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LEGISLATIVE ASSEMBLY

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THE HONOURABLE SIR ABDUR RAHIM, K.C.S.I.

Deputy President:

MR. AKHIL CHANDRA DATTA, M.L.A.

Panel of Chairmen:

LIEUT.-COLONEL SIR HENRY GIDNEY, M.L.A.

MR. L. C. BUSS, M.L.A.

SIR COWASJI JEHangIR, BART., K.C.I.E., O.B.E., M.L.A.

Secretary:

MIAN MUHAMMAD RAFI, BARRISTER-AT-LAW.

Assistants of the Secretary:

MR. M. N. KAUL, BARRISTER-AT-LAW.

KHAN BAHADUR S. G. HASNAIN.

Marshal:

CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Petitions:

MR. AKHIL CHANDRA DATTA, M.L.A., *Chairman.*

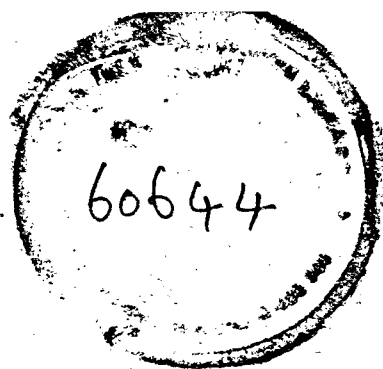
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SIR ABDUL HALIM GHUZNVI, M.L.A.

MR. N. M. JOSHI, M.L.A.

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CORRIGENDA.

In the Legislative Assembly Debates, Autumn Session, 1941, Volume IV,—

(1) No. 1, dated the 27th October 1941,—

(i) Page 1, line 12 from the bottom, *for* "Babu Ananga Mohan Dam", *read* "Mr. Ananga Mohan Dam";

(ii) Page 16, in the footnote, *insert* the word "question" *after* the word "this";

(iii) Page 80, line 19 from the bottom, *read* "in" *for* "n"; and

(iv) Page 97, line 10, *for* "Mr. Govind V. Deshmugh" *read* "Mr. Govind V. Deshmukh";

(2) No. 4, dated the 30th October, 1941, page 266, line 2, of footnote, *for* "189" *read* "187";

(3) No. 5, dated the 4th November, 1941, page 342,

line 3, *for* the word "as" *read* the word "at";

(4) No. 7, dated the 7th November, 1941, page 463, in the subject heading to starred question No. 84, *for* "Deputationist" *read* "Deputationists";

(5) No. 10, dated the 12th November, 1941,—

(i) Page 663, line 18, part (a) of Answer to Question No. 146 *for* '273' *read* '278'.

(ii) Page 683, line 12 from the bottom, *for* "promised" *read* "promised"; and

(iii) Page 696, line 8 from the bottom, *for* "hostory's" *read* "history's";

(6) No. 13, dated the 17th November, 1941, page 902, line 22 from the bottom *for* "sown" *read* "own".

THE
LEGISLATIVE ASSEMBLY DEBATES
(OFFICIAL REPORT OF THE FOURTEENTH SESSION OF THE
FIFTH LEGISLATIVE ASSEMBLY)

VOLUME IV—1941

LEGISLATIVE ASSEMBLY

Monday, 27th October, 1941.

The Assembly met in the Assembly Chamber of the Council House in New Delhi, at Eleven of the Clock, being the First Day of the Fourteenth Session of the Fifth Legislative Assembly, pursuant to Section 63-D (2) of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935. Mr. President (The Honourable Sir Abdur Rahim, K.C.S.I.) was in the Chair.

MEMBERS SWORN.

- The Honourable Sir Hormusji Peroshaw Mody, K.B.E. (Supply Member);
- The Honourable Sir Sultan Ahmad (Law Member);
- The Honourable Mr. Madhao Shrihari Aney (Member for Indians Overseas);
- Babu Ananga Mohan Dam, M.L.A. (Surma Valley *cum* Shillong: Non-Muhammadan);
- Mr. Henry Carlos Prior, C.I.E., M.L.A. (Labour Secretary);
- Mr. Geoffrey Stephen Bozman, C.I.E., M.L.A. (Overseas Secretary);
- Mr. John Francis Sheehy, C.S.I., M.L.A. (Government of India: Nominated Official);
- Mr. Charles William Ayers, C.I.E., M.L.A. (Government of India: Nominated Official);
- Mr. Venilal Tribhovandas Dehejia, M.L.A. (Government of India: Nominated Official); and
- Mr. Tinnevelly Sellamier Sankara Aiyar, C.I.E., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

PURCHASES OF CLOTH BY THE SUPPLY DEPARTMENT FOR THE PURPOSES OF THE DEFENCE DEPARTMENT.

1. *Sir Abdul Halim Ghuznavi (on behalf of Dr. Sir Ziauddin Ahmad) :
- (a) Will the Honourable Member for Supply be pleased to state the prices paid by the Supply Department for the various qualities of cloth purchased for the Defence Department in September 1939, September 1940 and September 1941?
 - (b) What is the total quantity purchased by the Government for the Defence Department in 1939-40, 1940-41 and the first six months of 1941-42?
 - (c) What are the quantities they propose to purchase during the second half of 1941-42? What are the quantities they propose to purchase during the year 1942-43?
 - (d) Do Government expect that they will be able to make their purchases of cotton piece-goods approximately at the prices they have been paying so far? If not, why not?
 - (e) Do Government propose to pay higher prices than those they have paid in the past? Will they be pleased to state the reasons?
 - (f) If the answer to part (e) be in the affirmative, and if the increase in prices is not due to increase of cost of production, what steps do Government propose to take to ensure reasonable prices being paid by the Supply Department for the Defence Department?

The Honourable Sir H. P. Mody: As regards parts (a), (b) and (c) the information is being collected and will be placed on the table of the House in due course.

With regard to (d), (e) and (f) Government are not in a position to make any statement at this stage. The whole question is under consideration, and I hope to make an early statement.

Mr. Lalchand Navalrai: May I know from the Honourable Member if prices have risen on account of exorbitant prices being given by the Supply Department in purchasing materials?

The Honourable Sir H. P. Mody: I am not aware of that.

Mr. Lalchand Navalrai: Will the Honourable Member make enquiries and let us know? We must have some information on that.

The Honourable Sir H. P. Mody: I said that I was making a statement, but I may as well say at this stage that it is not correct that prices have risen because of what is being offered to the trade by the Supply Department.

Mr. Lalchand Navalrai: May I know from the Honourable Member if up to now purchases have been made at a higher price than what is ruling in the market?

The Honourable Sir H. P. Mody: It is entirely the other way about.

Mr. Lalchand Navalrai: May I also know if large commissions are being given to the contractors, and, therefore, prices rise?

The Honourable Sir H. P. Mody: I am not aware of that.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether prices have risen in the country on account of the Supply Department's materials being purchased?

The Honourable Sir H. P. Mody: To the extent that the Supply Department's requirements eat into the available stocks or available production in the country, to that extent it may be true, but it is not true that the Supply Department's operations have tended to raise prices. I have already told my Honourable friend that the Department pays much lower prices than what are charged by the industries concerned.

Mr. Lalchand Navalrai: Has the Honourable Member made any attempt, or have the Supply Department officials made any attempt to ask the Government to control the prices in the country so that there may not be exorbitant prices?

The Honourable Sir H. P. Mody: My Honourable friend might address that to my Honourable colleague, the Commerce Member.

Mr. Lalchand Navalrai: I am asking from the Supply Department whether they have made any attempt. The Honourable Member is new.

Mr. President (The Honourable Sir Abdur Rahim): Is that the business of the Supply Department?

Mr. Lalchand Navalrai: I am also asking the Supply Department. The Honourable Member is in charge of the Supply Department.

Mr. President (The Honourable Sir Abdur Rahim): Is it one of the functions of the Supply Department to control prices?

The Honourable Sir H. P. Mody: The Supply Department has enough troubles of its own without wanting to add to them.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether, on account of these troubles, no further progress has to be made?

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

Lieut.-Colonel M. A. Rahman: With regard to part (a) regarding the various qualities of cloth purchased for the Defence Department, may I know whether this includes first field dressings manufactured in India?

The Honourable Sir H. P. Mody: Well, it includes everything in the way of textiles and if my Honourable friend is interested particularly in this question of the prices paid for dressings, I will see that the statement includes them.

Lieut.-Colonel Sir Henry Gidney: In view of the reply given by the Honourable Member, will he inform this House whether or not prices have risen considerably of late. If so, and in view of the fact that he denies it is due to the high prices given by Government, could he tell us what are the other reasons which have led to these high prices?

The Honourable Sir H. P. Mody: The very simple reason, namely, the lag between supply and demand.

Mr. Husenbhai Abdullabhai Laljee: Has not the cost of labour and other charges gone up?

The Honourable Sir H. P. Mody: Everything has gone up.

Maulvi Abdur Rasheed Chaudhury: With reference to clause (c) of the question, may I know the amount paid in 1939-40, 1940-41 and the first six months of 1941-42?

