : Non-Muhamadan) : I welcome this measure as this concerns mainly, if not wholly, my constituency. We hear sometimes from the Giridih colliery, sometimes from the Jharia colliery, and sometimes from somewhere else that a great mine disaster has taken place and a large number of people have lost their lives. From the scathing criticism of the Coal Mining Committee it is quite evident that up till now Government have done almost nothing for the people working underground. I have personally seen the working of the coal mines and I know how difficult and dangerous it is to work underground. However, I am glad that the Government have at last realised their responsibility, as is evident from the submission of this measure. My Honourable friend, Mr. Joshi, has raised the question of wages. I have personally talked to the labourers and I know from them that some of the labourers are paid six pice a day, some are paid two annas a day and some three annas a day. The reason is that the labourers are not organised and the mine owners get their work done according to their sweet will. But if the labourers are organised I am sure that sort of thing will not continue. Wherever public workers make any attempt to organise the labourers they meet with opposition from the colliery owners, and when the matter is reported to the authorities they also take no notice of it. If the Government are anxious to improve the condition of the miners they should attend to their organisation also. As regards sub-clause (d) of clause 4, as has been suggested by my Honourable friend,

[Mr. Ram Narayan Singh.]

Mr. B. Das, it appears that the Government are going to levy a tax on the colliery people. But as he has suggested, this ought to be met from Government resources, but if that is not done, I think the suggestion is that the tax will be levied only in the area where this experiment will begin. As it is an experimental measure, supposing this experiment is a success, then it will be for the good of the whole mining area. I suggest that if the Government are not going to meet the expenses the tax ought to be levied from the whole industry. I join my Honourable friends in the chorus of condemnation against the Government that they have done up till now nothing for the miners. There has been a Coal Mining Committee. I do not know what Government means by appointing a committee. So many committees are appointed by Government, so many people are employed, and so many lakhs of rupees are spent. But, so far as the recommendations of the Committees for the good of the people are concerned, nothing is done. I submit that a comprehensive measure ought to be brought forward so that all the grievances of the mining labour are removed. With these words I support the measure.

The Honourable Sir Thomas Stewart : Sir, it is extremely gratifying to find that Members from all parts of the House have agreed that this is a non-controversial matter and that they have lent it their support. I have, however, been subjected to a certain amount of criticism on the ground that the measure which we have brought forward is inadequate. Had I been prepared to say that this amending Bill is the sum total of Government's action after consideration of the Coal Mining Report,—if I had said that,—then I should have had to plead guilty to the charge that the measure is wholly inadequate. But, I have made no claim that this Bill represents Government's decisions on the Coal Mining Report, and I may inform my Honourable friend, Mr. B. Das, that I regret I cannot take him or the House into my confidence and tell him what have been the decisions of Government on the Coal Mining Report. Had I been in a position to do so, then I should also have been in a position to meet the charge that this measure was inadequate, because having taken a decision on the main Report we should have introduced a comprehensive measure, should such a measure have been necessary. But I believe that even so, the charge of inadequacy, leaving out the fact that we have made no reference to important issues like sandstowing or nationalisation, has been overpressed. A few days ago, in answer to a question by my Honourable friend, Mr. Satyamurti, I gave a list of the actions that had been taken in pursuance of the recommendations of the Committee. We had made permanent, as they recommended, certain temporary regulations. We had framed on the basis of their recommendations a fresh batch of regulations which admittedly had not yet been put into operation, since, by virtue of the Act, it was necessary that they should be sent for the consideration of the Mining Boards. Mr. Joshi and one other Honourable Member complained that no action had been taken on the very strong recommendation of the Committee that regulations should be framed regarding first working and section working. We have a set of such regulations in draft, which of course are not required to be included in any legislative measure, and, in the very near future, they too will go out for the consideration of the Mining Boards. My friend, Mr. Saksena, is disappointed that we have not accepted the recommendation of the Commit-

tee to impose certain obligations upon the owners of coal mines and I think he has been left with the impression that the owners have no liabilities and no responsibilities. That is not so. There is section 16 of the Act which lays down the responsibilities of owners in respect of matters happening in the mine.

Mr. Mohan Lal Saksena : The Committee wanted something more than that.

The Honourable Sir Thomas Stewart : I was just going to mention that. The Committee, I think, suggested that the owners should have properly qualified agents. In view the liabilities which already subsist in regard to owners, we thought that the only effect of that extra recommendation would, especially in the case of a small owner, simply mean a double obligation. It would require a manager's certificate for himself and on top of that, quite uselessly, the employment of an agent with a manager's certificate and we thought that was an inequitable imposition upon the small owner. Reference has been made to the administration of the rescue stations and some anxiety has been expressed lest there should not be proper representation of all interests. I may state for the information of the House that in the draft regulations we have provided for a certain amount of supervision by Government and for the representation of all interests including those of labour.

Mr. Mohan Lal Saksena : Will the Honourable Member lay on the table a copy of the regulations for the information of Members ?

The Honourable Sir Thomas Stewart : When the regulations have assumed their final form, they will be published in the form of a notification in the Gazette of India, in which case they will be available to all Members of the House.

Finally, reference has been made to the levy which it is proposed to make. Some anxiety has been expressed as to whether it would not be an unfair tax on the coal industry. I hardly think that the maximum of one anna per ton can be regarded as excessive but if it is, it may be some consolation to those who are apprehensive to know that in the first instance it is not proposed to levy the maximum. We estimate that a rate of two pies per ton will suffice for our immediate needs and the levy will, of course, only be made on coal coming from the areas which will be served by the rescue stations. I think, Sir, that, even if I have been too brief for my Honourable friend, Mr. B. Das, I have, to an adequate extent, answered the criticisms that have been put forward and I ask again that this House should support my motion that this Bill do go to a Select Committee.

Prof. N. G. Ranga : Will the Honourable Member give an early opportunity to this House to consider this report and express its opinion ?

The Honourable Sir Thomas Stewart : I should be very reluctant to say that it would be an early opportunity, as I do not think that Government will have time to frame even its preliminary conclusions and to consult other interested parties before the 2nd October.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That the Bill further to amend the Indian Mines Act, 1923, for certain purposes, be referred to a Select Committee consisting of Mr. Ram Narayan Singh, Prof. N. G. Ranga, Mr. Thirumala Rao, Seth Govind Das, Mr. Muhammad Anwar-ul-Azim, Mr. Muhammad Azhar Ali, Dr. Ziauddin Ahmad, Mr. Amarendra Nath Chattopadhyaya, Mr. A. Aikman, Mr. S. N. Roy, Khan Bahadur Sir Abdul Hamid, Rao Bahadur K. C. Manavedan Raja, and the Mover, with instructions to report on or before the 22nd September, 1937, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 14th September, 1937.

LEGISLATIVE ASSEMBLY.

Tuesday, 14th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN.

Mr. Alan Hubert Lloyd, C.S.I., C.I.E., M.L.A. (Government of India : Nominated Official.)

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

PROHIBITION OF CONGRESS ELECTION MEETINGS AND FLYING OF NATIONAL FLAGS IN THE LANSDOWNE CANTONMENT.

495. ***Mr. Badri Dutt Pandé** : (a) Is the Defence Secretary aware :

- (i) that the military authorities of Lansdowne Cantonment did not allow an election meeting in a private compound within the Cantonment Area, during the last Provincial Council elections, convened in favour of a Congress candidate to the Council ;
 - (ii) that the same military authorities allowed the holding of such a meeting at the Nirendra Club in support of a candidate opposing the Congress candidate ; and
 - (iii) that the military authorities prohibited meetings to be held at Lansdowne on the 1st August, 1937, and also prohibited National flags to be flown in the Bazar area on the same date ?
- (b) Was the action of the military authorities mentioned in part (a) (iii) above based on any orders either from the Local Government or from the higher military authorities ?

Mr. C. M. G. Ogilvie : (a). (i) No.

(ii) No.

(iii) Yes.

(b) No.

Mr. Badri Dutt Pandé : Do Government know that it was I who applied to the Officer Commanding for an election meeting to be held in Lansdowne ?

(1615)

Mr. C. M. G. Ogilvie : No, Sir.

Mr. Badri Dutt Pande : Have Government cared to inquire ?

Mr. C. M. G. Ogilvie : No, Sir.

Mr. Mohan Lal Saksena : Will Government issue instructions that henceforth no meetings should be stopped unless they are held for unlawful purposes ?

Mr. C. M. G. Ogilvie : I do not see that this arises from this question.

Mr. Badri Dutt Pande : Is it not a fact that election meetings were held all over India ? Why is it that only the election meeting at Lansdowne was banned ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has said that he has no information.

Mr. Badri Dutt Pande : Will he make inquiries in the matter ?

Mr. C. M. G. Ogilvie : I am perfectly willing to make inquiries.

Mr. S. Satyamurti : With reference to the answer to part (a) (iii) of the question, may I know the reasons why the military authorities prohibited the flying of the National flags in the Bazaar area on that day ?

Mr. C. M. G. Ogilvie : The question is still under investigation.

Mr. S. Satyamurti : What was the answer to clause (a) (iii) ?

Mr. C. M. G. Ogilvie : It was " Yes ".

Mr. S. Satyamurti : What does that " Yes " mean ? Did the military authorities prohibit the flying of the National flags in the Bazaar area on the 1st of August, 1937 ?

Mr. C. M. G. Ogilvie : The Honourable Member has received the answer—Yes.

Mr. S. Satyamurti : May I then know the reasons why the National flag was prohibited from being flown ?

Mr. C. M. G. Ogilvie : I have already said that the matter is under investigation.

Mr. S. Satyamurti : May I know if the prohibition still continues, that is to say, National flags are not allowed to be flown in the Bazaar area of the Lansdowne Cantonment ?

Mr. C. M. G. Ogilvie : The matter is still under investigation. I can say no more than that.

Mr. Badri Dutt Pande : Have any shops been declared to be out of bounds in Lansdowne, and are they still out of bounds ?

Mr. C. M. G. Ogilvie : I believe that eight shops were declared to be out of bounds at Lansdowne. I am not sure whether they are still out of bounds or not.

Mr. Badri Dutt Pande : Why were these eight shops declared to be out of bounds ?

Mr. C. M. G. Ogilvie : The matter is still under investigation.

Mr. Badri Dutt Pande : Will the Honourable Member be able to place the information before the House before the end of the Session ?

Mr. C. M. G. Ogilvie : I hope so.

Qazi Muhammad Ahmad Kazmi : Who is carrying on the investigation in this matter ?

(No reply.)

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

OCCUPATION OF GOVERNMENT QUARTERS IN THE LANSDOWNE CANTONMENT BY A RETIRED MILITARY OFFICER.

496. **Mr. Badri Dutt Pande :** (a) Will the Defence Secretary state if a retired military officer is entitled to occupy Government quarters ?

(b) If so, is such a retired military officer liable to pay any rent for the quarters which he occupies ?

(c) Is it a fact that a retired military officer is occupying Government quarters at Lansdowne Cantonment ?

(d) If so, is any rent charged from him ? If not, why not ?

Mr. C. M. G. Ogilvie : (a) and (b). A retired military officer is not entitled to occupy a Government quarter ; but if such a quarter is available, any such officer or other private person may be allowed to occupy it on payment of the local rate for similar accommodation or the assessed rent of the quarter whichever is higher.

(c) Yes.

(d) The full assessed rent of the quarter is being recovered from him.

Mr. Badri Dutt Pande : Is not Captain Dhoom Singh, who is a retired military officer, occupying a quarter in Lansdowne ?

Mr. C. M. G. Ogilvie : I do not know what the officer's name is, but a retired officer is occupying a quarter.

Mr. Badri Dutt Pande : Is he paying any rent or not ?

Mr. C. M. G. Ogilvie : If the Honourable Member had listened to my answer, he would have heard it.

Mr. Badri Dutt Pande : What is this retired officer doing for Government ?

(No answer.)

Mr. Badri Dutt Pande : My information is that he is not paying any rent.

Mr. President (The Honourable Sir Abdur Rahim) : Next question.
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ALLOWANCES PAID TO SARDARS MUHAMMAD UMAR KHAN AND MUHAMMAD SARWAR KHAN, AFGHAN DETENUS.

497. *Mr. Badri Dutt Pande : (a) Will the Honourable the Home Member state since how long have Sirdars Muhammad Umar Khan and his brother Muhammad Sirwar Khan of Afghanistan been interned in India under Regulation III of 1818 ?

(b) Why are they so detained ?

(c) What allowances are paid to them for maintenance ?

(d) When are they likely to be released ?

(e) Why were they arrested at the motor station of Naini Tal on the 31st July, 1937, and placed in the European lock-up ?

(f) How many children and women have they got ?

(g) Has any complaint been received by Government from them regarding their allowances ?

Lieut.-Colonel A. E. B. Parsons : (a) Since 20th March, 1917.

(b) The Sardars are the descendants of the late Sardar Ayub Khan, brother of the *ex*-Amir Yakub Khan, who took refuge in India, after the Second Afghan War. In the interests of India's friendly relations with Afghanistan, it is still necessary to impose some restrictions on the movements of their descendants so that they should not interfere in that country.

(c) Rs. 250 per mensem *plus* certain allowances.

(d) Government are unable to say.

(e) Because they attempted to leave for Afghanistan without permission.

(f) According to Government's information, their families consist of :

(i) *S. Muhammad Umar Khan*

Six (wife, two sons and three daughters).

(ii) *S. Muhammad Sarwar Khan*

Six (mother, wife, two sons and two daughters).

(g) Yes.

Mr. S. Satyamurti : With reference to the answer to clause (b) of the question, may I know if they are detained at the request of the Afghan Government ?

Lieut.-Colonel A. E. B. Parsons : They are detained because, in order to fulfil their International responsibilities, the Government of India cannot allow these people to go across into Afghanistan and create trouble there.

Mr. S. Satyamurti : May I ask for the elucidation of the phrase 'International responsibility' ? May I know whether this responsibility is laid by any International law, or whether it is merely the result of an agreement or understanding with the Afghan Government ? Is it not a fact that they are detained here, only at the request of the present Afghan Government ?

Lieut.-Colonel A. E. B. Parsons : They are detained by the Government of India in their own interests.

Mr. S. Satyamurti : Am I to take it, therefore, that the answer of "International responsibility" or of preventing any disturbances in Afghanistan is not the correct answer, but that the Government of India consider that it is in their own interests, that they ought to detain these people here ?

Lieut.-Colonel A. E. B. Parsons : The answer was perfectly correct. It is in the interests of the Government of India that their International responsibilities should be fully carried out.

Mr. S. Satyamurti : What is that International responsibility ? Are we bound to keep all the rebels or possible rebels of all countries in this country ?

Lieut.-Colonel A. E. B. Parsons : No, Sir.

Mr. S. Satyamurti : Then what is the specific International responsibility under which the Afghan citizens are detained in this country at our expense ?

Lieut.-Colonel A. E. B. Parsons : I think that right through the world, when people take refuge in another country, it is the business of that country to see that they do not use that country as a base against a friendly neighbour.

Mr. S. Satyamurti : Why did not Government extern these Sardars from this country to their own country, instead of keeping them here and making the taxpayers of this country pay for their maintenance ?

Lieut.-Colonel A. E. B. Parsons : It has always been the policy of His Majesty's Government that political refugees from other countries should not be turned out.

Mr. Badri Dutt Pande : Did these Sardars submit a memorial on the 9th September, 1936, that their allowances were inadequate and that they were prisoners since their birth ?

Lieut.-Colonel A. E. B. Parsons : The Honourable Member will please refer to my answer to part (g) of the question.

OCCUPATION OF "RAMSAY HOUSE" IN THE ALMORA CANTONMENT BY CERTAIN OFFICERS.

498. *Mr. Badri Dutt Pande : (a) Will the Defence Secretary state whether the house known as "Ramsay House" or "Circuit House" or "Sessions House" is situate within the Cantonment of Almora ?

(b) Are the bye-laws published in the United Provinces Government Gazette Notification No. 2107-1[XI-II-C-24, dated the 16th September, 1932 [under section 282 (30) Cantonments Act, 1924], also applicable to this house ?

(c) Is it a fact that the provisions of these bye-laws, specially of those mentioned in paragraphs 2 and 3 of the bye-laws mentioned in part (b) above have been held in abeyance as far as the house mentioned in part (a) above is concerned ?

(d) If not, is it a fact that no medical certificate was demanded from the Deputy Commissioner, In-charge Kumaon, and his staff when they resided in the "Ramsay House" and premises during the last week of July, 1937, or from the District Judge and staff when he resided therein from the 4th August, 1937, or from the Superintendent of Police, Kumaon and staff when they resided therein on the 6th August, 1937?

(e) If the bye-laws mentioned in part (b) above have been rescinded as far as the house mentioned in part (a) above is concerned and, if so, under what Government Notification has this been published?

Mr. C. M. G. Ogilvie : I am collecting the information and will lay it on the table in due course.

RECOMMENDATIONS OF THE MAXWELL COMMITTEE.

499. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

(a) whether preparations are going on to implement the recommendations of the Maxwell Report ;

(b) whether the posts of Assistant Secretaries will be abolished in the future, and will be replaced by posts of Under Secretaries who will be Indian Civil Service men ;

(c) whether there is a proposal that Federal Ministers should have no knowledge of the departmental discussions and therefore official files are not to be submitted to them in original, and in their place only a concise, self-contained memorandum, including specific recommendations, will be submitted to them, by the heads of the Departments ; and

(d) if so, the reasons why ?

Mr. R. F. Mudie : I would refer the Honourable Member to the reply I gave to Mr. C. N. Muthuranga Mudaliar's question No. 166 on the 27th August to the effect that the document sometimes referred to as the Maxwell Report is only a confidential note prepared by certain Secretariat Officers on points arising out of the Wheeler Committee's Report. The recommendations of the Wheeler Committee are still under consideration. The Report of the Wheeler Committee will be published as soon as it is found practicable to do so. Until this report is published, I am not prepared to make any statement on the recommendations contained therein.

Mr. S. Satyamurti : With reference to the answer to part (a) of the question, may I know whether these notes prepared by the various Secretaries were collated or examined from one comprehensive point of view by the Honourable the Home Member ?

Mr. R. F. Mudie : I understand that it was a joint note.

Mr. S. Satyamurti : I quite understand that it may be a joint note, but it may consist of several notes prepared bit by bit, and put under one docket. I am asking whether beyond any such physical jointure.

there was any attempt on the part of the Government for a single Member thereof to look at these notes from one point of view, and produce a co-ordinated set of recommendations.

Mr. R. F. Mudie : Yes, Sir. The object of the report, I understand, was to collate the various points of view on the various subjects.

Mr. S. Satyamurti : With reference to the answer to part (b) of the question, may I know whether Government are now considering any proposal for the abolition of the posts of Assistant Secretaries to be replaced by Under-Secretaries belonging to the Indian Civil Service ?

Mr. R. F. Mudie : I have already said that I am unable to give any information until the report is published.

Mr. S. Satyamurti : Is it covered by the report and therefore confidential ?

Mr. R. F. Mudie : I am not even prepared to answer that.

Mr. S. Satyamurti : With reference to the answer to part (c) of the question, may I know whether there is any proposal to deny to the Federal Ministers the normal knowledge which now comes to the Members of the Viceroy's Executive Council, but to supply them only a concise precis, so that they may not know the full facts unless they are very alert and vigilant as Honourable Members can now know from the papers placed before them ?

Mr. R. F. Mudie : That is the same question over again. I am not prepared to answer that until the report is published.

Mr. S. Satyamurti : With reference to the answer to part (c), it will be noticed, Sir, that it does not ask for any recommendation in the categories mentioned by my Honourable friend, but the reference is merely

"Whether there is a proposal that Federal Ministers should have no knowledge of the departmental discussions and therefore official files are not to be submitted to them in original, and in their place only a concise, self-contained memorandum, including specific recommendations, will be submitted to them by the heads of the Departments."

I am not asking this question with reference to the Maxwell Report ; but I am asking this question, independently, whether there is any proposal that Federal Ministers should have no knowledge of departmental discussions, and therefore official files are not to be submitted to them in original, and in their place only a self-contained memorandum. I want to know whether such a proposal is being considered by the Government of India.

Mr. R. F. Mudie : I understand the whole question refers to the Maxwell Report and therefore I can give no further information.

Mr. S. Satyamurti : Either the Government should say that it is in the Maxwell Report in which case the answer already given covers my question, or they must say that there is no such proposal. They cannot leave it in that obscurity, not even saying that it is covered or not covered by the Maxwell Report. If it is said that it is covered by the Maxwell Report, I shall be quite content and shall not pursue this question further.

Mr. R. F. Mudie : I understand that the dilemma put to me is whether or not it is in the Maxwell Report. I am supposed to be bound to give an answer. If I answer this question, I should be giving information about the Maxwell Report which I am afraid I am not in a position to do.

Mr. S. Satyamurti : Apart from the Maxwell Report, may I know if any such proposal, as is contained in part (c) of the question, is being considered?

(No reply.)

Mr. K. Santhanam : Is the Honourable Member in a position to deny this?

(No reply.)

Mr. Mohan Lal Saksena : Will the Honourable Member state whether before deciding upon the abolition of the posts of Assistant Secretaries, they will give this House an opportunity of expressing opinion on the Wheeler Committee Report?

Mr. R. F. Mudie : When the Wheeler Committee Report is published, if the Honourable Member wishes to raise a discussion thereon, the ordinary methods are open to him.

Mr. Mohan Lal Saksena : Before finally deciding upon the abolition of the post of Assistant Secretaries, will the House be given an opportunity to express its opinion?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

FORMATION OF AN ARMY LEAGUE IN GREAT BRITAIN TO IMPROVE CONDITIONS OF ARMY SERVICE IN INDIA AND OTHER COUNTRIES, ETC.

500. ***Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

- whether his attention has been drawn to the formation of an Army League in Britain designed to strengthen and popularise the army and improving the conditions of service in the stations abroad, especially India by a committee of 11 members ;
- whether it is a fact that among the recommendations included in a preliminary manifesto published by the committee is the provision of additional pay for service in India or the alternative of long service with pension ;
- whether that report advocates the grouping of recruits into four classes, and what the effect of such groupings will be on Indian finance by way of military expenditure ;
- whether the Defence Department of the Government of India was ever consulted in this matter ;
- whether the recommendations of this committee represent to any extent the opinions either of the British Government or of the Government of India ;

(f) whether the Legislature will be consulted before the Government of India agree to any extra expenditure on account of British soldiers or officers in India ;

(g) whether Government are aware of the strong opinion in India that the army in India has been organised so as to constitute a central reserve for the defence of the Empire ; and

(h) whether Government propose to press on the British Government that on account of this contribution of army in India, Great Britain should make a bigger contribution towards the defence expenditure of India ?

Mr. C. M. G. Ogilvie : (a) to (e). The Army League of Great Britain is a private body and Government have no information of its activities.

(f) No.

(g) Government are aware that a certain school of thought hold this opinion.

(h) I refer the Honourable Member to the statement made by His Excellency the Commander-in-Chief on this matter in the Council of State on the 7th October, 1936.

Mr. S. Satyamurti : With reference to the answer to part (h), and with reference to the statement contained in the Governor General's address to this Legislature yesterday, may I know whether the Government of India have addressed the British Government for a contribution to army expenditure in India and whether that letter or application to His Majesty's Government contains a request for extra grant not only for the present army, but also for future army expenditure ?

Mr. C. M. G. Ogilvie : I can tell the Honourable Member no more than what His Excellency the Viceroy said yesterday in this House.

Mr. S. Satyamurti : May I know the reasons why the Honourable Member cannot inform this House whether the Government of India have addressed the Government of Great Britain on the question of additional help to India's defence expenditure, and if so, under what heads ?

Mr. C. M. G. Ogilvie : I cannot add to the reply I have already given.

Mr. S. Satyamurti : With reference to the answer to parts (a) to (e) of my question, may I know whether the Government of India have, since the receipt of this question taken any steps to ascertain the opinion of this unofficial body called "The Army League" in Great Britain on the matters raised in these clauses of the question ?

Mr. C. M. G. Ogilvie : No.

Mr. S. Satyamurti : May I know the reasons why the Government have not taken steps to ascertain this information ?

Mr. C. M. G. Ogilvie : They did not think it necessary.

Mr. S. Satyamurti : With reference to the answer to part (f) of the question, may I know the reasons why the Government refuse to consult this Legislature before they agree to any extra expenditure on account of the British soldiers or officers in India?

Mr. C. M. G. Ogilvie : The matter concerned is the responsibility of the Government of India and not of this House.

Mr. S. Satyamurti : Since this House has been consulted on such matters in the past, and since the House also expressed its opinion thereon, may I know the reasons why, in view of the large expenditure under this head already, and in view of the strong opinion expressed on the floor of the House, the Government do not propose to consult this House before incurring any extra expenditure on the British element?

Mr. C. M. G. Ogilvie : I cannot add anything to the answer I have already given.

Mr. S. Satyamurti : You have answered nothing. I am putting all these questions in the hope that some day something definite will be said to this House, and until that time I will not refrain from putting these questions.

TOURS OF ARMY OFFICERS.

501. **Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

(a) whether it is fact that, under the auspices of Army Headquarters in India, a number of tours by Army Officers are being arranged in various areas where army pensioners are residing and which have been in the past and in many cases still are recruiting grounds for the army;

(b) the purpose of these tours;

(c) the expenditure contemplated on these tours;

(d) the principles on which these touring officers are selected and whether any Indian officers are selected for this purpose;

(e) whether these officers are sent in order to justify the large defence expenditure in this country, and if so, why;

(f) whether the attention of Government has been drawn to a speech on the 5th August, at Palamcottah in the Madras Presidency by Major Hancock ending with his question to his audience "would they therefore think seriously before they acquiesced in any demand for the reduction of defence services" (reported in the *Hindu* of the 7th August, 1937); and

(g) whether Government are prepared to consider the desirability of stopping this propaganda?

Mr. C. M. G. Ogilvie : (a) Yes.

(b) Recruiting purposes.

(c) Rs. 16,000 a year.

(d) The most suitable officers available, including Indian Commissioned Officers, are selected.

(e) No.

(f) No.

(g) No.

Mr. S. Satyamurti : With reference to parts (e) and (f), may I know if the answers 'No' definitely means that their attention has not been drawn or that the speech was not made?

Mr. C. M. G. Ogilvie : The answer, I think, was clearly given that officers were not sent for this particular purpose, but that they were sent for recruiting purposes and as regards the speech alleged to have been made, the Government have no information on the subject and their attention has not been drawn to it.

Mr. S. Satyamurti : Since the receipt of this question, did the Government find out from Major Hancock whether he did say so, namely, "would they therefore think seriously before they acquiesced in any demand for the reduction of the defence expenditure"?

Mr. C. M. G. Ogilvie : No, Sir.

Mr. S. Satyamurti : Government did not address this officer to find out if he had said so?

Mr. C. M. G. Ogilvie : The Government did not think it necessary.

Mr. S. Satyamurti : Are the Government aware that there is a strong feeling in this House and in the country that the defence expenditure is too high, and they do not want any propaganda to be carried on against any attempt to reduce that expenditure, and are Government justified in sending their own officers to propagate their own doctrine that defence expenditure could never be too high?

Mr. C. M. G. Ogilvie : I think I have said clearly that the purpose of these tours is not propaganda, nor do Government admit for one moment that an invitation to think seriously before deciding on so serious a matter is either reprehensible or of the nature of propaganda.

Mr. S. Satyamurti : Have Government taken steps or will they take steps to confine the activities and speeches of these gentlemen to purely recruiting purposes instead of indulging in political propaganda justifying the heavy defence expenditure?

Mr. C. M. G. Ogilvie : Government do not consider that conversations on the subject of defence expenditure are political propaganda.

Mr. S. Satyamurti : It is not a conversation; it is a public speech, reported in public newspapers.

Mr. President (The Honourable Sir Abdur Rahim) : It is a matter of opinion; he does not consider it as propaganda.

Mr. S. Satyamurti : I am asking whether, apart from conversations, to which I do not and cannot object, Government will take steps to stop public propaganda reported in the public press, on the part of their officers justifying defence expenditure on the present scale?

Mr. C. M. G. Ogilvie : Government will certainly make no statement on the subject.

Mr. S. Satyamurti : Does that mean that Government propose to allow these gentlemen to carry on political propaganda ?

Mr. C. M. G. Ogilvie : Government do not admit for one moment, as I have already said, that lectures or talk on defence or defence expenditure partake in the very least of the nature of political propaganda.

CERTAIN STATEMENTS MADE BY SIR MUHAMMAD ZAFRULLAH KHAN AT THE IMPERIAL CONFERENCE.

502. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- (a) who authorised Sir Muhammad Zafrullah Khan, India's delegate to the Imperial Conference, to state in the course of his speech at that Conference that India appreciated the service that the British Empire was rendering to the cause of world peace ;
- (b) who authorised him again to state, that India would derive enormous benefits from her participation in the Imperial Conference, even though she was not participating on the same footing as the Dominions, inasmuch as Sir Muhammad Zafrullah Khan had no authority of the people of India behind him ; and
- (c) whether the Government of India propose to take steps to convey to His Majesty's Government and other Governments who took part in the Imperial Conference, that India was not represented at the Imperial Conference by Sir Muhammad Zafrullah Khan ?

Mr. J. A. Thorne : (a) and (b). I cannot accept the Honourable Member's version of Sir Muhammad Zafrullah Khan's utterances. I will quote from the official Summary. The first passage is as follows :

"To a troubled and harassed world nothing could furnish a more hopeful or reassuring augury for the maintenance and preservation of international peace than the spectacle of a united Empire co-operating towards securing this end. If there is one thing which has been made clear beyond doubt as the result of these deliberations it is that the dominant purpose of the Commonwealth is peace and that all our energies are bent towards securing and ensuring its permanence."

The second passage is as follows :

"The two outstanding topics which have mainly occupied the attention of the Conference are Defence and Foreign Affairs. Both these are subjects respecting which the Government of India is responsible, and even under the Federal Constitution will continue to be responsible, not to the people of India but to the United Kingdom Parliament ; nevertheless Indian representatives have been glad to participate in the discussion of these subjects and to make their contribution with respect to them as it is realised that the Conference affords valuable opportunities for arriving at a true appreciation of the problems within these spheres with which the Commonwealth is confronted and the efforts that are being made to solve them."

Sir Muhammad clearly had authority to express himself thus at the conclusion of the Conference.

(c) **Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

Mr. S. Satyamurti : With reference to the answer to clause (a), may I know whether, in giving Sir Muhammad Zafrullah Khan authority to say what he did say, did Government take into consideration the betrayal of Abyssinia by the British Empire when it was conquered ruthlessly by Italy, their helplessness over the Mediterranean, and their ominous silence over the Sino-Japanese conflict.....

Mr. President (The Honourable Sir Abdur Rahim) : These international questions are too big to be discussed just now.

Mr. S. Satyamurti : My question is this. Sir Muhammad Zafrullah Khan said that after all whatever the world may be the British Empire is a potent instrument for peace. I want to know whether at that time the Government of India did not know that Abyssinia had been betrayed and therefore the peace of the world had been allowed to be disturbed by international robbers, and why the Government of India allowed Sir Muhammad Zafrullah Khan to state that the British Empire was an instrument of peace.

Mr. President (The Honourable Sir Abdur Rahim) : That is a matter of opinion.

Mr. S. Satyamurti : If that is Government's opinion, Sir, I will take it from you.

Mr. President (The Honourable Sir Abdur Rahim) : I think the Honourable Member realises that it is a very wide question. It may admit of different views and it is not a matter which can be discussed now.

Mr. S. Satyamurti : I want to know why the Government of India authorised Sir Muhammad Zafrullah Khan to say all this, in view of these well known international facts ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member may think that these facts made a difference ; they may think that they made no difference.

Mr. S. Satyamurti : With reference to the answer to clause (b), may I know the reasons why the Government of India authorised Sir Muhammad Zafrullah Khan to express appreciation of India taking part in that Conference, when she has no voice in defence and foreign affairs, which were the main subjects discussed at the Conference ?

Mr. J. A. Thorne : I suggest, Sir, that that also is a matter of argument. Sir Muhammad Zafrullah Khan went as one of the Indian representatives and it was clearly his duty to express the views of the Indian representatives on the proceedings of the Conference in the concluding speech.

Seth Govind Das : Was he elected by the people of India ?

REPORT OF THE CONSTITUTIONAL COMMITTEE OF THE IMPERIAL CONFERENCE.

503. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- (a) whether Government will place on the table of the House a copy of the full report of the Constitutional Committee of the Imperial Conference ;

- (b) whether the Government of India were invited for an expression of opinion on the question of the definition of British subjects ;
- (c) whether the Government of India proposed at the Imperial Conference the need for including the Indians as such in the definition of British subjects, so that, wherever they are in the British Commonwealth, they may enjoy the privileges thereof ;
- (d) whether the Government of India have any information on the recommendation that any member of the Commonwealth contemplating to pass a law on the membership of its community should submit its proposals to the other members, so as to enable them to offer observation on the law, if they feel so inclined ; and
- (e) whether the Government of India propose to press for being consulted on all these matters ?

Mr. R. F. Mudie : (a) The only report available is that contained in section XIV of the published Summary of Proceedings of the Imperial Conference, 1937.

- (b) Yes.
- (c) The present position is that British Indian subjects have the full status of a British subject. The Conference approved that position.
- (d) and (e). None beyond that contained in section XIV of the Summary of Proceedings of the Imperial Conference, 1937.

Mr. S. Satyamurti : With reference to the answer to clauses (b) and (c), may I know whether Government have pursued the matter, from the point of view of the status of British Indian subjects in the dominions of the British Commonwealth ? I am not talking of Britain alone. Did the Government of India examine and press at the Imperial Conference the need for conferring the status of British subject on British Indian subjects, in all parts of the British Commonwealth ?

Mr. R. F. Mudie : If my Honourable friend will read the proceedings to which I have referred, I think he will be fully satisfied that British Indian subjects have the full status of British subjects.

Mr. S. Satyamurti : Has my Honourable friend examined the point that in South Africa the Indians have no franchise ?

Mr. President (The Honourable Sir Abdur Rahim) : That question does not arise.

Mr. S. Satyamurti : With reference to the answer to clause (d), may I know whether the Government of India pressed at this Conference that the British Naturalisation and Status of Aliens Act should be amended, so as to put India in the Schedule, and confer on India the right which the dominions have of either conferring or not conferring the status of British subjects on aliens, apart from their having been domiciled in Great Britain ?

Mr. R. F. Mudie : I have no information to give except what is contained in the Summary.

GRANT OF A PIECE OF LAND TO A PRIVATE GENTLEMAN OR FIRM IN THE AMBALA CANTONMENT.

504. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state whether there is a big piece of land adjoining the premises of Messrs. Mohan Lal and Company, Wine Merchants, Ambala Cantonment, the Penn Symmons Memorial Club, and the playground of the Municipal Board High School, Ambala Cantonment ?

(b) Is or was there any proposal to grant this piece of land privately to some gentleman or firm of the Cantonment of Ambala ?

(c) Is it in public interest to make a private grant of the land to a private person ?

(d) Are Government prepared to consider the advisability of keeping the land vacant till it is required for any public purpose, or dispose of it by public auction, as provided in the Cantonment Land Administration Rules ?

Mr. C. M. G. Ogilvie : I have called for the necessary information from the local authorities concerned and will lay it on the table as soon as it is received.

POST OF INSPECTOR GENERAL OF CIVIL HOSPITALS AND PRISONS OF THE NORTH-WEST FRONTIER PROVINCE.

505. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state whether it is a fact that the post of Inspector General of Civil Hospitals and Prisons of the North-West Frontier Province has been reserved for European officers of the Indian Medical Service ?

(b) If so, since when and why ?

Mr. C. M. G. Ogilvie : With your permission, Sir, I would answer questions Nos. 505 and 506 together. They should have been addressed to the Secretary, Department of Education, Health and Lands.

POST OF DEPUTY DIRECTOR GENERAL, INDIAN MEDICAL SERVICE.

†506. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state the number of senior Indian officers who have been superseded by European officers and have been selected for higher appointments in the Indian Medical Service during 1936 and 1937 ?

(b) Is the post of Deputy Director General, Indian Medical Service, a tenure post ? If so, was an Indian I. M. S. appointed to it but was replaced by an Englishman before the expiry of his tenure ?

(c) Is it the intention of Government to reserve this post for a European in future ?

†For answer to this question, see answer to starred question No. 505.

LAND ACQUIRED BY THE MILITARY AUTHORITIES IN AND AROUND THE KOHAT CANTONMENT.

507. ***Mr. Abdul Qaiyum** : (a) Will the Defence Secretary please state how much land has been acquired by the military authorities during the last 15 years in and around the Kohat Cantonment ?

(b) Is it not a fact that most of this acquired land consisted of orchards which have been cut down and turned into recreation grounds for military officers ?

(c) Is it not a fact that the price paid for the land was much less than the current market rate ?

(d) Will the Defence Secretary lay on the table figures showing the prices paid for the land acquired and also the prices according to the five yearly average prepared by the Revenue officials ?

Mr. C. M. G. Ogilvie : (a) The time and labour involved in collecting the information would not be commensurate with the result achieved.

(b) Government have no information.

(c) When land is acquired under the Land Acquisition Act, the amount of compensation is determined by the Land Acquisition Collector. If any one is not satisfied with the award of the Collector, it is open to him to prefer an appeal to Court.

(d) Does not arise.

Mr. Abdul Qaiyum : May I know if you have made inquiries as to how much land has been acquired, and, if so, when ?

Mr. C. M. G. Ogilvie : No, Sir, the reason being that it would mean searching into records for 15 years in civil offices wherever land has been acquired under the Land Acquisition Act, and into records of military offices over the same period wherever land has been acquired by private treaty.

ORDERS FOR NOT SOWING CERTAIN CROPS IN THE KOHAT CANTONMENT.

508. ***Mr. Abdul Qaiyum** : (a) Will the Defence Secretary please state whether it is not a fact that the Mian Khel Zamindars close to the perimeter wire, Kohat Cantonment, have been ordered not to sow crops like maize and sugar-cane, etc. ?

(b) If so, who has passed the above order, and under what Law ?

(c) Has any compensation been paid to the said Zamindars for the loss of their crops, and for their being forced to sow inferior crops ?

(d) If not, why not ?

Mr. C. M. G. Ogilvie : (a) The Zamindars who own land near the perimeter wire in the Kohat Cantonment are not permitted to grow

any kind of trees, including fruit trees, in their land, but are permitted to grow only vegetables or low growing crops not exceeding 18" in height.

(b) The order is in force in consequence of an agreement between the headman and villagers of Mian Khel and the Secretary of State for India, dated 9th October, 1923.

(c) Compensation amounting to Rs. 25,184 was paid to the villagers by the Deputy Commissioner, Kohat, on 4th October 1923, under the terms of the agreement ; and in accordance with the terms agreed upon no further compensation is payable for the removal of crops, etc., subsequent to the date of agreement.

(d) Does not arise.

Qazi Muhammad Ahmad Kazmi : How long is that agreement to continue ?

Mr. C. M. G. Ogilvie : So long as the perimeter wire stands round Kohat.

Mr. Abdul Qaiyum : Is the headman the only owner of all this property round the perimeter wire ?

Mr. C. M. G. Ogilvie : I am afraid I cannot tell.

Mr. Abdul Qaiyum : Has the headman any authority to enter into an agreement on their behalf ?

Mr. C. M. G. Ogilvie : I presume he has.

Mr. Abdul Qaiyum : Presumption is nothing. The agreement has been reduced to writing and you have it on record. Will you please tell me whether he was duly authorised by the owners to enter into an agreement on their behalf ?

Mr. C. M. G. Ogilvie : The matter is 14 years old, and, as far as I know, it has not been raised till today.

Mr. Abdul Qaiyum : Will you please get the information and lay it on the table. It deprives them of their right to raise certain crops.

REORGANISATION OF THE GOVERNMENT OF INDIA SECRETARIAT.

509. ***Mr. C. N. Muthuranga Mudaliar** : (a) Will the Honourable the Home Member be pleased to state whether it is a fact that Government, in pursuance of the scheme for reorganization of the Government of India Secretariat, are taking steps to abolish the posts of Assistant Secretaries in all Departments of the Secretariat and to replace them by officers of the Indian Civil Service as Under Secretaries (mostly Europeans) ;

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(b) Is it a fact that under the arrangement at present in vogue a great deal of important work in the Secretariat is now being done by subordinates under the direction of the Assistant Secretaries?

(c) Are Government aware of the impression that the officers of the Indian Civil Service, under cover of reorganisation of the Secretariat, seek to consolidate their position before Federation is ushered in at the Centre?

(d) Have Government considered that if the class of Assistant Secretaries is dispensed with, the Superintendents, however capable and experienced, cannot go beyond that rank?

(e) Are Government prepared to consider the advisability of taking the verdict of the House before any far-reaching changes are introduced by way of reorganisation of Secretariat?

Mr. R. F. Mudie : (a), (d) and (e). On the assumption that the Honourable Member is referring to the intentions of Government with regard to the recommendations of the Wheeler Committee, I would refer the Honourable Member to my reply to Mr. Satyamurti's question No. 499 on the subject. Until the Wheeler Report is published I regret that I can make no statement on the recommendations contained therein or the action which Government are likely to take thereon.

(b) No such general statement can be made. The practice varies in different departments.

(c) No.

Mr. S. Satyamurti : May I know, Sir, why Government do not propose to take the verdict of the House, before any far-reaching changes are introduced by way of reorganisation in the Secretariat?

Mr. R. F. Mudie : I have already answered that supplementary question before. When the report is published the Honourable Member has the ordinary methods open to him to invite a discussion in the House.

Mr. T. S. Avinashilingam Chettiar : Will Government put it before the House?

Mr. R. F. Mudie : No.

Mr. Mohan Lal Saksena : Will Government consider the feasibility of putting off changes until the inauguration of Federation?

Mr. R. F. Mudie : No.

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INDIANS EMPLOYED AS GARRISON ENGINEERS.

†511. ***Sardar Sant Singh :** (a) Will the Defence Secretary be pleased to state the number of Indians employed as Garrison Engineers?

†This question was not put by the questioner.

(b) Is it a fact that Indians with English qualifications and degrees obtained from Roorkee Engineering Institute are available? If so, is the employment as Garrison Engineer open to such qualified men?

(c) How many of such men have been employed as Garrison Engineer? If not, why not?

(d) How many of these Garrison Engineers at present in the Military Services in India are not Royal Engineers? How many of them have been raised from Military Sub-Divisional Officers?

Mr. C. M. G. Ogilvie : With your permission, Sir, I will answer questions Nos. 511, 512 and 513 together. I refer the Honourable Member to the replies I gave to identical questions asked by Lala Sham Lal on the 27th August, 1937, and by Sardar Mangal Singh on the 1st April, 1937.

INDIANS EMPLOYED AS SUB-DIVISIONAL OFFICERS IN THE ARMY.

†512. ***Sardar Sant Singh :** (a) Will the Defence Secretary be pleased to state the number of Indians employed as Military :

(i) Sub-Divisional Officers, Buildings and Roads ;

(ii) Sub-Divisional Officers, Electrical and Mechanical ; and

(iii) Furniture and Stores,

and the number of non-Indians in the above section?

(b) What is the scale of pay for civilians and Military Sub-Divisional Officers in the above three branches?

(c) How many Indians with English and Roorkee qualifications are working as Overseers, temporary and permanent, and at what pay? What is the bar in promoting them to Sub-Divisional Officers posts in place of Military Sub-Divisional Officers?

(d) In view of the difference of pay in recruiting Indians, is the Defence Secretary prepared to take early steps to stop further recruitment of Military Sub-Divisional Officers?

GIVING OF HONORARY MILITARY RANKS TO CIVILIANS IN THE MILITARY ENGINEERING SERVICES.

†513. ***Sardar Sant Singh :** (a) Will the Defence Secretary be pleased to state whether it is a fact that qualified Indians are appointed as Royal Engineers with Sappers and Miners? If so, why are such Indians not appointed with the Military Engineering Services?

(b) Is it a fact that honorary military ranks are not given to civilians in the Military Engineering Services? If so, why? Are Government prepared to grant such ranks to civilians?

†For answer to this question, see answer to starred question No. 511.

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JOURNAL OF THE IMPERIAL SERVICES.

514. *Mr. Sri Prakasa : Will the Honourable the Home Member state :

- (a) if it is a fact that the Imperial Services, like the Indian Civil and the Indian Police, have their journals which they regularly issue confidentially and circulate in the centrally administered areas also, wherein they ventilate their so-called grievances and give threats to the authorities in case their demands are not conceded ;
- (b) if, in case Government are not aware of this, they will institute enquiries ; and
- (c) if permission is taken from Government before these journals are allowed to be published ?

Mr. J. A. Thorne : (a) to (c). I have no information whether any Association of Members of the all-India Services issues a periodical publication. Demands and threats have certainly not been conveyed to Government by means of any such publication. The Government see no need to make enquiries unless instances are alleged of the issue of such publications without the permission of Government.

Mr. Sri Prakasa : May I understand, Sir, that he has not seen the dear little journals printed by the Imperial Police Association in green covers, marked confidential, in which all sorts of threats are given to Government about what they will do in case their pay, pensions, privileges, powers, patronage, and other "p.'s" are not attended to ?

Mr. J. A. Thorne : The answer is no.

Mr. Sri Prakasa : I must ask my C. I. D. to give him a copy.

ALLOWANCES PAID TO SARDARS MUHAMMAD UMAR KHAN AND MUHAMMAD SARWAR KHAN, AFGHAN DETENUS.

515. *Maulana Zafar Ali Khan : (a) Will the Honourable the Foreign Secretary please state whether the Government of India brought the late Sardar Muhammad Ayub Khan from Mashad to India as their "Honoured Guest." ?

(b) What was the allowance that Government were paying to the late Sardar Muhammad Ayub Khan for his personal expenses ?

(c) What was the amount that Government were paying to the retinue of the late Sardar Muhammad Ayub Khan ?

(d) What were the respective amounts fixed for the late Sardar Muhammad Ayub Khan's sons after his death ? When was their present allowance fixed ?

(e) Were the Sardars Muhammad Umar Khan and Muhammad Sarwar Khan bachelors at the time their present monthly allowances were fixed ?

(f) How many children has each of the two Sardars got now ?

(g) When were these two Sardars put under Regulation III of 1818 and why ?

(h) Have or have not these two Sardars been petitioning Government since their allowances were fixed at Rs. 250 per mensem each, to remove their grievances by meeting the growing needs of their families for the last twenty years ? What action did Government take on their petition ? If none, why not ?

(i) Are Government bound to look after their needs as well as their families' needs according to their social status as provided by Regulation III of 1818, or not ? Have they done so ? Did they ever give them or their families medical aid ?

(j) Do Government provide them with accommodation up the hills during the summer season ? If not, why not ?

(k) Are Government aware that their hill allowance is hardly sufficient for their fares, etc., up and down the hills ?

(l) Have Government issued any instruction to the Press that no statement about them, even by responsible persons, be published ?

(m) What arrangement, if any, have Government made for the education of or provision for the male issues of the Sardars ?

(n) What arrangements have Government made for the education and marriage of their female issues ?

(o) Are Government prepared now to meet their request and redress their legitimate grievances ? If not, why not ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes.

(b) Rs. 8,500 per month.

(c) Rs. 5,000 per mensem approximately.

(d) After the death of S. Muhammad Ayub Khan, the following allowances were sanctioned for his sons :

	Rs.
	Per mensem.
1. S. Muhammad Abdul Qadir Khan Effendi	.. 500
2. S. Muhammad Akram Khan	.. 400
3. S. Muhammad Azam Khan	.. 300
4. S. Sultan Ahmad Khan	.. 300
5. S. Sher Ahmad Khan	.. 250
6. S. Nur Ahmad Khan	.. 250
7. S. Muhammad Sarwar Khan	.. 250
8. S. Muhammad Umar Khan	.. 250
9. S. Abdul Aziz Khan	.. 250
10. S. Abdus Samad Khan	.. 150
11. S. Abdur Rashid Khan	.. 150

These allowances, which the Sardars (with the exception of No. 10) are at present drawing, were sanctioned by Government on 8th September, 1915. No. 10 is receiving an allowance of Rs. 200 per mensem which was fixed in January, 1918.

(e) Yes.

(f) and (g). I would refer the Honourable Member to the answer I have just given to Mr. Badri Dutt Pande's question, No. 497.

(h) Yes, but Government have not found it possible to accede to their request as they consider the allowances to be adequate.

(i) Government make suitable provision for the support of these detenus according to their rank in life and for such medical aid, as is beyond their own resources.

(j) No, but they get hill allowances of Rs. 300 each for the season.

(k) Government consider this allowance to be sufficient.

(l) No.

(m) Government have sanctioned an educational allowance of Rs. 25 per mensem to Muhammad Akbar, son of S. Muhammad Sarwar Khan. They have also sanctioned an educational allowance of 50 per annum for one of the sons of Sardar Muhammad Umar Khan in 1932, but he refused to accept it.

(n) Government do not hold themselves responsible for the marriages of the daughters, but consider applications for educational allowances on their merits.

(o) Government do not consider their grievances legitimate and do not propose to increase their allowances.

Maulana Zafar Ali Khan : With regard to sub-clause (e) of this question, may I know whether the allowances given to Sardar Muhammad Umar Khan and Sardar Muhammad Sarwar Khan are really adequate? Government may think so, but they do not; and why is this invidious distinction between the allowances given to these two gentlemen and the other illustrious members of the family?

Lieut.-Colonel A. E. B. Parsons : I think it must always be left to the giver to decide how much he should give.

Qazi Muhammad Ahmad Kazmi : Have Government got any idea as to the number of family members of Sardar Umar Khan and Sardar Sarwar Khan at the present time?

Lieut.-Colonel A. E. B. Parsons : If the Honourable Member had listened to my answer to the previous question, No. 497, today, he would have got an answer.

Mr. Mohan Lal Saksena : Is it not a fact that the allowances to these two gentlemen were fixed in 1919 when they were unmarried?

Lieut.-Colonel A. E. B. Parsons : I said so.

Mr. Mohan Lal Saksena : Do not Government consider it necessary that since they have married and got families the allowances should be increased?

Lt.-Colonel A. E. B. Parsons : I do not think the Honourable would suggest that in succeeding generations all their children, legitimate and illegitimate, and their children again should receive money from Government. And as far as I know, the Honourable is of opinion that Rs. 500 is enough remuneration for any person in this world when he does hard work; surely he will not disagree when I say that Rs. 300, which is approximately what they get, is enough for people who do no work at all?

Govind Das : Who is responsible for their not doing any work? Will they be made free?

Lt.-Colonel A. E. B. Parsons : They themselves.

Cowasji Jehangir : The Honourable Member said in reply to a supplementary question that it was left to the giver to decide as to how much should give. Who is the giver in this case?

Lt.-Colonel A. E. B. Parsons : The Government of India.

Cowasji Jehangir : Does that mean the tax-payer?

Lt.-Colonel A. E. B. Parsons : The Honourable Member's conception of constitutional law is better than mine.

Cowasji Jehangir : Does the Honourable Member admit that if it is the tax-payer who gives the money, then this Honourable House is not interested in the matter and that the opinion of this Honourable House carries no weight with the Government?

Lt.-Colonel A. E. B. Parsons : If any Member of this House were to put down a Resolution that the allowances of these people should be increased, doubtless it will come before the House. Meanwhile the Government of India are responsible to see that the revenues are not wasted.

Maulana Zafar Ali Khan : The Honourable Member has admitted in sub-clause (a) of this question that the late Sardar Ayub Khan was an honoured guest of the Government; and then comes the question of the giver and the taker. In this case, may I know whether the Government of India, who deported the late Sardar Muhammad Ayub Khan, who was honoured and kept him as their honoured guest, will see that the allowances given to his descendants are in proportion to the honour of the honoured guest?

President (The Honourable Sir Abdur Rahim) : He has already asked the Government to have certain responsibilities in the matter.

INDIANS IN CHINA.

***Seth Govind Das :** Will the Foreign Secretary be pleased to state:

(a) the number of Indians at present in China;

(b) the number of Indians as residents, traders and in service in the towns of Shanghai, Nanking and other areas where the China-Japanese war is going on;

- (c) the number of Indian lives lost as a result of the China-Japanese war ;
- (d) the extent to which property of Indians has been lost or damaged since the commencement of the war ;
- (e) what action, if any, Government have taken to safeguard their lives and property ; and
- (f) what is the latest report on the situation affecting Indians in the war areas of Chinese and Japanese territories ?

Lieut.-Colonel A. E. B. Parsons : The Honourable Member's attention is invited to the reply given by me on the 9th instant to Mr. T. S. Avinashilingam Chettiar's starred question No. 424. I regret I have no further information to give the House.

Seth Govind Das : At that time also the Honourable Member did not give any particular information. Will he now collect this information and give it before the end of this Session ?

Lieut.-Colonel A. E. B. Parsons : I am doing my best to get some information, but as I explained to the Honourable Member and to the House at that time, it is very difficult to get it.

Mr. T. S. Avinashilingam Chettiar : Have the cables been reconstructed ?

Seth Govind Das : May I know what attempts have been made to get further information after that date ?

Mr. Lalchand Navalrai : What attempts have been made ? How have the Government of India failed to get information ?

Lieut.-Colonel A. E. B. Parsons : I have sent telegrams, but I have so far failed to get any answer.

Mr. Lalchand Navalrai : Why is it that there is no answer, I want to know ?

Lieut.-Colonel A. E. B. Parsons : Probably because war is going on there, I should say.

OVERSEAS ALLOWANCES TO THE INDIAN TROOPS PROCEEDING TO CHINA.

517. ***Mr. Badri Dutt Pande :** With reference to the reply to a supplementary question by Mr. M. Asaf Ali, M.L.A., on the 27th August, 1937, regarding overseas allowance to the Indian troops proceeding to China, will the Defence Secretary be pleased to state the amount of overseas allowance that will be given to

- (a) Indian officers ;
- (b) Non-Commissioned officers ;
- (c) Combatants ; and
- (d) Followers ?

Mr. C. M. G. Ogilvie : Indian forces sent to China will draw "expatriation allowances" at the following scales :

	Rs. Per mensem.
King's Commissioned officers, Indian Commissioned officers, all rank	22 8 0
(a) (i) Viceroy's commissioned officers, except Jemadars	20 0 0
(ii) Jemadars	12 0 0
(b) Non-commissioned officers.	9 0 0
(c) Combatants (Indian other ranks)	5 0 0
(d) Followers	5 0 0

Mr. T. S. Avinashilingam Chettiar : What is the rate for Indian Commissioned Officers ?

Mr. C. M. G. Ogilvie : Rs. 22-8-0 all ranks.

Mr. T. S. Avinashilingam Chettiar : May I know what the allowances are to British soldiers ?

Mr. C. M. G. Ogilvie : Less for every rank except for Commissioned Officers when it is exactly the same.

LIVES AND PROPERTY OF INDIANS IN CHINA.

518. ***Mr. T. S. Avinashilingam Chettiar :** Will the Foreign Secretary state :

- (a) whether it is true that Shanghai has recently been bombed ;
- (b) what is the population of Indians and Britishers in Shanghai now ; and
- (c) whether Indian lives and property have been lost ; if so, to what extent ?

Lieut.-Colonel A. E. B. Parsons : I have nothing to add to the reply which I gave on the 9th instant to the Honourable Member's question No. 424.

Mr. T. S. Avinashilingam Chettiar : May I know whether the cables have been reconstructed ? I did not get an answer then.

Lieut.-Colonel A. E. B. Parsons : I have not heard so.

Mr. T. S. Avinashilingam Chettiar : When do you expect it ?

Lieut.-Colonel A. E. B. Parsons : I do not expect it.

Sir Cowasji Jehangir : To whom does the Honourable Member send these cables asking for information ?

Lieut.-Colonel A. E. B. Parsons : To the representatives of His Majesty's Government in China.

Mr. Mohan Lal Saksena : May I know whether Government have tried to get into touch with Indians who have returned from China ?

Sir Cowasji Jehangir : May I just point out whether the Honourable Member realises that other Governments are getting information about their nationals in China and that information is being printed in the newspapers every day, and does not the Honourable Member think that the Government of India ought to be in a position to get information about Indians in a foreign country where there is war going on and that the Government of India ought to be in a better position to protect their nationals than being not even able to get a reply to inquiries made?

Lieut.-Colonel A. E. B. Parsons : The Government of India consider that protecting their nationals on the spot is more important than getting information about the form of protection that is being given.

Sir Cowasji Jehangir : But is the Honourable Member sure that the proper protection is being given to the nationals when he has got no information on the subject? That is what we want to be assured about.

Lieut.-Colonel A. E. B. Parsons : Government are quite assured on the matter, because it is the invariable practice of His Majesty's Government to give protection to all British subjects abroad.

Mr. M. S. Aney : May I ask whether Government are going on presumption or on fact?

Lieut.-Colonel A. E. B. Parsons : On fact.

Mr. M. S. Aney : How can it be a fact when Government know nothing about it?

(No reply.)

Mr. Mohan Lal Saksena : May I repeat my previous question? Have Government tried to get into touch with Indians who have returned from China?

Lieut.-Colonel A. E. B. Parsons : They have not; but they are not sure that any have actually returned from China in the last few days.

Mr. Mohan Lal Saksena : The other day I read that 900 persons returned from China.

Mr. T. S. Avinashilingam Chettiar : May I know whether getting information in any way prevents protection being given there?

Lieut.-Colonel A. E. B. Parsons : Yes, Sir, because the time of the War is fully occupied in giving protection.

Mr. S. Satyamurti : May I know whether Government have made arrangements or propose to make any arrangements to get information about the actual state of Indians in the theatre of war, apart from published in newspapers?

Lieut.-Colonel A. E. B. Parsons : As soon as it is possible to do so,

Mr. T. S. Avinashilingam Chettiar : What is the difficulty now?

Lieut.-Colonel A. E. B. Parsons : The fact that all the officials on the spot are already too much engaged in other duties to collect information.

NOMINATIONS TO THE ARMY.

519. *Mr. T. S. Avinashilingam Chettiar : Will the Defence Secretary state :

- (a) whether nominations to the regular army are made from among the officers of the Territorial Forces in England ;
- (b) whether the practice is followed in India ; and
- (c) if not, whether Government are prepared to consider the advisability of following the practice in India also ?

Mr. C. M. G. Ogilvie : (a) Nominations are not made to the regular Army from officers of the Territorial Forces in England, but subject to certain conditions, such officers are allowed to attend the final term of the course at the Royal Military College and to compete for a limited number of Commissions at the final examination.

(b) No.

(c) No.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, if Government will consider the desirability of adopting that system in India?

Mr. C. M. G. Ogilvie : No.

Mr. T. S. Avinashilingam Chettiar : Why not?

Mr. C. M. G. Ogilvie : Because Government do not think it is necessary or suitable.

Mr. Abdul Qayyum : May I know the reasons why Government consider that it is not necessary for India when it is already being worked in England?

Mr. President (The Honourable Abdur Rahim) : Next question.

MEDICAL AID GIVEN TO INDIAN ARMY RESERVE OF OFFICERS.

520. *Mr. T. S. Avinashilingam Chettiar : Will the Defence Secretary state :

- (a) whether free medical aid is given to Indian Army Reserve of Officers, retired, regular personnels ; and
- (b) whether it is given to the Territorial Force personnel ; if not, why not ?

Mr. C. M. G. Ogilvie : Officers of the Army in India Reserve of Officers are entitled to free medical attention when called up for training or embodied. Such officers when not under training or embodied, as also retired regular officers and men, may receive free medical treatment in certain circumstances.

(b) Members of the Indian Territorial Force are entitled to free medical attention when called up for training or embodied.

Pandit Lakshmi Kanta Mahtia : May I know, Sir, what is meant by retired regular officers?

Mr. C. M. G. Ogilvie : Regular officers who have retired.

GRANT OF HELP TO THE FAMILY OF PRINCE MIRZA RAHMAT SULTAN.

521. *Maulana Zafar Ali Khan : Will the Foreign Secretary please state :

- (a) whether he is aware that Prince Mirza Rahmat Sultan, grandson of Bahadur Shah, the ex-King of Delhi, has passed away in Rangoon, leaving a widow with five daughters and three sons to mourn his loss ;
- (b) whether he is further aware that the family of the deceased Prince is living in abject poverty and that the eldest son, on whom the burden of earning bread for this large family has fallen, is only a young boy not yet out of his teens ; and
- (c) whether Government are prepared to help this illustrious family in its great distress ?

The Honourable Sir Nripendra Sircar : I answer this on behalf of the Political Department.

(a) Yes.

(b) and (c). Government are not aware of the precise financial circumstances of the deceased's family. Mirza Rahmat Sultan was not in receipt of an allowance from Government ; and as his eldest son is of sufficient age to work for a living, it is not considered that any assistance to the family from public funds would be justifiable.

Maulana Zafar Ali Khan : May I know, Sir, under what law was the last reigning scion of the Mughal dynasty, His Majesty Abu Zafar Bahadur Shah, transported to Burma ? Was it the famous or rather the infamous Ordinance of 1818 ?

The Honourable Sir Nripendra Sircar : I shall want a month's notice, Sir, to answer this question.

DELEGATION OF CERTAIN POWERS TO BAZAR COMMITTEES IN CANTONMENTS.

522. *Seth Govind Das : Will the Defence Secretary be pleased to state :

- (a) whether the assurances given by the Defence Secretary on 4th September, 1936, during the course of a debate in this House on the Cantonment Amendment Bill, regarding giving powers to the Bazar Committees have been given effect to ;
- (b) the extent to which powers have been delegated to the Bazar Committees to carry on detailed administration in the civil areas of the Cantonments ;
- (c) the Cantonments where such powers were so delegated to the Committees ;
- (d) whether it is a fact that the functions entrusted to the Bazar Committees are those of an advisory character ;
- (e) whether it is a fact that the troubles in the civil areas of the Cantonments still continue as a result of the Defence Department not having issued definite instructions over the so-called encroachment of lands, etc., even after the passing of the Act ;

(f) whether the assurances given with regard to the appointment of Executive Officers to undergo the same test as any other, has been contradicted by a Gazette notification that the Governor General in Council may appoint anybody at his discretion, notwithstanding the rules to undergo the test ; and

(g) the reasons of Government for not honouring the undertakings given by the Defence Secretary during the course of the debate on the 4th September, 1936 ?

Mr. C. M. G. Ogilvie : (a) They are now being given effect to.

(b), (c) and (d). The delegation of powers to bazaar Committees, and the extent of those powers, is a matter for each individual Cantonment Board to consider. As yet Government are not aware of the extent to which powers have been delegated. A copy of the instructions which has been issued by Government to Cantonment Boards is laid on the table.

(e) Not understood.

(f) No, Sir. The Cantonment Executive Officers Service Rules, 1937, provide for the recruitment of all new Executive Officers being made through the Federal Public Service Commission. Provision has, however, been made in these rules to enable the existing cadre of civilian Executive Officers and late class II Executive Officers of the Cantonments Department to be brought within these rules and also to allow, if necessary, a few existing class I officers of the Cantonments Department, who have not been selected for the Lands Branch, to serve for a year or two under these rules in order to tide over the shortage until new officers have been selected and trained.

(g) Does not arise.

Cantonments Regulations.

No. 654-R/D-4.

GOVERNMENT OF INDIA.

DEFENCE DEPARTMENT.

Simla, the 6th September, 1937.

To

THE GENERAL OFFICERS COMMANDING-IN-CHIEF,

ALL COMMANDS.

Functions of Bazar Committees.

SIR,

It has been brought to the notice of the Government of India that misapprehension exists in Cantonments as regards the functions of Committees appointed under Section 43-A of the Cantonments Act, 1924, for the administration of Bazar areas. I am accordingly directed to explain for the information of all concerned that the so-called Bazar Committees are Committees of the Board and must be appointed by the Board in accordance with the provisions of the section quoted above. It was recognised by the Select Committee of the Central Legislature which considered the Cantonments (Amendment) Bill that the authority of these Bazar Committees must constitutionally be derived from the Board as a whole and that the extent of the powers to be delegated to these Committees must in consequence be capable of variation from time to time, if

necessary, by the Board itself. This position was also explained in the Legislative Assembly by the Defence Secretary. It will thus be seen that these Committees will exercise no independent powers and the minutes of their proceedings will be subject to the confirmation of the Board and copies of these minutes will form part of the proceedings of the Board.

The intention, however, is that so far as the bazar areas are concerned, all the work that is at present entrusted to the Committee appointed under Section 44, *ibid*, e.g., Buildings, Education, Sanitation, etc., should be performed by these Committees and that a convention should be introduced by the Board whereby the proceedings of such Committees would be formally confirmed by the Board, unless in any case the official members of the Bazar Committee consider it necessary to protest to the Board against its recommendations particularly in respect of matters pertaining to the health, safety or welfare of the troops or against those which may contravene the provisions of the Cantonment Land Administration Rules.

These Committees will have no financial powers separate from the Board as a whole but there would be nothing to prevent a Board delegating to the Bazar Committees power to sanction expenditure on works connected with bazar areas subject to the allotment made by and the general control of the Board.

The Bazar Committees will not replace other Committees, in regard to the disposal of building applications outside bazar areas but will only deal with the administration of bazar areas.

Questions regarding the appointment, punishment, dismissal, etc., of Cantonment servants, including those employed in schools and hospitals situated within bazar limits will remain with the Board.

2. As regards land in bazar areas, Government will remain the owners of such land but it will be within the power of the Board, or of the Bazar Committee if this power has been delegated to it, to deal with all cases relating to applications for new sites, sub-division of sites, extension of sites, change of purpose and encroachments, in any manner they think proper subject to the provisions of the Cantonment Land Administration Rules regarding the procedure for the disposal of sites and the provision of the Cantonment Property Rules regarding Class O land. The Government of India have no intention of enforcing any restrictions in the way of demanding new leases for sub-division of sites, additional buildings on sites, change of purposes, etc., on old grant sites in bazar areas nor do they intend to interfere with the land administration of the Board unless of course the Board abuses its powers.

3. In conclusion, the Government of India desire that, in accordance with the assurance given by them when the Cantonments (Amendment) Bill was passed, the Bazar Committees should be given a chance of exercising real powers.

I am,

Sir,

Your most obedient servant,

C. MACI. G. OGILVIE,

Secretary to the Government of India.

†523*.

REDUCTION IN THE SALARIES OF MEMBERS OF THE GOVERNOR GENERAL'S EXECUTIVE COUNCIL.

524. *Mr. C. N. Muthuranga Mudaliar : (a) Is the Honourable the Home Member aware that the majority of Ministers in Provinces in India are not in receipt of more than Rs. 500 each as their salary ?

†This question was withdrawn by the questioner.

(b) Has he or the Government of India considered the desirability of fixing a reduced salary for Members of the Governor General's Executive Council ? If not, why not ?

(c) Are Government prepared to consider the question of reduction of the present enormous salaries at least in the case of Indian Members of the Executive Council ?

Mr. B. F. Mudie : (a) I am aware that this limit has been prescribed in certain Provinces.

(b) No.

(c) No.

BREAKING OF THEIR PAROLE BY SARDARS MUHAMMAD UMAR KHAN AND MUHAMMAD SARWAR KHAN, AFGHAN DETENUS.

525. *Mr. Badri Dutt Pande (on behalf of Pandit Sri Krishna Dutta Paliwal) : Will the Foreign Secretary state :

(a) if it is a fact that the two Sardars, Muhammad Umar Khan and Muhammad Sarwar Khan, broke their parole recently at Naini Tal ;

(b) the reason or reasons which led them to do it ;

(c) if it is a fact that the authorities refused to accept their voluntary surrender ; and

(d) the treatment meted out to them after they broke their parole ?

Lieut.-Colonel A. E. B. Parsons : (a) Yes.

(b) The alleged inadequacy of their allowance of Rs. 250 per mensem each.

(c) and (d) : They courted arrest and were put in the Nainital Jail. They were released on the 10th August, 1937, after a detention of ten days.

Mr. Badri Dutt Pande : Is it a fact, Sir, that these princes already owe a sum of Rs. 15,000 in Nainital and Bhowali ?

Lieut.-Colonel A. E. B. Parsons : I cannot remember the exact amount of their debts, but they were considerable.

Mr. Mohan Lal Saksena : Is it a fact, Sir, that pending the decision of the Government of India the Local Government made arrangements to supply provisions instead of giving them an allowance ?

Lieut.-Colonel A. E. B. Parsons : Government have no information. The Local Government have certainly not so reported.

BAN ON THE PUBLICATION OF NEWSPAPERS IN CERTAIN CANTONMENTS.

526. *Mr. Badri Dutt Pande (on behalf of Pandit Sri Krishna Dutta Paliwal) : (a) Will the Honourable the Home Member be pleased to state whether the Indian Press and Books Registration Act operates in the cantonments of Neemuch, Mhow, Baroda Residency, Rajkot Civil Station, Mount Abu, Indore Residency Area and the Kolhapur Residency Areas ?

(b) Is it a fact that no newspaper is published in Mhow or Neemuch ?

(c) Is it a fact that several persons wanted to establish a newspaper at either Mhow or Neemuch, but the Honourable the Resident in Central India does not allow any to be published ?

(d) Would the Honourable the Home Member be pleased to enunciate Government's policy in this connection ?

The Honourable Sir Nripendra Sircar : I would refer the Honourable Member to the reply given on the 7th September, 1937, to question No. 71, which was an identical question.

PUTTING IN OF INTERPELLATIONS IN LEGISLATURES BY SERVICE ORGANISATIONS.

527. ***Pandit Nilakantha Das :** Will the Honourable the Home Member state whether the service organisations can openly put in interpellations in respective Legislatures ? If not, what is the rule against the same ?

Mr. R. F. Mudie : Under instruction 6 of the Instructions regarding the recognition by the Central Government of Associations of its Employees other than Associations of Industrial Employees (copies of which are in the Library of the House) recognition may be withdrawn, if an association adopts methods of ventilating its needs other than their communication to Government.

COST OF ESTABLISHMENT AND MAINTENANCE OF THE FEDERAL COURT.

528. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Home Member be pleased to state what the total cost of establishment and maintenance of Federal Court will be ?

(b) What will be the total number of likely cases that may come before the Court ?

(c) What is the total number of Judges and their respective salaries ?

(d) In addition to judicial work, will they have any other duties ?

(e) Are Government aware that there is very little prospect of work for the Federal Court, and do Government propose to devise ways and means to reduce the unnecessary expenditure ?

Mr. R. F. Mudie : (a) The total estimated cost during the current financial year from 1st October, 1937, is Rs. 1,18,900. No details for the year 1938-39 have yet been worked out.

(c) The total number of Judges including the Chief Justice will for the present be three. The pay of the Chief Justice will be Rs. 7,000 a month and that of the other Judges, Rs. 5,500 a month each.

(d) I would invite the Honourable Member's attention to the provisions of the Government of India Act, 1935, and particularly to section 213 of that Act.

(b) and (e). It is impossible to estimate the number of cases which will come before the court or the amount of work which the court will be called upon to perform. In consequence only the minimum expenditure has been proposed.

Mr. Sri Prakasa : What is the exact amount now spent ?

Mr. R. F. Mudie : The Court has not yet started.

Mr. Sri Prakasa : And the salaries are being paid ?

Mr. R. F. Mudie : Not yet.

Pandit Lakshmi Kanta Maitra : Is the Court going to sit from the 1st of October ?

Mr. R. F. Mudie : It has been constituted from the 1st of October.

Pandit Lakshmi Kanta Maitra : When is it going to sit ?

Mr. R. F. Mudie : It will sit as soon as it is constituted.

Mr. Sri Prakasa : Will Government take steps to create quarrels to give some work to this Court ?

Mr. R. F. Mudie : I leave that to the Honourable Member.

PROCEDURE re INVITING OPINIONS FROM PROVINCIAL GOVERNMENTS.

529. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Home Member state :

(a) when the Central Government want the opinions of Provincial Governments, whom they usually address—the Governor or the Governor and his Cabinet of Ministers ;

(b) whether there has been any change in the procedure since the inauguration of Provincial Autonomy ; and

(c) whether opinions (when sent to the Central Government) are those of the Governor alone or of the Cabinet and the Governor ?

Mr. R. F. Mudie : (a) All communications between the Central Government and a Provincial Government are signed by and addressed to the Secretaries to those Governments.

(b) No.

(c) The opinions received are the opinions of Provincial Governments.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, whether two sets of communications are now sent, some for the opinion of the Governor's Ministers, and some for the opinion of the Governors ?

Mr. R. F. Mudie : No.

Mr. T. S. Avinashilingam Chettiar : May I know whether no communications are sent for the opinion of the Governors alone ?

Mr. R. F. Mudie : No.

UNSTARRED QUESTIONS AND ANSWERS.

APPOINTMENT OF HINDUS IN THE OFFICE OF THE PRIVATE SECRETARY TO HIS EXCELLENCY THE VICEROY.

83. **Sardar Mangal Singh :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that out of the eleven Hindus presently employed in the office of the Private Secretary to His Excellency the Viceroy eight are Bengalis ?

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(b) Is it a fact that two Hindu appointments were made in July and August and that both of them were given to Bengalis ?

(c) Do Government propose to take measures to see that Hindu appointments in the office of the Private Secretary to His Excellency the Viceroy are distributed justly among all provinces ?

Mr. J. A. Thorne : With your permission, Sir, I propose to answer questions Nos. 83 to 85 together.

Appointments to the office of the Private Secretary to His Excellency the Viceroy are made by the Governor General in his discretion, and I regret that I am unable to make any statement in the matter.

ESTABLISHMENT SECTION OF THE OFFICE OF THE PRIVATE SECRETARY TO HIS EXCELLENCY THE VICEROY.

†84. **Sardar Mangal Singh :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that the total strength of the office of the Private Secretary to His Excellency the Viceroy including stenographers is about 25 men ?

(b) Is it a fact that there are at present three men employed in the Cash Section to deal with the above mentioned establishment ?

(c) Are Government aware that in other offices two or three men are posted in the cash section to deal with the ministerial establishment of about 100 and a far larger number of officers than in the office of the Private Secretary to His Excellency the Viceroy ? If so, are any measures to be taken to reduce the establishment in the Cash Section and retrench surplus hands ?

ABSENCE OF SIKHS IN THE OFFICE OF THE PRIVATE SECRETARY TO HIS EXCELLENCY THE VICEROY.

†85. **Sardar Mangal Singh :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that there is no Sikh in the office of the Private Secretary to His Excellency the Viceroy ?

(b) Is it a fact that since the transfer of the Sikh clerk of the office of the Private Secretary to His Excellency the Viceroy in 1934 to the office of the Council Secretary, seven clerks have been appointed in the office of the Private Secretary to His Excellency the Viceroy and that none of these seven appointments was given to a Sikh ?

RETRENCHMENT CONTEMPLATED IN THE GOVERNMENT OF INDIA DEPARTMENTS.

86. **Pandit Sri Krishna Dutta Paliwal :** (a) Will the Honourable the Home Member be pleased to state if any retrenchment is being contemplated in any of the Departments under the Government of India ?

(b) If so, will Government be pleased to state whether they will adhere to the principles enunciated in 1931 regarding the maintenance of the existing communal representation in all the cadres of various services—gazetted and non-gazetted—so affected ? If not, what will be the procedure ?

†For answer to this question, see answer to unstarred question No. 83.

(c) Will the retrenched personnel receive any preferential treatment in connection with the filling of vacancies in that Department or elsewhere ?

Mr. R. F. Mudie : (a) No general scheme of retrenchment of personnel is under consideration.

(b) and (c). Do not arise.

CERTAIN CLERKS OF THE ADJUTANT GENERAL'S BRANCH ON DEPUTATION.

87. **Pandit Sri Krishna Dutta Paliwal :** With reference to the answer given by the Defence Secretary to Assembly unstarred question No. 77, dated the 15th September, 1936, will the Defence Secretary please state :

(a) if the Central Revision Section was permanent in the Defence Department and the men employed therein were not on deputation from Branches,

(i) why Messrs. Karam Elahi, Sundar Dass and Hoshyar Singh were sent on trial to the Master-General of Ordnance Branch in connection with their promotion and why Messrs. Seth and Alam Chand Singh were recently sent to the Adjutant General's Branch for promotion ;

(ii) why the men from Master-General of Ordnance Branch are now being returned to that Branch after the period of seven years ; why the work cannot be done in the Defence Department as heretofore ; and

(b) whether the reply given to the Assembly question referred to above was incorrect ?

Mr. C. M. G. Ogilvie : (a) (i). Yes. The clerks are not on deputation. The ministerial establishment lent by Branches are allowed, if qualified, the benefit of promotion, as their turn comes, in their respective Branches. For the higher posts a trial before promotion is necessary.

(ii). The exigencies of the service have dictated this rearrangement.

(b) No.

CENTRAL REVISION SECTION OF THE DEFENCE DEPARTMENT.

88. **Pandit Sri Krishna Dutta Paliwal :** Will the Defence Secretary kindly state if, prior to this, there was any other Revision Section in the Army Headquarters on a permanent basis like the Central Revision Section ? If not, will Government please state why this important appointment was taken over from the Master-General of Ordnance Branch by the Defence Department and why it is now being sent back to that Branch after eight years ? Is it a fact that a new post of Deputy Secretary (Revision) has recently been created in the Defence Department with some four officers under him and how do Government justify Mr. Macdonald's promotion to Deputy Secretary's (Revision) post ?

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Mr. C. M. G. Ogilvie : The work of revision was formerly carried on piecemeal. Part of it was done in Adjutant General's Branch, a part in Master General of the Ordnance Branch and a part in the Defence Department. Only the part previously dealt with by the Master General of the Ordnance is being returned to him. The post of Deputy Secretary (Revision) is not new, the designation of the Director, Regulations and Forms, has simply been changed to Deputy Secretary (Revision), and one of the two appointments taken over from Army Headquarters is being continued for the time being.

POST OF DEPUTY SECRETARY (REVISION) IN THE DEFENCE DEPARTMENT.

89. Pandit Sri Krishna Dutta Paliwal : Will the Defence Secretary kindly state what work after returning the Revision work to the Master-General of Ordnance Branch will be done by the Deputy Secretary (Revision) and his four officer assistants and how was this work done in the past and what was the necessity for its being taken over by the Defence Department ?

Mr. C. M. G. Ogilvie : Mainly on the revision of regulations. In the past the work was partly done in Branches and partly not at all. The work was taken over by the Defence Department as central control will facilitate and expedite work.

POSTS OF DEPUTY SECRETARY (REVISION) AND ASSISTANT SECRETARY IN THE DEFENCE DEPARTMENT.

90. Pandit Sri Krishna Dutta Paliwal : Will the Defence Secretary please state what is, and in which Department, the substantive appointment of Mr. Macdonald and what is his pay there ? What pay will he get in his new post as Deputy Secretary (Revision) ? Is it a fact that the post of Personal Assistant to Defence Secretary has been abolished and a new post of Assistant Secretary created to do the same work ? If so, does it involve any extra expenditure and how much ?

Mr. C. M. G. Ogilvie : Mr. Macdonald holds his present appointment substantively. His pay is the same as before the designation of his appointment was changed. The appointment of the Personal Assistant to the Secretary has been abolished and replaced by a stenographer on a much lower rate of pay. The work done by the Assistant Secretary whose appointment has been created is not the same as was done by the Personal Assistant. No extra expenditure is involved.

PROMOTIONS IN THE MINISTERIAL ESTABLISHMENTS OF THE ARMY HEADQUARTERS.

91. Pandit Sri Krishna Dutta Paliwal : Will the Defence Secretary please state whether promotions in the ministerial establishment of the Army Headquarters are made by seniority or otherwise ?

Mr. C. M. G. Ogilvie : Yes, subject to the individuals concerned being qualified for promotion.

PROMOTIONS IN THE MASTER-GENERAL OF ORDNANCE BRANCH.

92. Pandit Sri Krishna Dutta Paliwal : (a) Will the Defence Secretary kindly state if any Departmental promotions in the junior grades in the Master-General of Ordnance Branch have been made irrespective of seniority ? If so, how many and why ?

(b) Since when has this practice been introduced in the Master-General of Ordnance Branch ?

(c) Is this practice followed by all other Branches ? If not, why is it followed in the Master-General of Ordnance Branch ?

Mr. C. M. G. Ogilvie : (a) Only to the extent that unqualified men were not promoted. Six men who were not senior on the roll were promoted.

(b) It has always been the practice to promote only those qualified for promotion.

(c) Yes. The rest of the question does not arise.

AFGHAN POLITICAL PRISONERS DETAINED AT MUSSOORIE.

93. Mr. S. Satyamurti : Will the Honourable the Home Member be pleased to state :

(a) the number and the names of Afghan political prisoners now detained at Mussoorie ;

(b) the reason why they are so detained ;

(c) whether they recently resorted to hunger-strike and, if so, why ; and

(d) what their grievances are and whether those grievances have been redressed and, if not, why not ?

Lieut.-Colonel A. E. B. Parsons : (a) There are eight Afghan refugees, descendants of the late *ex*-Amir Yakub Khan, at present residing in Mussoorie for the summer, namely :—

1. Sardar Muhammad Akram Khan.
2. Sardar Muhammad Azam Khan.
3. Sardar Muhammad Afzal Khan.
4. Sardar Muhammad Ismail Khan.
5. Sardar Muhammad Umar Khan.
6. Sardar Abdul Ali Khan.
7. Sardar Abdur Rahim Khan.
8. Sardar Abdur Rauf Khan.

(b) As the Honourable Member is aware, the *ex*-Amir took refuge in India after the Second Afghan War, and in the interests of India's friendly relations with Afghanistan it is still necessary to impose some restrictions on the movements of his descendants so that they should not interfere in that country.

(c) and (d). No.

FIRM OF MUHAMMAD ALI IN ADDIS ABABA.

94. Mr. S. Satyamurti : Will the Secretary for External Affairs be pleased to state :

- (a) the latest position with regard to the Indian firm of Muhammad Ali in Addis Ababa ;
- (b) whether it is a fact that this firm is finding it impossible to export its assets out of the country even after having disposed of its property somehow, owing to Italian currency restrictions ; and
- (c) whether Government propose to take steps to see that this firm is not hit further by the Italian Government ?

Lieut.-Colonel A. E. B. Parsons : (a) Negotiations are still proceeding.
 (b) I would refer the Honourable Member to my answer to part (c) of Mr. Badri Dutt Pande's question No. 403 given on 9th September last.
 (c) Government are taking all possible steps to assist the firm.

THE INDIAN TARIFF (SECOND AMENDMENT) BILL.

Mr. A. H. Lloyd (Government of India : Nominated Official) : I beg to move for leave to introduce a Bill further to amend the Indian Tariff Act, 1934, for a certain purpose.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

That leave be granted to introduce a Bill further to amend the Indian Tariff Act, 1934, for a certain purpose."

The motion was adopted.

Mr. A. H. Lloyd : Sir, I introduce the Bill.

THE INSURANCE BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the Insurance Bill.

Amendments Nos. 20 to 30 stood over, and they will be taken up first.

The Honourable Sir Nripendra Sircar (Law Member) : No. 20 is in my name, and I would like to move it.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : With reference to these amendments which have stood over, may I ask that they may be taken up along with clause 26 ? I shall give the House my reasons for the same.

Sardar Sant Singh (West Punjab : Sikh) : Will the Honourable Member kindly speak up ? We cannot hear a word on this side.

Mr. Bhulabhai J. Desai : My principal reason is this, that while I bear in mind the difficulty which was pointed out by the Honourable the Leader of the House as regards the construction of section 113 of the Government of India Act, though I submit with respect I do not read sub-sections (1) and (2) in the way he does, when taken conjunctively, for the purposes of this adjournment I do not wish to enter into that discussion. It will be recognised by all sections of the House that, in so far as non-U. K. companies in the *bonâ fide* sense of the term are concerned, that is to say, supposing ten Frenchmen, or ten Germans, or ten Italians choose to form a company in England, if they are to get the benefit of being an U. K. company,—I do not think that even the framers of the Act would ever have imagined such a position. I am equally certain that, while the *bonâ fide* Britisher may legitimately, by reason of the force by which he has conquered this country and is keeping it, hope to expect that protection should be given to him—I do not think that he will go to the extent that whoever goes to England and gets himself incorporated should have all the benefits of an U. K. company. I am only mentioning it for this reason that this Bill, so far as it goes, and particularly clause 26, as I pointed out in the speech which I made during the course of general discussion,—so far as that clause and clause 53 are concerned, they require to be carefully considered to the extent to which at least foreign insurers other than *bonâ fide* U. K. and Indian companies are entitled ; to that extent such protection as can be granted to the Indian insurer along with the U. K. insurer is a matter of great importance. I, therefore, ask that this matter may not be precipitated but may be taken up along with clause 26.

The Honourable Sir Nripendra Sircar : I am at one with my Honourable friend in contriving means, if that is possible, for shutting out, say, Italians and Germans, getting the benefit of this legislation. But that has nothing to do with this amendment, because this amendment will either be carried or it will be lost. If it is lost, then surely when we come to section 26, I may join with my friend in framing some phrase of language which will enable us to gain the object which my Honourable friend has in view and with which I entirely agree. I am not taking up an obstructive attitude so far as that point of view is concerned, and I intend really to labour that point in the speech which I am going to make now.

Mr. Bhulabhai J. Desai : May I add this, that if the Honourable Member would include a similar consideration as regards clause 53, I certainly will not press the matter ?

The Honourable Sir Nripendra Sircar : I certainly shall. Clause 53 is far, far off.

Mr. Bhulabhai J. Desai : I know it is, but it must be reached some day.

The Honourable Sir Nripendra Sircar : Yes, but clause 26 is much nearer.

Sir, I beg to move :

" That sub-clause (8A) of clause 2 of the Bill be omitted."

[Sir Nripendra Sircar.]

That definition of Indian insurer is directed in this way, that an Indian insurer—I am using rather loose language, but that will not matter for the moment,—an Indian company will mean a company of which three-fourths of the paid up capital is owned by British Indians and of which three-fourths of the directors are British Indians. That is the idea. I am not, in asking for deletion, relying merely on the ground that this definition was used only in clause 3A, and as that clause has been deleted by this House there is no occasion for keeping the definition; that would be too narrow a view to take of a subject which I really consider to be of importance. To take my Honourable friend's point first, I agree with him entirely that when section 113 was enacted by Parliament, [although we may differ as regards (1) and (2) being taken conjunctively or disjunctively—let us keep that out for the moment], I agree that it could not have been in the contemplation of Parliament that the power will be left open for other non-Britishers like Germans and Italians, incorporating in England and then getting the full benefit of section 113, whatever the extent of that may be. And, as I said, if this definition is wanted to prevent that mischief, I shall not only not object but shall strongly support that idea. But, Sir, I hope I shall convince the House that, although that is a very desirable object and we should pool our resources together for seeing whether that object can be gained, this definition will not attain that object. The difficulties which I feel—and I again assure the House that I am not taking these points or rather these difficulties merely from the technical point of view, but they are of substance. First, of all, the definition of three-fourths of the paid up capital being owned by British Indians—that leads to impossible situations making the definition altogether unworkable. I did go into this matter at some length and my Honourable friend, Mr. Mathuradas Vissanji, tried to meet it. I wish somebody else had done it because my Honourable friend has not met the point at all. He said, “I admit that there are considerable difficulties, but that difficulty can be met by preventing transfer of shares, which will mean an upsetting of the balance of three to one.” Well, that is not possible, we cannot prevent transfer of shares. Let us look at it from a dispassionate point of view. Myself and the Opposition are not in disagreement as to the object which is to be attained. First, three-fourths of the capital. It is easy to imagine that a company of which today three-fourths of the shares are owned by British Indians may change its character completely tomorrow if a block of shares is sold by Indians to non-Indians. That cannot be prevented. Secondly, the House will remember the ordinary practice of buying and selling shares in the market. In nine cases out of ten the broker who comes to me acts for an undisclosed principal and I have not the least means of knowing whether my shares will pass to Indian or to non-Indian hands. Nor have I any control over the Indian passing my shares or transferring them to non-Indians. Another common practice, I am sure my Honourable friend, Mr. Desai, knows more about it than I do, the practice is for banks to get themselves registered as owners of shares. All sorts of securities, shares in insurance companies, shares in jute mills and so on are kept with the bank for purposes of security by clients. That being done, the bank takes the next step and gets itself registered in the books of the company. Now, once a shareholder is registered under section 33 of the Indian Companies Act, the Company cannot inquire into any

question of trust. It cannot say to A ‘Mr. A. You are an European but as a matter of fact there is an Indian behind it.’ or *vice versa*. There will be no power either in the company or in the Superintendent to make any inquiry into the nationality of the person who is beneficially entitled to the shares. Imagine what happens. A block of shares is deposited with the Central Bank. I presume the Central Bank is Indian. Therefore, when the Central Bank gets itself registered, possibly no harm is done to it, from the point of view of the definition of Indian insurer, but if the block of shares is pledged or kept as security with an English bank and the English Bank gets itself registered, then the company knows that this non-Indian is the owner of the shares. You cannot get behind these things. The banks will not disclose to you as to who are the clients beneficially interested in these shares. Therefore, I venture to submit that this will be unworkable but I come back to the point which I consider of the greatest importance, which was raised by my Honourable friend, Mr. Desai, and that is what can be done for the purpose of avoiding a situation which will be created by a number of Germans—I refer to Germans only by way of example.....

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : You need not apologise to Hitler.

The Honourable Sir Nripendra Sircar : Well, I do not know. After all the dictators are the only persons who count. Sir, we want to avoid a situation under which a number of Germans come over to England and get themselves incorporated there. There we are all agreed—at any rate, those whom I have consulted, they are all agreed. As a matter of fact, I wonder if the House knows that there are, so far as I could trace, at least two companies today who are doing insurance business here, who are British in the sense that they were incorporated in England but the capital is not owned by the British at all. It is run by the money of other nations. One is an American Company, the Continental and the other is French but these companies are of course U. K. companies and as I read the language of section 113, I may be wrong but my conviction is quite strong, that under section 113, although these companies are not British in the sense that they are not run by Britishers or the capital is not owned by Britishers, yet they will have all the advantages of an U. K. company. So, you realise the steps we are following. First of all, my friend, Sir Leslie Hudson, is to be deemed an Indian, for the purpose of section 113 and for no other purpose (Laughter) and then the next step is that my German friend is also going to be deemed an Indian because he says : “Well, under both English law and Indian law, you cannot inquire as to who is owning the capital or who is the director”. The question which arises is : “Is it an U. K. Company?” If it is an U. K. company, I claim the benefit of section 113.