The Honourable Sir H. P. Mody: The information is being collected.

BENEFITS ACCRUING TO INDIA UNDER THE LEASE AND LEND ACT OF THE UNITED STATES OF AMERICA.

2. ***Sir Abdul Halim Ghuznavi** (on behalf of Dr. Sir Ziauddin Ahmad):

(a) Will the Honourable Member for Supply be pleased to state whether India will be allowed any stores for the Defence Department under the Lease and Lend Act of the United States of America? If so, on what terms?

(b) What are the main categories of articles that will be supplied to India under the Lease and Lend Act?

(c) Have arrangements been made to ensure that India gets the same advantage under the Lease and Lend Act as the United Kingdom?

The Honourable Sir H. P. Mody: I should like to make it clear at the out-set that final discretion regarding the acceptance of any requisition from any Empire country under Lease/Lend rests with the American Administration. It is not, therefore, possible for the Government of any indenting country to express a definite opinion on what will be allowed or supplied, or on what the American attitude will be towards different Empire countries. That attitude will be determined by the American Government's own appreciation of the war position and the conditions and needs of the various countries.

Subject to this fundamental consideration answers are given below to the Honourable Member's three points.

(a) It is open to India to place requisitions under the Lease and Lend Act on the same terms as any other Empire country. The articles sought must be essential for India's war effort and full particulars of urgency, contemplated use, etc., have to be given.

(b) The main categories of articles which India may hope to receive are:

(i) Munitions and vehicles and other articles for the use of the Defence forces;

((ii) other articles considered essential for the country's war effort and not procurable elsewhere. Separate memoranda have already been prepared in regard to many of these articles, such as steel, telephones, agricultural, road-making and haulage machinery, oil, and railway, dock and harbour equipment.

((iii) The guiding criterion, however, is not a definitive list, but essentiality for the war effort, and the examples given are not exhaustive. As time goes on, essentiality for the war effort involving procurement from the United States of America may be expected to develop.

(c) Subject to the general considerations indicated in the introduction to this answer, 'Yes'.

Pandit Lakshmi Kanta Maitra: May I know if there is any agency of the American Administration in this country to look after these matters?

The Honourable Sir H. P. Mody: No. There is an agency of the Government of India in America, as the Honourable Member knows.

Pandit Lakshmi Kanta Maitra: Do I understand that all these applications for requisition of stores for military purposes or otherwise have got to be addressed direct to the Agent of the Government of India in America? Does it not involve a lot of delay?

The Honourable Sir H. P. Mody: My Honourable friend has not understood the procedure. They are all put through the Government of India and re-transmitted to the Indian Purchasing Mission in America which in consultation with the other purchasing missions puts through these indents in bulk through His Majesty's Government.

Pandit Lakshmi Kanta Maitra: Is it in the contemplation of the Government of India to see to it that an agency of the American Government is set up here to expedite matters?

The Honourable Sir H. P. Mody: I am not aware of any demand for that purpose from any quarter. I do not think that there is any difficulty whatsoever in the way of indentors placing indents, provided they fall within the category of war requirements.

Pandit Lakshmi Kanta Maitra: In some cities in India, for instance, Calcutta, Bombay and Karachi, there are already in existence some officers under the Lease and Lend Act under American supervision?

The Honourable Sir H. P. Mody: No.

Mr. Lalchand Navalrai: May I know if any attempt has been made or any reference has been made to the United States in order to have their help in the purchase of stores under the Lease and Lend Act?

The Honourable Sir H. P. Mody: Transactions are being put through continually under the Lease and Lend Act.

Mr. Lalchand Navalrai: What has been the result of that?

The Honourable Sir H. P. Mody: We are getting the stuff.

Mr. Lalchand Navalrai: Under the Lease and Lend Act?

The Honourable Sir H. P. Mody: Yes.

Lieut.-Colonel Sir Henry Gidney: When the Honourable Member referred to munitions, may I know whether he includes in that aircraft, locomotives and anti-aircraft guns?

The Honourable Sir H. P. Mody: Special arrangements are made so far as they are concerned.

Lieut.-Colonel Sir Henry Gidney: From America?

The Honourable Sir H. P. Mody: Yes, from America.

BENEFITS ACCRUING TO INDIA DUE TO THE CONSTITUTION OF THE EASTERN GROUP SUPPLY COUNCIL.

3. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Supply be pleased to state if the Eastern Group Supply Council was constituted in India, having one of its objects to fully exploit the potential resources of India and make her self-sufficient in regard to her defence requirements?

(b) If the reply to part (a) be in the affirmative, what progress has been made in that direction? If the answer to part (a) be in the negative; what were the objects for the creation of the Eastern Group Supply Council?

(c) Is the Honourable Member aware of the recent statement of Mr. M. S. A. Hydari, C.I.E., I.C.S., in this connection to the effect that mainly the object of the Eastern Group Supply Council is the efficient procurement of war supplies, using the Group as a vast unit of supply? If so, what has the Council really done, or is going to do, for this country, and what has Mr. Hydari done, or proposes to do, for Indian war requirements as a Member of this country on the Group?

(d) What assurance has this country got that, where there are alternative sources of supply within the Group countries, India would get a fair share?

(e) Has any assurance been given that, in case of any new industries being established, or existing ones expanded, India's claim will be duly considered?

(f) What safeguards are provided by the Government of India against any likelihood of the interests of India being subordinated to other interests in the Group?

(g) Has the Eastern Group Council established any new industry, or expanded any old one, in India, or within any Group country? If so, which and where?

The Honourable Sir H. P. Mody: (a) and (b). The Eastern Group Supply Council was constituted as a body representative of His Majesty's Government in the United Kingdom, Australia, New Zealand, South Africa, and India with the object of making the fullest possible use of the war supply potential of the Eastern Group Countries.

(c) The Council is not concerned with India only; as explained above it has dealings with and draws upon all the Eastern Group Countries. It has placed very large orders upon India.

(d) and (f). There is no question of the subordination of the interests of one country to those of another. The problem so far has been to obtain supplies in adequate quantities and when capacity for a particular supply item exists in two or more countries, the whole of it is normally used.

(e) The Council has no power to override a decision by a Group Country to establish a new industry or to expand an existing industry on its own account. In every case referred to the Council for the establishment of new factories in India partly or wholly, for the purposes of His Majesty's Government in the United Kingdom, India has received the fullest encouragement and support.

(g) Not directly; the Council has advised on a number of cases in the sense indicated in my reply to part (e) above.

Mr. Lalchand Navalrai: Since the Eastern Group Council has been established, have any industries been started with the help of the Group?

The Honourable Sir H. P. Mody: That has been covered by the reply already given. It is not for the Group to dictate what industries shall or shall not be established in India. The Government of India take independent action in that matter, but if His Majesty's Government or any other Government want a particular industry to be established in India, the Eastern Group Supply Council's co-operation is sought. That co-operation has always been forthcoming.

Mr. Lalchand Navalrai: That is exactly what I want to know. Have Government ever asked for any industries being established here with the help of the Group, or with the help of other countries within the Group, and what has been the result?

The Honourable Sir H. P. Mody: Several industries have been established and are in the process of being established like cables, sulphur and other products. If my Honourable friend wants fuller information, I shall want notice of that question.

Pandit Lakshmi Kanta Maitra: Will the Honourable Member kindly inform the House as to what is the exact relationship between the Eastern Group Supply Council and the Supply Department of the Government of India. Is there no duplication of activities?

The Honourable Sir H. P. Mody: No. The Eastern Group Council places orders on the Supply Department, and the Supply Department executes those orders through the agencies with which it is in touch.

Pandit Lakshmi Kanta Maitra: Do I understand that the Supply Department simply carries out certain orders placed with it by the Eastern Group Council?

The Honourable Sir H. P. Mody: The Supply Department is merely the agency for the execution of orders placed upon it either by the Defence Services or by the Eastern Group.

Pandit Lakshmi Kanta Maitra: May I take it that the Supply Department has not got any initiative of its own? It cannot of itself recommend that any particular industries be established?

The Honourable Sir H. P. Mody: The Supply Department has got the initiative in this sense—if there are no sources through which it can execute the requisitions which are placed upon it, then it seeks to establish industries for that specific purpose. The Supply Department has got a planning section for that very purpose.

Mr. Lalchand Navalrai: May I know from the Honourable Member if the other countries which are within the Group have supplied any materials to India for Indian defence only?

The Honourable Sir H. P. Mody: Of course. That is the basis of the whole Supply Group Council's existence. The Council receives orders from various quarters and then it allocates them between the various countries according as the supplies are available and to that extent, whenever India requires supplies from other countries, they are obtained.

Mr. Lalchand Navalrai: May I know if India has applied for them and got them?

The Honourable Sir H. P. Mody: In the matter of food-stuffs, woollen textiles and so on, we are all the time approaching other Dominion Governments for supplies.

Pandit Lakshmi Kanta Maitra: May I ask whether the Eastern Group Supply Council is under the control and supervision of the Honourable Member's Department?