There is another very serious difficulty which is probably due to oversight—the use of the language ‘directly owned by British Indians’. I am using it colloquially. First of all, as I said, whether it is directly owned by British Indians is a matter which cannot be investigated. Secondly, if you confine it to British Indians, the result will be that many of the Indian companies today, according to this definition, will be declared to be non-Indian. I have got some information which confirms my impression. I do not want to name the companies, although the names are here. The Hyderabad State has holdings in two companies

[Sir Nripendra Sircar.]

to the extent of five lakhs. His Highness of Bhopal has holdings in another company to the extent of two and a half lakhs. There is similarly large holding by Gwalior State in another company and so on. The position, therefore, is this, that if it is confined to holdings directly owned by British Indians, many of the companies will, from today, be deemed to be non-Indian companies, because the largest holding in these companies is not by British Indians but by members of the Indian State. That, of course, can be corrected by changing British India to India but that is not the definition for the moment. I am trying to show the difficulties that will be created by the definition as it stands. If you keep the words 'directly owned by British Indians' then a fairly decent number of companies today will be declared to be non-Indian because three-fourths of the share holdings are not to be attributed to British Indians.

Then, Sir, the House should also know what is the position as regards the number of new entries in connection with foreign insurance companies. Now, section 26 is confined only to life insurance business. In life insurance business as also in other forms of insurance business we cannot have any figures for 1929, because only after the Act of 1928 was passed have these returns of non-Indian companies been filed. I find that between 1929 and 1937 there have been three entries by non-British foreign companies. One is from Canada—the Crown. Another is German, who are doing a very large amount of business here, the Allianz and Stutgarter and the third is another equally unpronounceable name, from Switzerland. These are the three entries between 1929 and 1937. The last entry was made early in 1931, so that, apparently, during seven years, there has been no entry of non-British companies coming to India for doing insurance business. I was informed by my Honourable friend, Mr. Husenbhai Laljee, that there are three companies who are watching the destiny of this Bill and if the Bill goes against them, they will incorporate in England. That is exactly my point, that not only is the definition absolutely futile, not only is it objectionable by keeping out the members of the States which, however, is a small point but this will be positively harmful, because the result will be that the Germans instead of incorporating here will incorporate in England. What is the benefit? If they have incorporated here, at any rate, we shall have some kind of supervision and we can know what they are doing, and so on. We gain nothing by giving an incentive to the German or the Italian company to incorporate itself in England rather than in India. If we can stop them—and there I am one with my Honourable friend—and if the joint resources of this House can devise some means to do so, I shall be only too glad to accept them. Although it may not be strictly relevant, the House may as well know what is the position of new entries in connection with insurance. I have already given the figures for life insurance between 1929 and 1931. As regards the general insurance, namely, fire, marine, accident and so on, between 1929 and 1937, I believe eleven new companies have come in. As against that, one has got also to remember that twelve companies have ceased to carry on business, so that there are eleven entries and twelve exits. I do not think I will take up the time of this House too long over this question because, as I said and I repeat the assurance, that if in connection with clause 26 any Honourable Member opposite can evolve a formula which will attain

the object, which we all have in mind, I shall be only too happy to welcome it. But I confess, that I have thought over the matter for a pretty long time and I have been unable to arrive at a solution. But that does not mean that others will not succeed where I have failed.

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhammadan Rural) : Try, try again.

The Honourable Sir Nripendra Sircar : You had better start doing now. My friend, Pandit Lakshmi Kanta Maitra, is an astrologer of great repute, and he can tell us today whether a solution can be found or not. With the help of some paper and pencil, he can tell me now whether we can find a solution or not.

One word more, Sir, and I shall conclude. My Honourable friend said that this may be wanted not only for purposes of clause 26 but also for clause 53. That really does not matter because, if it is wanted for clause 26, that is reason enough for paying the greatest consideration to this matter. But, with great respect, I doubt if it is wanted for clause 53 and whether a definition will really be a retrograde or not. If Honourable Members kindly turn to clause 53 of the Bill, which has shortly been called "powers of retaliation", they will find this :

"Where by the law or practice of any country outside India in which an insurer carrying on insurance business in British India is constituted, incorporated or domiciled, insurance companies incorporated in British India are required as a condition of carrying on insurance business," and so on.

Supposing, there was no question of section 113 today and we were not troubled with it and assuming that this definition which has been adopted by the Select Committee and ratified by this House is put in clause 53, what do we gain? Without using the drafting language, the effect is that if any country discriminates or puts burdens on Indian insurance companies, then we shall do the same unto them. That is the import of the clause. Now, if I were to accept the definition of the 'Indian insurer' and put it here, the obvious answer will be that we have no discrimination, as such, against a company because it is constituted of three-fourths Indians and one-fourth non-Indians. A discrimination may not be directed to such a peculiarly constituted company but the discrimination, if it exists at all, is against all companies incorporated in a particular country, say India. I do not want to be dogmatic, but I could ask the House that when we come to clause 53 it should bear in mind whether we shall, in any way, improve our position by trying to put it in a definition of an Indian insurer or a non-Indian insurer in clause 53. If it is wanted for clause 26—and I admit once more that it is wanted for clause 26,—then any effective means can be devised by the House.

Sir H. P. Mody (Bombay Millowners' Association : Indian Commerce) : What happens to clause 3 (3) which we have already passed?

The Honourable Sir Nripendra Sircar : That will be of no use to us by reason of our defining 'Indian insurer' in this particular manner.

Sir H. P. Mody : I would like to draw the attention of the Honourable Member to the fact that we may have to do something in connection with clause 8 (3) which has already been passed because it says :

“ In the case of any insurer having his principal place of business or domicile outside British India,..... ”

Supposing an Italian or a German Company were to come and incorporate themselves in British India, the provisions of this sub-clause will not apply to them at all and something will have to be done in that case also.

The Honourable Sir Nripendra Sircar : Sir, I do not think I should go back to clause 3 (3) now, but that is a matter which my Honourable friend as well as every one may certainly remember in connection with later clauses, like clauses 26 and 53. But, as I said, I need not waste the time of the House over clause 53. I am conceding that the matter has got to be carefully considered in connection with clause 26 whether by way of explanation or by adding suitable words in clause 26 which will carry out the object which we all have in view. That is a matter for the House to help me and if it is possible to find a solution. At the present moment, I am asking the House and I think I am not unreasonable in stating so that this definition is really no good. Apart from the smaller point of the objection to the use of the word “ British ” Indian, which can be corrected by moving an amendment to omit the word “ British ”, I think that this definition will be futile for the reasons which I have humbly submitted to this House. What I mean to say is that non-British companies, instead of incorporating here, will incorporate in England and they will derive all the benefits which are available to the United Kingdom companies under section 113. If that is so, what is the good of this definition. Let this definition go and when we come to clause 26, and as I suggested, we shall try our best—whether we succeed or not is another matter—to avoid the situation which none of us like, namely, that non-British foreigners will be allowed to take advantage of what could not have been contemplated by the Parliament. I do not think for one moment that anybody here will say with confidence that, when section 113 was drafted, the British Parliament had any very tender concern for the Germans or the Italians. What the effect of the language of section 113 is, one has got to bear carefully in mind when we come to clause 26. I venture to submit for the consideration of this House that, instead of wasting the time over this definition, it would be better for us to concentrate our attention on what can be done, if anything can be done at all, in connection with clause 26.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That sub-clause (8A) of clause 2 of the Bill be omitted.”

Mr. Bhulabhai J. Desai : Sir, I wish to speak in a spirit of as much helpfulness as I am able to contribute to a debate of this character, and I trust my Honourable friend will accept that statement at its fullest face value. It is not a sense of *amour-propre* that is at all dictating what I am going to submit to the House. I fully realise and agree with him that

the framers of section 113 (1) could not have contemplated the protection being extended to persons who are not domiciled British citizens, but who have incorporated themselves in the United Kingdom. But bearing that in mind I wish the House first to look at the definitions which are intended to be incorporated and see whether they will serve any useful purpose. I quite agree that if they do not serve any useful purpose *a fortiori* if they detract from the value of the effort we are making, they need not stand. The definitions are 8-A. :

“ ‘ Indian insurer ’ means an insurer three-fourths of whose paid up capital is held in their own right by British Indian subjects domiciled in India, and three-fourths of the Members of whose governing body are British Indian subjects.”

I call attention now to clause 8-B. :

“ Every insurer who does not comply with the conditions mentioned in clause 8A shall be deemed a ‘ non-Indian insurer ’.”

The next clause is 8-C which says :

“ ‘ United Kingdom insurer ’ means an insurer to whom the provisions of sections 111, 113 and 114 of the Government of India Act, 1935, apply ”.

Now, Sir, the points in order of importance are these. I need not argue that if this is going to serve any useful purpose in reframing clause 26, the propriety of the definition is not questioned, that is to say the necessity of incorporating a definition is not questioned. I wish to speak very cautiously as regards its value, so far as clause 53 is concerned, in a moment. In so far as the definitions are concerned while clause 8-C. saves the effect of section 113, it still remains to be considered to what extent the interpretation, as now received by my Honourable friend from the legal advisers, is in our way as a matter of absolute bar. If I may put my proposition before I deal with the clause, perhaps it would be easier for appreciation. What I mean is this. The definition does not prevent a true interpretation of section 113 in the more limited view that I submit to the House. For, after all, what we are prevented from doing is to legislate contrary to or inconsistent with the true interpretation of section 113 of the Government of India Act. If, therefore, we do not purport to interpret section 113, but leave it as it stands, taking the chance and a fair reasonable chance of its interpretation in the narrower sense which I will submit presently to the House, not for acceptance but merely for consideration, should we or should we not take that chance or should we rule out the definition on the ground that inasmuch as one interpretation of section 113 is put forward now, we must accept that and act upon it. In view of that, I call attention to section 113 :

“ Subject to the following provisions of this chapter, a company incorporated, whether before or after the passing of this Act, by or under the laws of the United Kingdom and the members of the governing body of any such company and the holders of its shares..... ”

I shall skip over words so that only the bare material words would be before the House :

“shall be deemed to comply with so much of any Federal or provincial law as imposes in regard to companies carrying on or proposing to carry on business in British India requirements or conditions relating to or connected with..... ”

[Mr. Bhulabhai J. Desai.]

Then follow the place of incorporation, the currency of capital, place of domicile, etc., members of the governing body or the holders of shares:

"provided that no company or person shall by virtue of this section be deemed to comply with any such requirement or condition as aforesaid if and so long as like requirement or condition is imposed by or under the law of the United Kingdom in regard to companies incorporated by or under the laws of British India and carrying on or proposing to carry on business in the United Kingdom."

Then, I call attention to sub-section (2) of this section :

"If and in so far as any total or partial exemption from or preferential treatment in respect of, taxation imposed on companies by or under any Federal or provincial law depends on compliance with conditions as to any of the matters mentioned in sub-section (1) of the section, any company incorporated.....be entitled to the exemption or preferential treatment accordingly so long as the taxation imposed by or under the laws of the United Kingdom on companies incorporated by or under the laws of British India and carrying on business in the United Kingdom does not depend on compliance with conditions as to any of the matters so mentioned."

I ask the House to consider—not necessarily to accept—if the true interpretation of the two sub-sections is not this. The first part of the section defines the conditions which may be deemed to be complied with by what may be described as U. K. company so far as any Federal or Provincial law requires to the contrary, in this case as distinguished from Indian companies. My submission to the House is that that is not a section or a clause complete in and by itself, for sub-section (1) gives no purpose of why and to what extent being deemed to be Indian, notwithstanding being non-Indian gives him any protection. The purpose and the object as expressed in sub-section (2), namely, to the extent to which that company which may be deemed to be Indian is sought to be treated either by way of exemption or preferential treatment in the matter of taxation to that extent the company which is deemed to be Indian shall also be so exempted. In other words.....

The Honourable Sir Nripendra Sircar : May I put a question for elucidation ? If that view is right, namely, that sub-section 2 is disjunctive and it is only under paragraph 2 that the operative portion is to be looked into, will it not follow that we can legislate here that no U. K. company can carry on business in fire insurance because if my Honourable friend's argument is right and paragraph 1 leads to nothing, paragraph 2 is the operative portion, that prevents only preferential taxation, therefore, we can say that while Indian companies shall carry on business in fire, marine and life insurance business, you, Englishmen, can carry on business in only one kind of insurance.

Mr. Bhulabhai J. Desai : I have two answers to that difficulty. I am not really arguing in the hope of convincing you or for that matter the whole House. My only point is this : to the extent to which there is a reasonable chance to take of an interpretation may we not take it without in terms so legislating as to prevent us from doing meaning thereby....

The Honourable Sir Nripendra Sircar : May I answer that question. I would have said, yes. But as I explained in two of my speeches that I am rather oppressed by the practical difficulties of the situation because then it will reasonably be said that the matter is doubtful, and if that happens, I pointed out what will happen to this Bill. It may have to be sent to England for the signification of His Majesty's pleasure. That is a practical question that does not touch the construction of the section,

but as my Honourable friend asked, whether there is any objection in taking that reasonable risk, I suggest the risk is great, because that means really either destruction or inordinate delay so far as this Bill is concerned.

Mr. Bhulabhai J. Desai : I am trying to answer that. I will bear that in mind and, if at the end of what I have to state before the House, the House still feels that on either the one ground or the other ground the definition should exist or be deleted, it will be for the House to decide. I may be allowed to repeat, if I may, that I am saying this in a perfectly helpful spirit and have no desire that if there is a substantial objection I should insist upon it.

As my Honourable friend put it to me just now, my first answer to that is the very answer which he purported to give to me, that it is possible to say that as a matter of construction section 113 (1) should be treated differently from section 113 (2) even though, as he put it rightly, it could not have been contemplated by Parliament that ten Germans or ten Italians or ten other non-British domiciled citizens should have the benefit of section 111. The way in which I am using it is this. If that was not the intention in the legal sense of the term and yet happens to be the intention according to me, may I not point out that we are not bound to consider in this House as to the extent of the protection which the Britisher, in fact, has got under this Act ? Supposing, for the purpose of argument, that the Britisher while desiring that he should be protected against any legislation preventing him from trading here has not in fact secured it, that is not our fault. Therefore, because the section does not give the utmost degree of protection which the Britisher may have wished to get and has in fact failed to get by the legislation, that is no argument for not construing the section as it stands. I may point out to my Honourable friend that section 111, to a large extent, would come in the way of any such argument and that in so far as such a thing is concerned, I shall draw attention also to the section with reference to ships and aircraft,—section 115. In other words, supposing they made an effort to protect themselves to the best of their ability or requirement and if a construction against me is to be strained, that is no reason for saying equally that a construction against them should not be strained.

The Honourable Sir Nripendra Sircar : Then we should not have given up the reinsurance.

Mr. Bhulabhai J. Desai : I am not now talking of that ; I gave that up for reasons which I shall presently explain. I am trying only to answer what has been stated. The objection raised against me is this. If the view that I am submitting is right, it may well be that the Britisher has not got all that he might have wished for. That is no argument, for the simple reason that if he has not got it, he has not got it on a true construction of the section. It is no fault of ours ; it is the fault of those who were trying to protect him by their legislation. Therefore, the fact that the Britisher may be so left out by another construction, in many other matters, is no ground putting upon the section its true construction. That is my answer to my Honourable friend. Therefore, going back to section 111, my friend will remember and see the importance of what I am saying, there the words used are very appropriate words,—“British subject domiciled in the United Kingdom”. In other words, either the words “domiciled in the United

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Kingdom" were inadvertently or advisedly omitted from section 113. I am assuming against myself that they were inadvertently omitted. That does not affect the construction, as my Honourable friend knows, under the rules for construction of statutes. If they were on the other hand advisedly omitted, it is good ground for construing that section in a limited way, because it is then quite obvious that it could not have been intended that anybody who chooses to incorporate himself in the United Kingdom should, for all purposes and for any purpose on earth, be deemed to come under section 113. I wish to point out how violent is that construction, not so much, I repeat, for the purpose of getting you to decide it but to say if there is a reasonable prospect of the view that I am submitting to the House prevailing before any tribunal to whom it may go. Is it or is it not right in us to so legislate without directly going against section 113? No objection can be taken to this Bill on the ground that I am doing anything contrary to the Parliamentary Act because, if I say "United Kingdom insurer" and if that protects only the United Kingdom insurer, i.e., the British domiciled citizen, well and good. If on the other hand on a true construction of section 113 he does not come within the protection in so far as insurance legislation is concerned, if he has not got what he has not got, there is no reason why we may not, to the extent to which it is open to this House, legislate even against him. So that, shortly stated, my point is this, that the definition in terms cannot possibly go against the Act. That has got to be omitted. But once I say that "United Kingdom insurer" means an insurer to whom among others section 113 applies, nobody can quarrel with me on the ground that I am now legislating against the United Kingdom insurer. I say, no. Whatever protection he has got under this let him get, but if he has not got it he has not got it, and it is not my fault that he has not got it. Therefore, I may legislate against him to the extent to which that section leaves me the option to legislate against him, leaves me discretion and leaves me room to legislate against him.

Sir H. P. Mody : May I ask one question? There is a definition of "Indian Insurer" in clause 8-A, but there is no provision in the Bill which relates to Indian insurer. Is it the intention of my Honourable friend to put in in the appropriate clauses the words "Indian insurer"?

Mr. Bhulabhai J. Desai : That is right, otherwise there will be no purpose in it. I think I can answer that affirmatively without any hesitation. And I think my Honourable friend did concede this to me that if either in clause 23 or clause 53 this language can be appropriately used for the purpose of protecting the Indian insurer to the extent to which we are entitled so to protect him, we, as I have pointed out before, intend to move, and I ask any other Member of the House, who may be so inclined or advised, to move appropriate amendments to both those clauses for the purposes of protection. Otherwise there will be no point in the definition; but I am labouring the point which, I submit, is worth labouring even to a greater extent from the point of view of the Indian, having regard to the fact that these provisions, 113 to 116, bear hard upon us and would have no parallel in any other legislature except where, of course, we are a subject race. Therefore, to the extent to which we have lost and we could not help, we, at present at all events, will bear it and submit to it in the hope that our efforts will succeed in getting rid of the

but to the extent to which the Act exists and leaves room to us and gives us an opportunity to have our own enactments, I do not see why we should tie ourselves up by a supposed larger protection which the language the Act does not give them. For, while, on the one hand, it is contended that 113 (1) gives them a protection for every act under the sun, is it reasonable, I ask, to contend that AB shall be deemed to be CD without a purpose stated for it. I ask my Honourable friend himself, whatever may be the legal advice he may have otherwise obtained, could you possibly say AB shall be deemed to be CD and state no purpose for it.

The Honourable Sir Nripendra Sircar : For the purpose of being treated like CD.

Mr. Bhulabhai J. Desai : That is not a purpose, I say with very great respect, that is purely verbal—AB shall be deemed to be CD for the purpose of being called CD. I think it is obvious, that you say AB shall be deemed to be CD for the purpose of a particular exemption or imposition or a restriction, but I think it passes my comprehension, if I am merely expressing my personal opinion, that a definition could be treated disjunctively. 113 (1) says, for all purposes and for all time AB shall be deemed to be CD, then what is the point in having sub-section (2) is the next question I must ask myself and my Honourable friend. If AB is CD for all purposes, you certainly do not need sub-section (2) at all, the very limited sub-clause that in so far as AB is exempt from a tax CD shall also be exempt from a similar tax, and I still, therefore, ask the House, in a reasonable way to read 113 (1) disjunctively in 113 (2). The difficulty that is said to confront us does not exist because it is obvious that if 113 (1) makes CD equal to AB for all times and for all purposes, you do not need 113 (2), for that gives him a very all sphere of immunity, AB being deemed to be CD. On the other hand, I am of the view that there is nothing to prevent this Legislature departing from 111. I feel myself that, in so far as a British subject, domiciled in the United Kingdom, is concerned, 111 gives him protection, and, therefore, I appeal to my friends that in so far as they and I stand on the same footing, to exclude non-British and non-U. K. persons. Their interests lie in avoiding and not in attempting to extend the protection of their skirt to German or Italian or to any other non-U. K. person. Their fight is wrongly placed. If they realise that 111 gives them protection as between me and them, which I am willing to recognise at once, let them not strain 113 and not merely claim protection for themselves but for Germans and non-U. K. persons, persons who are not domiciled in the United Kingdom: all that they have got to do is to pay a small tax and register themselves in the United Kingdom.

The Honourable Sir Nripendra Sircar : On your construction they are not protected at all.

Mr. Bhulabhai J. Desai : Therefore, if they are not, they are not: I only tell that what they are entitled to under 111, I agree to. As I said, I am talking in a spirit of explanation to the extent to which I have endeavoured to understand the Act. It has now become, so far as this Legislature is concerned, an over-riding law, and, therefore, it is my duty, as much as his, to see that I do not impose too many restrictions and, at the same time, see that to the extent to which obedience is required to the Act I accord it. Therefore the issue before the House today is not whether

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British subject domiciled in the United Kingdom has or has not got protection which is claimed for him : the question before the House is this—are we legislating in a manner contrary to the over-riding Act, and if we are not and if there is a reasonable chance of gaining by it, are you going to throw it away by fright. The whole point shortly is this. Are you going to be frightened by the fact that it may possibly be contrary and if it is the contrary, and a tribunal will so hold it, then they will say you have not legislated usefully. I will tell you how the question can come up. Suppose a company of Germans say we are a United Kingdom company and, therefore, we have all the protection of the Act and the Registrar or the Superintendent says no, I rule against you, then the case goes to a court of law. Then the court of law will have to decide as to the true effect of section 113 (1) and (2) and would have to decide whether that company is entitled to that protection or not. As my friend is also aware, such a question, if it arises, can be reserved for the court for which there was no business as my friend, Mr. Mudie, pointed out, from the 1st October, because the Act provides that whenever any question arises in regard to the construction of this Act, it may be reserved for the decision of the court and also there is the right of appeal to the Supreme Court. The way in which we regard this matter, a matter of very great importance to us, is that the Act should be amended, and it will achieve a real and big purpose : it will call the attention of the Parliament and all my friends to see that the Act is suitably amended so as to protect those whom it is intended to protect, namely, the British citizen domiciled in the United Kingdom, or they may say that so far as this is concerned let the judgment of the tribunal prevail, in that we never intended to grant them this supposed right of protection. I think the House will agree, and my friend will agree, that it can only be extended to the United Kingdom domiciled citizens. It is not, however, so simple as it looks : they may say it does not matter, what we intended was merely exemption in a very limited manner. Well, if they have so intended it let us not throw away the chance. Shortly stated, therefore, the position is this : first, my answer is that we are not legislating contrary to the Government of India Act in that, in the definition of the United Kingdom insurer, we are giving him just so much and no more but no less protection than he is entitled to under 113. Therefore, that need not worry us. If that does not worry, what else could possibly worry you ?

Then the next question is, three-fourths are shareholders and three-fourths are managers. My friend has been practising for many years but I think even more than myself he is fond of precedents. What I have learnt of him during the last three years has convinced me that precedents convince him more than a good argument sometimes, though I do not say that he is not appreciative of either for I know his legal acumen too well to disregard that element. There is a provision in a very recent Act, the Irish Insurance Act of 1936.....

The Honourable Sir Nripendra Sircar : What is the Irish Company Law ? It depends on that.

Mr. Bhulabhai J. Desai : True, but let us first get to the first point : then I am coming to the next. I realise all the difficulties and for the purposes of a grave matter of this kind I have thought out as much as I could the rest of the argument before

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the House. In the Irish Act there is a provision as to what is an Irish Company—I do not pretend to pronounce the Irish words which my friends will probably laugh at—so I do not intend to do it—there is a definition in which the words are these :

The following conditions, that is to say :

“ That an Irish Company that is, the company which is formed after the commencement of this part of the Act which complies with the following conditions, that is to say, the issued shares of such company are to an extent not less than two-thirds in nominal value thereof and carrying voting rights is in the beneficial ownership of a person who is or two or more persons all of whom are citizens of.....and the majority of the directors, etc., are citizens of the same State.”

Then follows section 19 which provides that a company which ceases to comply with that condition shall have its registration cancelled. To the extent to which a precedent has any value I will give you another one, that it is not at all beyond the power of this House and should be within its contemplation if these definitions are accepted, that a provision similar to the one that is in the Reserve Bank Act even of this country where you have made restrictions on holding of shares of individuals in their own beneficial right and a declaration filed to that effect, with a further restrictive right of voting, of which my friends are fully aware : so that it cannot be beyond the ingenuity of my Honourable friend—in fact it cannot be beyond his ordinary normal knowledge—that if provision has got to be made for protecting interests that cannot and should not be protected and the spirit or the language which is used is slightly defective, it may be open—after all they are trained draftsmen there and a lawyer of great eminence—we are merely here to assist to the extent to which our knowledge permits. There is, as I say, first the precedent. Second, there is this : I quite agree that if in the company law of a country there is a distinction between registration of two types of companies or even a refusal to register a certain type of company, that need not necessarily come in our way of dealing with it *qua* insurance companies. His difficulty was merely what he calls a practical difficulty : that is to say, a company may change its capital. How the Irish law, however Irish it may otherwise be, can possibly prevent the difficulties except by meeting them and facing them.....

The Honourable Sir Nripendra Sircar : But how is that Act worked ? You have no idea.

Mr. Bhulabhai J. Desai : At all events they have had the courage to legislate and the courage to face the consequences of that legislation. I have often been defeated by being asked, “ How will self-government in his country work ? The Britisher has always done this and that ”. My only answer is that if that is your state of mind I cannot help you much. I am one of those who believe that you must take steps and do your best to meet difficulties as and when they present themselves. The question shortly is this : that in so far as any provision is necessary for the purpose of getting a check, by which a practical check can be devised, in order to find out whether a company has not ceased to be a non-Indian insurer, that is a matter that cannot come in the way of the definition. Again, my friend says—and I quite agree—that shares are sold on a bank transfer, but there is no objection : in fact it has been the desire from the point of view of stamp duty alone of a provision being enacted so far as the Companies Act is concerned that no share transfer shall remain blank for more than a limited period of time and shall not be used

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for the purpose of a second transaction in the same set of shares. It is a point which came to me in several ways in so far as the Bombay Province is concerned and there is no difficulty in meeting the case merely of a blank transfer as and when it does arise. But let us not deflect our attention from the main issue before the House now,—to what extent having accepted the definition we shall require that provision shall be made in order to make its practical working more and more easy. After all is said and done, supposing a man wants to be a member of an Indian insurance company and take a share in it, I do not think it is any hardship if it is provided that in any such insurance company formed for such a purpose every shareholder shall, as in the Reserve Bank Act, have to declare as and when necessary that he holds a share in his own right. There are penalties if he holds it for another. Therefore, as I am able to see the position before the House now, it can be summed up as follows : first, so far as I can see, once you say that a United Kingdom insurer, whoever he may be and to the extent he can be protected by 113, we are protecting him by the definition. Therefore it involves no doubt—I wish to tell my friend about 3-A—it involves no doubt whatever if I say that everybody protected by the Act is protected. How can there be a doubt ? It is not as if I am saying “Accept my construction of the Act and frame the definition on that consideration”. Then I can well understand my friends saying in as much as there is a doubt as to the true construction in virtue of the Instrument of Instructions, he is bound or at all events the Viceroy and Governor General is bound to reserve this for the assent or the pleasure of His Majesty. But how can there be a doubt if I repeat the provision of the Act through a legislative enactment, and leave it to interpretation as to who gets the benefit of it ? If the Government of India Act is such that the foreigner is going to get the protection, I will say I am helpless. After all, why should I be thwarted in making an attempt to get the protection which, according to me, is reasonably probable ? Why should I give up that attempt, I would like to know ? Why should this House give up this attempt ? For the simple reason that if I say : Supposing this case goes before the Supreme Court in the end and the Supreme Court decides “We are of the view that clause 2 must be read as part of and along with clause 1”, that clause 1 (a) shall be deemed to be (b) is meaningless without a purpose : that it could not—and I would be offending the Parliamentary draftsmen by believing that they could ever have intended to perpetrate the absurdity which is claimed for it, namely, that A shall be deemed to be B for no purpose, meaning for all purposes, for nothing. But I say ‘No’. It is on the other hand more reasonable to say that when they say A shall be deemed to be B for the purpose and to the extent to which any discrimination by way of differentiation in their taxability is concerned, that is an intelligible thing. It may be then that that section would have to be amended ; equally would it then be my opportunity to say ‘exclude other people whom you don’t intend’. In fact, I am trying to create a situation which, I think, the House ought to take the earliest opportunity of doing, because from that situation we shall extricate ourselves. The Act would be so amended as to exclude the real foreigner. That will be the first thing that will happen as soon as it is decided by the Supreme Court that the Britisher does not get a protection either.....

Sir Cowasji Jehangir (Bombay City : Non-Muhammadan Urban) : What will happen to the Bill ?

The Honourable Sir Nripendra Sircar : The Bill will go.

Mr. Bhulabhai J. Desai : Nothing will happen to the Bill.

Sir Cowasji Jehangir : May I ask one question ? Suppose that contingency arises as the one just explained by the Honourable Member, what will happen to this Bill ? Will it go by the board ?

Mr. Bhulabhai J. Desai : The first question is, there is no question of doubt left on the face of the Bill which will require to be resolved. 8 (c) runs as follows : “United Kingdom insurer means an insurer to whom section 113 applies”. How can there be any doubt on the face of that Bill ? My friend cannot contend when I say 113 there may be a doubt. Of course there may be a doubt as to what 113 means. That is not the doubt in the Instrument of Instructions.....

Mr. M. S. Aney (Berar : Non-Muhammadan) : If the definition which is given here is incorporated in any one of the relevant clauses, does my friend mean to say that even in that case a reasonable doubt cannot arise ?

Mr. Bhulabhai J. Desai : I shall answer the question presently. I am glad my friend put that question. This is a discussion, I hope, on a plane where there is no room for misunderstanding each other ; it is intended to resolve each other’s doubts....

The Honourable Sir Nripendra Sircar : All that I want to say is, you may have no doubt, but under the Instrument of Instructions, the doubts of the Governor General is the only question and your doubts and my doubts do not come into the picture at all.

Mr. Bhulabhai J. Desai : I agree....

Sir H. P. Mody : On the face of the Bill there will be no doubt.

Mr. Bhulabhai J. Desai : I will try to answer both and each one of you, but I crave your indulgence because, it is a matter of great moment from our point of view, that unless you put it to the test in that way, unless you get 113 construed one way or the other, you would remain, according to me, in a most dangerous condition, for this reason that, so long as it is believed that 113 (1) gives a protection to any ten men being non-domiciled British citizens to be merely incorporated in London and thereby get all the benefits, exemptions and everything under the Government of India Act, as my friend himself admitted,—that is not the purpose,—I don’t mean the legal purpose because the legal meaning of every statute is what its words show,—but that is not its purpose in the other more loose sense, namely, we did not wish it to be so ; that is, even they did not wish it to be so. What is the way in which we can force the issue on this point ? If my friend were in a position to assure me that he will get 113 amended so as to merely extend its provisions to domiciled citizens of the United Kingdom, then I would probably be prepared to consider and wait so far as these sections are concerned.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can resume his speech after lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Bhulabhai J. Desai : Mr. Deputy President, with reference to the question which was raised whether this definition and its incorporation in appropriate places in the Bill would necessitate the reservation of this Bill for His Majesty's pleasure I would respectfully call attention to clause XIII of the Instrument of Instructions.

An Honourable Member : It was XIX of the draft.

Mr. Bhulabhai J. Desai : I have got the final Instrument of Instructions, but if you look at the draft there is no change whatsoever so far this particular clause is concerned. The words are these :

"Without prejudice to the generality of his powers as to reservation of Bills, Our Governor General shall not assent in Our name to, but shall reserve for the signification of Our pleasure, any Bill of any of the classes herein specified, that is to say :—....."

Then, the class, which is material to this question, is class (c) :

"Any Bill regarding which he feels doubt whether it does, or does not, offend against the purposes of Chapter III, Part V, or section 299 of the Act."

I need not refer to section 299 in this connection. Chapter III, Part V, is the chapter covering sections 111—116. So that the only Bill which is to be reserved for the purposes of signification of His Majesty's pleasure is the Bill as to which he feels doubt whether it does or does not offend against the purposes of Chapter III. Now, supposing in this Bill we were attempting to give effect to one of the two conflicting views of this section, I respectfully agree that then it would fall under (c), but not even His Majesty can have a grievance if I say that those for whom protection is intended under 113 shall have that protection. How can there be any question of doubt ? I quite agree that if we were saying that the exemption shall apply only to taxation, therefore, there is no exemption so far as any discrimination in the matter of insurance business is concerned. On the contrary, suppose it was being stated that irrespective of any purpose AB shall be deemed to be CD. In either view I agree that there would be a doubt whether the provision that we are making in our statute is one that offends against the purposes of Chapter III, Part V. Therefore, so long as we save Chapter III in terms, how can there be a doubt if they offend against the Chapter ? It is an argument that makes it so difficult to be answered in that it answers itself. When I say that this law shall be subject to section 113, is it statable that I am offending against 113 ? And if I am not offending against section 113, how can there be any doubt that I am offending against 113 ? It is incapable of being put any more clearly, with great deference. When I say that the definition saves every person to whom protection is extended by section 113, a doubt can only arise if I was

putting forward my view of the construction, which may raise a doubt as to whether it is right or wrong. But if I say, let the section be saved whatever it is, how can my Honourable friend with any show of reason urge, or reasonably be forced with any show of reason to urge if that is the position which he has got to occupy in this connection—that this is a matter in which there is a doubt that we are offending against the purposes of Chapter III ? Therefore, my submission is that it is not even possible to argue, at least not reasonably possible to argue that if you save the section you are offending against the section. That being so, there can be no objection on that ground which was stated to the House by my Honourable friend. I wish to add a few more words as regards the question of construction, not for the purpose of persuading you as to my correctness but for the purpose of showing that by so doing we have a reasonable chance of getting an interpretation in our favour ; that is to say, that the section is limited. After all, nobody can object to have the Act which they have got correctly interpreted. If the Act is and means what the Honourable the Leader of the House says, we will have to submit to it, but *per contra* supposing the court of law construes it to mean that it is more limited, why should we throw away the advantage by submitting to it now under the belief that the wider construction is correct ? Therefore, we do not offend against the law by repeating the law, and secondly, we gain the probable advantage of the law being interpreted in our favour. Thirdly, supposing, at the worst, there was the interpretation which my Honourable friend suggests, then, on their own showing, that was never the intention of the Parliament to extend the protection of these provisions to non-British domiciled citizens. That will immediately invite attention to the necessity of at all events limiting clause (1) only to domiciled British citizens. So that, in any view of the case, what I am urging upon the House is that there is no fear of this being held up because it cannot be so, and secondly, we are getting all the possible advantage that we can get, and that that was their intention appears clear from the answers given by the Secretary of State in his evidence before the Joint Committee at page 291. He makes it quite clear that the provisions intended for this protection in the Act are, so far as it is relevant to the present purposes, confined to taxation. I will read the question and the answer :

"Special provisions for companies incorporated in the United Kingdom but trading in India.

As regards companies which are or may hereafter be incorporated in the United Kingdom and trading in India, it is intended to prevent [subject to the provisions of any Immigration Law which may be enacted consistently with clause (ii), and to the special provision as regards bounties and subsidies of clause (vii) (2)], the imposition in British India of any discriminatory taxation....."

So that, it is perfectly obvious, that the interpretation which I am now putting before the House, not for acceptance, but for taking our chance so that we may not submit to a larger restriction than the law intends, is correct. My respectful submission, therefore, is that the definition should be allowed to stand in the Bill, that undoubtedly in the appropriate places, wherever the Indian insurer is used it should be coupled with the U. K. insurer. But supposing that under 113 he is not protected, he is not protected. So that every time, while giving him just the protection and no more and no less than what the Act gives him—I am also reserving to Indians, to the extent to which other

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people are not protected, to gain such advantage in their own favour as I submit they are entitled to. I, therefore, submit that these definitions ought to stand.

Mr. B. Das (Orissa Division : Non-Muhammadan) : It is rather difficult for a non-lawyer like me to take part in a debate where two eminent lawyers like my Honourable friend, the Leader of the House, and also my own Leader have clarified the constitutional point that lies behind these definitions (8A), (8B), and (8C).

Sir, I oppose the amendment moved by the Honourable the Leader of the House. The other day, when my Honourable friend, Mr Sen, told the House, that he did not desire to move his amendment No. 19, rather a negative amendment whereby he wanted to define the non-Indian insurer, I heaved a sigh of relief that the Bill was not going to further penalise the Indian businessmen and the Indian industrialists. Sir, it is unfortunate that living as we do, penalised as we are by handicaps over which we have no control we should be afraid of defining what an Indian insurer is. It is our legitimate birthright to define what an Indian insurer should be. I do not want to be told that an Indian is one who does not pretend to be a Japanese, or Chinese or an Italian or Hotentot or an Englishman. I would rather say that an Indian is so and so. This point was completely thrashed out when the discriminatory clauses were discussed in the Round Table Conference. I will take the memory of older Members to what happened in 1933 when Reuter sent a telegram that the subjects of the Dominions and Colonies are going to get the same rights and privileges as the U. K. people in India. This House got alarmed and we moved a motion of adjournment and Sir Fazl-i-Hussain, who replied on behalf of the Government, agreed with us that India, though placed as she is, would allow the U. K. people to share the loaves and fishes with us, yet would not allow people of the Dominions to claim the same rights and privileges as the English companies do. The members of the Joint Parliamentary Committee who are present here, like my friend, Sir Homi Mody and Sir Cowasji Jehangir, will tell us what repercussion they had when they read the cables and telegrams that passed between India and England at that time. I ask the Honourable the Law Member to bear in mind the evidence which Sir Samuel Hoare gave before the Joint Parliamentary Committee and he was questioned there by eminent jurists, by those who are not very friendly to India and who tried to understand the implications of these discriminatory clauses. In that memorandum, which was a confidential document till the day of its discussion on the 6th November, 1933, Sir Samuel Hoare made it clear that those discriminatory clauses want to give effect to the recommendations of the External Capital Committee. I need not take the memory of the House back to the recommendations of the External Capital Committee. In 1925, when Sir Basil Blackett was the Finance Member, a committee was appointed to assess the extent to which external capital can be invested in an internal company and what should be called an external company and what should be called an internal company. Sir Samuel Hoare made it clear that these discriminatory clauses do give certain rights and privileges to the U. K. Companies and that they implement the recommendations of the External Capital

Committee. I have been a continuous Member of this House and I have not heard from any of my friends of the European Group that they contested these statements of Sir Samuel Hoare at the Joint Parliamentary Committee. The External Capital Committee advocates that an Indian company should have 75 per cent. of its capital owned by Indians and that its capital should be rupee capital and that it should have 75 per cent. of Indian directors. The Honourable the Law Member's argument as to how you are to know by whom the shares are possessed is not a new one. We have heard it since the External Capital Committee's report was published. This argument does not hold in the face of the fact that the Secretary of State, on behalf of the British Government, accepted the External Capital Committee's report. It is no use bringing it forward at this late hour and to say that doubts have occurred in its interpretation. I may say that Sir Samuel Hoare was examined very critically by the Marquis of Salisbury and Lord Reading but at every stage he made it clear :

" Compliance with such conditions as to the composition of the Board of Directors or as to the facilities to be given for training of Indians, as may be prescribed by the Act."

The note in this connection says :

" This proposal is intended to give effect to the recommendations of the External Capital Committee's Report, 1925."

I will take the House a little further. Lord Reading cross-examined a little more minutely, and the Secretary of State replied : I will now quote from Q. 15,443.

" I may remind you that that was the very question which was raised with the Manchester Chamber of Commerce and that was the question which was put to them, and they agreed that that was not unreasonable ?—Yes, I was much interested in their answer ; I was not surprised at it ; but this, generally speaking, is the proposal that was made by the External Capital Committee, and, I think, during the last two or three years in our discussions it has been generally accepted, anyhow by a great many people."

Then, the Marquess of Reading further examined him and the answer given was :

" What we have in mind are the recommendations of the External Capital Committee which reported in 1925. I could have copies of it circulated to members of the Committee ; but, if they will refer to it, they will find, on page 16, that these are the conditions that were recommended by the Committee, and these are the conditions we ourselves have in mind : (1) Reasonable facilities to be granted for the training of Indians ; (2) in the case of a public company that it should be formed and registered under the Indian Companies Act ; (3) that it has a share capital, the amount of which is expressed in the Memorandum of Association in rupees ; and (4) that such proportion of the Directors as Government may prescribe consist of Indians."

So far, the Government of India have not had the hardihood nor the courage to challenge the proportion laid down in the External Capital Committee's report. Therefore, when I saw the definition in (8A) I felt pleasure that at last a Bill which is going to be passed and made an Act gives effect to the recommendations of the External Capital Committee's report. But the Law Member has not spoken much as if he does not want to define an Indian insurer. He went into legal technicalities and doubted if the definition of the United Kingdom insurer as defined in (8C) satisfies the sections of the India Act. He also hinted that if it does not lead to further discriminating interpretation, then the

[Mr. B. Das.]

Bill will have to be sent to His Majesty in Council for final sanction. Not being a lawyer, I cannot see the legal flaw that is to be found in sections 111, 112 and 113, which as a man-on-the-street, though much against my will, I have accepted. What is the trouble now? Of course, I have not the knowledge of my esteemed friend, Sir Leslie Hudson. I do not know what his interpretation is and what is it that is agitating his Party because I see the names of Members of his Party who have given this notice that (8A) should be dropped. I have found that my European friends, trading in India, are very anxious that there should be goodwill and mutual co-operation in business atmosphere not to speak of political atmosphere. If that be so, then an Act passed by both the Houses of Parliament where representatives of the European community in India contributed their best to make it as fire-proof or steel-proof as possible ought to be enough for them. When that has been done, why do they manifest these doubts? It may be that my friends have thought over the matter and have no doubt about the interpretation of section 113. But why do they object to the definition of an Indian insurer?

Mr. F. E. James (Madras : European) : May I suggest to my Honourable friend that he should not attack us before he hears our point of view. He should wait.

Mr. B. Das : I have waited since 1925 up to now to hear what the interpretation of the European Group is about the External Capital Committee's report. If my Honourable friends had any doubt about the interpretation of section 113, why have they not revealed their doubts in the shape of questions or a resolution? Sir, I can stand any restrictions, circumstantially placed as I am, but I would not stand this further humiliation that I cannot define myself as an Indian lest it might hurt the susceptibilities of the Britishers trading in India or carrying on any business in India.

Mr. F. E. James : Perhaps it has not occurred to my Honourable friend that our objection to that particular clause is based on quite different considerations.

Mr. B. Das : I will be glad to know them, but at present I am rather suffering from lack of knowledge. But from the interruption that I had from my Honourable friend, Mr. James, I am led to believe that my Honourable friend gives the same interpretation to the External Capital Committee's report as did Sir Samuel Hoare before the Joint Parliamentary Committee and as I am giving before this House.

My own view is, that we need this definition. I want the (8A) definition to be retained. I do not want (8B) which defines a non-Indian insurer. I want that a non-Indian insurer should be defined as a Foreign Insurer for which I have given an amendment. I will just inform the House what my interpretation of a Foreign Insurer is. A Foreign Insurer means an insurer who does not comply with the conditions mentioned in sub-clause (8A) and who is not a United Kingdom company insurer. The Select Committee has defined a United Kingdom insurer in sub-clause (8C). If my Honourable friends of the European Group have any objection to the language of sub-clause (8C), let them suggest their own definition. Surely an Englishman can define himself

better than I can. I find my Honourable friend, Sir Thomas Stewart, shakes his head. I know that three Englishmen make an Empire : so how can they define an Englishman?

It is a pity that the Government of India have not only penalised us but they have penalised the people of the Indian States also, as was rightly pointed out by the Leader of the House. The Leader of the House pointed out that there are many companies the shares of which are largely owned by the people of the Indian States and, until the Government of India Act, 1935, was passed, I never knew that my Indian brother, who inhabits an Indian State, is a foreigner. Today, my friends from the United Kingdom have equal rights with me and I can call them Indians. They are deemed to be Indians for business purposes. But, unfortunately, these poor people of the Indian States are not deemed to be Indians. I am glad my Honourable friend, Mr. George Joseph, has got an amendment on this subject but I do not know how far he will be permitted to get it through. If that amendment is carried, I am afraid the Bill will be thrown out because it interferes with the powers of the Crown and God alone knows how the Crown keeps connection with the people of the Indian States and their autocratic Rulers. These Indian states people are tied to us in blood relations and yet they are to be treated as foreigners. From what fell from the Honourable the Law Member, I understood that he wants to consider, if suitable suggestion is made, that Indian States will not be disqualified and treated for the purpose of this Bill as foreigners and for that the Honourable the Law Member will have the support of every Indian on the floor of this House.

Handicapped as I am, not knowing what is the exact argument and the exact interpretation of section 113 put by my Honourable friends of the European Group, I am not going to go into detailed arguments, but this question will come up again in connection with clause 2 sub-clause (8B), and sub-clause (8C). There are enough chances to reply, but I do want my Honourable friends of the European Group to bear in mind whether they want to be in friendly relations with us, whether they want to have our co-operation and our good will or they want us always to feel that we are a subject race and that they themselves will go to their grandmother—the Mother of Parliaments—and pass legislation so as to penalise us so that we may always remain serfs in our own country without any independent say in any matter. I am really reflecting the views of the Indian business community and we do want the Government of India to be fair and honest and we want them to accept the recommendations of the External Capital Committee which have already been accepted through the medium of the Government of India Act.....

Mr. F. E. James : May I ask my Honourable friend which particular recommendation of the External Capital Committee's report he is referring to?

Mr. B. Das : Sub-clause 8A, clause 2 defines an 'Indian insurer' as an insurer three-fourths of whose paid up capital is held in their own right by British Indian subjects domiciled in India and three fourths of the members of whose governing body are British Indian subjects. In the External Capital Committee's report.....

Mr. F. E. James : I may assure my Honourable friend that this is not in that Committee's report.

Mr. B. Das : Perhaps the Honourable Member has forgotten the recommendation which is accepted but which was dropped later on because the Government became so bureaucratic and reactionary that they never considered the report at all and they were even against accepting them.

Mr. F. E. James : I might possibly help my Honourable friend. I think he is referring to the recommendation which suggests that there might be some proportion of the directors, but no proportion of shareholders particularly is referred to.

Mr. B. Das : Is it the view of my Honourable friend that the shareholders should be 99 per cent. foreign and one per cent. Indian? Is that the interpretation of my Honourable friend?

The Honourable Sir Nripendra Sircar : The Honourable Member has been continually repeating that on every occasion; it is not in that report.

Mr. B. Das : That has been demanded by this side of the House very often. If the majority report of the External Capital Committee has not given a percentage, have the Government taken the trouble all these twelve years to come to fix that proportion? Why do the Government leave it in thin air? Have the opinions and the views of the Indian commercial community been taken into consideration? They have all along demanded that 75 per cent. of the capital should be Indian, 75 per cent. of the Directors or members of the governing body should be Indians. The Government have never made any statement on it. Let them themselves define. If the Government do not agree to 75 per cent., is it just for them to leave the question hanging in thin ethereal air. They should come to some solution. When by force we become the Government and we will then legislate what should be the proper thing to fix.

Sir, I, therefore, ask the House to oppose the amendment. The Honourable the Law Member, who is generally very sympathetic in many other directions, has, unfortunately, himself tabled this amendment which emanated from the directors of the European Group. The Honourable Members of the European Group have all along been unsympathetic to Indian business, Indian commerce and Indian trade; we cannot expect any sympathy from them, and I, therefore, reserve my judgment on them till I hear their speech. With these observations, I oppose the amendment.

Mr. T. Chapman-Mortimer (Bengal : European) : Sir, I rise to support the motion before the House for the deletion of clause 2, sub-clause 8A. I do so on three grounds. First of all, because we in this Group consider it is an unnecessary clause and secondly, it is a useless clause because it entirely fails to secure the objective which it is designed to secure.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : What is the difference between "unnecessary" and "useless"?

Mr. T. Chapman-Mortimer : Unnecessary from the point of view of the Bill and also useless (because there is a difference) from the point of view of the purpose and intention of Honourable Members opposite. Even the speech of my Honourable friend the Leader of the Opposition, seemed to me to support my view that it is pretty useless. Thirdly, we oppose this because we consider it to be unsound in principle. In regard to its being unnecessary, first of all, I should like to draw the attention of the House to the definition of an 'insurer' in clause 2, sub-clause (8). If Honourable Members will look at that, they will find that it is very complicated and difficult to understand. But there are many lawyers on the Benches opposite that I feel sure for them at all events, even if it is not for a layman, it will be more or less easy to understand. If they will look at that clause and look at the whole construction of this Bill, they will see that there is ample provision there for the one thing they want to secure, namely, to differentiate between different types of companies coming from different countries. That, Sir, is the first point to which I draw the attention of Honourable Members in all parts of the House. Secondly, my Honourable friend, the Law Member, pointed out, that the definition is used nowhere in the Bill. It was used in clause 3A which is now disappearing from the Bill because that too was rather a useless and unworkable clause.

Then, Sir, the contention of my Honourable friend, the Leader of the Opposition, was, that clause 8A was very necessary, more particularly in regard to two clauses, clause 26 and clause 53 and that it is particularly necessary in these two cases to have such a definition as is proposed here. With due respect, I propose to show that he is quite wrong and that, in fact as the Honourable the Leader of the House has told us, necessary provision might be made when we come to clause 26 and a distinction drawn between the three types of companies to which he has referred. That is to say, Indian insurers, United Kingdom insurers and others. I suggest, Sir, that from his own words, what is wanted is that the conditions to be obtained by United Kingdom companies should be restricted to those who are domiciled as well as incorporated in the United Kingdom—I think that is correct. If that is so, it seems to me perfectly possible and easy for the draftsman to make such a definition when we come to clause 26. I suggest, therefore, that this definition, so far from helping us for clause 26, is much more likely to get us into a thorough mess. It is very much simpler to stick to the definition we have got in clause 2 (8), and, if any further differentiation is required such as my Honourable friend, the Leader of the Opposition, has indicated, namely, domicile, let us put that in when we come to clause 26. Then, he will be able to ensure that the thing that he wants to ensure will be secured, namely, differentiation between those who are United Kingdom citizens and those who incorporate themselves in the United Kingdom for the sake of evading this Act. In parenthesis I may say that the number of companies or insurers likely to do that can hardly be counted on one hand,—two or three possibly, more likely none at all. Because, it is to be remembered that if they incorporate themselves in the United Kingdom they will have to comply with the requirements for insurance companies in the United Kingdom. They will have to put up heavy deposits in the United Kingdom and then they will have to do the same thing all over again in India for the sake of a paltry two or

[Mr. T. Chapman-Mortimer.]

three lakhs a year business. I suggest, Sir, that that is a very unlikely event. However, if it would satisfy the anxiety of my Honourable friends opposite and help to secure the object that they want to secure, namely, to differentiate between those foreign companies and United Kingdom companies, the way out is there,—to bring in the word “domicile” as well as “incorporation”.

So much for the first aspect which we considered, namely, that this clause is unnecessary. Then, there is the second aspect to which I have referred, namely, that it does not even secure the purpose it was intended to secure. I do not propose here to follow my Honourable friend, the Leader of the Opposition, in his long and learned disquisition on the merits or demerits of clause 113 of the Government of India Act. I propose to confine myself to the clause we are dealing with here and to some of the main objections to it. First of all, what can these non-Indian companies do? They can incorporate holding companies in India and these holding companies or investment companies can, in turn, hold shares in an insurance company to the extent of three-fourths. Supposing that these non-Indian insurers were determined that they really were going to get round this; all that they would have to do is, to secure possession of a holding company by buying it up or by incorporating it as a new company or by buying a predominating or controlling interest in the shares of some trust company, and they will then have secured all that they want to secure. That is the first thing.

An Honourable Member : Then, we will have our directors.

Mr. T. Chapman Mortimer : No, I will explain that in a moment. Then, you say that three-fourths of the paid-up capital should be held by British Indian subjects. It may be that three-fourths of the share capital is held by British Indian subjects, and one-fourth share is held by me, or a Chinese or a Japanese, and I or they could take pretty good care to see that the voting power was in my hands. It would not pay to have your 75 per cent. of British Indian share-holders.

Then, thirdly, the market for these shares will obviously be restricted. People who deal in insurance shares will not want to have anything to do with these shares, because if anyone by purchasing its shares makes the company an illegal body he will not want to run the risk of having anything to do with an illegal body. So he would probably refrain from purchasing these shares. Then, the proposal is that they should have three-fourths of the members of the governing body British Indian subjects. It is the easiest thing in the world to create dummy directors; it is not peculiar to India.

Mr. B. Das : Is that what you are doing in Calcutta? (Laughter.)

Mr. T. Chapman-Mortimer : No Sir! But the fact remains that whatever the directors may be like in Calcutta, in all countries in the world where you have modern business, whether it is insurance or any other kind of business, you have dummy directors. If some one wants to control the company and make sure that he has got control in his own hands, what happens? He either puts in his friends

there, or if he does not put in his own friends he puts in people who are under some obligation to him or in some way under his influence or control. So that, on that ground also, it is not the slightest bit of good to you to have these provisions that you suggest here. It would not help you to do the thing which you want to do. There is another form of evasion to which my Honourable friend, the Leader of the Opposition, has already referred; I refer to the type of evasion which would take place by having a holding in British Indian hands but blank transfers in the hands of Chinamen or Japanese or Germans or persons of some other foreign nation. My conclusion from all these points, therefore, is, and I hope it is also the conclusion of a large section of the House,—the larger section, I hope (Laughter),—that this is an entirely unworkable clause. It can be got round in every way and obviously would be got round by people who really wanted to do so.

Finally, I come to the question of principle. We are entirely opposed to provisions which say that any special percentage of capital or directorate should be held by any particular class of person, whether it is a British Indian or Chinese or whomever it may be. It does not seem to us to be a sound provision; and what is more, though I have listened with great attention to my Honourable friend, Mr. B. Das, I was quite unable to recollect any provision in the External Capital Committee's report such as this provided for here, namely, three-fourths of paid-up capital being held in their own right by British Indian subjects.

Prof. N. G. Ranga (Guntur cum Nellore : Non-Muhammadan Rural) : Have you read it at all?

Mr. T. Chapman-Mortimer : Yes, many years ago (Laughter), but I read it again quite recently. If my Honourable friend likes, I can read it again to him. In the case of bounties and assistance of that kind, it says :

“In the case of a public company, first of all two conditions should be complied with. The first is that reasonable training should be granted to Indians.”

Well, Sir, people of my community who enjoy the benefits of preference, as we do in some cases, have been trying to implement,—this is for the benefit of my Honourable friend, Mr. Das, who wanted to know what we are doing about it,—we have been trying to implement the first of these provisions, namely, to give reasonable facilities for the training of Indians. Then, we come to No. 2. It is in three simple parts. First of all, it should be a firm registered under the Indian Companies Act, 1913; secondly, in regard to share capital, the amount shall be expressed in rupees; and thirdly, that the proportion of directors as may be prescribed should consist of Indians. Nothing whatever there about three-fourths of the share capital being in British Indian hands! And as to the value of the third provision, i.e., prescribing that a certain number of directors must be Indians, I have already said, we all know the case of the dummy director! Therefore, we consider that in principle this is thoroughly bad. It is bad in principle as it is unnecessary to this Bill and unworkable in actual practice. It has been suggested that we should make clear our position in regard to non-United Kingdom foreign companies: I propose,

[Mr. T. Chapman-Mortimer.]

with your permission, to do so. We entirely share the views of my Honourable friend, the Leader of the House. Some kind of differentiation must, and I feel sure, will be made, but we do not consider that this is the way in which to do it. We do not consider that non-United Kingdom subjects should come under the umbrella of section 113 of the Government of India Act and so evade the intention of this Act by incorporating in the United Kingdom. We certainly do not support that idea; but, as I have already pointed out, the odds against people doing it are very long odds indeed. So much for our position regarding foreign companies. But in view of certain remarks which dropped from the lips of my Honourable friend, Mr. Das, and the appeal he made to us, and in view also of the implications shall I say,—I have not got his actual words,—of the words that came from my Honourable friend, the Leader of the House, the other day, I should like just to make quite clear the position that we take up in regard to our commercial position in this country. My Honourable friend, the Leader of the Opposition, seemed to suggest that European business in this country takes shelter—I think I am correct in saying it—behind clause 113 of the Government of India Act, and he very clearly indicated that, in his opinion, our true safeguard lay not in section 113 or 114, but in trusting the people of this country. Well, Sir, I need hardly say that there is no single sensible European that would not subscribe to that doctrine. We know perfectly well that not only must we win the trust and confidence of the people, but also their esteem if our business in this country is to continue to prosper. We can only do that if we fully recognise what my Honourable friend, the Leader of the Opposition, claimed we ought to recognise, namely, India's right to conserve and promote the business of her nationals: I think these are his exact words. We do fully recognise India's right to conserve and promote the business of her nationals, and we do not seek, in any way, to use these safeguards or to appeal to these safeguards to stand in the way of India's commercial development. I would remind the Honourable Members in this connection of the existence not only of section 113, but also of section 118. If they have a copy of the Government of India Act by them they will be able to see that that provides for the disappearance of this discrimination clause under certain circumstances. In that connection, Sir, I think it is not perhaps unfitting that at this juncture I should remind the Honourable Members opposite how this clause came to be put into the Act. It was necessary because of avowedly expropriatory intentions of a few selfish groups and we know from the pact between Mr. Gandhi and Lord Irwin that Mr. Gandhi fully recognised that in the present conditions of India some sort of protection of this kind was necessary. He subsequently again subscribed to the same idea at the Round Table Conference, as my Honourable friend, Mr. Jinnah, pointed out the other day. Now, Sir, he did think it was necessary to save us from the Congress. Naturally he could not. Think that! Nor am I afraid of my Honourable friend, the Leader of the Opposition, even when he is in his most fighting mood; nor am I afraid of the Honourable Members opposite nor are any of us afraid of them or their party any more than they are afraid of us. We fully understand that if our position in this country is ever to be really

secure, I mean our commercial position, it can only be done in one way, and that is by gaining the confidence and trust of the people, and in that, Sir, I am perfectly certain we shall be able in the future to hold our own in this country. Sir, I support the motion.

The Honourable Sir Nripendra Sircar: I have not the right of reply on an amendment, but I am not going to reply on the amendment: I want to make a statement. The two statements I have heard seemed to give me hope that the matter is capable of solution: one, the statement of the Leader of the Opposition that he was willing to make it expressly clear in every section that (he will kindly correct me if I am wrong) he is not discriminating between the United Kingdom companies and the Indian companies: I find that the last speaker, Mr. Chapman-Mortimer, agrees with the view which was shared by me and Mr. Desai equally, that there is no reason why we should give any opportunity to a German company incorporating in England or anywhere and getting the advantages of being a United Kingdom company. Well, if that is the position, I believe this difficulty is capable of solution, and I would like this matter to be taken up later, but, to avoid misleading the House, I want to make it perfectly clear that if my friend, Mr. Desai's position taken up at one time is accepted, namely, whatever their rights under 113, if United Kingdom have not got such rights they have not got them, then I do not think, Sir, so far as I am concerned, I shall be able to come to an agreement. I cannot agree to let the matter remain in doubt; that there is going to be no discrimination against United Kingdom must be free from doubt; I am quite willing to find a possible means of solution on the following lines, namely, that it will be made clear that there is no discrimination between the genuine United Kingdom companies and Indian companies and that the desire of all the sections of the House is to find a solution for the narrower problem, viz., that a French company or, say, a German company incorporated in England may not get the benefit of 113, and that 113 may not be extended to an extent which possibly Parliament never contemplated. If my friends will agree, and I appeal to the Leaders of the Opposition, to leave the matter in that condition. I can assure the House we shall then be able to save this Bill. I know what will inevitably happen if you leave it to a court to judge, how United Kingdom companies have been affected by this Bill. I do not say this by way of a threat but this Bill, for which we all have laboured so much, will be altogether wrecked. As my friend agreed that he would not make any discrimination against United Kingdom, and as the European Group has also agreed it will help us in coming to a solution for fighting the kind of companies we are thinking of, I would ask you, Sir, to take this up with 26.

If I may make one more request that, as we do not know when this definition is taken up, what form it will take or whether we may be able to do without any definition and put the proper words in clause 26, some indulgence may be given to all parties in the matter of drafting amendments to clause 26. What I mean, Sir, is this. I have to draft amendments to clause 26. Now, in drafting them, I have to make my mind as to whether I shall use the word Indian insurer or not. If this matter had been decided today I would have proceeded on the assumption either that these words exist or disappear, but as they are remaining in a kind of suspended animation, when this is taken up I and the other parties

[Sir Nripendra Sircar.]

may not be ready with our amendments. What I request the Chair to do is this : should it commend itself to this House this matter should stand over till 26 is taken up, a little latitude may be given in the matter of amendments. By it I mean that we should not be asked to draft amendments then and there, but that at least one day may be given to us for putting in amendments. If this is acceptable to the House and to the Chair I am quite agreeable to letting the matter stand over.

Sir Leslie Hudson (Bombay : European) : If I may add just one word to what the Honourable the Law Member has said : speaking for my Party, we should be perfectly willing to agree to that, but we do think that if some way is to be found out of this impasse, a conference should be held at which the representatives of all parties should be present.

Mr. Deputy President (Mr. Akhil Chandra Datta) : May I take it that the sense of the House is that this should stand over till clause 26 is reached ?

Honourable Members : Yes.

The Honourable Sir Nripendra Sircar : Sir, I would like to have a ruling from you, that we may have at least one day, if not two days, for putting our amendments on clause 26, because I do not know exactly what will happen when this definition will be taken up, and the form of my amendment must depend on the exact language which is adopted by the House on the definition. All that I am asking is that in connection with the amendment of clause 26, after this definition is disposed of, we may be given 24 hours time to put in our amendments to clause 26.

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : I understand that if some satisfactory amendment is made to section 26, then this definition may not be insisted upon—that is how I understand. May I then suggest to the House and to the Leaders of the various parties that it will be better if a few of us should meet and see whether we can produce or draft a settled amendment between ourselves ? If that course is adopted, I think it will facilitate the work, and if the amendment drafted is acceptable to all the parties, then the work is done.

The Honourable Sir Nripendra Sircar : I am quite willing to meet all the parties and help to try and find out if we can come to some arrangement ; but I was providing for the possibility—let us hope a remote possibility—that after we meet no solution is found. Then this definition comes up. It is either retained or it goes out : and I am asked to move my amendments on clause 26 : I do not know what language to use. I shall do my best : I shall meet the Leaders in conference and try my best to come to an arrangement ; but if that fails, all that I want is that I may not be asked to move my amendments then and there after this thing has been taken up. After all a day's delay will not matter : there are other sections, following section 26 : we have got various controversial sections after 26.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I think the House is agreeable to the suggestion which the Honourable the Leader

of the House has made. But if any attempt to come to a settlement fails, and if one or two days is wanted, it will be given for amendments to be proposed and tabled to section 26.

Mr. B. Das : Sir, I move :

“ That after part (i) of sub-clause (1) of clause 6 of the Bill, the following be inserted :

‘ (j) where the business done or to be done is marine insurance relating to country craft and/or its cargo, ten thousand rupees only ’.”

Sir, before this insurance idea was known to the Anglicised Indians and to the people of India generally, a form of marine insurance was being carried on from time immemorial by many Indian firms who used to insure cargo boats plying on the coasts of India. The Honourable the Law Member has already received their representation ; on the Bombay coast there are four or five underwriters' firms who carry on business to the tune of a crore of rupees, and the amount they receive in premia is to the extent of Rs. 50,000. In Karachi side also there are a few Indian firms of underwriters who carry on similar insurance business and the extent of business is nearly 50 to 60 lakhs, and the premia they get is 50 to 60 thousand rupees. It is understood that there is similar business done in Madras and Bengal coasts but I have no information whether such cargo boats and country crafts insure with Indian firms as is done on the Bombay and Karachi side. These firms which carry on marine insurance for small cargo boats insure those boats to the extent of five to ten thousand rupees and sometimes to 15 thousand rupees. When the amount is 15,000 rupees, then four firms distribute the risk, as big insurance companies also do : and payment is always ready if any accident takes place. If any damage takes place they get hold of the help of the Customs Department of the Government of India or a surveyor from Bombay or Karachi and they assess the extent of the damage and the money is paid. So far as I have ascertained, nowhere has there been any trouble as regards payment. But these firms of underwriters, who are Indian firms, not incorporated companies, do not know English : they are carrying on business as their ancestors did 5,000 years or a 1,000 years ago. The money is paid if the boat is lost on the seas or its cargo lost or damaged ; and no complaint has been heard anywhere that the money has not been paid. As we are legislating today a highly scientific insurance law, we penalise these firms whom I will call underwriters firms for marine insurance who are doing business for ages and giving a certain amount of help to the country craft and cargo boat trade : these boats in every case are owned by one or two boatmen. They ply their trade. Sir, the English Government, during their regime of 150 years and odd, have not educated the whole of India in the English language. So far only six per cent. of the population is literate in India. We cannot expect these country boat proprietors to suddenly learn English and go to big Insurance companies. I do not think that any Indian on this side who knows his countrymen, particularly, those who are living in distant nooks and corners of India and who do not know English and the modern ways of civilization, would like, that a penalty should be imposed on poor Indians so as to induce them to go to Bombay and other places and approach big insurance agents and pay probably double the premium. It is never the intention. Probably the Honourable the Law Member, whose heart is full of sympathy for the poor, does not mean to penalise these poor people in that

[Mr. B. Das.]

way. The other day he interjected when some one was speaking and said that these people do business worth a crore of rupees. Yes, but the insurance premium paid is only worth about Rs. 50,000 or Rs. 60,000, and so the money is not large. But to expect these people to undergo all the trouble of going to distant places or of preparing a balance sheet and all that sort of thing would be extremely troublesome, because these private firms are not accustomed to modern ways. Therefore, I have moved this amendment, and I do hope that the House will consider it most indulgently and accept it. If that is accepted, I have got a further amendment subsequently in the miscellaneous sections where the Governor General will have power to make regulations about the control of these underwriters firms. With these observations, Sir, I commend my amendment to the House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That after part (i) of sub-clause (1) of clause 6 of the Bill, the following be inserted :

'(j) where the business done or to be done is marine insurance relating to country craft and/or its cargo, ten thousand rupees only'."

Mr. Mathuradas Vissanji (Indian Merchants' Chamber and Bureau : Indian Commerce) : Sir, this very point was brought out in the course of my speech at the time of the general discussion. My friend, Mr. Das, has already brought out the major points on which I wanted to speak, and so I shall restrict myself to one aspect of the question, and that is, if this relief is not afforded to country craft insurers, there is every possibility of their being wiped out if not totally, at least partially, and to that extent it will make the position of people who want to insure their goods in country craft very difficult. Sir, I am told that some of the big insurance companies are doing this kind of business to a limited extent, but these companies do not afford those facilities which these small country craft owners do. In that case, shipments by country craft will naturally be restricted but nobody would like to take the risk unnecessarily. And if big insurance companies are encouraged to compete with these country craft people, what will happen to the country craft insurance trade? That will again add to unemployment. Sir, we have been doing the country craft building business for ages, and now the only thing left to us is to build country craft in our country, and if that is also not to be encouraged, then what are we to do? Therefore, Sir, I think the House will consider this question very favourably to give the necessary relief to these country craft business people. I support the amendment.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : Sir, I rise to support the amendment moved by my friend, Mr. Das. It must be remembered that the country craft business is confined to the Indian coast, and we have recently heard a good deal about the reservation of coastal traffic to Indian bottoms. But, Sir, the important question is this. We have a large traffic between smaller ports, and that traffic is carried on by country craft, and the House should remember that the carrying capacity of a country craft is not more than 200 tons. That means a country craft with a capacity of 200 tons cannot carry goods worth more than Rs. 5,000 or Rs. 7,000 or Rs. 10,000 at the most. It has been stated by some Honourable Members that the total volume of business done by these country crafts comes

to about a crore of rupees. Surely, the coast of India is very large, and there are many ports between which traffic is carried on by these small country crafts. But the main thing we have to consider is what is the total amount of risk undertaken at one time? Again, another point is with regard to marine risk. It does not take more than a week or a fortnight to settle claims in the event of an accident or loss, and the liabilities also don't come to very much. Another point is, these country crafts are insured by the merchants themselves,—they work more or less on a co-operative basis. If a country craft accepts goods, say, worth about Rs. 10,000 belonging to five or six different owners, the risk is evenly distributed among various merchants. When a man insures his goods sent by country crafts, he first takes care to see what the underwriter is worth. Sir, this is an ordinary business carried on on trust. In fact, in the ordinary course of business we give our customers goods worth lakhs of rupees on approval, and nobody takes any objection to it, but there is a *bona fide* business carried on by small traders and Government wants to interfere with them and wipe them out of existence. I am sure my Honourable friend, the Law Member, who has a sympathetic heart for the poor, will consider this amendment favourably and will accept this amendment and thus encourage the small country craft business, or at least he will allow this business to exist. Sir, we have heard of sympathy being extended to European firms in the name of United Kingdom and when we get enough motor boats, we shall certainly go to our European friends, but surely so long as we confine our business to country crafts, no impediments should be placed in the way of small traders, and if it is intended to indirectly handicap these small country crafts and kill their trade, then God help Indians.

The Honourable Sir Nripendra Sircar : Sir, these small men are lucky in having very big supporters. But, I have got their representation before me in which they say they are only about half a dozen in number, and the insurance business is done to the extent of a crore of rupees. The premium in all this business is about Rs. 35,000 to Rs. 50,000 a year; small men are handling big amounts! What is the difficulty if there are six men?

Mr. Husenbhai Abdullabhai Laljee : I question that they are six. I know that there are more than 20 men. I know that for a fact.

The Honourable Sir Nripendra Sircar : I am reading the representation sent by them.

Mr. Husenbhai Abdullabhai Laljee : It may be only six who have been put up to do that.

The Honourable Sir Nripendra Sircar : Probably, like the fisherman counting his family by making all one. But what is it that they say? "There are half a dozen of us who are taking marine risk on cargo." It may be six families; it does not matter. But the point is this. If they are 6, or 16, or 20, or make a concession of one, let them be 21, who are doing this business on the coast.

Mr. Husenbhai Abdullabhai Laljee : It is only in Bombay, but there are many outside.

The Honourable Sir Nripendra Sircar : Let my Honourable friend take care of Bombay; the other provinces won't matter. (Laughter.)

[Sir Nripendra Sircar.]

If they are 21, I am sure that if they go to Mr. Sen, for less than Rs. 2,000 they can get a private company formed and, therefore, the whole of them can put in all altogether,—instead of each of them putting in Rs. 10,000,—it will be Rs. 2,10,000,—they can put in Rs. 1,50,000 on behalf of that private limited company. If they are not more than 20, they can form a partnership. But is there any reason for differentiating them when they are dealing in such large amounts? I am told that the heart of everyone of us is melting for the policy-holder! Goods worth one crore of rupees, belonging not to the small man but to other people. If we were trying to protect the policy-holders in all branches of insurance why should we be so hard-hearted against people who deal with the smaller crafts? But, as I pointed out, it is not a question of lack of sympathy, or lack of understanding or anything of that sort. There is really no difficulty in their way. They can combine—if not more than 20 they can form a partnership; if more, they can form a private limited company. And they are not worse off than others; on the other hand, they will possibly be better off. Sir, I am sorry I cannot accept this amendment. I oppose it.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The question is :

“ That after part (i) of sub-clause (1) of clause 6 of the Bill, the following be inserted :

‘ (j) where the business done or to be done is marine insurance relating to country craft and/or its cargo, ten thousand rupees only ’.”

The Assembly divided :

AYES—65.

Abdul Ghani, Maulvi Muhammad.
Abdul Qaiyum, Mr.
Abdullah, Mr. H. M.
Aney, Mr. M. S.
Ayyangar, Mr. M. Ananthasayanam.
Bajoria, Babu Baijnath.
Banerjea, Dr. P. N.
Bhagavan Das, Dr.
Chaliha, Mr. Kuladhar.
Chattopadhyaya, Mr. Amarendra Nath.
Chaudhury, Mr. Brojendra Narayan.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Venkatachalam.
Chunder, Mr. N. C.
Das, Mr. B.
Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
Essak Sait, Mr. H. A. Sathar H.
Gadgil, Mr. N. V.
Ghiasuddin, Mr. M.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.

Hosmani, Mr. S. K.
Jedhe, Mr. K. M.
Jahangir, Sir Cowasji.
Jogendra Singh, Sardar.
Joseph, Mr. George.
Kailash Behari Lal, Babu.
Lalchand Navarai, Mr.
Laljee, Mr. Husenbhai Abdullahai.
Maitra, Pandit Lakshmi Kanta.
Malaviya, Pandit Krishna Kant.
Mangal Singh, Sardar.
Misra, Pandit Shambhu Dayal.
Mody, Sir H. P.
Mudaliar, Mr. C. N. Muthuranga.
Muhammad Ahmad Kazmi, Qazi.
Murtuza Sahib Bahadur, Maulvi Syed.
Paliwal, Pandit Sri Krishna Dutta.
Pande, Mr. Badri Dutt.
Parma Nand, Bhai.
Raghubir Narayan Singh, Choudhri.
Ramayan Prasad, Mr.
Ranga, Prof. N. G.
Rao, Mr. Thirumala.
Saksena, Mr. Mohan Lal.

AYES—contd.

Sant Singh, Sardar.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sham Lal, Mr.
Shaukat Ali, Maulana.
Sheodass Daga, Seth.
Siddique Ali Khan, Khan Sahib Nawab.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.

Sinha, Mr. Satya Narayan.
Som, Mr. Suryya Kumar.
Sri Prakasa, Mr.
Umar Aly Shah, Mr.
Varma, Mr. B. B.
Vissanji, Mr. Mathuradas.
Zafar Ali Khan, Maulana.
Ziauddin Ahmad, Dr.

NOES—47.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Bajpai, Sir Girja Shankar.
Boyle, Mr.
Buss, Mr. L. C.
Chanda, Mr. A. K.
Chapman-Mortimer, Mr. T.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
DeSouza, Dr. F. X.
Fazli-Haq Piracha, Khan Bahadur Shaikh.
Fazli-Ilahi, Khan Sahib Shaikh.
Ghulam Muhammad, Mr.
Gidney, Mr. C. W. A.
Griffiths, Mr. P. J.
Grigg, The Honourable Sir James.
Highet, Mr. J. C.
Hudson, Sir Leslie.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lang, Mr. J. C.
Lloyd, Mr. A. H.
Mackeown, Mr. J. A.

Mani, Mr. R. S.
Mehr Shah, Nawab Sahibzada Sir Sayad Muhammad.
Mehta, Mr. S. L.
Mudie, Mr. R. F.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Parsons, Lieut.-Colonel A. E. B.
Purssell, Mr. R. S.
Rahman, Lieut.-Colonel M. A.
Roy, Mr. S. N.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Shahban, Mr. Ghulam Kadir Muhammad.
Sher Muhammad Khan, Captain Sardar Sir.
Sircar, The Honourable Sir Nripendra.
Spence, Mr. G. H.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sukthankar, Mr. Y. N.
Sultan Ahmad, The Honourable Sir Saiyid.
Thorne, Mr. J. A.

The motion was adopted.

Mr. S. Satyamurti : Sir, I move :

“ That in sub-clause (2) of clause 6 of the Bill, for the words ‘ one and a half ’ the word ‘ two ’ be substituted.”

This refers to one of those mysteries in the Bill, called the Society of Lloyd's. As I said the other day, I have not yet understood what exactly Lloyd's means, but I am told frequently that every member of this Lloyd's is a millionaire, and, therefore, there is no danger of any loss to anybody. I have been told in many places publicly and privately ‘ Why do you ask about Lloyd's. Every person there is a millionaire. They are so good, so rich ’ and so on. If Honourable Members will look at this clause 6, they will find this :

“ Where the insurer is an insurer specified in sub-clause (c) of clause 8 of section 2, he shall be deemed to have complied with the provisions of this section as to deposits, if in respect of any class of insurance business transacted by him in British India under a standing contract of the nature referred to in sub-clause (c) of clause 8 of section 2 a deposit of an amount one and a half times that specified in sub-section (1).”

[Mr. S. Satyamurti.]

and so on. I simply want to substitute two times for one and a half times. I submit it is a reasonable amendment. It ought not to be opposed, and I hope, Sir, that Government will see their way to accept the amendment. In any case, I trust that the House will carry it unanimously. I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in sub-clause (2) of clause 6 of the Bill, for the words ‘ one and a half ’ the word ‘ two ’ be substituted.”

The Honourable Sir Nripendra Sircar : With great respect to my friend, I think this is rather vindictive. Lloyd's average annual out-turn here is between 12 and 13 lakhs of rupees. Of course, that is not even 1/250th part of their whole business. Their Indian business is between 12 and 13 lakhs. We are taking only one time, if I may use the expression from at least three like the Norwich, who are doing business to the extent of eleven lakhs. If there is anything like a rule of three, up to 15 or 16 lakhs ought to be covered by the 1½ times which they are paying. Why raise it to two ? I say, there must be some method in it and I object to this amendment.

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : I have given an amendment which seeks to raise the amount of deposit to five times but I am now confining myself to this very modest amendment. The House may ask who these Lloyd's are and who their agents are. Whatever their reputation in England may be, they are individuals who transact this marine insurance business in their individual capacity. Whenever a policy is sought to be undertaken, four or five of them constitute themselves into a syndicate and each one of them takes a particular portion of the risk. They do not even constitute a partnership. In England there are a number of public men who are members of this Lloyd's Association and they constitute themselves into a corporation only for the purpose of enabling them to come together, so that individually they may enter into agreements with various persons who want to insure their ships and other things. Therefore, let us not be carried away by the impression that because they have their branches here and there this Lloyd's Corporation is directly responsible for the risks. It is not that Corporation which has got these buildings here and there that is the insurer. It is simply a member of that Corporation who is the insurer working in his individual capacity. It may be that sometimes a member enlarges himself into a syndicate constituting three or four persons, and there are 300 or 400 such syndicates in England. The other day when we were on the definition of Lloyd's it was said that we should include similar associations or similar individuals who might carry on similar business in the whole of the British Empire. That was the original extent of the definition, but this House resolved that it ought not to be extended to any other corporation or any other body or members of corporation other than the Lloyd's. To that extent we have gained. It was found that individuals ought not to be allowed to carry on this business lest there should be a risk involved and they may not be able to meet the risk.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Now, we are on another stage when we are seeking to impose an additional restriction that they ought to deposit twice as much as any other insurer. The Honourable the Leader of the House has just told us that Lloyd's carry on business to the extent of 13 or 14 lakhs per year.

The Honourable Sir Nripendra Sircar : I did not say that. I said 12 to 13 lakhs.

Mr. M. Ananthasayanam Ayyangar : A difference of one or two lakhs does not matter much. Sir, you will note that whereas conditions have been imposed upon persons who carry on life insurance business that they must deposit a large amount in this country to meet matured business, there is no such obligation so far as the persons who carry on either fire or marine business are concerned. No such restriction has been placed and for aught I know it is not contemplated at all in the numerous amendments that have been given either by the Government or by us. There is no amendment to that effect. Therefore, the ordinary safeguard in the case of the life insurance business is not here. That means that 10 to 13 lakhs are being taken away from this country every year and when the time to meet the risk comes, an attempt may be made to prove that the individual insurer is not bound to pay the amount. It is only for that reason that we insist that twice the amount ought to be paid by way of security.

Sir Cowasji Jehangir : Mr. Satyamurti said that they were millionaires.

Mr. M. Ananthasayanam Ayyangar : He only said that they act as millionaires by reputation. We do not know what they really are. And the same we hear about so many other gentlemen here. Of course, I do not mean anything disrespectful to any Member. Having regard to the name and the importance that is attached to this Company, I tried to search from end to end the Year Book 1935 regarding the insurance companies that carry on their business in this country. I did not find the name of Lloyd's at all. I will refer the House to pages 153 and 154 where the figures of the non-Indian companies constituted in the British Empire are given. That only supports my contention that even the small details that are available regarding the foreign companies that transact business in this country are not available in the case of Lloyd's. I do not know from what source the Honourable the Leader of the House got the information that they take 12 to 13 lakhs of rupees from year to year.

Sir, this demand for a deposit of twice the amount is not peculiar to this country nor is it exorbitant. I find that the Union of South Africa have also imposed a similar obligation upon every agent of Lloyd's. They are asked to deposit a sum of £2,000 each. They do not take the deposits in one lump but insist upon their depositing £2,000 individually. Therefore, I would go to the length of saying that

[Mr. M. Ananthasayanam Ayyangar.]

each individual must deposit twice as much as any fire or marine insurer deposits in this country under section 6. Each individual or each group of individuals which constitutes a syndicate is an independent entity. Therefore, all the 300 syndicates that carry on business ought to be asked to deposit a sum of 2 lakhs of rupees each which is twice as much as any other insurer deposits. But, I submit that our claim is absolutely modest and I hope the House will accept it and not merely depend upon the reputation of Lloyd's which may fall to the ground at any moment.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : I am sorry, Sir, the matter has been looked at from an entirely wrong point of view. The amount of security that they are asked to deposit should, in no way, be the result of what business they do here or whether they are rich or poor. The facts are that the Lloyd's are not one single company. I hope I am correct when I say that over 300 separate syndicates are formed into unions.

The Honourable Sir Nripendra Sircar : These 300 syndicates do not work here. Their number is 300 in England.

Mr. T. S. Avinashilingam Chettiar : It is a fact that Lloyd's constitute 300 syndicates or so. Of these 300, how many of them work here I do not know. But it is a fact that there are over 300 syndicates working here.

Mr. S. C. Sen (Government of India : Nominated Official) : There is no syndicate at all.

Mr. T. S. Avinashilingam Chettiar : I am sorry I have not got the reference book here with me but I can give the Honourable Member the reference of the Year Book which gives particulars of the persons who constitute those syndicates. They are all separate entities and do their business separately. The profit and loss of one syndicate is not shared by the other. It is only for the purpose of the regulation of the commission and premium and other things that they are formed into a bigger syndicate and they call themselves Lloyd's. But the insurance companies which constitute the Lloyd's are really more than 300. So, legally, if they are taken separately, their number is 300 and they are all doing separate business. How many of them do business in this country, I am not in a position to say. Bearing that in mind, I can safely say that this amendment is very modest. We should not be carried away by false notions, whether the business transacted by them here is low or not. For the matter of that, many of the smaller companies do not transact very much business and yet we ask them to deposit so much money. So, I submit that their credit or their non-credit or the amount of work they do here is by no means a criterion by which we should judge the amount of the deposit they should make. I submit that this amendment is very modest and it should be accepted by the House.

Mr. Bhulabhai J. Desai : Sir, the question really resolves itself into this, by using the word 'vindictive' you have made a complete argument against the opponents, which as I deem to be a sarcasm, I warn

the House against being misled by the use of that word which in itself assumes the proposition to be proved and judging in that way—I know the proceedings of the Select Committee are sacrosanct and they cannot be divulged here—I am aware of this at least that I tried my best to extract information from one of my Honourable friends in the European Group as to who was liable on a policy of the Lloyds Group—the Lloyds individually whoever he may be—and the answer that I got was so unsatisfactory that as a lawyer I am afraid I would not bank anything on it and would be more careful before undertaking any such policy. But the question now is this. If each one of them ever insured here, he would be an insurer within the meaning of that Act, if each of their Agents were so regarded, they would certainly not merely be more than two, but probably more than 100 because Lloyds agents, so far as I am aware, are in the Western Presidency and other parts and they ought to be found in many important towns. Therefore, if you must have some test, you escape the test of each of the individual dealers. You want to escape by artificial definition, you want to escape so far as your own agents in this country are concerned. I am quite willing that the Honourable the Leader of the House may argue that the 300 are no longer in our country but what about the tentacles through which they work in this country and do we distinguish between people who take one lakh, or two lakhs or five lakhs or even twelve lakhs, each of them who is an insurer pays it. Let us, therefore, either deal with them through their Agents here, who, I believe the Honourable the Finance Member will remember in the Income-tax Act, are the persons through whom he gets non-Indian foreigners who do business in this country or who have business connections—words which have now been interpreted to his satisfaction by the Privy Council. So that if we get the Agent of the man who does business in this country, for income-tax purposes, may I appeal to his Colleague the Law Member to get a similar Agent through whom we may reach the non-resident foreigner who does business of insurance here. I think judged by every test, we ought to have at least fifty times what is now asked for. At least the case for the Agent through whom he does business would be covered by the Income-tax Act. I challenge my Honourable friend on the other side to tell me that the decision of the Privy Council is to the contrary, because though we succeeded in the High Court of Bombay, they went to the Privy Council on another thing and succeeded afterwards. Either get the Principal or if you must neglect the Principal at least get the money through the Resident Agent here. Then, I am told, that the Agents might form a company. Let them do business through a company. My Honourable friend, just a moment ago, told me, why not contractors form an insurance company. These people have not formed a company yet. Special definition is provided out of the solicitude, the extent of which it is very difficult to gauge and, therefore, I do ask that out of sheer decency, if for nothing more, the European Group will now get up and say this is much too little and, therefore, we agree to it.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (2) of clause 6 of the Bill, for the words ‘ one and a half ’ the word ‘ two ’ be substituted.”

The Assembly divided :

AYES—55.

Abdul Qaiyum, Mr.
Aney, Mr. M. S.
Ayyangar, Mr. M. Ananthasayanam.
Banerjee, Dr. P. N.
Bhagavan Das, Dr.
Chaliha, Mr. Kuladhar.
Chattopadhyaya, Mr. Amarendra Nath.
Chaudhury, Mr. Brojendra Narayan.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Vencatachelam.
Chunder, Mr. N. C.
Das, Mr. B.
Datta, Mr. Akhil Chandra.
Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
Gadgil, Mr. N. V.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.
Hosmani, Mr. S. K.
Jedhe, Mr. K. M.
Jogendra Singh, Sirdar.
Joseph, Mr. George.
Kailash Behari Lal, Babu.
Lalchand Navarai, Mr.
Laljee, Mr. Husenbhai Abdullabhai.
Maitra, Pandit Lakshmi Kanta.

Malaviya, Pandit Krishna Kant.
Mangal Singh, Sardar.
Misra, Pandit Shambhu Dayal.
Mudaliar, Mr. C. N. Muthuranga.
Muhammad Ahmad Kazmi, Qazi.
Murtuza Sahib Bahadur, Maulvi Syed.
Paliwal, Pandit Sri Krishna Dutta.
Pande, Mr. Badri Dutt.
Parma Nand, Bhai.
Raghubir Narayan Singh, Choudhri.
Ramayan Prasad, Mr.
Ranga, Prof. N. G.
Rao, Mr. Thirumala.
Saksena, Mr. Mohan Lal.
Sant Singh, Sardar.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sham Lal, Mr.
Sheodass Daga, Seth.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.
Sinha, Mr. Satya Narayan.
Som, Mr. Suryya Kumar.
Sri Prakasa, Mr.
Umar Aly Shah, Mr.
Varma, Mr. B. B.
Vissanji, Mr. Mathuradas.

NOES—59.

Abdul Ghani, Maulvi Muhammad.
Abdul Hamid, Khan Bahadur Sir.
Abdullah, Mr. H. M.
Ahmad Nawaz Khan, Major Nawab Sir.
Bajoria, Babu Baijnath.
Bajpai, Sir Girja Shankar.
Boyle, Mr.
Buss, Mr. L. C.
Chanda, Mr. A. K.
Chapman-Mortimer, Mr. T.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
DeSouza, Dr. F. X.
Essak Sait, Mr. H. A. Sathar H.
Fazl-i-Haq Piracha, Khan Bahadur Shaikh.
Fazl-i-Ilahi, Khan Sahib Shaikh.
Ghiasuddin, Mr. M.
Ghulam Muhammad, Mr.
Gidney, Mr. C. W. A.
Griffiths, Mr. P. J.
Grigg, The Honourable Sir James.
Highet, Mr. J. C.
Hudson, Sir Leslie.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.

Jehangir, Sir Cowasji.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalnagar Singh, Raja Bahadur.
Lang, Mr. J. C.
Lloyd, Mr. A. H.
Mackeown, Mr. J. A.
Manavedan Raja, Rao Bahadur K. C.
Mani, Mr. R. S.
Mehta, Mr. S. L.
Mody, Sir H. P.
Mudie, Mr. R. F.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Parsons, Lieut.-Colonel A. E. B.
Purssell, Mr. R. S.
Rahman, Lieut.-Colonel M. A.
Roy, Mr. S. N.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Shahban, Mr. Ghulam Kadir Muhammad.
Sher Muhammad Khan, Captain Sardar Sir.
Siddique Ali Khan, Khan Sahib Nawab.
Sircar, The Honourable Sir Nripendra.

NOES—contd.

Sivaraj, Rao Sahib N.
Spence, Mr. G. H.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sukthanker, Mr. Y. N.

Sultan Ahmad, The Honourable Sir Saiyid.
Thorne, Mr. J. A.
Yamin Khan, Sir Muhammad.
Zafar Ali Khan, Maulana.
Ziauddin Ahmad, Dr.

The motion was negatived.

Mr. K. Santhanam (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Sir, I beg to move :

“ That in sub-clause (2) of clause 6 of the Bill, after the words ‘ insurance business has been made ’ the following be inserted :

‘ in the Reserve Bank of India in one of the offices in India of the Bank for and on behalf of the Central Government cash or approved securities estimated at the market value of the securities on the day of deposit ’.”

As clause 6 (2) stands the deposit may be made in any bank,—the Bank of Italy or the Bank of Germany and in sterling securities or any securities because in sub-clause (1) the society of Lloyd's has been excluded. And in sub-clause (2) it has not been said where the deposit is to be made and in what securities. Therefore, in order to bring sub-clause (2) into line with sub-clause (1), this amendment is moved and I hope it will be accepted.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (2) of clause 6 of the Bill, after the words ‘ insurance business has been made ’ the following be inserted :

‘ in the Reserve Bank of India in one of the offices in India of the Bank for and on behalf of the Central Government cash or approved securities estimated at the market value of the securities on the day of deposit ’.”

The motion was adopted.

Mr. Mathuradas Vissanji : Sir, I move :

“ That sub-clause (3) of clause 6 of the Bill be omitted.”