The Honourable Sir H. P. Mody: No, Sir.

Pandit Lakshmi Kanta Maitra: In that case, who exercises the jurisdiction of superintendence over this Council?

The Honourable Sir H. P. Mody: The various Governments' representatives sit on the Council. If anybody has any supervision over the Council, I do not know whether he can be said to be exercising any control.

Pandit Lakshmi Kanta Maitra: I am asking as a matter of information. I want to know whether the Government of India as such have got any control over this Council.

The Honourable Sir H. P. Mody: They have none. It is not a Department of the Government of India.

Pandit Lakshmi Kanta Maitra: Is it not financed by the Government of India?

The Honourable Sir H. P. Mody: No.

Pandit Lakshmi Kanta Maitra: Do the Government of India share any portion of the administration of this Department?

The Honourable Sir H. P. Mody: Only to the extent of its representation on the Council. India has no further responsibility for the Council or its activities.

Pandit Lakshmi Kanta Maitra: I am asking whether any financial obligation on the part of the Government of India is involved in it and whether the Government of India pays for a part of the establishment of the Council, and so on?

The Honourable Sir H. P. Mody: India pays for the Indian Representative and his staff and makes a contribution to the joint expenditure. The joint expenditure is as follows: Fifty per cent. is paid by His Majesty's Government and the balance by India and the Governments of Australia, New Zealand and South Africa.

Maulvi Abdur Rasheed Chaudhury: With reference to part (d) of the question, may I ask whether the Eastern Group Supply Council is trying to establish automobile industry in this country?

The Honourable Sir H. P. Mody: They are not.

Mr. Husenbhai Abdullahhai Laljee: May I ask whether the indents that we received from the Eastern Group Supply Council are with regard to the civil requirements as well as war requirements?

The Honourable Sir H. P. Mody: With regard to war requirements only.

REPRESENTATION OF MINORITIES IN STATE-MANAGED RAILWAY SERVICES.

4. ***Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Railways be pleased to state whether recommendation No. (iii) in paragraph 182 of Mr. DeSouza's Report on representation of minorities in State-managed Railway services, regarding the officer who is directly subordinate to the other officers on the Selection Board, not being allowed to sit in the Selection Board, has been accepted?

(b) If the reply to part (a) above be in the affirmative, will he please lay a copy of the orders on the table of the House? If not, why not?

(c) Is it proposed to abolish the system of the Assistant Officers being on the Selection Boards for recruitment to subordinate service, unless such an officer enjoys the status of a Divisional or senior scale officer? If not, why not?

(d) Is it a fact that the DeSouza Report recommends setting up of a Railway Services Commission? Has the recommendation been accepted? If so, what arrangements have been made to put this recommendation in effect?

(e) If the recommendation has not been accepted, what are the reasons for its non-acceptance?

(f) Has the Honourable Member's attention been drawn to the observations made in Chapter VIII of the Report regarding recruitment to subordinate railway services through Selection Boards and state whether competitive examinations are likely to be introduced for such recruitment? If not, why not?

The Honourable Sir Andrew Clow: (a) to (f). The D'Souza Report is still under the consideration of Government, who propose to consult the Central Advisory Council for Railways. No decision has, therefore, been taken on any of the main recommendations in the Report.

Sardar Sant Singh: Do Government propose to allot some day during this Session to discuss the recommendations contained in the report of the D'Souza Committee?

The Honourable Sir Andrew Clow: We propose to consult the Central Advisory Council for Railways which will meet this Session.

Sardar Sant Singh: I want to know whether Government propose to allot a day for the Members of the House to discuss that report?

The Honourable Sir Andrew Clow: There are Members of this House who are on the Central Advisory Council.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member's reply has been very unsatisfactory as far as I am concerned. Will the Honourable Member tell us what is the use of consulting the Central Advisory Council when this House is sitting which is representative of the people of India? I would like to know whether the Honourable Member is prepared to allot a particular day to tell this House how this matter is to be settled or is being settled without waiting for the views of the Central Advisory Council?

The Honourable Sir Andrew Clow: No, Sir. As you will remember, Sir, there was some discussion on this question at the end of the last Session as a result of which it was ascertained that the House would not agree as to its discussion on the floor of the House, and I agreed that the matter should be referred to the Central Advisory Council. It came up before that Council at its last meeting when they asked for further time. I, therefore, propose to bring it up again at the next meeting of that Council.

Pandit Lakshmi Kanta Maitra: Last time this report could not be considered because the matter was brought at a time when there was not much time left for its consideration by this House, and not that the House refused to devote any time to it.

The Honourable Sir Andrew Clow: So far as I recollect, that was not the reason.

INSUFFICIENT RECRUITMENT OF SINDHIS TO THE SUBORDINATE SERVICES ON NORTH WESTERN RAILWAY.

5. ***Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that complaints are made by Sind people that a large number of subordinate service posts are given to non-Sindhis even on that part of the railway which serves the Province of Sind?

(b) Is it a fact that representations to this effect were made by the Sind Government to the Railway Board? If so, how has the same been disposed of?

(c) Will the Honourable Member be pleased to state how many Sindhis out of all the candidates taken by the North Western Railway were recruited in each of the years 1938 to 1941 and in which categories?

(d) How many posts will fall to the lot of Sindhis by recruitment on the proportional basis of earning of each division of the North Western Railway and on the territorial basis?

(e) Do Government propose to appoint a committee of some officers to adopt some equitable methods of adjusting the just and equitable proportion of appointments to Sindhis—both Hindus and Muhammadans? If not, how do Government propose to remove their grievance against the selection system?

The Honourable Sir Andrew Clow: (a) Some complaints of the nature referred to by the Honourable Member have been made.

(b) The answer to the first part is in the affirmative; as regards the second part, the Sind Government has been furnished with the considered views of the Central Government.

(c) Government have no information as statistics are not maintained on a territorial basis.

(d) It is not proposed to adopt the bases suggested.

(e) As regards the first part, the reply is in the negative. As regards the second, Government see no necessity to alter the existing system under which Sindhis have the same opportunities of obtaining employment on the North Western Railway as those of other Provinces.

Mr. Lalchand Navalrai: Will the Honourable Member make inquiries and find out whether Sindhis get their proper share in the recruitment as these complaints are being made for a long time now?

The Honourable Sir Andrew Clow: I do not think they get the same proportionate representation, because they do not produce the same number of qualified candidates.

Mr. Lalchand Navalrai: Is there any way out of it, so that they may get a fair chance of getting their due?

The Honourable Sir Andrew Clow: They get their fair chance.

Mr. Lalchand Navalrai: I would like to know what reply has been given to the Sind Government?

The Honourable Sir Andrew Clow: I do not think I would be prepared to put the reply on the table without prior consultation with the Sind Government.

Mr. Lalchand Navalrai: The Honourable Member might say whether any hope has been given or whether they will be left in the lurch?

(b) Is it a fact that the Government of India have already taken steps to provide for a majority of Indians in the Madras Port Trust?

(c) Is it a fact that there is great demand in all sections of Indians for a majority of Indian members in all Port Trusts in India?

(d) If so, are Government prepared to provide for a majority of Indian members in the Chittagong and Calcutta Port Trusts by necessary modification of the Chittagong Port Act and the Calcutta Port Act? If not, why not?

The Honourable Sir Andrew Clow: (a) No. There are at present four Indian and eight European Commissioners.

(b) I would refer the Honourable Member to the Madras Port Trust (Amendment) Bill which was introduced in this House on the 28th February last.

(c) Representations to this effect have been received from time to time from the Federation of Indian Chambers of Commerce and Industry and other Indian commercial bodies.

(d) The answer is in the negative. Government have no reason for believing that a redistribution of seats in the manner suggested by the Honourable Member would result in more equitable representation of those concerned in the trade of the ports.

DISPOSAL OF PETITIONS, NOT BEING APPEALS, TO HIGHER AUTHORITIES THAN DIVISIONAL SUPERINTENDENTS ON RAILWAYS.

†9. ***Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 409 asked in this House on the 20th March, 1936, viz., "All appeals and petitions to the authorities higher than the Divisional Superintendent are forwarded to the authorities concerned if such appeals lie to them," and state the difference between an appeal and a petition?

(b) Are petitions not forwarded, if an appeal does not lie?

(c) Is forwarding of a petition conditional to the laying of an appeal? If so, under which statute or regulation?

(d) What is the procedure regarding disposal of petitions to authorities higher than the Divisional Superintendent when they are not petitions of appeals?

The Honourable Sir Andrew Clow: (a) A petition is a communication addressed to the Governor General in Council and is defined in Rule 1(2) of Appendix XV to the State Railway Establishment Code, Vol. I, a copy of which is in the Library of the House. An appeal is a communication submitted in accordance with paragraphs 1717 and 1731 of the same Code.

(b) They can be and are withheld in a number of such cases.

(c) I am not entirely clear as to the information desired by the Honourable Member. It is not necessary to present a separate petition in order to have an appeal considered, but the appeal itself has to be made in writing.

†Answer to this was laid on the table, the questioner being absent.

(d) If a petition addressed to the Governor General in Council through the proper channel is not withheld by any lower authority empowered to do so in terms of the rules prescribed therefor, it is submitted to the appropriate authority which after consideration passes the order it thinks fit.

AUTHORITY FOR FRAMING OF RAILWAY RULES IN RESPECT OF CERTAIN MATTERS.

†10. ***Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways please refer to the reply given to starred questions Nos. 1058 and 1059 asked in this House on the 10th October, 1936, viz.: "The rules relating to the other matters referred to in these two questions are not framed under the enabling provisions of the Indian Railways Act," and state the particulars of the statutes or ordinances under which rules relating to the other matters referred to in those two questions are framed?

The Honourable Sir Andrew Clow: The statutory provision authorizing the framing of rules of this character is section 241(2) of the Government of India Act, 1935.

EXAMINATION IN TELEGRAPHY HELD AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI, IN 1941.

†11. ***Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways please state whether it is a fact that an examination in Telegraphy was held at the East Indian Railway School of Transportation, Chandausi, on the 12th and 13th August, 1941?

(b) Is it a fact that the persons who failed in that examination were never re-examined thereafter?

(c) Is it a fact that some of them were re-examined on the 14th August, 1941? If so, who were they, and what were the reasons for re-examining a few and not all those who failed?

(d) Is it a fact that a fee was paid for the re-examination? If so, what was the total amount credited to the Railway revenues on this account? If none, why not?

The Honourable Sir Andrew Clow: I have called for information and a reply will be laid on the table of the House in due course.

UNSTARRED QUESTIONS AND ANSWERS.

PROPOSAL FOR THE INTRODUCTION OF THE MESSAGE RATE SYSTEM IN CERTAIN TELEPHONE EXCHANGES IN INDIA.

1. **Mr. Lalchand Navalrai:** (a) Will the Honourable the Communications Member be pleased to state if it is the intention of Government to introduce the message rate system in certain telephone exchanges in India? If so, in which exchanges is it proposed to do so?

(b) If the answer to part (a) be in the affirmative, will the Honourable Member be pleased to state how much profit, over and above the income yield under the present system, Government expect to get and what are the reasons for the change?

†Answer to this question was laid on the table, the questioner being absent.

(c) Has the Director General of Posts and Telegraphs received a communication from the Committee of the Indian Chamber of Commerce, Calcutta, against the introduction of the new system as an enormous burden on the existing subscribers, affecting the commercial community specially small traders who would not be able to bear the burden? If so, what reply has been sent to them?

(d) What do Government propose to do in the matter to relieve the hardship that is likely to be caused on the introduction of message rate system?

The Honourable Sir Andrew Clow: (a) Yes, in Amritsar, Jullundur, Dehra Dun, Cawnpore and Poona.

(b) The Message Rate System is not designed primarily to secure an increase of revenue and no accurate estimate of the extra revenue that may accrue is possible. The main reason for its introduction is that it is considered to be more equitable than the Flat Rate System to Telephone users as a whole, and to be more advantageous to the small user.

(c) Yes, on the 21st October last. A copy of a note explaining the implications of the Message Rate System has been forwarded to them in reply.

(d) Government do not agree that the introduction of the Message Rate System will result in hardship. The small user will benefit while the large user will pay according to the use he makes of the service.

PREFERENCE TO MEMBERS OF THE MINORITY COMMUNITIES IN THE MATTER OF TRAINING FOR HIGHER APPOINTMENTS ON RAILWAYS.

2. Mr. Lalchand Navalrai: (a) With reference to the Honourable the Railway Member's reply to part (d) of my unstarred question No. 220, asked on the 28th March, 1941, in regard to giving preference to the members of the minority communities in the matter of training for higher appointments, will he please state the result of the reconsideration of the question?

(b) Why was this discrimination introduced in the matter of training, and what action does the Honourable Member propose to take to see that instructions which offend against the Government of India Resolution for 4th July, 1934, on the subject of minority communities, are not allowed to be issued? If not, why not?

The Honourable Sir Andrew Clow: (a) It has been decided to defer the issue of any orders until conclusions have been reached on Mr. D'Souza's report.

(b) The orders were the result of an interpretation placed by the North Western Railway on the orders issued by the Railway Board on the relevant recommendations in Mr. Hassan's report. As I have stated, the question of issuing fresh orders will be considered in connection with the consideration of Mr. D'Souza's report.

CERTAIN BOOK PUBLISHED BY RAI SAHIB LAKSHMAN PRASAD, SUPERINTENDENT, RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

3. Mr. Muhammad Azhar Ali: Does the Honourable Member for Railways propose to place in the Library of the House the book published by Rai Sahib Lakshman Prasad, Superintendent, Railway School of Transportation, Chandausi, East Indian Railway, the proof copies of which can

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be had on Rs. 2/8/- from Messrs. Bhargava and Company, Chandausi, and will the Honourable Member state the reasons for the said Superintendent prescribing the said book for the course in addition to the syllabus?

The Honourable Sir Andrew Clow: The reply to the first part is in the negative. As regards the second part information is being obtained and a further reply will be laid on the table of the House.

RAILWAYS AFFORDING OPPORTUNITY FOR AN EXPLANATION TO ITS EMPLOYEES BEFORE ADVERSE REPORTS ARE RECORDED AGAINST THEM.

4. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 189, asked in this House on the 14th November, 1932, viz.: "on some railways the general practice is to give the railway employees concerned an opportunity of giving an explanation before adverse reports are recorded" and state the particulars of the 'some railways' where the practice is observed?

The Honourable Sir Andrew Clow: Government have now no information of the particular railways which were intended to be covered by the statement quoted by the Honourable Member as the papers connected therewith have since been destroyed. The present practice in this matter on State-managed Railways is, however, regulated by the rules in Section II of Chapter XVI of the State Railway Establishment Code, Volume I, a copy of which is in the Library of the House.

AUTHORITY FOR DEPRIVING A RAILWAY EMPLOYEE OF THE RIGHT OF APPEAL AGAINST ADVERSE REMARKS IN CHARACTER ROLL.

5. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given to starred question No. 1250, asked in this House on the 15th October, 1936, viz.: "No appeal ordinarily lies against such remarks", and state the particulars of the provisions of the Government of India Act, or of the Indian Railways Act, or of Rules made thereunder which deprive an employee of the right of appeal against such remarks?

The Honourable Sir Andrew Clow: Confidential Reports on railway servants and the rules regulating these are not prescribed by any statute; the current rules have been framed by the Governor General in Council in virtue of the powers granted to him under section 241 (2) of the Government of India Act, 1935. It is not considered necessary to provide for a right of appeal against remarks made in a Confidential Report. As there are no rules creating a right of appeal, it is not necessary to frame rules depriving employees of such a right.

RAILWAYS ENFORCING AN INTERVENING RELIEVING DUTY PERIOD ON QUALIFIED ASSISTANT STATION MASTERS PROMOTED AS STATION MASTERS BEFORE THEIR PERMANENT POSTINGS.

6. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 355, asked in this House on the 13th March, 1936, viz.: "It is the general policy of the North Western Railway Administration to post Assistant Station Masters qualified in Station Master's duties on promotion to

now the same amount of subsidies to the Imperial Airways, the National Airways and the P. and O. Company?

The Honourable Sir Andrew Clow: The Government of India give no subsidy to "Imperial Airways" but possibly the Honourable Member has in mind the contributions they make to His Majesty's Government towards the cost of operation of the Empire Air Services. The question of revising these contributions is under correspondence with His Majesty's Government.

As regards Indian National Airways, a token cut of Rs. 1,000 has been made in the amount payable to the Company under the agreement for the operation of the Karachi-Lahore air mail service, but in lieu of the reduced mail services on the Karachi-Lahore route, the Company are now operating two air mail services a week between Lahore and Delhi and two passenger services a week between Delhi and Calcutta.

The Government of India give no subsidy to the P. and O. Company. That Company is under contract with the British Post Office and payments for despatch of mails from India by the Company's services is made by the Indian Postal Administration to the British Post Office with whom the question of reduction in payment for the use of the Company's services is now under correspondence.

Mr. Govind V. Deshmukh: What was the amount of contribution that was being made, and on what lines are the proposals which are now being made?

The Honourable Sir Andrew Clow: I cannot answer the question of the amount of contributions made without notice. I think the figures were placed on the table of the House on some previous occasion.

Mr. Govind V. Deshmukh: Will the Honourable Member lay on the table of the House a copy of the correspondence with regard to this?

The Honourable Sir Andrew Clow: I am not prepared to disclose that.

Pandit Lakshmi Kanta Maitra: Is it not a fact that the P. and O. have been receiving a sum of fifteen lakhs of rupees as subsidy from the Government of India for the carriage of mails? May I know if any reduction has been made in that amount during the last two years since the outbreak of the war?

The Honourable Sir Andrew Clow: The Government of India give no subsidy to P. and O.