This is in the matter of payment of deposits by general companies. It is within three years that the general companies have got to pay a deposit of 3½ lakhs. At present the general companies, in existence, are nearly 14 ; and looking to the conditions of these general companies, they have been doing good business and on sound principles for years past. I find that about eight companies would not be in a position to pay up the deposit by the time required. In that case either they will have to modify their business inasmuch as they would not be able to do their business or they will have to close down their business. Other companies have got life insurance as well, and so they will have to pay by that time, according to this, 4½ lakhs. This is really very hard on such companies, though doing good business and on sound principles, to meet these demands of the Act. I draw the attention of the House to the fact that generally when they are issuing policies to the trade and the trade is required to finance their holdings, they have got to go to the bank for giving money. When they go either to the exchange banks or to the Imperial Bank, these banks see that their

[Mr. Mathuradas Vissanji.]

requirements of deposits are met with, meaning that some of these insurance companies have got to pay a very good deposit before their policies are accepted by these banks. If that is not done their policies are not accepted and they cannot get insurance. That will be an additional hardship in case this additional deposit has to be made within that certain time. I, therefore, propose that the payment of deposit should be in line with life insurance, i.e., seven years as proposed in sub-clause (4) of clause 6.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That sub-clause (3) of clause 6 of the Bill be omitted.”

Mr. S. C. Sen : Sir, I regret I have got to oppose this amendment. I will draw the attention of Honourable Members to the result of this amendment being carried. My Honourable friend, Mr. Vissanji, has no alternative to this clause. His proposition is that this sub-clause should be deleted. The result would be that general companies who carry on business should not make any deposits at all. That is a state of things which I do not think any Member of this House will even agree to.

Sir Cowasji Jehangir : But what about his other amendments ?

Mr. S. C. Sen : We are now concerned with this amendment. Then, we are told that the banks do not accept the policies issued by these general companies, and my friend expects that if he puts in this amendment and does away with the deposits, their financial position would become stronger and the banks would accept them. The position is hopeless unless there is a substitute here and I oppose it.

Sir Cowasji Jehangir : Sir, I think there is some misunderstanding on the part of my Honourable friend, Mr. Sen. His first argument is, that if this clause is omitted, as desired by my Honourable friend, Mr. Vissanji, there will be no provision for deposits, for companies doing general business. If he will look to the other amendments given by my Honourable friend later on, he will see that all the deposits will remain exactly as specified in the Bill just now. There will be no change made in the amount of the deposits ; the only change that will be made will be that companies doing general business will be in exactly the same position as companies doing life business, with regard to the instalments of deposits. In the Bill, companies doing life business have to make their deposits in seven years. General companies have to do it in a fewer number of years. The amendment, if carried, with the subsequent amendments, will have the effect of putting the general companies exactly in the same position as life companies only with regard to the period of deposits. I think my Honourable friend has not looked at the other amendment or he has erred.

Mr. S. C. Sen : We have looked into the other amendment, but we cannot assume that it (171) is going to be accepted.

Sir Cowasji Jehangir : You must assume that the subsequent amendment will be accepted, if you carry this amendment. It very often

happens that in a Bill consequential amendments have to be made. Practically all the other amendments will be consequential amendments, if we accept the principle that the same amount of deposits, as specified in the Bill, should remain, the only change that should be made is that the period should be the same in all classes of insurance business. If you accept that principle, the rest of the amendments become consequential amendments and will naturally be accepted by the House. I take it that is the position, and, under the circumstances, I support this amendment. Let the House understand what the amendment is. What Mr. Mathuradas Vissanji desires to do is to put life insurance companies and general insurance companies on the same position not with regard to the amount of deposit, but with regard to the periods in which those deposits should be paid. That is the only point. If the House agrees with that, then they will accept this amendment and also the other amendments in the names of Mr. Mathuradas Vissanji and Mr. Mangal Singh.

Mr. S. C. Sen : That is not the amendment which has been moved.

Mr. Mathuradas Vissanji : I have given this in one amendment. If it has been split up, it is not my fault.

Mr. S. C. Sen : What I wanted to convey to my Honourable friend is this : that if Mr. Mathuradas Vissanji wanted the two to be considered together, it was his duty to ask the leave of the Chair to move both.

Mr. Mathuradas Vissanji : 171, Sir.

Sir Cowasji Jehangir : I am still in possession of the House. It is a technical point which has been taken by Mr. Sen and it is this : if this amendment is moved by him, then it will have the effect of freeing general companies from the responsibility of making deposits.

The Honourable Sir Nripendra Sircar : To avoid any further discussion, I agree that 162 and 171 may be taken together.

Mr. Mathuradas Vissanji : I beg to move :

“ That in sub-clause (4) of clause 6 of the Bill, the words ‘ in respect of life insurance business ’ be omitted.”

May I request the Chair for permission to move 174 :

“ That in sub-clause (4) of clause 6 of the Bill, the word ‘ life ’, occurring in line three, be omitted.

That will complete the amendment. That will bring in line the whole batch of amendments I have put in.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That sub-clause (3) of clause 6 of the Bill be omitted.”

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (4) of clause 6 of the Bill, the words ‘ in respect of life insurance business ’ be omitted.”

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (4) of clause 6 of the Bill, the word ‘ life ’, occurring in line three, be omitted.”

The motion was adopted.

Bhai Parma Nand (West Punjab : Non-Muhammadan) : I beg to move my amendment No. 170 on the list.

Mr. President (The Honourable Sir Abdur Rahim) : Sub-clause (4) has already been amended by the verdict of the House. That cannot be reversed. **Mr. Sri Prakasa**, 177.

Bhai Parma Nand : On a point of order, Sir, why was he allowed to move his amendment before mine ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member, **Bhai Parma Nand**’s amendment No. 170 seeks to substitute a sub-clause for sub-clause (4) of clause 6 of the Bill. He cannot substitute anything like that, because sub-clause (4) of clause 6 must stand as amended according to the verdict of the House. When the clause is moved, then it is possible to negative the clause altogether.

Mr. S. Satyamurti : May I submit, on the point of order, that no sub-clause of a clause is carried by the House until it is put to the House and adopted ? It is a question of merits whether in view of the amendment to sub-clause (4) which has been carried, the House should accept or not accept **Bhai Parma Nand**’s amendment. But surely, I submit, in spite of the amendment which has been carried, it is open to him by argument to commend his amendment to the House, as being superior even to the sub-clause as amended. It is a matter for the House to consider on the merits.

Mr. President (The Honourable Sir Abdur Rahim) : Then, it will become inconsistent ; the two amendments cannot stand : the House has already given its verdict on the previous amendment, and the verdict of the House cannot be reversed so far as that amendment goes. But it is quite open to any Member, when the clause as amended is put to the House, to negative it.

Mr. M. S. Aney : May I suggest that the House has only given its verdict on one word—that the word ‘ life ’ in sub-clause (4) should be omitted. That is the only point on which the House has given its verdict. But there are other points in that sub-clause and there are other amendments by which it is intended to bring about a change. I think the House has done nothing to debar any Member from moving any other amendments if he so chooses.

Mr. President (The Honourable Sir Abdur Rahim) : The proper course for the Honourable Member was, when he seeks to substitute a sub-clause of his own for existing sub-clause (4), that he ought to have got up and moved his amendment first. Then the question would not have arisen.....

Mr. M. S. Aney : At what stage ?

Bhai Parma Nand : I did object, but nobody heard me.

Mr. President (The Honourable Sir Abdur Rahim) : I have given my ruling. I cannot reconsider it.

Mr. Sri Prakasa : Sir, I move :

“ That in sub-clause (4) of clause 6 of the Bill, for the figure ‘ 1st ’, occurring in the fourth line, the figures ‘ 26th ’ be substituted.”

This is only consequential to the amendment we have already accepted to clause 5, where the date has been changed from the 1st January, to the 26th January, and therefore this amendment must be accepted as a matter of course. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (4) of clause 6 of the Bill, for the figure ‘ 1st ’, occurring in the fourth line, the figures ‘ 26th ’ be substituted.”

The motion was adopted.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris : Muhammadan) : Sir, I should like to move my amendment No. 22 in the supplementary list, but I should like your ruling, because this amendment concerns only life insurance, and life has been removed from there.

Mr. S. C. Sen : Sir, I submit that this amendment is now not maintainable as it relates to life insurance business which was originally in sub-clause (4), but by the amendment which has been adopted, it has now been extended to all classes of insurance and therefore this amendment is not in order. That is my submission.

Mr. President (The Honourable Sir Abdur Rahim) : I think it can be made applicable to life insurance—I do not know : if it is remodelled so as to apply only to life insurance ?

Mr. S. C. Sen : Not in the form in which it is drafted.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can move it if he wishes.

Mr. H. A. Sathar H. Essak Sait : Sir, I move :

“ That in sub-clause (4) of clause 6 of the Bill, for all the words beginning with seven instalments the following be substituted :

‘ Ten instalments, the first instalment being the amount deposited with the controller of currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made, and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalment shall not be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year ’.”

I do not think this amendment requires any elaborate argument in support. It tries to meet the cry of the smaller companies and companies newly started. The first difficulty that confronts them, as soon as this bill is passed, is that they have to pay Rs. 25,000 within three months before they apply for registration. My amendment tries to give them relief, some breathing space : what it seeks to do is that the amount that remains at deposit with the Controller of Currency under the provisions of the old Act of 1912 may be taken as the first deposit, the deposit required

[Mr. H. A. Sathar H. Essak Sait.]

for registration, and on that the company may apply for registration. Once a company gets itself registered, then it will get a little breathing time to look about and scrape the necessary amount to make up the balance of deposit. Sir, we have recently heard a good deal about the inefficiency of some companies and also of some of the methods by which the policy-holders' money is being squandered away, but my own feeling is that once we pass this Bill into an Act and provide the necessary safeguards, even those companies which are described as inefficient today, will really prove efficient and sound. At the same time, there is also another side to be considered. If, Sir, we do not give these small companies this concession, what will happen to them? Many of them which may not be able to collect the necessary funds within the three months period will have to wind up, and there are those clauses too.....

Mr. President (The Honourable Sir Abdur Rahim) : Is the Honourable Member going to be very long?

Mr. H. A. Sathar H. Essak Sait : Yes, Sir, I propose to continue tomorrow.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 15th September, 1937.

LEGISLATIVE ASSEMBLY.

Wednesday, 15th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

INSTALLATION CHARGE FOR TELEPHONES LEVIED FROM THE MEMBERS OF THE INDIAN LEGISLATIVE ASSEMBLY.

530. **Mr. Sri Prakasa** : (a) Will the Honourable Member for Industries and Labour state whether it is a fact that an extra installation charge of Rs. 10 is made from Members of the Legislative Assembly when they renew their telephones at the beginning of the Session even when no extra fittings are made and the line and plug are in existence from the previous year?

(b) Are Government prepared to discontinue this extra levy in the circumstances as detailed above?

The Honourable Sir Thomas Stewart : (a) Yes, but the charge is a universal one and recovered from all subscribers in the circumstances mentioned by the Honourable Member.

(b) No.

Mr. Sri Prakasa : In view of the fact that the Honourable Member said the other day that this extra charge is levied because of the extra trouble and expense incurred by the department, and further in view of the fact that in the particular cases, mentioned in my question, there is neither extra trouble nor expense involved, will the Honourable Member consider the desirability of abolishing this charge in these particular cases?

The Honourable Sir Thomas Stewart : Sir, in my answer to the Honourable Member's question a few days ago, I was referring to the case of a transfer of a telephone connection from one house to another. In the present instance, we are dealing with a case where for half of the year the installation is lying unused, and this charge is intended to cover depreciation and interest charges for the period when the telephone is not in use.

Dr. Ziauddin Ahmad : Sir, will Government be pleased to consider the desirability of charging a concessional rate to Members of the Assembly for telephones in their rooms?

(1697)

The Honourable Sir Thomas Stewart : I am informed that there is a concessional rate already levied ; the charge has been reduced.

Mr. S. Satyamurti : Will my Honourable friend consider the desirability or possibility of abolishing the charge in the second category of the cases he mentioned, namely, that the charge for a telephone being shifted during a session may be reduced ? May I know whether they will consider this question ?

The Honourable Sir Thomas Stewart : I would refer my friend to the answer I gave to the question asked by Mr. Sri Prakasa a week or ten days ago.

Mr. Mohan Lal Saksena : Is a similar charge made from Government Members ?

The Honourable Sir Thomas Stewart : On Government Members individually, no, but a debit is raised against the department.

Mr. Sri Prakasa : Am I to understand that there is a special concession made to Members of the Assembly, or is it the same for every one ?

The Honourable Sir Thomas Stewart : No, Sir, it is the same for every one in the same circumstances.

†531.*

FRONTIER CUSTOMS CORDON AND SMUGGLING OF GOODS BETWEEN INDIA AND NEPAL.

532. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) the composition and cost of the Frontier Customs Cordon in India to check the smugglers who have taken advantage of the arrangements between Afghanistan and India by which goods destined to Afghanistan are allowed duty free and the goods from Afghanistan duty free from India ;
- (b) whether Government will give the House any approximate estimate of the saving to the customs revenue by this arrangement ;
- (c) whether this cordon is reducing the loss ;
- (d) whether any form of smuggling is practised on the Frontier between India and Nepal ;
- (e) and if so, what it is ; and
- (f) what steps Government are taking to prevent the loss of revenues on this account ?

†This question was withdrawn by the questioner.

Mr. A. H. Lloyd : (a) There is no customs cordon existing at present against Afghanistan, but it has been decided to set one up at an early date. In the meantime, the bringing by land from that country into British India of any goods on which a rebate of customs duty has previously been paid is prohibited. For this purpose certain local officers in the North-West Frontier Province and Baluchistan have the powers of customs officers. The cost of the existing arrangement is negligible.

(b) No reliable estimate can be made of the saving in customs revenue.

(c) The preventive measures are calculated to discourage the re-importation of goods on which rebate has been paid.

(d) to (f). As a considerable traffic in rebated cotton and silk piecegoods sprang up between Nepal and India, a prohibition was imposed against the import of such goods into British India. To make the prohibition effective, suitable instructions have been issued to the local officers concerned to keep a strict watch along the border and the co-operation of the Nepal Government who are keenly alive to the necessity of preventing smuggling has been enlisted.

Suitable steps are also being taken to prevent the prohibited goods from finding their way into British India through the medium of the post.

Mr. S. Satyamurti : With reference to the answer to clause (a) of the question, may I know what is the exact present arrangement to prevent abuses particularly those which my friend mentioned ?

Mr. A. H. Lloyd : Powers have been given, as I said, to local officers of the North-West Frontier Province.

Mr. S. Satyamurti : Are Government satisfied that their present arrangements are yielding such results as to completely eliminate the abuse of re-exporting without customs duty ?

Mr. A. H. Lloyd : No, Sir, that is why we have decided to put on a land customs cordon.

Mr. S. Satyamurti : What is the proposed expenditure on this frontier customs cordon ?

Mr. A. H. Lloyd : I regret, Sir, I am unable to give accurate figures, but the cost will not be large because we have already a customs staff engaged upon the work of passing transit traffic out of British India, and we shall be able to use their services. The provision we have made for this purpose in the current year's budget is about Rs. 16,000, and I should say, as a pure guess, on all frontiers in the first instance it will cost within a lakh of rupees a year.

Mr. S. Satyamurti : Are Government satisfied that, once this customs cordon is introduced and it begins to function, the abuse will be completely put down ?

Mr. A. H. Lloyd : I regret, Sir, I could never say that with all our efforts the abuse will be completely eliminated, but we hope that the position will be greatly ameliorated.

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Mr. S. Satyamurti : Apart from the "impotency of the law", may I ask my friend whether, as a matter of administrative experience, Government are satisfied that they are making every possible arrangement that is humanly possible to put down these abuses?

Mr. A. H. Lloyd : No, Sir, I don't think you can say that everything humanly possible will be done, it rather depends upon what meaning you attach to the words 'humanly possible',—but if you say reasonably possible, yes.

Mr. S. Satyamurti : May I know, Sir, if the new arrangement will be put into force in time to be included in the next year's budget?

Mr. A. H. Lloyd : Yes, Sir.

Mr. S. Satyamurti : With regard to the arrangements between India and Nepal, may I ask one general question, if I may, whether the Government of India are considering the possibility of evolving in this country a uniform customs line for geographical India?

Mr. A. H. Lloyd : Really Nepal is not part of geographical India.

Mr. S. Satyamurti : But can you not enter into a treaty with them by suitable arrangements by which all these abuses may once for all be put an end to?

Mr. A. H. Lloyd : I think, Sir, I shall have to ask for notice.

POSTAL ARRANGEMENTS BETWEEN MADRAS AND DELHI.

533. ***Mr. S. Satyamurti** : Will the Honourable the Member in charge of the Industries and Labour Department be pleased to state :

- (a) whether the Government of India are aware that the postal arrangements between Madras and Delhi have given rise to grave complaints from time to time ;
- (b) whether any attempt is being made to speed up the Grand Trunk Express, so that the train may reach Madras early enough in the afternoon for mails to be delivered immediately and enable replies to be despatched by the next morning's train ; and
- (c) if no such steps are taken, the reasons why such steps are not taken ?

The Honourable Sir Thomas Stewart : (a) No.

(b) No.

(c) Because this would necessitate a considerable increase in operation costs and difficulty in providing suitable connections at junctions and adequate service to passengers on certain of the sections traversed.

Mr. S. Satyamurti : May I ask my friend whether he will consider the possibility of having a special delivery in Madras, in the evening after the Grand Trunk Express reaches Madras, so that correspondents may have some time to write and post their letters in time to catch the next morning's mail?

The Honourable Sir Thomas Stewart : The suggestion of the Honourable Member will be considered.

REPORT OF MESSRS. MARKHAM AND HARGREAVES ON MUSEUMS IN INDIA.

534. ***Mr. S. Satyamurti** : (a) Will the Secretary for Education, Health and Lands place on the table a copy of the report of Messrs. Markham and Hargreaves on Museums in India?

(b) Is it a fact that their suggestions for the improvement of museums and their management are being carried out?

(c) If not, why not?

Sir Girja Shankar Bajpai : (a) A copy has been placed in the Library of the House.

(b) and (c). I would invite the Honourable Member's attention to the reply given by Mr. Hydari to parts (a) and (b) of Mr. Muthuranga Mudaliar's starred question No. 195 in this House on the 30th August, 1937.

Mr. S. Satyamurti : In view of the statement made two or three days ago to the effect that some arrangements are being made for carrying out these suggestions in the Calcutta Museum, may I know, Sir, whether the Government of India have any general plan for carrying out the suggestions of these experts with regard to museums in India, and secondly whether they propose to address the Provincial Governments on this matter?

Sir Girja Shankar Bajpai : The position as regards Provincial Governments, if I may take the second part of my friend's question first, is we have suggested to them that they might sit in conference with a view to consider the recommendations and see whether any plan of action can be evolved.

As regards the Calcutta and other Museums directly under the control of the Government of India, action has already been or is being taken.

Mr. S. Satyamurti : May I know whether Government will consider the advisability of making these bulletins and any other pamphlets which they may publish with regard to the exhibits in the museum more popular and better understood by publishing them in the languages of the country, and not in English alone?

Sir Girja Shankar Bajpai : It is rather difficult to give an assurance in regard to that because there are as far as I know over 100 dialects in India but if my Honourable friend is considering the possibility of publication in the main languages I will have that suggestion examined.

Mr. S. Satyamurti : Will the Honourable Member consider the possibility of reducing the prices of these bulletins, so as to make them more easily reach the poorer people of this country?

Sir Girja Shankar Bajpai : In so far as publications which involve photographic reproductions are concerned, I fear I cannot hold out any prospect of a substantial reduction of cost because the price charged now barely covers the cost. In the case of purely letterpress publications, there might be some possibility of reduction.

Prof. N. G. Ranga : In view of the fact that photographic plates are anyhow produced for their English publications, will Government consider the advisability of making their vernacular publications cheaper than what they are today ?

Sir Girja Shankar Bajpai : I think my Honourable friend is casting his net a little too wide. My previous reply was only with reference to certain special bulletins issued for popularising exhibits. My Honourable friend seems to ask that I should also assume a similar responsibility in regard to the annual report of the Archaeological Department. I cannot.

ADULT EDUCATION FOR INDIANS AND APPOINTMENT OF AN AGENT GENERAL IN BRITISH GUIANA.

535. ***S. S. Satyamurti :** Will the Secretary for Education, Health and Lands be pleased to state :

- (a) whether his attention has been drawn to the proceedings of the Second Annual Conference of Indians in the British Guiana ;
- (b) whether Government are aware that the number of Indians on the Public Boards in that country is entirely inadequate ;
- (c) whether the Conference requested the Government there to enforce compulsory education Act more rigorously and to make adequate arrangements for providing adult education ; and
- (d) whether the Conference recommended to this Government to appoint an Agent General with the same powers and duties as the Agent General in South Africa and what action if any the Government propose to take thereon ?

Sir Girja Shankar Bajpai : (a) Government have seen a press report of the proceedings.

(b) Government have no information beyond the resolution on the subject passed at the Conference referred to by the Honourable Member.

(c) Yes.

(d) No. The recommendation was made to the Government of British Guiana and was to the effect that that Government should invite the Government of India to appoint an Agent General. The attitude of the Government of India regarding the appointment of Agents overseas has been explained to this House on previous occasions.

Mr. S. Satyamurti : Will Government consider the question of appointing an Agent in British Guiana ?

Sir Girja Shankar Bajpai : Government are considering the question of appointing an Agent General or an Agent for the territories comprehensively described as West Indies—British Guiana, Trinidad and Jamaica.

Mr. S. Satyamurti : Will Government come to an early decision on his matter, so that it may be included in next year's budget ?

Sir Girja Shankar Bajpai : We hope that the decision will be reached in time for any provision that may have to be made in next year's budget but I cannot say anything more.

Mr. S. Satyamurti : May I know whether Government have any means of ascertaining the exact position in British Guiana, since they have no Agent there ?

Sir Girja Shankar Bajpai : It is because of the inadequacy of the provision for obtaining information that the question of the appointment of an Agent is being considered.

Mr. S. Satyamurti : Before making this appointment, will Government ascertain from the promoters of this conference or otherwise, their desires and their needs ?

Sir Girja Shankar Bajpai : I think that the gentlemen who constitute this Association and other representative associations not merely in British Guiana but in the other colonies, if they desire to bring any point to the notice of the Government of India, they do not hesitate to do so.

Mr. Ram Narayan Singh : In view of the importance of this question of Indians overseas, may I ask whether the Honourable Member will consider the advisability of having a full day's debate on this question at least once every session ?

Sir Girja Shankar Bajpai : I think that does not arise out of this.

DECISION OF ALMORA INCOME-TAX CASES AT BAREILLY OR BUDAON

536. ***Mr. Badri Dutt Pande :** (a) Does the Honourable the Finance Member know :

- (i) that the Income-tax Officer, Bareilly, who is in charge of Almora District also, generally calls people from Almora and the Kumaon Division to Bareilly or Budaon for income-tax cases, instead of deciding Almora cases at the spot ; and

- (ii) that it entails a great hardship on the people, as they have to close their business and travel a long distance ?

(b) Are Government prepared to issue orders that as travelling in the hills entails hardships, especially in summer, income-tax cases of the hill districts should be decided at the headquarters of the district and not outside ?

Mr. A. H. Lloyd : The matter is being enquired into and a reply will be laid on the table of the House in due course.

RETIREMENT OF CERTAIN OFFICERS OF THE MILITARY ACCOUNTS
DEPARTMENT.

537. *Mr. Sham Lal : With reference to his answers on the 12th October, 1936, to my question No. 1101, parts (a) and (b), will the Honourable the Finance Member be pleased to state :

- (a) why officers of the Military Accounts Department who were not retired in 1932 under the Special Retrenchment Rules, issued by Government, were retired a year later under an obsolete rule not applicable to the case, *vide* Finance Department's interpretation of 1st November, 1933 ; and
- (b) whether prior to the retirement in 1933 of the above-mentioned officers, the Military Accountant General, Military Accounts, made recommendations and submitted proposals for retrenchment of Subordinate Service Officers, Accountants and Clerks of the Military Accounts Department ; if so, whether the Finance Member will please place the same on the table ?

The Honourable Sir James Grigg : (a) The Honourable Member is presumably referring to the rule in Note 1 to Article 465A, Civil Service Regulations. This rule was operative in 1933 and is still in force. The Finance Department's interpretation dated the 1st November, 1933, did not abrogate the rule but merely laid down that the provisions of this rule should be applied only to cases of officers whose efficiency is impaired and that the rule should not be used as an instrument of retrenchment on general financial grounds. The retirement of the officers in 1933 was justified in the light of this interpretation as all the officers retired in that year were regarded as below standard and unfit for further retention in the service. The Honourable Member's attention is invited in this connection to the reply given to Mr. Jagan Nath Aggarwal's starred questions Nos. 781—791 on the 22nd August, 1934. Prior to 1933 no compulsory retrenchment was made in the grade of subordinate service officers. It was only in 1933 that a review of the quality of officers in this grade was undertaken, and, as stated above, those who were regarded as definitely inefficient were retired.

(b) Yes. In 1932 the Military Accountant General proposed the abolition of a number of appointments in the various grades of the Military Accounts Department in pursuance of the general economy campaign launched by the Government of India in that year. These proposals were accepted and a statement showing the numbers of subordinate personnel retrenched in that year was presented to the Legislative Assembly in reply to Mr. Gaya Prasad Singh's question No. 1 of the 22nd August, 1933. In addition to this the offers of eight Deputy Assistant Controllers of Military Accounts of the Subordinate Accounts Service for retirement under the retrenchment terms were also accepted in 1932. No further retrenchment amongst this class was permissible under the Special Retrenchment Rules and as stated in the reply to part (a) of the question no officers were retired under those rules.

Mr. Sham Lal : May I know whether the cases of these officers were examined also in 1932 ?

The Honourable Sir James Grigg : If the Honourable Member will refresh his memory of what I said just now, he will remember that I said :

" It was only in 1933 that a review of the quality of officers in this grade was undertaken, and, as stated above, those who were regarded as definitely inefficient were retired."

Mr. Sham Lal : Their cases were examined in 1932 and they were not found to be unfit then. Why were they retired in 1933, after they were declared efficient in 1932.

The Honourable Sir James Grigg : The Honourable Member is asserting that they were declared efficient in 1932. That is not the case.

PURCHASE OF METAL POLISH BY THE INDIAN STORES DEPARTMENT.

538. *Mr. Amarendra Nath Ohattopadhyaya : (a) Will the Honourable Member for Industries and Labour be pleased to state what quantity and what value of foreign metal polish—Brasso and Glasso—have been purchased by the Indian Stores Department, during 1935-36, 1936-37 and 1937-38 ?

(b) Will the Honourable Member be pleased to state what quantity of Indian Metal Polish and of which brand, has been purchased by the Indian Stores Department during the aforesaid period ?

(c) Is it not a fact that the Chief Controller of Stores kept complete silence for a few months after receipt of a registered letter from Messrs. Sett and Dass Company, in which Messrs. Sett and Dass Company, strongly protested against the policy of the Indian Stores Department and differential and exceptional treatment to them ?

(d) Is it not a fact that the Chief Controller of Stores assured Messrs. Sett and Dass Company in his letter on the 29th July, 1937, that country-made articles would receive his consideration and preference ?

(e) Will the Honourable Member be pleased to state what effective action Government propose to take to protect and safeguard such small Indian industries, and to stop acceptance of foreign metal polish to encourage pure Indian one ?

The Honourable Sir Thomas Stewart : (a) and (b). Information has been called for and will be placed on the table of the House in due course.

(c) A registered letter was received by the Chief Controller of Stores on the 14th April which was couched in such intemperate and objectionable language that no reply to it was considered necessary. The firm had already been warned against the language and tone of their letters.

(d) Messrs. Sett and Dass Company were informed that when tenders were received, orders would be placed in accordance with the policy regulating Government purchases of stores and that articles of Indian manufacture would receive the consideration and preference enjoined in the rules.

(e) Government are following and will continue to follow the policy of preference to articles produced or manufactured in India laid down in the Stores Purchase Rules and do not consider that any further action is called for.

Pandit Lakshmi Kanta Maitra : May I know whether tenders were invited for the supply of these stores ?

The Honourable Sir Thomas Stewart : That, Sir, is the invariable practice.

Pandit Lakshmi Kanta Maitra : May I know if that was done in this particular case ?

The Honourable Sir Thomas Stewart : Yes, Sir.

Mr. T. S. Avinashilingam Chettiar : May I know if the kind of language used by this company is responsible for articles not being purchased from them ?

The Honourable Sir Thomas Stewart : No, Sir, only that the letter was not replied to.

Seth Govind Das : Are the lowest tenders not accepted in every case ?

The Honourable Sir Thomas Stewart : I would refer the Honourable Member to the Stores Purchase Rules, copies of which are in the Library.

Mr. S. Satyamurti : What is the reason for the delay in getting the information asked for in clauses (a) and (b) of this question, considering that the Indian Stores Department is in Simla ?

The Honourable Sir Thomas Stewart : I presume that the information has to be obtained from the various indentors.

Mr. Sri Prakasa : Was not the language used English ; and has the Honourable Member any objection to that language ? (Laughter.)

CUSTOMS DUTY FOR BRINGING GOLD IN INDIA AND DUTY PAID BY PANDIT JAWAHAR LAL NEHRU ON A GOLD CASKET.

539. ***Mr. Mohan Lal Saksena** : (a) With reference to his answer to question No. 84 of the 25th August, 1937, will the Honourable the Finance Member be pleased to state if it is a fact that articles made of gold brought into India from outside countries for being exhibited in museums or other public places are not liable to any duty ?

(b) If so, is the Honourable Member aware that Pandit Jawahar Lal Nehru has made a gift to the nation of all presents, including the gold casket in question received by him during his recent visit to Burma and Malaya ? If not, is the Honourable Member prepared to make enquiries to satisfy himself that it is so and direct refund of the duty realised on the gold casket ?

The Honourable Sir James Grigg : (a) No. Articles made of gold are liable to a duty of 50 per cent. *ad valorem* under item 61 (6) of the Indian Customs Tariff. There is no exception in favour of such articles when imported for exhibition in a museum or a public place.

(b) Does not arise.

Prof. N. G. Ranga : May I ask if gold bullion is also liable to duty ?

The Honourable Sir James Grigg : No.

Mr. Sri Prakasa : Is it not a fact that articles that are meant to be exhibited in public places are exempt from duty ? If so, why was the duty charged on this gold casket ?

The Honourable Sir James Grigg : The Honourable Member is referring, I suppose, to Item 86 (2) of the tariff which does not refer to articles but to "statuary and pictures intended to be put up for the public benefit in a public place". I do not think the casket falls in that category. (2) Memorials of a public character intended to be put up in a public place, including the materials used, or to be used in their construction, whether worked or not." I do not think the gold casket comes under this head either. However, if the victim of the harsh treatment of the Customs in this case likes to appeal or apply for a revision, no doubt the Central Board of Revenue will take the appeal into consideration.

Mr. Sri Prakasa : Will the Honourable Member permit us to appeal on his behalf ?

The Honourable Sir James Grigg : No, Sir.

NON-CLEARANCE OF LETTER BOXES ON CERTAIN RAILWAY STATIONS.

540. ***Mr. Mohan Lal Saksena** : (a) With reference to his answer to question No. 96 on the 25th August, 1937, will the Honourable Member for Industries and Labour be pleased to state what will be the difficulty, if any, in clearing the post and handing it to the guards along with the railway dak, to be reposted at the stations where Railway Mail Service trains stop ?

(b) What will be the amount of extra expenditure, if any, in making arrangements as suggested above ?

(c) Is it not a fact that very soon the Railway and Postal Departments are going to be placed in charge of one and the same Member ?

The Honourable Sir Thomas Stewart : (a) The clearance of letter boxes must be done by persons who are subject to the provisions of the Indian Post Office Act. It would thus not be possible to utilise railway servants for clearing the letter boxes in question.

(b) Does not arise.

(c) Yes.

Mr. Mohan Lal Saksena : Is it not a fact that in certain villages the village school teachers are utilised to work as postmasters for clearing the letter boxes ?

The Honourable Sir Thomas Stewart : It is possible that village postmasters may be employed as extra departmental agents, in which case they are subject to the provisions of the Indian Post Office Act.

Mr. Mohan Lal Saksena : May I ask why the station masters of these stations are not similarly appointed ?

The Honourable Sir Thomas Stewart : The effect of that would be to create a divided loyalty. We should have a servant who was responsible to two departments, a state of affairs that is administratively impossible.

Mr. Mohan Lal Saksena : Is it not a fact that the Railway Department and the Posts and Telegraphs Department are going to be placed under one and the same Member ?

The Honourable Sir Thomas Stewart : That is so ; but I trust that the Member will not be asked to run the trains and also to clear the post boxes.

Qazi Muhammad Ahmad Kazmi : Is it not possible to have some part-time workers to clear letter boxes ?

The Honourable Sir Thomas Stewart : It is perfectly possible but at some expense, an expense that we are not prepared to undertake.

EXAMINATION FOR RECRUITMENT TO THE FIRST DIVISION CLERICAL CADRE IN THE OFFICES OF THE POSTMASTERS GENERAL.

541. ***Khan Sahib Nawab Siddique Ali Khan :** (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that a competitive examination for the appointment to the First Division clerical cadre in the Office of the Postmasters General has been introduced recently and that the Second Division clerks are also to pass this examination for promotion to the First Division along with the outsiders ?

(b) If so, is it not a hardship to those officials who were appointed in 1930, 1931 and 1932 in the old upper division but were not confirmed on account of ban on confirmation owing to retrenchment campaign and as a result of it they were brought on to the lower division ?

(c) Do Government propose to view the cases of such officials leniently by exempting them from appearing in this examination and promoting them direct to the First Division vacancies ?

The Honourable Sir Thomas Stewart : (a) Yes.

(b) No.

(c) The position is that, as a measure of retrenchment, appointments to the upper division were suspended in 1932. Future recruitment was confined to the lower division clerical cadre throughout. Candidates previously approved for the upper division who still wished to join the service, therefore, had to accept employment in the lower division. Irrespective of the ban on confirmation such candidates could have been confirmed only in the second division. In these circumstances Government cannot admit that these officials have special claims to consideration on the grounds put forward.

Dr. Ziauddin Ahmad : With reference to the answer to part (a) of the question, may I ask the Government whether it is fair that the persons who have been working for a considerable time in the office should be asked to sit in a competitive examination with persons who are fresh from the Universities ?

The Honourable Sir Thomas Stewart : Officers who have not been confirmed have no reason to complain and I cannot admit that any unfairness exists.

Dr. Ziauddin Ahmad : Part (a) of the question says : " Whether it is a fact that the Second Division clerks are also to pass this examination for promotion to the First Division along with the outsiders ? " My question is whether it is fair that these persons should be asked to appear in the same competitive examination in which students fresh from the Universities appear ? Will any Civil Servant be able to compete for promotion with men coming from the Universities ?

The Honourable Sir Thomas Stewart : The Honourable Member is under a misapprehension. The second division clerks already in employ are not in competition with outsiders. The examination, so far as they are concerned, is merely a qualifying examination.

PROMOTIONS TO THE FIRST DIVISION CLERICAL CADRE IN THE POSTAL CIRCLE OFFICE, NAGPUR.

542. ***Khan Sahib Nawab Siddique Ali Khan :** (a) Will the Honourable Member for Industries and Labour please state the clerical strength of the Circle Office, Nagpur ?

(b) Are there some vacancies in the First Division and surplus permanent Second Division clerks over the sanctioned strength ?

(c) If so, why were the surplus Second Division clerks not promoted to the First Division if they have been actually working against those vacancies satisfactorily ?

(d) Are these Second Division clerks drawing the pay prescribed for the First Division clerks ? If not, why not ? When are they performing more responsible work ?

(e) How are Government going to consider such cases ?

(f) Was it not open to the Head of the Circle to promote really competent Second Division clerks to the First Division vacancies in view of the reply given by Mr. G. V. Bewoor, Director General of Posts and Telegraphs to the representative of the Posts and Telegraphs Union as published in the administration of May and June, 1936 ? If so, why was it not done in the Circle Office, Nagpur ?

The Honourable Sir Thomas Stewart : (a) Excluding the selection grades staff, the clerical staff of the Circle Office at Nagpur is 69 first division clerks including seven reserve clerks and nine second division clerks including one reserve clerk.

(b), (c) and (d). Government have no information at present. Particulars are being collected and will be laid on the table of the House in due course.

(e) In view of the reply to parts (b), (c) and (d) Government are not in a position to answer this part of the Honourable Member's question.

(f) No. The Head of the Circle was precluded from so doing by the issue of new recruitment rules subsequent to Mr. Bewoor's interview with representatives of the Union.

PROMOTIONS TO THE FIRST DIVISION CLERICAL CADRE IN THE POSTAL CIRCLE OFFICE, NAGPUR.

543. *Khan Sahib Nawab Siddique Ali Khan : (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that in the Bombay Circle Office all the existing vacancies in the First Division have been filled in by promoting the surplus Second Division clerks without their passing the newly introduced examination? If so, why the same procedure has not been allowed to be followed in the Circle Office, Nagpur, also?

(b) Do not Government propose to give the same equitable treatment to the officials in other Circles having identical claims?

The Honourable Sir Thomas Stewart : (a) and (b). It is not a fact that all existing vacancies in the first division have been filled by promoting surplus second division clerks thereto without requiring them to pass the new competitive examination. In these circumstances the rest of the question does not arise.

APPLICATION OF NEW RECRUITMENT RULES IN THE POSTS AND TELEGRAPHS DEPARTMENT.

544. *Khan Sahib Nawab Siddique Ali Khan : Will the Honourable Member for Industries and Labour please state whether Government do not propose to apply the new recruitment rules to those who join the Posts and Telegraphs Department on or after these rules have been published?

The Honourable Sir Thomas Stewart : It is the intention of Government that the new rules for the recruitment to the service of clerks, sorters, telephone operators and telegraphists shall apply to all candidates for vacancies existing on and occurring after the date of announcement of the competitive examination to be held in each Posts and Telegraphs Circle under the new rules. These dates vary from Circle to Circle.

TRANSFER OF THE POST OFFICE AT ALAMBADI VILLAGE IN SOUTH ARCOT DISTRICT TO KRISHNAVARAM VILLAGE.

545. *Mr. C. N. Muthuranga Mudaliar : (a) Will the Honourable Member for Industries and Labour please state if it is a fact that the Branch Post Office at Alambadi village, Chidambaram Taluq, South Arcot District, Madras Presidency, which was in existence since 1st September, 1927, was recently shifted under the orders of the Inspector, Cuddalore Division to Krishnavaram village?

(b) Is it a fact that the volume of postal traffic in Krishnavaram village is only a fifth of that of Alambadi?

(c) Is it a fact that there is great loss of revenue to the postal department on account of the shift?

(d) If the answer to parts (b) and (c) be in the affirmative, do Government propose to consider the advisability of reinstating the Post Office in Alambadi village?

The Honourable Sir Thomas Stewart : (a), (b) and (c). Government have no information.

(d) The question of reopening the post office is entirely within the competence of the Postmaster-General, Madras, who has already been asked to examine it.

Prof. N. G. Ranga : Are there any general rules at all promulgated by the Government of India to guide these various local officials in locating these post offices or shifting them from one place to another?

The Honourable Sir Thomas Stewart : These questions are within the discretion of the Postmasters-General who are guided by the information they may receive as to the amount of postal matter which is likely to be handled by the offices in question.

Prof. N. G. Ranga : My question has not been answered. Are there any general rules at all laid down by the Government of India for the guidance of these Postmasters-General in various places in deciding these questions?

The Honourable Sir Thomas Stewart : No, Sir. When a matter is left to the discretion of an officer, it is obvious that no rules can be laid down for his guidance.

Mr. C. N. Muthuranga Mudaliar : May I know if the Government will ask for information with regard to parts (b) and (c) of my question?

The Honourable Sir Thomas Stewart : In regard to parts (b) and (c), I have already answered that Government have no information.

Mr. C. N. Muthuranga Mudaliar : Will Government ask for this information from the Postmaster-General, Madras?

The Honourable Sir Thomas Stewart : Sir, I have already said that this refers to a matter which is within the discretion of the Postmaster-General, Madras, whose attention has been drawn to it.

Mr. Sri Prakasa : Is it not a fact that the discretion of the Postmaster-General usually depends upon the advice from his subordinates who may give wrong advice because of some local quarrels into which they might have got?

The Honourable Sir Thomas Stewart : Sir, if the Honourable Member will bring to my notice any case of this sort, I shall be very glad to look into it.

Mr. C. N. Muthuranga Mudaliar : May I point out to the Honourable Member that the case mentioned in my question is one of those cases?

(No reply.)

NON-RECOGNITION OF THE MEDICAL COLLEGE OF THE ANDHRA UNIVERSITY.

546. *Mr. T. S. Avinashilingam Chettiar : Will the Secretary for Education, Health and Lands state :

(a) whether it is true that the Indian Medical Council has refused recognition of the Medical College of the Andhra University ;

(b) the reasons for the refusal ; and

(c) whether the want of a building was the main reason for the refusal?

Sir Girja Shankar Bajpai : (a) Yes.

(b) and (c). The lack of proper facilities for teaching to the M.B., B.S. standard, particularly in respect of proper accommodation and arrangements for treatment and teaching in the Outpatients' Department, provision for Midwifery and Gynaecology and the adequate space for the Anatomy and Pathology Museums.

Mr. T. S. Avinashilingam Chettiar : Was the refusal due to the lack of staff or to the lack of buildings?

Sir Girja Shankar Bajpai : Both staff and buildings.

Mr. T. S. Avinashilingam Chettiar : May I ask if this matter of the inadequacy of the staff and buildings has been pointed out to the Madras Government?

Sir Girja Shankar Bajpai : I am quite certain that the report of the Inspectors appointed by the Medical Council has been forwarded to the Government of Madras for such action as they may desire to take on it.

Mr. K. Santhanam : May I know if the refusal has been in spite of the undertaking of the Madras Government to get the buildings ready as soon as possible?

Sir Girja Shankar Bajpai : I should hardly think so.

Mr. T. S. Avinashilingam Chettiar : May I ask if the Government are aware that the Madras Government have promised to provide in the next Budget for the building and they have provided a sum of Rs. 1,000 as a token this year?

Sir Girja Shankar Bajpai : I have no information about that, but I am quite certain that if that information has been communicated to the Council, they will take it into consideration.

Prof. N. G. Ranga : Is there any proposal to make a grant from the Government of India to the Medical College, Vizagapatam?

Sir Girja Shankar Bajpai : It is not competent for the Government of India to make a grant to the Medical College at Vizagapatam?

Mr. Thirumala Rao : Has the attention of the Honourable Member been drawn to the remarks made by Dr. Tirumurthi, a responsible Member of the Indian Medical Council, that teaching in midwifery has been recognised by the Indian Medical Council and it is only a question of brick and mortar that stands in the way of recognition of the Medical College?

Sir Girja Shankar Bajpai : My Honourable friend who has come to the House since I left it temporarily has given notice of a question which he is repeating here. Without anticipating the reply which I will give to that question later on, I may say that so far as the attitude of the Medical Council is concerned, it must be regulated by the report of its own Inspector and not by the opinion of other individuals outside however eminent they may be.

Mr. Thirumala Rao : Are the Government aware that the Surgeon General to the Government of Madras also recommended for the recognition of this College?

Sir Girja Shankar Bajpai : I am not aware of that. As I have already stated in reply to another question, if there is any such opinion or recommendation from authorised sources communicated to the Medical Council, then the Medical Council will take it into account.

Pandit Lakshmi Kanta Maitra : Is the Medical Council expected to go into the courses of instruction, etc., before giving recognition?

Sir Girja Shankar Bajpai : The Medical Council is required by the provision of the Indian Medical Council Act, in considering the applications for recognition, to have the courses of instruction as well as equipment for purposes of instruction examined by experts in different subjects.

WITHHOLDING OF PROTECTION GIVEN TO THE TATA IRON AND STEEL COMPANY AND LEASING OF LANDS BY THE COMPANY.

547. ***Mr. Ram Narayan Singh :** (a) Will the Honourable Member for Industries and Labour be pleased to state whether Government are aware that the Tata Iron and Steel Company at Jamshedpore has made a large profit amounting to some five crores of rupees, in the year ending in March last and if so, in view of this big profit, will he consider the desirability of withholding the protection granted to the Company?

(b) Is it a fact that though the lands at and near about Jamshedpore were acquired for the Company only at nominal prices, the Company has been leasing out the same to tenants intending to build houses thereon and to settle therein, at an exorbitant rate of rent and advance, and, if so, are Government prepared to take steps to stop this profiteering practice?

The Honourable Sir Thomas Stewart : This question should have been addressed to the Honourable the Commerce Member.

DELAY IN THE REGISTRATION OF NEWSPAPERS.

548. ***Mr. Sham Lal** (on behalf of Pandit Sri Krishna Dutta Paliwal) : Will the Honourable Member for Industries and Labour state :

(a) if Government are aware that delay in registration inflicts much economic loss on newspapers; and

(b) if so, what action, if any, they propose to remedy it?

The Honourable Sir Thomas Stewart : (a) Government have no reason to believe that there is any undue delay in the case of publications which fulfil all the conditions which have to be complied with before registration can be effected.

(b) Does not arise.

Qazi Muhammad Ahmad Kazmi : Has there been any change in the regulations for registration of newspapers recently?

The Honourable Sir Thomas Stewart : No, Sir.

Mr. Sham Lal : How long does it ordinarily take in registering them ?

The Honourable Sir Thomas Stewart : Normally about two weeks.

Prof. N. G. Ranga : Is it not a fact that whereas in the past newspapers were expected to get themselves registered only once, they are now being obliged to register themselves once every year, and supply information about their circulation, etc. ?

The Honourable Sir Thomas Stewart : That is quite correct.

Prof. N. G. Ranga : Why is it that this new departure has been made ?

The Honourable Sir Thomas Stewart : Sir,

Mr. President (The Honourable Sir Abdur Rahim) : That question does not arise.

Prof. N. G. Ranga : May I have your advice and enlightenment on this point ? When an Honourable Member of the Government who is concerned with a particular question is prepared to answer a question and is actually in the process of answering the question, is it fair, is it just on the part of the Chair.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must not question my ruling.

Prof. N. G. Ranga : I do not question your order, but at the same time I want you to enlighten the House. I do not wish to be obliged to think that your order is wrong and therefore I should like to know whether, when an Honourable Member of the Government is in the process of answering a question, we should think that your order calling the next question is right or wrong ?

Mr. President (The Honourable Sir Abdur Rahim) : Order, order. It is for me to decide whether a particular supplementary question arises out of the original question or not. Next question.

Mr. Sham Lal : Is the Honourable Member aware that sometimes it takes seven months to get registration ?

Prof. N. G. Ranga : How is it Sir, that you shut out my supplementary question and did not allow it to be answered while you are allowing another supplementary question to be put even though the next question has been called.

Mr. President (The Honourable Sir Abdur Rahim) : Order, order. It is not for the Honourable Member to regulate the proceedings of the House.

Prof. N. G. Ranga : If you give one order and call the next question, you must stick to it.

Mr. President (The Honourable Sir Abdur Rahim) : I must ask the Honourable Member not to interfere with the proceedings of the House in this manner. Next question.

Mr. Sri Prakasa : I submit this is an important question and I wish to ask a supplementary question.

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

RE-INSTATEMENT OF PANDIT CHANDRABANSA SHARMA, BRANCH POSTMASTER MALPURA, DISTRICT AGRA.

549. ***Mr. Sham Lal (on behalf of Pandit Sri Krishna Dutta Paliwal) :** Will the Honourable Member for Industries and Labour state :

- (a) if it is a fact that Pandit Chandrabansa Sharma, who was in charge of the Branch Post Office, Malpura, District Agra, was relieved of his duty in 1932, because of his being a Congress worker ;
- (b) if it was also a fact that he was also relieved of his duty in 1930 for the same reason, but was reinstated in 1931, as a result of what is popularly known as the Gandhi-Irwin Pact ; and
- (c) whether Government are prepared to reinstate him, and all other men, similarly relieved, again in view of the changed circumstances of the country ?

The Honourable Sir Thomas Stewart : (a) and (b). Government have no information. The matter is one within the competence of the Postmaster-General.

(c) Does not arise.

Mr. S. Satyamurti : Have Government laid down at any time any policy, with regard to the treatment of Government servants, of the kind mentioned in this question, on account of their political or alleged political activities ?

The Honourable Sir Thomas Stewart : Sir, answering for my own department, I would say that no policy has been laid down.

Mr. S. Satyamurti : In view of the fact mentioned in part (c) of the question, namely the changed circumstances of the country, will Government re-examine this question or examine it, not only from the point of view of the person whose name is given here, but generally whether they may not follow another policy and re-instate men who may have been dismissed, because of certain alleged political activities ?

The Honourable Sir Thomas Stewart : Sir, from the answers to parts (a) and (b) of this question which are to the effect that Government have no knowledge of the existence of the conditions set out there, I am afraid that the Honourable Member's question is entirely hypothetical.

Mr. S. Satyamurti : May I take it, therefore, that the Postmaster-General have absolute discretion in the matter, and Government have no directions to give them one way or the other in this behalf ?

The Honourable Sir Thomas Stewart : That is correct.

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POST OFFICES OPENED AND CLOSED IN RURAL AREAS.

550. ***Mr. Kuladhar Chaliha** : (a) Will the Honourable Member for Industries and Labour be pleased to state how many Posts and Telegraphs Offices have been opened in rural areas during 1935-36 and 1936-37, and how many were closed during that period ?

(b) How many Post Offices have been opened in the partially excluded areas and excluded areas in Assam ?

The Honourable Sir Thomas Stewart : (a) and (b). Information has been called for, and a reply will be placed on the table of the House in due course.

Mr. Kuladhar Chaliha : I have the misfortune to notice that, whenever I ask questions, I find that, the answers thereto are not ready. The Government always say that they are collecting the information. Is it because I come from a long distance, from Assam, that the answers are far away ?

Mr. President (The Honourable Sir Abdur Rahim) : If the information is not readily available, it has to be collected before the answer could be given.

Mr. Kuladhar Chaliha : To every question that I put, the answer given is that information is being collected ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member may have the misfortune of putting questions to which information is not readily available.

Mr. S. Satyamurti : Have Government considered the advisability of getting these figures, or will they consider getting these figures, that is to say, the number of posts and telegraphs offices in rural areas opened and closed during each year collected automatically and published in view of the large interest taken by Honourable Members of this House in this matter ?

The Honourable Sir Thomas Stewart : That I am informed is a proposal which is under consideration and which is likely to be accepted.

Mr. T. S. Avinashilingam Chettiar : May I know whether rural posts and telegraphs offices are at present opened only on guarantee or are they opened experimentally by the Government themselves ?

The Honourable Sir Thomas Stewart : That question does not arise.

RE-NAMING OF CERTAIN POST OFFICES IN BENARES.

551. ***Mr. Sri Prakasa** : Will the Honourable Member for Industries and Labour state :

(a) if it is a fact that the chief post-offices of Benares are called 'Benares Cantonment' and 'Benares City', while the chief telegraph offices are called 'Benares' and 'Benares-Bisheshargunj' ;

(b) if the Benares Telegraph Office and the Benares Cantonment Post Office are situated in the same premises ;

(c) if he is aware of the confusion caused because of the different names of the Telegraph Office and the Post Office situated in the same building and the existence of a separate Benares Cantonment Telegraph Office at the railway station of the same name ;

(d) if it is a fact that a new building has been constructed in Benares City in which it is intended to house the present Benares-Bisheshargunj Telegraph Office and a sub-post office ; and

(e) if he is prepared to consider the desirability of re-naming the offices and calling both the Cantonment Post and Telegraph Offices by a common name of 'Benares' and both the City Post and Telegraph Offices as 'Benares City' ?

The Honourable Sir Thomas Stewart : (a) and (b). Yes.

(d) The Head Post Office of Benares will be transferred to the new building in Bisheshargunj. A telegraph branch office from which the delivery of all telegrams for Benares City will be effected, will form part of the Head Post Office in the new building. A Sub-Post Office with a telegraph branch for booking telegrams will be located in the building which at present houses the Head Post Office.

(c) and (e). With a view to preventing any misunderstanding it has been decided that as soon as the new building is ready the four post and telegraph offices will be re-named as follows :

Benares Cantonment Sub Post Office,

Benares Cantonment Telegraph Office,

Benares Head Post and Telegraph Office, and

Benares City Sub Post and Telegraph Office.

SPECIAL OFFICER SELECTED TO ENQUIRE INTO THE EFFECTS OF THE VARMA COMMITTEE REPORT.

552. ***Pandit Nilakantha Das** : Will the Honourable Member for Industries and Labour state whether Government have selected a special officer to enquire into the effects of the Varma Committee Report ? If so, what is his name ?

The Honourable Sir Thomas Stewart : The special officer to enquire into the effects of certain recommendations of the Varma Committee has not yet been selected. The question of selecting him is receiving attention and the decision of Government will be announced in due course.

Prof. N. G. Ranga : How long is it since this Varma Committee reported ?

The Honourable Sir Thomas Stewart : That, Sir, I cannot say off-hand. But the promise to appoint an officer to examine the working was made last March.

Prof. N. G. Ranga : Why is it there is all this delay in appointing this particular officer to go into this report ?

The Honourable Sir Thomas Stewart : I do not admit that there has been any delay. The promise was made that an officer would be appointed after some time. Our intention is that he will be appointed in the forthcoming cold weather.

Prof. N. G. Ranga : Will there be any terms of reference to this officer when he is called upon to submit his report ?

The Honourable Sir Thomas Stewart : I cannot forecast.

Prof. N. G. Ranga : Do Government propose to fix any time limit before which the officer will be called upon to submit his report ?

The Honourable Sir Thomas Stewart : No, Sir.

DELAY IN ENFORCING SANITARY RULES IN AINDRI NEAR SIMLA.

553. ***Mr. Muhammad Azhar Ali :** (a) With reference to the answers given to Assembly questions Nos. 1497 and 1533, dated 8th and 9th April, 1936, and No. 1043, dated 10th October, 1936, in which Government have given the undertaking that they will impress upon the authorities concerned the need of early action and Aindri is not neglected by the Simla Sanitary staff and all the Sanitary Simla Bye-Laws are operative in Aindri since their inception, will the Secretary for Education, Health and Lands kindly state what sanitary improvements have so far been made in the sanitation of Aindri ? If none, will Government kindly state the reasons for putting off indefinitely such a vital question affecting the health of the residents of the locality and the clerks living in the Government Quarters, Summer Hill ?

(b) Will Government kindly state when the authorities concerned will definitely move in the matter and take action in this direction ?

(c) Is it a fact that the Clerks Association, Summer Hill, again addressed the Health Officer, Simla, on the insanitation of Aindri, on the 28th July, 1937 ? If so, will Government kindly lay a copy of his reply on the table of the House ? Will Government kindly definitely state, if at this time, they are going to do what the Health Officer, Simla, promised in his letter to the Association ?

(d) Will Government kindly state (i) the number of those *gowalas* who are alleged to have hereditary rights to store dung, rubbish, etc., in front of their house doors in Aindri, (ii) when these rights were granted and acknowledged by the Local Government, and (iii) whether these are perpetual and non-interferable ? If so, would these not be detrimental to the village uplift scheme ?

(e) Is it a fact that the Public Health Commissioner, Punjab, submits his report annually on the health and sanitation of Simla to the Government of India, after his visit ? If so, did he visit Aindri this time, the insanitation of which is being discussed in the Assembly since 1935 ? If so, what were his recommendations and how far have these been carried out ? Will Government kindly state reasons for non-compliance ?

Sir Girja Shankar Bajpai : (a)—(e). The Government of India are as anxious as the Honourable Member to see improvements effected in the areas mentioned by him and in the direction suggested. He will appreciate that the matter is entirely one within the jurisdiction of the Local Government and that the Government of India can proceed only by suggestion. This they will do.

Mr. Muhammad Azhar Ali : Will the Government of India ask the Local Government to proceed in the matter ?

Sir Girja Shankar Bajpai : That is just what I said : the Local Government will be asked to take up this matter themselves.

CO-ORDINATION OF DIFFERENT KINDS OF TRANSPORT ON AN ALL-INDIA BASIS.

554. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

(a) whether Government have considered or propose to consider the question of organising all transport in India rail, road, inland water and coastal on an All-India basis, with a view to co-ordinating the whole scheme of transport ;

(b) whether Government have considered or propose to consider the question of getting the co-operation of Provinces, on the basis of their share in the receipts to the extent to which they now get on motor transport in their own provinces being given to them ; and

(c) whether for this purpose Government propose to take steps to consult all Provincial Governments and other relevant authorities ?

The Honourable Sir Thomas Stewart : (a) The Government of India have for some time past had under their consideration the question of the co-ordination of road and rail transport. They have not under consideration the further co-ordination suggested by the Honourable Member.

(b) and (c). Government are alive to the desirability of securing the co-operation of Provincial Governments and are at all times ready to consult them in matters which affect them.

Mr. S. Satyamurti : With reference to the answer to clause (a), may I know whether Government propose, in the further consideration of this question of co-ordination of road and rail transport, to take into consideration the question of inland water and coastal transport also on an all-India basis ?

The Honourable Sir Thomas Stewart : They have not considered it necessary so far. The conditions of competition, if it does exist, between inland water transport and shipping and road and rail have been in existence for about a hundred years, and have so far raised no problems which can in any way be regarded as acute.

Mr. S. Satyamurti : Have Government examined this question recently, or do they propose to wait until the question becomes almost insoluble, as road-rail competition has now nearly become ?

The Honourable Sir Thomas Stewart : Government have a certain amount of evidence on which to judge. The Honourable Member may remember that some five or six years ago a section was introduced into the Inland Steam Vessels Act at the instance of Mr. Neogy, which purported to deal with conditions of competition on inland waterways. That section has been invoked, I think, on only one occasion since the Act was passed and Government feel themselves justified in concluding that no acute problems of competition do exist.

Mr. S. Satyamurti : With reference to the answer to clauses (b) and (c), do Government propose to invite the co-operation of provinces on the basis suggested therein, namely,—treating road and rail transport on an all-India basis,—by giving them a contribution out of the receipts if road and rail transport, thus treated on an all-India basis ?

The Honourable Sir Thomas Stewart : No, Sir ; the Government of India are at present of opinion that no such inducement is necessary in order to secure the co-operation of Provincial Governments in this matter.

Mr. S. Satyamurti : Are Government satisfied that, so far, the co-operation received from the Provincial Governments, as revealed in the very illuminating Resolutions of the Road-Rail Conference, has yielded any beneficial or appreciable results ?

The Honourable Sir Thomas Stewart : I shall be able to answer the Honourable Member's question much more satisfactorily in a month or two. At the present moment we are actively engaged in trying to secure the co-operation of Local Governments.

Mr. S. Satyamurti : With reference to the answer to clause (c), will my Honourable friend consult the new Provincial Governments in the seven provinces as to whether they are willing to come into a system of all-India road-rail transport ?

The Honourable Sir Thomas Stewart : The Government of India will never discriminate between the seven new Ministries and any other Ministry.

Mr. S. Satyamurti : Do not Government realise that we are the only Ministries who have got the largest disciplined political majorities behind us and thus can deliver the goods ?

UNSTARRED QUESTION AND ANSWER.

NON-SALE OF STAMPS AND ENVELOPES AT THE HOWRAH POST OFFICE.

95. Mr. Amarendra Nath Chattopadhyaya : (a) Will the Honourable Member for Industries and Labour please state whether it is a fact that there is a Post and Telegraph Office at Howrah, opposite the East Indian Railway Station, where the usual postal work is done, except that of selling of stamps and embossed envelopes ?

(b) Do Government propose to examine this matter and to arrange for the sale of stamps and embossed envelopes at this Post Office ?

The Honourable Sir Thomas Stewart : (a) The fact is not as stated. The Post and Telegraph Office referred to in the question does sell both stamps and postal stationery.

(b) Does not arise.

THE INDIAN MINES (AMENDMENT) BILL.

APPOINTMENT OF SIR COWASJI JEHangIR TO THE SELECT COMMITTEE.

The Honourable Sir Thomas Stewart (Member for Industries and Labour) : Sir, I beg to move :

“ That Sir Cowasji Jehangir be appointed to the Select Committee on the Bill further to amend the Indian Mines Act, 1923, for certain purposes.”

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That Sir Cowasji Jehangir be appointed to the Select Committee on the Bill further to amend the Indian Mines Act, 1923, for certain purposes.”

The motion was adopted.

THE INSURANCE BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume discussion of the Insurance Bill. I understand Mr. Essak Sait has handed in a redraft of the amendment* now under discussion. It is too late, and I cannot allow it.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris : Muhammadan) : Sir, may I make a submission ? Yesterday you said that the amendment may be so remodelled as to be more in conformity with the clause.

Mr. President (The Honourable Sir Abdur Rahim) : If the Government Member and the House generally are prepared to consider the redraft, it is another matter, but it cannot be recirculated to all Members here, and I do not think it would be fair to the House.

Mr. H. A. Sathar H. Essak Sait : Then, I may be allowed to continue my speech on the original amendment.

* “ That in sub-clause (4) of clause 6 of the Bill, for all the words beginning with ‘ seven instalments ’ the following be substituted :

‘ Ten instalments, the first instalment being the amount deposited with the Controller of Currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made, and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalment shall not be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year ’.”

[Mr. H. A. Sathar H. Essak Sait.]

Sir, yesterday I was dealing with the two aspects of my amendment. I was pointing out to the House that I am giving, not only ten instalments to the existing life insurance companies to complete their deposits but I was also giving them one more facility, which none of the other amendments is giving. And I would particularly request the attention of my Honourable friends, on this side of the House, to that facility which I am giving, and it is this. The existing companies being under the old Act, they have deposited a certain amount with the Controller of Currency and I say that that amount may be taken as the first instalment of the deposit and the companies may be so registered. That gives to the existing companies the right to get themselves registered. That is a great concession and that is a concession for which, as far as I know, all these companies have been crying. Some of these companies say that it will be difficult for them to get Rs. 25,000 within three months from the commencement of this Act. That is a cry which we have to attend to. I am speaking of the companies which are now existing; those companies which are to be started in future can take care of themselves. But the companies that are now existing have certain claims on us which we cannot ignore. It is a question of the policy-holders' money; it is a question of the poor man's existing rights and interests. And I think the House will bear with me when I say that we must give them all the sympathetic consideration that we can. Sir, if my amendment is not accepted and some unfortunate company finds it difficult to pay in the extra Rs. 25,000 required, what is going to happen? Within three months under sub-clause (1) of clause 3 it will have ceased to exist. Within three months, under clause 3, it will have to cease to exist and under clause 44 (2) (b) (1) it will have to go into liquidation or it will have to be wound up. Now, in the winding up, it is only the policy-holder that will suffer, and, therefore, I say, if even the company is inefficient today and incurs our disapproval because it has not been running on efficient lines, a chance may be given to it to mend its ways. As I pointed out to this Honourable House, under the provisions of the Act that we are now enacting, it is not possible for any company to live and be inefficient, and there is every chance that even companies which are now inefficient may turn out into very efficient companies. I, therefore, Sir, very strongly commend this amendment and request the support of the House to it. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (4) of clause 6 of the Bill, for all the words beginning with 'seven instalments' the following be substituted :

"Ten instalments, the first instalment being the amount deposited with the Controller of Currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made, and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalment shall not be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year."

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions : Non-Muhammadan Rural) : Sir, I rise to support this amendment. Although

the amendment ten instalments are proposed, in fact there will not be ten instalments, there will be only nine, for this reason that the first and second instalments will be a quarter of the aggregate amount.

The Honourable Sir Nripendra Sircar (Law Member) : There are a number of amendments, and the difficulties are more or less on account of the wording. But I may express the view of Government on this matter. We have no objection really to extend the time as proposed, provided it is confined to life assurance. What has happened is this : by striking out the word "life" Mr. Sait has now brought us to the position that his amendment will apply to all companies. My friend is wrong when he says that all the existing companies have made deposits : they have not : only life insurance companies have made deposits. So that if an amendment giving them ten years but confining it to life insurance only is brought forward, Government will not object.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : My amendment will meet this difficulty. It will come as a proviso to sub-clause (6). I want to make a submission in regard to that. Last evening, this clause was suddenly amended by omitting the word "life". We had given notice of a series of amendments in this House, suggesting ten years only for life insurers. We were all taken by surprise,—I blame nobody,—when, at the end of the day, yesterday, the amendment was carried in this House, without even a statement from the Government Benches, omitting all reference to "life" in this sub-clause. Several Members of this House wanted the House to consider and vote on an amendment to extend the period from seven to ten only for life assurance companies. The House has had notice, and I will, therefore, now, with your permission, move the amendment a copy of which has been supplied to my Honourable friend, the Law Member.

Mr. President (The Honourable Sir Abdur Rahim) : It has to be circulated. Otherwise objection will be made.

Mr. S. Satyamurti : One Member cannot rule the House. The Standing Orders give you the necessary authority.

Mr. President (The Honourable Sir Abdur Rahim) : At the same time, if the amendment is lengthy, Members must have time to consider it : if you can manage it, I have no objection.

Mr. S. Satyamurti : In view of the developments, I submit that no Member of the House can complain reasonably of want of notice. It is the desire of several Honourable Members to extend the number of instalments in the case of life assurance and life insurers only, from seven to ten years.

Mr. President (The Honourable Sir Abdur Rahim) : If you can manage to circulate the amendment to all the Members, not otherwise.

The Honourable Sir Nripendra Sircar : So far as I am concerned, the position is this. I quite see the necessity for notice, but on the present occasion we are not inclined to insist on rule 26 for this reason that the situation is rather one which has arisen suddenly. It arose on the omission of the word 'life' following Mr. Sait's amendment. But if any Party objects and insists on rule as to notice, that objection has got to be accepted.

Mr. President (The Honourable Sir Abdur Rahim) : If copies can be made available to every Member, there will be no objection.

Mr. S. Satyamurti : If your office cannot manage it, we will do it.

Mr. H. A. Sathar H. Essak Sait : In that case what about my amendment ?

Mr. President (The Honourable Sir Abdur Rahim) : That will stand over.

Dr. P. N. Banerjee (Calcutta Suburbs : Non-Muhammadan Urban) : I gave notice of an amendment which answers the difficulty of the Law Member.

The Honourable Sir Nripendra Sircar : Are you sure that if your amendment is carried it will not extend this provision to general insurance ?

Dr. P. N. Banerjee : No, Sir. If you compare the report of the Select Committee and what I have put in here you will find that it will not apply to all other forms of insurance.

The Honourable Sir Nripendra Sircar : The word "life" has gone out as a result of the amendment.

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : May I say a word on this subject ? It seems to me that there is a tremendous rivalry for each Honourable Member to see that his amendment gets into the Bill. I do not want to fight for any amendment. What I want to suggest is this : we have been saying for a considerable time, in the course of the discussion, that this clause which allows for seven instalments should be modified. One suggestion was that it should be ten instalments. Now, another very important suggestion has been made that there might be ten instalments but with regard to the first deposit of Rs. 25,000, within three months, this should be transferred to the first instalment, *viz.*, giving them one year : instead of three months give them one year for the first instalment : the remaining instalments to be spread over nine years—making ten years in all. Therefore, would it not be more advisable that the office should draft the amendment on that basis, giving effect to this expression of opinion ? There may be a difference that the first part, namely, the first deposit within three months should be kept. So, if the alternative amendments are drafted by the office, which will be much better, and presented to the House, then both these amendments can be disposed of by the House on their merits.

Mr. President (The Honourable Sir Abdur Rahim) : There are several amendments before the Leader of the House and I do not know that he is prepared to accept any of them.

The Honourable Sir Nripendra Sircar : In that case that amendment might be circulated to save time. So far as I am concerned, I would inform the House, speaking only for the people I represent—I cannot speak for the other sections—I am prepared to accept the one which has been handed in just now. It is in the name of Mr. Satyamurti. The Government are prepared to accept it, but I cannot speak for the other parties.

Some Honourable Members : Read it out, please.

The Honourable Sir Nripendra Sircar : The amendment is :

"That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

'Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 1st day of January, 1939, and the subsequent instalments shall be of not less than the same amount as the second instalment, and shall be paid before the 1st day of January of each succeeding year.'

Mr. President (The Honourable Sir Abdur Rahim) : To save discussion and time, I think it would be best that this matter be taken up at 2-30 p.m. if, as promised by Mr. Satyamurti, enough copies are circulated by then.

Mr. M. A. Jinnah : Sir, this amendment does not cover the point which I mentioned ; this lays down that you must pay the first instalment before the application for registration : whereas, the point that I put before the House is this : that the first instalment will not be paid for a year. It does not meet that point and I certainly would like that portion also should be before the House and I would like the verdict of the House on that.

Mr. President (The Honourable Sir Abdur Rahim) : Is that point covered by Mr. Essak Sait's re-draft ?

Mr. M. A. Jinnah : Yes, that is covered.

Mr. President (The Honourable Sir Abdur Rahim) : Then that also will be considered. Will Mr. Essak Sait have his re-draft circulated to Honourable Members by 2-30 ?

Mr. H. A. Sathar H. Essak Sait : No, Sir : I cannot do that : if the office does it, it would be all right.

Mr. F. E. James (Madras : European) : May I put a point before you, Sir ? Surely, if these two amendments are going to be circulated to the House for further consultation, they should be circulated by the office. I suggest it is not reasonable to expect any private Member to circulate his own amendments.

Mr. President (The Honourable Sir Abdur Rahim) : I really meant that copies will be supplied to the office because I do not think there is enough time for the office to make the necessary number of copies, and then the office will undertake to circulate them. I am told that the office cannot undertake to make a sufficient number of copies ; they have not got the time.

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : May I suggest that this amendment stand over till such time as the office has time to print and circulate it.

Mr. Akhil Chandra Datta : May I point out that according to Mr. Satyamurti's draft, there will be hardly any interval between the first and second instalments ?

The Honourable Sir Nripendra Sircar : That we can discuss when the matter comes up—not now.

Mr. President (The Honourable Sir Abdur Rahim) Very well. The office will have to suspend other work and will supply copies.

Then, we come to sub-clause (6).

Mr. Akhil Chandra Datta : I move :

“ That in sub-clause (6) of clause 6 of the Bill, for all the words beginning with the words ‘ one-half the total amount ’ and ending with the words ‘ in British India ’ the following be substituted :

‘ One-fourth the total amount before the application for registration is made, not less than one-third the balance before the expiry of one year from the commencement of business in British India, and not less than one-third the balance before the expiry of two years from the commencement of business in British India, and the balance before the expiry of three years from the commencement of business in British India ’.”

Instead of three instalments, I want four equal instalments. I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That in sub-clause (6) of clause 6 of the Bill, for all the words beginning with the words ‘ one-half the total amount ’ and ending with the words ‘ in British India ’ the following be substituted :

‘ One-fourth the total amount before the application for registration is made, not less than one-third the balance before the expiry of one year from the commencement of business in British India, and not less than one-third the balance before the expiry of two years from the commencement of business in British India, and the balance before the expiry of three years from the commencement of business in British India ’.”

Mr. B. Das (Orissa Division : Non-Muhammadan) : I support the amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (6) of clause 6 of the Bill, for all the words beginning with the words ‘ one-half the total amount ’ and ending with the words ‘ in British India ’ the following be substituted :

‘ One-fourth the total amount before the application for registration is made, not less than one-third the balance before the expiry of one year from the commencement of business in British India, and not less than one-third the balance before the expiry of two years from the commencement of business in British India, and the balance before the expiry of three years from the commencement of business in British India ’.”

The motion was adopted.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Akhil Chandra Datta).]

Mr. S. C. Sen (Government of India : Nominated Official) : I move :

“ That in sub-clause (9) of clause 6 of the Bill, after the word ‘ shall ’ occurring in the first line, the words ‘ bear interest as moneys held in deposit payable on call and shall ’ be inserted.”

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : In this connection I should like to draw your attention to the amendments that are lower down the page. They deal with the same subject. If you will kindly permit amendment No. 237 to be moved before this amendment, we would be greatly facilitated in taking a decision. In case that is accepted, so much the better. If that is not accepted, then our Party is going to support amendment No. 231 of Mr. Sen. But we prefer No. 237. That is a more comprehensive amendment, and if you will permit that to be moved first it would be convenient to all.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : I have also got amendments Nos. 12 and 13 on Supplementary List No. 3.

The Honourable Sir Nripendra Sircar : They have all gone. I would object to No. 237, being moved now in precedence to No. 231. I would like to point out to the House that my Honourable friend says it is a very comprehensive amendment, but I have a very comprehensive objection. (Laughter.) It starts by saying, “ Provided that notwithstanding anything contained to the contrary in the Reserve Bank of India Act, 1934, ” It cannot be moved without the sanction of the Governor General by reason of section 153.

Mr. Sri Prakasa : I have got that sanction in my satchel ! (Laughter.)

The Honourable Sir Nripendra Sircar : You have ? In any case I would not agree to No. 237 being moved in preference to No. 231.

Mr. Sri Prakasa : Will that side stand up ? I shall read the sanction. (Laughter.)

Mr. S. C. Sen : The amendment which I am moving is intended to provide for interest in respect of cash moneys which may be deposited in the Reserve Bank of India under the deposit clauses. In the Bill, as it has emerged from the Select Committee, there is no provision for any interest and I purport to provide in my amendment that cash moneys which may be deposited will bear interest as moneys held in deposit payable on call. It is really for the benefit of the insurance companies that if possible they should receive some interest on the same basis as moneys held in deposit payable on call. There is nothing very much to explain beyond this.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That in sub-clause (9) of clause 6 of the Bill, after the word ‘ shall ’ occurring in the first line, the words ‘ bear interest as moneys held in deposit payable on call and shall ’ be inserted.”

Mr. Mathuradas Vissanji (Indian Merchants' Chamber and Bureau : Indian Commerce) : I have got another amendment dealing with this subject ; it only changes the rate of interest. I do not think it could be objected to, and with your permission I would move No. 233. I am not moving No. 232.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member can move it.

Mr. F. E. James : May I submit, Sir, that this makes things very difficult for discussion. I would ask you to take one amendment after another. Yesterday we had the same difficulty when an amendment was taken out of its turn. If, unfortunately, Mr. Sen's amendment is lost, it is obvious that the following amendment is barred.

Dr. P. N. Banerjee : That is not the correct procedure.

Mr. S. Satyamurti : May I make a submission ? If you will kindly look at amendments Nos. 231, 232, 233 and 237, you will find that they all cover the same question, namely, the rate of interest on monies deposited by these insurance companies with the Reserve Bank. There are four alternative proposals ; first is by Mr. Sen, where he says it will bear interest as moneys held in deposit payable on call. Mr. Mathuradas Vissanji wants at one place that the rate should be one per cent. below the Official Reserve Bank rate, and at another place, that it should be two per cent. below the official Reserve Bank rate. Then there is No. 237, for which my Honourable friend has got the sanction of the Governor General, and under it the insurer will be entitled to interest at the Bank rate as per section 49 of the Reserve Bank of India Act.

The Honourable Sir Nripendra Sircar : Are there sanctions for Nos. 232 and 233 ? I do not think so.

Mr. S. Satyamurti : On the point raised by Mr. James I want to submit that it is not fair to this House to put to vote only one rate of interest and get a vote on it and then say that the others are barred. The Standing Orders contemplate more than one amendment being moved at one and the same time. Then it is in your discretion to put the amendments in the order which you think will best enable the House to come to a right decision. I, therefore, submit, that all these amendments should be moved at the same time. A general discussion can take place and then you will put one amendment after another in order to enable the House to come to a right decision. I suggest that you may put the amendment which wants the highest rate of interest first, and if it is defeated, then another which wants an interest less than that, and so on. If my Honourable friend, Mr. James's suggestion is accepted, if Mr. Sen's amendment is carried, all the other amendments are barred.

The Honourable Sir Nripendra Sircar : Are there sanctions for amendments Nos. 232 and 233 ? Is there any sanction in my Honourable friend's satchel ? (Laughter.)

Mr. P. J. Griffiths (Assam : European) : We should follow the principle of taking the most radical amendment first, that is, No. 236, before 233.

Mr. S. Satyamurti : No sanction is required, I submit, so far as Nos. 232 and 233 are concerned, from the Governor General.

Mr. M. S. Aney (Berar : Non-Muhammadan) : I want to know whether my Honourable friend, Mr. Sen, has produced sanction for moving his amendment. If that does not require sanction, Mr. Mathuradas Vissaji's amendment does not require any sanction at all.

Mr. Deputy President (Mr. Akhil Chandra Datta) : This is what the Secretary of the Assembly has written to Mr. Sri Prakasa :

" With reference to your application to His Excellency the Governor General, dated the 30th August, 1937, regarding his previous sanction to certain of your amendments to the Bill noted above, I am directed to inform you that in the opinion of the Government of India the first amendment and its alternative do not require sanction.

2. As sanction of the Governor General has been granted to clause 101 of the Bill as it emerged from the Select Committee no fresh sanction to your second amendment is necessary."

I think this should make the whole position clear. On the point of order raised, namely, that these amendments should be moved and disposed of one after another, or that all should be moved and there should be one comprehensive discussion and then amendments should be put separately—on that point of order I am of opinion that in a matter like this all should be moved together and then the amendments would be put from the Chair one after another.

The Honourable Sir Nripendra Sircar : If the sanction read out by you, Sir, is the only sanction, that does not cover these amendments. That is about clause 101.

Mr. Sri Prakasa : The first paragraph deals with this.

The Honourable Sir Nripendra Sircar : It may be your one amendment does not require any sanction, but the last portion, which is the general portion—that refers to clause 101 of the Bill, which is the rule-making power. It has nothing to do with clause 6.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The letter says :

" In the opinion of the Government of India the first amendment and its alternative do not require sanction."

Mr. S. Satyamurti : May I submit to you, Mr. Deputy President, that clause 101 says this :

" In particular and without prejudice to the generality of the foregoing power, such rules may prescribe " [I read clause (c)] :

" (c) the procedure to be followed by the Reserve Bank of India in dealing with deposits made in pursuance of this Act, including the custody of, withdrawal of, payment of interest on securities, lodged as such deposits."

Therefore, I submit, that the sanction of the Governor General includes all these amendments, because sanction has been given to the clause authorising the Government to make rules with regard to payment of interest on securities, lodged as such deposits. Therefore, that sanction covers all these amendments.

The Honourable Sir Nripendra Sircar : I think the shorter course is to have debates on all these amendments.

Mr. Mathuradas Vissanji : I move :

" That in sub-clause (9) of clause 6 of the Bill, after the word ' shall ' in line one the words ' bear interest at a rate of one per cent. below the official Reserve Bank rate and shall ' be inserted."

There is only a little difference between my amendment and that of Mr. Sen in whose case the interest is at the call rate of the Bank, which is generally about half per cent., quarter per cent. or three fourths per cent. and it will be higher only on very rare occasions. The interest will

[Mr. Mathuradas Vissanji.]

be very insignificant. In order to give the depositor a better yield, I have suggested a rate of one per cent. below the official Reserve Bank rate. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That in sub-clause (9) of clause 6 of the Bill, after the word 'shall' in line one the words 'bear interest at a rate of one per cent. below the official Reserve Bank rate and shall' be inserted."

Babu Baijnath Bajoria : Sir, I beg to move :

"That in sub-clause (9) of clause 6 of the Bill, after the word 'shall' occurring in the first line the words 'bear interest as moneys held in fixed deposit for twelve months and shall' be inserted."

This cash deposit will remain with the Reserve Bank for several years. They should keep it as fixed deposit for twelve months and pay interest for twelve months.

An Honourable Member : How much is it?

Babu Baijnath Bajoria : At present it will be two per cent. or $2\frac{1}{2}$ per cent. The rate will fluctuate. If the money market is higher, then the rate of interest will also be higher. If the money is treated as deposit at call, the rate will be only half per cent. and not even half per cent. as some banks do not take any deposit at all. I commend my amendment to the acceptance of the House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That in sub-clause (9) of clause 6 of the Bill, after the word 'shall' occurring in the first line the words 'bear interest as moneys held in fixed deposit for twelve months and shall' be inserted."

Mr. Sri Prakasa : I beg to move :

"That to sub-clause (9) of clause 6 of the Bill, the following proviso be added :

'Provided that notwithstanding anything contained to the contrary in the Reserve Bank of India Act, 1934, in case of deposits with the Reserve Bank of India in cash, the insurer will be entitled to interest at the Bank rate as per section 49 of the said Reserve Bank of India Act, 1934, such amount of interest being paid to the insurer every year by the Bank.'

The Bill contemplates the paying in of large masses of money into the Reserve Bank. There are only two alternatives left to insurers. They can put their money either in Government securities or in cash with the Reserve Bank. The Government securities, as we know to our cost go up and down. If an insurer purchases Government security at 99, he may find at the end of the year that it is worth only 55. Therefore, it seems to be safer to deposit moneys in cash; but if the Reserve Bank is not going to pay any interest, then so much money lies fallow and the insurer suffers great loss. Therefore, I feel, that the Reserve Bank, when it receives such large masses of money from insurers, should also pay them a certain amount of interest. I am not at all exorbitant in my demand. I say, let the interest be paid at the bank rate. I had originally put down two alternatives. One was half per cent. above the bank rate. On further consideration I thought it best to drop it. But I do feel that the second alternative should be accepted for we are entitled to get interest at least at

the bank rate, when we are bound to deposit the money in the Reserve Bank. This solves all the problems raised by the other amendments. We do not fix any particular sum, but we only get interest at the rate the Bank would ordinarily pay, that is to say, the bank rate. I do hope that this amendment will be accepted not because it comes from me, but because it is eminently reasonable.

I got the information, Sir, that the Reserve Bank was a sacrosanct subject and that the consent of His Excellency the Governor-General was required to move any amendments about it. Therefore, I took the precaution in sending both these alternatives; and I am glad that His Excellency the Governor-General thought that his sanction was not necessary despite his conscience-keeper, the Law Member, thinking to the contrary. I hope that this difference of opinion between His Excellency the Governor-General and the Law Member will not in any way deter him from accepting an amendment which is equitable. I cannot understand the meaning of Mr. Sen's amendment at all. Why should he want an insured to get only the interest which is due on current deposits when his money will lie with the insurer for such a long time? That may really mean no interest at all. In these circumstances, because the insurers will be compelled to put their money in this Bank and because the securities are so uncertain, I hope the Government will be induced to accept the amendment that I have moved. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That to sub-clause (9) of clause 6 of the Bill, the following proviso be added :

'Provided that notwithstanding anything contained to the contrary in the Reserve Bank of India Act, 1934, in case of deposits with the Reserve Bank of India in cash, the insurer will be entitled to interest at the Bank rate as per section 49 of the said Reserve Bank of India Act, 1934, such amount of interest being paid to the insurer every year by the Bank.'

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division : Non-Muhammadan Rural) : Sir, I beg to move :

"That to sub-clause (9) of clause 6 of the Bill, the following be added at the end :

'that the rate of interest on the deposit held by the Reserve Bank of India shall, in no case, be less than the rate of interest on which actuarial calculation of plans and policies of life business is made at the time of commencement of the business as published in the prospectus as tables and also in subsequent addition and alteration of plans and policies to be published as tables in the prospectus in near or remote future and in annual and quinquennial valuation by actuaries.'

Sir, my amendment requires an explanation. We find in the prospectus that every insurance company has to depend on certain schemes and calculations, and rates of interest are calculated on that basis. But, if the insurers have to deposit cash money with the Bank and if they are bound to accept whatever interest the Bank pays, then no calculation is necessary. As the insurers have to deposit a large amount of money with the Reserve Bank of India, it is necessary that there should be a settlement of the rate of interest between the Bank and the insurance company. I believe that all the four amendments that have been moved have practically fixed a rate of interest which we cannot fix here at the present moment. Unless there is a settlement between the Bank

[Mr. Amarendra Nath Chattopadhyaya.]

and the insurer, we believe we cannot fix a rate of interest. Therefore, I commend my amendment for the acceptance of the House. Sir, I move.

... Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That to sub-clause (9) of clause 6 of the Bill, the following be added at the end :

‘ that the rate of interest on the deposit held by the Reserve Bank of India shall, in no case, be less than the rate of interest on which actuarial calculation of plans and policies of life business is made at the time of commencement of the business as published in the prospectus as tables and also in subsequent addition and alteration of plans and policies to be published as tables in the prospectus in near or remote future and in annual and quinquennial valuation by actuaries ’.”

The Honourable Sir Nripendra Sircar : Sir, I would request all the Movers of these amendments to withdraw them, because we propose to do something here which is not permissible under the Reserve Bank Act. The business which the Reserve Bank is allowed to carry on is laid down in section 17 which says :

“ The Bank shall be authorised to carry on and transact the several kinds of business hereinafter specified, namely, the accepting of money on deposit without interest.”

Therefore, under its constitution the Reserve Bank cannot pay any interest, whatsoever, on these cash deposits. We are going directly against the statute. In spite of these amendments being passed, unless the constitution of the Reserve Bank is changed, for which there is no proposal, they cannot do it. This will be illegal and *ultra vires*.

Sir H. P. Mody (Bombay Millowners' Association : Indian Commerce) : Why do you then accept Mr. Sen's amendment ?

The Honourable Sir Nripendra Sircar : I am sure, he is under a misapprehension. But under his amendment it is payable on call. It does not hurt anybody, because nothing is payable on call and he will get nothing. As regards the other amendments, there are definite rates of interest like four per cent. or one per cent. below the Bank rate and so on. Whatever that may be, Mr. Sen's misapprehension does not remove us from the position that we cannot do it and the Bank is not authorised to carry business of accepting the money on deposit with interest. It cannot do it. The alternative is between cash and securities. If the depositor is faced with the situation that he is not going to get any interest on cash, then he has got to make his election and to invest his money and put it in the securities and draw his interest.

Sir H. P. Mody : Scheduled Banks have deposited crores of rupees with the Reserve Bank without interest.

Mr. M. S. Aney : Is it not open to us by another Act to fix a certain rate with regard to a particular kind of deposit and would that position be *ultra vires* of this House ? If another Act of this Legislature lays it down that the Reserve Bank shall receive a particular kind of deposit on a particular rate of interest and that it will be taken as an

exception to the general rule laid down for the guidance of the Reserve Bank, I do not think it will be *ultra vires* of this House.

The Honourable Sir Nripendra Sircar : May I, Sir, finish my speech ?

Mr. M. S. Aney : I thought that the Honourable Member had finished his speech.

The Honourable Sir Nripendra Sircar : There is no proposal for repeal of section 17 of the Reserve Bank Act ; so long as that section stands, the Bank cannot pay any interest on deposits. Therefore, I submit, that these amendments ought not to be pressed.

Sir H. P. Mody : Including Mr. Sen's !

The Honourable Sir Nripendra Sircar : Yes, if a mistake has been made, we are sorry for it. A mistake has been made. As a matter of fact the House is bound to accept the letter of sanction and it cannot go behind it and enquire whether Mr. Bartley was authorised to write that letter or not. When the sanction is signed by Mr. Bartley, the House is bound to accept it as correct and it is entitled to accept it as correct and conclude that is the opinion of the Governor General in Council. But the fact remains that that is not the opinion of the Governor General in Council. I will not go further into that point. I ask the House to consider really seriously whether, when the Reserve Bank Act prevents interest being paid, Honourable Members will press this amendment.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : May I ask whether we cannot legislate in this manner that in spite of anything that may be contained in the Reserve Bank Act, interest may be paid ?

The Honourable Sir Nripendra Sircar : That will require the consent of the Governor General. As a matter of fact there is not the slightest doubt that these amendments require the consent of the Governor General, but Mr. Sri Prakasa is fortunate in having this letter giving the sanction. I do not blame him in any way. He is entitled to take that as correct.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : When several Banks are paying money into the Reserve Bank as deposit, without any interest, will it not be possible for the Reserve Bank, now that a suggestion is made in these amendments, to make an election whether it would like to have such deposits or not, and if so whether the Reserve Bank will pay interest or not. Shall it be within the purview of the Reserve Bank to accept such deposits ? May I ask the Honourable the Finance Member whether it will be possible for the Reserve Bank to make an election in this regard ?

The Honourable Sir James Grigg (Finance Member) : The Reserve Bank is prohibited from paying interest on deposits.

Sardar Sant Singh (West Punjab : Sikh) : It is an Act of this House and it can be changed by this House.

The Honourable Sir Nripendra Sircar : That cannot be done without the previous sanction of the Governor General.

Sir Cowasji Jehangir (Bombay City : Non-Muhammadian Urban) : We have got into rather a perplexing position.

The Honourable Sir Nripendra Sircar : Yes, we have.

Sir Cowasji Jehangir : In the first place, I agree that these amendments could not have been put down on the agenda without previous sanction, because they were in contravention of the Reserve Bank Act that is in existence. Unfortunately, these mistakes are often made and you cannot help them. Unfortunately, my Honourable friend, Mr. Sen, led the way by giving notice of an amendment that some sort of interest should be paid. Now, Sir, under clause 26 of the Bill Government will ask us to legislate whereby insurance companies will have to invest a certain percentage of their assets in Government paper. We have not yet come to that clause. It may be 25 per cent. or it may be 30 per cent., I believe the Honourable the Law Member will give us his opinion later on as to what the percentage shall be. Why cannot these deposits form part of that percentage that insurance companies will have to keep in Government paper ?

The Honourable Sir Nripendra Sircar : May I point out that, of course, I want to follow in connection with clause 26. That clause has not been reached and what the House will do I cannot say, but I shall certainly propose, as I have drafted it, that these deposits will be taken as part of the assets which will be invested. That is the answer to my Honourable friend's question. That does not enable the Reserve Bank to pay interest on cash deposits.

Sir Cowasji Jehangir : I may point out to my Honourable friends here who are so anxious that insurance companies should earn some interest on these deposits that they need not deposit these monies in cash, that they can very conveniently invest them in Government paper, (Hear, hear), because each insurance company will be forced to buy a certain amount of Government paper and that Government paper may be handed over as deposits. Therefore, the question of loss of interest does not arise.

Mr. Sri Prakasa : Who will be responsible for the loss of capital ?

Sir Cowasji Jehangir : My Honourable friend's argument was that these deposits will be in cash, because insurance companies would not like to run the risk of buying Government paper lest there may be depreciation in Government paper. But under clause 26, insurance companies will be compelled to buy a certain amount of Government paper.....