Pandit Lakshmi Kanta Maitra: You may call it a contribution or by any other name. I am not quarrelling about the words. I am asking the Honourable Member if it is not a fact that the Government of India have been paying a sum of fifteen lakhs a year to the P. and O. for carriage of mails?

The Honourable Sir Andrew Clow: The Government of India do not pay any subsidy or contribution to P. and O. They make a contribution to the British Post Office and I understand it is nothing like as much as the figure which the Honourable Member gives.

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Mr. Lalchand Navalrai: May I know if the Imperial Airways are giving the same service or reduced service now?

The Honourable Sir Andrew Clow: "Imperial Airways" is not in existence now.

Mr. Govind V. Deshmukh: What was the nature and the extent of the services rendered by the different companies before the war and after the war?

The Honourable Sir Andrew Clow: I cannot give accurate details of the number of services without notice. As far as I remember before the outbreak of the war, five air mails were coming to India weekly across the Mediterranean.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member prepared to contradict me if I say that fifteen lakhs is paid by the Government of India in that respect?

The Honourable Sir Andrew Clow: A great expert sitting behind me...

Mr. Govind V. Deshmukh: He is no longer a postal expert, he is a military expert.

The Honourable Sir Andrew Clow: He is an expert and he places it in the order of £20,000 to £30,000 a year.

Pandit Lakshmi Kanta Maitra: May I take it that since the outbreak of war, the same payment is being continued, though the mails have been very irregular?

The Honourable Sir Andrew Clow: The matter is under negotiation. But I would also point out that the difficulties in carrying mails have been greatly enhanced.

Pandit Lakshmi Kanta Maitra: Is it a fact that the Indian Chamber of Commerce, Calcutta, addressed a communication to the Honourable Member's department drawing attention to this fact that the mails have been coming very irregularly in these days and that the contribution of the Government of India on the old scale is untenable and that it should be reduced?

The Honourable Sir Andrew Clow: Certainly I am aware of their opinion.

Mr. Govind V. Deshmukh: Is the point then under consideration?

The Honourable Sir Andrew Clow: I have given a reply to the Honourable Member's question quite categorically.

INDIAN MEMBERS ON PORT TRUSTS IN INDIA.

[8. *Shaikh Rafiuddin Ahmad Siddiquee: (a) Will the Honourable Member for Communications be pleased to state whether it is a fact that the number of the Indian members in the Chittagong Port Trust is one-third of the European members?

†Answer to this question was laid on the table, the questioner being absent.

Station Master to work on relieving duties before they are posted permanently", and state:

- (a) whether 'the general policy' is also in force on the Eastern Bengal, the East Indian and the Great Indian Peninsula Railways;
- (b) if the reply to part (a) be in the negative, the reasons therefor; and
- (c) the particulars of the provisions of the Government of India Act, or of the Indian Railways Act, or of the Rules made thereunder, which vest in a Railway Administration the power of formulating the policy of the administration of the railway under the administrative control of the Governor General in Council?

The Honourable Sir Andrew Clow: (a) It is in force on the Eastern Bengal and Great Indian Peninsula Railways. Information concerning the East Indian Railway is being obtained and will be laid subsequently on the table of the House.

(b) Does not arise.

(c) The posting of officers of this grade has always been a matter for the railway administration. The rule at present in force is in paragraph 156 of the State Railway Establishment Code, and is made in virtue of the powers granted by sub-section (2) of section 241 of the Government of India Act, 1935.

AMOUNT OF THE PERMANENT TRAVELLING ALLOWANCE ADMISSIBLE TO CERTAIN RAILWAY EMPLOYEES.

7. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 449, asked in this House on the 23rd March, 1936, viz.: "The principle on which a permanent travelling allowance is fixed is that the amount sanctioned should not exceed the average amount which would be drawn during the year under the ordinary travelling allowance rules" and state the amount of the permanent travelling allowance admissible to employees entitled to draw annas 8, annas 10, annas 12, rupee one, Rs. 1-4-0 and Rs. 1-8-0 per day, respectively, for a working period of 26 days in a month under the ordinary travelling allowance rules?

The Honourable Sir Andrew Clow: Government have not laid down rates of permanent travelling allowance on the basis of daily allowance rates, as permanent travelling allowances have to take into account not merely the daily allowance appropriate to the employee but also the amount of travelling he has to do.

NOTIFICATION SPECIFYING THE MILEAGE ALLOWANCE TO BE TREATED AS PAY.

8. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 502, asked in this House on the 7th April, 1936, viz.: "mileage allowance is treated as pay" and state the particulars of the notification in the *Gazette*

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of India specifying the mileage allowance to be treated as pay within the provisions of Fundamental Rule 9 (21) (a) (iii)? If no such notification has been issued, what are the reasons therefor?

The Honourable Sir Andrew Clow: The statement quoted does not appear in the reply to which the Honourable Member referred and mileage allowance has not been classed as pay for all purposes in terms of Fundamental Rule 9 (21) (a) (iii). It is so treated for specific purposes, such as leave salary, provident fund, gratuity, etc., and that to a limited extent. Necessary provision exists in the Railway Codes. Rules other than statutory rules and rules which are issued in the form of Codes are not notified in the *Gazette* of India.

STATUTORY RULE OR NOTIFICATION CLASSIFYING NON-GAZETTED SERVICES ON CERTAIN RAILWAYS.

9. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state the particulars of the Statutory Rule or the notification in the *Gazette* of India under which the staff on the State-managed Railways is classified as Superior, Inferior, Labourer or Menial in the Non-Gazetted Services on the Assam Bengal, Bombay, Baroda and Central India, Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways?

The Honourable Sir Andrew Clow: The term "Inferior Staff" is defined in paragraph 101 (9-A) of the State Railway Establishment Code, Volume I; "Superior Staff" is defined in paragraph 2202 (15) of the State Railway Establishment Code, Volume II; copies of both these volumes are in the Library of the House. There is no definition of "labourers" and the term "menials" is not now in use. These rules apply only to State-managed Railways. Staff of Company-managed Railways are not Government servants and are not covered by Statutory Rules.

STATUTORY RULE MAKING CERTAIN PROMOTIONS ON EAST INDIAN RAILWAY DEPENDENT ON THE PASSING OF THE SENIOR ASSISTANT STATION MASTERS' REFRESHER COURSE AT THE RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

10. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state the particulars of the Statutory Rule or otherwise under which the promotions of Assistant Station Masters (Higher Grade), Assistant Yard Foremen or Masters and Deputy Controllers are subject to the passing of the Senior Assistant Station Masters' Refresher Course at the Railway School of Transportation, Chandausi, on the East Indian Railway, and lay on the table a copy of the syllabus of the said Course along with the references of the pages of the School Calendars for the years 1938, 1939, 1940 and 1941 on which those syllabuses are traceable and to place those Calendars in the Library of the House? If not, why not?

The Honourable Sir Andrew Clow: The General Managers of State Railways are empowered to make rules concerning non-gazetted staff.

The syllabus for the Assistant Station Masters Refresher Course is at pages 37 and 38 of the Calendar of the Railway School of Transportation, Chandausi, for the year 1938. Similar information will be found at pages 10 to 12 of the Calendar of the School for 1941. Copies of both Calendars

have been placed in the Library of the House. Government have no information regarding the years 1939 and 1940.

MONTHLY AMOUNTS PAID TO THE CATERING CONTRACTORS, MESSRS. HAZIR AND COMPANY, BY THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

11. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please state the amount paid per month during the years 1938, 1939, 1940 and up to date to the Catering Contractors, Messrs. Hazir and Company, who supply (i) European meals, Muhammadan meals, (ii) non-vegetarian Hindu meals, and (iii) vegetarian Hindu meals at Rs. 3 and Rs. 1-12-0 per day and Rs. 15 per month per head, respectively, by the East Indian Railway School of Transportation, Chandausi?

The Honourable Sir Andrew Clow: I have called for the information and will lay a reply on the table of the House in due course.

APPOINTMENT OF A MUSLIM CATERING CONTRACTOR FOR HINDU STUDENTS AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

12. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please state:

- (a) the percentage of students of each community in each course held at the East Indian Railway School of Transportation, Chandausi, during the calendar years 1938, 1939, 1940 and up to September of 1941;
- (b) the reasons for prescribing catering for the Hindus who form the majority of students in the School, by a Muhammadan contractor;
- (c) whether it is a fact that the Muhammadan contractor more than once served the Hindus with beef in the School mess; and
- (d) the date of the appointment of the Muhammadan contractor, and if the appointment was made after advertising in the Press; and if not, the reasons therefor?

The Honourable Sir Andrew Clow: (a) The Administration is being asked to supply such figures as are readily available and these will be furnished in due course.

(b), (c) and (d). Inquiries are being made and a reply will be laid on the table in due course.