Mr. Sri Prakasa : Our opinion there will be governed by our decision here.

Sir Cowasji Jehangir : Let us be practical. Therefore, I contend that if insurance companies will be forced to keep a certain amount of Government paper, that Government paper may be handed over to be kept as deposits and thereby you can escape any loss of interest.

Mr. Sri Prakasa : Where is interest without capital.

Sir Cowasji Jehangir : If you have no capital.....

Mr. Sri Prakasa : The capital is lost in depreciation of the securities deposited.

Sir Cowasji Jehangir : Does my Honourable friend contend that he could run an insurance company, big or small, without any assets ? If he has no assets, nobody would look at his insurance company. The Honourable the Law Member has already interpreted clause 26 as meaning that a part of these deposits may be taken towards that head, and it may form a part of the percentage required under clause 26. Therefore, this question of loss of interest does not arise. I would ask Honourable Members to give up their amendments, because, there are no practical purposes served thereby.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadian Rural) : There is a practical purpose, it may be that it cannot be obviated because the assumption underlying my Honourable friend, Sir Cowasji Jehangir's statement, now is, that inasmuch as there would be a certain amount of investment in Government paper, a part of that can be utilised in making that deposit. I appreciate that, but the answer to that really is that at the commencement of business it is difficult to say whether they will have any monies ; unless the point is at the commencement of the business at which the deposit is to be made. I quite agree in subsequent years the thing might be more easily resolved, but we cannot get interest.....

Sir Cowasji Jehangir : If there is no money, how can they start insurance business ?

Mr. Bhulabhai J. Desai : The deposit question arises both at the point of registration and also in subsequent years. It may well be that in course of time a part of their assets would enable them to utilise that investment in Government paper towards deposits, but so far as the first, or the second or even the third instalments are concerned, it may well happen that they might have assets which are subsequently depositable or investable in Government paper.....

Sir Cowasji Jehangir : Will they give cash ?

Mr. Bhulabhai J. Desai : Yes, they will.

Sir Cowasji Jehangir : What is there to prevent them from converting it into Government paper ?

Mr. Bhulabhai J. Desai : The answer is, we do not want to have Government paper. It may fluctuate in value. We want to deposit the money in cash.

Sir Cowasji Jehangir : It boils down to this. At what stage of their history are they going to convert their cash into Government paper for the purpose of complying with the provisions of clause 26 ?

Seth Govind Das (Central Provinces Hindi Divisions : Non Muhammadian) : After four or five years.

Sir Cowasji Jehangir : Clause 26 will come into operation as soon as the Bill is passed and comes into effect. From the very first a certain amount of money, that they have in cash, will have to be

[Sir Cowasji Jehangir.]

invested in Government paper. This is how I read clause 26. Therefore, I do not think that this point will arise in practice. The matter may be cut short and all these amendments may be withdrawn.

Seth Govind Das : Sir I think there is a little confusion in this matter. According to clause 26 also it is not necessary for any insurance company to invest in Government paper from the very beginning of its life. It is required according to clause 26 that from the premium which they receive they will have to invest 25 per cent. or 33 per cent. or any amount like that, in Government paper. But that does not mean that the first deposit which they will have to make should be in Government paper. They can make the first deposit from the amount they receive by the sale of their shares and that amount they can deposit in the Reserve Bank in cash also.

The Honourable Sir Nripendra Sircar : What is the difficulty ? If you get cash why can you not buy Government paper ?

Seth Govind Das : The difficulty is that the market for Government paper is fluctuating, and the new companies will have the apprehension that if they buy Government paper in the very beginning, the price may go down and they may have to suffer a loss. So they would like to deposit in cash ; and, as far as the first deposit is concerned, they will not like to lose interest also. Therefore, I think the amendment is perfectly sound. The apprehension of loss of interest in case they deposit their money in cash and the danger of their capital being diminished if they deposit the Government paper should be removed. Sir, I support these amendments.

Mr. T. Chapman-Mortimer (Bengal : European) : Sir, during the last half-hour or three-quarters of an hour, the House has roamed over so many different points and listened to so many different discussions that I hardly know where I am. I should like to bring the attention of Honourable Members of all sections of the House back to the point of "deposits". Why is the deposit required from an insurance company ? It is required because we want to ensure that there may be a certain stability behind it ; to stop mushroom companies and so on. In the second place, an insurance company is supposed to hold its assets in a form which is remunerative, otherwise they would never be able to meet the claims upon them in any degree that would really help their policy-holders. If that is the case, it is obviously desirable that in a well-run insurance company,—I emphasise "well-run" because I think it is rather necessary in this debate,—they will have as little money as possible lying about in cash. They will only keep in cash what they require for their day to day requirements to meet claims, and so on. When this provision was put in section 6, as it will be if the Act—if it ever becomes an Act,—the point was that you have to make provision not merely for the amount to be put in securities but also for any amount that may be lying with the bank for the time being. There was no intention in the original Bill, nor was it in the mind of the Select Committee, that people should put their cash in the Reserve Bank or with anybody else. We do not want to encourage

that ; we want them to put their money in securities and retain it in securities. The only purpose of this clause is to enable them to tide over a temporary period when they may have realised those securities and there is cash from the realisation lying with the bank ; or, in the alternative case, as my Honourable friend, the Leader of the Opposition pointed out, when they are a newly formed company then also for a short period the deposit may have to be in cash. I think it is a thoroughly undesirable principle that whether or not the Reserve Bank of India Act allowed it, cash of this nature should receive any interest whatsoever. Sir, I oppose all the amendments.

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : Sir, the previous speaker has entirely misunderstood the scope of the discussion. I feel that the half an hour or three-fourths of an hour that we have spent on this is all to the right purpose. The previous speaker, unfortunately, missed the important bearing that the question of interest has on this matter of income to the company. There are 366 companies here. Under the old Act a sum of one crore and 59,000 alone have been deposited. For 366 companies at the average of two lakhs per company it comes to seven crores and 32 lakhs. Thus, Sir, in addition to what has been already deposited to the tune of 1½ crores, six crores more have to be deposited by the companies. Out of these 366 companies, 201 are life companies, and of them not more than 18 or 19 are old companies, the others being all young companies, in the earlier stages it will be hard to find the capital for even these deposits. If you take clause 26, I thought that that clause is exclusive of the deposit of two lakhs. But even if it includes it, what I find is that under clause 26 it will take a long time for any company which starts business newly to deposit to the extent of two lakhs. Its matured liabilities and reserve liabilities may not come up to two lakhs for a number of years. In these circumstances, it is idle to contend that they must, even at the outset of starting business, purchase two lakhs worth of paper and invest it on the off-chance of developing business to that extent, later, so that ultimately these two lakhs of Government securities might be useful as a reserve liability under clause 26. I am certain, that having regard to the nature of the work that these companies have been doing for a long time, it may not be for five years or even ten years to come that two lakhs will have to be deposited by way of matured liabilities or for reserve liabilities. Sir, Government securities are liable to fluctuate in value. If two lakhs are deposited with the Reserve Bank, certainly, so far as the capital is concerned, there is no fear of losing it. But, Sir, interest is one of the main sources of an insurance company's income. You will please refer to the Year Book, 1935, and you will find that out of Rs. 100 which an insurance company earns, 78 is drawn from insurance premia each year. Year after year, for 20 years the table is given, on page 10, where the source from which each Rs. 100 of the income was derived and the manner in which it was disposed of are shown from 1913 right up to 1934. Out of Rs. 100 the income from premia in 1934 was 78.9 ; 18 per cent. is the income from interest ; 3.1 is the income from other sources. In the year 1913, 81.1 per cent. was the income from premia, 18.5 per cent. from interest. The interest went up to 23.4 per cent. in 1918, 23.9 in 1923, then 22.6 in 1926

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and in 1934 it is 18 per cent. Sir, 18 per cent. comes to nearly one-fourth of the amount of premium received in a particular year. Taking the country as a whole, in 1934, the income from premia was 6½ crores and, in the same year, the interest came to 1½ crores, the total income for that year from all sources, both premia and interest, being eight crores. That is 1½ crores out of 6½ is nearly one-fourth. Thus, Honourable Members will please take this matter seriously and not allow it to drop. At the outset when a calculation is made, tables are prepared, and even later on when a valuation of assets and liabilities is made by an actuary four per cent. or five per cent. is the rate at which valuation is given. You will please turn to pages 126 and 127 of this book regarding valuation of Indian life offices as also the valuation of non-Indian life offices. In making up the valuation of Indian life offices, four per cent. to five per cent. was the amount of interest assumed. Thus, both in the preparation of tables and in the valuation of assets and liabilities, interest is a very prominent item for consideration. Sir, if the deposit amount is invested in Government securities at the rate of 3½ per cent. the income derived will be low. From the same Year Book we find that interest that has been got by several companies is as follows :

	Per cent.
1930	5.44
1931	5.42
1932	5.28
1933	5.17
1934	5.08

That is the interest which the various companies, by prudent, assiduous and careful management, have been able to get, and it is on account of that income from interest that they have been able to meet their liabilities. Now, do you want to cripple that source of income? I think the Honourable the Law Member should not have allowed his able Assistant, Mr. Sen, to commit a fraud upon the House. I could not understand what my friend, Mr. Sen, meant by introducing this amendment 231.

The Honourable Sir Nripendra Sircar : I object to the words "committed a fraud upon the House". I admitted a mistake had been made, but all are liable to make mistakes including the Honourable Member. I apologised to the House for it.

Mr. M. Ananthasayanam Ayyangar : I withdraw the word "fraud." I did not hear that apology, but as he has made a mistake, I do not pursue the matter. We are also liable to make mistakes, and, therefore, let us all put our heads together. Let us not insist in section 6 that the whole amount should be kept to the tune of six crores in the Reserve Bank of India, which will mean without interest. Now, if all of us are interested in the struggling companies let us change it to the Imperial Bank of India where they will earn interest. As regards the legal objection of the Honourable the Leader of the House I for one am not able to find any legal difficulty. It is no doubt true that to

change any clause of the Reserve Bank Act the previous sanction of the Governor General is necessary, but with respect to this amendment, No. 237, the Honourable the Mover of this amendment has already received the sanction of the Governor General. The proviso in the amendment is clear and it is open to us to modify any previous Act, and as a matter of fact we have been doing so. With respect to the Companies Act if a modification is necessary no previous sanction of the Governor General is necessary, but with respect to the Reserve Bank Act his previous sanction is necessary for modification. Therefore, if this proviso says specifically that whatever may be the provision in the Reserve Bank Act, to the extent stated in the amendment the Reserve Bank Act provision shall not be followed or shall be treated to have been cancelled by this section, that provision is modified to the extent this section provides. I will ask for the indulgence of the House to read amendment No. 237 :

"That to sub-clause (9) of clause 6 the following proviso be added :

'Provided that notwithstanding anything contained to the contrary in the Reserve Bank of India Act, 1934, in case of deposits with the Reserve Bank of India in cash, the insurer will be entitled to interest at the Bank rate as per section 49 of the said Reserve Bank of India Act, 1934, such amount of interest being paid to the insurer every year by the Bank.'

It is not by *suppressio veri or suggestio falsi* that my Honourable friend, the Mover, Mr. Sri Prakasa, has obtained the Governor General's sanction. The Governor General must have known at any rate, his advisers must have known that the Reserve Bank Act does not allow any interest on deposits.

The Honourable Sir Nripendra Sircar : Nobody suggested that he committed a fraud.

Mr. M. Ananthasayanam Ayyangar : I am glad, I am prepared to take it from the Leader of the House.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. M. Ananthasayanam Ayyangar : I was submitting to the House that the proviso of my Honourable friend, Mr. Sri Prakasa, contemplates modification of that provision of the Reserve Bank Act which says that deposits ought not to be received for interest. The Reserve Bank Act being the earlier Act, it can certainly be modified by a later Act and a provision made here, that notwithstanding anything contained in the Reserve Bank Act, deposits made there shall carry interest, is legal and valid. There is no legal impediment. The only thing that is suggested is that every modification of any such provision requires the previous sanction of His Excellency the Governor General. That is under section 153 of the Government of India Act. That sanction has been applied for. The very proviso was sent to him and the reply received was that no sanction was necessary because it was already given regarding 101.

[Mr. M. Ananthasayanam Ayyangar.]

His Excellency rightly or wrongly thought that it was covered by section 101 (2) (c) which says :

“such rules may prescribe :

- (c) the procedure to be followed by the Reserve Bank of India in dealing with deposits made in pursuance of this Act, including the custody of, withdrawal of, payment of interest on securities, lodged as such deposits, and their inspection and verification by the Superintendent of Insurance.”

This clause (c) was not in the original Bill. It was added during the Select Committee stage. If rules could be framed for payment of interest on securities against the spirit or the wording of the Reserve Bank Act, that will also be a modification of the functions of the Reserve Bank. The Governor General, on the application of Mr. Sri Prakasa, thought that this was covered by 101 (2) (c) and, therefore, sanction had already been granted. If it is included there, this further sanction is not necessary. If it is not included and still the Governor General is of opinion that no sanction is necessary, he is the sole and final authority to decide whether sanction is or is not necessary, because he is the only person who can grant sanction. If he comes to the conclusion that no sanction is necessary, I would say that it is not open to the other side and to the Honourable the Leader of the House to say that sanction is still necessary. Who is the final authority ? It is the Governor General and once he says a particular thing, I submit respectfully that both the Honourable the Leader of the House as well as any court before which it might come up later are for ever estopped against contending that the Governor General's ruling that no sanction is necessary is not correct. We are bound by his ruling, right or wrong and, therefore, I say there is no legal impediment to make this amendment, though it may have the effect of abrogating or modifying that portion of the Reserve Bank Act which says that no deposit shall be received on interest.

Lastly, I would say a few words on the merits. Securities fluctuate in price from time to time. Young companies can ill afford to keep securities : the moment a war is threatened from East or West, the prices of securities will go down by even 50 per cent : small companies will have to struggle on in the earlier years and will collapse if this is insisted on that a portion has to be deposited with the Reserve Bank either in approved securities or in Government paper. It is not as if there is no difference between insurance companies and scheduled banks which deposit with the Reserve Bank and receive no interest. The Reserve Bank does a lot of business for and on behalf of scheduled banks—they take bills of exchange and other things for rediscounting and render various kinds of help ; but there is absolutely no such thing done as far as the insurance companies are concerned. This is a compulsory deposit from the Insurance companies for security and safety. In the interests of the policy-holders which has been talked of so much, I would say it is not proper that they should not have the advantage of getting interest upon this sum. I have known cases under the Land Acquisition Act where, for compulsory acquisition, more than the market price has been given. After all, the Reserve Bank can certainly deposit in various places. They can purchase treasury bills, invest in United Kingdom securities.

Under those circumstances it is not as if the Reserve Bank does not earn interest but merely keeps the money idle. I, therefore, heartily support this amendment.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : Sir, I rise to support the amendment that has been moved by Mr. Mathuradas Vissanji. Before I speak on the subject I must say that we are really all thankful to Mr. Sen for introducing this amendment and it is quite consistent with the policy that was declared by the Honourable the Leader of the House that the object of this Bill is to help the policy-holder. Now, a great amount of income depends upon the income out of the securities ; and, so far as small companies are concerned, this big deposit that will be lying there must yield some interest. It was said : “ You can invest it in Government paper ”. So far as I am concerned, I think it is very sensible that we ought to invest in Government paper, but, at the same time, in these days some people are nervous and rightly too about investing everything in Government paper ; and after all the yield of Government paper is only three per cent. at present or a little less. In that case they need not take that risk if they do not want to. Now, the difficulty that arises is that the money that will be lying with the Reserve Bank, according to the Honourable the Leader of the House, will be without any interest. Legal luminaries are discussing this matter ; and as a layman I do not want to say anything on the question ; but I do wish to point out one thing and that is that it is much better that we should fix the bank rate, if at all we get any interest, that rate being the rate which is fixed for some time and which is well-known. So far as call money is concerned, there is always a great deal of variation : call money is liable to be taken back the next day or at the most within a week or fortnight. Therefore, if at all a principle has to be established as to the basis on which interest should be paid, I submit that the bank rate is the right criterion. My friend, Mr. Mathuradas Vissanji, has suggested one per cent. below the bank rate. That I think is a fair rate. The bank rate is the rate at which the bank lends and if they get two per cent. they make something out of it. Anyhow I know very well that the Reserve Bank has got large sums of money lying uninvested. Therefore, if a fair proposal is brought forward I would like certainly to support it, but, all the same, there must be some way found for helping the insurance company when the object of the Bill has been, and what has been attempted by the Government of India's amendment is to give them some return—I submit that they should find out some way. The best course would have been for the Government of India to provide that a receipt of any of the scheduled banks of the Reserve Bank, if lodged with the Controller of the Currency or with the Superintendent of Insurance, would be sufficient. That would have enabled the insurance companies to arrange the rate of interest with the scheduled banks, and, at the same time, it would be quite safe because the large deposits that these banks have to keep with the Reserve Bank are much more than the little insurance money that will be invested with them. I do not know whether it would be proper at this stage to suggest a provision of that kind. But I think we ought to find some way out and the best criterion for fixing the rate of interest is the Bank rate. Therefore, I support the amendment of my Honourable friend, Mr. Mathuradas Vissanji.

Mr. Bhulabhai J. Desai : If I intervene in this debate now, it is more with a view to confess difficulties and perhaps to show a small way out of what we all recognise as a real impediment. I notice that sections 17 and 21 of the Reserve Bank of India Act create a difficulty which in one sense, as pointed out by my Honourable friend, Mr. Ananthasayanam Ayyangar, may be capable of being obviated. Whether that was present to the mind of those who wrote the letter or not is another question. At one stage I did think that it might be possible to add the Imperial Bank of India or the scheduled banks in the earlier part of the clause. But section 21 of the Reserve Bank Act appears to be an insuperable difficulty thereto, though, of course, no sanction has been obtained for the purpose of adding the scheduled banks to this particular clause so as to obviate the difficulty of section 21, because 21 requires that all monies, held on behalf of the Government of India, shall be held with the Reserve Bank. I recognise these two difficulties. At the same time there are two ways out, and I would ask the Government to consider them. The first point I see is, that the difficulty does not apply to the whole of the fund of six crores because it can only apply to a period of time until the amount of compulsorily investable assets in Government securities amounts to an amount equal to that required for the purposes of deposit. As soon as that point is reached, if a provision can be made, suitably in clause 26, whereby the aggregate amount required to be invested in Government securities—in calculating that amount the amount of the deposit should be taken into account—that will narrow the point still more. There is still another way in which the difficulty may be met, and that is, if it is not already met, though I believe the definition meets it, as has been pointed out to me—whether a provision should not be made whereby treasury bills may be allowed to be deposited as part of the security required under the clause. I point out the difficulty under that head. The point there is this. It is quite clear that there will be no loss of capital if that form of security is allowed, in that you get back your Rs. 100 as and when it matures. But the language of the section does not appear to warrant the conclusion that the security may be substituted from time to time, for this reason. Such and such a sum shall be deposited either in cash or in securities; I want at all events this to be made, to allow, if that is possible, the deposit of treasury bills as and when they are available. If that is done, it will largely meet the difficulty of not earning interest. These are the only two ways which appear to me to point some way out of the difficulty, though I still see that there would be a short period of time during which there would be loss of interest.

The Honourable Sir Nripendra Sircar : As regards the three matters pointed out by the Leader of the Opposition, I said that I intend to draft clause 26 in such a way that this deposit will be taken into consideration in fixing the amount under clause 26 which is going to be kept or invested as assets. The other point about treasury bills is, I think, covered by our definition because they can put this money in approved securities, and approved securities as defined here includes any security charged on the revenues of the Central Government or of a Provincial Government. So that, of the three points made, two have been either met or I have already said that I am going to meet. The third point can be made absolutely clear by drafting when we come to clause 26. That is to say, you want an express provision for substitution?

Mr. Bhulabhai J. Desai : In clause 6, if I may point out the words—it is a little wider than the present occasion even requires. Supposing a man has deposited Government securities, say, 3½ per cent., he wants to substitute another security by withdrawing the same and depositing another kind of security, may be sterling security or any other security, and if at the end of clause 6 a provision is made for the substitution of these securities of a like value I think the objection can be met.

The Honourable Sir Nripendra Sircar : I should draw my Honourable friend's attention to sub-clause (10) which says :

“ The insurer may at any time, and if the Reserve Bank of India requires him to replace securities maturing for repayment shall, substitute for securities lodged with the Bank under this section other approved securities of equal value at the market rate prevailing at the time of substitution.”

So that he may at any time change the securities. But when drafting clause 26 the matter still requires a further clearing up I shall be very happy to accept any amendment for that purpose. And I can give an assurance to the House that what I have stated to the House today I intend carrying out in the draft of section 26.

Mr. M. A. Jinnah : It seems to me that we have not examined this thing in all its aspects. An insurer who is going to deposit the amount of the deposit that is required has got the option to do so in Government securities. Now, we are told and rightly told by my Honourable friend, Mr. Sri Prakasa, that if you buy Government security and deposit it, there is, no doubt, a chance of fluctuation. But the chance is both ways, that is to say, in favour of the insurer if the market goes up, and against him if the market goes down. But surely you cannot earn a substantial rate of interest without taking that chance. You cannot say that you won't take any risk at all. It may be against you or it may be in your favour. You cannot say “ I want my 100 per cent. back and then I want the highest rate of interest ”. That is not possible. He has got the option. If he wants cent. per cent. of his capital back, and if he wants to earn a reasonable rate of interest, there are the treasury bills, which, as has been pointed out by the Leader of the House, is approved security. The third thing is, why not deposit this money in other banks, which do give interest. It may be small, but some interest is given and why force us down to the Reserve Bank which gives no interest? Here the argument no doubt may be a very good one if you were dealing with it as a commercial proposition, but you have already passed sub-clause (1) of clause 6. It reads thus :

“ Every insurer, not being an insurer specified in sub-clause (c) of clause (8) of section 2, shall, in respect of the insurance business carried on by him in British India, deposit and keep deposited with the Reserve Bank of India in one of the offices in India of the Bank for and on behalf of the Central Government cash or approved securities.”

Now, the moment you have passed this clause, the Government are precluded from paying this money anywhere else except in the Reserve Bank, and the Reserve Bank does not give any interest. I think there is not that strong ground on behalf of these insurers, because several methods are open to them to invest their money, like treasury bills, Government securities, approved securities, and so on. It is no use exaggerating it merely on the ground that the rate is liable to fluctuate. The fluctuation may be in your favour and then you can turn to other securities. It is, therefore, too late to say that we should start a schedule of banks, and so on.

[Mr. M. A. Jinnah.]

That shows an entire misconception of the position. What I suggest is that all these amendments should be withdrawn, and when we come to clause 26—and here I entirely agree with the Leader of the Opposition—the deposits whether they are in cash or other securities should be taken into account, and whatever percentage you may fix in clause 26 should be included for the purpose of a security in the reserve liability. That is a suggestion which can and ought to be taken up, and I would again request the Movers not to press these amendments.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I should like to know whether the Movers of these amendments would like to withdraw them. If they do, it may not be necessary to find out which is the most comprehensive one.

The amendments were, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Besides these, there are four other amendments. One is by Mr. Essak Sait, one by Mr. Satyamurti, one by Dr. Banerjea, and one by Pandit Lakshmi Kanta Maitra. Dr. Banerjea wants to limit his amendment to life insurance business only. The fourth amendment by Pandit Maitra has not been circulated, and I am afraid I cannot allow it.

The Honourable Sir Nripendra Sircar : I very strongly object to the amendment of Dr. Banerjea being considered. There is a special order of the Chair about the first two amendments, and they will come on. They explained why they were late in giving notice. That was due to the sudden changed situation, but I protest very strongly against Dr. Banerjea's amendment being considered by the House.

Dr. P. N. Banerjea : I stood up to move my amendment and then the President asked if the amendment in the modified form has been circulated or not. The modification was necessitated only by the amendment which was carried yesterday. I stand practically on the same footing as the other Movers of the amendments. There is no alteration in the substance of the amendment. There is a little alteration which is made to suit the amendment which was carried yesterday. This amendment of mine has been before the House for several days past, and not a single comma has been changed except the amendment which was necessitated by the amendment which was carried yesterday. In view of this I request you, Sir, to rule that my amendment is in order.

Mr. F. E. James : May I put my case before the House, Sir ? It makes the procedure of this House impossible if the House can take cognizance of any amendment which is circulated by a private Member and I suggest that this particular amendment of Dr. Banerjea should not be taken into consideration by the House on your ruling, otherwise it is open to any Member who finds himself in the same difficulty as my friend, Dr. Banerjea, to distribute an entirely new amendment during the Lunch interval without going through the ordinary course.

Dr. P. N. Banerjea : That is not correct. My amendment is not a new one.

Mr. F. E. James : I think the House should confine itself to amendments which are circulated through the ordinary machinery of the office.

Mr. M. S. Aney : I do not really find that there is any substantial objection raised by my Honourable friend, Mr. James. The reason that necessitated a little formal modification in the amendment is known to this House and that was considered a proper ground for permitting these two Members who were to move their amendments to make the necessary modification.

The Honourable Sir Nripendra Sircar : Dr. Banerjea did not apply.

Dr. P. N. Banerjea : I did stand up at that time to move my amendment.

The Honourable Sir Nripendra Sircar : Standing up is not applying.

Mr. M. S. Aney : The same principle which governs the modification and the permission to circulation of the modified amendment in the case of certain Members of this House can be extended to Dr. Banerjea without prejudice to the procedure which is observed by the House or causing any kind of inconvenience to the House itself. I do not see what is the particular point in asking Dr. Banerjea not to move his amendment or ask this House not to permit him to move it. His amendment will be considered along with the other two amendments and no more time of the House will be taken. Everyone of us will be permitted to debate the amendment that will be before the House. So, neither from the point of view that more time of the House will be taken nor from the point of view of the procedure which has already been sanctioned by the Chair can I see any reason which would justify the debarring of Dr. Banerjea from moving his amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The first two amendments have been allowed to be re-modelled on the ground that additional facilities should be limited to life insurance only. It appears to me so far as Dr. Banerjea's amendment is concerned, he has made no other alteration except this that he wants to limit the provision only to the case of life insurers. His original amendment has been before the House for some days past. In view of all this, I do not think there will be any prejudice if I ask the House to take into consideration the proposed amendment of Dr. Banerjea. Therefore, I rule that it is in order.

(Dr. P. N. Banerjea rose to move his amendment. Mr. S. Satyamurti also rose to move his amendment.)

I do not think Dr. Banerjea will mind if I allow Mr. Satyamurti to move his amendment first. Besides, I do not think it will make any difference with regard to the result of putting all these amendments before the House.

Mr. S. Satyamurti : Sir, the amendment which I have given notice of and which I now move reads as follows : It is a proviso to sub-clause (4) of clause 6. I have a complaint against the Government on this sub-clause.....

Mr. H. A. Sathar H. Essak Sait : On a point of order, Sir. What is the procedure you are going to adopt in calling the Members to move their amendments ? My amendment comes first in the list.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The order in which they are moved does not make any difference.

Mr. M. A. Jinnah : But why should the order of amendments be changed ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : I want to be satisfied whether it will make any difference as to the result of the amendments.

Mr. M. A. Jinnah : I rise to a point of order. Why should the order of amendments be changed ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : It has not been explained to me that the order of amendments is of any consequence. (*Mr. M. A. Jinnah and Mr. F. E. James :* "It is.") I gave an opportunity to the Honourable Member to explain it but he has not explained it. In view of the fact that nobody has yet been able to explain to me as to how the order in which the amendments will be moved will make any difference and also in view of the fact that I have already called upon Mr. Satyamurti to move his amendment, I will ask him to move his amendment.

Sir Cowasji Jehangir : I rise to another point of order. If an Honourable Member is in possession of the House, can the Chair allow another Member to speak at the same time or give him precedence over the Honourable Member who is in possession of the House ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : If one Honourable Member is in possession of the House, no other Honourable Member can be allowed to speak until he finishes. But the position here is quite different. As a matter of fact, so far as the original amendment of Mr. Essak Sait is concerned, he has abandoned that. In view of that, I stick to my ruling that there is no harm in Mr. Satyamurti moving his amendment.

Mr. S. Satyamurti : Sir, I am very sorry that I have been, unconsciously, the cause of a storm in a tea pot. I may, however, explain, for your information and for the information of the House, that I was under the wrong impression that my Honourable friend, Mr. Essak Sait, had already moved his amendment. But I now find that the amendment which he now seeks to move is different from the one he moved yesterday.

Mr. M. A. Jinnah : He stands No. 1. Why should you be allowed to move your amendment ?

Mr. S. Satyamurti : Because the Chair orders me to move it, and I am too much of a Parliamentarian to disobey the Chair.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Let there be no further discussion on this point.

Mr. S. Satyamurti : Out of obedience to your command, and combined with the well-known Parliamentary tradition that whatever our

differences may be, you are the supreme head of this House, I now beg to move my amendment. The amendment reads thus :

"That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

'Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 1st day of January, 1939, and the subsequent instalments shall be of not less than the same amount as the second instalment, and shall be paid before the 1st day of January of each succeeding year.'

When I was interrupted, I was submitting to the House that I have a legitimate complaint against the Government with regard to its silent and too-ready acceptance yesterday of the amendment moved by my Honourable friend, Mr. Mathurdas Vissanji, omitting all reference to life insurance, in sub-clause (4) of clause 6 of the Bill. If Honourable Members will read this clause carefully, there is an absolute scheme behind it, under which we deal with new companies, with old companies, or rather with insurers, old insurers and life insurers, and others carrying on other business than life business. We have prescribed different instalments and different periods, with regard to life insurance and other business. I want to explain that so far as companies incorporated before the 1st January, 1937, are concerned, the original Bill, which was introduced into this House, provided for three years. Then, Sir, we heard a large volume of complaint that insisting on their paying all those two lakhs within three years will cause a great deal of hardship, especially to those companies which have now become famous by the phrase "younger companies". Therefore, the Select Committee went into this matter, and as Honourable Members will notice, the Select Committee, in sub-clause (4), has allowed them to pay in not more than seven instalments, of which Rs. 50,000 shall be paid before the application for registration and the further instalments shall be—one-sixth of the remaining three-fourths—paid in each successive year, within a period of six years after the first payment. Since then, powerful representations have again been made to us and to all sections of the House, as will be evident from the amendments tabled by my Honourable friends, Mr. Essak Sait and Dr. Banerjee; and it will be found that a period of ten years has commended itself to almost every section of the House. We all feel that ten years is neither too long nor too short, and it will give them sufficient time to pay this money, in instalments of nine, so that at the end of that period, the sum of two lakhs will have been made up by way of deposit. But, Sir, yesterday, when the Government accepted this amendment, to delete all reference to life insurance from this clause, we were all taken by surprise, because the result was that while the original Bill provided in sub-clause (3) of the Bill that the deposits of others should be paid in shorter periods and fewer instalments, the benefit of seven instalments has now been given to all insurers, whatever the nature of their business may be. In view of the earlier vote, the House cannot at this stage go back upon that. But a vast majority of the House, I believe, are keenly in favour of giving ten instalments to those who carry on life insurance only, and that is why I have said in my amendment that, "in the case of insurers carrying on

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life insurance business only, the deposit may be made in not more than ten instalments". Then, Sir, so far as other matters involved in this clause are concerned, I may state here, Sir, that we stand by the provision in sub-clause (4) of this Bill, namely, that one-fourth of the total amount of two lakhs, that is, fifty thousand shall be paid before registration is made. There is one amendment which seeks to cut into half, and say that the first instalment should be less than that, that is to say it should be Rs. 25,000, but we do not agree. We believe that most of these companies have already made some deposits. They have made these deposits, and, therefore, we want the additional 25,000 to be made before the application for registration is made. Moreover, we believe that the second instalment should be paid before the first day of January, 1939, because already every insurance company is put on notice--and active notice--of the fact that the Bill is being discussed and money will have to be paid before the next instalment, that is to say the second instalment. After all, fifty thousand will have to be paid before the 1st January, 1939, and, therefore, nobody can reasonably complain; but the idea of giving one more year, that is to the end of 1939, however, does not commend itself to us. This proviso seeks to give insurers carrying on only life insurance business only reasonable time, but not unduly long time. We also believe that this Rs. 50,000 should be made up as early as possible, at any rate before the registration is made. We believe that the first day of January, 1939, is long enough to pay the second instalment. I, therefore, trust that this amendment will commend itself to this House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

"That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

'Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 1st day of January, 1939, and the subsequent instalments shall be of not less than the same amount as the second instalment, and shall be paid before the 1st day of January of each succeeding year.'

Mr. H. A. Sathar H. Essak Sait : I move :

"That in sub-clause (4) of clause 6 of the Bill, for all the words beginning with the words 'seven instalments' the following be substituted :

'Ten instalments, the first instalment in the case of insurers doing life insurance business, being the amount deposited with the Controller of Currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made, and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalment shall not each be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year.'

Sir, this morning, when I moved the old amendment, I made the point of my amendment quite clear and I do not think I will detain the House longer on that point. But I would like to call the attention of

Honourable Members on my right to the difference that still lies between my amendment and the amendment of my Honourable friend, Mr. Satyamurti. The amendment of Mr. Satyamurti requires that the deposit to be made at the time of registration should be one-fourth of the total, that is Rs. 50,000. Well, Sir, there are many companies—we are now dealing with the existing companies—which have paid in 25,000 and more already under the old Act. What my amendment seeks to do is this that such companies should be allowed to register with the deposit already lying with the Controller of Currency, so that those companies which are in existence today can all be registered at once and then I give them a certain period to complete the instalment. My Honourable friend, Mr. Satyamurti, also gives the same time to them to make the second instalment, the difference is only with regard to the first instalment. Mr. Satyamurti has pointed out to the House how the original provision in the Bill was objected to and there was a real cry from the smaller people and he is prepared to give them relief, but I do not see why he should not go the full length that I go and make it possible for the existing companies to register so that they may get more breathing time and just become strong and efficient limbs of this very necessary social services. Well, Sir, with regard to the financial condition of each company, I do not think we need lay much store now especially when we have all these provisions, such as control and safeguard and things like that. In this connection I should like to repeat the story of that famous company which started with a small capital of Rs. 4,000 and which is now—as rightly pointed out by my Honourable friend, Sir Cowasji Jehangir, with justifiable pride—the biggest life insurance company in India and the eighth biggest life insurance company in the Empire. After all it started only with a capital of Rs. 4,000. It is not the money that you have in the beginning that counts; it is the efficiency of the service and the way the company is worked that counts. And I still claim that after the passing of this enactment it will be very difficult to run an inefficient company. I, therefore, say, that those companies which are in existence now should be allowed to register and try to improve their condition and become useful and efficient organs of this necessary public service. I cannot understand the insistence of my Honourable friend, Mr. Satyamurti, when he again and again says that he insists upon making those companies pay another Rs. 25,000, within three months after the passing of this Act. I do not know how that is going to help and what is the particular reason, and what is the sacred thing about this amount of Rs. 25,000. Whether they pay Rs. 25,000 more or less, is it going to make such a difference? There are so many companies which will not be able to pay Rs. 25,000 within three months and they will be pushed to the wall. I do not see why they should be pushed to the wall. Let them register and if they are not able or if they are not efficient, there are ever so many powers in the Act itself by which they can be brought to book.

Babu Baijnath Bajoria : May I ask a question? What provision does this amendment make for non-life companies?

Mr. H. A. Sathar H. Essak Sait : I will be very glad if the same instalments are given to the other companies. But this morning the arrangement arrived at was that we were to deal only with life insurance companies. I think the Leader of the House said that so far as life

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insurance companies are concerned he is ready to accept these instalments and not in the case of others ; and that is why that other portion dealing with general insurance companies was removed.

Sir, I strongly commend my amendment to the House.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

‘ That in sub-clause (4) of clause 6 of the Bill, for all the words beginning with the words ‘ seven instalments ’ the following be substituted :

‘ ten instalments, the first instalment in the case of insurers doing life insurance business, being the amount deposited with the Controller of Currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalments shall not each be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year ’.”

Mr. K. Santhanam (Tanjore cum Trichinopoly : Non-Muhammadan Rural) : Sir, on a piece of information only, I am afraid the amendment of my Honourable friend, Mr. Essak Sait, is not quite in order, because it does not say what should be the first instalment for the non-life insurance companies. I want to draw attention to it.

Dr. P. N. Banerjee : Sir, I beg to move :

“ That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

‘ Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 31st day of December, 1939, and the subsequent instalments shall be not less than the same amount as the second instalment, and shall be paid before the 31st day of December of each succeeding year ’.”

I will begin by explaining the differences which exist between the three amendments. The amendment of my Honourable friend, Mr. Satyamurti, makes it necessary that two instalments will have to be paid during the year 1938. I take it, Sir, that this Act will be brought into operation in the year 1933,—perhaps about the middle of that year. Now the first instalment, in the case of many of the companies, will have to be paid at the time of registration,—the sum of Rs. 25,000 ; and then, before the year 1938 is out, another instalment will have to be paid. This will mean a considerable burden on the young and small companies. Mr. Essak Sait says that at the time of registration the additional Rs. 25,000 need not be paid, and to that extent it would be an advantage to the small insurers. But then he says that that amount will have to be paid in the course of the year. To some extent, therefore, Mr. Essak Sait's amendment is preferable to me to that of my Honourable friend, Mr. Satyamurti. But I am afraid, I am not sure, whether Mr. Essak Sait's amendment is in proper form ; and if his amendment be not in proper form the small insurer will not get the benefit.

My amendment seeks to help the small insurer to this extent that he will have to deposit only Rs. 25,000 during the year 1938 and then the subsequent instalments will be made in the years following. The reason why I have thought fit to move this amendment is this. The small and young companies will find it exceedingly difficult to raise a large sum of money in the course of one year. How will they raise this money ? They will not be able to get this money from the policy holders within such a short time. Therefore, they will have to sell shares, they will have to raise their share capital. These companies, being small, will find it very difficult to sell their shares in the market, and as there will be a great deal of competition in the share market, the difficulty will be still greater. It should also be remembered that these small and young companies have not, so far, been able to pay large dividends. Only a few of them have been able to pay any dividends at all, and when a company does not pay any dividend it is naturally difficult for it to raise share capital in the market.

For these reasons, Sir, with the object of giving help to young and small companies, I propose that only Rs. 25,000 should be insisted on as a deposit from them for the year 1938. In this connection I may point out that the Clauson Committee which advocated deposits in the case of insurance companies in England suggested a sum of £20,000 as deposit. In the Canadian Act we find that fifty thousand dollars have to be deposited. £20,000 or 50,000 dollars come to about Rs. 2½ lakhs. Now here in India we are asked to deposit Rs. 2 lakhs. If we compare the average wealth of Great Britain and Canada with the average wealth of India—rather the average poverty of India,—what do we find ? We find that there is a great deal of difference, and therefore, Sir, in our case, you should be moderate in your demand. Even in a rich country like England, with regard to existing companies, the Clauson Draft Bill suggests that the demand for deposit should be postponed for not more than five years in the first instance, and even after that period for not more than another period of five years in the second instance, and so on. So the payment of the deposit may be postponed in Great Britain under the Clauson Report for five years, ten years, fifteen years, or even twenty years, provided that the companies are sound. Now, Sir, the smallness of a company or the youth of a company does not mean it is not sound : small and young companies may be quite sound. So in order to help these small companies I suggest that they should not be compelled to make more than one deposit during the year 1938. I hope, Sir, the House will agree with me that to this extent it is desirable to help young and small concerns.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Amendment moved :

“ That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

‘ Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 31st day of December, 1939, and the subsequent instalments shall be not less than the same amount as the second instalment, and shall be paid before the 31st day of December of each succeeding year ’.”

Mr. M. S. Aney : I do not want to make a long speech, because the principle underlying all these amendments is conceded by the Honourable the Leader of the House. He is prepared to accept the deposit in ten instalments in the case of life insurance companies. That is the main principle at the bottom. So the only thing we have to consider is to make a choice out of the three proposals which are before the House, and we should choose the proposal which is the most convenient to young insurance companies. Judging by this test I say at once that the proposal of my friend, Mr. Sait, is the best because, his proposal not only gives the period of instalments as ten, but he also makes a certain concession in the matter of making a deposit for the first time. He allows the amount already deposited with the Controller of Currency as sufficient in the case of old companies for them to get their registration at once, and for the remaining amount he allows a period of one year. That is distinctly a greater concession. Next to that I must say the proposal of my friend, Dr. Banerjea, is more favourable to the insurance company and last comes the proposal of my Honourable friend, Mr. Satyamurti, who is also actuated by the motive of making matters as easy as possible for young companies. The object is the same. Mr. Sait is the least rigid, Doctor is less rigid, and Mr. Satyamurti is the most rigid. But there is one difficulty which I find in the proposal of Mr. Sait. He wants to substitute seven instalments by the word ten instalments, which means ten instalments will be available for the purpose of deposit to all companies, life assurance and non-life assurance. There is a further difficulty. He provides a procedure for life assurance companies, giving the amounts and periods, but so far as non-life assurance companies are concerned, there is no provision whatsoever made by him in regard to these. The Honourable the Law Member was prepared to make a concession of ten instalments only in the case of life assurance companies, and so the amendment of Mr. Sait goes beyond the limits laid down by the Honourable the Law Member. These are the two difficulties in the case of Mr. Sait's proposal. Under these circumstances, taking all these proposals together the choice should be Dr. Banerjea's proposal, but if my friend, Mr. Sait's amendment can be modified and brought into proper form I will advise the House to give preference to his amendment rather than to the amendment of anybody else.

Sir Cowasji Jehangir : I am not going to speak on the merits of the three amendments. They have been discussed sufficiently, and the House is quite in a position to choose between the three, but I must admit that there is some force in what my Honourable friend, Mr. Aney, has just said about the amendment moved by my Honourable friend behind me. It is not complete, and, therefore, in order to enable the House to adopt it, if they choose, I think a slight amendment will have to be made : it is only verbal. As the amendment is at present worded it makes no provision for general companies. Clause 4 is now for general companies as well as for life assurance companies. The amendment moved by my Honourable friend behind me deals with only life assurance companies, and, therefore, general companies are left out entirely, and no provision is made for them. Therefore, if you will amend his amendment in either one or two ways, either by adopting the phraseology of Mr. Satyamurti and adding it at the end of clause 4,—it will then begin as follows :

“ provided in the case of life insurers ‘ ten instalments ’, etc., etc.” (Interruptions.)

As soon as I said “ Add the word provided— ”, he has understood what I meant and, therefore, let me now finish it for the benefit of others. I am not speaking for the benefit of my Honourable friend, the Leader of the House—he has understood what I wanted to say : from his interjection, I realise that he understood it. What I say is, add these words to the top of his amendment :

‘ Provided that in the case of insurers carrying on life insurance business, ten instalments ’, etc., etc.

The Honourable Sir Nripendra Sircar : That will not fit in.

Sir Cowasji Jehangir : It will fit in. You must say, at the end of sub-clause (4) add the following : “ Provided, etc., etc.” as drafted by my Honourable friend. It can be amended in that way and then the House will have an opportunity of judging the three amendments on their merits. Or if you want substitution as it stands in my Honourable friend's amendment, add these words at the end of the amendment :

“ In all other cases the deposit required under the section shall be paid in seven equal instalments, the first instalment being paid before the application for registration and the remaining instalments before the 31st of December in each succeeding year.”

There is the choice between the two and I suggest that my Honourable friend be allowed to amend his amendment, if the Honourable the Law Member has no objection.....

The Honourable Sir Nripendra Sircar : I have one out of 145 votes.

Sir Cowasji Jehangir : A very powerful one too : and if I may point out to him, it is not one vote which counts : what about all those Honourable Members sitting behind him ? But that is neither here nor there. If the Honourable Member agrees then the House can judge all the three amendments on their merits. I am not expressing any opinion on the merits. My Honourable friend, Mr. Aney, has already stated that out of these three amendments, he himself prefers Mr. Essak Sait's amendment as being the best : and, if an important Member like him has expressed that opinion, I think the House will be prepared to allow my Honourable friend behind me to amend his amendment as I have said.

Mr. F. E. James : Sir, I take formal objection to any amendment being considered which is not before us in print. I think it is very important that we should have the amendment before us.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Before any one else rises to speak, I have a word to say with regard to the suggestion made by Sir Cowasji Jehangir. It is rather an important matter, and in view of that and if Honourable Members have followed the suggestion he made and if the House as a whole has no objection, then I will not stand in the way of the matter being considered. Before I proceed further, I want to know if the House agrees to consider the suggestion made by Sir Cowasji Jehangir.

Some Honourable Members : ‘ Yes ’ and ‘ No ’.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I shall put the matter before the House again, not in the sense of putting it to vote, but for the consideration of Honourable Members. I am anxious to know if the House has any serious objection to take.....

Some Honourable Members : No, no.

Other Honourable Members : Yes, yes.

Mr. F. E. James : I repeat that I take formal objection on the grounds I have already stated.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I am anxious to know the sense of the House. As amended the amendment reads like this :

“ At the end of sub-clause (4) of clause 6, the following be added :

‘ Provided that in the case ’, etc., etc., etc.

Am I to understand that the House is agreeable ?

Some Honourable Members : No, no.

Other Honourable Members : Yes, yes.

Mr. Deputy President (Mr. Akhil Chandra Datta) : If there is any objection, I am sorry I cannot allow the amendment to be moved.

Mr. Mathuradas Vissanji : One question, Sir, that has arisen in my mind is whether this is going to interfere with the definition that was passed yesterday.....

Some Honourable Members : No.

Mr. Deputy President (Mr. Akhil Chandra Datta) : Certainly not.

Mr. Husenbhai Abdullabhai Laljee : I rise to support the latest amendment of my Honourable friend, Sir Cowasji Jehangir.

Some Honourable Members : It has been disallowed.

Mr. Husenbhai Abdullabhai Laljee : I took it that there was no objection, but I see that it has been disallowed. It was the most sensible and most reasonable amendment and when a large number of Members were in favour of it I thought that there was no objection to it. Anyhow I support the amendment that has been moved by my Honourable friend, Haji Essak Sait, and if it is not adopted, then the amendment that has been moved by my Honourable friend, Dr. Banerjea. I must say that I am surprised that from the Congress side we should have the Deputy Leader of the Party standing up and making a strong statement in the sense of we insist on this, we insist on that and so on, with regard to the small concerns. I also feel that so far as the Indian Companies Bill was concerned the discussion on it was a most successful, one due to the fact that the Leader of the House and the Leader of the Opposition and Leaders of other Parties did not consider that Bill as a party Bill or under any party mandate. With regard to this Bill I would congratulate the House if the same spirit prevailed. The Leader of the House has, in fact, given the impression to us that he is not making any question on this Bill as a party question, and I fail to see why this non-political question, this purely economic question, a question in which a large number of non-official Members know a little more probably due to the fact that they come into contact with the masses—I fail to see why there should be a strong insistence upon party rules. We have made ample provision for checking the accounts, for making the necessary returns, and also with regard to deposits. Take the proposal of my Honourable friend, Mr. Satyamurti. There are some companies who have established

themselves, who have made deposits and who are doing their honest business. Suddenly he wants them to bring forth Rs. 25,000 and he wants much more from new companies. I should ask him now, when there are no Managing Agents or managing directors, can he float a company with himself as the chairman of the board of directors and get from the public immediately Rs. 2½ lakhs for an insurance company. It is a very difficult thing now a days to ask for deposit of a lot of money, and for those small concerns who are going on honestly and straightforwardly to get Rs. 25,000 immediately—where are they going to get that amount ? They cannot increase their capital. I ask my Honourable friend, Mr. Satyamurti, how he wants to get this Rs. 25,000. Is that amount going to come out of the net profit, or is it the surplus after providing for all the reserves that the man will be able to put ? It is an indirect way of killing them. I do not think my friend ever meant it. But as a businessman I do feel, that it is not a fair proposal to make. By all means let him make suggestions which would be fair and equitable. Give those who are working honestly time to work. You have got full supervision in the shape of the Superintendent. All these twenty-five years nothing extraordinary has happened and still you want lakhs of rupees ! For God's sake allow them to live.

Maulana Zafar Ali Khan : There are three amendments before the House and I know which amendment will win. Mr. Satyamurti is likely to win because the Congress and the Government are in unholy alliance. I remember only the other day when I was pleading the cause of the small and young companies, when I wanted that the working capital, in the case of the smaller companies which have come into being, should not be Rs. 50,000 but Rs. 25,000, the Honourable the Law Member said, “ I oppose ”, and like the proverbial jack in the box Mr. Satyamurti rose and said, “ I oppose ”. I said then and I say it again.....

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

.... that the Congress Benches, instead of supporting the poor, instead of advocating the cause of the poor, instead of supporting the cause of the weak, are supporting the cause of the capitalists. They want big companies, they do not want small companies. So my amendment was lost. Now, what is it that my Honourable friend, Haji Essak Sait, wants and what is it that Dr. Banerjea wants ? Only small mercies ; only this much that in the case of companies that already exist and that have already paid at least Rs. 25,000 into the coffers of the Government, this concession may be granted to them, namely, that the amount already deposited by them should be counted towards their registration and regarded as the first instalment. This is a small mercy, but you perhaps won't grant them even that much. With these few words I support, in the strongest language possible, the amendment put forward by Haji Essak Sait, and if it is not accepted by the House, then the second best, my Honourable friend, Mr. Banerjea's. But I know what the result will be. Hoping against hope I call upon those who have got a soft corner in their hearts for the poor people to vote for this amendment.

Mr. Sham Lal (Ambala Division : Non-Muhammadan) : I support the amendment moved by my Honourable friend, Mr. Satyamurti. It is very easy to talk of the poor people and not to realise your duties to the

[Mr. Sham Lal.]

policy-holders. There was three years in the original Bill, then it became seven years in the Select Committee, and now ten years in this House. Again, another concession in the name of the policy-holders is asked ! If you go on diluting this fever mixture you won't get rid of the fever. Why not eleven years ; why not twelve years ? Dr. Banerjea has said that this Bill would be passed into law in 1938 and the insurance companies will have to pay two instalments, one at the beginning of 1938 and another at the end of 1938. But insurance companies must have sufficient notice by this time that they are required to pay Rs. 40,000 in the year 1938. That is not a big sum, and my own idea is that those who give concessions to these companies and allow them to linger on are not doing justice to those companies. The Bill would be passed into law in September, 1937. These companies can make up their minds whether they are to live or not to live, whether it will be possible for them to put in Rs. 40,000 or not. If they cannot put in Rs. 40,000 they should amalgamate or go into liquidation, whatever it may be. What would you gain by allowing them to linger on if they are not in a position to pay ? And there must be some limit to the concession. There is no question of alliance between Government and the Congress. If the Government are reasonable, we accept the proposals of the Government. Where is the harm in doing that ? There is going to be an alliance and those differences between the Congress and the Government would not be allowed to be exploited in the name of the poor people. Let us be reasonable and let Government be reasonable. So far as this Bill is concerned, there is no political consideration, and the Honourable the Law Member has made it quite clear that he wants really to do justice to the insurance companies. He really wants that those bogus companies which have got no funds and which have no business should not be encouraged and it would be doing harm to the country if they were allowed to exist. What is the amendment of Dr. Banerjea ? His point is, why should the younger companies pay two instalments in the year 1938 ? It is not a case of want of notice. The company has got one year and three months and if it cannot pay Rs. 40,000 in 15 months it has no justification to exist.

An Honourable Member : On what basis do you say that ?

Mr. Sham Lal : I say the younger companies have been carrying on business for some years and they ought to be able to get Rs. 40,000. What limit are you going to fix ? First three years, then seven years and then ten years. In this way you will go on. Why not an instalment of Rs. 5 a year. There must be a limit somewhere. The question is where are you to stop. I think the Select Committee and those who made the amendment have gone to the farthest limit and I think ten years is the farthest limit. Otherwise, if you go on satisfying these demands you would not stop anywhere.

Several Honourable Members : I move that the question be now put.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That the question be now put.”

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : I shall put Mr. Essak Sait's amendment first. The question is :

“ That in sub-clause (4) of clause 6 of the Bill, for the words beginning with the words ‘ seven instalments ’ the following be substituted :

‘ ten instalments, the first instalment in the case of insurers doing life insurance business, being the amount deposited with the Controller of Currency in accordance with the requirements under the Indian Life Assurance Companies Act, 1912, which shall be transferred to the credit of the insurer before the application for registration is made and the second instalment will with the first instalment complete one-fourth of the total amount of the deposit required under this section and shall be paid before the 31st day of December, 1938, and the subsequent instalments shall not each be less than one-eighth of the balance of the deposit and shall be paid before the 31st day of December in each succeeding year ’.”

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim) : I will now put Mr. Satyamurti's amendment. The question is :

“ That to sub-clause (4) of clause 6 of the Bill, the following proviso be added :

‘ Provided that in the case of insurers, carrying on life insurance business only, the deposit may be made in not more than ten instalments, of which the first shall be not less than one-fourth of the total amount of the deposit, and shall be paid before the application for registration is made, the second shall be not less than one-ninth of the balance of the deposit, and shall be paid before the 1st day of January, 1939, and the subsequent instalments shall be of not less than the same amount as the second instalment, and shall be paid before the 1st day of January of each succeeding year ’.”

The Assembly divided :

AYES—78.

Abdul Hamid, Khan Bahadur Sir.
Abdul Qaiyum, Mr.
Ahmad Nawaz Khan, Major Nawab Sir.
Ayyangar, Mr. M. Ananthasayanam.
Bajpai, Sir Girja Shankar.
Bhagavan Das, Dr.
Chaliha, Mr. Kuladhar.
Chanda, Mr. A. K.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Vencatachelam.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Das, Mr. B.
Das, Pandit Nilakantha.
Desai, Mr. Bhulabhai J.
Deshmukh, Dr. G. V.
Deshmukh, Mr. G. V.
DeSouza, Dr. F. X.
Fazl-i-Ilahi, Khan Sahib Shaikh.
Gadgil, Mr. N. V.
Ghulam Muhammad, Mr.
Govind Das, Seth.
Gupta, Mr. K. S.
Hans Raj, Raizada.
Highet, Mr. J. C.
Hosmani, Mr. S. K.

Jawahar Singh, Sardar Bahadur Sardar Sir.
Jedhe, Mr. K. M.
Jogendra Singh, Sardar.
Joseph, Mr. George.
Kailash Behari Lal, Babu.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lahiri Chaudhury, Mr. D. K.
Lloyd, Mr. A. H.
Mackeown, Mr. J. A.
Manavedan Raja, Rao Bahadur K. C.
Mangal Singh, Sardar.
Mani, Mr. R. S.
Mehta, Mr. S. L.
Misra, Pandit Shambhu Dayal.
Mudaliar, Mr. C. N. Muthuranga.
Mudie, Mr. R. F.
Muhammad Ahmad Kazmi, Qazi.
Nagarkar, Mr. C. B.
Nayudu, Diwan Bahadur B. V. Sri Hari Rao.
Ogilvie, Mr. C. M. G.
Paliwal, Pandit Sri Krishna Dutta.
Pande, Mr. Badri Dutt.
Parsons, Lieut.-Colonel A. E. B.

AYES—contd.

Purssell, Mr. R. S.
Raghubir Narayan Singh, Choudhri.
Rahman, Lieut.-Colonel M. A.
Ramayan Prasad, Mr.
Ranga, Prof. N. G.
Rao, Mr. Thirumala.
Roy, Mr. S. N.
Saksena, Mr. Mohan Lal.
Santhanam, Mr. K.
Satyamurti, Mr. S.
Sen, Mr. S. C.
Shahban, Mr. Ghulam Kadir Muham-
mad.
Sham Lal, Mr.
Sheodass Daga, Seth.

Sher Muhammad Khan, Captain Sardar
Sir.
Singh, Mr. Gauri Shankar.
Singh, Mr. Ram Narayan.
Sinha, Mr. Satya Narayan.
Sircar, The Honourable Sir Nripendra.
Spence, Mr. G. H.
Sri Prakasa, Mr.
Staig, Mr. B. M.
Stewart, The Honourable Sir Thomas.
Sukthankar, Mr. Y. N.
Sultan Ahmad, The Honourable Sir
Saiyid.
Thorne, Mr. J. A.
Varma, Mr. B. B.
Vissanji, Mr. Mathuradas.

NOES—25.

Abdul Ghani, Maulvi Muhammad.
Abdur Rasheed Chaudhury, Maulvi.
Aney, Mr. M. S.
Azhar Ali, Mr. Muhammad.
Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Chattopadhyaya, Mr. Amarendra Nath.
Datta, Mr. Akhil Chandra.
Essak Sait, Mr. H. A. Sathar H.
Ghiasuddin, Mr. M.
Ghulam Bhik Nairang, Syed.
Jhangir, Sir Cowasji.
Jinnah, Mr. M. A.

Lalchand Navalrai, Mr.
Laljee, Mr. Husenbhai Abdullahai.
Maitra, Pandit Lakshmi Kanta.
Malaviya, Pandit Krishna Kant.
Mody, Sir H. P.
Sant Singh, Sardar.
Shaukat Ali, Maulana.
Siddique Ali Khan, Khan Sahib Nawab.
Sivaraj, Rao Sahib N.
Som, Mr. Suryya Kumar.
Umar Aly Shah, Mr.
Zafar Ali Khan, Maulana.

The motion was adopted.

Mr. S. C. Sen : Sir, I beg to move :

“ That in sub-clause (11) of clause 6 of the Bill, after the word ‘ shall ’ the following be inserted :

‘ deposit such additional sum in cash or approved securities as will make up the amount so used. The insurer shall ’.”

Sir, the object of this amendment is to provide for the filling up of deficiencies in case the fund is proceeded with for payment of liabilities. This is really a formal amendment. Sir, I move :

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (11) of clause 6 of the Bill, after the word ‘ shall ’ the following be inserted :

‘ deposit such additional sum in cash or approved securities as will make up the amount so used. The insurer shall ’.”

The motion was adopted.

Mr. S. C. Sen : Sir, I beg to move :

“ That in sub-clause (11) of clause 6 of the Bill, the words ‘ by the deposit of further securities ’ be omitted.”

Sir, this is really consequential to the amendment which has just been adopted by the House.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (11) of clause 6 of the Bill, the words ‘ by the deposit of further securities ’ be omitted.”

The motion was adopted.

Mr. S. C. Sen : Sir, I beg to move :

“ That in sub-clause (11) of clause 6 of the Bill, the following be added at the end :

‘ from the date when the deposit or any part thereof is so used for discharge of liabilities ’.”

Sir, this again is consequential on the amendment No. 241 which has just been adopted by the House. It only fixes the time within which the deficiency is to be made up. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (11) of clause 6 of the Bill, the following be added at the end :

‘ from the date when the deposit or any part thereof is so used for discharge of liabilities ’.”

The motion was adopted.

Sardar Sant Singh : Sir, I have an amendment No. 15 in Supplementary List No. 3 which reads thus :

“ That to sub-clause (11) of clause 6 of the Bill, the words ‘ from the date the insurer is informed of such deficiency ’ be added at the end.”

Mr. S. C. Sen : I would point out, Sir, that this amendment seems to be barred in view of what has been passed in amendment No. 243 just now.

Mr. President (The Honourable Sir Abdur Rahim) : Yes, it is barred. It cannot be moved.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That clause 6 of the Bill, as amended, stand part of the Bill.”

The motion was adopted.

Clause 6, as amended, was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That clause 7 stand part of the Bill.”

Mr. S. C. Sen : Sir, I beg to move :

“ That in sub-clause (1) of clause 7 of the Bill, after the words ‘ policies of insurance ’ the words ‘ issued by the insurer ’ be inserted.”

This is only a drafting amendment, and it makes the meaning of the clause clear.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in sub-clause (1) of clause 7 of the Bill, after the words ‘ policies of insurance ’ the words ‘ issued by the insurer ’ be inserted.”

The motion was adopted.

Mr. S. C. Sen : Sir, I beg to move :

"That in sub-clause (1) of clause 7 of the Bill, for the words 'policy issued by the insurer' the words 'such policies' be substituted."

This again is a formal drafting amendment to make the meaning clear.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (1) of clause 7 of the Bill, for the words 'policy issued by the insurer' the words 'such policies' be substituted."

The motion was adopted.

Mr. S. C. Sen : Sir, I beg to move :

"That in sub-clause (2) of clause 7 of the Bill, after the words 'policies of life insurance' the words 'issued by the insurer' be added."

Sir, this again is a drafting amendment. I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (2) of clause 7 of the Bill, after the words 'policies of life insurance' the words 'issued by the insurer' be added."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 7, as amended, stand part of the Bill."

The motion was adopted.

Clause 7, as amended, was added to the Bill.

Clause 8 was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 9 stand part of the Bill."

Sardar Sant Singh : Sir I beg to move :

"That in sub-clause (2) of clause 9 of the Bill, after the words 'such business' the words 'or at least 50 per cent. of the income of such business whichever is greater' be inserted."

The object of sub-clause (2) of clause 9 is to create a life insurance fund. In the case of the first premium after insuring the life, the receipts over payments will be very few and so the insurance fund will not be created. The reason for moving this amendment is that I give an alternative, and that is that between the excess of receipts over payments, and at least 50 per cent. of the income of such business, whichever is greater will go to the life insurance fund. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (2) of clause 9 of the Bill, after the words 'such business' the words 'or at least 50 per cent. of the income of such business whichever is greater' be inserted."

Mr. S. C. Sen : Sir, I am sorry to oppose this amendment. The position is that the life fund really represents the excess of the receipts over the disbursements. I do not understand what my Honourable friend means by saying, "50 per cent. or whichever is greater". Whatever is there as surplus has got to be transferred to the life fund. He says, "50 per cent. of the income"; what will happen to the other 50 per cent. ?

Sardar Sant Singh : You have to meet commission charges from the first premium.

Mr. S. C. Sen : But the expenses might be more or might be less. The conclusion which my Honourable friend has drawn is not really intelligible.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in sub-clause (2) of clause 9 of the Bill, after the words 'such business' the words 'or at least 50 per cent. of the income of such business whichever is greater' be inserted."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 9 stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 10 stand part of the Bill."

Dr. P. N. Banerjee : Sir, I beg to move :

"That in sub-clause (1) of clause 10 of the Bill, for the words 'the expiration of each calendar year' the words 'the end of the 31st day of March every year' be substituted."

In this Bill, the calendar year has been taken instead of the financial year. The financial year is more advantageous to the insurance companies because the months of December, January and February are the most active months in every insurance company's business. Therefore, if the accounts and balance-sheet have to be filed during these months, the other important parts of the business of the insurance company are greatly hampered. Besides, when the balance-sheet and accounts are submitted, the Superintendent may ask for further information and so forth. The result will be that the work of every insurance company will be greatly affected. I, therefore, suggest that instead of the year commencing on the 1st January it should commence on the 1st April, as the financial year of Government commences. There will be another advantage in it. The Indian year commences in *Baisakh*, that is to say, about the end of March or the beginning of April; and if we adopt the financial year it will correspond to the Indian year. On these grounds I suggest that the financial year be taken and not the calendar year.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in sub-clause (1) of clause 10 of the Bill, for the words 'the expiration of each calendar year' the words 'the end of the 31st day of March every year' be substituted."

Mr. S. C. Sen : Sir, I am sorry to oppose this amendment. This provision of the Bill which my Honourable friend wants to amend was really intended to bring on uniformity in the matter of period of accounting. As at present the system of accounting is that some of the companies adopt the 31st March as the closing and some adopt the 31st December. It is essentially necessary that for the purposes of comparison of the workings

[Mr. S. C. Sen.]

of insurance companies there should be uniformity in the period of accounting ; and it is for this reason that this provision has been made. We have given two years' time to those companies which have adopted 31st March to adjust their accounts. I do not understand what difficulties there are by reason of this readjustment of the accounting period. My friend says that insurance work is very heavy during the months from January to April. If in the year when this Bill comes into force an amount cannot be included, it can be included in the next year.

Dr. P. N. Banerjee : That was not what I said. Work will be hampered because officers will be busy with other things.

Mr. S. C. Sen : Officers will take jolly good care to bring the accounts to a close by the end of December.

Dr. P. N. Banerjee : On a point of information, cannot uniformity be secured by adopting the financial year for all insurance companies ?

Mr. S. C. Sen : There are more people closing accounts on 31st December than on 31st March.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (1) of clause 10 of the Bill, for the words ' the expiration of each calendar year ' the words ' the end of the 31st day of March every year ' be substituted."

The motion was negatived.

Sir Cowasji Jehangir : I rise for some information at this stage. The point must be decided when the amendments to the Schedules will be considered by the House, now or at the end.

The Honourable Sir Nripendra Sircar : That is a matter for the Chair : I am willing to abide by any decision that may be given.

Mr. President (The Honourable Sir Abdur Rahim) : I understand that it would be convenient if we take the Schedule at the end.

Mr. Sami Vencatachelam Chetty (Madras : Indian Commerce) : I move :

" That in sub-clause (2) of clause 10 of the Bill, after the word ' Chairman ' the words ' if any ' be inserted."

My object is quite obvious.

The Honourable Sir Nripendra Sircar : We accept that.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in sub-clause (2) of clause 10 of the Bill, after the word ' Chairman ' the words ' if any ' be inserted."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That clause 11 stand part of the Bill."

Mr. S. C. Sen : Sir, I move :

" That in clause 11 of the Bill, for the word ' accounts ', occurring in the first line, the words ' Balance sheet, profit and loss account, revenue account and profit and loss appropriation account ' be substituted."

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My reason for moving this amendment is this. The word " accounts " in the section is not quite explicit. These are the various accounts which have got to be dealt with and the amendment will make this clear.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in clause 11 of the Bill, for the word ' accounts ', occurring in the first line, the words ' Balance sheet, profit and loss account, revenue account and profit and loss appropriation account ' be substituted."

The motion was adopted.

Mr. S. C. Sen : Sir, I move :

" That in clause 11 of the Bill, for the word ' any ', occurring in the ninth line, the word ' all ' be substituted."

The purpose is obvious. I move it.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in clause 11 of the Bill, for the word ' any ', occurring in the ninth line, the word ' all ' be substituted."

The motion was adopted.

Mr. S. C. Sen : Sir, I move :

" That in clause 11 of the Bill, the word ' and ', occurring in the tenth line, be omitted."

This is only a drafting amendment. I move it.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in clause 11 of the Bill, the word ' and ', occurring in the tenth line, be omitted."

The motion was adopted.

Mr. K. Santhanam : Sir, I move :

" That in clause 11 of the Bill, after the word ' duties ', in the last but one line, the words ' be subject to liabilities and penalties ' be inserted."

The next amendment in the name of Mr. Sen shows that we are more vigilant than Government. I need not add anything more to commend the amendment.

Mr. S. C. Sen : We are accepting this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That in clause 11 of the Bill, after the word ' duties ', in the last but one line, the words ' be subject to liabilities and penalties ' be inserted."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

" That clause 12 stand part of the Bill."

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : Sir, I move :

"That to clause 12 of the Bill, the following proviso be added :

"Provided that the investigation by an actuary into the financial condition including liabilities of life assurance business carried on by Insurance Societies, which were not required to undergo actuarial valuation under section 8 of Act VI of 1912 and have good past record shall be made for the first time ten years after this Act comes into force."

According to clause 12, the actuarial investigation has to take place within five years. It applies to all insurance companies. But there are certain companies which are mutual insurance societies which have been in existence for a very long time. I know particularly one such society in Hyderabad, Sind. It has been working for about sixty years and its work is very meritorious and beneficial to the policy-holders. I am only asking for some more time for actuarial investigation. These societies have been doing business on the old system and they have been paying monies and they have still to pay in future. If accounts are taken now or within five years they will not be able, within that time, to readjust their affairs and administration so as to show they have full assets wherewith to pay all their liabilities.....

An Honourable Member : What is the name of that company ?

Mr. Lalchand Navalrai : Hindu Provident Insurance Society, Hyderabad, Sind. There is another insurance society in Karachi conducted by Muslims for Muslims alone ; and there are other societies of that nature also. I say it will take some time for these societies to readjust their affairs. Within the past many years they have been paying these poor people—their policy-holders—who have paid only a very small amount as premium, a very good amount at the death of the policy-holders. There is no reason why such societies should be discouraged. At present the society I am talking of has no less than 40,000 persons as policy-holders under life insurance, and they have been paying to each man even about 2,000 rupees as insurance money : poor men only can take advantage of such societies as they pay small premiums conveniently. There is no reason, as I say, why societies like that should not live. In the first place, the directors of this society are honorary : they do not take any pay or any allowances. Then the workers are unselfish : the directors do not get anything and there are no share-holders : all the premia go to the policy-holders. These societies are not mushroom provident funds that spring up and die : these have lived and shown that they can live. But there should be no difficulties put in their way. So many difficulties have been put in the way of these societies by the Insurance Bill ; but to add to them by not giving this small concession that I am asking for is not right. Why should not these societies live ? I only ask that instead of five years, give them time for ten years for actuarial investigation. They have rules which bind their policy-holders also and these rules can be changed for the policy-holders as they have agreed by contract : therefore, I am saying that in the case of such societies this concession should be given. If these societies are asked to do actuarial investigation within two or three years, what will it mean ? Their ruin. This very society has got Rs. 10 lakhs in reserve for the life insurance fund only.....

Sir Cowasji Jehangir : What is the meaning of "good past record" in your amendment ?

Mr. Lalchand Navalrai : I am telling you that they have been giving poor men Rs. 2,000.....

Sir Cowasji Jehangir : Are you to be the judge ?

Mr. Lalchand Navalrai : No luck. I know their record : I know how they are managing this society and I do not support mushroom funds. These society funds have survived and I do not know why there should be no sympathy for them. If there is sympathy only for the bigger firms and when a concession is asked in the case of smaller firms it is opposed, that means that the larger insurance societies want that these smaller societies should be killed, which is not fair at all. I never expected that my learned friend, Sir Cowasji Jehangir, would raise any objection to giving a concession like this to poor policy-holders.....

Sir Cowasji Jehangir : It is a very vague protection to be embodied in a Bill : who is going to be the judge of "good past record" ?

Mr. Lalchand Navalrai : I have suggested the words "past record"

Sir Cowasji Jehangir : How can that be defined ?

Mr. Lalchand Navalrai : Good past record can be judged by seeing whether they have been doing good work in the past and whether they have been supporting their policy-holders. I say for sixty years such societies have been doing well, I submit that if you are going to kill such small societies it is unfair. This society has no less than 180 clerks and 25 peons. If you insist on an actuarial investigation now, they are not prepared for it. Why ? Because actuarial account is not an easy business. It means that tomorrow they should sit and take up each policy-holder's history : for investigation and valuation, it means there will be so much expense over it and also labour. You know what difficulties there are in this technical way of finding out this actuarial investigation. Thousands of rupees are paid by the companies on this actuarial investigation, and is it fair to small societies like these that they should spend so many thousands of rupees and that in every five years ? In considering the question of these societies the House should realise that it is giving a concession to no one else than the policy-holders. The societies are not dishonest at all, from this point of view that they are having no salaries, no commissions and they are working honorary. They are giving so much of help in the way of paying to so much establishment. Now, Sir, they have also certain agents. Those agents are being paid.....

Mr. President (The Honourable Sir Abdur Rahim) : Does the 5 P.M. Honourable Member wish to finish his speech today ?

Mr. Lalchand Navalrai : I cannot finish it today ?

Mr. President (The Honourable Sir Abdur Rahim) : Then, he can resume it the next day.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 16th September, 1937.

LEGISLATIVE ASSEMBLY.

Thursday, 16th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

AIR-CONDITIONED COACHES ON RAILWAYS.

555. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Commerce and Railways state whether Government are aware that during his recent visit to the Malaya Peninsula, Mr. Jawaharlal Nehru, the President of the Indian National Congress, was given by his hosts air-conditioned coaches to travel in and that he caught bad colds from time to time resulting in his speeches being punctuated with sneezes ?

(b) In view of the more extreme climate of India than that of the Malaya Peninsula, do Government propose to consult proper medical authorities and make sure that the proposed air-conditioned coaches will not endanger the health of passengers while attempting to afford them additional comfort ?

(c) Will Government make it incumbent that such coaches are only to be used by such passengers as are making a whole day journey and are not alighting anyway *en route* in the middle of a hot day ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have no information.

(b) Proper medical authorities have been consulted and Government have no reason to apprehend any such danger to the health of the passengers.

(c) Government do not consider this is necessary.

Mr. Sri Prakasa : In view of the fact that I am giving the information in part (a) will the Honourable Member once more consult his medical advisers and save the valuable lives of first class passengers and the even more valuable money of the third class passengers at whose expense these coaches have been built ?

The Honourable Sir Saiyid Sultan Ahmad : We have made such inquiry as is possible and Government do not consider that further medical advice is necessary.

Mr. Sri Prakasa : With reference to part (c) of the question, where is the difficulty in reserving these coaches for persons who travel for not less than a whole day ?

(1767)

The Honourable Sir Saiyid Sultan Ahmad : There is no difficulty about it, but if the passengers want to make use of these air-conditioned coaches, they should be allowed to do so, even if they travel only a few hours and short distance.

Mr. Kuladhar Chaliha : What is the cost of each air-conditioned coach ?

The Honourable Sir Saiyid Sultan Ahmad : The answer has been given before.

BLACK COATS AND RED TIES SUPPLIED TO TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

556. ***Mr. Sri Prakasa :** (a) Will the Honourable Member for Commerce and Railways state whether it is a fact that Travelling Ticket Examiners on the East Indian Railway are given black coats and red ties as their uniforms when on duty ?

(b) Is it not a fact that black absorbs heat and persons concerned feel very uncomfortable as they do their duty walking on platforms on hot days ?

(c) Are Government prepared to consider the desirability of changing the colour of the coat and also of giving a quieter colour than blazing red for the ties of railway servants ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) and (c). I am forwarding a copy of the question to the Agent, East Indian Railway, for such action as he may consider necessary.

Mr. Sri Prakasa : With reference to the Honourable Member's reply to part (a), may I hope that the choice of the colours is not due to any influence of Communism or Fascism ?

†557*.

Mr. Sri Prakasa : I do not propose to ask question No. 557. I have received an apology from the Agent of the Railway.

†558*.

ACCELERATION OF SPEED OF RAILWAY TRAINS.

559. ***Mr. S. Satyamurti :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether experiments for accelerating speed of all trains are being made on Indian Railway lines, and if so, where ;
- (b) the results thereof ; and
- (c) whether Government will take steps both on their Railways and on Company-managed Railways to speed up their trains with a view partially to meet the road competition ?

†This question was not asked by the questioner.

†For this question and the reply thereto, see page 1797 of these debates.

The Honourable Sir Saiyid Sultan Ahmad : (a) Experiments are being conducted to ascertain stresses set up in rails and fishplates under varying axle-loads and speeds. If the results show that these stresses are appreciably less than hitherto calculated, the question of increasing the existing permissible axle-loads and speeds will be considered. There are a few sections, however, on which track considerations actually limit speed, and the experiments which are now being undertaken will not, in consequence, result in any general speeding up of trains.

(b) It would be premature to draw conclusions from the results so far obtained from these experiments.

(c) All railways have been asked to consider the possibility of increasing the speed of trains in pursuance of the recommendations contained in the Wedgwood Report and their reports will be awaited.

Mr. Lalchand Navalrai : Sir,

Mr. S. Satyamurti : Let me have my chance first. This is my question

Mr. Lalchand Navalrai : You don't give others a chance.

Mr. S. Satyamurti : You don't deserve it.

Mr. M. S. Aney : The Honourable Member said that Mr. Lalchand Navalrai did not deserve a chance to put supplementary questions. He should not have used those words.

Mr. S. Satyamurti : Are these experiments being made on all State and Company-managed Railways ?

The Honourable Sir Saiyid Sultan Ahmad : If my Honourable friend will kindly give me notice of that, I will find out whether these experiments are being carried on in all railways or only particular railways.

Mr. Lalchand Navalrai : May I know from the Honourable Member on which railways these experiments are being carried on. I want to know particularly about the North Western Railway ?

The Honourable Sir Saiyid Sultan Ahmad : I have answered it already. If a question is put down, I shall find it out.

Mr. Sri Prakasa : In accelerating the speed of the trains, will the Honourable Member make sure that he does not so accelerate it that the passengers will never reach their destination at all ? (Laughter.)

STANDARDISATION OF RAILWAY STOCK.

560. ***Mr. S. Satyamurti :** (a) Will the Honourable Member for Commerce and Railways be pleased to state the subjects which were discussed at the recent Conference of Mechanical Engineers of various Railways for the standardisation of Railway stock ?

(b) What important stocks have so far been standardised and what economies have been effected thereby ?

(c) Whether the Railway Board have a definite programme of standardisation with a view to economy and if so, what the programme is ?

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The Honourable Sir Saiyid Sultan Ahmad : (a) The standardization of coaching body layouts and fittings, and the design of lighter coaching stock.

(b) Locomotives, coaching underframes, body parts and fittings, wagons, bridge girders, platform roofs, points and crossings, metal sleepers, interlocking equipment and material specifications. Figures showing the economies which have been effected are not available at present, but the advantages which accrue from standardization are :

- (i) Avoidance of unnecessary duplication in the preparation of designs.
- (ii) Reduction in cost which results from the manufacture of standard parts in quantity.
- (iii) Interchangeability of parts which facilitates replacement and reduction in stores balances.

(c) The programme of standardization embraces all items of railway equipment used in sufficient quantities to warrant the preparation of standard designs and specifications.

Mr. S. Satyamurti : May I know if one of the objects of standardization is or is not economy in expenditure, and if so, whether any figures (I am not asking for them now) are being maintained by the Railway Board, in order to calculate the amount of economies resulting from such standardisation ?

The Honourable Sir Saiyid Sultan Ahmad : Economy is one of the considerations undoubtedly and is the main consideration. I am not sure whether figures are being maintained but I can find out.

Mr. S. Satyamurti : The Honourable Member can give the information later on. I am asking whether any figures or any other tests are being maintained by the Railway Board, in order to see whether this standardisation is actually resulting in economy.

The Honourable Sir Saiyid Sultan Ahmad : We shall certainly look into that.

Mr. S. Satyamurti : May I know whether, in this standardisation, the object of getting these railway parts manufactured more and more in this country is also being kept in view ?

The Honourable Sir Saiyid Sultan Ahmad : That policy is observed.

PROTECTION TO THE GLASS INDUSTRY.

561. ***Mr. S. Satyamurti :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether his attention has been drawn to an article entitled "Indian Glass Industry—Need for immediate help" published in the *Hindu* of Friday, the 16th July ;
- (b) the reasons for the delay on the part of Government in dealing with this question ;
- (c) whether Government are aware that there is now an abundant supply of a partial substitute for soda ash in India and

that the indigenous industry need not rely on particularly soda ash to a great extent ; and

- (d) whether Government propose to grant immediate protection to the industry ; and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes, Sir.

(b) I would invite the Honourable Member's attention to the Government of India, Department of Commerce Resolution No. 458-T. (14), dated the 22nd June, 1935, and to the answers given to Mr. Muthuranga Mudaliar's question No. 481 and the connected supplementary question on the 13th September.

(c) Dr. Dubey and Mr. Agarwala, whose researches were recently published by the Industrial Research Bureau, have given their view that a highly coloured glass can be made by the use of nepheline syenite rock, but that it is not possible to obtain colourless glass by the use of this rock in its natural form. In order to obtain colourless glass, it will be essential to remove the ferro-magnesium mineral from the rock.

(d) The discovery mentioned above has not yet been commercially exploited, and, therefore, affords no ground for considering the immediate grant of protection to the industry.

Mr. S. Satyamurti : As regards the answer to clause (d) of the question, I think my Honourable friend said that a discovery has been made on a scientific basis but its commercial possibilities have not been exploited. May I know whether any attempt is being made by the Government or to the knowledge of the Government if it can be done on a commercial scale on the basis of any experiment which may be carried on just now ?

The Honourable Sir Saiyid Sultan Ahmad : It is not being done by the Government, but Government will be very pleased if it is exploited by any private company. We will then see whether it will be possible commercially to give it protection.

Mr. S. Satyamurti : In view of the fact that a large amount of glassware is imported into this country from small countries in Europe, will Government expedite coming to a conclusion on this matter ?

The Honourable Sir Saiyid Sultan Ahmad : Certainly.

Mr. Mohan Lal Saksena : May I ask whether the questionnaire of the Government on this subject was laid on the table of the House ?

The Honourable Sir Saiyid Sultan Ahmad : It is being laid on the table now.

Mr. T. S. Avinashilingam Chettiar : In view of the Government's promise to review this question, may I ask whether they have gone into the matter and what are their conclusions ?

The Honourable Sir Saiyid Sultan Ahmad : We have not yet arrived at any conclusion.

Mr. T. S. Avinashilingam Chettiar : May I ask when do they propose to review it again ?

The Honourable Sir Saiyid Sultan Ahmad : After the replies have been received to the questionnaire of the Special Officer.

RESERVATION OF COASTAL TRADE FOR INDIA AND BUILDING UP OF AN INDIAN
MERCANTILE MARINE.

562. ***Mr. S. Satyamurti** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether his attention has been drawn to an article entitled ' Indian Navy and Marine ' in the *Amrita Bazar Patrika* of the 19th of July, 1937 ;
- (b) whether Government are taking or proposed to take any steps to reserve the coastal trade or at least a portion of it for India and to build up an Indian Mercantile Marine ; and
- (c) if so, what they are, and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have seen the article referred to.

(b) I would refer the Honourable Member to the replies given by me on the 31st August, 1937, to parts (b) and (c) of his starred question No. 214.

(c) The Government of India do not consider that the proper method of encouraging the growth of the Indian mercantile marine is by means of reservation. But they have taken other steps in this direction, in regard to which I would invite the Honourable Member's attention to the reply given by Sir Muhammad Zafrulla Khan to his supplementary question asked on the 5th February, 1936, in connection with his starred question No. 75.

Mr. S. Satyamurti : With reference to the answer to clause (b) of the question, may I take it that the present answer means that Government are not in favour even of the agreement known as the Bhoré Agreement, according to which a certain portion of the coastal trade has been reserved for Indians ?

The Honourable Sir Saiyid Sultan Ahmad : We stand by that Award.

Mr. S. Satyamurti : May I take it that the answer means that they propose to go no further than that, in the matter of the reservation of the coastal shipping in India ?

The Honourable Sir Saiyid Sultan Ahmad : At present that is the position.

Mr. S. Satyamurti : May I know the reasons why the Government have come to this conclusion ? Have they come to this conclusion, because they think that reservation is a failure, or do they think that there are other methods open to Indians to get a larger share of coastal shipping than by reservation ?

The Honourable Sir Saiyid Sultan Ahmad : The present method has worked out quite satisfactorily.

Mr. S. Satyamurti : If that is so, may I know the reasons why the Government do not propose to go further in that direction ? It is admitted that the present reservation is a very small one. May I know the reasons why Government do not propose to go further in that direction, and get a larger reservation of the entire trade for Indian shipping ?

The Honourable Sir Saiyid Sultan Ahmad : That is hardly a question which arises from my answer or comes out of the question that has been put. What has been done has already been referred to in the reply which was given by Sir Muhammad Zafrullah Khan and to which I also referred in my reply which I gave a few days ago.

Mr. S. Satyamurti : My Honourable friend said in answer to my question that Government do not propose to pursue the policy of reservation of coastal trade for Indians. I asked him further whether that means that they do not propose to go further in the direction of the Bhoré Agreement. My Honourable friend said No. I am now asking the reasons why the Government do not propose to go further in the direction of the reservation of a larger share of the entire coastal trade of India.

The Honourable Sir Saiyid Sultan Ahmad : We will do that when the occasion for it arises and when we consider that it is possible to do so.

Mr. S. Satyamurti : Therefore, may I take it that the answer is that the Government have not given up their attempt to secure a larger portion of the coastal trade of India for Indians by means of reservation ?

The Honourable Sir Saiyid Sultan Ahmad : Under Bhoré's Award reservation was given with respect to the West coast and that has secured for Indian shipping about 85 per cent. of the coastal trade. Then we had also the complete Indianisation of the Pilot Service. Then, the House will remember that under our good offices the Scindia Steam Navigation Company got about 100,000 tons instead of 60,000 tons as before. Then, we have now extended the training on the "Dufferin" for engineering also. These are the steps that we have taken and we will not fail in our duty to encourage and develop the Indian Mercantile Marine as much as we can.

Mr. S. Satyamurti : May I know whether Government will go forward on the principle of getting more and more of the coastal trade in India besides the West coast, reserved for Indians ?

The Honourable Sir Saiyid Sultan Ahmad : I am very sorry I cannot go beyond the answer I have already given.

Mr. K. Santhanam : May I know whether Government are taking any steps to promote ship building in India ?

The Honourable Sir Saiyid Sultan Ahmad : That does not arise from the question.

Mr. K. Santhanam : It is one of the recommendations of the Mercantile Marine Committee report to promote ship building in order to promote coastal shipping and it is also one of the conditions of the development of an Indian Mercantile Marine.

Mr. President (The Honourable Sir Abdur Rahim) : It is a big question.

Mr. K. Santhanam : I am asking whether they have taken any steps to promote ship building in India ?

The Honourable Sir Saiyid Sultan Ahmad : I am not prepared to answer this question.

SUGGESTION FOR THE ESTABLISHMENT OF A WORLD ECONOMIC ORGANISATION FOR SOLVING PROBLEMS AFFECTING HUMANITY.

563. ***Mr. S. Satyamurti** : Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) whether his attention has been drawn to the suggestion made by the King of the Belgians in a letter to Mr. Van Zeeland, dated Brussels, July 21, in which he suggests the establishment of an independent world economic organisation with a view to solving the great problems which immensely affect humanity ;
- (b) whether Government of India propose to take any action in the matter ; and
- (c) if so, what, and if not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I have seen the text of the letter as published in the Press.

(b) and (c). This particular proposal has not yet reached a stage at which India can usefully make any contribution to the discussions. But the Government of India are generally in favour of efforts being made to solve world economic problems by international co-operation, and have already given an indication of this by their participation in the recent Sugar Conference, which has been the most successful attempt for some years at international co-operation in economic matters.

Mr. S. Satyamurti : May I know if, in "promoting world trade", their intention is to commit economic suicide and agree not to export sugar to other countries ?

(No reply.)

†564-565*.

CIRCULATION OF BILLS FOR ELICITING OPINIONS THEREON.

566. ***Mr. Sri Prakasa** : Will the Honourable the Leader of the House state :

- (a) if it is a fact that a large number of opinions on the Insurance Bill were received direct at headquarters and circulated to Members of the Assembly ;
- (b) if it is not a convention that such opinions should only be received through the Provincial Governments except in the case of European Associations ;
- (c) whether an exception was made in the case of the Insurance Bill ; and if so, why ;
- (d) if it is a fact that Messrs. Sturgeon, Husain Imam, Jagadish Prasad and Ashe were permitted to send their opinions direct, besides a large number of insurance associations ;
- (e) if Mr. Husain Imam is not a Member of the Council of State and had the possibility of expressing his opinion when the Bill was before that House ; and if so, why my opinion on

†For these questions and the replies thereto, see pages 1797-99 of these debates.

the Oaths Amendment Bill was not accepted on the plea that I could express my opinion in the House itself when the Bill came there ;

- (f) if it is a fact that when Bills are circulated, District Magistrates are not debarred from sending them for opinion to Members of the Legislature residing within their jurisdiction if they so like ; and that they actually send them to some and not to others ; and
- (g) if Government prepared to instruct them either not to send the Bills to any of them or send these to all ?

The Honourable Sir Nripendra Sircar : (a) and (d). Yes.

(b) and (c). The Honourable Member is referred to the answer I gave to parts (a) and (b) of his starred question No. 6, on the 23rd August, 1937. The Insurance (Amendment) Bill was not circulated for opinion by the direction of the Legislative Assembly and having regard to the importance of the Bill several opinions, which were received direct by the Government, were printed as a special case and circulated to the Members of the Legislature.

(e) The reasons are explained in the answer given to part (c) above.

(f) In reply to the first part, the Honourable Member is referred to the answer I gave to parts (b) and (d) of his starred question No. 573, on 23rd September, 1936. In regard to the second part, the Government have no information.

(g) The Government are fully satisfied with the existing arrangements.

Mr. Mohan Lal Saksena : In view of the fact that a new Deputy Secretary has been appointed, will the Government entrust the work of the circulation of the Bills to the Legislative Assembly Department ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. Mohan Lal Saksena : Why not, Sir ?

The Honourable Sir Nripendra Sircar : May I ask why it should be done ?

Mr. M. S. Aney : Is the Honourable Member entitled to ask a question like that ? He is there to answer questions.

Mr. Lalchand Navalrai : May I know if the Provincial Governments have got any rules for circulating the Bills of the Central Government ? Are there any rules as to whom they should send ?

The Honourable Sir Nripendra Sircar : I have no information.

PREFERENCE FOR BRITISH SHIPPING IN THE INDO-JAPANESE MARITIME TRADE.

567. ***Mr. Mathuradas Vissanji** : (a) Will the Honourable Member for Commerce be pleased to state whether Government are aware that the principle that claims of national shipping and its expansion form an important part of a trade agreement which one country desires to make with another country, is recognised by important maritime countries ?

(b) Will the Honourable Member for Commerce state whether Government are aware that Lord Essendon in the House of Commons, Mr. Alexander Shaw at the annual meeting of the Peninsula and Oriental Company and the Chamber of Shipping of Great Britain have urged upon the Government of India and the Secretary of State the necessity of utilising the bargaining power of India with Japan for securing preference for British shipping in the Indo-Japanese maritime trade ?

(c) If the answer to part (b) be in the affirmative, will Government be pleased to state what action they took in connection with such representations ?

(d) Will Government be pleased to state whether the commercial and shipping interests in India have urged upon them the necessity of securing a reasonable share of the Indo-British maritime trade as a part of the proposed Indo-British Trade Agreement during the course of the negotiations that are going on at present for such an agreement ?

(e) If the answer to part (d) be in the affirmative, will Government be pleased to state whether they have communicated the strong feeling of the commercial and shipping interests to their delegate in London, and what action they propose to take in connection with this matter ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government are aware that clauses relating to shipping are sometimes included in trade agreements.

(b) Yes.

(c) None. Government have consistently acted on the principle that Indian bargaining power should be used for the furtherance of Indian interests.

(d) Suggestions were made to the Government of India that the present Indo-British trade negotiations should be utilised for securing greater opportunities for Indian shipping.

(e) The Government of India's delegate is fully aware of Indian feeling on the matter.

REPRESENTATION OF INDIAN SHIPPING INTEREST AT A SHIPPING CONFERENCE AT TOKIO.

568. ***Mr. Mathuradas Vissanji :** (a) Will the Honourable Member for Commerce be pleased to state whether Government have seen the report appearing in the issue of the *Times of India* of the 23rd August, 1937, that a Shipping Conference has been convened at Tokio for the purpose of settling, amongst other things, the outstanding questions relating to the competition carried on by the Japanese shipping interests in the Indo-Japanese maritime trade ?

(b) Will the Honourable Member for Commerce be pleased to state whether they have received any official information in regard to the Conference referred to in part (a), as well as in regard to the subjects which may be discussed at that Conference ?

(c) Is the Honourable Member for Commerce aware that invitations have been issued to some of the British Shipping Companies only for attending that Conference with the approval of the Japanese Ministry of Communications ?

(d) If the answer to part (c) be in the affirmative, will the Honourable Member for Commerce be pleased to state whether he proposes to secure an invitation for attendance of Indian shipping interests at that Conference ?

Mr. Y. N. Sukthankar : (a) Yes.

(b) No.

(c) No, but presumably invitations could only issue to firms included in the Conference.

(d) No.

WITHDRAWAL OF THE REPRESENTATIVES OF THE BENGAL NAGPUR RAILWAY UNION FROM THE ENQUIRY HELD BY MR. MUDIE.

569. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable Member for Commerce and Railways be pleased to state when Government were informed of the withdrawal of the representatives of the Bengal Nagpur Railway Union from the enquiry held by Mr. Mudie ?

(b) What action, if any, did Government take to clarify the misunderstanding regarding the terms of reference ?

(c) Is it not a fact that Mr. Mudie was appointed at the instance of Mr. V. V. Giri, President of the Bengal Nagpur Railway Union ? What was the scope of the enquiry ?

(d) Did Government approve of Mr. Mudie proceeding with the enquiry in the absence of the Union representatives ? If so, why ?

(e) When did Mr. Mudie submit his report and were any steps taken to get the views of the Bengal Nagpur Railway Union, or any other public body ? If not, why not ?

(f) Did Government take any action on the report ? If so, when and what ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government received official intimation about the withdrawal of the representatives of the Bengal Nagpur Railway Indian Labour Union from Mr. Mudie's enquiry about the middle of May last when his report was received.

(b) and (d). Do not arise in view of the reply given by me to part (a) above.

(c) I would refer the Honourable Member to Railway Board's communiqués, dated the 25th March, 1937, and 9th April, 1937, copies of which will be found in the Library of the House.

(e) As already stated Mr. Mudie's report was received about the middle of May last. Government did not consider it necessary to obtain the views of public bodies or the Bengal Nagpur Railway Indian Labour Union on Mr. Mudie's report.

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(f) Government generally agreed with the conclusions come to by Mr. Mudie and conveyed their comments to the Agent, Bengal Nagpur Railway, in June last.

Prof. N. G. Ranga : Do Government propose to give an opportunity to this House to discuss this report ?

The Honourable Sir Saiyid Sultan Ahmad : No, Sir.

Prof. N. G. Ranga : Is it not a fact that the Honourable the President expressed a wish the other day and suggested to the Government that they should take an early opportunity of giving a chance for the House to discuss this report ?

Mr. President (The Honourable Sir Abdur Rahim) : Will the Honourable Member give exact reference to the proceedings where the Chair expressed that wish ?

Prof. N. G. Ranga : I have not got it handy now. I shall be able to show that later on.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member ought not to make a statement without verifying whether it is correct or not.

WITHDRAWAL OF RECOGNITION OF THE BENGAL NAGPUR RAILWAY UNION.

570. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable Member for Commerce and Railways be pleased to state if it is not a fact that the recognition of the Bengal Nagpur Railway Union was withdrawn on the 19th February, 1937, and the strike was withdrawn on the 10th February, 1937, after an agreement between the Agent and the Union ?

(b) After the withdrawal of the strike, did the Agent do anything to warn the Union that unless certain conditions were fulfilled, the recognition would be withdrawn ? If not, why not ?

(c) Did the Agent have any confidence in the Union as then constituted, and if not, why did he negotiate with its President, Mr. V. V. Giri ?

(d) What is the total membership of the Union ?

(e) Does the Trade Union Act provide that a certain proportion of the executive committee members should be persons actually engaged in the trade ? If so, did not the Union executive personnel fulfil the condition ?

(f) Are Government prepared to advise the new Agent to recognise the Bengal Nagpur Railway Union forthwith subject to the compliance with the two conditions mentioned in the report ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Reply to the first part is in the affirmative. As regards the second part, the strike was called off on the 10th February, 1937, following the acceptance by Mr. Giri of certain terms of settlement which were offered by the Agent, Bengal Nagpur Railway, under his letter, dated the 6th February, 1937.

(b) and (c). As regards the first part of (b) Government have no information. As regards the second part of (b) and part (c) this is a matter within the discretion of the Agent, Bengal Nagpur Railway, and Government are not prepared to express any opinion.

(d) Government have no information.

(e) As regards the first part of the question the reply is in affirmative. As regards the second part Government have no information beyond what has been stated in paragraph 50 of the report on certain matters relating to the settlement of the 1936-37 strike on the Bengal Nagpur Railway by Mr. Mudie, a copy of which will be found in the Library of the House.

(f) I would refer the Honourable Member to the reply given to parts (b) and (c) of the short notice question asked by Mr. N. M. Joshi in this House on the 31st August, 1937.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that the Honourable Member said that he was considering the question of recognising the Union, may I know what steps the Government are taking in that matter ?

The Honourable Sir Saiyid Sultan Ahmad : I hope the Honourable Member will ask Mr. Mohan Lal Saksena, Mr. Gupta and Mr. Joshi who is not here and he will get the answer.

Mr. T. S. Avinashilingam Chettiar : I can ask the Honourable Member of the Government who is here to let me know ?

The Honourable Sir Saiyid Sultan Ahmad : Certain letters have been received by me and I propose to take some action.

Prof. N. G. Ranga : Has any representation been received from the B. N. R. Labour Union since the last reply was given by the Honourable Member in regard to the recognition of their Union ?

The Honourable Sir Saiyid Sultan Ahmad : Yes, Sir.

Prof. N. G. Ranga : What are the means adopted by the Railway Agent to get into touch with the workers and ascertain their views and grievances ?

The Honourable Sir Saiyid Sultan Ahmad : As I said before, so far as I am concerned, we are prepared to offer our good offices to bring about a settlement, but if the Union would like to take action independently, they can do so by sending their representation to the Agent who will reply.

Prof. N. G. Ranga : My question has not been answered, I want to know in view of the fact that the recognition of this Union has been withdrawn, what is the channel that is taken advantage of by the Agent, B. N. Railway, to get into touch with the workers and ascertain their views and their grievances ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot answer that on behalf of the railway.

CONSULTATION OF THE INDIAN LEGISLATIVE ASSEMBLY FOR GIVING INSTRUCTIONS TO THE LEAGUE OF NATIONS DELEGATES.

571. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Law Member state :

(a) in view of his answer to starred question No. 210 of this Session, whether he will consider the advisability of consulting the

opinion of the Assembly before giving instruction to the Indian delegates to the League of Nations ; and

- (b) if so, whether Government will consider the matter of setting up a standing committee of the House, which can give the necessary advice when the House itself is not in Session and it is difficult to consult to it ?

The Honourable Sir Nripendra Sircar : (a) and (b). A recommendation in the precise sense of the suggestion contained in part (b) of the question was made in paragraph 101 of the Report of the Indian Delegation to the League Assembly in 1929. It was fully explored but Government found it necessary to reject it for the reasons explained at great length in Sir B. L. Mitter's speech on the Resolution moved by the Honourable Sir Phiroze Sethna in the Council of State on the 14th July, 1930, to which the Honourable Member is referred. Government must adhere to this decision and I fear that in the circumstances no means of giving effect to the desire voiced in part (a) of the question can be devised.

Mr. T. S. Avinashilingam Chettiar : What are the reasons given ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has already said that it is a lengthy speech. I think the best course for the Honourable Member would be to read that speech and then if he likes he can put questions.

Mr. T. S. Avinashilingam Chettiar : But the Honourable Member did not say that it was a lengthy speech.

Mr. President (The Honourable Sir Abdur Rahim) : He did say so. The Honourable Member did not follow.

The Honourable Sir Nripendra Sircar : It covers three pages in print.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that many years have elapsed since the speech was made last, will the Government reconsider this question ?

The Honourable Sir Nripendra Sircar : I have already answered :

“ I fear that in the circumstances no means of giving effect to the desire voiced in part (a) of the question can be devised.”

Mr. T. S. Avinashilingam Chettiar : What are the circumstances ?

The Honourable Sir Nripendra Sircar : The circumstances are set out in the lengthy speech of Sir B. L. Mitter.

Mr. S. Satyamurti : Now that the League Assembly is in session, and also in view of the fact that China has made an appeal to the Assembly of the League of Nations against the aggression of her territory by Japan, will my Honourable friend consult this House as to the opinion of India—an original Member of the League of Nations—as regards this appeal of China to the League of Nations ?

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. S. Satyamurti : May I know the reasons ?

Mr. President (The Honourable Sir Abdur Rahim) : I think we had better go on with the next question.

Mr. S. Satyamurti : Does the Chair consider that this is a matter of no importance at all ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member already said that the matter has been dealt with at length in the speech by Sir B. L. Mitter and that the reasons are given there, and the Honourable Member also said that Government cannot reconsider the same.

Mr. S. Satyamurti : That was with reference to clause (b), namely : “ whether Government will consider the matter of setting up a standing committee of the House which can give the necessary advice when the House itself is not in session and it is difficult to consult it ” ?

I take the answer which the Honourable Member gave to this part of the question. I am not bothering about it at all. I am asking,—now that the House is in session, now that the Assembly of the League of Nations is meeting in Geneva, now that China is being invaded by Japan and that China has made an appeal to the League of Nations, and I, an original Member of the League of Nations,—my Honourable friend the reasons why he will not consult this House at all, about the opinion of India as regards this appeal from China against the aggressor ?

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can answer it if he cares to.

The Honourable Sir Nripendra Sircar : It is known to us that there is war between China and Japan, it is also known to us what the feelings are not only of Indians, but of people all over the world. We see no advantage in following the course which has been proposed by my Honourable friend.

Mr. S. Satyamurti : May I know whether India, as an original Member of the League of Nations, has no opinion to offer on the dispute which has been referred to the League by another Member of the League of Nations ?

The Honourable Sir Nripendra Sircar : I never said there was no opinion to offer.

Mr. S. Satyamurti : May I know the reasons why the Government of India will not consult this House, while it is in session on a first class matter of international importance ?

The Honourable Sir Nripendra Sircar : Because Indian opinion is well known to the Government of India.

Mr. S. Satyamurti : Have the Government of India communicated that opinion to the League of Nations ?

The Honourable Sir Nripendra Sircar : I want notice.

Mr. S. Satyamurti : What is the appreciation of Indian opinion by the Government of India on these matters ?

The Honourable Sir Nripendra Sircar : We can judge by the public speeches and by newspaper reports that Indian opinion lies on the side of China against Japan.

Mr. S. Satyamurti : Has that been communicated to the League of Nations ?

The Honourable Sir Nripendra Sircar : I want notice.

INDIA'S CONTRIBUTION TO THE LEAGUE OF NATIONS.

572. *Mr. T. S. Avinashilingam Chettiar : Will the Honourable the Law Member state :

- (a) what are the grounds on which the contribution of each country to the League of Nations is determined ;
- (b) from when the reduced contribution of India will come into effect ;
- (c) for what reasons the contributions were reduced ; and
- (d) whether India continues to represent Burma yet in the League ?

The Honourable Sir Nripendra Sircar : (a) The Honourable Member is referred to paragraph 5 of the First Report of the Allocation Committee of 1936, a copy of which is in the Library.

(b) It has already come into effect.

(c) I presume that by " the contributions " the Honourable Member means India's contribution. A reduction of four units was made in consideration of the separation of Burma. All other reductions in units were made on their merits. The rupee amount payable has further decreased as the result of the devaluation of the Swiss Franc which has led to a reduction in the total amount of the League Budget, and, consequently, in the amount of each member's contribution, by 20 per cent. with the prospect of a refund of a further amount of 10 per cent.

(d) No.

Mr. T. S. Avinashilingam Chettiar : May I know whether this reduction is due to the separation of Burma from India and to the devaluation of the Swiss Franc or is due to any representation made by the Government of India ?

The Honourable Sir Nripendra Sircar : My Honourable friend evidently did not listen to any part of the answer I read out just now.

Mr. T. S. Avinashilingam Chettiar : I did not follow it.

Mr. President (The Honourable Sir Abdur Rahim) : He gave the answer. I followed it.

ESTABLISHMENT OF THE FEDERAL RAILWAY AUTHORITY.

573. *Mr. T. S. Avinashilingam Chettiar : Will the Honourable Member for Commerce and Railways state :

- (a) when the Statutory Railway Authority is expected to be established ; and
- (b) what will be the powers of this House over the Railways after it is established ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I would refer the Honourable Member to my reply to part (a) of starred question No. 125 asked by Mr. Satyamurti on 26th August, 1937, in this House.

(b) I would refer the Honourable Member to Part VIII, Sections 181 to 199 of the Government of India Act, 1935, a copy of which is in the Library of the House.

Mr. T. S. Avinashilingam Chettiar : May I know what will be the exact position of this House in the matter of the daily administration of the railways after this Statutory Railway Authority is set up ?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise.

Mr. T. S. Avinashilingam Chettiar : The President has not ruled that it does not arise. I submit to you, Sir, that the Honourable Member cannot say that it does not arise. I want an answer to my question.

Mr. President (The Honourable Sir Abdur Rahim) : If he cannot give the answer, I cannot compel him to do so.

Mr. T. S. Avinashilingam Chettiar : But he only says it does not arise.

Mr. S. Satyamurti : The point, Sir, is this. It is not open to any Member on the Treasury Benches to say that it does not arise. I submit that it is for you to say whether it does or does not arise.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can appeal to the Chair.

Mr. T. S. Avinashilingam Chettiar : You have not ruled that it does not arise.

Mr. President (The Honourable Sir Abdur Rahim) : He is submitting to the Chair that it does not arise.

Mr. S. Satyamurti : He did not use the word " submit ". I am trying to help you and this House. We are not at all hostile in this matter, and if you think so.....

Mr. President (The Honourable Sir Abdur Rahim) : Order, order ; the Honourable Member must withdraw it.

Mr. S. Satyamurti : I withdraw it, because I do not want it at all. I say we are not doing it in any hostile spirit but in a friendly spirit. It is as much the duty of the Treasury Benches as of these benches to submit to the ruling of the Chair, as to whether a supplementary question arises or not. I submit that it is no submission to sit down in your seat and say that it does not arise. I submit that form requires and substance may also require that he should submit to the Chair in terms that it does not arise. Then it is open to us to make our submission, and you can then rule whether it arises or not.

Mr. President (The Honourable Sir Abdur Rahim) : What does happen is this. The Honourable Member of Government is asked a certain supplementary question. He says that it does not arise. Then if the questioner challenges that he can appeal to the Chair. And that very often happens.

Mr. T. S. Avinashilingam Chettiar : I submit, Sir, that it does arise.

The Honourable Sir Saiyid Sultan Ahmad : The first question was when the statutory railway authority is expected to be established. The answer had already been given by me in answer to the starred question.

The second was, what will be the powers of this House over the railways after it is established. I have referred the Honourable Member to the Government of India Act.

Mr. T. S. Avinashilingam Chettiar : My question was, what will be the influence of this House over the daily administration of the Railways.

Mr. President (The Honourable Sir Abdur Rahim) : I certainly hold that that does not arise.

Mr. S. Satyamurti : With reference to the answer to clause (b), may I know whether, apart from the provisions of the Government of India Act, 1935, with regard to railway policy and the raising of monies, Government propose, as recommended by the Wedgwood Committee's report, to give the federal railway authority any power to raise such loans as they may require in the open market, in order to prevent any question of policy being raised on the floor of this House?

The Honourable Sir Saiyid Sultan Ahmad : No decision has been taken yet, and I cannot answer that.

Mr. S. Satyamurti : Have Government considered the recommendation?

The Honourable Sir Saiyid Sultan Ahmad : It is being considered, but no final decision has been taken.

Prof. N. G. Ranga : Will it be possible for Honourable Members of this House to put questions to Government with regard to railway administration, to elicit information after the railway authority comes into existence?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise, I submit. (Laughter.)

PRACTICAL TRAINING OF THE ENGINEERING CADETS OF THE "DUFFERIN".

574. ***Mr. K. Santhanam :** (a) Will the Honourable Member for Commerce please state the arrangements for the practical training of the Engineering cadets in the I.M.M.T.S. "Dufferin"?

(b) How many workshops in India are available for the purpose?

(c) What is the period of apprenticeship?

(d) Will the cadets be able to support themselves during this period?

(e) Was any vacancy reserved for these cadets in the recruitment this year to the Engineering Section of the Royal Indian Navy?

(f) Are steps being taken to see that after such a prolonged training, these cadets do not find themselves unemployed?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (c). After passing out from the Training Ship "Dufferin" the Engineering cadets will have to serve as apprentices in workshops before they can appear at an examination for a Second Class Engineer's Certificate. The workshop service ordinarily required of a candidate is four years, but the Board of Trade and the Government of India have decided to grant a remission of one year in the case of ex-cadets of the "Dufferin", in whose case the period will thus be reduced to three years.

(b) A number of workshops are available at some of the major ports in India and the authorities concerned have been approached through the Provincial Governments for the grant of necessary training facilities. The scheme is well in hand, but final details have not yet been settled.

(d) No; but in order to encourage an element of competition among the cadets while on the "Dufferin" and to enable them to retain their self-respect and ambition while training in the workshops, the Government of India have decided to grant 15 scholarships, each of the value of Rs. 50 per mensem, tenable during the three years' period of workshop training, which will be awarded on the results of the Final Passing Out Examination of the "Dufferin".

(e) No vacancy in the Engineering Branch of the Royal Indian Navy has been reserved this year for the "Dufferin" boys; but two vacancies in the Executive Branch have been offered for competition among the cadets of the "Dufferin" at the Special Examination to be held in October, 1937, for which both the Executive and the Engineering cadets are eligible.

(f) The first batch of Engineering cadets will pass out from the "Dufferin" at the end of this year and will not complete their workshop training till 1941. Government propose to address the Shipping Companies on the subject of the employment of Engineering cadets, in due course.

Mr. K. Santhanam : May I know when the arrangements for practical training will be complete?

The Honourable Sir Saiyid Sultan Ahmad : I cannot give the exact time but we are expediting it, and settle it as quickly as possible.

Mr. K. Santhanam : Will the first batch be ready for training in December next?

The Honourable Sir Saiyid Sultan Ahmad : I cannot say.

Maulana Zafar Ali Khan : Will employment be found for these cadets on sea or on land?

The Honourable Sir Saiyid Sultan Ahmad : On sea, land or air. (Laughter.)

CLASSIFICATION OF *Koris* IN THE UNITED PROVINCES.

575. ***Mr. K. Santhanam :** Will the Honourable the Leader of the House please state :

(a) with reference to his reply and the supplementary question to question No. 229, dated the 1st September, 1937, whether the Government of the United Provinces can change the classification of *Koris* in that Province; and

(b) if not, who is the authority and what is the procedure to change it?

The Honourable Sir Nripendra Sircar (a) No, Sir.

(b) The classification is prescribed in the Government of India (Scheduled Castes) Order, 1936, and this Order can be altered only by

His Majesty in Council. It is for the Government of the United Provinces if they so desire (and not for the Government of India) to move His Majesty's Government in the matter.

Mr. K. Santhanam : Am I to understand that the Government of India have nothing to do with this classification ?

The Honourable Sir Nripendra Sircar : My answer is perfectly clear. I said that the classification is prescribed in the Government of India (Scheduled Castes) Order, 1936, which can be altered only by His Majesty in Council, and the Government of the United Provinces may move His Majesty's Government in the matter.

Mr. Sri Prakasa : What part had the Government of India in the original classification ? Did they recommend to His Majesty in Council to put these unfortunate *Koris* in the scheduled castes, or did His Majesty in Council do it of their own accord ?

The Honourable Sir Nripendra Sircar : I have no papers with me to answer this question. I shall be glad to do so if notice is given or if my Honourable friend will ask me outside.

Mr. Mohan Lal Saksena : Is it not a fact that the Local Government could not have written to His Majesty's Government direct, and it must have been the Government of India which acted in the matter ?

The Honourable Sir Nripendra Sircar : It is quite possible.

APPOINTMENT OF MUSLIMS AS ENGINEERS ON RAILWAYS.

576. ***Dr. Ziauddin Ahmad :** Will the Honourable Member for Commerce and Railways state :

- (a) How many temporary Engineers were appointed and how many of them were Muslims ?
- (b) How many of these Engineers have been taken in the Lower Gazetted Service and how many of them were Muslims ?
- (c) How many Engineers were promoted from the Lower Gazetted Service to the Indian Service of Engineers during the past fifty years and how many of them were Muslims ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). If the Honourable Member will specify the railways and the period for which the information is required I shall endeavour to furnish a reply.

(c) The Lower Gazetted Service in the Civil Engineering Department of the State-managed Railways was created on the 1st March, 1931. Since that date, six engineers from the Lower Gazetted Service have been promoted to the Indian Railway Service of Engineers, of whom none is a Muslim.

SELECTION OF ENGINEERING STAFF IN THE QUETTA DIVISION OF THE NORTH WESTERN RAILWAY.

577. ***Dr. Ziauddin Ahmad :** (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that the Divisional Superintendent of Quetta, North Western Railway, invited applications for appointment in the Engineering staff as Inspector of Works and Sub-Inspector of Works, etc. ?

(b) Is it a fact that several persons presented themselves before the Selection Committee and about twenty-four persons were selected ?

(c) Is it not a fact that these persons after selection were asked to go home at their own expense, which was not mentioned in the advertisement ?

(d) Was any post given to any of these persons who were selected in this manner ?

(e) Is it not a fact that appointment was also made before the Selection Committee met on the strength of recommendation alone ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (e). I am obtaining the information required and will lay a reply on the table of the House in due course.

PROPORTIONS MAINTAINED FOR APPOINTMENTS TO RAILWAY SERVICES.

578. ***Babu Kailash Behari Lal :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) how many miles of railway lines of each Railway, the Bengal and North Western and the East Indian, fall in Bihar and how many in other provinces ;
- (b) if in the matter of appointment in the Railway services, Government maintain a communal proportion on a religious basis only, or any regard is paid to the maintenance of proportion on a provincial basis as well ;
- (c) how many Travelling Ticket Inspectors or Travelling Ticket Checkers there are on the East Indian Railway and how many belong to each province ; and
- (d) if any proportion is maintained between Indians and Anglo-Indians and Europeans in respect of appointment in the Railway services on the different Railways ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Bengal and North Western Railway has 1,007 miles in Bihar and 1,106 in the United Provinces and the East Indian Railway has 642 miles in Bengal, 1,220 miles in Bihar and 2,530 miles in the United Provinces.

(b) The reply to the first part is in the affirmative and to the second part in the negative.

(c) Staff statistics are not prepared by provinces.

(d) I would refer the Honourable Member to the Railway Department (Railway Board) letter, No. E-34-CM-113, dated 12th December, 1934, a copy of which is in the Library of the House.

Mr. Sri Prakasa : With reference to part (a), when the Bengal and North Western Railway does not run either in Bengal or in the North-West, why is it so called ?

The Honourable Sir Saiyid Sultan Ahmad : The United Provinces used to be called the North Western Provinces formerly.

Babu Kailash Behari Lal : Is it a fact that every year a statement of the communal composition of railway services is submitted by the railway authority to Government ?

The Honourable Sir Saiyid Sultan Ahmad : I think so.

Babu Kailash Behari Lal : With reference to that, can the Honourable Member say what is the proportion of each community ?

The Honourable Sir Saiyid Sultan Ahmad : I cannot say that because I have not got the figures here.

Mr. Ram Narayan Singh : Is it not the duty of the authorities to see that in public services, especially in railway services, all provinces are sufficiently represented ?

The Honourable Sir Saiyid Sultan Ahmad : The attention of the Railway Administrations has been drawn to this, though the Government of India have never accepted the principle of provincial or territorial representation.

LICENCES GRANTED TO VENDORS ON RAILWAY STATIONS IN BIHAR.

579. ***Babu Kailash Behari Lal :** Will the Honourable Member for Commerce and Railways be pleased to state :

- (a) what is the system at present about granting licences to the vendors at the railway stations of the East Indian Railway and the Bengal and North Western Railway ;
- (b) if it is a fact that for the last few years the licences, instead of being granted to the indigenous vendors, are granted to the big firms who have their own vendors at every station ; and
- (c) whether it is a fact that licences have been granted to the Punjab firms to vend all kind of articles at the railway stations in Bihar, so that indigenous vendors carrying on vending business at Bihar Railway Stations have all been thrown out of employment by these Punjab firms having imported their own men from outside the province ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I am placing on the table a statement giving the desired information.

(b) and (c). I am calling for the information from the Railways concerned and will lay a reply on the table in due course.

STATEMENT.

SYSTEM ADOPTED ON THE BENGAL AND NORTH WESTERN RAILWAY IN GIVING CONTRACTS FOR VENDING AT STATIONS.

1. Vending at stations and on platforms of :—
 - (i) food and drinks.

At important Junction stations where Indian Refreshment Rooms exist, the Refreshment Room Contractors are men who have had experience of catering for many years and who are well known personally to the administration. These men are given the entire contract for the station and platform vending, which includes articles of food, drinks, tobacco and cigarettes etc. These men are selected and appointed by the Traffic Manager.

At small roadside stations, as far as possible, the Halwais are local professional vendors, appointed by the District Traffic Superintendent, subject to approval of the Traffic Manager.

On a vacancy occurring, applications are received from different candidates. It has never been found necessary to invite such applicants, reference is generally made to people of standing in the locality with a view to ensuring that the most suitable candidate is selected.

Contracts are of a permanent nature as will be seen from the attached copy of the contract.

The contractors pay nothing to the Railway for the privilege of vending.—They pay rent on the usual terms for quarters they may occupy and deposit as security a sum varying between Rs. 15 and Rs. 100, according to the importance of the contract. This security deposit is refundable on termination of the contract.

Each vendor is provided with a schedule of rates fixed by the Railway Company which is exhibited on his vending tray. These rates are fixed in consultation with the Civil Authorities and are revised periodically.

Vendors are supplied with a platform pass in which spaces are provided for the Station Master's daily signature. The Station Master inspects all food-stuffs every morning and signs in the spaces allotted in token of having done so. He also inspects the general cleanliness of the vendors. A copy of the pass form is attached for ready reference.

The Medical staff of the Railway also make periodical inspections of the articles of food sold by the vendors, and report any defects in food or equipment to District Traffic Superintendents who themselves keep an eye on the vendors and their supplies. Complaints which may be received from the travelling public or from other sources are enquired into by the District Traffic Superintendent and Medical Officer.

Tea is provided at Junctions and important stations. Of recent years the Tea Cess Committee has undertaken the supervision of tea sold at special tea stalls.

(ii) Cigarettes, tobacco, etc. The same remarks as for food and drinks under item (i).

(iii) Miscellaneous Articles. Contracts are not granted on this railway for selling miscellaneous articles at station platforms as it is considered desirable to limit the number of vendors admitted to station premises and platforms to the minimum required.

At a few selected stations, however, contracts are granted for the sale of articles manufactured locally. Such contracts when granted are dealt with on the same lines as for (i) and (ii) above.

System adopted on the East Indian Railway in giving contracts for vending at stations.

Howrah Division.	Accraol Division.	Dinapore Division.	Allahabad Division.	Lucknow Division.	Moradabad Division.
(i) and (ii). At Howrah station the Indian Refreshment Rooms are under separate Hindu and Mohammedan contractors and there are also petty contractors who keep tea-stalls, etc. and sell other kinds of eatables in the 3rd class waiting rooms. The Refreshment room contractors also employ hawkers who perambulate the station platform, etc.	(i) and (ii). The Indian Refreshment rooms are worked by separate Hindu and Mohammedan contractors. The larger stations also have other minor contractors running separate tea-stalls, etc. for each community and at the roadside stations there are petty vendors for the various articles of consumption. Cigarettes and tobacco are included in the Refreshment contracts and are	(i) and (ii). On the Dinapore Division an attempt was made to introduce the Area Contract System as defined in the Minutes of 112th Meeting of the Calcutta Advisory Committee under which it was proposed that a contractor working from a central station should control an area of from 25 miles to 30 miles on either side. These areas were found to be too small and the Division was divided up into 4 areas as follows :— (a) <i>Mughal Sarai Area</i> .—Moghalsarai to Dildarnagar (inclusive), the Tari Ghat Branch and on Grand Chord Section to Sasaram (inclusive).	(i) and (ii). The policy is eventually to have only two contractors, one Hindu and one Mohammedan, for the whole Division but to avoid hardship to the existing petty vendors this policy has not been introduced entirely. At present two contractors one Hindu and one Mohammedan, viz., Messrs. S. L. Kapoor & Co., and Messrs. Brothers have been appointed who have taken over the	(i) and (ii). The Indian Refreshment Rooms are in the hands of Hindu and Mohammedan firms of repute and there are other petty Hindu and Mohammedan contractors selling refreshments at road-side stations. Cigarettes and tobacco are included in the Refreshment contracts and are not considered as separate items.	(i) and (ii). The Indian Refreshment Rooms are in the hands of Hindu and Mohammedan firms of repute and there are other petty Hindu and Mohammedan contractors selling refreshments at road-side stations. Cigarettes and tobacco are included in the Refreshment contracts and are not considered as separate items.

all sales at stations are in the hands of Messrs. Ballabhadras Eshwardas except at stations between Howrah and Bandel where petty contractors have been appointed at each.	not considered as separate items.	(b) <i>Gaya Area</i> .—Manpur to Sasaram (exclusive) and the Barkana Loop up to Barwadih (inclusive). (c) <i>Patna Area</i> .—Barh (exclusive) to Dildarnagar (exclusive) and the Patna-Gaya Branch. (d) <i>Katul Area</i> .—Jhajha to Barh (inclusive), the South Behar and Loop lines up to Dharara (inclusive). Even these four areas were found to be too small to attract any firms of repute and it became necessary to amalgamate them into two areas as follows :— (a) From Moghalsarai to Dildarnagar (inclusive) and Tari Ghat Branch and on Grand Chord Section to Manpur also the Barkana Loop up to Barwadih (inclusive). (b) From Jhajha to Dildarnagar (exclusive) and Patna-Gaya Branch, the South Behar and Loop lines up to Dharara (inclusive).	Indian Refreshment Rooms and the smaller contracts are held by petty contractors or vendors. Cigarettes and tobacco are included in the Refreshment contracts and are not considered as separate items.
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System adopted on the East Indian Railway in giving contracts for vending at stations—contd.

The system adopted on this railway in giving contracts for:— (1) Vending at stations and on platforms of:—	Howrah Division.	Assam Division.	Dinapore Division.	Allahabad Division.	Lucknow Division.	Moradabad Division.
			The contractors, one Moham. medan and one Hindu, were appointed to each area—Messrs. Ballabhadra Eshwardas and Messrs. Isa Broa. on the Moghalsarai Area. Messrs. S. L. Kapoor & Co. and Messrs. A. H. Khan & Co. on the Patna Area, took over all sales at all stations in the area, both, as regards Refreshment Rooms at the larger stations and the petty vending at road side stations. The one exception being the Hindu Refreshment Room at Moghal Sarai which the Calcutta Marwari Association have been permitted to retain under their management. Cigarettes and tobacco are included in the Refreshment contracts and are not considered as separate items.			

(iii) Miscellaneous articles other than (i) and (ii) above.	(iv) Miscellaneous articles are sold by Ballabhadra Eshwardas over the area covered by them and at other stations where licenses have been issued, miscellaneous articles are sold by other petty vendors under special conditions.	(v) Miscellaneous articles such as seroys, toys, etc., are sold by petty contractors at a few stations on this Division on special terms.	(vi) The sale of miscellaneous articles is included in the area contracts.	(vii) Miscellaneous articles are sold at certain stations by separate petty contractors under special conditions.	(viii) Miscellaneous articles are sold by separate contractors at 5 stations only on this Division. The Divisional Superintendent is not in favour of permitting the sale of miscellaneous articles on platforms and proposes not to renew the existing licences on their expiry on 31st March, 1935.	(ix) Miscellaneous articles are sold at certain stations by separate contractors on special terms.
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Babu Kailash Behari Lal : May I know whether complaints have been received by the higher authorities in regard to the award of vending contracts ?

The Honourable Sir Saiyid Sultan Ahmad : Representations have been received.

Babu Kailash Behari Lal : Have enquiries been made ?

The Honourable Sir Saiyid Sultan Ahmad : That question does not arise.

Mr. Mohan Lal Saxena : Has any action been taken ?

The Honourable Sir Saiyid Sultan Ahmad : No, so far as I know.

Mr. Mohan Lal Saxena : Do the Government propose to take any action ?

Mr. Sri Prakasa : May I know if representations that have been made to the Railway Board by the ex-licencees of the Dinapore section are being sympathetically considered ?

The Honourable Sir Saiyid Sultan Ahmad : I have no information on that.

NAMES AND ADDRESSES OF THE PERSONS KILLED IN THE BIHTA TRAIN DISASTER.

580. ***Babu Kailash Behari Lal :** (a) Will the Honourable Member for Commerce and Railways be pleased to state with reference to his answer given on 3rd September, 1937, to the supplementary question regarding the names and addresses of the persons killed in the Bihta train disaster, if Government tried to obtain the names and addresses of the persons killed ?

(b) If the answer to the above be in the affirmative, what method did Government pursue to obtain information regarding the dead persons ?

(c) Regarding how many persons have Government obtained definite information about their names and addresses ?

(d) Will Government kindly state the names and addresses of the persons killed as far as they have been able to ascertain them ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (d). I have called for precise information on all the points mentioned from the Agent, East Indian Railway, and will lay a reply on the table in due course.

Babu Kailash Behari Lal : Is it a fact that a judge has been appointed to hold an inquiry at Allahabad ?

The Honourable Sir Saiyid Sultan Ahmad : A communique has been published, and I would refer the Honourable Member to it.

Prof. N. G. Ranga : Is he holding a private or public inquiry ?

The Honourable Sir Saiyid Sultan Ahmad : I have given the answer in my reply to a question by Mr. S. Satyamurti on this point.

REPLACEMENT OF INTERMEDIATE CLASS CARRIAGES ON THE BENGAL AND NORTH WESTERN RAILWAY.

581. ***Babu Kailash Behari Lal :** Will the Honourable Member for Commerce and Railways be pleased to state :

(a) if Government are aware that the Bengal and North Western Railway have not introduced the new type of inter. class carriages as yet in the Branch Lines and the existing old ones are not only not repaired but the dirty cushions are not even washed and cleansed and such dirty cushioned old type of inter. class carriages are allowed to run between Bararighat and Bhagalpur ; and

(b) how long the Bengal and North Western Railway would take to replace the old type of inter class carriages with the new type ones ?

The Honourable Sir Saiyid Sultan Ahmad : The information is being collected and will be laid on the table of the House in due course.

ABSENCE OF BATH OR LATRINE ARRANGEMENT IN THE INTERMEDIATE CLASS WAITING ROOM AT KIUL.

582. ***Babu Kailash Behari Lal :** Will the Honourable Member for Commerce and Railways be pleased to state :

(a) if it is not a fact that Kiul being an important junction station for the loop line and chord line on the East Indian Railway all the mail and express trains stop there, but there is no arrangement for bath or latrine in the inter. class waiting room ; and

(b) if the authorities are aware that sometimes the change at Kiul involves a passenger to wait even up to five hours at the station waiting room and, there being no arrangement for bath or latrine in the inter. class waiting room, one has to suffer a good deal of trouble on that account ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Government have no information about bath or latrine accommodation in the intermediate class waiting room at Kiul. The matter is within the entire discretion of the Agent, who can be approached either direct or through his Local Advisory Committee. A copy of the Honourable Member's question, however, is being sent to the Agent, East Indian Railway.

GRIEVANCES OF THE PATNA PUBLIC REGARDING SHUTTING UP OF THE WESTERN LEVEL CROSSING GATES.

583. ***Mr. Ram Narayan Singh :** Will the Honourable Member for Commerce and Railways be pleased to state :

(a) whether the Senior Superintendent, Way and Works, Dinapore, held an enquiry into the grievances of the people of Patna in connection with the shutting up of the gates of the western level-crossing of the Patna Junction Railway Station on the 23rd June, 1937, and if so, what the result of the enquiry is ; and

- (b) whether the Railway authority has decided to remove the grievances of the public at Patna by providing an additional level-crossing between the Gardiner Road and the Kagaul Road, and if so, when the decision will be given effect to ?

The Honourable Sir Saiyid Sultan Ahmad : Enquiries are being made from the Railway Administration and a reply will be laid on the table in due course.

LACK OF ARRANGEMENT FOR SUPPLY OF WATER ON STATIONS ON THE PATNA GAYA BRANCH AND SOUTH BIHAR RAILWAY.

584. ***Mr. Ram Narayan Singh :** Will the Honourable Member for Commerce and Railways be pleased to state whether there are watermen to serve the Railway passengers with water at all the railway stations on the Patna-Gaya Railway line and also on the South Bihar Railway line between Gaya and Lakhisarai, and if so, are Government aware that no water is generally available on the arrival of trains on any of the stations on the lines mentioned above ? If so, why ?

The Honourable Sir Saiyid Sultan Ahmad : Government have no information. I am, however, having enquiries made, and will lay a reply on the table in due course.

OVERCROWDING OF TRAINS IN BIHAR DURING THE MARRIAGE SEASON.

585. ***Mr. Ram Narayan Singh :** Is the Honourable Member for Commerce and Railways aware of the fact that during marriage season, generally in summer, there is always an abnormal rush of passengers everywhere in the country, particularly in the Province of Bihar, most urgently requiring more accommodation in the railway trains than in ordinary trains and if so, is he prepared to direct the Railway authorities concerned to run more trains on the lines or to attach more carriages to all trains and thus to avoid too much overcrowding of passengers in the trains ?

The Honourable Sir Saiyid Sultan Ahmad : Government are aware that during certain seasons of the year more passengers travel than at other times. To meet this increase railways normally augment the stock of passenger trains and for purposes of check on overcrowding a periodical census is conducted. I will, however, send a copy of this question and the reply thereto to the Agents of the East Indian, Bengal Nagpur and Bengal and North Western Railways so that they may consider if any further action is necessary.

Mr. N. V. Gadgil : Are concessions granted to marriage parties ?

The Honourable Sir Saiyid Sultan Ahmad : I submit that does not arise.

Prof. N. G. Ranga : It was on the 26th of August that you observed as follows.....

Mr. President (The Honourable Sir Abdur Rahim) : That is finished.

Prof. N. G. Ranga : An Honourable Member is entitled to make a submission.

Mr. President (The Honourable Sir Abdur Rahim) : An Honourable Member cannot have the proceedings in his own way. The questions are over now, and I cannot allow you to put any more questions.

(b) WRITTEN ANSWERS.

CONTACT BETWEEN THE RAILWAY ADMINISTRATION AND THE COMMERCIAL AND TRAVELLING PUBLIC.

558. ***Prof. N. G. Ranga :** (a) Will the Honourable Member for Railways be pleased to state whether the Wedgwood Committee has drawn pertinent attention to the want of contact between the Railway Administration and the commercial and the travelling public and insisted upon immediate steps being taken to establish such contacts ?

(b) Have Government considered the advisability of developing such contacts through the reorganization of the Local Advisory Committees so that :

- (i) adequate representation is given on them to the Third Class Passengers' Associations and the Peasants Associations ;
- (ii) regular offices are maintained for them at all important towns to receive complaints and suggestions and to explain the steps being taken or proposed to be taken by the railways to give satisfaction to the public ; and
- (iii) to maintain a regular and continuous correspondence between the organization of the users of the railways and the railway authorities ?

(c) If not, are Government prepared to consider the advisability of consulting the Central Railway Advisory Committee about it ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes. The Wedgwood Committee have recommended the desirability of Railway Administrations establishing closer contact with the public.

(b) Government have not yet decided what further action should be taken on the recommendation of the Wedgwood Committee in this matter, but the suggestion made by the Honourable Member will be borne in mind.

(c) Government will shortly discuss with the Central Advisory Council for Railways the question of an alteration in the constitution of Local Advisory Committees, and Government will consider the advisability of further consulting the Central Advisory Council should any other re-organisation be deemed necessary.

ENQUIRY IN THE SALE OF SCRAP IRON ON THE NORTH WESTERN RAILWAY.

564. ***Sardar Sant Singh :** (a) With reference to the answer given to question No. 407 on 16th February, 1937, will the Honourable Member for Railways kindly state if it is a fact that, as a result of press propaganda and telegrams and letters to the Railway Board, the latter

appointed a Committee of Enquiry into the sale of scrap iron of sorts by the North Western Railway with Mr. Mudie as Chairman? If so, will the Honourable Member lay its report and the orders of Government on the same on the table?

(b) For how many days did this Committee hold its sittings and at which places? How many witnesses did the committee examine? How many of the witnesses were Railway employees? How many were non-officials?

(c) Is it a fact that this committee received on Saturday, the 3rd April, 1937, a letter jointly written by 11 firms dealing in scrap iron and desiring an examination by the committee? If so, will Government lay the letter on the table of the House?

(d) Is it a fact that the Committee summoned only one merchant out of the 11 applicants for Monday, the 5th April, 1937? If so, why were the remaining not summoned simultaneously?

(e) Is it a fact that the merchant summoned went back from the representation and since then he has been rewarded with a big contract on the North Western Railway of 6,400 tons cast iron at Rs. 70-14-0 per ton, while the market price of the quality of that iron at that time was about Rs. 83 per ton, thus causing a loss of about 70,000 to the railways?

(f) Is it correct that immediately after the committee refused to examine the witnesses from amongst the merchants, the latter sent letters of complaint to the Railway Board?

(g) Have Government received any complaints against the Controller of Store, Lahore, on account of his many manipulations of the sale of scrap iron? If so, how many and from whom? What action do Government propose to take to make inquiries into the conduct of the Controller?

The Honourable Sir Saiyid Sultan Ahmad : The information is being collected and will be laid on the table of the House in due course.

CONSTRUCTION OF AN OVERBRIDGE ON THE GATTI SIDE AT THE LYALLPUR RAILWAY STATION.

565. ***Sardar Sant Singh :** (a) Will the Honourable Member for Commerce and Railways be pleased to state how many trains, both goods and passengers, passed over the line leading to Lyallpur Railway Station from the Gatti side in the month of June, 1937? What is the daily average of such trains?

(b) Is it a fact that the gate on the Gatti side has to be closed for traffic when such trains arrive to or depart from Lyallpur? Is it a fact that this obstructs the traffic on the Jaranwala Lyallpur Road to a considerable degree?

(c) Do Government propose to construct an overhead bridge over the line?

The Honourable Sir Saiyid Sultan Ahmad : (a), (b) and (c). Government have no information.

Their policy is to leave to the discretion of Railway Administrations such matters as the provision of overbridges where circumstances justify them. The matter is, therefore, one which can most suitably be referred to the Agent of the Railway concerned through the Local Advisory Committee.

UNSTARRED QUESTIONS AND ANSWERS.

FREIGHT ON BETEL LEAVES ON THE SOUTH INDIAN RAILWAY.

96. **Mr. C. N. Muthuranga Mudaliar :** Will the Honourable Member for Commerce and Railways please state :

(a) the freight rates for betel leaves charged by the South Indian Railway before 1914 and after 1914 and also the present rate;

(b) whether it is a fact that the rates are higher now than they were before 1914;

(c) whether it is a fact that the price of betel leaves has fallen considerably now as compared to that of 1914;

(d) whether it is a fact that betel leaves were classed among perishable articles and charged only half rates before 1914; and

(e) whether the Honourable Member proposes to instruct the South Indian Railway administration to reduce the freight on betel leaves as it was before 1914, treating it as a perishable article?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (d). The information is being called for from the Agent, South Indian Railway, and will be laid on the table of the House when received.

(e) The suggestion will be conveyed to the Agent, South Indian Railway, for such action as he may consider necessary.

AGRA BAH BRANCH OF THE GREAT INDIAN PENINSULA RAILWAY.

97. **Pandit Sri Krishna Dutta Paliwal :** Will the Honourable Member for Commerce and Railways kindly state :

(a) if it is a fact that Agra Bah Branch line on the Great Indian Peninsula Railway is going to be discontinued; if so, when and why;

(b) whether Government are prepared to give a trial to the measures suggested by the public and authorities of Agra to improve the income of the Branch; if not, why not; and

(c) whether they are prepared to consider the desirability of connecting this line with the East Indian Railway at any station from Jaswant Nagar to Etawah in Etawah District, United Provinces; and if not, why not?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Great Indian Peninsula Railway have put up a proposal for the closing of Agra Bah branch line; the proposal is at present under examination.

(b) The suggestions of the Local Government will also be examined in connection with this report.

(c) The suggestion for the extension of the line to connect with the East Indian Railway near Etawah would involve bridging the Jumna and the cost of this would be prohibitive and unremunerative.

ABSENCE OF A BRIDGE ON THE CROSSING OF THE AGRA-JAGNER ROAD AND THE AGRA CANTONMENT CABIN.

98. Pandit Sri Krishna Dutta Paliwal : Will the Honourable Member for Commerce and Railways be pleased to state :

(a) how many representations have been received from Agra public as regards the great inconvenience caused to them on account of there being no bridge on the crossing of the Agra-Jagner road and the Agra Cantonment cabin of the Great Indian Peninsula Railway ;

(b) the dates on which these representations were received and the action taken on them ; and

(c) what action if any, Government propose to remedy the grievances of the public in connection with this crossing ?

The Honourable Sir Saiyid Sultan Ahmad : (a) to (c). The Honourable Member is referred to the information laid on the table on 23rd September, 1935, in reply to his question No. 374 in the Legislative Assembly on 16th September, 1935. Government have received no further representations since that date.

CONSTRUCTION OF A WAITING ROOM AT SIKANDRA STATION ON THE GREAT INDIAN PENINSULA RAILWAY.

99. Pandit Sri Krishna Dutta Paliwal : Will the Honourable Member for Commerce and Railways state :

(a) if Government have received any representations from the public about constructing a railway room at Sikandra railway station, (Great Indian Peninsula Railway) near Agra ; if so, what action, if any, they have taken or propose to take in the matter ;

(b) whether they are aware that the verand h here is too small even for six passengers, if two or three of them happen to be purdah-nashin ladies with their little babies ;

(c) whether they have considered the possibility of all the twelve outward passengers travelling by the same train and the impossibility of the small so-called verandah to accommodate them ; if so, with what results ;

(d) whether Government are also aware that there is occasional rush of passengers on this station ; and

(e) whether Government propose to remedy the grievance of the travelling public ; if so, when and how ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Government have received no representations.

(b), (c) and (d). Government have no information.

(e) The matter is within the competence of the Railway Administration, who can be approached through the Local Advisory Committee. A copy of the Honourable Member's question has already been sent to the Agent, Great Indian Peninsula Railway.

COMING INTO OPERATION OF THE PAYMENT OF WAGES ACT AND RULES ON THE EASTERN BENGAL RAILWAY.

100. Mr. Amarendra Nath Chattopadhyaya : (a) Will the Honourable Member for Commerce and Railways please state when the Payment of Wages Act, 1936, and the Payment of Wages (Railways) Rules, 1937, came into operation on the Eastern Bengal Railway ?

(b) Where is the Supervisor, referred to in the Rules, and who is responsible for the check over the Eastern Bengal Railway stations and are his checks periodical or casual ?

(c) Who is the Provincial Government referred to in clause (j) of sub-section (2) of section 7 and section 13 of the Act, in regard to the Eastern Bengal Railway ?

(d) Has the Provincial Government referred to in part (c) above framed any rules regarding the deductions that can be made from the wages of an employee on behalf of the Co-operative Society of that Railway ? If so, what are they ?

(e) Is the Provincial Government required to publish the rules framed in this connection for the information and guidance of the non-gazetted staff and the Supervisor ? If so, has this been done on that Railway ?

The Honourable Sir Saiyid Sultan Ahmad : (a) The Payment of Wages Act, 1936, which was brought into force from the 28th March, 1937, and the Payment of Wages (Railways) Rules, 1937, which were promulgated on the 10th March, 1937, came into operation on the Eastern Bengal Railway *ipso facto* from the 28th March, 1937.

(b) The Supervisor of Railway Labour, whose headquarters are at Delhi, is the Inspector for the purposes of Payment of Wages Act and exercises such check as may be considered necessary by him under section 14 of the Act.

(c) I would refer the Honourable Member to section 24 of the Payment of Wages Act, 1936 (Act IV of 1936).

(d) Deductions from the wages of employees on the Eastern Bengal Railway are subject to the following conditions :

(i) that no deductions shall be made from wages by the Society without the consent in writing of the employee concerned, which may be given once generally and not necessarily on each occasion a deduction is made, and

- (ii) that deductions for the repayment of loans with interest and for the recovery of the price of stores issued to members of the society on credit, shall be limited to 50 per cent. of the wages of the member when deductions are made for one of these purposes only, and to 75 per cent. for both these purposes together if deductions are made simultaneously from one member for both purposes.

(e) The answer to the first part of the question is in the negative. The second part does not arise.

RECOVERY OF AMOUNTS FOR THE PURCHASE OF WATCHES, ETC., FROM THE EASTERN BENGAL RAILWAY SUBORDINATE STAFF.

101. **Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Commerce and Railways state whether it is a fact that provision has been made in the Payment of Wages Act, 1936, for the recovery of the amounts paid in advance by a railway administration for the purchase of watches, supply of oil, etc., from the wages of non-gazetted staff in receipt of wages less than Rs. 200 ?

(b) Is it also a fact that the District Loco. Superintendent, Eastern Bengal Railway, Calcutta, has issued Circular No. G/35, dated 7th April, 1937, in which orders have been issued that drivers whose average pay, including overtime, is less than Rs. 200 per mensem, should henceforth be supplied with watches, extra oil, etc., on cash payment while those in receipt of wages exceeding Rs. 200 can be supplied and the amount recovered from their wages ?

(c) If the answer to part (b) be in the affirmative, will Government please state whether it is in accordance with their policy ? If not, what action do they propose to take ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Section 7 (2) (e) of the Payment of Wages Act, 1936, provides that the Central Government may authorise deductions for amenities or services supplied by the employer. No authorisation has been made for the purchase of watches or the supply of oil.

(b) Government have no information.

(c) This does not strictly arise but I shall arrange for a copy of the question and answer to be sent to the Agent of the Railway.

CONDITION IN THE RULES FOR THE RECOGNITION OF UNIONS.

102. **Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that the Railway Department (Railway Board) in their letter No. 135-L., dated 5th January, 1933, to the President, East Indian Railway Muslim Employees Association, Calcutta, stated that it has always been a condition in the rules framed by Government for the recognition of Unions that every member of the class for which the Union caters must be eligible for membership of the Union before it can secure recognition ?

(b) Is it also a fact that a copy of the said letter was forwarded to the Agents of the Railways for information and guidance ?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government please state if this policy is still in operation ? If not, when was it discontinued ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) Yes.

(c) Reply to the first part of the question is in the affirmative. The latter part does not arise.

APPLICATIONS INVITED FOR THE POST OF ASSISTANT INSPECTOR IN THE WATCH AND WARD DEPARTMENT OF THE EAST INDIAN RAILWAY.

103. **Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that the Watch and Ward Department of the East Indian Railway, Calcutta, advertised in the Press inviting applications for the post of Assistant Inspector ?

(b) Is it a fact that before the Selection Board sat, letters No. W/E. 2/D., dated 17th May, 1937, were issued to several applicants advising them that " the vacancy has been filled up " ?

(c) Do Government propose to take any disciplinary steps against such official and will Government state the name of the person selected ?

(d) Is it a fact that the person selected has not the required minimum educational qualifications ? If not, what are his qualifications ?

(e) If the answers to parts (a) and (b) be in the affirmative, will Government please state if this policy is still in operation ? If not, when was it discontinued ?

The Honourable Sir Saiyid Sultan Ahmad : I am obtaining information and will lay a reply on the table of the House in due course.

GRANT OF FREE RAILWAY PASSES TO COMMUNAL BODIES OR ASSOCIATIONS.

104. **Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Commerce and Railways please state whether it is a fact that the Bengal Nagpur Railway granted free passes to the President and the Honorary General Secretary of the Anglo-Indian and Domiciled European Association for their visit to Kharagpur on the 6th January, 1937 ? Was the visit for a private purpose ?

(b) Do Government sanction such free passes to all such communal bodies as they sanctioned to the Anglo-Indian and European (domiciled) Association ?

The Honourable Sir Saiyid Sultan Ahmad : (a) and (b). Government have no information, but Agents have power to issue passes for non-railway employees when they consider it in the interests of the railway to do so.

DELAY IN PAYMENT OF WAGES ON THE EASTERN BENGAL RAILWAY.

105. **Mr. Amarendra Nath Chattopadhyaya :** (a) Will the Honourable Member for Commerce and Railways state if it is a fact that under the Payment of Wages Act, 1936, and the Payment of Wages

(Railways) Rules, 1937, the wages which include overtime must be paid before the seventh or tenth day, as the case may be, after the last day of the wage-period in respect of which the wages are payable ?

(b) If the answer to part (a) be in the affirmative, will Government please state whether this is in operation on the Eastern Bengal Railway ?

(c) Is it a fact that the District Loco. Superintendent, Calcutta, includes an estimated lump sum as overtime in the payment of wages and adjusts same the next month ? If so, are Government aware that this causes unnecessary additional adjustments monthly and confusion amongst the staff who cannot be expected to maintain account books to see whether they are paid the correct amounts after adjustments ?

(d) Do Government propose to take action in the matter and see that the non-gazetted staff are paid the correct amounts both in regard to pay and overtime ?

The Honourable Sir Saiyid Sultan Ahmad : (a) I would refer the Honourable Member to section 5 of the Payment of Wages Act, 1936.

(b) Government have no reason to believe that the Act and the Rules referred to in paragraph (a) of the question are not being observed on the Eastern Bengal Railway.

(c) As regards the first part, Government have no information but it is possible that the Eastern Bengal Railway Administration may be resorting to the practice of assumed wages and overtime to some extent in complying with the provisions of the Act. As regards the latter part, the reply is in the negative.

(d) Government do not consider that any action is called for.

DELAY IN GIVING SERVICE CERTIFICATES TO *ex*-EMPLOYEES ON THE EASTERN BENGAL RAILWAY.

106. Mr. Amarendra Nath Chattopadhyaya : (a) Will the Honourable Member for Commerce and Railways please state within what period after the termination of a non-gazetted employee's service from the Railway settlement in regard to pay, service certificate, Provident Fund and gratuity is to be made ?

(b) Is it a fact that the Eastern Bengal Railway do not send the service certificate of a discharged employee to him but wait till a written request is received when they after quite a long period send the same ?

(c) If the answer to part (b) be in the negative, do Government propose to examine the cases of guards Brassett and McGuire of the Traffic Department, Calcutta, and drivers Fratel and Reuben of the Locomotive Department, Calcutta, and see the dates on which they ceased to be in service and the dates on which the service certificates were sent to them ?

(d) Do Government propose to issue instructions to the Eastern Bengal Railway Administration that service certificates must be given to the *ex*-employees within a week after he ceases to be in service to enable him to seek employment elsewhere ? If not, why not ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Generally speaking as soon as possible after the termination of service, except that in case of employees to whom the Payment of Wages Act applies, wages are paid according to the provisions of the Act.

(b) and (c). These are matters of detailed administration within the competence of the Agent, Eastern Bengal Railway, to deal with. I am, however, sending a copy of the question to the Agent for such action as he may consider necessary.

(d) Does not arise.

CONNECTION OF ETAH WITH A RAILWAY LINE.

107. Pandit Sri Krishna Dutta Paliwal : Will the Honourable Member for Commerce and Railways please state :

(a) if Government are aware that Etah is the only unfortunate headquarters of a district in the United Provinces which is not connected by any Railway and that the nearest railway station is 13 miles away from Etah ;

(b) if Government intend to connect Etah with some Railway ; and

(c) if so, when ?

The Honourable Sir Saiyid Sultan Ahmad : (a) Yes.

(b) and (c). There is no proposal before Government for the provision of railway communication to Etah.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred question No. 825 asked by Pandit Lakshmi Kanta Maitra on the 2nd April, 1937.

GRADES OF COAL FIXED BY THE INDIAN COAL GRADING BOARD.

(a) Yes, if by doing so a general saving in Railway finance can be effected. The general policy of purchase is well-known to the trade. It is neither feasible nor practicable to advise the trade of the change in the purchase policy before tenders are invited.

(b) and (c). There is actually no grouping made of different collieries but coal of the same class is considered together at the time of deciding tenders as the quality varies so much from year to year.

(d) The question does not arise.

(e) Yes.

(f) A complete list of accepted tenders is always published in the *Indian Trade Journal* with the least possible delay.

(g) It would not be in the interest of the service to express an opinion on this question.

Information promised in reply to starred question No. 47, asked by Mr. Badri Dutt Pande on the 24th, August, 1937.

PRISONERS CONVICTED OR DETAINED FOR POLITICAL OFFENCES UNDER THE CHARGE OF THE GOVERNMENT OF INDIA.

The number of persons convicted for political offences who are not confined in the Chief Commissioners' provinces other than the Andaman Islands is three.

Information promised in reply to unstarred question No. 15 asked by Mr. Mohan Lal Saksena on the 25th August, 1937.

OFFICERS AND STAFF WORKING IN THE BROADCASTING DEPARTMENT.

Statement showing the names, designations, salaries and qualifications of the Officers and the Staff of the Office of the Controller of Broadcasting.

Names.	Designation.	Salaries.	Qualifications.
		Rs.	
Mr. Lionel Fielden ..	Controller of Broadcasting	2,100	
Mr. A. S. Bokhari ..	Deputy Controller of Broadcasting.	1,000	M. A. (Cantab). P. E. S.
Mr. C. W. Goyder ..	Chief Engineer ..	1,700	B. Sc., A. C. G. I.
Mr. Nawab Ali ..	Superintendent ..	440	M. A.
1. Mr. S. N. Sen ..	Assistant ..	200	B. Sc.
	Special pay ..	30	
2. Mr. Ataullah Khan ..	Do. ..	150	B. A.
3. Mr. Bashir Ahmad Khan ..	Do. ..	140	Intermediate.
4. Mr. K. A. Narayanan ..	Do. ..	140	B. A.
5. Mr. B. N. Chaudhury ..	Do. ..	100	B. A.
6. Mr. R. R. Bhatnagar ..	Do. ..	245	Matriculate.
1. Mr. N. Visvanathan ..	Clerk, II Division ..	84	B. A. (Hons.).
2. Mr. S. V. Natarajan ..	Do. ..	80	B. A. (Hons.).
3. Mr. Khurshaid Ahmad ..	Do. ..	96	B. A.
4. Mr. Masudul Hasan ..	Do. ..	108	B. A.
5. Mr. Ch. Susila Rao ..	Do. ..	80	B. A. (Hons.).

Names.	Designation.	Salaries.	Qualifications.
		Rs.	
1. Mr. G. Braganza ..	Clerk, III Division ..	62	Senior Cambridge.
2. Mr. Y. P. Kapila ..	Do. ..	62	B. A., M. Sc., LL.B.
3. Mr. I. U. Christie ..	Do. ..	62	Intermediate.
4. Mr. S. M. L. Goel ..	Do. ..	62	B. So.
5. Mr. H. N. Pali ..	Do. ..	60	M. A., B. Com.
6. Mr. M. H. Haidery ..	Do. ..	64	B. A.
7. Mr. Rahmat Ali ..	Do. ..	66	B. Com.
8. Mr. M. A. Siddiqi ..	Do. ..	60	B. A.
9. Mr. S. Venkataramani ..	Do. ..	60	Intermediate.
10. Mr. B. P. Chopra ..	Do. ..	60	B. A.
11. Mr. S. B. Mehrotra ..	Do. ..	60	B. A.
12. Mr. J. P. Jain ..	Do. ..	60	B. A. (Hons.).
13. Mr. Harbans Singh ..	Do. ..	60	Matriculate.
14. Mr. A. V. Engles ..	Do. ..	60	Matriculate.
15. Mr. P. L. Gupta ..	Do. ..	60	B. A.
1. Mr. K. R. Chandru ..	Stenographer ..	135	S. L. C.
2. Mr. G. Natarajan ..	Do. ..	125	Intermediate.
3. Mrs. K. Langton ..	Do. ..	125	Senior Oxford Matriculation Standard III Class (Hons.).
Mr. Ghulam Mohuddin ..	Draftsman ..	40	Matriculate.
Mr. Mahabir Sahai ..	Publicity Assistant ..	100	M. A.

Statement showing the Names, Designations, Salaries and Qualifications of the Officers and the Staff working in the Broadcasting Department.

Name.	Designation.	Present Pay.	Qualifications.
PROGRAMME ESTABLISHMENT.			
		Rs.	
1. Mr. J. R. Stapleton ..	Station Director	1,000	..
2. Mr. C. B. Sethna ..	Do. ..	825	..
3. Mr. Z. A. Bokhari ..	Do. ..	775	F.A., H.P. (Punjab) Administrative and Programme Training at B.B.C., London.
4. Mr. S. S. Niazi ..	Do. ..	350	B.A. (Hons.).
Mr. L. G. E. Clarke ..	News Editor and Editor, <i>Indian Listener</i> (Offg.).	950	..
1. Mr. A. A. Advani ..	Assistant Station Director.	350	B.A. (London).
2. Mr. N. A. S. Lakshmanan	Do. ..	350	M.A. (Oxon).
3. Mr. A. K. Sen ..	Do. ..	350	B.A. Programme and Administrative Training at the B.B.C.
1. Mr. N. N. Mazumdar ..	Director of Programmes.	400	Matriculate.
2. Mr. Victor Paranjoti ..	Do. ..	250	M.A. (Hons.), F.I.G.C.M. England Rural Development and Administrative Programme Training at B.B.C.
3. Mr. Raahid Ahmad ..	Do. ..	250	M.A.
4. Mr. P. V. Acharya ..	Do. ..	250	M.A. Training at B.B.C.
1. Mr. A. K. Nimker ..	Programme Assistant.	150	High School Standard.
2. Mr. R. N. Sen ..	Do. ..	120	B.A.
3. Mr. B. K. Bhadra ..	Do. ..	150	B.A.
4. Mr. P. R. Sheorey ..	Do. ..	150	B.Sc. (Manchester).
5. Mr. A. S. Dholekar ..	Do. ..	210	..
6. Mr. K. M. Iftikhar Ullah	Do. ..	150	Matriculate.
7. Mr. A. Dinkar Rao ..	Do. ..	150	Intermediate.
8. Mr. Malik Hasib Ahmad	Do. ..	150	B.A.

Name.	Designation.	Present Pay.	Qualifications.
PROGRAMME ESTABLISHMENT—contd.			
		Rs.	
9. Mr. D. S. Barq ..	Programme Assistant.	150	Intermediate.
10. Mr. Mohabat Khan ..	Do. ..	150	Intermediate.
11. Mr. Jugal Kishore ..	Do. ..	150	B.A.
12. Mr. S. C. Chakravarthi	Do. ..	150	B.A., B.L.
13. Mr. B. K. Nundee ..	Do. ..	150	B.Sc.
14. Mr. M. D. Nagarkar ..	Do. ..	150	B.A.
15. Mr. Uma Shankar ..	Do. ..	150	M.A.
1. Mr. Abdul Karim Khan	Announcer ..	100	..
2. Mr. Ilyas Ullah ..	Do. ..	100	B.A.
3. Mr. Raj Bans ..	Do. ..	100	M.A.
Mr. S. Gopalan ..	Research Engineer.	420	B.Com. (Eng).
1. Mr. S. C. Roy ..	Station Engineer	440	M.Sc., B.L.
2. Mr. T. K. Garudachar ..	Do. ..	365	M.A. Post Graduate Certificate in Elec. Technology of the Indian Institute of Science, Bangalore; Supplementary Certificate in Elec. Communication Engineering of the India Institute of Science.
3. Mr. B. C. Sil ..	Do. ..	300	M.Sc. with special study and Research in Wireless.
Mr. B. V. Baliga ..	Assistant Installation Engineer.	300	B.A., A.M.I.R.E. Certificate of Elec. Technology and Certificate of Communication Engineering of the Indian Institute of Science, Bangalore.
1. Mr. W. D. Coyah ..	Assistant Engineer.	300	Certificate of Proficiency in Radio Telegraphy, Magnetism and Electricity, Machine and Drawing.
2. Mr. D. S. Major ..	Do. ..	200	Matriculate. P. M. G.'s 1st class Certificate of Competency as Wireless Operator (1927 Convention).
3. Mr. N. N. Dutt ..	Do. ..	200	I.Sc. Holds Certificate of Competency as Wireless Operator.

Name.	Designation.	Present Pay.	Qualifications.
		Rs.	
4. Mr. A. C. Ramchandani	Assistant Engineer.	200	B.Sc. Eng. (London).
5. Mr. T. D. Chatterjee ..	Do. ..	200	B.Sc., Certificate of Elec. Technology and Certificate of Elec. Communication Engineering of Indian Institute of Science, Bangalore.
6. Mr. M. M. Khan ..	Do. ..	200	M.Sc., Diploma in Communication Engineering, Northampton Polytechnic Institute.
7. Mr. P. B. Sen ..	Do. ..	200	Matriculate. Qualified Wireless Telegraphist.
8. Mr. Chaman Lal ..	Do. ..	200	M.Sc.
9. Mr. B. J. Gulati ..	Do. ..	200	M.Sc., A.M.I.E.E. Graduation Examination.
10. Mr. R. L. Suri ..	Do. ..	200	B.Sc.
Mr. K. P. Banerjee ..	Do. (Offg.)	200	B.Sc. (Eng.).
Mr. M. D. Madhekar ..	Do. (Offg.)	200	Intermediate Post master General's First Class Certificate of Competency (1912 Convention).
1. Mr. M. D. Madhekar ..	Technical Assistant.	130	Intermediate Postmaster General's Certificate of Competency First Class (1912 Convention).
2. Mr. P. P. Mugaseth ..	Do.	125	Electric Wireman's Certificate, V.J.T. and Government Certificate of Competency in Wiring, Class II.
3. Mr. J. Delima ..	Do. ..	125	High School Standard.
4. Mr. B. B. Banerji ..	Do. ..	105	B.Sc.
5. Mr. R. T. Ryan ..	Do. ..	100	High School Standard.
6. Mr. A. K. Bose ..	Do. ..	110	Matriculate. Had three years Secondary Electrical Engineering Course.
7. Mr. J. S. Rodericks ..	Do. ..	130	..
8. Mr. N. C. Sen ..	Do. ..	100	B.Sc.
9. Mr. N. B. Mukherjee ..	Do. ..	110	M.Sc.
10. Mr. K. P. Banerjee ..	Do. ..	110	B.Sc. (Eng.).
11. Mr. N. K. Banerjee ..	Do. ..	100	B.Sc. (Eng.).

Name.	Designation.	Present Pay.	Qualifications.
		Rs.	
12. Mr. P. R. Khanna ..	Technical Assistant	110	B.Sc. (Eng.).
13. Mr. M. L. Sastri ..	Do. ..	110	B.Sc. (Eng.). City and Guilds Final Examination City and Guilds Final Radio Engineering.
14. Mr. M. D. Chaturvedi ..	Do.	110	B.Sc. (Eng.).
15. Mr. K. L. Chopra ..	Do. ..	110	M.Sc.
16. Mr. B. R. Kapur ..	Do. ..	110	A. M. I. E. E. London. Diploma of Engineering from Mclagan College.
17. Mr. N. Sen Gupta ..	Do. ..	110	B.Sc.
18. Mr. K. S. Rangaswami Iyengar.	Do. ..	110	B.Sc. Eng. London.
19. Mr. D. D. Sarin ..	Do. ..	100	B.Sc. (Eng.).
20. Mr. Jai Chandra ..	Do. ..	110	M.Sc.
21. Mr. P. K. Dev ..	Do. ..	100	I.Sc., Diploma in Wireless Engineering, Chelmsford.
22. Mr. Aijaz Mohammad ..	Do. ..	110	M.Sc.
23. Mr. S. S. Kohli ..	Do. ..	110	M.Sc., Radio Communication City and Guilds Examination.
24. Mr. R. N. Mitra ..	Do. ..	100	Junior Technical Examination.
25. Mr. B. D. Ohri ..	Do. ..	100	M.Sc.
26. Mr. Sadiq Shah ..	Do. ..	100	B.Sc.
27. Mr. R. C. Sen ..	Do. ..	100	Holds certificate of competency of Wireless Operator, Certificate of Radio Communication by Chelmsford College.
28. Mr. Bashir Ahmad ..	Do. ..	100	B.A., Holds Certificate of Wireless Communication, V. J. T. Institute, Bombay.
29. Mr. M. S. Ramchandran	Do. ..	100	B.Sc., Certificate, of E. C. C. G. London Diploma Radio Engineering Marconi.
Mr. E. P. Gorwala ..	Technical Assistant (Offg.) (Permanent Mechanic).	100	High School Standard.
1. Mr. R. C. Paul ..	Mechanic ..	42	..
2. Mr. N. P. Das ..	Do. ..	30	Junior Technical Examination.

Name.	Designation.	Present Pay.	Qualifications.
		Rs.	
3. Mr. E. P. Gorwala ..	Mechanic .. (Appointed as Offg. Technical Assistant).	33	High School Standard.
4. Mr. Kartar Singh ..	Mechanic ..	30	..
5. Mr. Om Prakash ..	Do. ..	60	Matriculate. Completed five years' B. Course from the MacLagan Engineering College, Moghalpura.
6. Mr. Mohammad Ali ..	Do. ..	30	Passed the I Class Competency Examination prescribed for Foremen Electricians.
7. Mr. Hitkari Lal ..	Do. ..	33	High School Examination.
8. Mr. B. R. Sen Ved ..	Do. ..	33	..
Mr. H. N. Adarkar ..	Do. (Offg.)	30	High School Standard Passed 1st year course in the V. J. T. Institute Bombay.
1. Mr. M. B. Lal ..	Draftsman ..	40	..
1. Mr. R. Periera ..	Accountant	250	Matriculate.
2. Mr. M. S. Venkatesan ..	Do. ..	148	B.A., G. D. A.
3. Mr. M. R. Baluja ..	Do. ..	136	..
4. Mr. Alla Uddin ..	Do. ..	100	Intermediate.
1. Mr. Raiz Ahmad ..	Head Clerk ..	100	Matriculate.
1. Mr. S. C. Bhoumick ..	Clerk, Grade I	104	Matriculate.
2. Miss M. Sullivan ..	Do. ..	113	L. C. C. Examination.
3. Mr. F. R. Maloo ..	Do. ..	104	Matriculate.
4. Mr. Nazir Ahmad ..	Do. ..	95	Matriculate.
5. Mr. Ghulam Nabi ..	Do. ..	95	B. A.
1. Mr. N. F. Davar ..	Clerk, Grade II	81	Matriculate.
2. Mr. T. C. Banerjee ..	Do. ..	54	..
3. Mr. D. N. Mukherjee ..	Do. ..	48	Matriculate.
4. Mr. Amar Singh ..	Do. ..	40	Matriculate.
5. Mr. B. N. Sen ..	Do. ..	40	Intermediate.

Name.	Designation.	Present Pay.	Qualifications.
		Rs.	
6. Mr. B. B. Lal ..	Clerk, Grade II	40	Intermediate.
7. Mr. Prakash Chandra ..	Do.	40	Matriculate.
8. Mr. Ali Ibrahim Syed ..	Do.	45	High School Standard.
9. Mr. Wali Dad ..	Do.	70	Matriculate.
10. Mr. Mohammad Aslam Malik.	Do.	40	..
11. Mr. Mohammad Ayub	Do.	40	Intermediate.
12. Mr. S. N. Naqi ..	Do.	40	B. Com.
13. Mr. Ratenshwar Dayal	Do.	40	M. Sc.
14. Mr. V. V. Iyer ..	Do.	45	..
15. Mr. Kartar Singh ..	Do.	40	Matriculate.
16. Mr. A. R. Subhani ..	Do.	40	Matriculate.
17. Mr. Bashir Ahmad ..	Do.	70	Matriculate.
18. Mr. Abul Khair ..	Do.	40	Matriculate.
Mr. Fazal Karim ..	Clerk ..	30	Matriculate.
1. Miss C. H. Pilcher ..	Stenographer	125	..
2. Mr. C. S. Rao ..	Do.	130	S. S. L. C.
3. Mr. P. Ramaswami ..	Do.	60	..
4. Mr. Miraj Uddin ..	Do.	50	Post-matric.
5. Mr. M. H. Firthaus ..	Do.	75	Matriculate.
1. Mr. N. K. Sarkar ..	Sub-Editor ..	160	..
2. Mr. K. S. Mallick ..	Do. ..	150	M.A.
3. Mr. C. J. Currian ..	Do. ..	150	B.A.
1. Mr. S. M. Israil ..	Telephone At- tendant.	30	Matriculate.
2. Mr. Mohammad Ameen	Do.	30	Intermediate.
3. Mr. Abdul Qayyum ..	Do.	30	Matriculate.
1. Mr. A. Joseph ..	Motor Driver ..	60	..
2. Mr. Satya Prasad ..	Do. ..	42	..
3. Mr. Mohamad Abdulla	Do. ..	40	..

Name.	Designation.	Present Pay.	Qualifications.
		Rs.	
4. Mr. Najmul Hussain ..	Motor Driver ..	40	..
5. Mr. R. Pal ..	Do. ..	40	..
6. Mr. Mohammad Ibrahim Desai.	Do. ..	40	..
7. Mr. Mohammad Yakub	Do. ..	40	..
8. Mr. Abdur Rahman Khan	Do. ..	40	..
Programme Probationers.			
1. Mr. N. S. Ramachandran	Probationer ..	50	M.A.
2. Mr. A. Qutb ..	Do. ..	50	M.Sc.
3. Mr. N. S. Bhattacharya ..	Do. ..	50	Matric.
4. Mr. Gulam Ali ..	Do. ..	50	B.A. (Hons.)
Technical Probationers.			
1. Mr. S. K. Mukherjee ..	Probationer ..	50	Licenciate in Electrical and Mechanical Engineering.
2. Mr. Keshava Chandra ..	Do. ..	50	M.Sc.
3. Mr. S. S. Aiyar ..	Do. ..	50	B.Sc. (Eng.)
4. Mr. Om Prakash Gulati	Do. ..	50	M.Sc.
5. Mr. V. Balasubramanyam	Do. ..	50	B.Sc. (Eng). Final Examination of City and Guilds, London, Proficiency Certificate in Electrical Communication Engineering, Indian Institute of Science, Bangalore.

Information promised in reply to unstarred question No. 19, asked by Mr. Suryya Kumar Som on the 26th August, 1937.

JAMALPUR STATION ON THE EAST INDIAN RAILWAY.

(b) The Agent, East Indian Railway, reports that the number of passengers and weight of goods carried to and from Jamalpur Railway Station during the three years 1933-34 to 1935-36 were as follows :

Year.	Number of passengers.	Tons of Goods.
1933-34	4,99,967	182,917
1934-35	5,61,665	232,840
1935-36	5,97,181	356,838

Information promised in reply to unstarred question No. 25 asked by Mr. Mohan Lal Saksena on the 26th August, 1937.

ACTION TAKEN ON RESOLUTIONS PASSED BY THE INDIAN LEGISLATIVE ASSEMBLY.

The Honourable Member is referred to the statement laid on the table by the Honourable Sir Brojendra Mitter on the 8th February, 1933, promised in reply to starred question No. 1174, asked by Mr. M. Maswood Ahmad on the 14th November, 1932, to the reply given to Mr. M. Asaf Ali's unstarred question No. 223 asked on the 25th March, 1935, to the statement laid on the table by the Honourable Sir Nripendra Nath Sircar on the 30th March, 1935, promised in reply to starred question No. 656 asked by Mr. Mohan Lal Saksena on the 5th March, 1935, and to the statement laid on the table by the Honourable Sir Frank Noyce on the 20th March, 1937, promised in reply to starred question No. 548 asked by Mr. Mohan Lal Saksena on the 8th March, 1937, which give the required information up to the Simla Session, 1936.

The information in respect of the Resolutions passed by the Legislative Assembly and the action taken on each of them during the Delhi Session, 1937, is given in the following statement :

Statement showing the Resolutions adopted by the Legislative Assembly during the Delhi Session, 1937, and action taken by Government thereon.

Serial No.	Date on which moved.	By whom.	Subject of Resolution.	Department concerned.	Action taken by Government.
1	26th January, 1937.	The Honourable Sir Frank Noyce.	Draft convention of the International Labour Conference regarding maintenance of rights under invalidity old age and widows and orphans insurance.	Department of Industries and Labour.	In accordance with the resolution adopted, the convention was not ratified.
2	Do. ..	Do. ..	Draft convention of the International Labour Conference regarding annual holidays with pay.	Do. ..	In accordance with the resolution adopted, the convention was not ratified and no effect was given to the recommendations.
3	Originally moved on the 1st October, 1936, and the discussion concluded on the 29th January, 1937.	Dr. Khan Sahib.	Interference from public servants in the ensuing elections.	Home Department.	The action taken by Government was explained during the course of the debate. No further action was taken or was necessary on the Resolution adopted.
4	10th February, 1937.	The Honourable Sir Frank Noyce.	Creation of a separate Road Fund for the purposes of Road Development.	Department of Industries and Labour.	The resolution has been accepted by the Governor-General in Council and the Road Fund is now being administered in accordance with this resolution.

Serial No.	Date on which moved.	By whom.	Subject of Resolution.	Department concerned.	Action taken by Government.
5	19th February 1937.	Sir Girja Shankar Bajpai.	Emigration to Burma.	Department of Education, Health and Lands.	The resolution approved of a notification legalising emigration, for purposes of unskilled work, to Burma after its separation from India. The notification in question was duly issued.
6	2nd April, 1937.	Mr. G. Ghiasuddin.	Introduction of Homoeopathic treatment in Government Hospitals and recognition of Homoeopathic Colleges in India.	Do.	The Government of India agreed with the views expressed by their spokesman in the course of the debate and decided that no action could be taken to give effect to the recommendations of the Legislative Assembly in Centrally administered areas. Copies of the records of the discussion on the Resolution were, however, forwarded in June, 1937, to Provincial Governments.

Information promised in reply to parts (b), (f) and (g) of starred question No. 259 asked by Mr. Mohan Lal Saksena on the 1st September, 1937.

MAINTENANCE OF THE DEOLI CAMP JAIL.

(b) There is a library building in each of the five camps in the Jail. Detenus purchase a large number of periodicals in English and Bengali, and each Camp has an opportunity of reading all of them. There are no books which are the property of the Jail : but about two hundred books are obtained at Government expense every month from the Imperial Library, Calcutta, the Commercial Library, Calcutta, and the Municipal Library, Ajmer. Detenus are permitted to order any particular book from these Libraries.

(f) 47.

(g) 29 during the last six months. 58 detenus were granted home leave during the same period.

Information promised in reply to a supplementary question to starred question No. 481 asked by Mr. C. N. Muthuranga Mudaliar on the 13th September, 1937.

PROTECTION TO THE GLASS INDUSTRY.

Copy of letter No. 912-T. (6) 37, dated Simla, the 15th June, 1937, from R. K. Nehru, Esquire, I.C.S., Offg. Deputy Secretary to the Government of India, Department of Commerce, to

firms interested in industry but from whom no application has been received.

With reference to your representation for assistance against Japanese competition,

In connection with a suggestion that has been made that the industry in which you are interested is in need of assistance against Japanese competition, I have the honour to request you to be so good as to submit detailed information on

the points noted below regarding the industry. The information should reach the Government of India not later than 15th July 1937 :

- (1) The main centres in India where the industry is carried on.
- (2) The principal markets in India for your products.
- (3) (a) The total Indian production—(i) quantity, (ii) value—during each of the three financial years, 1934-35, 1935-36 and 1936-37.
- (b) The annual output of your factory during the same periods.
- (c) The maximum capacity of your plant.
- (4) The total imports into India of articles similar to those manufactured by the Indian industry—(a) quantity, and (b) value—during each of the three financial years 1934-35, 1935-36 and 1936-37. Separate figures to be given for (i) Japan, and (ii) all other countries.

[NOTE.—If possible give the names of the particular brands or marks of the imported articles which are competing with your products.]

- (5) The total exports, if any, from India of the articles manufactured by the industry—(a) quantity, and (b) value—during each of the financial years 1934-35, 1935-36 and 1936-37.
- (6) (a) The total amount of capital invested in the Indian industry.
- (b) The amount of capital invested in your own concern.
- (7) (a) The total amount of (a) unskilled labour, (b) skilled labour, and (c) higher technical and supervisory staff employed by (i) the Indian industry, and (ii) your own concern.
- (b) The total amount of wages paid to each of the above three classes by (i) the Indian industry, and (ii) your own concern.
- (8) The cost of your production per unit of product for the latest year for which figures are available.

[NOTE.—(a) If different kinds or classes of articles are produced, the cost of production should be given per unit of the most typical kind or class of article produced by the industry.

- (b) This figure should be inclusive of (i) cost of materials, (ii) cost of labour, (iii) power and fuel, (iv) repairs and maintenance, (v) supervision and office charges, (vi) packing, (vii) miscellaneous, but should exclude (viii) depreciation, (ix) interest on working capital, (x) profit. The last 3 items should be shown separately.]
- (9) (a) The amount of capital required under normal conditions to instal a factory of reasonable dimensions in India.
- (b) The approximate annual output which such a factory would yield, working at full capacity.
- (10) (a) The average c. i. f. price in India, currency of articles imported

(i) from Japan,
(ii) from other countries, which compete with the Indian articles for which costs have been submitted :

(i) January, 1934, (ii) July 1934, (iii) January 1935, (iv) July 1935, (v) January 1936, (vi) July 1936, (vii) January 1937, (viii) April-May 1937.

(b) If information regarding c. i. f. prices is not available, the wholesale market prices for these periods should be given, naming the market to which they refer and the amount of duty and discount being shown separately.

(11) (a) Are the articles produced by your industry consumed by other industries as their raw material? If so, what are these industries and how far would increased duties affect their costs?

- (b) Are any of the raw materials used by your industry produced or grown in India? If so, what are these materials and to what extent are they used in your industry?
- (c) Does the industry provide subsidiary occupation for the Indian agriculturist to any substantial extent?
- (12) (a) What are the classes of goods in respect of which you consider that assistance is required?
- (b) What rates of duties do you consider necessary in addition to the existing duties?
- (13) Who are the principal consumers of your products in India; are they mainly rural or urban?
- (14) How far would the rates of duty proposed by you place a burdon on these consumers?

2. If after examining your replies to the Questionnaire it is found that further information is necessary, you may be required to depute a representative for personal consultation at Simla.

Copy of letter No. 312-T. (6)|37, dated Simla, the 26th July, 1937, from B. K. Nehru, Esquire, I.C.S., Officer on Special Duty, Department of Commerce.

SUBJECT:—Assistance to Minor industries in India against Japanese Competition.

I am directed to forward a copy of my letter No. 312-T. (6)|37, dated the 26th July 1937, addressed to certain firms in India, for your guidance in preparing replies to this Department's Questionnaire on the above subject.

Copy of letter No. 312-T. (6)|37, dated Simla, the 26th July, 1937, from B. K. Nehru, Esquire, I.C.S., Officer on Special Duty, Department of Commerce.

I am directed to refer to your letter No. , dated the 193 , in which you have replied to the various points raised in the Questionnaire issued to you in connection with your request for assistance against Japanese competition.

2. In reply to paragraph 8 of the questionnaire, you have given your aggregate unit costs of production, without specifying the exact proportions represented by the various items mentioned in note (b) to the paragraph. I am to request that detailed unit costs may be furnished at a very early date in respect of each class of article produced by you which comes into competition with Japanese products, and that in particular, the names and the cost of the various raw materials used by you in each case may be given separately. If any changes in the unit costs of production have taken place in recent years, these should be specified separately and the reasons for the changes should also be given.

MOTIONS FOR ADJOURNMENT.

FIXATION OF THE PRICE OF SUGAR-CANE.

Mr. President (The Honourable Sir Abdur Rahim) : There is a motion for adjournment from Mr. Ram Narayan Singh :

“for the purpose of discussing a definite and specific matter of urgent public importance of recent occurrence, namely, the failure of the Sugar Tariff Board in getting itself properly advertised to the public of Bihar during its recent enquiry on the 11th instant and in not recording the evidence of the local Kisan representatives, the most proper persons to speak on the subject of fixation of the price of sugar cane.”

The Tariff Board is the authority vested with the power to make the inquiry, and it is for them to decide how to advertise their work to the public of Bihar, and also what witnesses to call. Is there any precedent for such a motion of adjournment?

Mr. Ram Narayan Singh (Chota Nagpur Division : Non-Muham-madan) : In view of the fact that we shall be discussing this question on the 20th, next Monday, I shall press my point on that day. I withdraw the motion.

INQUIRY ABOUT THE BIHTA RAILWAY DISASTER.

Mr. President (The Honourable Sir Abdur Rahim) : There is another motion for adjournment in his name. He wishes to move :

“the adjournment of the business for the purpose of discussing a definite and specific matter of urgent public importance of recent occurrence, namely, the Government decision to hold an inquiry about the Bihta Railway Disaster at Allahabad and not on the place of the occurrence.”

Is that a matter of urgent public importance?

Mr. Ram Narayan Singh : With regard to this motion also, I have just now received legal advice that I should watch the proceedings of the inquiry, and that if sufficient local inspection is not conducted, then I shall take the opportunity to press this motion. I withdraw this motion.

Mr. President (The Honourable Sir Abdur Rahim) : I disallow the motion.

THE MOSLEM PERSONAL LAW (SHARIAT) APPLICATION BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the following motion moved by Mr. H. M. Abdullah on the 9th September, 1937 :

“That the Bill to make provision for the application of the Moslem Personal Law (Shariat) to Moslems in British India, as reported by the Select Committee, be taken into consideration.”

Mr. George Joseph (Madura and Ramnad cum Tinnevely : Non-Muhammadan Rural) : Sir, in this matter, I enter on the discussion with a certain amount of unhappiness. I know that the view of the Muslim Members, if not all of them, of the vast majority of them, is in favour of the passing of this Bill as it stands, subject to such amendments as may be accepted by the House later on. Therefore, I should be extremely sorry if, in anything I should say, I should seem to go against the wishes of the Muslim Members who are the only people concerned by the passing of the Bill, if it is passed. But I had better explain the reason of what I may call my position of discomfort. I strongly hold the view that in all these matters it is better not to have codification in favour of maintaining what may be called the personal law of the various religions and communities in this country. I strongly hold the view that as far as succession at least is concerned it should be a matter of territorial law in which it should be possible for anybody who wants to know the law to look up some Code and really have the succession maintained in terms of that Code. I know that as a matter of history, on account of the peculiar circumstances under which the present administration came into India, the original British judges and administrators, not themselves starting on the basis of building up a state or maintaining an Empire, were quite content to go on the basis of the personal law : they knew the personal law of the Hindus, and the personal law of the Muslims ; and all that they did was, through their officials and with the advice of *Shastris* and persons learned in the *Shariat*, to administer the law as they were advised ; and things

[Mr. George Joseph.]

have gone on that basis now for the best part of 150 years. But I do submit though that was suited to the long long ago, it should now be possible for this Government or this Legislature to lay down the foundations of the law of succession quite independently of what community a certain individual belongs to. Though historically there was justification for the maintenance of this kind of personal law, now I submit that the time has long gone past and I can only regard it as a misfortune that in the year 1937 there should be any section of the community which really wants to maintain a personal law—one for Muslims, one for Hindus and another for the rest. It would have been very much better and more fortunate—it is certainly necessary that some day or other this House should take up the responsibility of codifying the law of succession in India, not with reference to the religion of the persons concerned, but with reference to the territory that they inhabit: that is the only basis on which we can settle this question of succession. But as far as this particular Bill is concerned there comes in my position of difficulty as I explained, when I find that the Muslims want this particular thing to be put through: as far as that question is concerned, I, not being a Muslim, can really have no right to offer any opinion which might be persuasive either this way or that. I certainly have a vote, but I should certainly exercise an act of self-restraint by declining to say anything in this matter if I find that there was a definite difference of opinion amongst the Muslim Members of the House. But as I understand all Muslim Members are inclined to favour this Bill, I should certainly not come in the way of their desires being carried out. Apart from that, there is this other difficulty also. I do not think that I have understood the whole Bill but to the extent that I understand it, one of the consequences of the Bill being carried would be that a good deal of what may be called customary law as observed by Muslims, in different parts of the country, would practically be wiped out in favour of what may be called the rigid and orthodox interpretation of Muslim law as laid down in their sacred books. I am particularly thinking of one community in my part of the country—I mean the community known as Moplahs, amongst whom—I do not say it is true with reference to all Moplahs, but with reference at least to a considerable section of them, they observe what is called the Marumakkathayam law, the lineage being traced, not through the father but, through the mother.

Now, I have no doubt whatever if this Bill is passed, as far as that section of the community is concerned, the change that will be brought about will be of a revolutionary character. I dare say that they may be willing to accept revolution as one of the things they must accept—I do not doubt that for a minute: but I have no doubt whatever that the change will be of a revolutionary character. Whether the necessity that is to be put on their community of having to face this new change is really compelling or not, it is for them and for the Muslim Members of the House to decide. But a suggestion that has been put, especially among Members of my Party, was that one consequence of the passing of this Bill would be that the position of the women members of the community would certainly be improved. That may be true with reference to customary laws in other parts of the country, but as far as the Moplahs are concerned, who are governed by the Marumakkathayam law, I am persuaded, I am perfectly satisfied in my mind, that the position of a lady

in a Marumakkathayam family is infinitely stronger than the position that is sought to be brought about by this Bill. There, descent is traced through women: they have got a right to manage property: they do manage property in large families even today; and, therefore, I suggest, that to say that the interests of women under this Bill will be better on the Marumakkathayam application of the Moslem law in Malabar, is not sound: but even then as I have already explained, though I personally stand for a territorial law of succession, and though I feel personally that the position of women in the Marumakkathayam sections of the Moplah community would not be made better, I certainly shall not come in the way of the passing of this Bill because I feel that the Moslem Members of the House are really for it.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): May I put one question to the Honourable Member?