MESSING RATE FOR PROBATIONARY ASSISTANT STATION MASTERS AND COMMERCIAL CLERKS AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

13. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please refer to item No. 27 on page 17 of the East Indian Railway School of Transportation, Chandausi, Calendar 1941, viz.: "Probationary Assistant Station Masters and Probationary Commercial Clerks shall mess in the Junior Mess and pay at the rate of Rs. 15 per head per mensem on the pay day, to Messrs. Hazir and Company, the Catering Contractors" and state how the rate of Rs. 15 per mensem per head was arrived at and what is the prevailing market rate?

The Honourable Sir Andrew Clow: Information is being obtained and a reply will be laid on the table in due course.

REPORTS AGAINST BAD ARTICLES OF FOOD SERVED BY MESSRS. HAZIR AND COMPANY, CATERING CONTRACTORS, EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

14. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please state:

- (a) if it is a fact that articles of food used by Messrs. Hazir and Company, Catering Contractors, East Indian Railway School of Transportation, Chandausi, during 1938, 1939, 1940 and up to September, 1941, have been reported on by the Railway Analyst as unfit for human consumption;
- (b) if the reply to part (a) be in the affirmative, the nature of the action taken against the Contractor, and if no action has been taken, the reasons therefor;
- (c) if the reply to part (a) be in the negative, whether he will lay on the table of the House the reports from the Analyst for those years; if not, why not; and
- (d) the reasons for not terminating the contract of Messrs. Hazir and Company for repeated bad service and repeated supply of articles declared unfit for human consumption by the Chief Medical Officer, East Indian Railway, during those years?

The Honourable Sir Andrew Clow: (a), (b) and (d). Information has been called for and a reply will be laid on the table in due course.

(c) This has not yet arisen and I cannot, without seeing the reports, give an undertaking to lay them on the table.

RATES FOR ARTICLES OF FOOD AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

15. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please refer to pages 22 and 23 of the East Indian Railway School of Transportation, Chandausi, Calendar 1941, and state the cost per article of food supplied in meals per day and how the rates of Rs. 3 and Rs. 1-12, respectively, have been arrived at?

The Honourable Sir Andrew Clow: I regret that I cannot undertake to compute the cost of each article in the dietary as the menu is not constant and prices vary. But I am making inquiries regarding the basis of the rates mentioned and a reply will be laid on the table in due course.

STATIONS ON CERTAIN RAILWAYS WHERE REFRESHMENT ROOMS OF MUSLIMS ARE CATERED BY HINDU CONTRACTORS.

16. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Railways please state the names of the stations where the Refreshment Rooms of Muhammadans are catered by Hindu contractors on the Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways?

The Honourable Sir Andrew Clow: Eastern Bengal and North Western Railways—Nil.

East Indian Railway—Burdwan.

Information relating to the Great Indian Peninsula Railway will be laid on the table of the House in due course.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to parts a (iii), (iv) and (v) of starred question No. 93 asked by Sardar Sant Singh on the 16th November, 1940.

OFFICERS AND MINISTERIAL STAFF OF THE DEPARTMENT OF COMMUNICATIONS AND ITS ATTACHED AND SUBORDINATE OFFICES WHO MOVED UP TO SIMLA LAST SUMMER AND EXPENDITURE INCURRED IN THE MOVE.

[NOTE:—These parts were withdrawn by the questioner with the permission of the Honourable the President, and consequently the information promised was not laid on the table.—*Ed. of D.*]

Information promised in reply to starred question No. 22 asked by Dr. Sir Ziauddin Ahmad on the 7th February, 1940.

PROCEEDINGS OF THE LABOUR CONFERENCE AND THE PRICE CONTROL CONFERENCE.

Statement showing conclusions reached at the Second Price Control Conference held at New Delhi on the 24th and 25th January 1940, and the Decisions of the Government of India on them.

Conclusions arrived at the Second Price Control Conference.

Decisions of the Government of India on the conclusions arrived at the Second Price Control Conference.

Conclusion 1.

"If and when price control schemes on any large scale are contemplated for any Province or State, it is desirable to have a Chief authority for Price Control to co-ordinate activities within the Province or the State concerned; it is further desirable to associate Advisory Committees with the Authority for Price Control, the Advisory Committees being composed not only of officials but of representatives of various interests concerned with the question of price control."

Accepted and communicated to all Provincial Governments and Chief Commissioners.

Conclusion 2.

"Having due regard to the limitations on the Provincial Governments under the powers delegated to them by the Government of India, specific powers may be delegated by them to the District Officers; other powers to deal with any situation that may arise being exercised by the District Officers only after reference to Governments concerned."

Accepted and communicated to all Provincial Governments and Chief Commissioners.

Conclusions arrived at the Second Price Control Conference.

Decisions of the Government of India on the conclusions arrived at the Second Price Control Conference.

Conclusion 3.

"That a basic list of commodities subject to Price Control be prepared and published by the Government of India in delegating powers to the Provincial Governments under rule 81 of the Defence of India Rules; that if any Province desired to make additions to this basic list it should make proposals to that effect to the Central Government."

Accepted. A copy of Commerce Department Notifications No. 501-Ind. War (11)/40, dated the 25th May 1940 and dated the 21st January 1941 on the subject is enclosed.

Conclusion 4.

"A Memorandum setting forth in some detail the implications of the recent movement in prices of primary commodities be prepared by the Economic Adviser to the Government of India and circulated to the Provincial Governments and States."

"A Memorandum prepared by the Economic Adviser in pursuance of this recommendation was considered at a meeting of the Economic Resources Board, and it was decided, on its advice, that it may not be circulated to Provinces and States."

Conclusion 5.

"That the control of primary wholesale markets or the regulation of prices in primary wholesale markets, if and when it is desirable, may vest in the Central Government; and that the control of the distributive agencies through the retail markets—which would include local wholesale markets—would vest in the appropriate Provincial and State units. In exercising control of or otherwise regulating, the prices in wholesale markets, the Central Government will consult the Governments of the Provinces and States mainly concerned with the commodity which is to be controlled."

As this conclusion did not fully clarify the position, it was accepted by the Government of India and communicated to the Provincial Governments and Chief Commissioners in the following modified form:—

"That the control of primary wholesale markets or the regulation of prices in primary wholesale markets, as and when it is desirable, should vest in the Central Government, and that the control of the distributive agencies through the retail markets—which would include subordinate local wholesale markets would ordinarily be exercised by the appropriate Provincial and State units. In exercise of the power, Provincial or State units would have due regard to the margins between wholesale and retail prices, the retail price in each case being based on the relevant wholesale price whether the wholesale price is one in a market regulated by the Central Government or not. In respect of commodities for which there existed primary wholesale markets, Provincial control of retail prices must be based upon the prices lawfully charged in those markets. In exercising control of, or otherwise regulating, the prices in wholesale markets the Central Government will consult the Governments of the Provinces and States mainly concerned with the commodity which is to be controlled."

Conclusion 6.

"There is no demand from the Provinces that the power to prohibit inter-provincial exports should be delegated to them."

Noted.

Conclusions arrived at the Second Price Control Conference.

Decisions of the Government of India on the conclusions arrived at the Second Price Control Conference.

Conclusion 7.

"A general desire was expressed that the power of requisitioning stocks should be delegated to Provincial Governments. It was stated that the Government of India could not, at this stage, be committed to any positive statement in regard to this conclusion but they would take into consideration the views which had been expressed in the Conference on this subject."

Recommendation made by Conference was accepted. A copy of Commerce Department Notification No. 501-Ind-War (19)/40, dated the 29th June 1940 on the subject is enclosed.

Conclusion 8.

"Note was taken of the fact that, primarily to study the operations of futures markets in jute and cotton for the present, the Government of India had decided to appoint two officers as Price Advisory Officers; one for jute with headquarters at Calcutta and the other for cotton with headquarters at Bombay. Their primary duty would be to study the operations of the markets in respect of these commodities, and in particular the futures markets to investigate on the spot the movements of prices in these markets and to keep the Government of India constantly in touch with the activities of such markets. When the Government of India had gained sufficient knowledge through these Price Advisory Officers, if they felt that the stage had come when more direct intervention on the part of the Central Government was needed, any action that they might propose to take would only be taken after consultation with the Provincial Governments concerned."

Noted.

Conclusion 9.

"A strong plea was made that the import duty of wheat should not be touched at all. It was stated, on behalf of the Government of India that it was quite impossible to anticipate the decision of the Government of India on this subject but that the Hon'ble the Commerce Member would convey the views expressed to the Government of India who would doubtless consider them very carefully."

Action as promised by the Honourable the Commerce Member has since been taken.

Conclusion 10.

"Note was taken of the statements that the position of Chemdyes would be decided very soon and the distribution of the stocks held by them would be carefully considered in the light of the suggestions made; that the question of dyes is an extremely complex one, and that the Government of India were awaiting the suggestions they had asked for from the Provinces and States regarding the method of distribution of available stocks of handloom weavers."

Noted.

STATEMENTS LAID ON THE TABLE

DEPARTMENT OF COMMERCE.

NOTIFICATIONS.

PRICE CONTROL.

New Delhi, the 21st January 1941.