Sir George Joseph: I really do not know whether I can answer the question.....

Mr. President (The Honourable Sir Abdur Rahim): Order, order: the Honourable Member cannot then put any question. He will resume his seat.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Sir, 12 Noon. there was hardly any necessity for me to address the House this morning on the motion which is under consideration. But the speech made by the last speaker has put the matter in a very curious light and it is necessary that I should address a few remarks to the House explaining the position of the Muslim Members and the real significance of the Bill which is now being considered by the House. The Honourable speaker who has preceded me has really taken up a very anomalous position; he has, in effect, spoken against the Bill, but voted in favour of it. He says he has no objection to the Bill, and if the Muslim Members of this House are agreed as to the advisability or necessity or importance of the measure being passed, he will not stand in their way, in fact he will vote in favour of the measure, and yet he has made some remarks against the Bill. I may submit that the ideal state of things of which he is thinking today—that in India in the year of grace 1937 it is a misfortune that we are thinking of passing a Bill like the one before the House—I submit that this ideal state of things, which he is thinking of really, does not exist in India in the year of grace 1937. He says that all laws should be territorial laws, but he forgets that we are today governed by certain laws, the foundation stone of which was laid in the year 1857 by the famous Proclamation of Her late Majesty Queen Victoria, wherein it was guaranteed to the peoples of India that they shall have full religious liberty, full social liberty, their laws and their customs shall be fully respected and nothing shall be done to abrogate them. We have made it amply clear in the speeches which have been made so far in the House about the Bill, that this Bill is based on the Muslim Personal Law, otherwise called the *Shariat*. That *Shariat* is the sacred Muslim Law. It is based on the holy Koran and on express injunctions of the Holy Prophet and on deductions from the various actions taken by Him on various occasions in certain circumstances. These are the foundations of the sacred Muslim Personal Law. And if the Honourable Member means to say that it is a misfortune that in the

[Syed Ghulam Bhik Nairang.]

year of grace 1937 there is a community in India which professes to believe in a religion called Islam, which professes to believe that the Holy Koran is the word of God, and that the Great Personage who handed that book to the Muslim community, the Holy Prophet—they believe him to be inspired by God and sent by God for the purpose of reclaiming lost humanity—if he thinks that all that is a misfortune, then I can say that we can never agree with him.....

Mr. George Joseph : I did not say that, nor did I mean it.

Syed Ghulam Bhik Nairang : I know he never said that, but what he said amounts to this.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member need not read all that into what he has said.

Syed Ghulam Bhik Nairang : I have already said that he never said this much.

Mr. George Joseph : I never meant it either.

Syed Ghulam Bhik Nairang : This is the inevitable result of what he said. Anyhow, when in the year of grace 1937 there is a community numbering as many as eight crores in India which holds Islam to be the only true religion in the world, which holds the Holy Koran to be the only safe guide in all matters, secular, moral, spiritual and intellectual, which holds that it is the bounden duty of every Muslim to follow every injunction of the Holy Prophet and every injunction of the Holy Koran, then, in spite of my Honourable friend the last speaker, it is natural that we should have a Bill of this kind even in the year of grace 1937. While on this subject, I may be allowed also to correct another misconception which was created by some remarks of my Honourable friend, Sir Muhammad Yamin Khan ? He appeared to think or rather apprehend that if the word “*Shariat*” is allowed to stand within brackets in the Bill as it is, it will mean that every Muslim, irrespective of the school of law which he may be professing to follow, will be bound to follow the Hanafi School of law.

Sir Muhammad Yamin Khan (Agra Division : Muhammadan Rural) : I did not say that. My Honourable friend, Mr. Jinnah, said whether I meant that. I did not say that at all.

Syed Ghulam Bhik Nairang : Anyhow, I want finally to remove all apprehension from his mind by citing to him a few words from the Holy Koran itself. The word “*Shariat*” is derived from the root “*Shara'a*”. To be quite precise, lest I should commit a mistake in quoting the sacred text, I will read from a written note. The Holy Koran says :

“*Shara'a lukum min-al-dini ma Wassa bihi Nuhan wallasi Auhaima ilaika wa ma wassaina bihi Ibrahim wa Musa wa Isa an aqimul-dina wa la tatafarraqu fh.*”

“God has laid down for you as a religious law what he laid down for Noah and the law which we have revealed to thee and to Abraham and to Moses and to Jesus, so that you may uphold the law and not create

dissensions therein.” So that the word “*Shara'a*” occurs about the Muslim Personal Law in the Holy Koran itself, and the word “*Shariat*” is derived from “*Shara'a*”. Therefore, my Honourable friend, Sir Muhammad Yamin Khan, need have no apprehension on that point and we are quite safe when we call Muslim Personal Law by the name, *Shariat*.

Sir Muhammad Yamin Khan : On a point of personal explanation, Sir. What I meant was not that there is not a religious law. What I mean is that *Shariat* can be only one, it cannot be two, it cannot be three, it cannot be four. When you use the word “*Shariat*” that must imply that there is only one law, but when you come to say Personal Muslim Law, there are so many personal Muslim laws which are for every sect. Therefore, the word “*Shariat*” does not cover the words “*Muhammadan Personal Law*”.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member is now making a speech, and I cannot allow that.

Maulana Zafar Ali Khan : I must start at the outset with declaring that we Muslims, who number more than eight crores in India, have got a law of our own, before which we bow down in utter humility and with full submission. That law is the law of Islam. With regard to this law, the book, which we believe is the final message of Lord Almighty to mankind, says : “*Innaddina Indallah-i-Islam*” (the Faith with the Lord is the faith of Islam).

Islam means submission to the Will of the Almighty and the Almighty has ordained that so far as the Muslim nation is concerned it will be governed according to certain principles which are fixed and will remain fixed till the end of this world. This law is perfect and that section of the law with which we are concerned, at the present moment, is the personal law of the Mussalmans. The personal law refers to such questions as divorce, separation, succession and the like. This is a sort of domestic law for us and unless we come under this law there is a great danger of the Moslems losing their solidarity and national unity. Unfortunately, when we lost our empire, we came under other laws. I remember many many years ago when a charter for the administration of Bengal and Bihar was taken by the East India Company from Shah Alam, who stipulated that in the administered areas the law of Islam shall hold. That law was administered in those days for some time. The Koran was translated, the *fiqh* was translated and there were Kazis and Muftis but, when Mussalmans lost all their power and solidarity, disintegrating influences set in and the law of Islam fell into desuetude. Then came the great change of 1857. I should say it was the day of mourning for the law of Islam in this country. People began to be governed by customs and usages. Islam does not believe in these customs and does away with all these usages. What has been laid down in the Koran cannot be neutralised by the effects of custom and usage. In this country, we all of us did not come from Arabia or from Turkestan. Millions and millions of us were converted to the faith of Islam by the inherent beauty of this religion. Look at me. I am looked upon as a great communalist but my great-great-great grandfather was a kafir, an infidel, but when Islam came into our family we became the strictest of Mussalmans. So also the forefathers of many millions of Mussalmans were Hindus. They inherited Hindu usages and customs from their

[Maulana Zafar Ali Khan.] forefathers but when Islam came, with one sweep, it did away with all these old customs and usages. Those customs, however, linger still and as there is no political power behind the faith of Islam just at the present moment, all those people who indulge in these customs are allowed to go on in the merry way. It was not for nothing that Akbar said:

"Government ki khair yaro manao"

Galai men jo utren woh tanen urdo

Kahan aisi azadian thin muyassar

Anahag kaho aur phansi na pad

An Honourable Member: Please translate.

Maulana Zafar Ali Khan: You Congressmen who talk of Hindi, Urdu and Hindustani ought to know it.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought to address the Chair.

Maulana Zafar Ali Khan: I will translate. It means: Long live this Government, which permits you to sing any song in any tune you like. You are at perfect liberty to declare "I am God Almighty" as for this blasphemy you will not be hanged.

Sir, there are hundreds of thousands of men in the Punjab whose law of succession is permeated with Hindu sentiments. They like to remain under these laws but when any leader of religion convenes a meeting, ten thousand men gather together. He calls on them: 'You believe in the laws of the Koran or believe in Customs'. They say: 'We believe in the law of Koran', but as there is no law of Koran they can find a pretext to carry on their life under the customs which are obtaining at the present moment. This Bill is intended to do away with those customs, so far as the law of succession is concerned. My friend, Mr. George Joseph, when he talked of the law of succession said that personal law was imperfect and this imperfection he applied to the law of Islam also. I do not agree with him. He must remember that the Congress says that it represents the Muslims as much as it represents the Hindus. The present movement of mass contact has been started on the same plea. The President of the Congress has wanted the Muslims to come into his fold but if the President of the Congress wants the Muslims to come into the Congress fold, he must respect the laws of Islam and the Koran. So far as our personal law is concerned, Congressmen will have to vote with us and if they remain neutral, then they have no business to talk of mass contact and ask us to join the Congress. I should like the Leader of the Opposition to explain his position with regard to this Bill. From their point of view, it may be imperfect. From our point of view, it is perfect. If only they consult the two or three Muslim Members in their fold they will agree with me. If you want us to join hands with you and emancipate this land from foreign bondage, then you will have to say 'aye' to what we say. Islam is unity of God, belief in the Prophet, prayer five times a day, 30 days fast in a year and pilgrimage at least once in a lifetime. If you don't allow us to live our life according to our principles and interfere in our domestic life, there is a parting of the ways. We cannot join you. But if you want us to help you to carry on

the administration of this country according to the best interests of both Hindus and Mussalmans, you will have to appreciate our view point and if you don't there are you and here are we.....

An Honourable Member: And we above all!

Maulana Zafar Ali Khan: And God above all. When an Englishman says something, you say it is reasonable. The other day you said, down with them, kick them out, and yesterday you sided with them and you became toadies. (Laughter.)

Mr. Shah Lal (Ambala Division: Non-Muhammadan): Sir, I object to that expression.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not use that expression; he should withdraw it.

Maulana Zafar Ali Khan: Do you mean the word 'toady' Sir?

Mr. President (The Honourable Sir Abdur Rahim): Yes.

Maulana Zafar Ali Khan: Alright, Sir, they are not toadies, I withdraw that word if they get offended.

Mr. S. Satyamurti (Madras City: Non-Muhammadan Urban): Sir, my friend should withdraw it unconditionally; it is an unparliamentary word. He says he will withdraw it, since some friends get offended. It is an unparliamentary expression, and, therefore, he should withdraw it unconditionally.

Mr. President (The Honourable Sir Abdur Rahim): He has withdrawn it.

Maulana Zafar Ali Khan: I have withdrawn the word "toady".

Sir, this Bill as it has emerged from the Select Committee has our approval, and the Leader of the Independent Party will place a few amendments before the House, and we all agree with those amendments. Our point of view will be before you. Sir, I hope that the Bill will be passed. I hope the European Group will not put a spoke in the wheel. I trust the Government Benches too will not interfere with free voting, and I also hope that my friends of the Congress Group, for whom I have still a soft corner in my heart,—because we may come together, we will come together,—I will draw you like a magnet,—I will draw you.....

Pandit Badri Dutt Pande (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): By your arrogance and anger! You ought to be humble.

Maulana Zafar Ali Khan: If you are annoyed with what I have said, I can't help,—anyway, I hope my friends of the Congress Party will rise to the full height of their status and prove to the world that they are what they claim to be.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Sir, I make no apology for taking part in this debate, for, in my opinion, the question is not one of this political party or that political party. The question is one which affects forty millions of Indian women, my sisters, and, therefore, all these outside considerations of either party or politics are absolutely irrelevant and verge on the vulgar. Sir, I have always maintained that when one half of the body is paralysed, then the body

[Dr. G. V. Deshmukh.]

cannot function, and what applies to human body equally applies to society. When one half of the society is paralysed by its not recognising the economic status of women, then I say that that society will not and cannot progress. It does not matter whether it is Hindu society or Muhammadan society or any other society. (Hear, hear.) And in the 20th century, it is up to us, who have any pretensions to call ourselves educated or civilized, to see that the other half of the society has an equal status to the male half of the society. If we cannot recognise it, then let us shut up our shop, let us shut up everything that is put forward in the name of civilization and progress. Therefore, I say, Sir, that this Bill which in principle gives economical status to one half of the society has my whole-hearted support. (Hear, hear.) What I say is this that, if today the Muhammadan society progresses, in the future every society in India will follow the same example,—not that in Hinduism the principle does not exist. On account of custom, and more even than custom the British Courts' customs, the customs have crystallised into law, and thus the chilling hand of customs has barred all progress of society of womenfolk so far as India is concerned. I, therefore, think, that unless the female half of the society progresses, unless this paralysis, or what we in medical term call hemiplegia, of the Indian society disappears by progressive and enlightened legislation, there is no hope, and it is futile to say we will build up a nation. Therefore, I say, this example will also be followed by other societies, and the women folk will get the same economical status with that of the males in the country, and in this way the future nation of India will be built. This measure, therefore, Sir, so far as the principle of the Bill is concerned, has my whole-hearted support. (Hear, hear.)

Maulana Shaukat Ali (Cities of the United Provinces : Muhammadan Urban) : Sir, I will not try to deal with the legal aspect of this question, because I admit I do not know the territorial law well, nor do I know the Islamic law well.

An Honourable Member : You are a Maulana.

Maulana Shaukat Ali : Yes, they gave me the title of Maulana, because I did some little work for Islam and my Muslim brethren during the Great War, we did render some service to Islam, and our Islamic brethren appreciated our humble services, and they gave us the right to be called "Maulana". I am like an ordinary Mussalman—a man in the street—who believes in the Holy Koran from A to Z, from "bay" to "seen" and I believe in every word of the grand teachings of the Koran ; it has made us good fathers, good sons and good husbands in every possible way ; it makes us to lead purer life, a healthier life, but I have no right to impose my views on others. But there is one thing certain. Every Muslim who is governed by the law of primogeniture, admits that it is a bad law ; that he is doing something wrong, for which he will be punished in the world here after, because we thereby deprive our brothers and sisters of the rights which God, Almighty had apportioned to them. Our law, Sir, is quite clear and simple. Each son has to get one share, each daughter half a share, and before the son or daughter gets their share, the wife gets one-eighth of her husband's property.

An Honourable Member : 18th to a mother.

Maulana Shaukat Ali : I leave this matter in the hands of my lawyer friends. But I know the law is very simple ; it works well. Islam encourages that property and wealth should be properly distributed, so that they may not become, idle, lazy and useless people. Every one has got to work. Sir, I also belong to a small zamindar class. We had a fairly big property, but it was distributed amongst many people, and we now realise that it was for our good. If we do not work, we will have to live on the income of our share of the property and thus destroy it soon. I personally don't believe in the law of primogeniture, nor do I believe that in any custom which can deprive daughters of their right in their father's property. The majority of the people in Bombay, with the exception of few classes, the whole of the United Provinces, with the exception of the Talukadars of Oudh and the whole of Madras, with the exception of Moplahs in Malabar, are already governed by *Shariat*. I have met these people and I know them intimately. When we ask them as to what answer they will give before God on the Day of Judgment when they deprive their own kith and kin, their own daughters whom they had brought into this world, of their rights—they simply hang down their heads with shame. I know that self-interest and selfishness overpowers us and we do many things which are prohibited by our faiths, such as, drinking and other similar vices. I think the time has now come when we should speak frankly and boldly and ask the Mussalmans to follow the law of the *Shariat*.

I have only one more word to say and then I will close my speech. There will be many social laws to be enacted in this country. If our Hindu brethren want to correct or improve their own laws, it is not for me to interfere and criticise them. Feelings are bad enough already. We have political differences, and if we go on interfering with each other's religious laws and laugh at them, I am afraid things will become worse. If our Hindu brethren bring in a law of their own, I personally would prefer to leave them to decide it for themselves. In fact, we will give them our support if they have come to an agreement amongst themselves and the same courtesy should be shown to the Moslems. I will support the amendments of Mr. Jinnah when they are moved. We want the complete law of Islam to be practised by us in this country and we Moslems would not rest until we get what we want for the guidance of our lives.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Sir, I entirely agree with some of the observations made by my Muslim friends who have spoken in favour of this Bill. I can understand that in matters which mainly affect the religious usages of any community, the consensus of opinion of that community should be the guide to other persons in forming their own opinion. Therefore, it is not proper for anybody to take exception to that general principle. If I have got up to speak on this occasion, it is not because that I take exception to the principle underlying this Bill but because I find that the Bill probably goes beyond the principle which the Mover of the Bill has in his mind. One point on which very great emphasis has been laid was the liberalization of the condition of the women who have embraced Islam. My Honourable friend, Dr. Deshmukh, who has already established his reputation in this House as the champion of the cause of women, has made a very eloquent speech and has told us all

[Mr. M. S. Aney.]

that this Bill not only augurs well for the Muhammadans for whom it is primarily intended, but that it is going to pave the way for the progress of the emancipation of the entire womenfolk. I wish his words will come to be true as a prophecy on this occasion. So far as the emancipation of womenfolk is concerned, it is too late for anybody to talk of any old or archaic laws. But that also is a point which I would ask this House to consider. My friend, Dr. Deshmukh, will certainly object very strongly if the Hindus think of changing the present Hindu law today on certain points replace it by the Vedic law, if he finds that it is going to militate against the idea of emancipation of Indian women. So, the principle on which my friend, Maulana Shaukat Ali and my friend, Maulana Zafar Ali Khan, have defended this Bill is not the principle on which my friend, Dr. Deshmukh, is going to give his blessings at all.

Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) : But the result is the same.

Mr. M. S. Aney : We find many times that two persons go in different directions and yet meet at some point and then they say that they have come together and, therefore, they have travelled in the right direction.

Dr. G. V. Deshmukh : I think I made clear the grounds of my support, that the Bill was progressive in principle.

Mr. M. S. Aney : My Honourable friend may not misunderstand me at all.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : I hope you will not be a blind leader of the blinds.

Mr. M. S. Aney : I do not know what I am. But if you call me a leader of the blind, I will only request you to use any language towards me, but spare the Honourable friends who sit behind me.

So far as the principle of the Bill is concerned, there is no question for us to consider at all. But I find that in drafting the Bill, as well as considering it in the Select Committee, proper attention has not been paid to its language and I find that it goes beyond the principal object which some of my friends have in mind. They want to have the law of *Shariat* in regard to those matters which come under the domain of personal law. If the Bill is confined only to questions of succession and inheritance and such other matters, there would have been no ground to take exception to it. But I find that almost all the ways in which the property can be disposed of are practically covered by the various items mentioned here. I will just mention a few items. The law of guardianship is also mentioned in the Bill. I do not know what is exactly the idea of those who have propounded it here. Is the law of Indian majority to stand or to go? I am just putting this question in order to understand what they have in mind. When my Honourable friend, Mr. Jinnah, will get up, I am sure he will throw light on these questions and remove my doubts. I want to know whether a Muhammadan will be treated as a major when he attains the age of 18 or when he attains the age of 21 under the present Law of Indian majority or not?

Mr. M. A. Jinnah : I have already tabled an amendment and if it is accepted by the House, all the difficulties which the Honourable Member is now putting before the House will be removed.

Mr. M. S. Aney : I am putting these difficulties in order to show the necessity of the amendments to the Members with a view to enable them to understand clearly the significance of the amendment which my Honourable friend, Mr. Jinnah, is going to move in this matter. I am one with him on this point that the measure goes beyond the limited object which the Mover of this motion had in mind. Similarly, it refers to gifts. There may be certain principles in the *Shariat* or in the various forms of the *Shariat* or in the personal law of the Muhammadans laying down the rules with regard to gift. But I want to understand whether the general principles of the Transfer of Property Act will govern those gifts or not.

Mr. M. A. Jinnah : The Transfer of Property Act does not apply to Mussalmans.

Mr. M. S. Aney : Clause 3 of the Bill, about which I have had a great dispute last time, has been amended. My object in doing that was also to exclude the Hindu community from certain portions of the Act. The Muhammadans were exempted but the Hindus had been included on account of the insistence of some of my friends. However, my point is this. There is the Indian Registration Act. Will that Act have an operation in regulating the gifts and other transfers made in accordance with this law or not?

Mr. M. A. Jinnah : It will not apply.

Mr. M. S. Aney : You have to see whether out of the general body of laws which are common to Hindus and Muslims today and by which the Hindus and Muslims are governed today, any one of these laws becomes useless or inoperative in regard to certain matters which are necessarily of domestic character, but which, however, come within the domain of what we may call, secular activities and secular transactions in which the Hindus and Muslims have to interchange and interact with each other. We want to see whether by enacting this measure, all these laws which are common to Hindus and Muslims alike are going to be affected. Or does the proposed measure affect only those laws which govern the Muhammadans only?

Sir Muhammad Yamin Khan : Where the parties are Muslims.

Mr. M. S. Aney : I want to know whether where one party is a Muslim and another a Hindu, this law will affect them or not. If it affects only where both the parties are Muslims, then I do not mind. I have just put in one question where a particular kind of transaction will require registration under existing Act, will this *Shariat* law dispense with that registration between those parties. Will this law exempt the Muslims from the Registration Act? That is the point which I want to know. In considering the amendments which are put on the agenda we must know whether this Bill is intended to exempt the Muslims from the operation of most of the general laws which govern Hindus and Muslims today and which are not of the nature of the personal law at all. If the general laws are intact and effective then there can be no objection to the Bill as it is. We have to consider the amendments from that point of view.

[Mr. M. S. Aney.]

There is another difficulty which I have always felt in considering measures of this kind. If there is a Bill before the House, I think it is necessary for Honourable Members to know what is it that we are enacting. If the entire *shariat* law has been incorporated in the Bill, then we can understand its provisions and we will then know how to record our votes after properly understanding the provisions. But now we have got an omnibus Bill which says, "let us be governed by the *shariat* law". We find there are various schools of thought in *shariat* law, and it is not in reality one law. The Koranic law which passes by the name of *shariat* is differently interpreted. Different interpretations are put on the *shariat* law. There are many commentaries on *shariat* law which interpret it in different ways. There are so many laws which come within the name of *shariat*. It is not one law which is really meant. It is a body of different laws, which in common parlance passes by the name of *shariat*. If the position is like that it is unfair to Honourable Members of this House to be asked to pass this measure, taking everything for granted, and concluding our mere faith that everything must be right. It is not the proper way of asking any responsible legislature to consider any measure of that kind. In this House we have been in the habit of bringing such measures. I do not blame any single community. Both Hindus and Muslims are alike to blame. Whenever a Hindu brings in a Bill, he also does the same. This habit of asking Honourable Members of the House to take everything for granted and not reproducing intact the distinct provisions of the particular law which is required to be enacted, I say, has been growing of late. I say that this practice ought to be discouraged as far as possible. Since all our Muslim friends are agreed as to the provisions of this Bill, I would say nothing against it. I want to make this observation that, hereafter at least, everybody should take care that instead of asking us to say that a particular thing should be sanctioned because it is *shariat*, you should mention to Honourable Members in the House the particular thing which requires to be enacted as law. I submit that when you vote for a measure, you should see whether it is in the best interests of the country, because our duty as citizens of the Indian Empire is to see that whatever is done today is going to help the progress of this country, whatever is done today in this House is going to help the formation of India as one nation, strong and virile. This is the ideal which every Honourable Member of the House, Hindu or Muslim, should strive for. It is the duty of every Member of the House to keep this always in mind so that he might be in a position to judge matters from this ideal. It is better that we know the details which are going to be enacted into law rather than a generic term under which those things are described to us now. While I make these few remarks, at the same time, I wish to say, that after all the amendments are considered by this House, I hope the Bill will emerge in such a form as would be acceptable to every one in the House. I wish the Bill all success and I hope the motion for consideration of the Select Committee report will be adopted.

Several Honourable Members : The question may now be put.

Mr. President (The Honourable Sir Abdur Rahim) : The question is that the question be now put.

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill to make provision for the application of the Moslem personal law (*Shariat*) to Moslems in British India, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 2 stand part of the Bill."

Mr. M. A. Jinnah : Sir, I beg to move :

"That in clause 2 of the Bill, for the words 'usage or law' the words 'or usage' be substituted."

Sir, I think I ought to make my position clear generally, as there has been a great deal of criticism. With your permission and with the permission of the House, I might go a little beyond the four corners of the amendment. The last speech of my Honourable friend, Mr. Aney, was a criticism of the Bill in various ways. But might I explain to the House and to my Honourable friend here that the Bill is quite clear and specific. When these amendments are made, I think no reasonable person can have any complaint whatsoever. The object of the Bill is this. Of course, I am now assuming that the House will accept my amendment, and the moment the House accepts the amendment, the word "law" disappears from the Bill, and the moment the word "law" disappears from the Bill, all the criticisms that were offered by my Honourable friend, Mr. Aney, will have no ground to stand—such as the Registration Act, the Transfer of Property Act and so on and so forth—because no Statute is touched by this Bill. But this Bill has no desire really to touch any of those Statutes, we never had any desire, except perhaps those Statutes which regulate different rules of succession and disposal of property than the personal Muslim law, such as the Taluqdars of Oudh, for instance. My friend, Mr. Aney, thought that the matter was not very clear with regard to various matters. I will draw his attention to this. What is the Bill seeking to do ?

"Notwithstanding any custom"—(and if the amendment is accepted),—"or usage to the contrary, in all questions regarding intestate succession (save as regards agricultural land)"—

We have saved agricultural land, because I find that, under the Government of India Act, it is a provincial subject, and, therefore, it cannot be dealt with here. Then, we go further :

"special property of females, including personal property inherited or obtained under contract or gift or any other provision of Personal Law", etc.

That deals with property and has nothing whatever to do with anything else. That is to say, the intestate succession to the property which has been here described is one subject ; and I think it is quite clear that, when you are dealing with property, it is a question of succession and inheritance and nothing else. Then, the next subject is,—"marriage". My Honourable friend, Mr. Aney, knows what it means. (Laughter.)

Mr. M. S. Aney : We both know it. (Laughter.)

Mr. M. A. Jinnah : Quite so. Surely it is quite obvious that the personal Muslim law should govern all matters connected with marriage, notwithstanding the custom or usage to the contrary, and Muslim law is

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quite clear and definite, and for a lawyer it is quite easy to understand. Now, let us take other subjects. "Dissolution of marriage",—the same observations apply; "including *talaq*" and the different kinds of *talaq* described here. There, again, to put it in the English language, the subject comes under the law of divorce. Now, the law of divorce is well-known. There is the Muslim personal law, and we are seeking to do this that that should prevail and not the usage or the custom. The next thing is "maintenance", and there it is the same thing, as also "dower". "Adoption" is taken out according to my amendment. Then comes "guardianship". As to that there is the Mussalman personal law which defines and regulates the question of guardianship, but that does not override any other Statute, because the word "law" goes. Therefore, the laws of guardianship prevalent according to the Muslim personal law will be applicable notwithstanding the custom or the usage. Then, "wills" and "legacies" are taken out. Then comes "gifts". There, again, the Muslim personal law is well known and is applicable to gifts; and we say that that law should apply notwithstanding the custom and the usage. Then, we take "trusts and trust properties and wakfs". Here, again, the law of trusts and wakfs is well known. Then, we say; "(other than charities and charitable institutions and charitable and religious endowments)". These we had to exclude, because that again is a provincial subject and not a Central subject. Now, Sir, may I know what is the real objection to this, and why is this not definite and not clear, if the word "law" is dropped?

Now, let me tell the House that barring a very small population all over India such as the Baluchis, Moplahs, Memons, Khojas and certain sections of the people in the Punjab, and so on, which is a small section compared to the Muslim population all over India, these small communities or sections have followed certain customs and usages which now have the force of law; and once the custom or usage has the force of law, that is the law for that community or that section of the people. And however much they may want to change, they are governed by it; and, therefore, something has got to be done in order that they should be brought under some other system of law if the custom and the usages are not desirable, and the custom and the usage which have the force of law are certainly unjust and particularly unjust with regard to the female heirs as to their succession in the property. As I said in the beginning when I spoke on this Bill on the consideration motion, the position really is this that, the female heirs according to the custom and the usage which we want to set aside get nothing but maintenance and marriage expenses. And here I certainly welcome the observations which were made by Dr. Deshmukh that he is a champion of women. And, Sir, if he wants any advocate to help him in that cause, he can always count upon me. I entirely agree that these customs which exclude the female heirs are, to my mind, unjust, and, not only unjust, but they are keeping down the economic position and status of women which is the foundation of their development and rise and their proper and equal share along with the men in all walks of life. Therefore, Sir, the whole object is this that personal Muslim law should govern the rule of intestate succession. Of course, there are different jurisprudences, and then my Honourable friend, Mr. Joseph, is an idealist who wants to have a Utopia when we have only one system of law in this world. We have not achieved that ideal yet. Different people have

different codes of law; even in Europe the rules of succession differ and in India the rules of succession differ. But, Sir, I meant to say that the code of Islamic law of succession is the most just and equitable.

Mr. George Joseph : If that is territorial legislation, I have no objection.

Mr. M. A. Jinnah : My ambition is very limited. I do not believe in visionary ideas. I do not believe in dreaming of things.

1 P.M. To make one territorial law for the whole of India will take a very long time indeed. I cannot wait till then. I find, I have no hesitation in saying this, that the Islamic code of law with regard to succession is the most just and equitable, most advanced and most progressive. I, therefore, say, let the Muslims at least be governed by it.

I will not take any more time of the House, and I hope that this Bill will be passed today. I do not want to be a party for delaying it any more. With these observations, I move my amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in clause 2 of the Bill, for the words 'usage or law' the words 'or usage' be substituted."

Sir Muhammad Yamin Khan : I wholeheartedly support the amendment which has been moved by Mr. Jinnah. As a matter of fact this was the difficulty which I had pointed out in my note of dissent. I am not wholly in agreement with certain portions of the speech of the Honourable the Mover of the amendment, but the effect of the amendment will be what I desire. In this connection, I would like to make a few observations on the speech which was made by my Honourable friend, Qazi Muhammad Ahmad Kazmi. I pointed out to him one difficulty which I want the Mussalman Members especially, and the other Members of the House generally, to understand.

Mr. President (The Honourable Sir Abdur Rahim) : He should speak on this particular amendment. I do not want a discussion on any other matter.

Sir Muhammad Yamin Khan : Sir, if this amendment is not made and the law stands as it is without taking out the word "law", then we will have this clause 2 reading "*wakfs* other than charities and charitable institutions and charitable and religious endowments", which means that there is a kind of *wakf* contemplated by this Act which does not come under the above. What is that *wakf*, Sir? It comes under the purview of *wakf-ulul-aulad* which has been allowed by an enactment of this Legislature. According to *Shariat* law, which has been interpreted by the Privy Council, that kind of *wakf* was not valid. Mussalman Members may agree with the ruling of the Privy Council or not, but that is the law as interpreted by the Privy Council. Therefore the only thing which gives the right to make a *wakf-ulul-aulad* is the law, not the custom or the *Shariat*. I, therefore, think that unless we take out the word "law", we will be nullifying an Act of this Legislature which gives us the right to make a *wakf-ulul-aulad*. I am sorry to find that my friend did not catch the point which I had put before him.

Mr. M. A. Jinnah : I am perhaps dense : I can never catch my learned friend.

Sir Muhammad Yamin Khan : If my friend, Mr. Jinnah, cannot catch me, it is a pity that even he cannot catch me.

Mr. M. A. Jinnah : A great pity.

Sir Muhammad Yamin Khan : That is my real difficulty in having the word "law".

Mr. M. A. Jinnah : We agree now.

Sir Muhammad Yamin Khan : To taking out the law, but on the ground.....

Mr. M. A. Jinnah : Never mind the ground.

Sir Muhammad Yamin Khan : I think, Sir, this is the position. I think the whole House will agree and drop the word "law".

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : I have got a doubt which has not been cleared by the amendment of Mr. Jinnah. Now, the word "law" has been removed and the clause stands as "notwithstanding the usage or custom to the contrary in matters of succession, etc., etc.". There is a further amendment from the same Honourable Member that so far as wills, adoption, and legacies are concerned, it is open to any individual to make a declaration and thereafter this Bill will apply to him and to his children. I find that, with respect to the Cutchi Memons of Bombay, an Act was passed in 1920 which was again amended in 1923, whereby they could declare against the application of the ordinary law of inheritance and succession which, in their case, was according to Hindu law. Even though the word "law" is removed from clause 2, it will have this effect that, even in regard to Cutchi Memons to whom the laws of 1920 and 1923 apply and under which they can modify the ordinary succession according to Hindu law, Cutchi Memons, from the date of the passing of this Act, are bound by the Muslim law. That will be the effect. Therefore, I want the Honourable House to understand the implications of this Bill. I want to know from the Honourable the Mover of the amendment whether it is contemplated that, notwithstanding the Act, passed by the Legislature enabling the Cutchi Memons to modify their law, which is Hindu law, into one of Muslim law, it should be obligatory under this law for them to adopt, immediately on the passing of this law, the Muslim law.

Mr. M. A. Jinnah : The answer is "yes". I thought I made it clear that it is a very small section indeed of Cutchi Memons, Moplahs, and so on. The answer is "yes" so far as intestate succession is concerned; and let me inform the House and the Honourable Member who put me this question that I understand that more than 900 members of the community have already taken advantage of that declaration out of a total of 1,500 or 1,600; so more than half have already come under it, and the remaining portion is so small, and, as I said, what we are doing is so equitable that having regard to the general question the small portion also should be brought in immediately under the effect of this Bill.

Mr. M. Ananthasayanam Ayyangar : May I suggest one thing? It is because even under this law in its application with respect to certain aspects, that is, with respect to legacies, adoption.....

Mr. M. A. Jinnah : That is taken out.

Mr. M. Ananthasayanam Ayyangar : Inasmuch as a similar declaration is provided for this, and 900 of these people have already joined, why should you force this upon the remainder.....

Mr. M. A. Jinnah : I will explain when I come to that.

Mr. M. Ananthasayanam Ayyangar : Therefore, if this Bill becomes law, even in spite of the Cutchi Memons Act of 1920 or 1923, making an enabling provision and asking them to voluntarily come in, with respect to this other 700, i.e., about 30 or 40 per cent. of them, this law would be made compulsorily applicable. An amendment has been made in the Bill taking out the word "law". A similar provision may be made by creating an exception with respect to this also unless the entire Memon community is in favour of applying this law notwithstanding the enabling provision that is made by the other Act. That is all I have to say with respect to this matter.

Some Honourable Members : The question may now be put.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : Sir, I rise to support the amendment that has been moved. So far as my community is concerned, they do not mind the word "law" for the reason we are Muhammadans and we have all seen the great benefit that Islam confers upon humanity by making the *Shariat* which gives equal rights to all the human beings. I do realise the difficulty in using the word "law", because the great difficulty that is existing is that some of my friends may not like it, and it is more than probable that the Government will not agree to it and I do not want that this Bill should be delayed for a moment: it ought to be passed as soon as possible.

Mr. President (The Honourable Sir Abdur Rahim) : Before putting the amendment, I should like to inform the House that my attention has been drawn to amendment No. 11 which stands in the name of Mr. Mudie. As I read it, supposing this amendment of Mr. Jinnah is carried, that amendment will not be barred.

Mr. M. A. Jinnah : Yes : I submit it will bar it.

Mr. President (The Honourable Sir Abdur Rahim) : Very well, if that is his position; then, I must allow Mr. Mudie now to move his amendment before I put the other to vote.

Mr. R. F. Mudie (Government of India : Nominated Official) : Sir, I move :

"That to clause 2 of the Bill, the following be added :

'except in so far as that law has been either expressly or by necessary implication altered or abolished or is opposed to the provisions of any legislative enactment :

Provided that nothing herein contained shall affect the power of a court in the absence of specific law to apply to the decision of any case the principles of justice, equity and good conscience'."

I had put down an amendment on the same lines as that which Mr. Jinnah has moved just now—No. 4 on the paper : and this amendment No. 11 and amendment No. 4 hang together. Amendment No. 11 really consists of two parts. There is a proviso, and the words beginning with 'except'. The proviso merely repeats the present position.....

Mr. President (The Honourable Sir Abdur Rahim) : I think the Honourable Member had better continue his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

Mr. R. F. Mudie : I think, Sir, that if any difference exists about this amendment, it can only be on a matter of drafting. There is no difference between myself and Mr. Jinnah as to our intention. But it must be clearly stated what that intention is. I would invite the attention of Honourable Members of this House to Amendment No. 12 in the name of Sardar Sant Singh, and Amendment No. 15 in the name of Qazi Muhammad Ahmad Kazmi. I do that because these amendments bring out clearly that there are two kinds of laws which govern this matter. Sardar Sant Singh's amendment gives a list of what might be called adjective laws such as the Registration Act and the Stamp Act, and Mr. Kazmi's amendment gives another list—possibly incomplete—of quite a different type of laws, laws which apply in each province and which lay down that if the effect of custom has the force of law, the rule of decision will be custom and not the *Shariat*. Mr. Kazmi wants these laws to have no effect as regards Muslims. That is obviously necessary. If these laws still continue to have effect as regards Muslims, then the Bill will be absolutely null and void. So it must be admitted that the laws of the land, mentioned by Mr. Kazmi, must cease to have effect as regards Muslims. Now, the question is as regards the other laws, the adjective laws of the type mentioned by Sardar Sant Singh. It is essential that these laws should not be affected by this legislation. A similar case arose when a similar Bill was being enacted in the North-West Frontier Legislature about three years ago ; I take a case put forward there as an argument for maintaining these adjective laws, the case of prompt dower. If this dower is not paid, is there any period of limitation within which a bride must sue ? There is none, I understand, in the *Shariat*, but under the Limitation Act the limit is three years. Is it the intention of the introducers of this Bill to affect the law of limitation ? I find, Sir, none in the Statement of Objects and Reasons. Only custom is mentioned, and there is no mention whatsoever of the law of limitation. I will take another example. Is it proposed by this legislation to abolish section 488 of the Criminal Procedure Code in its application to Muslims ? That section allows a woman to sue for maintenance and provides an expeditious and cheap method of obtaining it. It also lays down the conditions under which maintenance can be refused. If she refuses to live with her husband, for no good reason, then maintenance can be refused. I understand that is not exactly the *Shariat*. There are three other conditions under which maintenance can be refused. But I do not think it was ever the intention of my friend, Mr. Abdullah, or the other supporters of this Bill, to alter the Criminal Procedure Code as regards maintenance. There is the Guardians and Wards Act and other Acts, some of which are mentioned by Sardar Sant Singh. There is also the Court Fees Act, etc. I do not think it was ever the intention

of the supporters of this Bill to alter the Court Fees Act. These adjective laws must be preserved. I may mention that there is another set of laws such as the Taluqdari Law of Oudh, the United Provinces Estate Act and various other Acts which apply to small sections of the community, but the main set of Acts which we must preserve are those which embody the adjective law. What is the problem ? We have got one set of Acts which we wish should remain in force as regards Muslims, and another set of Acts which we wish should cease to have force as regards Muslims. Now, Sir, we are in a dilemma. If it is held that Mr. Jinnah's amendment for removing the words "or law" saves all the laws of this country then the question will arise does it save Mr. Kazmi's laws ? If on the other hand, which, I think, is more likely, it is held that Mr. Jinnah's amendment does not save any law, then we have lost the adjective law. I will call the attention of Honourable Members of this House once more to the law passed in the North-West Frontier Province. That law, as originally introduced, was on very much the same lines as this Bill. Clause 2 read as follows : "Any questions regarding succession, special property of females, etc., etc." the rule of decision shall be the Muslim personal law, *Shariat*, in cases where the parties are Muslims. Except for the words which now remain in our clause 'notwithstanding usage or custom', which we may leave out, as far as "law" is concerned, that draft is the same as the draft we have at present, if Mr. Jinnah's amendment is accepted. That is to say, neither in the North-West Frontier Province Act nor in our present draft does the word "law" occur. But that draft of the North-West Frontier Bill was held—and I think rightly held—to have the effect of overriding all other law. In the North-West Frontier it was considered necessary to specify, as I hope the House will do by accepting this amendment, that in all these questions the *Shariat* applies "except in so far as it has been altered by a legislative enactment". If we do not insert that exception, then I think there is a very great danger of our law being misunderstood. Take the case of succession to an Oudh Taluqdar. The Taluqdar's heir comes forward, and claims under the Taluqdari Act. Some one, a reversioner, a daughter or some one else,—comes along and says, "No. There is the *Shariat* Application Act. Your Taluqdari Act was passed in 1869. The law I rely on was passed in 1937 and I claim that the later legislation overrides the earlier. My claim for succession is under the *Shariat* and I am the heir or heiress under the *Shariat*". There is a great danger of legal complications ; unless we specify exactly which Acts are to remain in force and which Acts ought not to remain in force. As regards the wording of my amendment, the *Shariat* will apply, except in so far as it has been either expressly or by necessary implication altered or abolished or is opposed to the provisions of any legislative enactment. It covers the amendments of both Sardar Sant Singh and Mr. Kazmi. Mr. Kazmi's amendment mentions section 26 of the Bombay Regulation IV of 1c27, etc. These sections do not in any way alter the *Shariat*. They lay down that either custom or the *Shariat* shall be the rule of decision but they do not, in any way, by implication or directly alter the *Shariat* itself. Either you apply the one or you apply the other. Sardar Sant Singh's Acts, on the other hand, such as, the Limitation Act, the Court-fees Act, the Guardian and Wards Act, etc., may by implication alter the *Shariat* ; that is to say, they may override the *Shariat* as regards the period of limitation, as regards court fees, as regards guardians and wards, etc. So

[Mr. R. F. Mudie.]

that my amendment rules out Mr. Kazmi's laws and allows Mr. Sant Singh's laws to stand. The drafting is not mine, but that of the Government draftsman who is an expert. He had the whole thing before him and this was his solution of the difficulty abolishing the laws which must cease to have effect and maintaining in force the laws, which must be left in force. This is the draft which he has produced, and I hope I have shown that it is satisfactory. It is the draft of an expert and I think that there is a great danger if it is not adopted, that Mr. Jinnah's object will not be attained. Now, Sir, I come to the second part of my amendment.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions : Non-Muhammadan Rural) : May I ask one question with regard to the first part of the amendment? May I know what the Honourable Member means precisely by the word "law" in line 1 of his amendment? Does he refer to the word law as it appears there, or to the general provision of the whole clause.

Mr. R. F. Mudie : If this amendment is adopted, the last few lines of clause 2 will read,

"the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law (*Shariat*) except in so far as that law has been either expressly or by necessary implication altered or abolished or is opposed to the provisions of any legislative enactment."

That is to say, "law" means the Muslim Personal Law. That is quite clear, I think.

Mr. M. A. Jinnah : You are putting the cart before the horse!

Mr. R. F. Mudie : The second part of my amendment, namely,—

"Provided that nothing herein contained shall affect the power of a court in the absence of specific law to apply to the decision of any case the principles of justice, equity and good conscience."

That, Sir, is not so important as the first part. I presume that all courts do their best as regards justice, equity and good conscience, but there is a specific provision to this effect in the various sections which Mr. Kazmi wishes to abolish as regards Muslims. If Mr. Kazmi's amendment is not pressed or is not carried, then the second part of my amendment will not be necessary. I do not know, Sir, if you would put the two parts of my amendment separately on that account.

Mr. President (The Honourable Sir Abdur Rahim) : If you retain the word "Provided" I think I shall have to put the whole thing as one

Mr. M. A. Jinnah : I object to the whole of the amendment of my Honourable friend.

Mr. President (The Honourable Sir Abdur Rahim) : That is another matter.

Mr. R. F. Mudie : The word "Provided" may be left out. The second part will then read, "Nothing herein contained....."

Mr. President (The Honourable Sir Abdur Rahim) : What about Mr. Kazmi's amendment?

Mr. M. A. Jinnah : That is put on a different footing.

Mr. R. F. Mudie : As regards Mr. Kazmi's amendment, the sections which he refers to have this provision about justice, equity and good conscience.

Mr. President (The Honourable Sir Abdur Rahim) : I think there is a similar proviso—I know in Bengal, in certain cases, where the Muhammadan law does not apply, and there is a question between Hindus and Muhammadans, then the law of justice, equity and good conscience applies. I do not know whether that is in the Act itself, but I know that is the law.

Mr. M. A. Jinnah : The amendment of Mr. Kazmi has nothing to do with the amendment of Mr. Mudie. When that amendment comes the House will deal with it. At present the amendment of Mr. Mudie would have been barred if my amendment would have been carried and, therefore, I hope you will be pleased to have both the amendments before the House. Mr. Kazmi's amendment has nothing whatever to do with my amendment or the amendment of Mr. Mudie. It is an independent amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Mr. Mudie wants the exception and the proviso to be put separately to vote, but if he has it as a proviso, I think, I must put the two as one. That is why Mr. Mudie pointed out that section 26 of the Bombay Regulation IV of 1827 applies the law of justice, equity and good conscience in cases where there is no specific law in the decision of any question. That is the position I understand.

Mr. R. F. Mudie : That is the position, Sir.

Mr. President (The Honourable Sir Abdur Rahim) : Then, I would have to put Mr. Jinnah's amendment first, and if that is carried, I will have to consider whether Mr. Mudie's amendment is inconsistent with that, and if I hold that it is not inconsistent, then I shall put that, but if I find that it is inconsistent, then, of course, that will be barred.

Has Mr. Mudie finished?

Mr. R. F. Mudie : I have practically finished. The points which the House should remember are : we must save one set of laws and ensure that another set of laws has no effect, we have got to make our Act quite clear, so that it will not lead to litigation. The point of the second half of the amendment is that we must leave no doubt, whatever, that in the event of there being no law, either *Shariat* or statute law, the Courts are still bound, as they are at present, by justice, equity and good conscience.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That to clause 2 of the Bill, the following be added :

'except in so far as that law has been either expressly or by necessary implication altered or abolished or is opposed to the provisions of any legislative enactment ;

Provided that nothing herein contained shall affect the power of a court in the absence of specific law to apply to the decision of any case the principles of justice, equity and good conscience '."

Mr. M. A. Jinnah : I oppose the amendment. I really feel that there is a very great deal of confusion in the mind of those who are responsible for this amendment. It is really extraordinary that such a simple thing should be so confused by Mr. Mudie in his speech. Let us see how the matter stands. He thinks that he is on the horns of a dilemma and he says "We have got it in a Statute which was passed in the North-West Frontier Province, Act VI of 1935". The words are these :

"Except in so far as such law has been altered or abolished by legislative enactments or is opposed to the provisions of the North West Frontier Province Law and Justice Regulations of 1901."

But he forgets that the main clause, clause 2, starts with a very different language. It says :

"In all questions regarding succession, special property of females, marriage, dower, and so on, the rule of decision would be the Moslem personal law (*Shariat*) where the parties are Muslims."

Having regard to the words of the main clause, if it was left as it was, undoubtedly a doubt will arise whether all the adjective laws were not also repealed or overruled, and, therefore, in that particular Bill, as it was worded, it may have been thought desirable to have these words, but here you cannot have the same clause, no matter what the previous clause is, and that is where the whole confusion arises. The previous clause here runs very differently and makes the position quite clear, and, therefore, this exception, which is embodied in the amendment of Mr. Mudie, is wholly unnecessary and will lead to more confusion instead of clearing up matters. The clause that we have got before us is this, and I want the House to really carefully attend to it :

"Notwithstanding any custom, usage or law to the contrary, in all questions regarding succession and so on the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law."

The moment we drop the word "law" from this clause, all that you are enacting is this, that the Moslem personal law will apply only so far as the usage or custom is concerned, namely, that the usage or custom is over-ruled, and nothing more. We are not dealing with any other law. We are not overruling or repealing any other law. All that we say is that whatever the usage or custom may be, the rule of decision shall be the Moslem personal law. Therefore, everything else is completely safe, and I say that it will lead to enormous difficulties if you have this put in, having regard to the wording of the clause before the House and it is obvious that it is not required. Mr. Mudie tries to frighten us by saying "What will happen to the law of limitation, court fees", and so on. We are not dealing with them. Nothing is touched. All that remains, and I think that Sardar Sant Singh was perfectly justified, if I may say so, in giving his amendment as long as the word "law" stood. If the word "law" had stood there, I could appreciate the force of that amendment, but it seems to me that I cannot either persuade or convert or convince Mr. Mudie. As to the proviso, Sir, I say most respectfully, whoever may be the drafts-

man, what does this mean? I really want to understand what it means :

"Provided that nothing herein contained shall affect the power of a court in the absence of specific law to apply to the decision of any case the principles of justice, equity and good conscience."

Custom and usage having been overruled, is it necessary for this Legislature to tell the Court "When you can find nothing, you should apply the principles of justice, equity and good conscience"?

Mr. R. F. Mudie : That is the general law.

Mr. M. A. Jinnah : Is this the subject of an amendment to have it in the Bill and then tell the Courts of justice that this House has decided that when they can find no specific law, they must be guided by the rules of equity, justice and good conscience? That is in the General Clauses Act itself, and, therefore, I say that it might lead to very serious misunderstanding. It is really unnecessary and it is a very harmful provision. Taking the amendment either as a whole or even separately, I most respectfully submit that it will lead to grave complications, whereas the Bill, as it is worded, is, I submit, clear and really there is no doubt whatever. All that we are seeking by this Bill is that we are overruling the custom or usage, if any, either established and having the force of law or it may be put forward to be established. Therefore, I do ask Mr. Mudie and the Government to reconsider their position, and I do trust that they will not press for this amendment.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions :

3 P.M.

Muhammadan Rural) : Sir, the position has been very clearly placed before the House. The word "law" is known to be quite expressive and quite explicit, and there cannot be two meanings attached to it, and I do not see how the Government want that there should be any exemption or any explanation or any proviso added to explain the word "law" itself. There is only one law, and that word "law" is referred to here. In fact, in one of the amendments which Mr. Mudie and Mr. Jinnah have put on the list (No. 4), they have both agreed that, in clause 2 of the Bill, for the words "usage or law" the words "or usage" be substituted. It is only an after-thought that the word "law" should be so defined as to include in it all the laws that exist in this country or that some adjective laws or substantive laws should be expressly mentioned. If we do that, then we will simply go on increasing the difficulties of the Courts of law to find out what the word "law" means. I also oppose this amendment.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : Sir, I am not a lawyer and I would like to ask one question in order to remove my ignorance from Mr. Jinnah. Suppose we agree to his amendment and remove the word "law", what would it mean? Suppose there are certain customs and usages which are prevalent in a particular province and those customs and usages have been enacted in a law, so that they form part of a law.

Mr. M. A. Jinnah : That is law.

Dr. Ziauddin Ahmad : In that case all customs and usages which have been incorporated in that law will remain as they are.

Mr. M. A. Jinnah : No, no. If there is any statute which is made an express rule, then it is the statutory law and not custom or usage.

Dr. Ziauddin Ahmad : If we accept Mr. Jinnah's amendment, then these laws will remain and they will not be repealed. I should like to know what are the things which we want to repeal by the words 'usages and customs' which are outside the scope of law. If we remove the word 'law' altogether, I do not find any necessity for having this Bill at all. After all, these customs and usages which are prevalent everywhere have already been incorporated in some law and if we accept Mr. Jinnah's amendment, they will continue to be in force.

Mr. M. A. Jinnah : May I interrupt the Honourable Member? First of all, there is a custom or a usage which has not been made the express rule of codification and yet it has got the force of law. That is to say, the courts of justice, although it is not a statute, will say that this particular community is governed by this custom which has got the force of law. Therefore, you must be governed by that custom or usage. Take another case where the custom may not have been established because a particular dispute has not arisen yet in a particular community. I may inform the House that only a few days ago, in a certain matter, custom was set up which had not received the force of law. Then, that custom has got to be proved by evidence and may be established. Now, what we are striving by this Bill is to over-rule a custom which has already been established or has the force of law or which may be established hereafter. We are not touching anything that has been done by codification or by an enactment of a Legislature because that is a statute. It is only in regard to the custom or the usage that we are providing for and, therefore, we say that at present we are not going to deal with these laws.

The Honourable Sir Saiyid Sultan Ahmad (Member for Commerce and Railways) : The question that has been put is this : Is there any custom or usage, which has not been incorporated in any legislative enactment, which is hit by your Bill?

Mr. M. A. Jinnah : Yes, all over. I think Dr. Ziauddin Ahmad must have read the report of Mr. Mudie where he points out that customs prevail amongst various sections and various communities. In the note of Mr. Mudie you have got the communities of Cutchi Memons, Khojas, Borahs, Mopillas, Baluchis mentioned. These customs are actually prevalent and have the force of law and are being enforced by the courts of justice and that is what we want to remove. They are not the laws.

Dr. Ziauddin Ahmad : I think by removing the word 'law' the scope of the Bill will become very limited compared with what the Mover had in his mind. Of course, the Mover definitely had in his mind that all the laws which are contrary to *Shariat* should also be repealed and all those laws should be regulated by the *Shariat*. That was the original intention of the Mover of this Bill and by removing the word 'law' we are now very much restricting the scope of this Bill. The position will

be that all those laws, even if they are against the explicit will of Islam, will remain as they are and they will not be repealed, if we accept Mr. Jinnah's amendment. Only a few of these customs and usages which are still holding good and which are very limited in number, such as, those relating to Cutchi Memons, Khojas, Borahs, Mopillas, Baluchis, etc., will be repealed but the Punjab customary laws will not be affected because they are codified.

An Honourable Member : The Punjab customary laws are not codified.

Dr. Ziauddin Ahmad : In any case, the intention of the motion of Mr. Jinnah is that the *Shariat* will apply only in those cases where the Legislatures have not given their blessings and wherever there is a definite verdict of a Legislature against the *Shariat*, that verdict will remain good and it will not be altered. But the original intention of the Mover of the Bill was that all cases, whether they have been codified or not, ought to be governed by the *Shariat*. If there is any law made by any Legislature, Central or Provincial, which is against the *Shariat*, it ought to be declared null and void. But if we accept this amendment, then the scope of the Bill will be exceedingly limited and it will apply only to such usages and customs as have not already been codified and have not already been brought under the statutes of a Provincial or the Central Legislature. This is really a very important amendment and it is very much restricting the scope of this particular Bill and it is really not a thing which we can lightly pass over. It is a question of fundamental principle which will affect the usages and practice which have already been codified and brought on the statutes. I think this amendment will very much restrict the object which the Honourable the Mover had in bringing forward this measure.

Syed Ghulam Bhik Nairang : Sir, it appears to me that there is some confusion of thought as regards the effect of the deletion of the words 'or law' from the proposed clause. The question raised by my Honourable friend, Dr. Ziauddin Ahmad, is whether by striking out the words 'or law' it is meant to leave alone such customs and usages as have already received recognition from the courts and have been acted upon by the courts.

Dr. Ziauddin Ahmad : Not by the courts but by the Legislature.

Syed Ghulam Bhik Nairang : Well, I will take those customs which have been merely recognised by the Legislature and those that have been given the shape of a statute. The fact of the matter is that there are various ways in which custom can be recognised and acted upon. The first way would be to give it statutory recognition as a rule of decision without embodying it in any statute, without enacting its details and rules in the shape of so many sections of a statutory Act. That is one form in which custom can be accorded statutory recognition. Many examples of such recognition are to be found in the various statutes of which certain sections are sought to be repealed in the amendment of Mr. Kazmi. For instance Mr. Kazmi's amendment seeks to repeal section 5 of the Punjab Laws Act, 1872. Now, that is a section which accords recognition to custom as a rule of decision without in any way specifying in that section or in the rest of the Act what the custom is. The nature of the custom,

[Syed Ghulam Bhik Nairang.]

its applicability and everything has got to be ascertained by the courts when such questions come before them. Section 5 only authorises the courts, in fact enjoins them, to give effect to custom if it is found to exist, but if no custom is found to exist on the particular point in issue before the court, then it is clearly laid down by that section that the personal law of the parties shall apply. That is one way. Another way is to convert custom into so many sections of an Act. I may give an example of this which my lawyer friends will understand at once. Take for instance the law of contract in our country. It is contained in an Act of the Legislature, but it is a well-known fact that the Act embodies the canons of English common law and we know that the common law of England is mostly judge-made law which is nothing but the custom of England. My friends ask me to cut short my speech. I will, therefore, simply say in answer to the question put by my Honourable friend, Dr. Ziauddin Ahmad, that by this Bill we do seek to repeal to make ineffectual and inoperative all customs which have not been converted into statutory enactments.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Sir, I only have stood up to make a few observations on the amendment moved by Mr. Mudie and also on the amendment moved by Mr. Jinnah. The purpose which Mr. Jinnah has in view is to my mind the same as that which Mr. Mudie has in view, particularly in so far as the first part of the amendment is concerned. The object of Mr. Jinnah is to exclude statutes and statutory modifications made by the statute in the personal law from the operation of this section. If there is any modification of the Muslim law by statute in any case that will be excluded from the operation of this clause. So it is only where customs and usages prevail that this law is intended to operate. If that is the object of Mr. Jinnah that will be achieved by the omission of the words 'or law'. Mr. Mudie thinks that by merely omission this object may or may not be achieved. He thinks the position will remain doubtful.

".....the rule of decision in cases where the parties are Muslims shall be the Muslim personal law."

Mr. Mudie's difficulty is that probably this last operative clause may not necessarily mean that the other laws which have brought about the modification are also hereby left altogether untouched. That is his apprehension. My point is this. No law is repealed unless it is repealed specifically by statute. He should take his stand upon it and no Judge will be inclined to hold that a law is repealed unless a statute specifically repeals it. If there is a schedule attached to this Bill detailing therein that such and such Acts have been repealed, that alone would have the effect of repealing the laws mentioned therein. So long as there is no repealing Act, every Act on the Statute-book has its operation and will have to be considered by the courts as being in force in considering any case. In view of that rule of interpretation, there is no valid reason for anybody to feel that other laws which are already enacted and are in force are repealed by this or made ineffective and inoperative. In view of this, the amendment of Mr. Mudie is redundant. The purpose of the two amendments looks to me the same. Whether the proviso also should go in or not is a different question. I think Mr. Jinnah should

have no objection to retain the proviso. I, therefore, think, that so far as Mr. Mudie's amendment is concerned, the first part of the amendment may be dropped and the proviso retained.

Mr. President (The Honourable Sir Abdur Rahim) : I propose to put Mr. Jinnah's amendment to vote first. Mr. Jinnah's argument, as supported by Mr. Aney, is that the amendment of Mr. Mudie is redundant and unnecessary and not that it is barred. I, therefore, propose to put Mr. Jinnah's amendment first and then Mr. Mudie's.

The question is :

"That in clause 2 of the Bill, for the words 'usage or law' the words 'or usage' be substituted."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That to clause 2 of the Bill, the following be added :

'except in so far as that law has been either expressly or by necessary implication altered or abolished or is opposed to the provisions of any legislative enactment :

Provided that nothing herein contained shall affect the power of a court in the absence of specific law to apply to the decision of any case the principles of justice, equity and good conscience'."

The motion was negatived.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official) : I move :

"That in clause 2 of the Bill, after the word 'questions' the brackets and words '(save questions relating to jagirs and other grants or assignments of land revenue)' be inserted."

The object of this Bill and of the Mover and of Mussalmans generally is to give full rights of inheritance to all kinds of Muslim women. Under the present customary law or usage women have been debarred from getting their share in landed property. In our province, two years ago, we have passed a law which grants the rights of inheritance to Muslim women even in landed property. We are ahead of other provinces and we do not think that the application of this Bill will be of any use to our province. On that point my friend, Mr. Abdul Qaiyum, will bear me out. The Select Committee and many Mussalman Members from the Punjab have agreed to curtail the effect of the original Bill so far as agricultural land and inheritance of women are concerned. While agreeing to that principle, I propose that *jagirs* and land revenue assignments, granted by Government, should be saved from the operation of this Bill for two reasons. First of all, Islamic law of inheritance comes in only where the man is the owner of his property, but in all such grants the grantee has no power either of sale or transfer in any way and, therefore, is not the owner of it. The case for exception of *jagirs* and other Government grants is stronger than in the case of landed property in the Punjab, because agricultural property, according to Islamic law, can be inherited and sold by women, while *jagir* grants cannot be. Therefore, I think, that in some cases when the grantee dies a lawyer may put some interpretation and advise litigation. It is in order to avoid such litigation that I wish it should be made clear in the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in clause 2 of the Bill, after the word 'questions' the brackets and words '(save questions relating to jagirs and other grants or assignments of land revenue)' be inserted."

Mr. Abdul Qaiyum (North-West Frontier Province : General) : I sympathise with the object of the amendment which has been moved by the Nawab Sahib who hails from my province, but I submit, Sir, that as I read the amendment and certain provisions of the Government of India Act, I think the fears entertained by him are absolutely uncalled for, because as clause 2 stands, agricultural land is excluded. It is a well-known fact, Sir, that any question pertaining to agricultural land cannot be touched by the Federal Legislature : that is a provincial subject. I will invite the attention of this Honourable House to the Provincial Legislative list, clause No. 21, which runs thus "land, that is to say, rights in or over land, and transfer, alienation and devolution of agricultural land". Now, Sir, if agricultural land is being left out, then it follows that *jagirs*, which are mainly concerned with agricultural land, are also excluded from the purview of this Bill. But if this argument does not find favour with this House, there is another additional argument in support of the contention that this particular amendment is unnecessary. Some of these *jagirs*, I think, are governed by certain laws.....

Major Nawab Sir Ahmad Nawaz Khan : Not all.

Mr. Abdul Qaiyum : As far as I know, most *jagirs* are governed by certain laws which have been enacted and Mr. Jinnah's amendment which has been accepted by this Honourable House, therefore, excludes them.

Major Nawab Sir Ahmad Nawaz Khan : I must say that no law is enacted : there is no *jagir* land revenue assignment in the Punjab or the North-West Frontier Province.

Mr. Abdul Qaiyum : On this point I respectfully disagree from the assertion made by the Honourable the Mover of the amendment. I contend that there are laws about *jagirs* in practically every province and when we have excluded the word 'law' from clause 2, it means that all those laws which deal with *jagirs* have been saved : therefore, there is absolutely no risk that this Bill will in anyway affect the rights of the *jagirdars* or those who inherit their rights. I, therefore, submit that the object of the Mover can be quite well safeguarded by the Bill as it stands, and that the amendment is unnecessary. I request the Mover to withdraw it.

Mr. R. F. Mudie : Sir, I think both Honourable Members are right.....

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhamadan Rural) : And so are you !

Mr. R. F. Mudie : As always ! It is quite true that rights over land are provincial and I think an assignment of land revenue must be taken as a right over land. Also, explicitly, land revenue is a provincial subject. So my Honourable friend, Mr. Abdul Qaiyum, is quite right in saying that the Act will not apply to these assignments of land revenue. But I think there is no reason why we should not make that clear. Every one after all does not study Schedule VII of the Government of India

Act and as the Select Committee agreed explicitly to save succession in the case of agricultural land, I think there is no objection if we make it quite clear in the body of the Act that it does not apply to assignments of land revenue either. The second argument of my friend from the Frontier is, I am afraid, quite wrong. There are no Acts that I know of governing the assignments of land revenue. In each case there is a *sanad*, and the grant is governed by the *sanad*. The point really is that the Nawab Sahib is afraid that the *sanad* is going to be over-ridden by this Act. That cannot be because land revenue is a provincial subject : but there is no harm, I think, on the analogy of agricultural land, in making that quite clear.

Mr. M. A. Jinnah : Sir, it seems really that everybody is afraid as if some harm is going to be done to him. Perfectly right. People sometimes create fears for themselves when fears do not exist. Now, let us examine this particular case. *Jagirs* or grants, as Mr. Mudie just now told the House, are *sanads* given by the Government. In all those grants, whether it is in a *sanad* or whether it is in some other form, they are made according to the terms of the *sanad*, and the terms are laid down in the *sanad* or grant itself. Are we dealing with those cases by this Bill ? Is this Bill really dealing with a particular grant which is made by the Government to a particular individual which is to be governed by the particular terms of that grant ? We are not dealing with that. May I draw the Honourable Member's attention to the Bill ? We are dealing here with the succession. Surely the subject-matter of the grant or *sanad* can never be the subject-matter of succession law.....

Mr. R. F. Mudie : Why not ?

Mr. M. A. Jinnah : It is governed by the terms of the *sanad*. Can you change that ? I shall stand corrected if I am wrong. Perhaps Mr. Mudie who is full of this information will tell this. Can a grantee do anything except to act according to the terms of the *sanad* ? In other words, can he dispose of the subject-matter of the grant in any way he likes ? Can he by any means or by any law which is known—can that property be governed by any law of succession.....

The Honourable Sir Saiyid Sultan Ahmad (Member for Commerce and Railways) : Of course.....

Mr. M. A. Jinnah : Contrary to the terms of the *sanad* !

The Honourable Sir Saiyid Sultan Ahmad : There may be no terms at all for succession.

Mr. M. A. Jinnah : Then I should like to know this. The amendment now is in different language : in the first amendment as put forward there was put the law of primogeniture, but that cannot be altered because it is laid down in the *sanad*.....

The Honourable Sir Saiyid Sultan Ahmad : It is not necessarily so. It may be in the *sanad* or it may not be in the *sanad*. There are many *jagirs* and grants like that where the rule of succession is not laid down ; and yet the rule of primogeniture prevails because of the custom.

Mr. M. A. Jinnah : This is according to custom : may I know why they should be exempted ?

The Honourable Sir Saiyid Sultan Ahmad : That is another matter.

M. A. Jinnah : Why should this small class be privileged and exempted from the ordinary rule of succession ?.....

Jor Nawab Sir Ahmad Nawaz Khan : Why should agricultural land be exempted ?

M. A. Jinnah : Because we cannot legislate here.....

Jor Nawab Sir Ahmad Nawaz Khan : And, therefore, you cannot legislate for *jagirs* too.

M. A. Jinnah : May I be allowed to go on ? If I understand, this Bill does not touch those grants which are governed by the terms of the grant which they devolve upon the successive heirs. This Bill does not touch those grants which are nothing but mere gifts by any ordinary person giving a gift for good service or past service, that is his own property. If it is his own property, not subject to any terms of succession or otherwise, then, may I know why any exception should be made at all ? His law will apply to them or it will not apply to them. But I really see no reason why an exception should be made.

Captain Sardar Sir Sher Muhammad Khan (Nominated Non-Official) : I ask one question of Mr. Jinnah ? There are different kinds of *jagirs*. For example, supposing I own three or four villages and the revenue of those villages is exempted and I take the revenue, and Government does not take it. That is one kind of *jagir*, which is given by the Government, not being taken by the Government. The other is a cash *jagir* given to a *jagirdar* from any village. Will Mr. Jinnah tell me how he classifies a *jagir* in the first category ?

M. A. Jinnah : Your children will get it according to the Muslim law.

Muhammad Yamin Khan : I think, Sir, that there seems to be a good deal of confusion about *jagirs*.....

Honourable Member : You make it worse confounded !

Muhammad Yamin Khan : My friend, Mr. Jinnah, has taken one *jagir* into his mind, and there seems to be some kind of apprehension in the mind of the Honourable the Mover of this Bill. The simple question is that the *jagir* or the land revenue is granted, just as is generally done by putting down *Nuslun-un*. If the words *Nuslun-bad-Nuslun* apply either to land grant or a *jagir* as pointed out by my friend, Captain Sher Muhammad Khan, that is to say, a man has got a village, he is the proprietor of it, and Government, in view of his services, remit to him the land revenue as long as he lives, they allow him to enjoy the land revenue as long as he is alive or make condition that he does not part with it or sell it to another. If the property is to be given to a particular person as the full owner of that land revenue, this is the case that it should devolve, according to Muhammadan law, on the person to whom it is granted to enjoy it. When a Mussalman is in possession of a property which is presented to his ancestors in return for some services rendered, the property is to devolve on his children, then a section of the law that is the daughters alone should be excluded from enjoying it is wrong. Now, there are several kinds of *jagirs*. In my province there are *jagirs* which were given to people by the Moghul Emperors,

certain zemindaris were given to be kept up for charitable institutions. In such cases the zemindari property remains vested in a *Khanka*, but the land revenue is enjoyed by the family or the descendants of the saint buried in *Khanka*. As far as these zemindaris are concerned, they are a kind of *Wakf*, and the specific purpose is specified, but in the case of a *jagir*, the land revenue comes to you. In that case the property comes under succession to all the heirs under the Muslim law and I don't think it is governed by the words 'agricultural land'. I don't agree with what my friend, Mr. Abdul Qaiyum said, that because this income is derived from agricultural land it should be regarded as agricultural income, because, the man has no hold on the agricultural land. The man who enjoys the *jagir* has nothing to do with partition or enhancement of rent or things of that kind. It is only given in return for services rendered, and that ought to be enjoyed by all the descendants.

Several Honourable Members : The question may now be put.

Mr. President (The Honourable Sir Abdur Rahim) : I have given my ruling that this amendment is open to the vote of the House, and the amendment now carried, that is No. 4, does not stand in the way. As regards the question of repetition, it is not for me, but it is for the House to decide whether an amendment like this is necessary or advisable or not.

The question is :

"That in clause 2 of the Bill, after the word 'questions' the brackets and words '(save questions relating to jagirs and other grants or assignments of land revenue)' be inserted."

The motion was negatived.

Mr. M. A. Jinnah : Sir, I move :

"That in clause 2 of the Bill, before the word 'succession' the word 'intestate' be inserted."

I need not take up the time of the House any more. Honourable Members understand that this had to be done because the wills and legacies have been taken out of the original Act.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in clause 2 of the Bill, before the word 'succession' the word 'intestate' be inserted."

Sir Muhammad Yamin Khan : Sir, I oppose this amendment, because I do not think that the insertion of the word 'intestate' before 'succession' will be happy reading. It is not proposed to have a comma between the word 'succession' and 'intestate', and so if we accept the amendment it will read 'intestate succession'. What will be the meaning of 'intestate succession' ? Certainly it will be ambiguous and it will narrow down the scope of the Bill. And if the words 'wills and legacies' are not taken out from the Bill, I don't think the word 'succession' will have any place in the Bill. We have not come to the words "wills and legacies" and I cannot make a speech on those words now, but I must say that as regards wills and legacies the Mussalmans should be guided by their own personal law. I oppose this amendment.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in clause 2 of the Bill, before the word ‘ succession ’ the word ‘ intestate ’ be inserted.”

The motion was adopted.

Mr. R. F. Mudie : Sir, I move :

“ That in clause 2 of the Bill, the words and brackets ‘ (save as regards agricultural land) ’ be omitted and after the word ‘ questions ’ the brackets and words ‘ (save questions relating to agricultural land) ’ be inserted.”

In the Select Committee, the words “ save as regards agricultural land ” were inserted immediately after the word “ succession ” so that they governed only the word “ succession ”. The reason for inserting those words was that succession as regards agricultural land is a provincial subject.

Mr. M. A. Jinnah : We accept the amendment.

Mr. R. F. Mudie : Legacies and wills, as far as agricultural land is concerned, are also a provincial subject. Transfer and devolution of agricultural land is a provincial subject, and it is, therefore, necessary to make it clear that none of this clause 2 applies to agricultural land.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in clause 2 of the Bill, the words and brackets ‘ (save as regards agricultural land) ’ be omitted and after the word ‘ questions ’ the brackets and words ‘ (save questions relating to agricultural land) ’ be inserted.”

The motion was adopted.

Mr. M. A. Jinnah : Sir, I move :

“ That in clause 2 of the Bill, the word ‘ adoption ’ be omitted.”

I do not wish to make a speech. I think the House understands what it is.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That in clause 2 of the Bill, the word ‘ adoption ’ be omitted.”

The motion was adopted.

Mr. M. A. Jinnah : Sir, I move :

“ That in clause 2 of the Bill, the words ‘ wills, legacies ’ be omitted.”

I want to make it quite clear to the House that these three matters, namely, adoption, wills and legacies, we agreed to drop from clause 2 not because we do not want them.....

Sir Muhammad Yamin Khan : Who agreed ?

Mr. M. A. Jinnah : You will understand if you will hear me. The matter was very carefully considered by almost every Mussalman Member of this House and I want to state on the floor of this House that these amendments which stand in my name are not my individual amendments at all. It is only that I am giving effect to the consensus of opinion. After very careful consideration of the *pros* and *cons* it was decided,—although we would like—why should “ law ” be omitted, why should agricultural land be omitted ? If we try to get sixteen annas, we know we may lose the whole. There are difficulties, and surely my Honourable friend who

was on the Select Committee knows it perfectly well. There was Mr. Mudie's amendment and that amendment was a very threatening and dangerous amendment, namely, that no part of this Bill should come into operation unless each province decided that it should operate. And Mr. Mudie has given very powerful reasons in the Report of the Select Committee, where he points out that you are suddenly, with one swoop, enacting a law which would uproot transactions that have taken place, such as, adoptions, wills, legacies. And his point was that until each province decides for itself, this law should not come into operation, because those people concerned or interested in those matters may have their say in the matter. There was a danger of that, and, therefore, if we can get fourteen annas at this stroke, let us hope that we will get the remaining two annas very soon, and it is with a view to meet that situation that almost every Mussalman Member who was present except my Honourable friend.....

Sir Muhammad Yamin Khan : I was never informed to come.

An Honourable Member : You were not here.

Sir Muhammad Yamin Khan : I was here. I was not informed to come.

Mr. M. A. Jinnah : I regret very much. It was not in my doing. I was asked to go there like any other Member and I think there were about 30 Members present, and, after careful consideration, these were the amendments that we thought that we should move. They are not my individual amendments. That is all I want to say on that to the House. With regard to the question of wills and legacies and adoption the matter stands in this way. As I pointed out in reply to a question that was put to me on another amendment about Cutchi Memons, I think I may inform the House—that is my information and those are the facts—that by voluntary method, by persuasive method more than half the Cutchi Memons have come under that declaration and the Muhammadan law applies to them. We do not give up ; we are only trying to apply persuasive methods, voluntary methods, and if any Mussalman who desires to be governed by the Muslim law even with regard to adoption, wills and legacies, he has only got to come and make a declaration immediately after this Bill is passed, and from that moment he will be governed by the Muhammadan law and his minor children. Therefore, let us try this method which has proved to a great extent to be successful, but, if, ultimately, we find that we have exhausted this persuasive and voluntary method, and if this House then thinks that, even with regard to adoption as well as legacies, the Muslim Personal Law should be made applicable, we shall consider it. There is no giving up of anything or committing ourselves in any way. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That in clause 2 of the Bill, the words ‘ wills, legacies ’ be omitted.”

Sir Muhammad Yamin Khan : I am sorry that I did not know that Mr. Jinnah was moving these amendments as the outcome of certain understanding between himself and certain other Muslim Members.

An Honourable Member : A majority.

Sir Muhammad Yamin Khan : May be a majority or a minority, but I have got a right to be heard as individual Member of the House and as a Mussalman and I am not going to be bound by what my Honourable friend may call majority. The majority may be sitting in one Party, and I may be one on this side, but I have to safeguard the interests of Mussalmans in spite of the majority of Mussalmans coming to a contrary decision. I am sorry that whatever arrangement, whatever meeting and whoever might have been fixing all that meeting—they should not have thought fit to invite all the Muslim Members to come.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member cannot go into a discussion of any such meeting or any conclusion arrived at any such meeting. It is not binding on any Member of this House.

Sir Muhammad Yamin Khan : Mr. Jinnah gave out that it was not his amendment, but an amendment agreed to by some Mussalman Members.

Mr. M. A. Jinnah : I did not say some. I said that this amendment is not my individual amendment but it emanates because of the consensus of opinion behind it.

Mr. President (The Honourable Sir Abdur Rahim) : The fact that other men have agreed to it does not bind any Member.

Mr. M. A. Jinnah : Of course, it does not.

Sir Muhammad Yamin Khan : I am only putting my grievance before
4 P.M. Mr. Jinnah, that those persons have ignored the other Mussalmans who were not present.

The point is that I do not want to come in the way of any agreement that may have been arrived at. I quite agree with Mr. Jinnah that if we cannot have 16 annas, we must be willing to get 14 annas at present. I would like one point to be cleared. The Mussalman Members who were present at that meeting may be persons coming from provinces where the Moslem law does not apply. What will happen to the Mussalmans in the provinces where the *Shariat* law is already in force ? There are some Muslims who are governed by Muslim law and some who are not. As far as those persons who are governed by customary law or usage, are concerned, these words 'wills and legacies' have been correctly taken out. My difficulty is this. What will happen in those places where the customary law does not prevail ? Shall I have to go and make a declaration as soon as this Bill is passed that I am going to be governed so far as wills and legacies are concerned by the Islamic law ? Is it going to be made obligatory on persons who are not obliged at present to do so to make a declaration ? Is that the idea ? There is not much difficulty, so far as I am concerned, but if it is going to create a difficulty in the way of other persons, then it will be my painful duty to oppose this amendment, in spite of the fact that certain Mussalmans have agreed to this proposal. Therefore, I want to know what the position is.

Mr. M. A. Jinnah : As far as I can see, I see no difficulty at all. The point is this : Is this really limiting the application of Muhammadan law ? This Bill is not intended to limit the application of Muhammadan law. It is intended to extend the application of the personal Moslem law. In other words, those people who are already governed by the Muhammadan law are not touched by this Bill at all. It is only those people who are governed by custom or usage whom we are trying to get hold of. We say that in future the law of intestate succession shall not be according to custom or usage.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member added the word "intestate" by way of amendment.

Mr. M. A. Jinnah : That is what I am saying. Therefore, we are trying to extend the application of Muhammadan law to those classes who have been hitherto governed by customary law. We have done away with a very important part, namely, the case of intestate succession, because in future no intestate succession can devolve according to custom but according to Moslem personal law. That we have done.

Mr. President (The Honourable Sir Abdur Rahim) : Will not that exclude wills and legacies ?

Mr. M. A. Jinnah : Yes, but we are excluding wills and legacies and adoption by whom ?—by those people who are, according to customary law, entitled to make wills or to adopt. That does not mean that my friend, who is governed hitherto by Islamic laws, will have to go and make a declaration, although custom is not applicable to him. It is only those who are governed by customary law with regard to wills, adoption and legacies who will have to go and make a declaration that the Moslem personal law should be applied in their case. Therefore, in other words, this Act is not restricting the application of Muhammadan law, but it is enlarging and extending it to those classes who are hitherto governed by customary law.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That in clause 2 of the Bill, the words 'wills, legacies' be omitted."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The next amendment is No. 12 but the verdict on amendment No. 11 excludes it.

Maulvi Muhammad Abdul Ghani (Tirhut Division : Muhammadan) : Mr. President*, with your permission, I have moved my amendment in an amended form.

Mr. R. F. Mudie : I rise on a point of order : Should not the Honourable Member read his amendment ?

Maulvi Muhammad Abdul Ghani : Sir, I beg to move my amendment which runs as follows :

"That to clause 2 of the Bill, the following proviso be added :

'Provided that section 2 of the Bill shall not in any way affect the rights of Muslims of any province where the Muslim Personal Law (*Shariat*) is already in force.'

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must move his amendment first. Surely, he knows English enough to move it.

*Translation of the speech delivered in the vernacular.

Had my Honourable friend, Mr. Mudie, a little patience on his part, there would have hardly been any necessity of his rising to a point of order. I was only seeking your permission to move the amendment in an amended form and after your permission I intended to move it. However, I have moved it and it is before the House.

Sir, the object of this amendment is quite clear. In the provinces of Bihar, Orissa and Bengal, there is no custom or law standing in the way of Muslims regarding the application of their Personal (*Shariat*) Laws. The Muslims are fully enjoying their Personal Laws, and the Courts in these provinces do pass decrees according to the Personal Laws of Muslims, and, if you will kindly look to the opinions received on the Bill, you will find that people of these provinces do not want the Bill in its restricted form.

Sir, I fail to understand what remains after the various amendments of my learned friend, Mr. Jinnah. The words—"or Law," "Wills", "Legacies" and "Adoption" have already been taken away from the Bill to suit the purposes of a few persons. The Select Committee exempted the agricultural lands from the operation of this Bill. In Bihar, Bengal, Orissa, and also in parts of other provinces, women are enjoying advantages of Muslim Personal Laws and getting their full shares according to the *Shariat* Laws in all their ancestral properties, say, *Jagirs*, *Lakheraj*, rent or revenue free lands, houses and other immovables as well as movables.

I say, Sir, the Mover of the Bill as well as a few of my Muslim friends will excuse me to say that they will have the only consolation that they have got the *Shariat* Bill passed by this House and thus they can save their face before the Muslim community.

I don't like to be a party to such a crippled measure which gives nothing but name and which is going to be unnecessarily forced upon the Muslim community of British India against their express desire. The Mussalmans of India do not like to be so coerced as to accept a crippled measure like this which is unjustly going to be forced upon them through their representatives.

Keeping in view the notices of the various amendments tabled, I thought it my bounden duty to table my amendment. I would be failing in my duty if I do not move and press my amendment which I am confident is quite a harmless one. It does not decrease in any way the force of the amendments of my learned friend, Mr. M. A. Jinnah. I know it may be argued that it is redundant, but I assure you, Sir, that I have seen Courts interpreting the Laws in their own way. They refuse to be guided either by the views of individual Members of this House or the reports of the Select Committee. Some one here may say that this Bill is not going to restrict the rights of any Mussalman in any part of British India, but I will respectfully tell them, Sir, that I do not agree with such views if expressed on the floor of this House.

I see the danger. I know the amended Bill will restrict the rights of Muslims of provinces where they are enjoying full advantages of the Muslim Personal (*Shariat*) Laws.

With these words, I commend my motion, and appeal the Honourable Members of this House to support my amendment.

Mr. M. Ghiasuddin (Punjab : Landholders) : Maulvi Muhammad Abdul Ghani wants to withdraw his amendment.

Maulvi Muhammad Abdul Ghani : No, Sir, I have authorised none on my behalf to plead for me. I am not going to withdraw my motion.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That to clause 2 of the Bill, the following proviso be added :

'Provided that section 2 of the Bill shall not in any way affect the rights of Muslims of any province where the Muslim Personal Law (*Shariat*) is already in force.'

Mr. M. A. Jinnah : Sir, I have no objection at all to make this clear, but the difficulty I feel is this. You say, in any province where the Muslim law is already in force, but the Muslim law is a personal law, and you cannot say that it is in force in any province. It is not a provincial law. Unless a Statute is passed, there is no provincial law. You cannot have one Muslim law in force in one province and another Muslim law in another province.

Mr. President (The Honourable Sir Abdur Rahim) : I understand the object of the amendment is that in provinces where the Muslim law of the *Shariat* is already in force, this Bill will not apply.

Mr. M. A. Jinnah : Quite so.

The Honourable Sir Saiyid Sultan Ahmad : In a province there may be a personal law affecting people generally, and there may be a customary law affecting certain class of people. It is not a territorial law at all.

Mr. M. A. Jinnah : My submission is that it is quite unnecessary, because clause 2 of the Bill, as I have already explained, does not in any way infringe upon the Muslim law wherever it is applicable and to whichever community it is applicable. It only now takes away the usage and the custom.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That to clause 2 of the Bill, the following proviso be added :

'Provided that section 2 of the Bill shall not in any way affect the rights of Muslims of any province where the Muslim Personal Law (*Shariat*) is already in force.'

The Assembly divided :

AYES—16.

Abdul Ghani, Maulvi Muhammad.
Abdul Qaiyum, Mr.
Ahmad Nawaz Khan, Major Nawab Sir.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Chaliha, Mr. Kuladhar.
Chaudhury, Mr. Brojendra Narayan.
Ghuznavi, Sir Abdul Halim.
Gupta, Mr. K. S.

Ismail Khan, Haji Chaudhury Muham-
mad.
Kailash Behari Lal, Babu.
Muhammad Ahmad Kazmi, Qazi.
Paliwal, Pandit Sri Krishna Dutta.
Shahban, Mr. Ghulam Kadir Muhammad.
Singh, Mr. Gauri Shankar.
Yakub, Sir Muhammad.
Ziauddin Ahmad, Dr.

NOES—23.

Abdul Hamid, Khan Bahadur Sir.
Abdullah, Mr. H. M.
Abdur Rasheed Chaudhury, Maulvi.
Anwar-ul-Azam, Mr. Muhammad.
Azhar Ali, Mr. Muhammad.
Essak Sait, Mr. H. A. Sathar H.
Fazli-Haq Piracha, Khan Bahadur
Shaikh.
Fazli-Ilahi, Khan Sahib Shaikh.
Ghiasuddin, Mr. M.
Ghulam Bhik Nairang, Syed.
Jehangir, Sir Cowasji.
Jinnah, Mr. M. A.

Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Murtuza Sahib Bahadur, Maulvi Syed.
Nauman, Mr. Muhammad.
Rahman, Lieut.-Colonel M. A.
Shaukat Ali, Maulana.
Sher Muhammad Khan, Captain Sardar
Sir.
Siddique Ali Khan, Khan Sahib Nawab.
Sivaraaj, Rao Sahib N.
Umar Aly Shah, Mr.
Zafar Ali Khan, Maulana.

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

“ That clause 2, as amended, stand part of the Bill.”

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Mr. M. A. Jinnah : Sir, I move :

“ That after clause 2 of the Bill, the following new clauses be added :

‘ 3. (1) Any person who satisfies the prescribed authority :

(a) that he is a Muslim, and

(b) that he is competent to contract within the meaning of section 11 of the Indian Contract Act, 1872, and

(c) that he is a resident of British India, may by declaration in the prescribed form and filed before the prescribed authority declare that he desires to obtain the benefit of this Act, and thereafter the provisions of section 2 shall apply to the declarant and all his minor children and their descendants as if in addition to the matters enumerated therein adoption, wills and legacies were also specified.

(2) Where the prescribed authority refuses to accept a declaration under sub-section (1), the person desiring to make the same may appeal to such officer as the Provincial Government may, by general or special order, appoint in this behalf, and such officer may, if he is satisfied that the appellant is entitled to make the declaration order the prescribed authority to accept the same.

4. (1) The Provincial Government may make rules to carry into effect the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely :

(a) for prescribing the authority before whom and the form in which declarations under this Act shall be made ;

(b) for prescribing the fees to be paid for the filing of declaration and for the attendance at private residences of any person in the discharge of his duties under this Act ; and for prescribing the times at which such fees shall be payable and the manner in which they shall be levied.

(3) Rules made under the provisions of this section shall be published in the official Gazette and shall thereupon have effect as if enacted in this Act.”

In short, this provides, first of all, for a declaration to be made. When a declaration is made, the declarant and his minor children will be governed by this Act in all matters specified in clause 2 in addition to wills, legacies and adoption. All the other parts merely describe the machinery set up for that purpose. Sir, I move the amendment.

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

“ That after clause 2 of the Bill, the following new clauses be added :

‘ 3. (1) Any person who satisfies the prescribed authority :

(a) that he is a Muslim, and

(b) that he is competent to contract within the meaning of section 11 of the Indian Contract Act, 1872, and

(c) that he is a resident of British India, may by declaration in the prescribed form and filed before the prescribed authority declare that he desires to obtain the benefit of this Act, and thereafter the provisions of section 2 shall apply to the declarant and all his minor children and their descendants as if in addition to the matters enumerated therein adoption, wills and legacies were also specified.

(2) Where the prescribed authority refuses to accept a declaration under sub-section (1), the person desiring to make the same may appeal to such officer as the Provincial Government may, by general or special order, appoint in this behalf, and such officer may, if he is satisfied that the appellant is entitled to make the declaration, order the prescribed authority to accept the same.

4. (1) The Provincial Government may make rules to carry into effect the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely :

(a) for prescribing the authority before whom and the form in which declarations under this Act shall be made ;

(b) for prescribing the fees to be paid for the filing of declarations and for the attendance at private residences of any person in the discharge of his duties under this Act ; and for prescribing the times at which such fees shall be payable and the manner in which they shall be levied.

(3) Rules made under the provisions of this section shall be published in the official Gazette and shall thereupon have effect as if enacted in this Act.”

Sir Muhammad Yamin Khan : In spite of my Honourable friend, Mr. Jinnah's assurance that this will not affect the Mussalmans who are already governed by the Muslim personal law at present.....

Mr. M. A. Jinnah : I can give no assurance, but that is my reading.

Sir Muhammad Yamin Khan : I beg to differ from him, because the words in the preamble :

"Whereas it is expedient to make provision for the application of Muslim personal law to the Mussalmans in British India"

and clause 1 :

"This Act may be called the Muslim Personal Law,"

extend the operation of the Bill to the whole of British India. If this law is to extend to the whole of British India and the clause which my Honourable friend is moving is inserted, that is going to be applicable to the Mussalmans in the whole of British India without any exception, which again means that the clause will be operative in my province, the United Provinces. This will force every Mussalman there to make a declaration if he wants to make a will or leave a legacy. I would have whole-heartedly supported this amendment, if it were only applicable to the provinces where the customary law or usage is applicable. I would not have raised any objection to that. But in the United Provinces, Bihar and other places, where the Muslim law is at present applicable, they do not require to go to any registration office to declare that from that time they will be bound by Muslim law as far as wills and legacies are concerned, but they will be made to do this by this clause. This will be forcing about two crores of Mussalmans to go into a registration office, pay a certain fee and make a declaration. There will arise all sorts of questions about succession as to who is the man who made the declaration, may be after ten years or five generations, and it will have to be proved that the party was bound by the Muslim law, his ancestor, who again will have to be proved, having made this declaration. There will be many complicated questions : the Mussalman concerned will have to trace his descent from the person who made the declaration and show how he came to make this declaration. I do not think this amendment is well conceived and can work properly. Instead of giving facilities to Mussalmans this amendment will create many impediments in their way. I am sorry, Sir, I have to oppose this amendment. I hope my other Honourable friends, those who had agreed with Mr. Jinnah at their meeting, will revise their opinion and not vote for this amendment. I hope too that the other Members who did not enjoy the confidence of that meeting will also vote against this amendment and will not allow such difficulties to be created in the way of Mussalmans. Sir, I oppose this amendment.

Maulvi Muhammad Abdul Ghani : Sir,* now the danger, of which I was afraid, is before the House. You will see, Sir, that by this amendment of my Honourable friend, Mr. M. A. Jinnah, those persons who are Mussalmans by faith and by birth shall be compelled to make a declaration before any British Court that they are Muslims. It may be argued, I know, that they will not be so forced. In that case, my reply will be that there is no dearth of interested persons who can come forward before any Court after the death of a particular Mussalman and take shelter under this amendment and base their claim on the plea that the deceased was not a Mussalman or that he changed his faith in the latter days of

*Translation of the speech delivered in the vernacular.

his life. How difficult it would be then for the legitimate heirs of the deceased to contradict such interested persons successfully in the absence of any proper declaration made to a Court by the deceased !

I say, the Courts, if they so chose, may require in some cases such declarations. It is not only an unnecessary addition to the difficulties of Muslims, but will touch their poor pockets to pay for the lawyers and requisite stamps of Court-fees for a declaration under this amendment if accepted. It is often urged by Muslim representatives of this House that their community is very poor and should be helped in all branches of life. Here is the help and remedy for such a poor community from its own representatives. Had my amendment been not opposed by Muslim representatives, the Muslims of some provinces or part of provinces would not have to face such troubles. They would have easily been exempted. The story of villagers that sometimes persons in search of sons have to lose husbands comes to be true in our case.

I told you in the very beginning when the motion for consideration of the Bill was before the House, that I am not going to be a party to such a crippled legislation which is going to be unnecessarily forced by Muslim representatives upon the Muslim community :

"Saadi Az daste kheshtan faryad."

I strongly oppose the amendment, and hope I will be supported by the Honourable Members of this House.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That after clause 2 of the Bill, the following new clauses be added :

3. (1) Any person who satisfies the prescribed authority :

(a) that he is a Muslim, and

(b) that he is competent to contract within the meaning of section 11 of the Indian Contract Act, 1872, and

(c) that he is a resident of British India,

may by declaration in the prescribed form and filed before the prescribed authority declare that he desires to obtain the benefit of this Act, and thereafter the provisions of section 2 shall apply to the declarant and all his minor children and their descendants as if in addition to the matters enumerated therein adoption, wills and legacies were also specified.

(2) Where the prescribed authority refuses to accept a declaration under subsection (1), the person desiring to make the same may appeal to such officer as the Provincial Government may, by general or special order, appoint in this behalf, and such officer may, if he is satisfied that the appellant is entitled to make the declaration, order the prescribed authority to accept the same.

4. (1) The Provincial Government may make rules to carry into effect the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely :

(a) for prescribing the authority before whom and the form in which declarations under this Act shall be made ;

(b) for prescribing the fees to be paid for the filing of declarations and for the attendance at private residences of any person in the discharge of his duties under this Act ; and for prescribing the times at which such fees shall be payable and the manner in which they shall be levied.

(3) Rules made under the provisions of this section shall be published in the official Gazette and shall thereupon have effect as if enacted in this Act."

[Mr. President.]

(Two Honourable Members said "No".)

Will Honourable Members who are opposed to this amendment rise in their places?

(Two Honourable Members rose in their seats.)

Honourable Members who are in favour of the amendment will rise in their seats.

(A large number of Honourable Members rose to support the amendment.)

The motion was adopted.

New clauses 3 and 4 were added to the Bill.

Sir Muhammad Yamin Khan : Will the names of the Members who opposed this amendment be recorded in the proceedings?

Mr. President (The Honourable Sir Abdur Rahim) : I do not think it is the usual practice. The Honourable Member has other means of making it known that he was opposed to the amendment.

Mr. M. A. Jinnah : Sir, now that the amendment is carried, the subsequent clause 3 has to be re-numbered as clause 5 : otherwise it will stand as clause 3. It is merely consequential. I move :

"That the present clause 3 be re-numbered as clause 5."

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the present clause 3 be re-numbered as clause 5."

The motion was adopted.

Qazi Muhammad Ahmad Kazmi (Meerut Division : Muhammadan Rural) : Sir, may I move my amendment No. 15?

Mr. President (The Honourable Sir Abdur Rahim) : Will the Honourable Member see the wording of amendment No. 11? How can the Honourable Member move his present amendment?

Qazi Muhammad Ahmad Kazmi : That amendment has been negatived and the Bill is absolutely silent as to whether any enactment has been affected by it or not.

Mr. President (The Honourable Sir Abdur Rahim) : The verdict of the House is, that it is not necessary.

Qazi Muhammad Ahmad Kazmi : That it is not necessary to say anything so far as Muhammadan law has been encroached upon by any enactment. My submission is that I am not moving that, but the opposite of it—that these enactments should be repealed. It is the other way round.

Mr. President (The Honourable Sir Abdur Rahim) : Very well. I was under a misapprehension.

Qazi Muhammad Ahmad Kazmi : Sir, on account of the changes in the number of the clauses, this will be numbered 6.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 5, what was originally clause 3, stand part of the Bill."

The motion was adopted.

Clause 5, what was originally clause 3, was added to the Bill.

Qazi Muhammad Ahmad Kazmi : Sir, I beg to move this clause with a little variation, and the variation is this :

"That after clause 5 of the Bill, the following new clause be added :

6. Provisions of the Acts and Regulations mentioned below shall be repealed in so far as they are inconsistent with the provisions of this Act, namely :

- (1) Section 26 of the Bombay Regulation IV of 1827 ;
- (2) Section 16 of the Madras Civil Courts Act, 1873 ;
- (3) Section 37 of the Bengal, Agra and Assam Civil Courts Act, 1887 ;
- (4) Section 3 of the Oudh Laws Act, 1876 ;
- (5) Section 5 of the Punjab Laws Act, 1872 ;
- (6) Section 5 of the Central Provinces Laws Act, 1875 ; and
- (7) Section 4 of the Ajmer Laws Regulation, 1877 ."

This amendment has been brought forward to repeal particular sections of particular enactments. For the information of Honourable Members of this House, I will take the Punjab Laws Act. The principal reason as to why this enactment has been brought before this House is that, though, according to the old enactments of the time of the East India Company, it was the Muslim personal law that governed all the Muslims of India. But certain later enactments gave a preference to custom as against Muslim law. For example, Sir, section 5 of the Punjab Laws Act lays down :

"In questions regarding succession, special property of females, betrothal, marriage, divorce, dower, adoption, guardianship, minority, bastardy, family relations, wills, legacies, gifts, partitions, or any religious usage or institution, the rule of decision shall be—

- (a) any custom applicable to the parties concerned, which is not contrary to justice, equity or good conscience, and has not been by this or any other enactment altered or abolished, and has not been declared to be void by any competent authority ;
- (b) the Muhammadan law in cases where the parties are Muhammadans, and the Hindu law in cases where the parties are Hindus, except in so far as such law has been altered or abolished by legislative enactment, or is opposed to the provisions of this Act, or has been modified by any such custom as is above referred to."

In short, the particular provisions I have mentioned are such that the customary law has been given precedence over the Muslim personal law, and whatever custom is found in different provinces where those particular laws are in force, in those cases the particular custom of a community, of a district or a village is to be given precedence over the Muslim personal law.

Mr. M. S. Aney : Will my friend read clause 5 of the C. P. Act?

Qazi Muhammad Ahmad Kazmi : It is just the same. It says this :

"In questions regarding inheritance, special property of females, betrothal, marriage, dower, adoption, guardianship, minority, bastardy, family relations, wills, legacies, gifts, partition or any religious usage or institution, the rule of decision shall be the Muhammadan law in cases where the parties are Muhammadans, and the Hindu Law, in cases where the parties are Hindus, except in so far as such law has been, by Legislative enactment, altered or abolished, or is opposed to the provisions of this Act; Provided that when among any class or body of persons or among the members of any family any custom prevails which is inconsistent with the law applicable between such persons under this section, and which, if not inconsistent with such law, would have been given effect to as legally binding, such custom shall, notwithstanding anything herein contained, be given effect to."

What we want is only the repeal of the proviso, and that is why I have worded my clause in this manner to show that the provisions of the Acts and Regulations mentioned below shall be repealed so far as they are inconsistent with the provisions of this Act. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That after clause 5 of the Bill, the following new clause be added :

'6. Provisions of the Acts and Regulations mentioned below shall be repealed in so far as they are inconsistent with the provisions of this Act, namely :

- (1) Section 26 of the Bombay Regulation IV of 1827 ;
- (2) Section 16 of the Madras Civil Courts Act, 1873 ;
- (3) Section 37 of the Bengal, Agra and Assam Civil Courts Act, 1887 ;
- (4) Section 3 of the Oudh Laws Act, 1876 ;
- (5) Section 5 of the Punjab Laws Act, 1872 ;
- (6) Section 5 of the Central Provinces Laws Act, 1875 ; and
- (7) Section 4 of the Ajmer Laws Regulation, 1877 '."

The motion was adopted.

New clause 6 was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 1 stand part of the Bill."

Mr. Abdul Qaiyum : Sir, I move :

"That to sub-clause (2) of clause 1 of the Bill, the words 'excluding the North-West Frontier Province' be added at the end."

My reasons are obvious. If this Bill is passed into law, under section 107 of the new Government of India Act of 1935, it will override Act VI of 1935 of the North-West Frontier Province. In the North-West Frontier Province we have a law which goes far beyond what this present Bill aims at. In our province all kinds of succession are subject to *Shariat* where the Mussalmans are concerned. Agricultural land is subject to *Shariat* where the parties are Mussalmans. Similarly, religious trusts and charitable trusts which have been excluded from the purview of this particular Bill are governed by the *Shariat*. I am in full sympathy with the object of the Bill, namely, that the Mussalmans of India should be governed by progressive laws, and in this respect it is quite obvious that the Muslim law, as the Honourable Mr. Jinnah put it, is most equitable, most progressive and most just. But if this Bill is to apply to my province, then we will be forced to take

several steps backwards, and this is not desirable. I want the Muslims of India to follow the Muslim law as far as they can, but because we have a law which covers a wider sphere in the North-West Frontier Province, I submit that this measure should not apply to my province. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That to sub-clause (2) of clause 1 of the Bill, the words 'excluding the North-West Frontier Province' be added at the end."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. M. A. Jinnah : May I request you to sit a little longer in order that we might finish this Bill completely today ?

Mr. President (The Honourable Sir Abdur Rahim) : I take it that it will suit the convenience of the House if I sit a little longer and finish this Bill.

Honourable Members : Yes.

Mr. H. M. Abdullah (West Central Punjab : Muhammadan) : I beg to move :

"That the Bill, as amended, be passed."

Mr. President (The Honourable Sir Abdur Rahim) : Motion moved :

"That the Bill, as amended, be passed."

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : It is with a heavy heart that I rise to oppose the motion which has been made by my Honourable friend, Mr. Abdullah. The object, for which we brought forward this Bill, was that the restrictions which have been put by the Anglo-Muhammadan Law upon the Muslim law should be removed. The law as it stands at present, I mean the Anglo-Mussalman law, was not enacted by our vote and with our consent. We were no party to it, and, therefore, we could not be blamed for making any interference with the Islamic law. Now, the Bill in the form in which it is going to be passed by the House certainly interferes with the Muslim law, and as far as I am concerned I will not vote for any law which interferes in the law of God and in my *Shariat*. Whatever the progress we may have made in the original law through this Bill, I cannot vote, nor will I be a party to any enactment which interferes with our *Shariat*. I am told that certain amendments were accepted by my Honourable friends, a majority of the Muslim Members, because they were threatened by the

[Sir Muhammad Yakub.]

Government Member that he would oppose the whole Bill and that the whole structure would fall to the ground.

Mr. R. F. Mudie : Not at all. On a point of personal explanation, Sir. No threat whatever was given. Mr. Jinnah approached me with certain amendments.

Sir Muhammad Yakub : Will my Honourable friend, Mr. Mudie, say that Government would not have opposed if the word "law" had not been dropped. I wait for an answer.

Mr. R. F. Mudie : I put in the same amendment myself. It is hardly worth while giving an answer.

Sir Muhammad Yakub : I put the same question again. Would Government not have opposed the Bill if the word 'law' had not been dropped? I wait for an answer.

Some Honourable Members : You had better go on.

Sir Muhammad Yakub : I say it is very unfortunate that the Government of India have taken such a hostile view towards the Mussalmans and towards the Muslim law. As I said the other day, the Queen's Proclamation of 1857 was broken not once, not twice, not thrice, but on numerous occasions, and now the Government again want to interfere with our law. And Mr. Mudie smiles and laughs. I feel extremely offended, I ask Mr. Mudie not to laugh, not to insult the Mussalmans in this way. That is a public insult to Mussalmans. I say that the British Government are intruding into our personal laws and the *Shariat* and I cannot be a party to any interference whatever. If this Bill is progressive over the present law I do not care, but I will not be a party to any interference with the *Shariat*. Therefore, I would oppose this motion.

Maulvi Abdur Rasheed Chaudhury (Assam : Muhammadan) : If I speak a few words, I hope it will not be understood that I am opposing the motion; on the other hand, I am supporting it. I had in the beginning some doubts as regards the utility of this Bill. After Mr. Jinnah explained why he omitted the word "law" from clause 2, I was convinced that the Bill would certainly be a useful one although in a restricted sense. Even now I have got some doubts about some provisions of the Bill, as, for instance, compelling a Mussalman to come and make a declaration before a lawful authority that he wants to come under the provisions of this Bill. This is simply irritating. But after hearing Mr. Jinnah, that he wants to gain 14 annas now in the hope of gaining 16 annas later on, I am agreeable to his amendments. Now, Sir, the *Shariat* is a very dear thing to the Mussalmans. It has stood the test of severe criticism and severe attacks, but, all the same every time the *Shariat* came out successful. By following the *Shariat* rules, the Mussalmans did wonders in the past. They showed progress in territorial acquisition and they charmed the world by being a guide and torch bearer of knowledge to the rest of the world 1,300 years ago. It was by following the *Shariat* rules that the females got status among the Mussalmans. It was on account of this that the females have got what possessions they have got in the West, and I hope that this Bill will not only prove beneficial to the Muslims, but will also be an object of imitation, so far as female inheritance and other questions are concerned, by other communities of this great continent. I support the Bill.

Sir Muhammad Yamin Khan : If I speak for a few minutes, I hope it will not be understood that I do not like the Bill as amended to be passed. If there has been a consensus of opinion among Mussalmans to enact this law in a particular way, I wholeheartedly support it. I differed from them and I differ from them even now. I think they are wrong and my conviction will remain until a decision on this point has been given by any High Court. I hope and wish that I may be wrong. I would like, if possible, that an explanation should be added, so that no difficulties may be created in future. If Maulvi Abdul Ghani Sahib's amendments had been adopted then my fears would have been dispelled, my whole object in not supporting that amendment was that it was proposed to be made to clause 2, in which we have got some provisions about divorce, which are new things added at present and therefore I objected to that amendment. I give my wholehearted support to the Bill.

Mr. President (The Honourable Sir Abdur Rahim) : The question is :

"That the Bill, as amended, be passed."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday, the 17th September, 1937.

LEGISLATIVE ASSEMBLY.

Friday, 17th September, 1937.

The Assembly met in the Assembly Chamber at Eleven of the Clock,
Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

AIR-CONDITIONING OF BARRACKS FOR BRITISH SOLDIERS.

586. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary state if barracks for the British soldiers are going to be air-conditioned in India ?

(b) If so, what will be the cost ?

(c) Will all the present barracks be abandoned and new ones erected, or will only additions and alterations be made to the existing ones ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). It is not a fact that the army authorities have any such scheme in hand. All that is happening is that the subject of air-conditioning is being examined to discover its advantages and disadvantages. The medical and structural engineering aspects are now being investigated and certain very minor experiments may be carried out if the results of the present investigation prove to be promising. Until further progress has been made it will not be possible to say whether the air-conditioning of barracks is feasible, desirable or financially economical nor to estimate the cost of any particular or general scheme for the purpose.

Mr. Badri Dutt Pande : Are we to understand that so far no experiment has been made in any part of India ?

Mr. C. M. G. Ogilvie : That I have said, Sir.

Mr. Lalchand Navalrai : In view of the fact that the British soldiers have remained so long in India, where is the necessity for air-conditioning the barracks ?

Mr. C. M. G. Ogilvie : No necessity has as yet been shown.

Mr. Lalchand Navalrai : Then why is the matter being considered ?

Mr. C. M. G. Ogilvie : If the Honourable Member had listened to my answer, he would have heard my reply.

Mr. Abdul Qaiyum : Will the same air-conditioning of barracks be applied to Indian soldiers also or is it meant only for the barracks of British soldiers ?

(1867)

Mr. C. M. G. Ogilvie : If ultimately it is found to be satisfactory economically and financially and structurally possible, then it will be applied to everybody.

Maulvi Abdur Rasheed Chaudhury : May I ask what expenditure has been incurred on the experiment so far ?

Mr. C. M. G. Ogilvie : As far as I know, no direct expenditure has yet been incurred.

Mr. Badri Dutt Pande : Has any indirect expenditure been incurred ?
(No answer.)

Mr. S. Satyamurti : With reference to the answer of 'financially economical' which my Honourable friend gave, may I take it that the Government will not embark on this scheme, unless it is likely to save money on the experiment ?

Mr. C. M. G. Ogilvie : Generally speaking, I think the answer to that would be "Yes", unless the advantages were seen to be sufficiently great to justify a comparatively slight increase.

NEGOTIATIONS REGARDING JOINING OF THE FEDERATION BY THE STATES.

587. ***Mr. S. Satyamurti :** Will the Honourable the Leader of the House be pleased to state :

- (a) whether any negotiations are going on between the Political Department and the Indian States with a view to persuading them to join the proposed Federation ;
- (b) whether the representatives of His Excellency the Viceroy who went to the various States have finished their tours ; and
- (c) whether they submitted any report to the Political Department and whether that report will be placed on the table of the House ;
- (d) whether these negotiations are being conducted in consultation with the Finance Department so far as the possible loss on the revenues of the Federation is concerned ; and
- (e) whether any calculation has been made of the total value in money of the concessions demanded by the States for joining the Federation, and if so, what it is ?

The Honourable Sir Nripendra Sircar : (a), (b) and (c). Government have nothing to add to the statement of the position made by His Excellency the Viceroy in his recent address to the Legislature.

(d) The Finance Department is consulted on every issue of a financial nature arising from the views expressed by States in connection with their accession to Federation.

(e) The attention of the Honourable Member is invited to the reply which I gave to part (a) of his question No. 435 on the 10th September.

Mr. S. Satyamurti : With reference to the answer to clauses (a), (b) and (c), may I know whether these gentlemen, who went on behalf of the Viceroy, have finished their tours ?

The Honourable Sir Nripendra Sircar : It is very difficult to understand what is meant by saying "finished their tours". They may have come back, and yet tour may not have been finished. Whether they will go on more tours or not, I cannot say.

Mr. S. Satyamurti : May I know whether they have finished a part of their tours, and, if so, whether they have visited the major States ?

The Honourable Sir Nripendra Sircar : My friend wants to know what are the places they have visited ?

Mr. S. Satyamurti : I want to know whether they have visited the major States ?

The Honourable Sir Nripendra Sircar : I cannot say offhand at present whether they have visited all the major States, but it appears to me that they must have visited all the major States.

Mr. S. Satyamurti : How long are these tours expected to continue ?

The Honourable Sir Nripendra Sircar : No expectation can be formed one way or the other, about duration of tours, if any.

Mr. S. Satyamurti : With reference to the answer to clauses (c) and (d) of the question, may I know whether the report submitted by these representatives will be placed on the table of the House ?

The Honourable Sir Nripendra Sircar : My Honourable friend is assuming that they have made reports. They may have made reports or they may not have made reports. I am not prepared to make any statement on that.

Mr. S. Satyamurti : But the Viceroy has said that a report has been received ?

The Honourable Sir Nripendra Sircar : That report must have been received, but I understood "reports" were meant.

Mr. S. Satyamurti : I am asking whether that report will be placed on the table of the House.

The Honourable Sir Nripendra Sircar : To that, the answer is "No".

Mr. S. Satyamurti : With reference to these tours, some of which have been completed, may I know whether the demand of the Indian Princes, who have been visited by these gentlemen, with respect to financial concessions are in advance of previous claims ?

The Honourable Sir Nripendra Sircar : That is covered by the answer I gave on the previous occasion, that is to say, that it is a desire to know the negotiations which are going on and what are the claims which have been put forward by them. In the public interest I will not disclose them.

Mr. Bhulabhai J. Desai : Without going into the individual question, may I ask whether information can be given to this House as to whether any greater financial burden is expected to be placed as a result of offers of these negotiations by the major States in general ?

The Honourable Sir Nripendra Sircar : I am afraid I cannot answer that question because I have to give the sum total of the claims that have been made by all the States.

Mr. Bhulabhai J. Desai : What I am asking is whether they are, in fact, in advance either of the previous or the present figures ?

The Honourable Sir Nripendra Sircar : My friend has put the same question in another way, but that involves my saying what the claims are. In any case, if I am to say whether the claim is more or whether it is less than that which was put on the previous occasion, it will involve giving certain information which I am not going to disclose.

Mr. Bhulabhai J. Desai : Is my Honourable friend not prepared even to say whether any further inducement is being held out to them by way of burden upon us to induce an unwilling horse to join the Federation ?

The Honourable Sir Nripendra Sircar : The answer to that is "No". There is no question of inducement or further inducement.

Mr. S. Satyamurti : Does it mean that the unwilling horses are not being asked, or you refuse to tell us ?

Mr. President (The Honourable Sir Abdur Rahim) : I think you had better leave that question.

Mr. B. Das : With reference to part (a) of the question, may I ask whether it is not a fact that the Finance Department had already certified four to five crores of rupees by giving concession in customs revenue to these Indian States ?

The Honourable Sir Nripendra Sircar : You mean to say as part of these negotiations ?

Mr. B. Das : Yes.

The Honourable Sir Nripendra Sircar : I am not aware of that and even if I could say anything about it, I would not disclose it in the public interest.

Mr. S. Satyamurti : With reference to the answer to part (e) of the question, may I know whether, on the present scale of demands made by these Princes, any calculation has been made of the total value of the loss to the British Indian part of the Federation, on the basis of all the concessions demanded by the States ?

The Honourable Sir Nripendra Sircar : The calculation of the loss to British India, you mean in customs revenue and so on ?

Mr. S. Satyamurti : Yes.

The Honourable Sir Nripendra Sircar : I am sure that although the exact calculation is not possible, some kind of approximate idea must have been arrived at in the necessary quarters.

Mr. S. Satyamurti : What are the results of that calculation ?

The Honourable Sir Nripendra Sircar : I cannot disclose that.

Mr. Bhulabhai J. Desai : May I ask whether so far as the possibility of financial stability in the future Central legislature is concerned, the offer that is made on behalf of the Princes, is it going to be a greater strain on British India by Indian States ?

The Honourable Sir Nripendra Sircar : I have no reason to believe that that view is justified by any information I remember—but I cannot make any statement.

Mr. Bhulabhai J. Desai : Having regard to the last answer, may I ask whether the information justifies this that no further demand is being made on behalf of the major States in general so as to make the financial burden on the British part of the Federation heavy ?

The Honourable Sir Nripendra Sircar : I think I have answered that question in the negative, by saying that I am not prepared to disclose what further demands, if any, they have made.

Mr. Bhulabhai J. Desai : If the information in the possession of the Honourable Member is such that he is able to tell me in the negative the answer to the question, namely, whether larger financial burden would be placed upon the British Indian part of the Federation, if he has good reason to believe that there is no such thing, I ask him whether in view of that information, can he or can he not tell us whether or not larger demands are made ?

The Honourable Sir Nripendra Sircar : I am afraid I cannot—nor have I given a clear negative either.

Mr. S. Satyamurti : With reference to the answer to part (d) of the question, I think my Honourable friend said "Yes" to that.

The Honourable Sir Nripendra Sircar : I said the Finance Department is consulted on every issue of a financial nature arising from the views expressed by the States in connection with their accession to the Federation.

Mr. S. Satyamurti : May I ask for some elucidation of the answer ? May I know whether, before the terms are offered to the Princes or before the terms are accepted by the Government of India, the opinion of the Finance Department is taken in writing, and is given due effect ?

The Honourable Sir Nripendra Sircar : There can be no acceptance unless and until the instrument of accession has been signed and what the Government of India will do, and how they will ultimately treat the views of the Finance Department, I do not know, nor can I make any statement.

SOLDIERS AND OFFICERS SENT TO THE FAR EAST.

588. ***Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

- the number of soldiers and officers, Indian and European, who have been sent to the Far East ;
- the operations, if any, in which they have been engaged up to date ; and
- the number of casualties among them, Indians and non-Indians, respectively ?

Mr. C. M. G. Ogilvie : (a) The number of officers and soldiers who have been despatched to the Far East as a result of the present crisis is as follows :

British officers	6 (including one I.M.S. Officer).
King's commissioned Indian Officer .. .	1
Indian Commissioned officers .. .	6
Viceroy's commissioned officers .. .	13 (including one sub-assistant surgeon).
Indian warrant officers	2
Indian other ranks	635
Total	663

(b) They have been sent for internal security purposes and are not engaged in any operations.

(c) None.

Mr. S. Satyamurti : May I know whether these troops are now in Hongkong ?

Mr. C. M. G. Ogilvie : As far as I know, they are at present on the high seas.

Mr. S. Satyamurti : Are they destined to Hongkong ?

Mr. C. M. G. Ogilvie : Yes, Sir.

Mr. S. Satyamurti : Is there any intention on the part of the Government to see that they are not transferred to any theatre of War ?

Mr. C. M. G. Ogilvie : I cannot possibly prophesy the future.

Mr. S. Satyamurti : May I know whether the Government have taken note of the feeling in this country and in this House that the Indian soldiers ought not to be engaged in any way in the hostilities between China and Japan and that they should be confined purely for internal security purposes of the Indian nationals ?

Mr. C. M. G. Ogilvie : The British Government are not in the least concerned in any hostility between China and Japan and there is no thought whatever of indulging in any.

Mr. Bhulabhai J. Desai : Do I understand the Honourable Member to say that there are no Indian troops at present in any of the disturbed area in China ?

Mr. C. M. G. Ogilvie : As far as I know there are none.

Maulvi Abdur Rasheed Chaudhury : Is there any intention on the part of the Government to send these troops to Shanghai ?

Mr. C. M. G. Ogilvie : No, Sir.

EMPLOYMENT OF CRIMINAL INTELLIGENCE DEPARTMENT OFFICERS FOR SHADOWING POLITICAL SUSPECTS IN THE PROVINCES.

589. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- whether the Home Department of the Government of India are employing any Criminal Intelligence Department officers or men on shadowing political suspects in the provinces ;
- the reasons why they are doing it ; and
- whether such shadowing is being done in consultation with the Provincial Governments concerned or without reference to them ?

Mr. J. A. Thorne : (a) No.

(b) and (c). Do not arise.

REORGANISATION OF THE BUREAU OF PUBLIC INFORMATION.

590. ***Mr. S. Satyamurti :** Will the Honourable the Home Member be pleased to state :

- whether the question of reorganising the Bureau of Public Information is under consideration ;
- whether Government propose to consult the opinion of the House before taking up any scheme of reorganisation and, if not, why not ;
- whether Government are aware of the strong public feeling against the methods of subsidised publicity pursued by the Bureau in the past ;
- whether Government intend to direct special attention to " vernacular " publicity ;
- whether Government intend to appoint translators and journalists to write articles for the newspapers in Indian languages ; and
- whether the weapon of giving or withholding official advertisements is to be continued to be used to force newspapers to give publicity to Government propaganda ?

Mr. J. A. Thorne : (a), (d) and (e). The question of reorganizing the Bureau is at present being examined by Mr. Joyce whose proposals are awaited by Government.

(b) I cannot say until the proposals are received.

(c) No.

(f) The policy of Government in this matter was stated in my answer to the Honourable Member's question No. 409 on the 9th September, 1937.

Mr. S. Satyamurti : With reference to the answer to part (a) of my question, may I know whether Mr. Joyce's presence is in connection with the reorganisation of the Bureau of Public Information, or he is merely carrying on the normal duties at present of the Bureau ?

Mr. J. A. Thorne : Mainly in connection with the reorganisation.

Mr. S. Satyamurti : With reference to part (b), I think I heard my Honourable friend say that the Government of India cannot say until they received the proposals. May I know if that answer means that Government may or may not consult the House, and that will depend entirely on the nature of the proposals ?

Mr. J. A. Thorne : Yes, Sir.

Mr. S. Satyamurti : What is exactly in the mind of the Government on the question of consulting this House ? Does it mean that if it does not mean extra expenditure, they would not consult the House, or if it means extra expenditure they would consult the House ?

Mr. J. A. Thorne : No, Sir. We do not yet know what the proposals are likely to be and therefore I cannot say that there is anything in the mind of Government.

Mr. S. Satyamurti : I did not quite follow the answer to part (c). I beg the Honourable Member's pardon. Are Government aware of the strong public feeling ?

Mr. J. A. Thorne : No, Sir.

Mr. S. Satyamurti : Do Government now follow the methods of subsidised publicity ? I am asking this, in view of the answer to part (f) of my question, in which I have been referred to a previous answer ?

Mr. J. A. Thorne : I answered that before. I cannot admit that Government employ any "weapon" in order to "force newspapers to give publicity to Government propaganda".

Mr. Bhulabhai J. Desai : With reference to the answer to part (b) do I understand the Honourable Member to say that re-organisation will be given up if it involves larger financial burden ?

Mr. J. A. Thorne : No, Sir.

Mr. Bhulabhai J. Desai : Do I understand the Honourable Member to say that even if it involves further financial burden, they have decided still not to consult the House ?

Mr. J. A. Thorne : They have decided nothing. I think I made it clear that when proposals are received, the effect of them from every aspect will be considered and a decision will be taken whether the House should be consulted or not.

Mr. Bhulabhai J. Desai : I will put one definite aspect of the matter. May I know if the re-organisation scheme involves a greater burden, will they or will they not consult the House ?

Mr. J. A. Thorne : That, Sir, I submit is a hypothetical question which I am not called upon to answer.

Mr. S. Satyamurti : With reference to the answer to part (e), may I know whether Government do write articles themselves and get them published as leading articles in the columns of newspapers which they subsidise ?

Mr. J. A. Thorne : Whether Government themselves write articles ?

Mr. S. Satyamurti : Do not Government get articles written by hirelings and send them to newspapers which have no circulation worth mentioning, and these articles appear as leading articles in those newspapers, for the consideration of their getting advertisements from Government ?

Mr. J. A. Thorne : I do not know what is meant by hirelings ?

Mr. Bhulabhai J. Desai : They are mercenary journalists who are employed by Government to write articles upholding Government action.

Mr. J. A. Thorne : What is the distinction between a journalist and a mercenary journalist ?

Mr. Bhulabhai J. Desai : A mercenary journalist is one who does not write his own opinions, but who writes what he is paid to write ?

Mr. J. A. Thorne : In that case, Government do not employ such journalists.

Mr. Bhulabhai J. Desai : Would my last question be answered in view of this ?

Mr. J. A. Thorne : I want notice.

Mr. S. Satyamurti : With reference to the answer to part (e) of the question, may I know whether Government do now appoint translators and journalists to write articles for newspapers in Indian languages ?

Mr. J. A. Thorne : The question was whether Government intend to do this. If the Honourable Member wishes to know the present practice, I must have notice. The original question is covered by my answer that if Mr. Joyce's proposals contain that suggestion, that will be considered by the Government.

Mr. S. Satyamurti : May I take it that my Honourable friend's answer to part (e) means that, if there is a proposal from Mr. Joyce that Government should employ hirelings to write articles in newspapers, they will consider that ?

Mr. J. A. Thorne : I do not see why it should be put in such an offensive manner. But the answer to clause (e) is not quite in those words.

Mr. Bhulabhai J. Desai : Shall I put it in a less offensive manner ? Are the funds of the public of India going to be employed to pay people to write against the people of India ?

Mr. J. A. Thorne : The answer to that is obviously in the negative.

Mr. Bhulabhai J. Desai : Do I understand that every article to be written will be in support of the Indian view of the questions ?

Mr. J. A. Thorne : I cannot tell beforehand without knowing what the Indian view is on every question.

Mr. Bhulabhai J. Desai : Do I understand Government to mean that by now, notwithstanding the three years of this Assembly, they are not aware of the Indian view on the major questions, so far as the country is concerned ?

Mr. J. A. Thorne : I think it is quite fair to say that on most major questions there are various views held by various sections of the people of India.

Mr. S. Satyamurti : Do Government realise that subsidised journalism is bound to fail in every country, and certainly in India ?

Mr. President (The Honourable Sir Abdur Rahim) : Next question.

PURCHASES MADE BY THE ARMY THROUGH THE INDIAN STORES DEPARTMENT.

591. ***Mr. S. Satyamurti :** Will the Defence Secretary be pleased to state :

- (a) the extent and value of the purchases made by the Army through the Indian Stores Department ;
- (b) the reasons why other purchases are not made through the Indian Stores Department ;
- (c) whether the purchases for the army are now being made in the cheapest market consistent with quality ;
- (d) whether the Army Department are taking steps to purchase more stores through the Indian Stores Department ;
- (e) the nature and value of the articles bought from outside this country and the reasons why ; and
- (f) whether the Defence Department are taking every step in their power to see that all requirements of the Army are purchased or manufactured in this country, as far as possible, and if not, why not ?

Mr. C. M. G. Ogilvie : (a) The information asked for is contained in the annual report of the Indian Stores Department, a copy of which is in the Library of the House.

(b) Because the Indian Stores Department cannot at present conveniently and economically purchase more than they are now doing.

(c) Yes.

(d) Government do not at present contemplate any change in the existing arrangements.

(e) Only such articles are purchased outside India which are not manufactured here or are not up to the required standard or specification. Their value during 1937-38 is anticipated to be Rs. 115 lakhs.

(f) Our aim is to make India self-supporting as far as possible in respect of the requirements of the Defence Services. With that end in view, it is the policy of Government to utilise, encourage and develop indigenous sources of supply.

Mr. S. Satyamurti : With reference to the answer to clause (b) may I know if my Honourable friend's answer is based on the expressed inability of the Stores Department, with regard to further purchases by the Army Department ?

Mr. C. M. G. Ogilvie : Yes, Sir ; for example, I am sure that the Indian Stores Department would never contemplate the purchase of foodstuffs. All that is done through the Director of Contracts.

Mr. S. Satyamurti : Apart from foodstuffs, may I know if between the Indian Stores Department and the Army Department there are periodical conferences at which the question of extending the purchases through the Stores Department is periodically examined ?

Mr. C. M. G. Ogilvie : Yes, Sir.

Mr. S. Satyamurti : With reference to clause (d), may I know if my Honourable friend's answer is based on the feeling that all that can be purchased or manufactured in this country is being done, and that no more need be done at present ?

Mr. C. M. G. Ogilvie : No, Sir, entirely not. The meaning was that Government do not at present contemplate any change in the existing arrangement whereby the Indian Stores Department purchases certain classes of stores and the Director of Contracts other classes of stores.

Mr. S. Satyamurti : Apart from the agency, with reference to the answer to clause (f), may I know whether this policy of either purchasing or manufacturing all their requirements in this country is being vigorously pursued, and when do the Army Department expect to get almost all in this country, excepting high class manufactures of arms, which cannot be done in this country ?

Mr. C. M. G. Ogilvie : Efforts are constantly being made to extend the purchase of every kind of store in India which India can reasonably be expected to produce. The following is a list of articles not previously produced in India, but which are now being produced in large numbers solely owing to the stimulus given by the educational orders of the Defence Department : gas masks, galvanised sheets, electric cells, glycerine, curry combs, grey woollen flannels, woollen vests and drawers, mosquito nets, benzol, braces, hurricane lamps, canvas shoes, knives, hand tools and pearl barley.

RETIREMENT AGE OF INDIAN MEDICAL SERVICE MEN.

592. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state if there is any proposal that All-India Medical Service men should retire at the age of 57 instead of 55 ?

(b) Is there any proposal that Inspector Generals of Hospitals, Prisons and Director General of Health should retire at the age of 57 instead of 55 ?

(c) What is the attitude of Government towards this proposal ?

(d) Were the Local Governments consulted in this matter ?

(e) Are Government aware that there is a general feeling in the country that the age of retirement in the case of Government servants should be reduced and not increased ?

(f) What are the special reasons justifying the increase of the age of retirement in the case of Indian Medical Service and Inspector General and Director above-mentioned ?

(g) Are Government aware that the acceptance of these proposals would involve an extra burden on the tax-payers ?

Mr. C. M. G. Ogilvie : This question should have been addressed to the Secretary, Education, Health and Lands Department.

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LEGISLATIVE ASSEMBLY.

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Mr. Sham Lal : Will the Secretary of the Education, Health and Lands Department answer this question ?

Sir Girja Shankar Bajpai : Not now, in any case.

REFUSAL TO GRANT PASSPORT TO MR. VIRENDRA, MANAGING EDITOR OF THE *Daily Partap*, LAHORE.

593. ***Mr. Sham Lal :** (a) Will the Honourable the Home Member be pleased to state if Mr. Virendra, M.A., Managing Editor of the *Daily Urdu Partap*, Lahore, applied for a passport to go to England for study in journalism ?

(b) Is it a fact that the Punjab Local Government recommended him a passport ?

(c) Is it a fact that the Government of India have refused to give the passport ?

(d) If so, will Government state the reasons for refusing the passport ?

(e) Are Government prepared to reconsider their decision and grant the passport to Mr. Virendra ?

Mr. J. A. Thorne : (a) to (e). The reasons for the refusal of a passport in this case were given in the statement laid on the table on the 22nd April, 1936, in reply to the Honourable Member's question No. 1405. No further application for a passport has been received by the Government of India.

Mr. Lalchand Navalrai : Will the Government of India consider it if it is renewed now ?

Mr. President (The Honourable Sir Abdur Rahim) : That is a hypothetical question.

Mr. Sham Lal : With reference to the answer to clause (b), is it a fact that Mr. Virendra made an application recently which was recommended by the Punjab Government ?

Mr. J. A. Thorne : No recommendation has been received.

Sardar Sant Singh : What was the recommendation and why did the Government of India overrule that recommendation ?

Mr. J. A. Thorne : The Government of India have not received any recommendation and therefore it follows that they have not overruled any recommendation.

Mr. Mohan Lal Saksena : Which is the final authority in the matter of granting passports ?

CONTRIBUTION ENTITLED " PROFESSOR KHANKHOJE IN EXILE—LIFT THE BAN " PUBLISHED IN THE *Hitavad*.

594. ***Mr. G. V. Deshmukh :** Is the attention of the Foreign Secretary drawn to a contribution by Mr. D. V. Deshmukh to the *Hitavad* newspaper of Nagpur of the 15th August, 1937, under the heading " Professor Khankhoje in Exile—Lift the Ban " ?

Mr. J. A. Thorne : With your permission, Sir, I propose to answer questions Nos. 594, 595 and 596 together. I have seen the article referred to and the Government of India have received a letter on the subject from the Government of the Central Provinces. The position is that no application has been received from Mr. Khankhoje himself for facilities to return to India. He is now a naturalized Mexican citizen and if he wishes to enter India he should apply for a visa to the appropriate British Consular authority. Any such application will be considered in the usual way.

Mr. G. V. Deshmukh : Will the Honourable Member explain what the usual way is ?

Mr. J. A. Thorne : I shall require notice of that. I am not familiar with the action taken by British Consular authorities in countries like Mexico.

Mr. G. V. Deshmukh : What was the proposal of the C. P. and Berar Government ?

Mr. J. A. Thorne : The letter of that Government was confidential and therefore I cannot disclose it without the consent of that Government.

Seth Govind Das : If that Government consent, will the letter be laid on the table of this House ?

Mr. J. A. Thorne : Yes, Sir.

Mr. Mohan Lal Saksena : In view of the recommendation of the Provincial Government, am I to understand that if Mr. Khankhoje were to apply he would be granted permission to return to India ?

Mr. J. A. Thorne : I did not say that the Central Provinces Government have made any recommendation.

Sir Cowasji Jehangir : If a national of another country wants to come to India and goes to the Consular Office for a visa, have the Government of India any voice in the matter ?

Mr. J. A. Thorne : That is what I said just now, that I am not sufficiently familiar with the action taken by a British Consular authority in a foreign country to be able to answer that off-hand.

Mr. Bhulabhai J. Desai : Would it be any ground for not favourably considering the application that at one time he was a British Indian citizen ?

Mr. J. A. Thorne : No, Sir ; I should consider rather the reverse.

PERMISSION TO MR. KHANKHOJE TO RETURN TO INDIA.

†595. ***Mr. G. V. Deshmukh :** Will the Foreign Secretary please state if the Government of the Central Provinces and Berar have made

†For answer to this question, see answer to starred question No. 594.

any suggestions to lift the ban on Mr. Khankhoje and permit him to enter India?

PERMISSION TO MR. KHANKHOJE TO RETURN TO INDIA.

†596. *Mr. G. V. Deshmukh : Will the Foreign Secretary please state if the ban on Mr. Khankhoje will be lifted and he will be permitted to return to India? If not, why not?

MESSAGE ENTITLED "ALLEGED FRAUD ON INDIANS—HIGH COMMISSIONER'S WARNING" PUBLISHED IN THE *Hindustan Times*.

597. *Mr. T. S. Avinashilingam Chettiar : Will the Secretary for External Affairs state :

- whether he is aware of the Associated Press of India message in the *Hindustan Times*, dated the 28th August, 1937, titled 'Alleged fraud on Indians—High Commissioner's warnings' ;
- how many people who wanted to borrow in England, were deceived ;
- what is the extent of the loss suffered by them ; and
- whether any attempts have been made to trace the culprits in England and bring them to book?

Lieut. Colonel A. E. B. Parsons : This is a question which should have been addressed to the Honourable the Member for Commerce and Railways.

The Honourable Sir Saiyid Sultan Ahmad : This question ought to have been put to the Commerce Member, and it will be answered in due course.

GRANT OF PERMISSION TO PASS FOREIGN LANGUAGES TO INDIAN ARMY TERRITORIAL OFFICERS.

598. *Mr. T. S. Avinashilingam Chettiar : Will the Defence Secretary state :

- whether permission to pass foreign languages is given to officers of the Army in India Reserve of Officers ; and
- whether the same privilege is extended to Indian Army Territorials ; if not, why this differentiation?

Mr. C. M. G. Ogilvie : (a) No.

(b) Does not arise.

Mr. T. S. Avinashilingam Chettiar : May I know if this privilege is given to officers in the regular Army?

Mr. C. M. G. Ogilvie : Yes.

Mr. T. S. Avinashilingam Chettiar : May I know the difficulty in extending this privilege to territorial forces also?

Mr. C. M. G. Ogilvie : The reason, I imagine, is that the regular Army is liable to be called upon to serve outside India, and territorials are not.

†For answer to this question, see answer to starred question No. 594.

GIVING OF COMMAND OF TERRITORIAL FORCES TO TERRITORIAL OFFICERS.

599. *Mr. T. S. Avinashilingam Chettiar : Will the Defence Secretary state :

- whether junior regular officers are appointed over senior Territorial officers ;
- whether on page 581, Indian Army List (July) in 11/13 Frontier Force Rifles one Lieutenant is put over two Captains of the Territorial Force ;
- whether Government are aware that this is causing a lot of ill-feeling among the Territorial Force officers ; and
- whether Government propose to give the Command of Territorial Forces to Territorial officers?

Mr. C. M. G. Ogilvie : (a) No.

(b) No. The Lieutenant referred to is holding the local rank of Captain. In this connection, I would refer the Honourable Member to paragraph 24 of the Indian Territorial Force Regulations from which it will be seen that when senior grade officers of that Force are serving with officers of the Regular Forces, they rank junior of their degree.

(c) No.

(d) In the case of Provincial battalions and Urban units, No. In the case of University Training Corps, Yes.

Mr. T. S. Avinashilingam Chettiar : May I understand, Sir, if it is the case that certain officers who are lower in rank in the Army get a higher rank when they are transferred to the territorial force?

Mr. C. M. G. Ogilvie : It may sometimes be necessary for purposes of administration and command to give an officer a local rank when he is transferred to a territorial force.

Mr. T. S. Avinashilingam Chettiar : Then, what is that rank? Is it the rank of Captain or Lieutenant?

Mr. C. M. G. Ogilvie : His rank, while serving in the territorial force, is indistinguishable in any respect from that of a Captain.

WING COMMANDERS IN TERRITORIAL FORCE REGIMENTS.

600. *Mr. T. S. Avinashilingam Chettiar : Will the Defence Secretary state :

- whether the post of Wing Commander does not exist among the Regular Forces, and also in the Territorial Forces according to Law ;
- whether Wing Commanders have been created in practice in certain Territorial Force Regiments ;
- since when this practice is followed ; and
- whether Government propose to consider the advisability of acting according to what is prescribed under the law?

Mr. C. M. G. Ogilvie : (a) The rank of Wing Commander exists only in the Royal Air Force and in the Frontier Corps and Militia. It does not exist in the regular army or the territorial forces.

(b) and (c). Government have no information, but an officer commanding a detached portion of a battalion may have been unofficially designated Wing Commander. The practice, if followed, is not illegal.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, whether this appointment of Wing Commander entails any financial expenditure ?

Mr. C. M. G. Ogilvie : There is no such appointment as Wing Commander.

DEBARRING GRADUATES OF VETERINARY COLLEGES IN INDIA FROM APPEARING AT THE COMPETITIVE EXAMINATION FOR APPOINTMENTS IN THE INDIAN ARMY VETERINARY CORPS.

601. ***Mr. Mohan Lal Saksena :** (a) Will the Defence Secretary be pleased to state whether it is a fact that the graduates of Veterinary Colleges in India were not allowed to sit for the competitive examination for the appointments of Indians to commissioned ranks in the Indian Army Veterinary Corps ? If so, why ?

(b) Is it a fact that the examination was open to the graduates of the Royal College of Veterinary Surgeons in Great Britain ?

(c) Is it not a fact that the graduates of Indian Veterinary Colleges with merit and experience and even post-graduate training in foreign countries, are overlooked as compared to the fresh graduates from the Royal College of Veterinary Surgeons ? If so, are Government prepared to consider the feasibility of discontinuing this practice ?

Mr. C. M. G. Ogilvie : (a) Yes, for the reasons stated in my predecessor's reply to parts (b) and (c) of starred question No. 410 on the 16th September, 1936.

(b) Yes.

(c) The reply to the first portion is that Membership of the Royal College of Veterinary Surgeons is at present the minimum qualification for a commission in the Indian Army Veterinary Corps. As regards the second portion, I refer the Honourable Member to the reply given on 17th September, 1936, by my predecessor to parts (b), (c) and (d) of starred question No. 473 on the same subject.

Mr. Mohan Lal Saksena : May I know if Government have not reconsidered their previous decision since then ?

Mr. C. M. G. Ogilvie : The position is exactly the same as it then was.

Mr. Mohan Lal Saksena : There are a large number of veterinary graduates in India who also have foreign degrees. They are qualified, but are not allowed to sit for this examination.

Mr. C. M. G. Ogilvie : Any one who is qualified to take this examination is allowed to sit for this examination.

Prof. N. G. Ranga : Have at any time efforts been made by Government to get our Veterinary Colleges recognised by the Royal College of Veterinary Surgeons ?

Mr. C. M. G. Ogilvie : I ask for notice.

Pandit Lakshmi Kanta Maitra : Is the minimum qualification for admission to the service a degree from the Royal College of Veterinary Surgeons in England ?

Mr. C. M. G. Ogilvie : Yes.

Pandit Lakshmi Kanta Maitra : May I know if the Government of India will take steps to bring the Indian Veterinary Colleges to the same standard as that of the Royal College of Veterinary Surgeons.

Mr. C. M. G. Ogilvie : If the Honourable Member will refer to the second part of starred question No. 473 and the answer thereto by my predecessor, he will see the reason.

Mr. Mohan Lal Saksena : How does the Honourable Member reconcile his answer to part (b) of the question with his answer to my supplementary question, that anybody who is qualified is allowed to sit for the examination ?

Mr. C. M. G. Ogilvie : Anybody who is qualified for the examination is allowed to sit for it.

Mr. Mohan Lal Saksena : My question is this : there are a number of Indian graduates who have had training in foreign countries and have foreign degrees, but have not been allowed to sit for the examination.

Mr. C. M. G. Ogilvie : The only answer I can give is what I gave already—nobody whose qualification entitles him to sit for the examination has been rejected.

Seth Govind Das : What is the qualification which is required for appearing at this examination ?

Mr. C. M. G. Ogilvie : I have already stated that.

Seth Govind Das : Was no Indian qualified ?

Mr. C. M. G. Ogilvie : I imagine so.

Pandit Lakshmi Kanta Maitra : Is it the considered opinion of the Honourable Member that graduates of the Indian Veterinary Colleges do not come up to the standard required by his Department ?

Mr. President (The Honourable Sir Abdur Rahim) : Mr. Ogilvie has already said so.

SUICIDE CASES IN THE CENTRALLY ADMINISTERED AREAS AND RETIREMENT OF GOVERNMENT SERVANTS AT THE AGE OF FIFTY-FIVE.

602. ***Mr. Mohan Lal Saksena :** (a) Will the Honourable the Home Member state whether Government are aware that suicide cases in the centrally administered areas are on the increase and that in the majority of such cases the victims are educated young men who fail to find means of livelihood ?

(b) Will Government be pleased to state whether any action has so far been taken to keep down the number of such events ?

(c) With a view to remove unemployment among educated young men, are Government prepared to consider the question of retiring compulsorily as was done during Retrenchment Campaign when Government were in need of effecting savings such officials who have rendered sufficient service to earn the maximum amount of pension admissible under the rules ?

(d) Are Government prepared to issue orders to the effect that no official, ministerial or non-ministerial, is retained in service after he has attained the age of 55 years ?

(e) Are Government prepared to give a lead to the Local Governments ?

(f) Are Government aware that the scheme of retiring Government servants compulsorily will not involve any extra cost because the salary of the new entrant *plus* the pension to be paid to the present holder of a post will not exceed the maximum salary drawn by the said present holder at the time of retirement ?

(g) Are Government aware that the increase in the cost involved in certain cases will be counter-balanced by the saving effected in other cases, so that the net result will be in the shape of savings ?

(h) Are Government aware that the proposed scheme will distribute the resources among the old and young men and will save a large number of the latter (young men) from starvation ?

Mr. J. A. Thorne : (a) and (b). Government are not aware that there has been an increase in suicides as suggested by the Honourable Member.

(c), (d), (e) and (h). Clauses (a) and (b) of Fundamental Rule 56 lay down that extensions of service, after the age of 55, cannot be granted to officers other than ministerial officers except on public grounds and that ministerial officers may be retired at 55 years of age but should normally be retained in service till they attain the age of 60.

As regards making a change in that Rule, I would invite the Honourable Member's attention to the reply given by the Honourable the Finance Member to Mr. Muthuranga Mudaliar's question No. 109 on the 25th August last.

(f) and (g). Without elaborate calculations it is impossible to estimate what the financial effect of enforcing earlier retirement would be.

Mr. Mohan Lal Saksena : Will Government please take steps to make the necessary calculations ?

Mr. J. A. Thorne : As I have said, the calculations would be elaborate, and they would also depend on the terms to be given.

PUBLICATION OF NOTIFICATIONS REGARDING TITLES IN THE GAZETTE OF INDIA.

603. ***Mr. Sri Prakasa :** (a) Will the Honourable the Home Member be pleased to state if it is a fact that there was a Gazette of India notification towards the end of May to the effect that Khan Saheb Sayed Zaffar Husain has been deprived of his title ?

(b) Under whose authority is the Gazette of India published ; and what Department of Government, if any, has been responsible for the publication of this notification ?

(c) Is it not a fact that the Gazette of India is the publication of the Governor General in Council and that they have nothing to do with the granting or taking away of titles ?

Mr. R. F. Mudie : (a) Yes, the notification was published in the Gazette of India, dated the 26th June, 1937.

(b) Under the authority of the Governor General in Council ; the notification was published under the orders of His Excellency the Viceroy.

(c) Yes ; but the Governor General in Council is concerned in ensuring that the orders of His Excellency the Viceroy receive publicity.

Mr. Sri Prakasa : Is it not a fact, Sir, that this communiqué was published as a communiqué of the Government of India and not as an order from His Excellency the Viceroy ?

Mr. R. F. Mudie : I have not looked up the wording, Sir ?

Mr. Sri Prakasa : Will Government consider the desirability of taking away the titles privately and not exposing the individual to the contumely of his fellowmen ?

Mr. R. F. Mudie : The Honourable Member might put down a question.

Mr. Sri Prakasa : Why was this title taken away ? Why was it given ?

Mr. R. F. Mudie : If the Honourable Member wishes to have the information he might put down a question.

Mr. Muhammad Azhar Ali : Do Government know that the conferment of a title is an honour and its deprivation a dishonour ?

GRANT OF HELP TO THE FAMILY OF PRINCE MIRZA RAHMAT SULTAN.

604. ***Maulana Zafar Ali Khan :** Will the Honourable the Leader of the House please state :

(a) whether he is aware that Prince Mirza Rahmat Sultan, grandson of Bahadur Shah, the *ex*-King of Delhi, has passed away in Rangoon, leaving a widow with five daughters and three sons to mourn his loss ;

(b) whether he is further aware that the family of the deceased Prince is living in abject poverty and that the eldest son, on whom the burden of earning bread for this large family has fallen, is only a young boy not yet out of his teens ; and

(c) whether Government are prepared to help this illustrious family in its great distress ?

The Honourable Sir Nripendra Sircar : The attention of my Honourable friend is invited to the reply given to his question No. 521 on the 11th instant. I may add that this is identical with the same question which the same Honourable Member put.

Maulana Zafar Ali Khan : Sir.....

Mr. President (The Honourable Sir Abdur Rahim) : I cannot allow supplementaries to the same question now. Any supplementaries ought to have been asked then.

UNSTARRED QUESTIONS AND ANSWERS.

INCOME AND EXPENDITURE OF THE ALMORA CANTONMENT.

108. Mr. Badri Dutt Pande : Will the Defence Secretary state :

- (a) the total gross income of the Almora Cantonment during the last three financial years from house tax, conservancy tax and any other taxes that the Cantonment levies ;
- (b) the Government grant to this Cantonment paid during the last three financial years ;
- (c) the total expenses of the Cantonment during the last three years on conservancy, office establishment (including pay of the Executive Officer) and other items ;

Mr. C. M. G. Ogilvie : I am collecting the information and will lay it on the table in due course.

PAYMENTS FOR CUTTING OF TREES IN THE ALMORA CANTONMENT.

109. Mr. Badri Dutt Pande : (a) Will the Defence Secretary state what payments have been demanded by the Cantonment Authority, Almora for the felling of trees within the Almora Cantonment, within the premises of the bungalow-owners during the last three financial years ?

(b) Did the Cantonment Authority, Almora, satisfy himself in all the cases in which payment was demanded for cutting trees that the same were cut for commercial purposes ?

(c) On what basis or calculation was the payment for trees desired to be cut demanded ?

(d) Is it a fact that the Cantonment Authority invariably asked the person seeking permission to cut any tree or trees, to offer a nominal price for the tree or trees sought to be cut ?

(e) Is it a fact that all such payments made for the cutting of isolated trees have been made under protest ?

(f) What steps do Government propose to take to stop the harassment of the bungalow-owners of the Almora Cantonment on this account ?

Mr. C. M. G. Ogilvie : I have called for the necessary information from the local authorities concerned and will lay it on the table as soon as it is received.

CLASSIFICATION OF THE STAFF IN THE RAILWAY BOARD.

110. Mr. Ram Narayan Singh : Will the Honourable the Home Member please state :

- (a) the Service (Classification, Control and Appeal) Rules under which the pensionable staff of the Imperial Secretariat Services' serving with the Government of India Railway Department (Railway Board) are governed ;
- (b) the authority which classify the staff of the Imperial Secretariat Services with the Government of India Railway Department (Railway Board) as Railway servants within the definition of section 3 (7) of Act IX of 1890 ;
- (c) the administration within the definition of section 3 (6) of Act IX of 1890 which employ the staff of the Imperial Secretariat Services as Railway servants within the definition of section 3 (7) of Act IX of 1890 ; and
- (d) whether the Government of India, Railway Department (Railway Board) is a Railway Administration within the definition of section 3 (5) and (6) of Act IX of 1890, and the difference between the Government of India Railway Department (Railway Board) and the Railway Administrations and whether these two administrations are parallel to each other or subordinate ; if so, to whom ?

Mr. R. F. Mudie : I am unable to answer this question which should be addressed to the Honourable the Railway Member.

ACKNOWLEDGMENT OF COMMUNICATIONS FROM ASSOCIATIONS, COMMERCIAL BODIES, ETC., BY THE RAILWAY BOARD AND ADMINISTRATIONS.

111. Mr. Ram Narayan Singh : (a) Will the Honourable the Home Member please state whether the policy declared in reply to unstarred question No. 898 asked in this House on the 20th March, 1936 regarding the acknowledgment of communications from Associations, commercial bodies, etc., is applicable to the Railway Department (Railway Board) and is to be observed by Railway Administrations ? If not, why not ?

(b) What punishment is prescribed for its defiance by the Railway Department (Railway Board) and by the Railway Administrations ? If none, why not ?

Mr. R. F. Mudie : I am unable to answer this question which should be addressed to the Honourable the Railway Member.

COMMUNICATION OF OFFICIAL DOCUMENTS, ETC., TO SERVICE UNIONS OR ASSOCIATIONS, ETC.

112. Mr. Ram Narayan Singh : (a) Will the Honourable the Home Member please state whether the policy declared in the second part of the reply to unstarred question No. 162 asked in this House on the 16th October, 1936, viz : ' It is open to the Union to ask for copies of any communication affecting the service the Union represents ' is applicable to the Railway Department (Railway Board) and is to be obeyed by Railway Administration ? If not, why not ?

(b) What punishment is prescribed for its defiance by the Railway Department (Railway Board) and by the Railway Administrations; if none, why not?

Mr. R. F. Mudie : I am unable to answer this question which should be addressed to the Honourable the Railway Member.

COLD STORAGE STATIONS ESTABLISHED IN INDIA.

113. Mr. Badri Dutt Pande : Will the Defence Secretary state if any cold storage stations have been established in India? If so, where and at what cost?

Mr. C. M. G. Ogilvie : No cold storage depôts have yet been completed under the contract between the Government and Cold Storage Company. Construction has started or is about to start at the following places :

Wana.	Peshawar.
Manzai.	Nowshera.
Bannu.	Rawalpindi.
Razmak.	Sialkot.
Mari Indus.	Ferozepore.
Kohat.	Jullundur.
Thal.	Multan.
Quetta.	Ambala.

It is understood that the Cold Storage Company of India, Limited, have placed orders for all machinery and equipment necessary to complete these establishments. Government are, however not aware of the cost involved.

MOTION FOR ADJOURNMENT.

CHINA'S APPEAL AGAINST JAPANESE AGGRESSION TO THE LEAGUE OF NATIONS.

Mr. President (The Honourable Sir Abdur Rahim) : I have received notice of a motion for adjournment from Mr. Satyamurti to this effect : to consider a definite matter of urgent public importance, viz., the refusal of the Government of India to consult and take the opinion of this House, even while it is in session, on China's appeal against Japanese aggression to the League of Nations now in session at Geneva of which India is an original member.

Is there any objection?

The Honourable Sir Nripendra Sircar (Leader of the House) : Not in this forum, Sir.

Mr. President (The Honourable Sir Abdur Rahim) : The motion will be taken up at 4 o'clock.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : May I make a submission, Sir? According to our rules and Standing Orders, we have got to take your consent to an adjournment motion : and, if objection is taken, 25 Honourable Members rise in their seats ; therefore, if there are any arguments which can appeal either to you or to Members of this House, I submit, those arguments ought to be placed here and not reserved, because there is an identical ground on which the Governor General can disallow this motion—that the matter cannot be discussed without detriment to the public interest. The Governor General can decide that without any evidence, I submit, we are at least as competent, and Members of this House are at least competent to decide the question one way or the other. Therefore, clearly because they are sure of the other thing, it seems to me that it is wrong in respect to the authorities concerned.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member is making a speech : I cannot allow that. As a matter of fact there is any point of order, I do not think there is because the rule is perfectly clear : the rule being there, an order passed under it means no respect to anybody.

The Honourable Sir Nripendra Sircar : I am not at all aware what the rule is, if any, may be passed in another forum.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Do I understand that orders have been asked for?

The Honourable Sir Nripendra Sircar : Plenty of time left for it, if it is considered necessary.

Mr. Bhulabhai J. Desai : That is not answering the question.

RESOLUTION RE CONSTITUENT ASSEMBLY.

Mr. President (The Honourable Sir Abdur Rahim) : Resolutions have gone through the Resolution and the amendments : I find that there are three substantial amendments : one is by Mr. Aney, another by Mr. Jinnah and a third by Mr. Gadgil.....

Mr. N. V. Gadgil (Bombay Central Division : Non-Muhammadan Rural) : I am not moving my amendment.

Mr. President (The Honourable Sir Abdur Rahim) : What I propose to do after the Resolution is moved is to take up the amendment of Mr. Jinnah—No. 5 on the list of amendments—which strikes me as more comprehensive than the others. Then, Sir Cowasji Jehangir will move his amendment to Mr. Jinnah's amendment. Then, as there is no substantial difference between Mr. Jinnah's amendment and Mr. Husenbhai Desai's amendment, Mr. Laljee will move his. Then, I will take up the amendment of Mr. Aney. There will then be discussion on the Resolution and all these amendments.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : Sir, I propose to move :

"That this Assembly recommends to the Governor General in Council to convey to the Secretary of State for India and to the British Government the opinion of the Assembly that the Government of India Act, 1935, in no way represents the will of the people and is wholly unsatisfactory and should be replaced by a Constitution framed by a Constituent Assembly elected on the basis of adult franchise."

[Mr. S. Satyamurti.]

I desire to preface my speech by a statement of fact. I am moving this motion not merely as a humble member of the Opposition in this House, but as a humble representative of the Indian National Congress which now governs 7 out of the 11 provinces in India and hopes to govern the other four provinces very soon. (*Opposition cries of "Hear, hear."*) Therefore, the Resolution is not of a so-called irresponsible opposition, but of the most responsible body governing this country in the provincial sphere. (*Opposition cries of "Hear, hear."*) This Resolution states three facts: first, that the Government of India Act, 1935, in no way represents the will of the nation; secondly that it is wholly unsatisfactory; thirdly that it should be replaced by a Constitution framed by a Constituent Assembly elected on the basis of adult franchise. Now, I also want to add one more fact. In all the seven Provincial Legislatures and in Sind, this Resolution with the words "Constituent Assembly" has been passed already or will very soon be passed. No objection has been taken by any minority, much less by any Moslem minority, in any of these provinces to the phrase "Constituent Assembly". Amendments have been moved and have been accepted or will be moved and will be accepted, but no amendment touches this phrase "Constituent Assembly"; and I submit that the Muslim Members of the Provincial Legislatures—I mean no offence to Honourable Members of this House—as a matter of fact represent much larger Muslim separate electorates and represent lakhs and lakhs of Muslim voters throughout the country. (*Opposition cries of "Hear, hear."*)....

Mr. M. A. Jinnah (Bombay City, Muhammadan Urban): That is not correct.

Mr. S. Satyamurti: Which is not correct? It does not matter. With regard to this phrase "Constituent Assembly", I desire to remind this House, if I may, that, historically speaking, that phrase stands for the Assembly representing the sovereign will of a people, after they have overthrown their Government by a violent revolution. That is the history of it; but the last page in the history of the world has not yet been written and, thank God, there is a great man in this country who can still write pages of eloquent history (*Cheers*); and, therefore, I want to submit to this House, with a full sense of my responsibility, that the Congress, standing as it does by the creed of non-violence, when it talks of a Constituent Assembly, can only mean an Assembly which comes in as the result of an agreement by the development of power in our people, compelling the present Government to agree to this Assembly. Therefore, Sir, there is no need to seek to confuse the issue, by trying to import considerations wholly irrelevant to the present question. Moreover, Sir, if Honourable Members of this House have read the recent articles of Mahatma Gandhi in the *Harijan* after our acceptance of office, they will have noticed a significant sentence in them that the Mahatma contemplates the transference of power to the people of this country by peaceful means, as a result of our agitation and our work. Therefore, the real point behind the phrase is this,—and I want my friends who object to the words 'Constituent Assembly' to take note of this. We want no more futile conferences, futile conventions, where we shall needlessly discuss, quarrel, among ourselves and present the spectacle to the foreigner and to the Government of a people who cannot settle their own affairs. On the other hand, we want

from this Assembly the elimination of the third party altogether (*Hear, hear*), and we want an Assembly whose decisions shall be final and binding on the British Parliament. That is the real object of this Constituent Assembly. We have had enough of these conferences, round table, and square table and it is time we cried halt to such conferences.

Then, Sir, this Resolution refers to adult franchise which must make an instinctive appeal to the heart of every Honourable Member of this House, and certainly to every Muslim Member who by his religion believes in democracy. We stand for adult franchise, no disqualification by birth, caste, race or religion or wealth; we want every man and woman in this country, to have a voice in the shaping of the constitution of this country. Can anybody object to that? (*An Honourable Member: "No."*) Why do you want then separate communities, separate classes, and separate electorates? I want my friends to notice that, in this Resolution, we swear by adult franchise; we do not want the scales to be weighted in favour of anybody for reasons of wealth or birth.

Then, Sir, we have, as usual, on such occasions the two extreme amendments,—again I mean no offence,—Mr. Aney on the one side, saying "Communal Award must go immediately", and Mr. Jinnah on the other side saying "in the absence of an agreed settlement, we must go by that". Let me re-state the Congress position. We believe the Communal Award is anti-national and anti-democratic. We believe that separate electorates are wholly inconsistent with any conception of democracy or democratic Government. (*Hear, hear.*) We believe that in the modern secular State, a citizen has nothing to do with caste or religion; a Legislature ought to be composed of the most eminent representatives of the people; but, today, Sir, what is the madness,—I cannot vote for Mr. Jinnah; even if I wanted to vote for him, I must vote for my friend, Mr. Bhulabhai Desai, because Mr. Desai and I are Hindus and Mr. Jinnah is a Muslim. Is that correct? Is it consistent with any sense of democratic Government? We must, therefore, give up separate electorates. At the same time, the Congress realises that, unless and until we can get an agreed settlement with the consent of all the communities concerned, it is impossible, it is futile, to try to fight the Communal Award with the help of the third party. The Communal Award is there, not so much to help Muslims let me repeat, but to help the perpetuation of British Imperialism in this country. Therefore, Sir, we want to fight British Imperialism with the help of our Muslim friends, with the help of all communities in this country, and that is why we say, in the absence of an agreed settlement, we must go on with it, but it does not mean that the Congress will acquiesce in it. The Congress is too much of a believer in democracy, in adult franchise; in responsible Government, to acquiesce in this, and we invite our friends to help us to press forward our claim for adult franchise. I trust, therefore, that our well-known differences on the Communal Award will not influence our judgment in voting on this Resolution. (*Hear, hear.*)

Moreover, may I say this, Mr. President, the stand taken by the Congress has been justified by events? I do not believe that anybody who wanted to fight the communal award, apart from the Congress, has succeeded. I say it in no patronising spirit, but I want my friends to realise that the only way to get rid of the communal award is to unite this nation on the basis of a big fight for the freedom of this country.

✓ [Mr. S. Satyamurti.]

Then, Sir, as regards the rights of minorities in free India, public memories are short, but I want my friends to read, learn, and inwardly digest the Resolution of the Karachi Congress on Fundamental Rights of Citizens. The Indian National Congress stands for adult franchise. The moment we get power in this country, we shall see that, whatever else happens or does not happen, every adult who is not a lunatic, who is not an undischarged insolvent, gets the franchise and gets his or her part in the government of this country. Then, Sir, the Karachi Resolution guarantees freedom of worship and freedom of religious observance, to all communities and all religions, subject only to public order and public morality. Nobody can object to that. And thirdly, Sir, we guarantee equality before law, that citizens, irrespective of sect, caste or religion, will be absolutely equal before the law. And as for the expenditure of the State, the Karachi Resolution guarantees that all citizens will get equal benefits. I submit, Sir, that citizenship in the modern secular State is wholly consistent with this ideal and wholly inconsistent with any other ideal. And may I add, Mr. President, that, as far as I can see, in a modern democratic government, all legitimate interests of minorities are bound to be protected by the very nature of the electorates? Of course, there are communalists today in my country, Hindu and Muslim, Sikh and others, who seek to exploit communal ignorance and communal prejudice for their own self-advancement. I have no respect or sympathy for them. They will go when India is free, when separate electorates go, and the earlier they go the better for the country.

Then, Sir, as far as the fact that the Government of India in no way represents the will of the nation is concerned, I submit
12 Noon. it does not require any very elaborate arguments. I will merely state a few facts. This Government of India Act of 1935 does not carry out even the recommendations of the Round Table Conferences. Secondly, it does not accept a single recommendation of the famous Aga Khan's memorandum; thirdly, it is against the Resolution of this House passed less than three years ago on the Joint Parliamentary Committee's Report; fourthly, it is against the Resolutions of the Congress, the Muslim League, and all progressive bodies in this country. And the Resolutions of the Provincial Legislatures have also confirmed this view that this Act does not represent the will of the nation, and last, but not least, Mr. President, if you have read, as I am sure you have and the House has read, the many amendments, they will notice one significant fact, and it is this, there is no amendment to the Resolution up to the words "wholly unsatisfactory". Every section of the House agrees that this Act does not represent the will of the nation and is wholly unsatisfactory; the absence of any amendment proves that completely. As far as the constitution being wholly unsatisfactory, let me also give, Sir, very briefly a few facts. This House is directly elected to-day even, on a direct franchise. Our successors will sit here as the representatives of pocket, and therefore, possibly rotten boroughs, consisting of 6 to 12 voters from members of the provincial lower Houses voting in communal compartments, on the basis of the single transferrable vote, if you please. That is the first reactionary feature of this Government of India Act of 1935. Secondly, even to-day the other House has no financial powers, but under this Act the Upper House will have same financial powers of voting on the Budget and the Finance Bill, as the Legislative Assembly has. Thirdly, the Indian

✓ Princes will nominate one-third of the representatives of the Federal Legislature. Fourthly, diarchy in a worse form, diarchy which has been proved to be a hopeless failure, will be reintroduced at the centre. Fifthly, railways, banking, exchange and currency have already become or will soon become small imperiums in imperio, wholly irresponsible to the Legislature; and sixthly, the Governor General in Council will get out of the picture completely including the Indian Members, so far as defence and foreign affairs are concerned, and the Governor General will then come completely into the picture. Having said that, may I say a word? This Federation which is being hatched for us in absolute secrecy is an unheard of Federation. I have not got the time to go into it at length, but I may refer my Honourable friends very briefly to section 6 of the Government of India Act, 1935, under which, according to sub-section (1) (a), the Ruler "declares that he accedes to the Federation as established under this Act, etc." But his accession shall always be subject to the terms of the Instrument of Accession, "but subject always to the terms thereof, and for the purposes only of the Federation, exercise in relation to his State such functions as may be vested in them by or under this Act". Therefore, the Instrument of Accession is far more important and binding on the State than the Government of India Act, 1935. Similarly, the Ruler is free to accept only such laws as he chooses to accept, and accept the administration of those laws only to the extent to which he chooses to accept. But the sting is in sub-section (5):

"It shall be a term of every Instrument of Accession that the provisions of this Act mentioned in the Second Schedule thereto may, without affecting the accession of the State, be amended by or by authority of Parliament, but no such amendment shall, unless it is accepted by the Ruler in a supplementary Instrument, be construed as extending the functions which by virtue of the Instrument are exercisable by His Majesty or any Federal authority in relation to the State."

It comes to this. Once a State accedes to the Federation, it gets a voice with regard to the amendment of this Act. Although the section says, you can amend in very many matters, if Honourable Members will turn to the Second Schedule, they will find that the qualifications there are much bigger than the subjects on which the Government can legislate by way of amending this Act. On every matter,—Governor's safeguards, discretionary powers, qualifications of members, way of election,—all those safeguards against which we are now objecting cannot be changed even by the British Parliament so far as the States are concerned, without the consent of the Ruler of the State concerned.

So far as these Indian States are concerned, our objections to their joining the Federation on the present terms are briefly these. We believe that with rare exceptions, in most of these States there is no rule of law, not even so much rule of law as there is in British India, that people are detained or deported or externed or interned, property confiscated—anything happens without any recourse to any law or courts of law. Secondly, we want the representatives of these States on our Legislature to be elected by the people of those States; we do not want the nominees of these States. Thirdly, we want that there should be a body of fundamental rights and of citizenship for the people of these States, and they should have ready access to the Federal Court, in cases of breach of those rights by their rulers. It seems to me that that is the minimum on which we can look upon the

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LEGISLATIVE ASSEMBLY.

[17TH SEP. 1937]

[Mr. S. Satyamurti.]

Indian States joining this Federation. But, Sir, while British India is being coerced more or less into the Federation, morning after morning I tried my best with the Leader of the House, but I drew a blank. Every time there is an organised conspiracy of silence on his part and on that of his colleagues to tell British India. "We shall go on with any negotiations with the Indian States, sacrifice Indian revenues, give up sovereignty, we will do anything we like, but we will not say a word to this Legislature or consult British Indian opinion." It is going back on the principle behind the Round Table Conferences; at least there, they pretended to consult British Indian opinion. But to-day you want to go on with your Federation without so much as by leave of British India. How do you expect British Indian opinion to acquiesce in this experiment? The other day, the Maharaja of Patiala, the Chancellor of the Chamber of Princes, said that they were not eager to come into the Federation, but they were confronted with a situation wherein the extension of responsibility at the centre was made contingent on the States' adherence to the principles of an All-India Federation. No, thanks! We neither want this Federation nor this so-called central responsibility; we do not want either. And our position is this. By all means make a Federation of the eleven self-governing provinces. Keep the door open for Indian States to come in on agreed honourable conditions. Good States will come in sooner or later; bad States may not come in; it is best that they do not come in. Then, His Highness the Maharaja concluded by saying:

"Let it not be forgotten that, while our British Indian friends are concerned with the merits and demerits of the Government of India Act of 1935, we of the States have to examine the Act as well as each individual Instrument of Accession, and the latter even more than the former, because for us it is the Instrument that governs the Act."

That is a revealing picture of the relations between British India and Indian States. We have an Act enacted for us by the British Parliament. Their Highnesses are going to have separate Acts enacted, each for himself by their own Highnesses getting Instruments of Accession with the Government of India. Yesterday, in the *Statesman* in a leading article, and this morning in the *Hindustan Times* there are ominous rumours and suggestions that even the Government of India Act of 1935 can be and will be amended to suit their Highnesses' pleasure and convenience; and it does seem to me strange when we are told constantly as against the strong, well expressed unified British Indian public opinion that the Act is the last word, that negotiations are going on behind the scenes in order to oblige Their Highnesses to persuade them or to coerce them to join the Federation by, if necessary, even amending the Act. This is more than a mere conspiracy of silence; it is almost a criminal conspiracy.

Now, I want to make one more point clear. When we say in this Resolution that this Act does not satisfy us and must go, we want to make it clear that the acceptance of office by the Congress Ministers in the seven provinces cannot and does not mean acceptance of this Act in any form or to any degree. We have accepted office, Mr. President, in order to strengthen and unify this nation, in order to serve our people to the extent of the opportunities afforded to us, in

order to remove the fear of Government in the minds of our people, to make our people strong and united and brave, and in order, above all, to convince all the minorities in the provinces that they have nothing to fear from the majorities that are governing the Congress provinces, that the minorities will have all their legitimate rights protected, and that there is no danger for any legitimate interest of any minority in this country. Now, Sir, if that is so, I merely want this House and the Government to consider one or two matters which govern the whole consideration of this question. It is all easy for the Government to say, "We have conquered India. We are here. You are quarrelling amongst yourselves. We will make you quarrel as long as we like, and therefore we refuse to accept this Resolution. You must take the Act or leave it." I put it to them,—perhaps it is hoping against hope, but I still believe in human nature—I want to put it to the Government that they can easily do worse than accept this Resolution. They are depending upon two classes of people, the communalists and the Princes,—Hindu communalists and Muslim communalists and the Princes. They will find that these communalists, the moment joint electorates come in, disappear and they are coming—the Honourable Sir Sikandar Hayat Khan, the Premier of the Punjab, and Sir Ghulam Hidayatallah, the Premier of Sind, have both said in public and private that they stand by joint electorates—if this problem is treated on a province-war basis and not on an all-India basis—and I am in favour of this—I have no doubt that in every province except perhaps in Bengal, the problem will be solved and we shall have joint electorates everywhere. Therefore, it seems to me, Mr. President, that joint electorates are coming, and when they come, these communalists who now strut on the political stage as leaders and try and mislead the people will find their occupation completely gone. I say a new race of nationalists, Moslem and Hindu, will take their place, who will fight the battle of the freedom of this country, and will not stoop to pick the crumbs thrown from the foreigner's dining table. They cannot rely on Indian Princes. I want to tell them that these Princes have sat so long on their backs that they have forgotten the art of walking or flying. They will find them broken reeds when the time comes. Therefore, I hope they will accept the Resolution.

As for the situation in the world, do you know, Mr. President what England is doing? She may have been a lion once, but she has become a very old lion. Mussolini twists her tail. Japan sits on her and the old lion cannot even roar. She whines.

The Honourable Sir Nripendra Sircar (Law Member) : An old lion is better than a Tom cat!

Mr. S. Satyamurti : My friend may pretend to be a lion and don the lion's robes, but he is only a cat and he will deceive nobody. You are a cat on whom lion's robes have been put, and which don't fit you. It is better to be a free cat than a slave lion. It does seem to me that even the Law Member's irrepressible joke cannot belittle the importance of this Resolution. The fact remains that Britain wants to make love to Mussolini, while Mussolini wants to make the Mediterranean an Italian lake and she sits helpless when Japan overruns China. Who is going to keep watch on the world situation? You

[Mr. S. Satyamurti.]

want to disallow our adjournment motion, and to run to the Viceroy's House to get an order and it certainly does not lie in your mouth to try to belittle the significance of this Resolution. The other day my friend, the Maulana, from the Punjab questioned whether the words that fell from Mahatma Gandhi's lips were true. Yes, truly has the poet Bhavabhuti said :

*"Laukikanam Sadhunam
Artham Vaganuvastate
Rishinam pura dyanam
Vacham Arthonudhavate."*

Those who are Rishis, when they speak, the meaning runs after the words. Mahatma Gandhi said : "Let Congress accept office". The Congress accepted office. Mahatma Gandhi has said that Great Britain and India must either come to terms, or enter into one of the bitterest of struggles. Believe me, Mr. President, if the latter contingency arises, we will enter on the last and the bitterest struggle that India has ever engaged in. Therefore, I suggest, Mr. President, that this Resolution is a humble but definite indication of the desire and determination of the people of this country to be masters in their own home. It seems to me that all patriotic Indian members of this House, whose vote is free and their own, must whole-heartedly support the Resolution. It is not a question of the transfer of power from a white to a black or brown bureaucracy. On the other hand, we Congressmen are pledged to Swaraj and independence, not for the transference of power into our hands, so much as that the people of this country should come by their own and live like free men and free women in this great country of ours and banish from it the evils of poverty, misery, and disease which beset her to-day.

It may seem that we are impotent to-day to drive the Britisher out, but they are short-sighted who think that a great nation, when it makes up its mind to attain its freedom, can be thwarted in its efforts. Several years ago, I was in Dublin and I asked the mother of four boys who had all laid down their lives in the Sinn Fein fight for the freedom of Ireland "How long will this fight go on?" She answered with tears in her eyes "So long as an Irish child is alive, the fight for the freedom of Ireland will go on". I want to say from my place on the floor of this House that so long as an Indian child lives this fight for the freedom of the country will go on. Therefore, Mr. President, I ask the House and the Government to accept the Resolution. There is yet a chance, so long as Mahatma Gandhi lives, to arrive at a friendly settlement and grasp his hand of friendship. Let us go forward. Let us repeal this Act and get an agreed constitution which will give the millions of this country their rights. Therefore, I will conclude on this note of confidence that we shall attain the freedom of this country very soon, sooner than our friends hope and our enemies fear, and it is in that confidence that I move the Resolution, because, believe me, Mr. President, when once a great people make up their mind to obtain their freedom, there is no power on earth, not even Great Britain, which can stand in her way. Sir, I move. (Applause.)

Mr. President (The Honorable Sir Abdur Rahim) : Resolution moved :

"That this Assembly recommends to the Governor General in Council to convey to the Secretary of State for India and to the British Government the opinion of the House that the Government of India Act, 1935, in no way represents the will of the nation and is wholly unsatisfactory and should be replaced by a Constitution framed by a Constituent Assembly elected on the basis of adult franchise."

Before I call upon Mr. Jinnah to move his amendment, I am not quite sure that I have got a correct copy of his amendment. I find in the amendment the words : "the interests of the Mussalmans and other minorities should be effectively safeguarded only with the mutual consent of the communities concerned". The word "only" conveys to me that unless every community concerned agrees to it, there could be no safeguard. I do not know whether that is the meaning of the Honourable Member.

Mr. M. A. Jinnah : The word "only" is superfluous and should be cut out.

Mr. President (The Honourable Sir Abdur Rahim) : Very well. You can move your amendment.

Mr. M. A. Jinnah : Sir, I move :

"That for the words 'Constituent Assembly elected on the basis of adult franchise' the following be substituted :

'a convention or a conference elected on the basis of electorates as provided in the Communal Award in the absence of any agreement to the contrary and further that the rights and interests of the Mussalmans and other minorities should be effectively safeguarded with the mutual consent of the communities concerned'."

I do not know whether you are going to follow the procedure that all the amendments should be formally moved or that I should now move my amendment and proceed with my speech. You will see that a serious difference exists between the Resolution moved by the Honourable Member on behalf of the Congress Party and my amendment. I do not think it will be quite fair that I should be called upon now to speak, because you have on former occasions allowed all the amendments to be moved and then a general discussion took place on the Resolution and on the amendments.

Mr. President (The Honourable Sir Abdur Rahim) : If that procedure suits the Honourable Member and other Members of the House, I have not the least objection to it. I can put the amendment to the House and the other amendments can be moved and then there will be a general discussion on the Resolution and the amendments.

Amendment moved :

"That for the words 'Constituent Assembly elected on the basis of adult franchise' the following be substituted :

'a convention or a conference elected on the basis of electorates as provided in the Communal Award in the absence of any agreement to the contrary and further that the rights and interests of the Mussalmans and other minorities should be effectively safeguarded with the mutual consent of the communities concerned'."

Mr. President (The Honourable Sir Abdur Rahim) : I now call upon Sir Cowasji Jehangir to move his amendment. I do not know whether he wishes to move it or not.

Sir Cowasji Jehangir (Bombay City : Non-Muhammadan Urban) : Sir, I beg to move :

"That in the amendment proposed by Mr. M. A. Jinnah, after the words 'any agreement to the contrary' the words 'and further that all small minorities be represented' be inserted."

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That in the amendment proposed by Mr. M. A. Jinnah, after the words 'any agreement to the contrary' the words 'and further that all small minorities be represented' be inserted."

Mr. President (The Honourable Sir Abdur Rahim) : The Resolution, if amended in that way, will read like this :

"That this Assembly recommends to the Governor General in Council to convey to the Secretary of State for India and to the British Government the opinion of the House that the Government of India Act, 1935, in no way represents the will of the nation and is wholly unsatisfactory and should be replaced by a convention or a conference elected on the basis of electorates as provided in the Communal Award in the absence of any agreement to the contrary and further that all small minorities be represented and further that the rights and the interests of the Mussalmans and other minorities should be effectively safeguarded with the mutual consent of the communities concerned."

I will now call upon Mr. Aney to move his amendment.

Mr. M. S. Aney (Berar : Non-Muhammadan) : Sir, I beg to move :

"(a) That after the words 'Government of India Act, 1935' the following be inserted :

'and the ordinances promulgated and the body of rules framed thereunder including those relating to the franchise and class-representation based on the Cabinet decision known as Communal Award',

(b) that for the word 'represents' the word 'represent' be substituted, and

(c) that after the words 'on the basis of' the following be inserted :

'the non-communal system of representation and'."

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"(a) That after the words 'Government of India Act, 1935' the following be inserted :

'and the ordinances promulgated and the body of rules framed thereunder including those relating to the franchise and class-representation based on the Cabinet decision known as Communal Award',

(b) that for the word 'represents' the word 'represent' be substituted, and

(c) that after the words 'on the basis of' the following be inserted :

'the non-communal system of representation and'."

Mr. President (The Honourable Sir Abdur Rahim) : If that amendment is carried, it will make the Resolution read like this :

"That this Assembly recommends to the Governor General in Council to convey to the Secretary of State for India and to the British Government the opinion of the House that the Government of India Act, 1935, and the ordinances promulgated and the body of rules framed thereunder including those relating to the franchise and class-representation based on the Cabinet decision known as Communal Award in no way represent the will of the nation and are wholly unsatisfactory and should be replaced by a Constitution framed by a Constituent Assembly elected on the basis of the non-communal system of representation and adult franchise."

I will now ask Mr. Husenbhai Laljee to move his amendment.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural) : Sir, I beg to move :

"That for the words 'Constituent Assembly elected on the basis of adult franchise' the following be substituted :

'a convention or a conference elected on the basis of electorates as provided in the Communal Award in the absence of any agreement to the contrary, whose decisions shall be binding on the British Parliament and further that the rights and interests of the Mussalmans and other minorities should be effectively safeguarded with the mutual consent of the communities concerned'."

Mr. President (The Honourable Sir Abdur Rahim) : Amendment moved :

"That for the words 'Constituent Assembly elected on the basis of adult franchise' the following be substituted :

'a convention or a conference elected on the basis of electorates as provided in the Communal Award in the absence of any agreement to the contrary, whose decisions shall be binding on the British Parliament and further that the rights and interests of the Mussalmans and other minorities should be effectively safeguarded with the mutual consent of the communities concerned'."

There are several other amendments which I think I had better dispose of just now.

[At this stage, all the other Honourable Members, in whose names the amendments stood, said that they did not wish to move them.]

In that case, the discussion will now proceed on the Resolution and the amendments that have been moved.

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : Sir, I do not know what to say. (Voices : "Then sit down.") My Honourable friend, Mr. Satyamurti's Resolution reminds me.....

Mr. President (The Honourable Sir Abdur Rahim) : I ought to remind the Honourable Member that he will have only 15 minutes.

Maulana Zafar Ali Khan : Thank you, Sir. My Honourable friend, Mr. Satyamurti's Resolution reminds me of a story. There were two brothers. Their father had died and the family house had been left to them. They wanted to divide it and a fine principle was enunciated when the partition came on. The elder brother, who happened to be very cunning, said : "Here is the principle" :

"*Az sahn-i-khana ta ba lab-i-bam azan-i-man, Was bam-i-Khana ta ba surayya azan-i-tu.*"

In plain English, it means : "This fine house, from the floor to the roof of the House, is mine and from the roof of the house to the highest Heaven is yours." Well, Sir, this India is a very fine house. We, the Hindus and the Mussalmans, have inherited it from our great-great-grandfather, whoever he may be. (A Voice : "Monkey.") (Laughter.) Now, Mr. Satyamurti has appealed to all the peoples of India in the name of liberty, in the name of fraternity and in the name of equality to sink all their differences, stand in a row shoulder to shoulder and turn out the Britishers from India. And how is he going to turn out the Britishers from India ? Not by means of the sword, not by means of the machine-gun, not by means of bombs, but by means of a moral force generated from the spinning of the spinning-wheel, which means spinning of yarn,

[Maulana Zafar Ali Khan.]

and we are spinning yarns here ! How can the Britisher be turned out of India unless there is a military revolution ? Can the Britisher be turned out of India unless the peoples of India, both Hindus and Muslims, inherit the same military traditions which were the pride of a Partap or of a Tippu ? Otherwise it is all tall talk and when my Honourable friend says that he means to emancipate India from the clutches of foreigners by means of non-co-operation and non-violence, I do not believe in it. It is all bosh, it is all rubbish. (Laughter.) Look at the Britishers, they are all laughing in their sleeves. Well, Sir, there is something as a moral force. Even the Britisher bows down before this force sometimes, but not to the extent of clearing out of India. The Britisher may give India a form of Dominion Status, some form of diluted Dominion Status, but so far as complete independence is concerned, don't you run away with the idea that he is going to give it to you without a desperate struggle. He is not clearing out of India. These 60,000 British soldiers, who are fed on orange marmalade, butter and toast and nice things of that kind, are not going to give them up and leave the shores of India. What are you going to do then ? In the meantime what do you ask the Mussalmans to do ? According to that old story, where the elder brother wanted all the house from the floor to the roof to himself and who left everything from the top of the roof to the highest heaven for his younger brother you want us, Mussalmans, to give away everything to you and clear out ourselves ! Look at the position of the Muslims. Even nature has treated the Muslims of India with great parsimony. Look at their position in the different provinces ? In Madras Presidency, a country in itself, six per cent. Muslims, although they are 30 lakhs for all that. In the Bombay Presidency, ten per cent. Muslims after the separation of Sind, and in the Central Provinces, they are five per cent. and the Hindus are 95 per cent. In the United Provinces, the Hindus are 86 per cent. and the Muslims are only 14 per cent., while in Bihar, there are eleven per cent. Muslims as against 89 per cent. Hindus. So, Sir, you can very well see what will be the position of the Muslims when there is complete independence for India ? What will be the kind of generosity shown to the Muslims by the majority community in an independent India ? Where is your generosity ? There is none. See how the Provincial Congress Ministries have been treating the Muslims during the last three or four months of their rule in the Provinces. The treatment of Muslims in the provinces bears ample testimony to the so-called generosity of the Hindus. We will have to take their word with a grain of salt. In contrast to this, let us turn to Egypt and see how Zaghlul Pasha of blessed memory treated the Copts who were only five per cent. in Egypt. He was more generous and more liberal than the Hindus are in India towards the minority community which forms over one-fourth of the population. Zaghlul Pasha was far more far-sighted than the Congress people are. If I had been in the place of these Congress men, if I had been in the place of Gandhiji or Pandit Jawahar Lal Nehru, I would have called upon the Muslims and said to them " You want representation in services over and above your proportion on the population in this country ? Well your are four per cent. of the population. We will give you 40 per cent." Let us see, Sir, what is the fate of the Muslims in Orissa ?