No. 501-Ind-War (11)/40.—In exercise of the powers conferred by sub-section (4) of section 2 of the Defence of India Act, 1939 (XXXV of 1939), the Central Government is pleased to direct that the power conferred on it by clause (b) of sub-rule (2) of rule 81 of the Defence of India Rules to provide by order for controlling the prices or rates at which articles or things may be sold or hired, and the power conferred on it by clause (f) of the said sub-rule to provide for any incidental and supplementary matters for which it is expedient to provide for the purposes of an order made under clause (b) thereof, shall, in respect of *kolhus* and boiling pans used in the manufacture of *gur* and *rab*, be exercisable also by any Provincial Government (including a Chief Commissioner).

A. H. LLOYD,

Secy. to the Govt. of India.

No. 501-Ind-War (11)/40.

Copy forwarded to:—

- All Provincial Governments (with 15 spare copies each with the request that the notification may be reproduced in the Provincial Official Gazettes).
- All Chief Commissioners (with 15 spare copies with the request that the notification may be produced in the local official Gazettes where such Gazettes are issued).
- The Political Department (with 150 spare copies) with the request that a copy of the notification may be communicated to the Governments of the Indian States concerned, and also to the office of His Highness the Chancellor, Chamber of Princes.
- All Departments of the Government of India [including the Defence Co-ordination Department (with 10 spare copies) and the Department of Supply] (70 spare copies to Labour Department only).
- The Private Secretary to His Excellency the Viceroy; the Military Secretary to His Excellency the Viceroy; Secretary to the Governor General's Executive Council, Secretary to the Governor General (Public).
- The Chief Censor (with 20 spare copies).
- The Director General of Commercial Intelligence and Statistics, Calcutta.
- The Director General, Posts and Telegraphs, New Delhi.
- The Indian Trade Agent, Kabul.
- His Majesty's Senior Trade Commissioner in India, Calcutta.
- His Majesty's Trade Commissioner, Bombay.
- The Canadian Government Trade Commissioner in India.
- The American Trade Commissioner in India, Calcutta.
- The Consul General for Egypt, Royal Consulate General of Egypt, Bombay.
- The Federation of Indian Chambers of Commerce and Industry.
- The Associated Chambers of Commerce of India.
- All other recognised Chambers of Commerce and Associations.

Copy (with 14 spare copies) also forwarded to the Government of Burma, Commerce and Industry Department, to the Chief Secretary to the Government of Ceylon, Colombo, and to the Civil Secretary to the Government of Aden.

By order, etc.,

R. J. PRINGLE,

Under Secy. to the Govt. of India.

Simla, the 29th June 1940.

No. 501-Ind.-War (19)/40.—In exercise of the powers conferred by sub-section (4) of section 2 of the Defence of India Act, 1939 (XXXV of 1939), the Central Government is pleased to direct that the power conferred on it by clause (a) of sub-rule (2) of rule 81 of the Defence of India Rules to provide by order for prohibiting the withholding from sale, either generally or to specified persons or classes of persons, of articles or things kept for sale, and for requiring articles or things kept for sale to be sold either generally or to specified persons or classes of persons or in specified circumstances, and the power conferred on it by clause (f) of the said sub-rule to provide for any incidental and supplementary matters for which it is expedient to provide for the purposes of an order made under clause (a) thereof, shall be exercisable also by any Provincial Government (including a Chief Commissioner) subject to the following conditions, namely :—

(1) The said powers shall be exercisable only in respect of the articles specified in the Schedule annexed to the notification of the Government of India in the Department of Commerce, No. 501-Ind.-War (11)/40, dated the 25th May 1940.

(2) The said powers shall be exercised in accordance with such general instructions as may be issued from time to time by the Central Government.

A. H. LLOYD,

Secy. to the Govt. of India.

No. 501-Ind.-War (19)/40.

Copy forwarded to :—

All Provincial Governments (with 10 spare copies each with the request that the notification may be reproduced in the Provincial Official Gazettes).

All Chief Commissioners (with 5 spare copies with the request that the notification may be produced in the local official Gazettes where such Gazettes are issued).

The Political Department (with 50 spare copies) with the request that a copy of the notification may be communicated to the Governments of the Indian States concerned, and also to the office of His Highness the Chancellor, Chamber of Princes.

All Departments of the Government of India [including the Defence Co-ordination Department (with 5 spare copies) and the Department of Supply].

The Private Secretary to His Excellency the Viceroy; the Military Secretary to His Excellency the Viceroy; Secretary to the Governor General's Executive Council, Secretary to the Governor General (Public).

The Chief Censor (with 10 spare copies).

The Director General of Commercial Intelligence and Statistics, Calcutta.

The Indian Trade Agent, Kabul.

The Federation of Indian Chambers of Commerce and Industry.

The Associated Chambers of Commerce of India.

All other recognised Chambers of Commerce and Associations.

Copy (with 5 spare copies) also forwarded to the Government of Burma, Commerce and Industry Department, to the Chief Secretary to the Government of Ceylon, Colombo, and to the Civil Secretary to the Government of Aden.

By order, etc.,

T. S. PILLAY,

Deputy Secy. to the Govt. of India.

Simla, the 25th May 1940.

No. 501-Ind.-War (11)/40.—In exercise of the powers conferred by sub-section (4) of section 2 of the Defence of India Act, 1939 (XXXV of 1939), and in supersession of the Notification of the Government of India in the Department of Commerce, No. 20, dated the 8th September 1939, the Central Government is pleased to direct that the power conferred on it by clause (b) of sub-rule (2) of rule 81 of the Defence of India Rules to provide by order for controlling the prices at which the articles specified in the Schedule annexed hereto may be sold otherwise than in a primary wholesale market, and the power conferred on it by clause (f) of the said sub-rule to provide for any incidental and supplementary matters for which it is expedient to provide for the purposes of an order made under clause (b) thereof, shall be exercisable also by any Provincial Government (including a Chief Commissioner) subject to the following conditions, namely :—

(1) The said powers shall, in respect of any imported articles other than salt, kerosene oil and medicines, be exercisable only with the previous sanction of the Central Government.

(2) The said powers shall be exercised in accordance with such general instructions as may be issued from time to time by the Central Government.

Schedule.

Grains, pulses and flour.

Gur.

Milk and ghee.

Vegetable oils.

Chillies, turmeric and onions.

Salt.

Dhuties, lungies, saris and shirtings of Indian manufacture, woven from yarn of counts not exceeding 20s. in the warp or the weft.

Kerosene oil.

Charcoal, steam coal and fire wood.

Matches.

Medicines.

Household soap.

Fodder, bran, pollard and oilcakes.

A. H. LLOYD,

Secy. to the Govt. of India.

No. 501-Ind.-War (11)/40.

Copy forwarded to :—

All Provincial Governments (with 15 spare copies each with the request that the notification may be reproduced in the Provincial Official Gazettes).

All Chief Commissioners (with 15 spare copies with the request that the notification may be produced in the local official Gazettes where such Gazettes are issued).

The Political Department (with 150 spare copies) with the request that a copy of the notification may be communicated to the Governments of the Indian States concerned, and also to the office of His Highness the Chancellor, Chamber of Princes.

All Departments of the Government of India [including the Defence Co-ordination Department (with 10 spare copies) and the Department of Supply] (70 spare copies to Labour Department only).

The Private Secretary to His Excellency the Viceroy; the Military Secretary to His Excellency the Viceroy; Secretary to the Governor General's Executive Council; Secretary to the Governor General (Public).

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 His Majesty's Trade Commissioner, Bombay.
 The Canadian Government Trade Commissioner in India.
 The American Trade Commissioner in India, Calcutta.
 The Consul General for Egypt, Royal Consulate General of Egypt, Bombay.
 The Federation of Indian Chambers of Commerce and Industry.
 The Associated Chambers of Commerce of India.
 All other recognised Chambers of Commerce and Associations.

Copy (with 14 spare copies) also forwarded to the Government of Burma, Commerce and Industry Department, to the Chief Secretary to the Government of Ceylon, Colombo, and to the Civil Secretary to the Government of Aden.

By order, etc.,

T. S. PILLAY,

Deputy Secy. to the Govt. of India.

Information promised in reply to unstarred question No. 13, asked by Dr. P. N. Banerjee on the 5th November, 1940.

SELECTION POSTS OR SELECTION GRADES SPECIFIED BY THE GENERAL MANAGERS ON CERTAIN STATE RAILWAYS.

The attached statement gives such information as is readily available.

Statement showing the selection posts and the dates of specification on the Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways.

EASTERN BENGAL RAILWAY.

Designation.	Date of specification.
<i>General Manager's Office.</i>	
Assistant Secretary, Office Superintendent	} Dates not available.
Section Superintendent	
Clerks	
Stenographers	
General Inspector	
<i>Statistical Office.</i>	
Office Superintendent	} Dates not available.
Assistant Superintendent, Statistical Inspector	
Sub-head	
Clerks, Class	

EASTERN BENGAL RAILWAY—contd.