An Honourable Member : Why don't you join the Congress ?

Maulana Zafar Ali Khan : I have been in the Congress, and I know what the Congress people are. Yesterday, one of my Honourable friends sought shelter behind the President, simply because a certain word slipped out of my tongue—that word was " toady " which he very much resented. This Honourable Member had sided with the Government only the day before yesterday—can he deny it—it does not lie in his mouth, as a Congressman, to say : " If the English are reasonable, we could co-operate with them ". This is coming from the height of complete independence to the depth of responsive co-operation. (Applause.) So, I tell my Honourable friends of the Congress Benches who dabble in responsive co-operation, if they only raise the standard of revolts, in the name of liberty and if they carry on a *jihad* against the Britishers, I will be the first to join them and I would be in the forefront of the struggle if they want to obtain complete independence for India. But when they want to obtain independence by means of speeches in this House, I would be justified in asking them to come to a settlement with the Muslims during the thousand years that this thing will go on. Independence is not coming in this manner, I may assure my Honourable friends. I am with my Congress friends so far as sentiments are concerned, they are very fine. I support every word of what my Honourable friend, Mr. Satyamurti, said. I want the Government of India Act to go. I want the Federation to be sunk in the lowest depths of the Bay of Bengal. I want every man and every woman of India to have bread to eat, to have clothes to cover their nakedness and I want certain powers of taxing the people to the extent of their capacity to pay. I want all that. I want the Britishers to leave the shores of India for ever.

An Honourable Member : And yourself be the Viceroy.

Maulana Zafar Ali Khan : Why should I not ? What is the difference between me and the Viceroy, except that he is a shade lighter in colour, and I am darker. A darkie also can be the Viceroy of India as much as a whtie. Where is the surprise in it.

Sir, with the utmost strength that I am capable of, I support the amendment which our Honourable Leader of the Independent Party has put before this House—I mean my Honourable friend, Mr. Jinnah. I submit that this Honourable House should remember that so far as the Muslims are concerned, Mr. Jinnah has the power to deliver the goods : (Hear, hear.) Pandit Jawahar Lal Nehru will have one of these days to eat his words when he said that there were only two parties in India, namely, the British and the Congress and Mr. Jinnah retorted that there was a third power, that is the Muslims in India. I am here to vindicate what Mr. Jinnah said.

An Honourable Member : A fourth power !

Maulana Zafar Ali Khan : Are you referring to myself ? Thanks.

The Britishers will come and join with us the moment we come to settlement amongst us. Don't be under the delusion that you can drive out the Britisher and deal with the Muslims in any way you like. You have no right to ill-treat the Muslims. My Honourable friend, Mr. Satyamurti, said that there were Muslim Ministers in the Congress Provinces who had millions of followers behind them who believe in joint electorate. I say, my Honourable friend was thoroughly wrong. Take a referendum throughout India and you will find that the Muslims of

[Maulana Zafar Ali Khan.]

India will declare in unequivocal language that they are for separate electorates until such time as there is a change in the mentality of the Congress people. With these words, I give the rest of time to others, because the debate is going to be a very hot one, and support the amendment moved by Mr. Jinnah. (Applause.)

Rao Sahib N. Sivaraj (Nominated Non-Official) : Mr. President, I thank you for calling on me to speak and thereby giving me an opportunity to take part in this debate which one might quite harmlessly describe as the cannonade of the big guns. I value this opportunity the more because it enables me to give expression to my views upon this motion which vitally affects the political rights and interests of a large section of the Indian population which has been variously described as the Scheduled Castes, Harijans, and what not, but whom I am here to represent in however feeble a manner.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Are you an elected Member ?

Rao Sahib N. Sivaraj : No chance ; not for people of my type ! (Laughter.)

Sir, I crave, on this my first attempt to address this Honourable House, your indulgence and through you the indulgence of Honourable Members here, and I pray that I may be allowed to speak without any interruption of any kind. Sir, ever since notice of this motion was given I was trying, most sincerely and to the utmost of my capacity, to understand the spirit underlying this motion and the scope of this motion. My first reaction to this motion was one of straight and stout opposition because.....

Mr. President (The Honourable Sir Abdur Rahim) : Today being Friday, the House will adjourn now and meet again at 2-15.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

MOTION FOR ADJOURNMENT.

CHINA'S APPEAL AGAINST JAPANESE AGGRESSION TO THE LEAGUE OF NATIONS.

Mr. Deputy President (Mr. Akhil Chandra Datta) : I have got to announce that the adjournment motion of the Honourable Mr. Satyamurti has been disallowed as it cannot be moved without detriment to public interest.

RESOLUTION RE CONSTITUENT ASSEMBLY—continued.

Rao Sahib N. Sivaraj : I was saying that my first reaction to this motion was one of opposition, because it created in me the impression that it was nothing more than a mere jumble of high sounding words and phrases having no relation whatever to facts and realities. If this motion is, as it may well be and probably is, a mere blandishment of the Congress and a mere attempt to redeem one of the many wild pledges that my friends gave to the electorate, then my attitude is one of saying no to this motion.

Mr. S. Satyamurti : On whose behalf ?

Rao Sahib N. Sivaraj : On my own behalf and on behalf of the sixty millions of the people of this country.

An Honourable Member : Are you elected ?

Mr. S. Satyamurti : We rejected you in three constituencies.

Rao Sahib N. Sivaraj : I need not be afraid of being called a Nominated Member of this Assembly !

Mr. Bhulabhai J. Desai : A rejected Member !

An Honourable Member : He is making a maiden speech.

Mr. Bhulabhai J. Desai : Maidens must be modest, and if they are modest, we will respect them.

Rao Sahib N. Sivaraj : I need not be afraid of being called by my friends opposite as a Nominated Member. They can easily recall to their minds the fact that a person, who was defeated in an ordinary election in a municipality and who stood against a Congress candidate, is today a Nominated Member of the Madras Legislative Council and an Honourable Minister of the Congress Cabinet.

Mr. George Joseph (Madras and Ramnad *cum* Tinnevely : Non-Muhammadan Rural) : He does not speak on behalf of the Congress.

Dr. F. X. DeSouza (Nominated Non-Official) : On a point of order, is it not the etiquette of this House that an Honourable Member who makes his maiden speech should not be disturbed ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : I think the Honourable Member should be allowed to speak.

Rao Sahib N. Sivaraj : If it is, as I said, merely an attempt on the part of the Congress friends to redeem one of their wild pledges to the electorate, then I say my answer is a definite 'no' to this proposition, and for two reasons. One is the political lesson that I have learnt during the short period I was a member of the Madras Legislature, namely, that I should not play into the hands of my political opponents and be used as a pawn in their game, whatever the merits of their resolution. Again, I do not want, by my vote for this motion, to encourage my friends in their career of non-co-operation from which they have been lately weaned by the statesmanlike attitude of His Excellency the Viceroy. But if it is, as I hope, it is a genuine desire to substitute, for the present Act, another Government of India Act more amenable to the wishes of the various communities in India, then I welcome the spirit underlying this motion as an expression of their spirit of co-operation. Sir, I claim to belong to a political party which, in Madras, has been working the constitutional reforms during the last decade and more.

Mr. S. Satyamurti : Where are they now ?

Rao Sahib N. Sivaraj : And which in Madras and very likely all over India gained the credit of having worked the reforms very successfully.

Mr. S. Satyamurti : No.

Rao Sahib N. Sivaraj : I am very happy to see my friends of the Opposition are now following the path which was laid down by the Justice Party under very great handicaps. I must remind my friend, particularly the Mover of the Resolution who hails from Madras, the terrible handicaps under which the Justice Party had to work the constitution there. We had to work the constitution at a time when we were on the one hand assailed by an irresponsible opposition like the Swarajists and the Congress, and had on the other hand, an enormous trouble with the reserved half. We were working under very limited powers unlike today when ministers are free to do whatever they like. What is more, we were working in days when *khaddar* was a red rag to every Britisher and particularly to the British bureaucrat, not as it is today, a silken tassel that binds in close friendship Britannia and *Bharata Mata*. We were working in days when, under the limited powers, Secretaries had direct access to the Governor on any question. Under these very provoking conditions we had made a success of the constitutional reforms because we followed the simple and the only possible method of working the constitution under protest, which my friends have today adopted. I may go even further and say that some of the latest statements of Mahatma Gandhi have made it clear that there is enough possibility of working the present Autonomy to the benefit and advantage of the country even though there are limitations. Sir, that is the position that I take. If that is the spirit in which this Resolution is moved, that is, in a spirit of co-operation, then I welcome that spirit; though, at the same time, I take exception to the Resolution as it stands, because it is in my opinion, in the first place, premature, in the sense that, if as a matter of fact you have accepted office in the provinces, which provinces have now become legal units of the Federation, it does not stand to reason that you should here come and say that this Act must be abolished without giving it a trial as you do in the provinces. So I say that till the actual Federation is established it is not fair that you should condemn this Federation.

Secondly, I say that the method provided is one that does not appeal to me at all. It will be seen that my friend, the Mover of the Resolution, tried to justify the phrase "Constituent Assembly". I think the position taken up by the President of the Indian National Congress, Pandit Jawahar Lal Nehru, is a much clearer position than the one adopted by the Mover of the Resolution, who says that you can have a Constituent Assembly working within the Constitution provided by the present Government of India Act. I personally feel that that is not the method. The method that has been suggested in the amendment of my Honourable friend, Mr. M. A. Jinnah, will be the only method that one can think of in trying to amend this constitution. In condemning this Constitution, the Mover of the Resolution particularly made reference to two points, namely, the system of indirect election that is provided in the Act so far as the Federal Legislature is concerned. I thought—and I think I am right in saying that—that one of the most important persons, perhaps the most important person in India who advocated the method of indirect election to the Federal Legislature was Mahatma Gandhi himself, and I am surprised to see that the Mover of the Resolution should condemn that method. He next referred to the Communal Award as something which was thrust upon us from outside and as something for which people who do not belong to his way

of thinking are responsible, namely, the minority communities. May I remind him that this Communal Award, in a sense, is a standing shame to the capacity of Indians.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has got one minute more.

Rao Sahib N. Sivaraj :to get together and frame a Constitution for India. I maintain that the challenge of the late Lord Birkenhead still remains unanswered owing to the peculiar difficulties and the problems which we have to tackle and which Mahatma Gandhi as the sole representative of the Indian National Congress—my friends may say as the sole representative of the Indian nation—tried to solve in England and failed and had to return to India. This Communal Award is a result of that.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member's time is up.

Rao Sahib N. Sivaraj : May I have a minute more, Sir? I must explain my point of view.

Mr. Deputy President (Mr. Akhil Chandra Datta) : This is a Resolution and the Honourable Member cannot speak for more than fifteen minutes.

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhammadan Rural) : Sir, I rise to support the Resolution with the amendment moved by my Honourable friend, Mr. Aney. I also oppose the amendment moved by my Honourable friend, Mr. Jinnah. With the conception of a Constituent Assembly and with the spirit and purpose of the Resolution, I am in the fullest agreement with the Mover, but I must ask the pardon of my friends when I say that the moment chosen for moving it is not the right moment. (*Independent Party Cries of "Hear, hear."*) My Honourable friends on the left say "hear, hear". I do not want it to be understood in the sense that I do not want a Constituent Assembly or any Resolution on it. What I say must not enter through one ear and pass out through the other. What I mean is that the Constitution that has been thrust upon us by an alien bureaucracy, the Imperialist British Government is so reactionary and so unsatisfactory that it is not worthy of the acceptance of any self-respecting politician in this country. But, at the same time, we must realise that if we want to thrust our will on the powers that be, we must develop sufficient sanctions behind us, so that there may be no power on earth which can refuse our demand to have a Constitution framed according to the genius of this country, according to the requirements of this nation. It is in that sense that I say the time is not ripe. I want it also to be borne in mind that those who now cry "hear, hear" should come and join us to fight for the liberation of this country. My Honourable friend, Maulana Shaukat Ali, says that he will then lead us and that my Honourable friend, Mr. Jinnah, also will lead us. Let me tell him and, through him, the great Muslim community that so far as we Congressmen are concerned, we will always gladly accept their leadership if a genuine, patriotic and national lead is given by Maulana Shaukat Ali or by Mr. Jinnah and not this kind of sectarian or communal leadership which has so long been the unfortunate experience of this country. Sir,

[Pandit Lakshmi Kanta Maitra.]

I am in an awful predicament. I now stand here sandwiched between my comrades in arms on the right, the Congress Party, and my friends on the left, the Independent Party of Mr. Jinnah.

The Honourable Sir Nripendra Sircar : And friends opposite !
(Laughter.)

Pandit Lakshmi Kanta Maitra : That is no surprise to me. But the opposition of the official Congress, even now, is a tragedy. That is the most unkindest cut of all. Sir, when I feel that the real salvation of India depends on the united, sincere and voluntary effort of the Indian Nation inspired by a supreme sense of duty to the motherland and by love of liberty which can come only from within, and not from any private or communal pact and among the communities, I must stand for it. Even and though I am faced on all sides by forces which oppose me, I shall have to fight with my back to the wall, and I do not mind the consequences. Sir, I am very sorry to note that in the course of the speech made by my Honourable friend, Mr. Satyamurti, for whom I have great respect and admiration, he has made a sort of sneering reference to my Honourable friend, Mr. Aney, for tabling that amendment.....

Mr. S. Satyamurti : On a point of personal explanation, Sir. I have too much respect for the Honourable Mr. Aney to make any sneering reference to him now or at any time.

Pandit Lakshmi Kanta Maitra : I am very thankful to him for clearing up the situation. For myself, I was under that impression and it pained me.

Mr. M. A. Jinnah : It was meant for me.

Pandit Lakshmi Kanta Maitra : I hope it was not meant for you either.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member must address the Chair.

Pandit Lakshmi Kanta Maitra : Now, what is wrong in Mr. Aney's amendment ? It simply says that the Communal Award should go and that there should be non-communal franchise. This House knows, and the country knows very well that as Congressmen, it is on this point and this point alone that we had the misfortune to split. The Congress has always stood for joint electorates : the Congress has never made a secret of it that if any Constitution for this country is to be drawn up, it should be based on joint electorates with universal adult franchise. Sir, to the great misfortune of this country, the British Imperialist has thrust upon us a wicked device in the shape of Communal Award and separate electorates, a device which is so nefarious that it has already succeeded in breaking the solidarity of our national life and infecting it with the virus of communalism. I believe, Sir, that this Communal Award, with the system of communal representation, is the most nefarious device that human ingenuity could devise to split this country into different camps and compartments, so that a united fight for the liberation of our country may be made practically impossible. And, for the time being, British Imperialism has succeeded. Therefore, Sir, if we want to counteract this evil, if we want to liberate this country

from the diplomacy of British Imperialists, we want a Constituent Assembly where we can frame a Constitution suited to the needs, aims and aspirations of the people of this country, and for that purpose it is but meet and proper that representatives of all the communities in this country should come not through the pocket borough methods, nor through special constituencies or separate electorates, but through general electorates based on the broad principle of adult franchise, so that there may be no water-tight compartments, no separate sickening divisions the Indian nation has been broken into by this obnoxious Government of India Act of 1935. Sir, my friend, Mr. Satyamurti, has just now stated the Congress position with regard to the Award, that it re-iterates that the Communal Award is anti-national, irrational and what not. If he takes that standpoint, why does he not work it up to its logical conclusion ? Why should it not be rejected, thrown aside when it is so bad ? If we have got the honesty and the courage of our convictions, let us stand up as truthful, courageous and patriotic men and say that, in the framing of the future Constitution of this country, this Communal Award and the communal representation will find no place. That is what Mr. Aney's amendment means. It means that in the calling up of a Constituent Assembly, the question of communal representation should not arise at all, there should be non-communal franchise, and the Government of India Act which has, by its various orders and rules, embodied the Communal Award and separate electorates should be done away with. I don't find anything wrong in my friend, Mr. Aney's amendment. I don't think any Congressman can go against it if he really wants to stand by what he has been advocating for this country all along. There is nothing illogical about that amendment. Congressmen can accept that without any breach of the accepted principle and policy of the Congress. I find, Sir, it has recently been growing into a fashion among some people to decry and dub as communalists those very men who say that communalism should go. That is the most cruel of all ironies. They all stand up and say that communalism should go, but how can it, when they do not oppose separatism boldly ? Let my Honourable friends, like Mr. Jinnah, Mr. Bhulabhai Desai, Mr. Aney and others, when they want to enter the Legislative Assembly, not go to particular groups or sects to secure their suffrage ; let them approach every one of us, irrespective of our or their religious faiths, so that we may select the right man on his own merits for guiding the destinies of our nation. I don't find anything wrong in it, Sir, the policy behind the system of communal representation is the most dangerous and vicious one, and we must wipe it out at all costs.

Then, Sir, reference was made to my benighted province,—Bengal.....

Mr. Bhulabhai J. Desai : Benighted ! I never knew it by that name.

Pandit Lakshmi Kanta Maitra : You may not have known it as such, but you may have felt like it. I am not meaning you particularly, but I know there are people in this House and elsewhere, who, whenever a reference is made to Bengal, betray a spirit of suppressed sneer and suppressed jeer. But, Sir, may I remind my friends on my right, on my left and on the opposite side also, that Bengal has been the cradle of Indian nationalism, the nursery of patriotic genius ? It was in Bengal and it was a Calcutta orator who first preached the gospel of freedom in

[Pandit Lakshmi Kanta Maitra.]

this country. Sir, what is the position today? Today, in seven out of the eleven provinces in India, the Congress party, to which I have the honour to belong, is supplying the Government of the land, and, Sir, I, as a Congressman, feel proud of it, and we eagerly look forward to the day when we shall be able to supply the Government in the other provinces too before very long. But when it is said that in all the provinces except Bengal and the Punjab, Congress Ministries are bound to function, I feel ashamed that Bengal has not been able to keep pace with the other provinces, though it has in no way been due to any lapse on the part of National and Political Bengal. Sir, Bengal, which has been the forerunner, which has been in the vanguard of fight for political liberty, which had been the first in the field to demand self-Government for India, is completely out of the political picture today. Bengal, the first messenger which carried the message of freedom and liberty to the rest of India, and which roused the rest of India from lethargy and political slumber, has now been ruthlessly penalised for her crime of patriotism, by this device known as the Communal Award. The result is that the land which produced a Vivekananda, the land which produced a Bankim Chandra, the land which produced a Tagore, and a Deshbandhu, the land which produced a man like Aurabindo Ghosh of whom any country in the world might feel proud, that land today is a sink of reaction and communalism, and that political and national Hindu is being reduced to the position of utter political impotence. And, why? It is all because of the Communal Award. Do you call me a member of the minority community, a communalist, when I want that communalism born of this Communal Award and communal electorate should go out of this country, and that our people should think in terms of their country and not community? Was not our friend, Mr. Fuzlul Haq, the present Chief Minister of Bengal, who had only a following of 12 Muslim members in the Calcutta Corporation, elected Mayor of Calcutta by the Congress people, the highest honour that the City of Calcutta could confer on him? In offering him the mayoralty of Calcutta, we never cared to take any note of his views on religion, caste or creed or such other matters. Sir, it is incomprehensible to me that, in a scheme of political representation, differences should be made according to the manner and the place where the man makes his offerings to his Maker. It passes my understanding, Sir, that because one man says his prayers in a temple, and another man says his prayers in a mosque, a third man in a church, and a fourth man who never says his prayers, because they think of, and pray to, the Almighty Father in different ways, they must go through different channels to seek admission into the legislatures and not pass through one common door. It is the most nauseating vivisection that Mother India has had to suffer at the hands of an alien bureaucracy. Sir, my Honourable friend, Maulana Zafar Ali Khan, who is not here in his seat now, said, that the Muslim community was prepared to fight with us for our common cause, and that the day of independence would then arrive soon, but that the Muslims must have a settlement beforehand. At the Round Table Conference, Mahatma Gandhi said that he was prepared to give the Muslims a blank cheque if they would join the Congress and fight for independence. But there was no response then. Now, we can again say: make a solemn promise that you will join us to liberate this country. Come forward, don't go on bargaining. Patriotism knows no sordid

bargaining. It will serve no useful purpose if you say that you are prepared to fight for the liberty of this country provided we safeguard, in advance, your interests, before we gain victory; don't stipulate that a lion's share of the spoils should be reserved for you before you enter the lists. If you are really anxious that our country should be liberated, first of all join us, join the Congress and work with us shoulder to shoulder. Let us first try to establish and consolidate our position in the eyes of the world. Let us gain the freedom of this country, and then see whether we Congress people can do justice to all communities in this country or not.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has got one minute more.

Pandit Lakshmi Kanta Maitra : You can safely trust the Congress. After all, what has not the Congress done? Congress people have suffered and sacrificed. You cannot think of a Congressman who has not made some sacrifice for the country, and no sacrifice is too great for the liberty of this country. If my friends on my left, the Independent Party, can rise to the height of that political ideal of liberating this country, through suffering and sacrifice, let them not reckon the cost, let them come and join us in the common fight. Success is bound to come. With these words, Sir, I support the Resolution and the amendment of my friend, Mr. Aney.

Mr. George Joseph : Sir, my friends here want peace, and I hope I may be the means of introducing a certain amount of peace in this matter. The one point which I want to make clear is that a Constituent Assembly is really inevitable. The position now is that the Government of India Act has been passed. It has been brought into operation in the provinces, and frantic efforts are being made,—with what success only the astrologer and the future can say,—to bring into existence the scheme of Federation. But the one outstanding fact is, whether in the provinces or in the proposed Federation, there is absolute unanimity with reference to one matter, and that unanimity consists in this, that there is not a single responsible statesman anywhere in India, there is not a single responsible organised party, there is not a group of people who are interested in politics—not one of them who is prepared to say that the Government of India Act is satisfactory. The Congress has pronounced its condemnation. My Honourable friend, Mr. Jinnah, who seems to dislike the Federation more than anything else in the world, has joined in the condemnation though on other grounds. The leaders of the Liberal Party have pronounced their condemnation of the Government of India Act. Therefore, I am perfectly justified in saying that there is not one progressive or independent political party or group or one responsible statesman who is prepared to say that this Government of India Act is the final solution of the problem in India. Therefore, we have got to look ahead and see whether there is some means not available, some means not possible by which the future of this country can be secured by at least making sure that the instrument of our government is satisfactory. And you will notice, especially in the British Empire, that wherever a dominion has come into being, wherever a colony has been granted the powers of self-government—and we are assured by the Government of India, by my Honourable friends on the Treasury Benches

[Mr. George Joseph.]

that the final end and aim of the whole scheme of constitutional reforms is with a view to make sure that India gets Dominion Status and with it the right of secession if she so chooses to exercise....

The Honourable Sir Nripendra Sircar : Not said by any Member on the Treasury Benches as you seem to think.

Mr. George Joseph : I thought that you would really echo at least the things said by people above you. Lord Irwin did say that we were going to get Dominion Status on the same basis as that of the other Dominions.

The Honourable Sir Nripendra Sircar : None of them used the word "the right of secession".

Mr. George Joseph : Let not my Honourable friend argue like a lawyer. It is perfectly true that what they said was Dominion Status on the same basis as other Dominions. And, as far as the other Dominions are concerned, it is conceded by the Statute of Westminster that they have that right of secession. The Honourable the Law Member may be true in saying that Lord Irwin did not use the words "right of secession", but he used something more than a mere word; he acknowledged the substance of it, and there is not a single statesman who can deny that implication. It has been conceded, again and again, that the right of secession is really implied in the Statute of Westminster.

The Honourable Sir Nripendra Sircar : No, Sir.

Mr. George Joseph : You can argue that when your turn comes. If that is the position, obviously these Dominions have come into existence only on one single basis. The Dominions and their representatives gathered together in an assembly, discussed things amongst themselves and then with representatives of the Colonial Office or the Dominion Office, and finally they definitely said, "This is what we want". Then the thing was put in a legal form by the Parliament at Westminster and that is how the thing has taken place. In India, the whole difficulty is because you have been tied up by the handicap of old traditions, the tradition of tyranny, the tradition of bureaucracy, the tradition of irresponsible government, and when the last step towards Dominion Status has got to be taken I am not in the slightest degree surprised that friends on the other side and their masters elsewhere have tried to get over that difficulty by denying its existence. Take Australia, take Canada, take South Africa, or take the latest thing, the Irish Free State. What has always happened is this. The representatives of these States have come together on a treaty basis with the representatives of the British Government and it was because a treaty was really brought into being that these Dominions came into existence. If the British Government is not more hypocritical than I credit them with being, the only logical consequence of the developments that have come into being during all these years, is that India will have Dominion Status with the right of secession if it so chooses to exercise that right. And the only way it can come into being is by calling into council representatives of this country who will sit and talk things over and decide what will be the final instrument of Government or constitution they want to have in this country. When they come to a considered decision on it the British Parliament and Government will have no other alternative but to grant it. That is the whole difficulty, and till that is realised, I respectfully submit that the point of the discussion

will be missed. I am not worried over the exact word, but the essence and substance of it is that it must be left to the people of this country, their representatives elected on an adult franchise or any other, to come into council, sit together and talk over things, to call into council even the experience and caution and conservatism of the opposite Benches, to sit in council with them, and if, at the end of that, these representatives should come to a conclusion as to what the future constitution of India is to be, then I say there is really no other alternative to the British Government but to accept it. That is the substance of what is meant by a Constituent Assembly. What is going to happen in the near future God only knows; we do not know. It may be today, it may be tomorrow, or it may be day after tomorrow, it may be as the result of what my Honourable friend, Mr. Sivaraj, praised as constitutional activities, it may be as a result of that, or may be as a result of a fresh call to mass action. But I am perfectly certain that the time will come—whatever the previous stage may be, whatever it may be, even as a result of the kind of thing that my Honourable friend, Maulana Zafar Ali Khan, prefers, I mean violent revolution,—there is bound to come a time when this matter will have to be put to the test as to how the Government of this country is to be carried on. It is really with a view to hastening the matter, or as my Honourable friend, Mr. Sivaraj, said cynically, with a view to making good the wild pledges that the Congressmen made to the electorates during the last election—whatever it is, that issue has got to be faced.

I earnestly appeal to this House, especially the elected representatives of India, that it should be possible for them as self-respecting men, as men of honour, as men who are prepared to stand on their own legs and take up the responsibility of this Government,—it is really for them all to come to this conclusion. We have got this issue still to be settled with the British Government. Who is to decide the future of this country? Is it the British Government in its wisdom, or is it the people of this country in the plenitude of their suffering and starvation and poverty? The alternative is that. As I have already mentioned, the experience of all the other colonies has been that the decision has come from the colonies and the countries concerned. And why should that position be reversed here in India? That is the point at issue. Even as regards the Round Table Conferences, that was really how it started. In 1930, when the first Round Table Conference was summoned in the time of Mr. Wedgwood Benn who was the Secretary of State then, I think,—it was really on that basis—sending for the representatives of the people from India, I may be challenged as to the exact words, but the theory of it all was this. The representatives would come into conference with the representatives of the British Government, they would put their heads together, talk over things and arrive at a settlement which would be binding on the British Government and Parliament. That was the basis on which it began, but, unfortunately, a stage was reached when the Indian delegates ceased to function as representatives at a Round Table Conference but became members of a deputation to the British Government. It is rather difficult to fix the cause but many think that England, going off the gold standard, was responsible for the reduction in status and function of the Round Table Conference. The Indian delegation became members of a deputation. It was recognised when the Labour Government fell. A coalition Government

[Mr. George Joseph.]

came into power and then a National Government which was dominated by conservative opinion and naturally the original basis on which the whole thing started was departed from and the Indian section of the Round Table Conference became a body of deputationists, a body of petitioners waiting on the British Government : Quite characteristically, they failed to carry conviction to anybody in authority. That is the position. As I said, I am really not quarrelling about words. The essential thing is that all the organised representatives in this country must join together. They must be elected or authorised, if possible, on an adult franchise, but certainly on some popular franchise. These people must come together, talk things over and decide the future of this country and present their Bill to the British Parliament, through the British Government, and the British Parliament must really ratify every full stop, semicolon and every comma of that Bill. It is really on that basis that we can have a solution. Otherwise, as my friend, Maulana Zafar Ali Khan, said, you can only have something which will lead to direct action, either mass violence or all the suffering of the past. I do not hesitate for one moment to face the necessities of a situation like that, if that should arise but in the interests of England and the future of this country and the future of the world, in the interests of the development of the wonderful technique of Mahatma Gandhi, we should try to arrive at a settlement without getting our heads broken or cutting each other's throats. I wish to appeal to the Members of the Treasury Bench and through them to their masters in England that this is the situation which faces us. It is not really a question of Mr. Jinnah's amendment or Mr. Aney's amendment. The real question to be decided is—who is to decide the future of this country. You can call it self-determination or by any other name but there is only one solution and one answer possible. The future of the world, the future of the peace of India and the future security of England are at stake in this issue. The terms that England imposed in the days of the Mutiny or in the days of the Khilafat can no longer satisfy the people of this country. I will, therefore, add one final word. I am not even a member of a big minority. Though I belong to a small minority : I happen to be here as a member of the Congress. I am here as a member of the biggest political party in the country, and it is the political issue with which I am concerned. The Government should not make the mistake of imagining that they can ever solve this problem without the Congress. Today the Congress are the rulers of seven provinces ; tomorrow it may be eight. There is bound to come a time when we can settle the claim of all the political parties in India, because the Congress represents the one mighty political energising unit in India and it is only the Congress that can deliver the goods.

Sir Muhammad Yamin Khan (Agra Division : Muhammadan Rural) :

3 P.M.

I oppose the Resolution as well as all the amendments standing in the names of the other Members. Some of the Honourable Members may be thinking that I am not agreeing with their views, but I am going to tell them something very plain, and I hope they will have at least the patience to appreciate the point of view of a person who does not agree with them on this question. When I heard my friend, Mr. Satyamurti, speaking on this Resolution, I began to wonder what he really had in his mind when he asked for a Constituent Assembly to be elected on an adult franchise. I want

to know whether he is afraid of the Hindu population on whose vote the Hindu Members have come here ? Are you afraid that you will not enjoy their confidence in future ? Was he afraid of the Hindu communalists, because my friend is so much inclined towards the other communities ? He is so benevolent to the other communities that the Hindu communalists will wipe him off. Was that the fear in his mind ?

Mr. S. Satyamurti : I have no fear of any kind.

Sir Muhammad Yamin Khan : Or was it the desire of my friend that the mouths of the people, who come here to speak on behalf of the minorities, should be shut up, by the method that the majority community to which he belongs will have a preponderating voice in electing the people ? I will take the illustration of my own province and my own community. Why is he afraid that 14 per cent. Mussalmans in the United Provinces should have a voice to speak on behalf of 14 per cent. Mussalmans ? Does he want that 86 per cent. people should vote for the men he chooses to put up, who are chauffeurs or cooks or men of that kind, and 14 per cent. should have no voice ?

Mr. S. Satyamurti : May I answer your point ?

Sir Muhammad Yamin Khan : I do not give way. My time is very limited.

Mr. S. Satyamurti : Then you are afraid of the answer.

Sir Muhammad Yamin Khan : My friends will reply. I have got only fifteen minutes. Does he want by this Constituent Assembly to be elected jointly to represent the views which he stands for ? Does he want to make an arrangement with the Muslims in the way that he wants in this crooked manner ?

Mr. M. S. Aney : On a point of order. If a speaker raises a series of points and puts questions, is it not decent for him to give way when the gentleman to whom he puts questions gets up to reply ?

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member asks "Is it not decent". That is not a point of order.

Sir Muhammad Yamin Khan : I am sorry that a Leader of a Party should have talked like this. I would have tolerated this thing from one of his back-benchers. He knows that I am not putting any questions. I was simply wondering whether certain things were in Mr. Satyamurti's mind.

If my Honourable friend is willing to constitute a Constituent Assembly, consisting of the majority community to the extent of 50 per cent. and all the other minority communities constituting the other 50 per cent., then, I will whole-heartedly support him. But, if my friend wants to have only his voice heard outside this House, I am not willing to join him. I have seen him for many years. I have been watching those people who have been the greatest communalists and who have come in the guise of nationalists on the floor of this House. I am sorry to say that these men appear to me to be of the Congress communalistic mind because they do not want to give to the minorities any voice in the settlement of the affairs of the country. I have differed from my friend, Mr. Jinnah, in many respects even at our

[Sir Muhammad Yamin Khan.] I was a member of the Muslim League for many years and I do not agree with him on many points. But, I was never an impediment in his way to seek the elections in my province in any way he desired. But I expected some consideration to these people who have been returned in a majority to Mr. Jinnah's party. I may not have had any place and I may have been called pro-Government. Whatever people may call me, I am sure nobody in this House can call me that I have been a communalist in this House. Of course, I stand to safeguard the interests of my community from the aggression of communalists, and if that is communalism, then I am a staunch communalist in that sense. I will not give in even to my Honourable friend, Mr. Jinnah, if I find that my community is being treated badly by my friends over there in any way. Now, the point is that in the United Provinces the Congress has been returned in majority by the slogans of my friend, Maulana Shaikat Ali, who was saying that the Congress will sweep the polls and was a great champion of the Congress at the time of elections.

Mr. S. Satyamurti : Why not ?

Sir Muhammad Yamin Khan : Of course, he was right in doing this, and I am glad that he is getting the right treatment from the Congress. I am glad that it has opened his eyes now because up to this time he was living in a fool's paradise.

Maulana Shaikat Ali (Cities of the United Provinces : Muhammadan Urban) : I am still fighting them.

Sir Muhammad Yamin Khan : The Honourable Member has spent the whole life in fighting and he will never settle down. My point is that the Congress ought to have shown, in the six provinces where they had a clear majority, a benevolent attitude towards the minorities. I am talking of the minorities and not only of the Muslim community. The first benevolent attitude ought to have been shown to the Muslim big minority which came next to them in majority. They ought to have taken them into their confidence. They ought to have taken the men of that big community in their Ministry and should have worked hand in hand with them. But instead of doing that they are kicking them out. This shows that they are not willing even to extend their hand to people like Mr. Jinnah. Then, the other minority whom they are treating badly is the minority of the zamindars. They ought to have seen that in my province there were only two parties, the Congress Party and the Zamindar Party, let alone the communal parties. Ever since the Congress came in power, what have they done ? They have collected all the land revenue and they have stopped all the rent being collected. Where is the zamindar going to pay the land revenue from ? He is made to pay the land revenue because his property is being attached but he is not allowed to collect any rent. In the most autocratic manner they have stopped the rent collection by means of executive orders. If my friends over there do not like the bureaucratic manners, they ought not to allow themselves to do the same thing. And if they are going to imitate the same methods which our bureaucrats are following, then there is no difference between them

and the British bureaucrats. If the present Government were to issue executive orders, I could justify them because they are not responsible, but when the Congress does the same thing which they have been criticising, I think they should receive the greatest blame which they deserve. From this attitude of theirs, one could feel what would be the condition of the minorities if a Constituent Assembly were formed.

Mr. Deputy President (Mr. Akhil Chandra Datta) : The Honourable Member has one minute more.

Sir Muhammad Yamin Khan : I will finish my speech in one minute, Sir. I want to give in one word my explanation as to why I do not agree with my friend, Mr. Jinnah's amendment. I think that my friend, Mr. Jinnah, is making the greatest blunder by moving his amendment. There will be no safeguard when a Constituent Assembly is formed. His Constituent Assembly will be like this House minus the Government Benches and my friend will have no voice in that Constituent Assembly. Therefore, it will mean only wasting the labour by calling a Constituent Assembly in this manner, why not have this House as that Assembly ? Therefore, I think that it is absolutely futile to have any kind of Constituent Assembly unless the Congress comes forward and shows by its deeds that it is ready to meet the minority communities and treat them properly. When they are willing to do that, we shall all join hands with them. Until they do that, we will never join them and will go on opposing tooth and nail the Congress activities in the country.

Qazi Muhammad Ahmad Kazmi (Meerut Division : Muhammadan Rural) : Sir, I find that this Resolution of Constituent Assembly has been taken advantage of for ventilating the private grievances of one party against another party.

Sir Muhammad Yamin Khan : No, of one community against another.

Qazi Muhammad Ahmad Kazmi : The Honourable Member is a party in himself. So far as the objections of the learned Knight are concerned, he being an ultra loyalist, I do not want to join issue with him on those points. Sir, if we closely look at the real issue, we find that the demand of the whole House is unanimous. I do not mean that the Government Members or the ultra loyalists agree with us, but it is a common demand of all the elected representatives of this House. As was pointed out by my Honourable friend, Mr. Satyamurti, so far as the Government of India Act, 1935, is concerned, so far as the necessity for its repeal is concerned, all parties are agreed. So that the first part of the Resolution is fully admitted as far as the elected representatives of this House are concerned. The only question that is in dispute is about the method in which the Constituent Assembly is to be convened, and, in that respect, I think it will be proper for me to explain the position of the Congress. (Interruption.) Just as the Honourable Knight from Bombay is entitled to express his own views, I, as a humble man, have got the right to express my own views, however humble they may be. I want to place my point of view before the House.

[Qazi Muhammad Ahmad Kazmi.]

Sir, it is a clear question that in the fight that is proceeding, sometimes in the form of civil disobedience, sometimes in the form of entry into the Councils, sometimes in the form of leaving the Councils, sometimes in some constitutional way, sometimes in another, it is absolutely necessary for India to have a body—to have a representative body in which persons of all the communities must be represented. I do not say that it is not right on the part of the Muslims, or the Sikhs or the Christians to have their own party organisations, but it is admitted on all hands that there must be a common organisation for all the communities of India. (Hear, hear.) We must have a common platform on which all of them can join hands and it was for this purpose that the Indian National Congress was established so far back as 1885. At that time, it was not only the Indian National Congress that was established, but other Associations also came into existence,—for example, the Indian Defence Association and others, but all of them are no more, and now it is only the one common body—the Congress which claims and which has got in its ranks persons representing all the communities. (Hear, hear.) I do not claim any perfection for the Congress, the Congress may have its own defects, but I must say that the defects can only be removed by a larger number of members of different communities joining the Congress itself. If you allow any one particular community to dominate and you do not want to take part in it, it may develop some tinge which you may not like, but you should not blame that body, but blame yourself, because, though you have got the opportunity of enrolling yourself in that organisation as a member, and thus correcting its view point, yet you do not care to join it. I submit that whatever be its defects and whatever be its merits the only one common body that represents India is the Indian National Congress, and there can be no doubt that to whatever party one may belong, one cannot deny the fact that it is absolutely necessary for Indians to have one common platform. (Hear, hear.) Having described the necessity and object of the Congress we have to see as to what should be its attitude towards the amendments to this Resolution. To maintain its non-communal character it must be prepared to face difficulties and make sacrifices. The amendments to the Resolution hang round the Communal Award and I submit that whenever we talk of the Communal Award, either talk in favour of it or say anything against it, I feel ashamed because a reference to it means that we, either on this side or on the other side, cannot settle our differences amongst ourselves. Let us settle our differences today, let the Independent Party and the Congress Nationalist Party settle their mutual differences, the Congress will follow them. Does any Honourable Member think that the Congress has got the power of forcing the Congress Nationalist Party to accept the Congress view point? It is not so because if the Congress had that power, then the Congress Nationalist Party would not have been following the course that they are doing today. To say that the Congress has got the power to force the entire Hindu community to come to a certain settlement is incorrect. Had that been possible there would have been no other political body in India except the Congress. There would have been no separate Hindu political organisation. So, the Congress, when it claims to be non-

communal, when it claims to have the representatives of all the communities in its fold, has got to act up to a policy which must be non-communal in character. Therefore, it is neutral in the matter of the Communal Award, a matter in respect of which, as I said before, we must hang down our head in shame rather than apportion the blame or praise to one or other of the parties; the Communal Award had been delivered by the Premier because we did not agree amongst ourselves. When we say that it should be set aside or that it should be retained what we admit is that we cannot come to an agreement amongst ourselves. That is the position. So it is useless to wax eloquent against or in favour of the Communal Award. When the Communal Award was announced, so far as I could observe, there was a considerable body of opinion amongst Muslims against it. It is no doubt due to the undue antagonism of some other persons to the Communal Award that my Muslim friends stick to it today. It is only this attitude on the part of either community that is responsible for the subsistence of this Communal Award. When my Hindu friends tell the Muslims that the Communal Award is very favourable to the Muslims and so it must go, then I submit that this House can rest assured that the Hindus and Muslims will, for ever, go into two different compartments. We knew the defects of this Communal Award, the Muslims were complaining against it. The Muslims are afraid that on account of the agitation against the Communal Award by the Hindus, whatever they have got might be taken away from them and that is why they stick to the award tenaciously.

My position under the circumstances is this. What is it that the Congress can do? So far as the Communal Award is concerned, every word that has fallen from the lips of my Honourable friend, Mr. Satyamurti, will be supported by almost all the parties in this House, but—there will be a 'but', and that 'but' will not be a very important 'but'—he said that Communal Award and separate electorates are anti-nationalist, and anti-democratic. I think the Congress Nationalist Party is also of that view and it is from that point of view that they are attacking it. I know my Honourable friend, Mr. Jinnah, was one of those who has been a very strong supporter of joint electorate. He it was who, in this very Simla, convened a conference in 1927 of the various Muslim parties in which he preached joint electorates as the only solution for the salvation of all minorities in India. I do not believe for a minute that Mr. Jinnah is going to say that separate electorates and Communal Award are democratic institutions or nationalist institutions and these are things which we must stick to. The difference is only this, that so long as any solution is not arrived at, so long as no agreement is arrived at between the parties, we must stick to this Communal Award. The Congress says: "We say nothing in the matter". So the position is this that all agree regarding its merits or demerits. The Congress Nationalist Party has brought this amendment and says that the Communal Award must go. I would appeal to all the parties not to make this Resolution demanding a Constituent Assembly as giving an opportunity to ventilate our grievances against one another. We must not make it a point just to make a declaration of faith by the Muslims or by the Congress Nationalist Party or a declaration of faith by any other party. Let us go to the maximum

[Qazi Muhammad Ahmad Kazmi.]

common agreement that can be brought about between the parties, and it is for this reason that the Congress has come forward with a Resolution for a Constituent Assembly in which there will be adult franchise. It does not say anything so far as Mr. Jinnah's amendment is concerned, on what principle it should be elected. So my submission is that we must have sense enough to solve our problems and if the Independent Party and the Congress Nationalist Party come to a solution the Congress will accept it. I am an humble man but still I say that this is the correct thing which the Congress must do and I think they will do. But if they cannot come to a compromise I will ask them that if they consider the necessity of this Resolution they must withdraw their amendments and leave this matter to be decided amongst ourselves at better moments. All these grievances need not be ventilated in this House but they may be ventilated somewhere else so that we may come to an agreement.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

On the merits of the Resolution I want to say that any constitution which is drafted by persons who do not belong to India can never be acceptable to India. That is a truth which cannot be denied by anybody.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official) : That is because you cannot agree.

Qazi Muhammad Ahmad Kazmi : We do not ask you anything ; you go on agreeing with those people.

The position is that every one of us says that we do not like the Government of India Act. Only a couple of days ago when we were discussing the Insurance Bill we found hardships inflicted upon us by the Government of India Act and every one agreed that it is a thing which binds our hands in every way. All agreed that this Government of India Act must be repealed and replaced by some other Act.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

Qazi Muhammad Ahmad Kazmi : So any Act which is inflicted upon us by the British authority cannot be acceptable to us and it must come by agreement. And India has got the right to make such Act itself and foreigners have absolutely no right. That is the demand which is contained in this Resolution. Sir, I support the Resolution moved by Mr. Satyamurti.

Dr. F. X. DeSouza : Sir, in the flood of impassioned eloquence to which the House has been treated in this debate, I venture to think that there is a danger of the real issue being lost sight of. I may, therefore, be permitted just to clarify our ideas and state what exactly is the matter in issue in this debate. The goal to which we all aspire, to which Mr. Satyamurti referred in his eloquent address, is the goal to which every self-respecting son of India will cordially subscribe. Our goal is to be a self-governing unit as an equal partner in the partnership of the British Commonwealth of Nations.

Sir Cowasji Jehangir : That is not their goal ; it is your goal.

Dr. F. X. DeSouza : I venture to think, in spite of the contradiction of my Honourable friend, that that indirectly is also the goal to which they aspire.

Sir Cowasji Jehangir : Make them admit that.

Dr. F. X. DeSouza : The goal is Dominion Status as my Honourable friend, Mr. George Joseph, on the other side, said. That goal implies, if the Statute of Westminster has any force at all,—and here with the greatest deference I differ from my Honourable friend, the Law Member,—if the Statute of Westminster has any force at all, it means the power to secede from the Empire when and as we like. That, Sir, is the goal which successive Viceroy's have described as the goal to which the British Government, in the end, will permit India to aspire. That being so, it cannot be disputed for a moment that the present Government of India Act falls far short of achieving that goal. It contains provisions which detract from the sovereignty of the Parliament of the Legislatures of India by giving reserve powers to the Governors ; it contains provisions which act as a stranglehold upon the development of the commerce and industries of India ; it contains provisions which attempt to disintegrate the country by having this communal division. We all agree, I do not think there is one person in the House who does not agree, that the Government of India Act has to be modified ; we only differ as to the methods by which that should be done. There are two methods for the consideration of this House. Is this method going to be by the formation of a Constituent Assembly such as has been described by my Honourable friend, Mr. Satyamurti, or is it going to be achieved by allowing the Government of India Act to function as a stage in the evolutionary development of the constitutional advance of this country, as has been the programme of the British Government for the last 30 years ? That is the clear-cut issue before the House. Are we going to advocate a Constituent Assembly or a constitutional advance ? The theory of Constituent Assembly was thus propounded by Pandit Jawaharlal Nehru who is the father of that idea and who is deservedly the idol of the youth of modern India. He said this at the last Lucknow Congress, in 1936 :

“ This constituent assembly will not come into existence till at least a semi-revolutionary situation has been created in the country and the actual relationships of power are such that the people of India can make themselves felt.”

He added that this state of things can be easily realised because this is the time when—

“ the world is too much in the grip of dynamic forces to admit of static conditions in India.”

If that is so, it seems to me to be pretty obvious that the formation of a Constituent Assembly contemplates a semi-revolutionary state in the country and that semi-revolutionary state, whatever my Honourable friend, Mr. Satyamurti, may say, cannot be brought by non-violence but can only be obtained by violence. If that is so, is this the creed of those who preach non-violence ? (*Cries of “ Yes ”.*) Is it the opinion of any Member of this House that the British Government will be inclined to surrender their power except, as pointed out by Pandit Jawaharlal Nehru, through force ? If I have studied English history to any purpose, if I have studied British character to any purpose, my firm

[Dr. F. X. DeSouza.]

conviction is that this state of semi-revolution, which is a condition precedent to the establishment of the Constituent Assembly, cannot be brought about except by force. Therefore, those who believe in non-violence, those who believe in avoiding all force, cannot possibly be advocates of a Constituent Assembly in the sense in which it is used.

It follows, in the circumstances, that the only possible method of achieving the object we have in view is not through a Constituent Assembly, but by allowing the present Government of India Act to function as one link in the general evolutionary progress. Now, I come to the question, how is that to be done? The question was considered at great length by the Congress before they decided to accept office. First, they considered and with great plausibility argued, that the safeguards, reserve powers in the hands of the Governor, were a barrier to constitutional advance of any kind. But, later on, a keen controversy ensued, and in a remarkably well thought out letter addressed by Lord Lothian to the *London Times* of the 13th April, he pointed out that it by no means follows that the existence of the safeguards is a barrier against constitutional advance. He said the Governor's use of his reserve powers must inevitably be affected by the popular support his ministers had behind them. His decision, as all past history shows, largely depends on whether the majority in the legislature is united and resolute and on whether it can count on the support of the electorate in the event of a dissolution. If it is, the Governor has usually decided not to provoke a constitutional crisis for which there is no solution save the suspension of the normal functioning of the constitution. That is why he says responsible Government has always led to self-Government. This interpretation of the constitutional position was accepted by Pandit Jawahar Lal Nehru himself. He was satisfied with this interpretation and he asked, why all this fuss about safeguards, if electors are the final tribunal.

It is true, Sir, that in the last resort, the Governor's responsibilities are as much as Ministers' responsibilities, and the Governor's responsibilities and the Ministers' responsibilities are co-extensive. Nevertheless, the fact remains that the Governor's powers are an integral part of the Act requiring an amendment of the constitution before they are eliminated. And, how is this elimination to be carried out? As all constitutional history, especially the British constitutional history shows, the British method of amendment of the constitution is not by a revolution but by evolution. The British liberty is broad-based upon the popular will, and liberty which is broad-based upon the popular will broadens from precedent to precedent. Therefore, it follows, that it may not be by a revolutionary change, but by a steady evolutionary progress in the constitution that this amendment of the Government of India Act can be achieved.

There is one word more, and I have done. This Constituent Assembly which is advocated by the Honourable Members opposite is based upon adult franchise, but, Sir, it must be regretfully noticed that an Assembly elected by adult franchise will not represent the will of the nation taken as a whole, but will represent the will of the majority party only. A study of the history of the French Revolution will tell you what happened when the States General called for a Constituent

Assembly. The Constituent Assembly was constituted by the vote of the third estate. What did they do? What happened to the peers, what happened to the clergy? Till then the most important estates of the realm. Why, Sir, the peers were banished from the country and several of them were guillotined and the clergy were all expelled from the church. It is only the third estate which remained to constitute the Constituent Assembly. If past history is any guide for the future, is it not likely that a Constituent Assembly formed on adult franchise will also have the same result here? I venture to think that it will. Especially now, after the formation of Congress ministries in several provinces, misgivings in this sense have arisen in the minds of minority communities. Sir, I am not a communalist: I have never advocated communalism in this House. I believe communalism disintegrates a nation. It does not mean, however, that I should sit silently by looking on with equanimity when my own community has not received just treatment at the hands of the Congress Ministry in Madras province where the Christians number three millions. What recognition have we got? Mr. Satyamurti, speaking as a responsible representative of the Congress, said he thought the Congress had done well by the Christian community because they have taken a Christian Parliamentary Secretary and had helped in the election of two Congress Members to this Central Assembly. Now, Sir, I ask in all humility is that just treatment accorded to an enlightened community which has approved and followed the Congress programme? I am not saying this in a spirit of complaint, I only say that is the feeling of the community. Although I am not a communalist it does not mean that I wish to see my community submerged. That is what I wish to say. With these words, I sit down.

Sir Abdul Halim Ghaznavi (*Dacca cum Mymensingh: Muhammadian Rural*): Sir, we have listened this morning to the speech of my Honourable friend, Mr. Satyamurti. After I heard him, I felt that such a Resolution should have been moved at a later date, after having come to a settlement with the Muslims for which my Honourable friend, Mr. Jinnah, did his very best.

An Honourable Member: Would you then support it?

Sir Abdul Halim Ghaznavi: Certainly.

An Honourable Member: What has Mr. Jinnah done?

Sir Abdul Halim Ghaznavi: Your inquiry shows your colossal ignorance. Much has been said about the Communal Award.....

Mr. M. S. Aney: Nothing in comparison to what will be said hereafter!

Sir Abdul Halim Ghaznavi:and I was surprised when I heard my Honourable friend, Pandit Lakshmi Kanta Maitra, from Bengal; because he was blissfully ignorant of what happened in England in the various Round Table Conferences. In England, the Muslim delegation which was led by H. H. the Aga Khan and the late Sir Muhammad Shafi and Mr. Jinnah gave a blank cheque to Mahatma Gandhi on behalf of the Muslims to bring about a settlement: that will not be denied: Mahatma Gandhi himself has said so in his speech in one of the Round Table Conferences.....

Mr. M. S. Aney : He says *he gave* blank cheque to the Muslims.

Sir Cowasji Jehangir : They all gave blank cheques without filling them in or signing them even ! (Laughter.)

Sir Abdul Halim Ghuznavi : Every proposal that was brought before the Muslim delegation was accepted, but Mahatma Gandhi could not deliver the goods. That is a fact. That is the story of how the Communal Award came into existence. He did his very best, but his followers would not allow him to do what he wanted to do. In fact, in the Second Round Table Conference, the whole of this communal bitterness had almost completely disappeared. He brought out a formula, but, unfortunately, he could not succeed as he was not allowed to do by Dr. Moonje and Pandit Madan Mohan Malaviya—a fact which is known to everybody who was in England then and was also admitted later on by Mahatma Gandhi. I have documents—though they are not with me today—to prove decisively that the Muslims were not to blame, that every proposal that was brought to the Muslim delegation by Mahatma Gandhi, with necessary safeguards, was accepted by Mr. Jinnah and the late Sir Muhammad Shafi and H. H. the Aga Khan on behalf of the Muslim delegation as a whole ; but the difficulty was that the Hindu leaders could not deliver the goods and would not bring about the arrangement which Mahatma Gandhi wanted. I have just said that these two gentlemen refused to accept the proposal which Mahatma Gandhi put forward. Now, Pandit Lakshmi Kanta Maitra said that he supported this Resolution with the amendment proposed by my Honourable friend, Mr. Aney, because the Congress did not want to displease the Muslims and so they would neither say “yes” nor “no” as regards the Communal Award ; they would keep quiet ; and this, he has explained to the House, was the reason of his friction and difference with the Congress Party, and was the *raison d'être* of the Nationalist Party which was openly out against the Communal Award. As a matter of fact, the Communal Award concerns only the grievances of the Bengal Hindus and of no other province.....

Sardar Sant Singh (West Punjab : Sikh) : Uh ! See the Punjab !

Sir Abdul Halim Ghuznavi : “Uh” says my friend. What did my friend do—did he raise his little finger in 1932 when the Communal Award was published ? Nothing of the kind.....

Sardar Sant Singh : May I inform my Honourable friend of one thing, that the Government had to issue.....

Sir Abdul Halim Ghuznavi : Sir, when the Communal Award was published in August, 1932, no opposition from Bengal was made by the Hindus at all, and that has been proved to the hilt. What happened was this : In August, the Award was published ; in September, we were having the Session of this Assembly in this House : After the Award was published, Mahatma Gandhi began to fast to death : his point was that the depressed classes should not have electorates separate from that of the other Hindus. He began his fast : there was not a word about the Communal Award, and, in this House, the Leader of the House informed us that a settlement had been arrived at between Mahatma Gandhi and the Hindus of Bengal, which this House applauded and asked the President of this House to convey to His Excellency the Viceroy to be conveyed to the Secretary of State, that that compromise

might be accepted. There, of course, the caste Hindus lost a few seats, but that was not due to the Muslims. Mahatma Gandhi did it and the Hindus accepted the position. Later on, in England, after the Award was published, every effort was made to bring about a settlement between the Hindus and Muslims and every time the Muslims agreed to whatever settlement the Hindus wanted. In fact, an agreement was signed by the Hindus and by the Muslims in the presence of H. H. the Aga Khan in 1933. But, later on, the Hindus backed out again. What are we to do ? It is no fault of ours. We did our very best to bring about a settlement, but my Hindu brethren would not agree. Even later on, two years ago, Mr. Jinnah did his very best to bring about a settlement. The whole point was that until an agreed settlement was arrived at, we must, as a minority community, stick to the Communal Award that had been given to us. We cannot do without it. I did not know what was the formula that was discussed by Mr. Jinnah and Mr. Rajendra Prasad, but I find from the *Leader* that the formula that Mr. Jinnah accepted was.....

Mr. M. A. Jinnah : No.

Sir Abdul Halim Ghuznavi : Then, I am sorry. The Congress must show its *bona fides* by its action, and not by words, that they are prepared to help the minorities. What have they done in the six provinces where they have accepted office ? Do they really enjoy the confidence of the minority communities in those provinces ? Do the minority communities feel satisfied that their interests would be adequately protected ? No. I am very sorry, Sir, to say that the Congress Ministries have not succeeded in any province.

An Honourable Member : Question ?

Sir Abdul Halim Ghuznavi : It is very easy to “question”. Take, for instance, Bombay. They have taken a Muhammadan by name. The Muslim community has no confidence in that gentleman at all. But because the Congress Ministry has to take a Muslim, they have selected a gentleman of their own choice.....

Sir Cowasji Jehangir : He became a Congressman !

Sir Abdul Halim Ghuznavi : Yes, he became a Congressman. If that is the kind of thing the Congress Ministries can do at their very inception, Heaven alone knows what they will not do in course of time if they are in power.

Then, take the case of Orissa. There was a Muslim Minister when the interim ministry was going on.....

Pandit Nilakantha Das (Orissa Division : Non-Muhammadan) : Is there a Muslim Congress Member in the Orissa Assembly ? We cannot certainly nominate one.

Sir Abdul Halim Ghuznavi : It is not a question whether there is a Muslim Congress member or not.

Sir Muhammad Yamin Khan : Englishmen might as well say that because you are not Englishmen, you cannot be on the Cabinet here.

Dr. G. V. Deshmukh : They may say that for England, and not for India.

Sir Abdul Halim Ghuznavi : Sir, I may say this much that not even a quarter per cent. of the Muslim population of India is with the Congress.

Seth Haji Sir Abdoola Haroon (Sind : Muhammadan Rural) : All these Ministers are representing themselves.

Mr. M. S. Aney : In your province also ?

Seth Haji Sir Abdoola Haroon : Yes, certainly.

Sir Abdul Halim Ghuznavi : Congress can by their action show to the minority communities that they need have no apprehensions about their interests being sufficiently safeguarded, and then will be the time for proposing a Constituent Assembly for this country. We cannot leave the Muslim interests unprotected.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has got only one minute more.

Pandit Lakshmi Kanta Maitra : May I know, Sir, from my friend what was the decision reached at the conference held at his house ?

Sir Abdul Halim Ghuznavi : I may as well tell my friend that that conference brought about a 50 : 50 proportion in the Bengal cabinet with the result that the bitterness of Communal Award has largely disappeared in Bengal. Sir, if a Resolution of this kind is to pass at all, it should be with the amendment proposed by my Honourable friend, Mr. Jinnah.

Sardar Sant Singh : Sir, if I intervene in this debate, I do so in order to represent the viewpoint of the community to which I have the honour to belong. Sir, this Resolution raises one of the big issues which has been agitating the country for a very long time. I am afraid that our quarrels over the methods of representation in legislatures and services has rather overshadowed the real principle of the Resolution which is now before us. Now, this Resolution stands for two things. The first is, that the present constitution which has been thrust upon India under the Government of India Act of 1935 has not been accepted by any class or community in India, and I think, Sir, there can be no two opinions on this issue. It has been condemned by the Hindus, the Muslims, the Sikhs, the Liberals and everybody alike in most unequivocal language. Then the second point is, that we claim, and rightly claim,—and there can be no two opinions about this claim,—that India has a right to propose and frame her own constitution suited to her genius and to her requirements. I do not think any part of the House can disagree with this proposition either. Now, the question remains as to how we can bring about the change in the constitution, and that has been mentioned in the last part of the Resolution moved by Mr. Satyamurti. He says that this should be replaced by a constitution framed by a Constituent Assembly elected on the basis of adult franchise. It fails to tell us what is the method by which this adult franchise is to be exercised in order to bring into existence a Constituent Assembly, or as our friend, Mr. Jinnah, calls it, a conference or a convention, call it by whatever name you like, because name is immaterial. But how is this to be brought about ? There is naturally a difference of opinion in the House. On one side Mr. Jinnah claims that it should be subject to the provisions of the Communal Award ; on the other side, our party claims that we should convene this

conference by means of a joint electorate without any regard to the question of Communal Award that has been thrust upon us. Now, we have choose between the two methods. At present what holds the field in India is the Communal Award, and on this I want to say a few words to my friend **Sir Abdul Halim Ghuznavi**, who, I find, has left his seat.

An Honourable Member : Later on. Let him come.

Sardar Sant Singh : Very well, I will refer to it later on. What this Communal Award ? It is an award given by an alien nation in order to settle a dispute which, according to my friend, Mr. Ghiasuddin from the Punjab, we could not settle. Suppose I accept the position that we could not settle the dispute. Then whose fault is that we could not settle it ourselves ? The fault is not of the communities ; the fault is of the leaders who, at that time, claimed, and probably rightly claimed, to settle these issues for the communities. And my Honourable friend, Mr. Jinnah, is one of them. I fail to understand how those leaders who claimed to settle these disputes for us, having failed to settle them,—with what face could they come forward and say, “ We will abide by this award ” ? This award is a standing shame to their inability to settle this question, and such, they should be the last persons to come forward and tell us, “ We will abide by this award till we come to a common agreement ”. That is my view point. Those who have failed, and failed very badly, to settle this question amongst the communities, should be the last persons to come forward and take shelter behind the Communal Award.

Then, I come to the position taken up by my Honourable friend, **Sir Abdul Halim Ghuznavi**, who has just now returned to his seat. My Honourable friend says : “ Who cares for you ? You did not raise a single finger when this Communal Award was settled ”. I want to remind him that he was a Member of the last Assembly when I happened to be a Member. This Award was published some time on or about the 17th August, 1932, and our Assembly met for the first time on the 5th September. The first thing that I did was to give notice of an adjournment motion on the publication of this Communal Award. My Honourable friend forgot that he was one of the speakers on that adjournment motion. I will repeat a portion of what I said then.

Captain Sardar Sir Sher Muhammad Khan (Nominated Non-Official) : We know what you have said.

Sardar Sant Singh : You know many things, and yet you know nothing. (Laughter.) I said then :

“ Sir, there can be no gainsaying the fact that since the day the forecast of a communal decision was published, it roused the bitterest opposition particularly in the Punjab and generally in the whole of Hindu India. Even the best advocates of the decision have not dared to call it a just decision or one which will satisfy all the communities in India.”

Then, during the course of my speech, I referred to a letter which I addressed to His Excellency the Governor General before this Award was published. In that letter, I said :

“ Such a demand is unheard of in the constitutional history of any country and is diametrically opposed to the principles of democracy. The Sikh community is a minority community in the province yet as Your Excellency must be aware has always stood for these principles and all their seventeen demands are based on the principles. I need not reiterate here these demands of the Sikh community as Your Excellency and Your Excellency's Government is, I believe, fully acquainted with

[Sardar Sant Singh.]

them. The press reports have now agitated the mind of the Sikh community to almost a breaking point and I in the capacity of a member of the Legislative Assembly representing as an elected member half of the Sikh population of the province owe it to myself, to Your Excellency's Government and the Sikh community to acquaint Your Excellency that the Sikh community to a soul is not prepared to accept or submit to the statutory majority of the Muslim community in the Punjab."

An Honourable Member : The cat is out of the bag !

Sardar Sant Singh : You will have many cats out of the bag very soon. This is the letter which I wrote to the Government of India then. For my Honourable friend, Sir Abdul Halim Ghuznavi, to say that we did not raise a little finger on that occasion when the Award was published is anything but the truth. My Honourable friend himself spoke on that and he has probably forgotten, and the colossal ignorance which he has attributed to my Honourable friend, Pandit Lakshmi Kanta Maitra, is very much more attributable to himself. However, I want to point out that this Communal Award has been taken bitterly by the Sikh community, so much so that we who have sworn upon the Holy Granth that we shall never willingly submit to this Communal Award so long as it is on the Statute-book,—we cannot perjure ourselves and we cannot rest content till this Communal Award is thrown out of the constitution of the Government of India. My Honourable friend, Mr. Jinnah, may try to take shelter behind the Communal Award, and if any Constituent Assembly is convened on the basis of the Communal Award I assure you that the Sikh community will have nothing to do with that Constituent Assembly. We are one per cent. in India and 14 per cent. of the total population of the Punjab, and yet we care not a fig for the majority, if the revolution which is threatened by Maulana Zafar Ali Khan comes on in the Punjab. We are sure to stand on our ground and we do not care a tuppence for those who go by the name of the majority.

Captain Sardar Sir Sher Muhammad Khan : You will be the first to run away.

Sardar Sant Singh : My Honourable friend who is a representative of the army is not ashamed of himself, having been disciplined in the army, to sit behind the Government and always vote for them. (Interruption.) Resuming my speech, I submit, that if constitutional methods are to be followed in this country, if progress is to be made by constitutional methods, I say, and I say openly, that the Sikhs will be there to help the development of the constitution on healthy lines, not on communalistic lines. That is the point that I want to impress on you today on the floor of this House. An attempt is being made in the Punjab at the present time to bring about harmony and unity between the various communities. I never deny that. I am with you if the attempt is to be made on just lines, on lines of equity, on lines of justice to all. But if the attempt is to be made, as it is sought to be made on my right side and on my left side by these gentlemen, if the Congress, or as a matter of fact, anybody else, is to yield to the demands, the unreasonable demands of the Muslim community. I am here to tell them that I am neither with the Congress nor with these demands. I have openly complained and I give expression once more to my views, that the Congress having shaken off the fear of the bureaucracy, having made noble sacrifices in the cause of Indian independence, is afraid of the Muslim community. That is why the Muslim community gets on

their shoulder every time that such questions come up. Let the Congress take its stand on justice and equity for all, and I am sure that every one will be with them to help in the cause of winning complete independence for this country. I want to say one more word about a remark of my Honourable friend, Maulana Zafar Ali Khan, who unhappily is not here. He said :

" If I were in the place of a majority community, I will tell the minority, we do not mind if the Government is by the minority."

May I ask him what treatment they have meted out to the Sikhs in the Punjab ? May I tell him that the Muslims are 14 per cent. in the United Provinces and still they get 30 per cent. seats ? And are the Punjab Muslims willing to concede the same 30 per cent. to the Sikhs in the Punjab ? Let him answer this question. Another point is that the whole communal struggle that was carried on at the Round Table Conference fell through because the Muslims in the Punjab were not willing to yield one seat to the Sikhs, an additional seat which they wanted. (An Honourable Member : " Question.") It may be questioned, but the fact is there. Again, when during the Joint Parliament Committee's proceedings the Sikhs demanded to re-open this question of Communal Award, Sir Zafrullah Khan threatened the Joint Parliamentary Committee that he would walk out if the question was re-opened. This is the attitude of those who want justice ! The time at my disposal is very short ; otherwise I would have given.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

Sardar Sant Singh : If the leaders think that communal harmony can be restored on just and equitable grounds for all, I am with them, but if one community wants to have its full pound of flesh, then rest assured that the Sikh community will not help them at all.

Major Nawab Sir Ahmad Nawaz Khan : Sir, I do not like to produce any heat in the discussion, nor do I like to take much of the time of the House, because the other eminent Honourable Members have to speak on this subject. To me it seems that the cancellation of the Communal Award rests with us, Indians, and not with the Government. So far as my humble knowledge goes, the author of the Communal Award has often said that if all the Indians unitedly arrive at a settlement, it will be accepted. I am not ashamed in expressing our own defects. Our chief defect is our own disunity which is the root cause of all troubles in India. That is very clear from the discussions that have taken place in this small House. The Congress is the most organised body in India and they should take into confidence all the other minority communities in India. If all the communities, Hindus, Mussalmans, Sikhs, Parsis and others are united in framing a constitution in the form of a new Government of India Act, then I think that will be the proper occasion for such a Resolution and to say : ' Here is our united demand. There is no fear of the interests of any minority being disregarded. Kindly grant us our this united demand '. Unless, you do that, the success seems far off. What is the duty of this or of any Government ? They have to safeguard the rights, interests and culture of the different communities, whether it is acceptable to only a few or not acceptable to any. Let my friends put themselves in the position of a judge and if Muslims, Hindus and others come to him

[Major Nawab Sir Ahmad Nawaz Khan.]

to decide a disputed question. The judge advises them to come to an amicable settlement and, if for any reason, the parties do not come to an amicable settlement, then what is the duty of the good or wretched judge? He has to decide the matter as he thinks fit, one way or the other. We Indians had many opportunities in India, here in this House and in England, to discuss the communal questions but, unfortunately, we never came to any amicable settlement. The British Government cannot go on keeping the questions pending and pending for ever. They had to give a decision. Fortunately or unfortunately the majority of the Mussalmans think that the Communal Award is more favourable to them than the decision which the Hindus and Mussalmans could arrive at. If the Congress Party gives to the Muslims or the Sikhs more seats and rights, then they surely will say: 'We do not want the Communal Award and we will abide by your decision'.

An Honourable Member: That is the kind of settlement you want.

Major Nawab Sir Ahmad Nawaz Khan: It is a matter of great shame that we cannot arrive at a decision ourselves and every time we bring forward a Resolution like this to blame the Government with no result and the Government simply laugh in their sleeves. Now, if I take a knife in my hand and prick it on any part of my body, what will others say if I complain that I have pain? They will say: 'Nawab Sahib, the remedy lies in your own hands. Don't press the knife on your hand'. That is just like this when I say that the fault lies with ourselves and not with British Government, and our fault is our disunity. If we present a combined demand, the Government cannot say "No". Now, there is another thing. The masses and all classes are not represented here. A great number of people have no representation here yet. That is what I mean. If you can prove that the new constitution will give them more justice, more blessing and more impartiality than the present one....

Mr. Mohan Lal Saksena (Lucknow Division: Non-Muhammadan Rural): Is it a fact that your son has joined the Congress Party?

Major Nawab Sir Ahmad Nawaz Khan: No, Sir. Well, if we Indians of all communities produce a united demand, then I assure you that every sensible man will join in that demand for his own interest and welfare.

Mr. Mohan Lal Saksena: Is it not a fact that your son has joined the Congress?

Major Nawab Sir Ahmad Nawaz Khan: I don't care if my son or my grandfather or you and your grandfather are in the Congress. (Loud Laughter.) The object of the Resolution is that you wish to do something for the good of the people of India but the only fear of the Opposition to this Resolution is that if the majority community gets more and more power, the minorities will be crushed and grounded. If the Congress can satisfy that their Laws and rule will be better and more beneficial than the present British Laws and rule, then it is quite natural that Muslims would join the Congress. So long as we all are divided, so long as we have enmity, conflicting interests and fear of one another, then how can it be possible for the Muslims to give a blank cheque to others. I submit, Sir, the word 'communal' has often been misunderstood and misrepresented, voluntarily and knowingly. Every man who has a regard for his religion

and for his community must be communal. He cannot be blamed for it. Everything should be within moderation. I admire those Hindus, Muslims and Sikhs who fight for the good of their own community, but it should be done with moderation. It should not be that everything I take and nothing for you. Our policy should be, live and let others live. The English people also have to live here. I submit that the British rule in India has been in the interest of us, Indians. You know very well, Sir, that it is only the British rule which has brought all the different parts of India into one. It is well-known what was the conditions of Bombay, Calcutta, Madras and other places before the advent of the British rule. I also submit that it was because Indians imbibed British teachings, that they are clamouring for self-rule. I admire the desire of Indians that they should participate more and more in the governing of the country. But we should do it unitedly, gradually and peacefully not in the sense that the majority or the minority wants to rule. Everything is in our own hands. I appeal to every section of the House that we should make a united and joint effort to remove the dangers or the fears which one community has against another and if this is done, then naturally the Resolution coming from such a united body will be accepted. With these remarks, I oppose the Resolution.

Maulana Shaukat Ali: Sir, I have been a great admirer of my Honourable friend, Mr. Satyamurti. I admired him for his diligence in preparing his case and for his incessant hard work in this House, I admired him for his wonderful command of the language and also for the strong use he made of that language. So far I have enjoyed his eloquence; we enjoyed it as long his big guns were aimed at the (official) Benches opposite. I had no objection to his attacking the Front Treasury Benches, for they are strong enough to resist his attacks and also give it back to him. But now, as far as we, on this side of the House, are concerned, he comes with a new orientation to us poor people who have neither the power nor the eloquence. I think the time has come when we ought to speak out very frankly. I submit this is a matter which ought not to have been brought on the floor of the House today. It is the general desire of the Muslim public that this should have been settled amongst ourselves, and then we could have approached the Government with an agreed programme or scheme. I feel very unhappy to make the speech that I propose to do. Every one in this House knows that I have all along believed for amicable settlement between the two communities. I wanted an understanding between the two communities, so that the country may have had real peace, and we could demonstrate to the outside world our ability to run our own affairs. But now that seems to be not possible. I will say this much, that I know the working of the Muslim mind very intimately, and personally I have not got the patience which my Honourable friend, Mr. Jinnah, possesses. I can say confidently that he, in spite of the desire of a section, has not banged the door for an understanding between the two communities. In spite of the abuse that is heaped upon him, both in the Press and on the platform, he still offers the hand of peace. I have the pleasure of working with him. I am a disciplined soldier under his banner just as I worked courageously and bravely under Mr. Gandhi. I am proud of those days. Today I am proud to work under Mr. Jinnah, because there is no other level headed Muslim in India today than Mr. Jinnah, who is working for a fair deal all round. He has no personal axe to grind. He means business,

[Maulana Shaukat Ali.]

and today, I believe, if there is a single man among the Muslims who can deliver the goods, it is Mr. Jinnah. You may try your Ministers. I know how these Ministers were appointed. Some of them were my very good friends, and I am sorry for the methods used by the Congress to seduce them from their allegiance to the Muslim League. I know Mr. Nuri, I know Mr. Yakub Hasan, I know Mr. Sharif who took an oath on the Koran and signed the Muslim League pledge, but broke it the next day.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must not deal with individuals.

Maulana Shaukat Ali : My Honourable friend, Mr. Satyamurti, said that the Congress has appointed Muslim Ministers who represent millions of Muslims. I want to show the House what kind of Ministers have joined the Congress.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must not discuss them individually.

Maulana Shaukat Ali : Well, Sir, I have always obeyed the Chair, and I bow to it now also. I think, Sir, the time has come when we ought to speak out frankly. When our Aryan friends there came over from Central Asia to India and ruled this country, their rule was not a majority rule. When the Muslims came over to India and ruled here for a thousand years, it was not a majority rule, it was only a minority rule. The English people who rule over us today, theirs is not a majority rule, but a minority rule.

Sardar Sant Singh : The Sikh rule in the Punjab was a majority rule.

Maulana Shaukat Ali : It was only in one Province of India : I give credit to all brave people, be they Sikhs or Mahrattas. The Mahrattas put up a wonderful fight against the Muslims. I honour courageous people. I was submitting that the Muslim rule was a minority rule, so is the British rule. For the first time in the history of India, through this constitution, a majority rule is sought to be introduced in this country. If the minorities ask for certain guarantees and for certain safeguards, why should we be abused and why should we be called all kinds of names and why should we be considered as obstructionists in the way of the progress of this country. Arguments, speeches and paper resolutions will not satisfy us. I can honestly say that our Congress friends are making a very grave mistake. I do not like to use strong language or say that they are suffering from a "swollen head" or that they are having high blood pressure or things of that sort. Whatever it may be there is no doubt that they are making a great mistake. I am a poor worker amongst the masses. I am constantly in touch with every shade of the public. I am in touch with the Princes. I belong myself to an Indian State. I had family connections with a number of others. I know many of the Princes very intimately. They are extremely kind to me, and true patriots. I know zamindars also very well. I know the big zamindar, I know the small zamindar. I was myself a small zamindar at one time, but I am not now one. I am an agriculturist—a fruit farmer. I know the business people also. I submit the Congress is wrong to start a fight against the Princes. The Congress wants to

fight the zamindars and take away their property without paying any compensation. The Congress wants to fight the capitalists who have built up their business through hard work. I was touring recently the Jhansi division in connection with the bye-election there. I used to make public speeches in the Chauk, in the bazaar and there I found these business people working hard in the sweltering heat up to a late hour.. I used to come away after lecturing to my dak bungalow where I had a servant to pull the punkah and make me cool and they were still there working. Now with its new orientation the Congress wants to force poor Muslims to join the Congress. The Congress has set up mass contact committee and I know what kind of mass contact it will set. I do not want to use the language which my Honourable friend, Sardar Sant Singh, used. I know that if the Congress does not go to the proper quarter and if it does not consult the right people, and does not give up bullying, a thousand mass contact committees would not bring the Muslims to the fold of the Congress in any appreciable numbers. It will stiffen their opposition and thus fail miserably. Do not talk to us as if we are toadies and sycophants. I am a communalist in the sense that I am devoted to Islam and nothing else but a Muslim. But India is my home and I want my country to be happy and my people to live in peace and amity. I have repeatedly said "let us have peace or truce for ten years to show our capacity for work and show to the people on that side of the House that when we get power in our hands we are not going to chop off the head of every Englishman nor turn out every Englishwoman, or misuse our powers in that way". Sir, I do not know what the Princes will do, but I can say this much that when the time comes and they make up their mind to act, 90 per cent. of their subjects will be under the leadership of their sovereigns and not of anybody else. (Cries of "Question.") No use questioning, you will see it. I do not know what the Maharajas or the zamindars will do, but I know very well what the Muslims will do. If you treat me badly, bully me because you have money and organisation behind you, I have my remedy also. After all we have the strong right arm and a stout heart. It will be the most unfortunate thing in the country if this new orientation is carried on unwisely. Like Spain there will be civil war. It is a very ugly word but please think before you try to use your force upon us.

An Honourable Member : Will you fight in that civil war ?

Maulana Shaukat Ali : If you rob me of my rights, yes. When the time comes, when you try to take this old cap I am wearing by force, and you will see what I can do. (Laughter.) Sir, I value the friendship of Hindus and other people, but that friendship must be honourable. A great Urdu poet has said :

"Ham luif key banday hain Khuda ki kasam ai Dagh,

Ham se na kabhi naz sitamgar ke othaingi."

"Dhamkian deto ho kiun jasbai-dil ki ai Dagh,

Banda parwar yeh mohabbat men hakumat kesi."

The Congress would come to its senses and do as I suggest as the old Persian proverb says :

"Whatsoever the wise man does, the foolish man does also, but after so much trouble and so much worry."

[Maulana Shaukat Ali.]

I will advise my friends to get in touch with Mr. Jinnah and I think Mr. Jinnah would not let them down or let the country down.

Mr. Abdul Qaiyum (North-West Frontier Province : General) : Sir, I rise to support the Resolution moved by my Honourable friend, Mr. Satyamurti, and in doing so I must say that I am surprised that certain Honourable Members of this House have got up and asked the Congress to come to terms with the Mussalmans, because, it is argued that, if they do not do so, the fight for freedom will have to be abandoned and the British will rule our unfortunate country for ever. It has also been said—one Honourable speaker got up and stated, that there were two brothers and they started partition of a house and the elder brother, who was the cleverer of the two, said : " The house from the ground floor to the top floor belongs to me, and from the top floor up to the heavens is yours ". All sorts of arguments have been addressed on this point. Personally I consider that all these arguments are futile. It is idle to talk of dividing something which is not in our possession. The British are in possession of the country, the house is in their possession, and if we go on quarrelling among ourselves as to what we are going to do when we take possession of this country, I think the fate of this country is sealed for ever. I respectfully submit, that by doing so we will be playing into the hands of the third party, namely, the British, who are ruling us and who intend to rule over us for ever. There is a large number of Mussalmans,—and I am proud to say that I belong to the Muslim community and that I have the honour to represent a constituency which is predominantly Muslim,—who are today growing up in India into a new generation who do not believe in pacts and conferences but believe in one thing, namely, to come under the banner of the Congress and to continue this war for freedom on all possible fronts, inside the legislatures and outside, and not to give up the fight until they have attained their object. Sir, it was stated in very moving terms by one of the older statesmen of our province who was once a very eminent Member of this House,—I am referring to our *ex-Chief Minister*, Nawab Sir Abdul Qaiyum,—when he was defeated in the Frontier Legislative Assembly that he felt that the ground was slipping from under his feet and that the world was moving at too rapid a pace for him and that he could not keep up. I submit, Sir, that those people,—I have great respect for them and some of them happen to be my friends,—who talk of pacts or conferences or distribution of spoils have not, I think, judged the temper of their countrymen properly. In India there is a new spirit abroad. The youths of this country, whether Muslims or Hindus or Christians, do not believe in communal organisations ; they do not believe in communal outlook, they do not believe in communal pacts. We are weighed down by a feeling of humiliation when we, who have an ancient civilisation and form one-fifth of the human race and have got a very proud heritage from the past,—that we should be ruled by a handful of foreigners who come from seven thousand miles away and who have no right to remain in this country. I say, those who prefer to be ruled by the British, let them carry on in their merry old way ; but I can say that there are millions of Mussalmans who refuse to be ruled by the Britisher. It has been stated by one Honourable speaker who took strong objection to a speech made by Pandit Jawaharlal Nehru, for whom I have the greatest respect and affection, that he had said that

there are only two parties in India, the Congress and the British, and that there was no third party. And it was asserted that in India there are three nations. Those who make this assertion are, I repeat, out of touch with the feelings which prevail in the country. We are not out to create a third nation. We Mussalmans are Indians, Indians first and Indians last ; we believe in co-operation with our Hindu brethren and we believe in the common nationhood of India. We have seen the vision of our coming greatness and we are not going to submit to people who talk of pacts and conventions and the division of spoils when the thing which is to be divided is not even in our hands but in the hands of the foreigner. What is this Government of India Act for which we are fighting ? Some are trying to defend it and some.....

Some Honourable Members : Nobody defended it.

Mr. Abdul Qaiyum : I am very glad that so far as this Government of India Act is concerned, all the elected Members are unanimous that this Act must go ; and the reason is obvious. This is an Act which has been made by an alien Parliament which claims the right to legislate and to lay down the laws for our country. The time has come, Sir, when we Indians should announce from house-tops and on the floor of this House that we will no longer submit to this assertion of the British that they have a right to lay down the law for our country. We are not going to submit to dictation from abroad. We do not concede for a moment the right of any alien people to say what progress we should make and when we should make that progress. I submit, Sir, if Mr. Satyamurti's Resolution is understood, if it is read properly, it will be seen, that it is a challenge to this doctrine of the British people, their assertion that they can legislate and lay down the law for this country. After all, what is wrong with a Constituent Assembly ? Why should anybody be afraid of it. There are only two alternatives in this country—either we Indians have to live in peace and harmony or we should go and cut each others' throats and carry on a civil war till one party exterminates the other. I submit, Sir, it is not asserted that civil war should be the rule in the country. I believe, Sir, there is nobody in the House who advocates that we should go on cutting each others' throats. If we have to live in harmony, if we believe in democracy, if we believe in the rule of law, what is the harm if we set up a Constituent Assembly which should represent the rich and the poor, the highest classes and the depressed classes, the males and the females, Mussalmans, Hindus, Sikhs, in fact all the people who inhabit this country ? If such a Constituent Assembly is brought together and they deliberate and come to certain conclusions which are unanimously agreed to, where is the harm. If a constitution is set up in this country based on the joint deliberation of such an assembly, representing and depicting the will of the toiling millions of India, I cannot see what possible harm it can do. I am surprised at the Round Table Conference being brought in again and again. Who are the people who were sent to the Round Table Conference ? Were they the elected representatives of the people.

An Honourable Member : Mr. Gandhi was sent to the Conference.

Mr. Abdul Qaiyum : Leave aside Mahatma Gandhi. He is not in the Legislature, he is far above these things. I repeat, Sir, who are the people who were sent to England ? The British Government are very

[Mr. Abdul Qaiyum.]

clever, and they selected persons who would never come to terms. They never came to terms, and Mr. Ramsay MacDonald, the Premier of England, walked in and said: "My children, I am very sorry for you, you are unable to come to terms, let me frame a Communal Award for you", and that Communal Award is the cause of all the heart burning and all the trouble that we find. You find the Treasury Benches are having the time of their lives sitting and listening to the speeches, while, on this side of the House, people are flying at each others' throats. I submit, Sir, that this Constitution should go. We do not believe in a Constitution which has been framed by outsiders and which does not give us any power. The Reserve Bank cannot be touched, Foreign Affairs cannot be touched, the Army cannot be touched, all the things that really matter, all the things that really mean freedom and independence are in the hands of the British, and we are invited to bless this Act which has been framed by foreigners. I submit, Sir, I heartily support the Resolution which has been moved by Mr. Satyamurti, because I believe and I feel convinced that it represents the feelings of an overwhelming majority of Indians who believe in their coming freedom and who really mean to be free and are determined to rid themselves of this alien domination. (Applause.)

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : I had no intention to intervene in this debate at this stage, but the remarks made by Sardar Sant Singh really forced me to say a few words. Sardar Sant Singh really threw the entire blame for this Communal Award on the Muslims, and I will just remind him what happened at the Unity Conference at Allahabad at which Mr. Rajagopala Acharya presided. We had been setting this communal question, but ultimately it was the Sikh community who proved an obstacle. Now, the other thing that I should like to point out to him is that in the debate in the Assembly referred to by him, I put a question to him, "Is the Sikh community prepared to give up all the safeguards unconditionally?" and his reply was, they would, if the Muslims were prepared to do so. I ask him, again, is he prepared to give up all safeguards under the Communal Award?

Sardar Sant Singh : I will reply to the question which has been pointedly put to me. As in 1932, we are prepared to give up the safeguards, if the Mussalmans are prepared to give them up.

Dr. Ziauddin Ahmad : It really means that he is taking shelter under the Mussalmans. If he is so keen against the Communal Award, is it or is it not his duty that he should give it up as far as the Sikh community is concerned. I think if any person is opposed to the Communal Award, then it is his duty to set a good example and give it up. I believe it is quite illogical for the Sikh community to come forward and speak against the Communal Award when they are themselves enjoying its protection.

As regards the speech delivered by my friend, Mr. Abdul Qaiyum, I appreciate his remarks. Had I belonged to the Frontier Province, I would probably have said the same thing, because there, the Mussalmans, who form 91 per cent. of the population, are adversely affected by the Communal Award. The opinion of those who are in a majority in a particular province does not count so much as the opinion of those who

are in a minority in a province and whose interests have to be protected. What is the opinion of the Hindus and Sikhs in the N.-W. F. P.? Are they not demanding safeguards?

Now, I come to the Resolution, and I would like to point out practical difficulties in the actual working of the Constituent Assembly. In the first place, I should like to know how is the Constituent Assembly to be elected. They say it should be by adult franchise. We have got a good deal of experience of the recent election. Able men have no chance in election. Only those persons succeed in election who have the greatest capacity for canvassing, and are expert in propaganda work. It is not possible for any honest able man to get elected in the vast electorate unless he has special ability for carrying on propaganda in his favour....

An Honourable Member : How were you elected?

Dr. Ziauddin Ahmad : Fortunately I have a large number of my old pupils and friends all over India (Laughter) and I had their help. If we have adult franchise, we know how the votes will be secured : in my old constituency, I have seen how one of the candidates, Mr. C. Y. Chintamani, was misrepresented. Voters were told that he was not a man, but a woman (Laughter).....

An Honourable Member : A woman was opposing him!

Dr. Ziauddin Ahmad : He was not only called a woman, but something else—I do not like to repeat it on the floor of the House. If votes are secured by gross misrepresentation, am I not justified in drawing the inference that you are not really selecting the best men, but the men who know how to canvass best and play upon the simplicity of ignorant voters. The number of persons who can read and write is about 13 among the males, and about only 7 taking males and females together. So, out of 100, only 7 know how to read and write. The other 93 do not really understand what Constituent Assembly is or what the constitution of India Act is : they only ask whether they will be exempted from their rates and water taxes, and you have only to promise them even if you know that the demand is impossible. Therefore, the practical difficulties in bringing the Constituent Assembly into existence are enormous ; and whatever rhetorical speeches we may make here, the fact remains that only persons who can canvass best and make promises of remission and exemption of rent and taxes to the voters, will have best chances of success. I have gone through three hard contested elections, and in some cases, I got votes on the strength of *futwas* I had secured from some Maulvis.... (Laughter.)

Mr. M. S. Aney : An honest man!

Dr. Ziauddin Ahmad : Then comes the vexatious problem—the difficulty of election petitions and the elaborate rules that will have to be made. Therefore, a Constituent Assembly, such as is proposed in the Resolution, is unworkable. It is impossible to elect a body of men on adult franchise who will truly represent the views of the people. The views of the people are entirely different. If you go to a tenant, he wants exemption from rent. If you go to a zamindar, he wants a guarantee that the zamindari right will not be disturbed. So with other persons : they all want personal gratifications. The person elected will have to promise all things to all men—it will be impossible for him to fulfil every promise.....

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Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member has spoken for ten minutes. He has five minutes more. He can continue now and finish.

Dr. Ziauddin Ahmad : Few years ago, in Aligarh, some students compiled a special dictionary. In this dictionary, "resignation" means "vote of confidence". There are other words in the vocabulary. Just now I am preparing a dictionary for the Insurance Bill which I may read later on. But I mention, few words from the vocabulary of the present Resolution. If we say "wholly unacceptable", it really means "partially unacceptable", because the Honourable the Mover himself has said nothing about Provincial Autonomy. His condemnation was directed only to Federation. Provincial Autonomy is not unacceptable to him, so that Constitution is not wholly unacceptable, but only partially unacceptable. Another word from the vocabulary is "wrecking" by which we mean "working". (Laughter.) We know that all the Ministers in the Provinces have accepted office in order to wreck the Constitution, but really they are working it. The third word is "majority" which means the nation : the opinion of the majority party is expressed as the opinion of Indian Nation : minority means "non-existent" ; it does not exist : or, speaking mathematically, "minority" means "zero"—it has no value whatever. These are few words from the vocabulary of the Resolution. Later on, I will give some other words in connection with the Insurance Bill : there "poor man" really means the managing agent : there is no poorer man than he is.

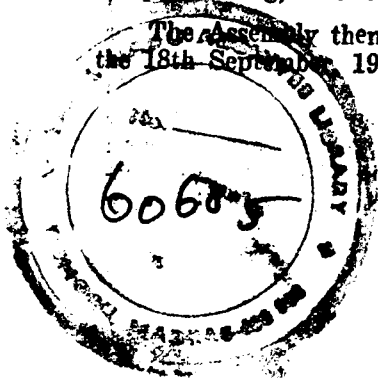
The crux of the whole matter is this, that the minority has no confidence in the majority. The moment the majority community shows generosity and wins the confidence of the minority, then my friends may rest assured that the minority will not demand safeguards and will follow them, and, so long as the minority has no confidence in the majority, it is absolutely impossible to have a Constitution of the type which the Mover has in mind. Take the example of Egypt.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

Dr. Ziauddin Ahmad : Very well, Sir, I sit down.

The Honourable Sir Nripendra Sircar : With your permission, Sir, I desire to make a statement to the House. With the consent of the Leaders of the Parties, it has been arranged that the motion for the ratification of sugar convention will be taken up on the 27th, instead of on the 20th, so that next week we shall have the Insurance Bill. But at the rate we are progressing, I doubt whether we shall be able to finish it next week.

The Assembly then adjourned till Eleven of the Clock on Saturday, the 18th September, 1937.



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