Designation.	Date of specification.			
<i>Engineering Departments.</i>				
Permanent Way Inspector Assistant Permanent Way Inspector Inspector of Works Bridge Inspector, Office Superintendent Junior Bridge Inspector Assistant Bridge Inspector, Assistant Calculator Signal Inspector and Block Signal Inspector Assistant Signal Inspector and Assistant Block Signal Inspector Chief Clerk Clerks Stenographer Typist Chief Draftsman Draftsman Head Calculator Assistant Foreman	} Dates not available.			
<i>Traffic Department.</i>				
Traffic Inspector and Junior Traffic Inspector Station Superintendent, Transhipment Foreman Station Master, Imp. 'C', 'B', 'A' and Special Assistant Station Master, Imp. Cabin Master Goods Supervisor and Junior Goods Supervisor Luggage Supervisor, Head Booking Clerk, Cash Witness Platform Supervisor District Controller, Grades I and II Assistant Traffic Controllers Yard Master Yard Inspector Assistant Yard Master Head Ticker Collector, Head Signaller, Booking, Parcel, Weight, Goods and Trains Clerks, Assistant Instructor (B. S.) and Com- mercial Instructor, Sub-Inspector (Fire Brigade), Guard, Class 'C'		} 1st January 1933.		
Office Clerk, Class 'E'			15th September 1925.	
Commercial Inspector Assistant Commercial Instructor Chief Clerk Clerk Instructor (B. S.) Inspector, Watch and Ward Senior and Junior Inspector Crews Crew-in-Charge Assistant Transhipment Foreman			} 1st January 1933.	
<i>Mechanical Department.</i>				
Foreman and Shed Foreman Assistant Foreman, Senior Valve-motion Inspector, Assistant Elec- trical Foreman, 'A' Grade Draughtsman Chargeman Junior Chargeman and Head Time-Keeper Assistant Shed Foreman				} Dates not available.

EASTERN BENGAL RAILWAY—*contd.*

Designation.	Date of specification.
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Mechanical Department—concltd.

Head Train Examiners	} Dates not available.
Train Examiner	
Train Examiner (Vacuum Brake)	
Stenographer	
Electric Foreman, Boiler Inspector and Loco. Inspector	
Shedman	
Electric Chargeman	
Chief Clerk	
Head Clerk and Budget Clerk	
Clerk	
Office Superintendent, Assistant Chief Draughtsman	
Senior Draughtsman	
Draughtsman	
Head Typist	

Stores Department.

Chief Assistant	} Dates not available.
Store-Keeper	
Assistant Store-Keeper	
Ward Keeper	
Office Superintendent	
Chief Clerk	
Clerk	
Tindal	
Typist	
Stenographer	

EAST INDIAN RAILWAY.

Operating Department.

Time-Table Inspector	Date not available.
Movement Inspector	1st October 1932.
Divisional Transit Inspector	9th April 1938.
Telegraph Traffic Inspector	} 1st October 1932.
Station Superintendent	
Deputy Station Superintendent	} 1st July 1938.
Station Master (higher grade)	
Yard Master	
Head Signallers of the Divisional Headquarters Offices	
Boiler Inspector	
Train Lighting Inspector	
Transportation Inspector Stock	} 1st October 1932.
Coal Transportation Inspector	
Controllers	} 1st October 1932.
Running Shed Foremen	
Assistant Running Shed Foremen	
Power Transport Inspector (including staff and maintenance)	} 1st July 1938.
Trial Engine Inspector	
Senior Fuel Inspector	
Junior Fuel Inspector	
Inspector Fitter	

EAST INDIAN RAILWAY—*contd.*

Designation.	Date of specification.
--------------	------------------------

Commercial Department.

Goods Inspector, Goods Accountant, Howrah	} 1st July 1938.
Chief Inspector (Tickets)	
Claims Inspectors	
Reweighment Inspector	
Goods Supervisor (Howrah Goods)	
Head Goods Clerk (Howrah Goods)	
Goods Clerk (Howrah Goods and Ramkristopore)	
Inspector (Commercial)	
Advertising Inspectors	
Head Parcel Clerk, Howrah	
Assistant Parcel Clerk, Luggage and Parcel Supervisors, Assistant Goods Accountant, Howrah	
Chief Accountant and Booking Clerk, Howrah	

Engineering Department.

Inspector of Works and Bridge Inspector	} 1st July 1938.
Permanent Way, Signal and Block Signal Inspector	
Signal and Block Signal Inspectors	
Conservancy and Sanitary Inspectors	
Draughtsmen	

Electrical Department.

Electrical Inspectors and Electrical Foreman	} 5th September 1939.
Electrical Superintendents	
Assistant Electrical Foremen	
Chargemen	

Mechanical Department.

Workshop Foremen	30th August 1940.
Boiler Inspectors	1st July 1938.
Assistant Workshop Foremen	30th August 1940.
Chargemen	30th August 1940.

Printing Department.

Overseer	} 2nd December 1939.
Foremen	
Sub-Store Keeper, Head Reader and Head Mechanic	

Stores Department.

Chief Assistant	28th July 1939.
Depot Store Keepers	1st July 1938.
Assistant Depot Store Keepers	28th July 1939.

All Departments.

Office Superintendents	} 1st July 1938.
Chief Clerks	
Head Clerks	
First Assistants	
Head Draftsmen	

LEGISLATIVE ASSEMBLY
GREAT INDIAN PENINSULA RAILWAY.

[27TH OCT., 1941]

Designation. Date of specification.

General Manager's Office.

Head Clerks	} 17th April 1936.
Senior Clerks	
Clerks	
Lady Stenographer	

Accounts Department.

Senior Inspector of Station Accounts and Senior Accountants	} 1st October 1929.
Junior Accountants	
Stenographer	
Sub-Heads	
Senior Inspector of Stores Accounts	
Junior Inspector of Stores Accounts	
Junior Inspector of Station Accounts	
Stock Verifiers	

Cash and Pay Department.

Assistant Cashier	
Sub-Cashier	
Head Clerk	

Engineering Department.

Supervisors	} 17th February 1936.
Inspector of Works, Septic Tanks	
Inspector of Works	} 9th September 1938.
General Foreman, Structural Foreman, Signal and Interlocking	
Inspectors and P. W. Inspectors	} 17th February 1936.
Office Superintendent	
Clerks	5th February 1937.
	17th February 1936.
	17th February 1936.
Head Draftsman	11th June 1938.
	} 17th February 1936.
Draftsman, Custodian, Plumber	
Chawl Superintendent	
Depot Storekeepers	

Transportation Department.

Office Superintendent	} 14th August 1936.
Heads of Sections	
Head Clerks	
Clerks	} 1st June 1938.
Station Superintendent	
Transportation Inspectors, Foremen (Traction), Mechanical Foremen, Carriage Branch Foremen, Chief Telegraph Inspector, Foreman, Byculla	28th July 1936.
Deputy Station Superintendent, Controllers, Junior Assistant Foreman (Traction Branch), Loco. Inspector (Traction)	28th July 1936.
Station Masters	} 14th August 1936.
Assistant Station Masters	
Yard Foremen	
Assistant Yard Foremen, Assistant Controllers	

GREAT INDIAN PENINSULA RAILWAY—contd.

Designation. Date of specification.

Transportation Department—contd.

Chargemen, Electrical, Mechanical and Outside (Traction)	} 28th September 1936.
Head Train Examiner (Traction), Inspector Sub-Station, Leading Stoker	
Train Examiners, Engine Examiners, Head Linemen (Traction)	
Senior Inspector and Inspector Overhead Equipment	
Bond Tester, Electrical Inspector	
Power Controller	
Switch Board Attendant	
Senior Turbine Driver	
Assistant Turbine Driver	
Auxiliary Plant Attendant	
Shift Stokers	
Loco. Foremen	
Loco. Inspector	
Assistant Loco. Foreman	
Head Fitter and Boilermaker Chargeman	
Fitter and Boilermaker Chargeman	
Carriage Inspector, Chief Telegraph Traffic Inspector	
Head Train Examiners	
Assistant Foreman, Byculla	
Head Cabin Supervisor	
Head Signaller, V. T., Bombay	

Commercial Department.

Office Superintendent	28th July 1936.
Chief Crew Inspector	1st August 1938.
Heads of Sections	} 28th July 1936.
Chief Clerks	
Chief Ticket Inspector, Senior Commercial Inspector and Chief Goods Inspector	
Goods Inspector	
Train Conductor	
District Commercial Inspector	
Assistant Commercial Inspector	
Inspector (Watch and Ward)	

Mechanical Department.

Chief Clerk (B. E. & I.), (Staff), (General) and (Store)	} 12th February 1936.
Leading Draftsman (Loco.) and (C. & W.) and Parel and Matunga Workshops	
Draftsman (Electric)	3rd January 1940.
Progress Supervisor (Electric)	} 12th February 1936.
Laboratory Assistant, Dynamometer Car Assistant	
Boiler Inspectors, Electrical Foreman, Foremen, Parel, Jhansi and Matunga Workshops and Planner and Rate Fixer, Parel Workshops	
Chief Clerk, Parel, Jhansi and Matunga Workshops	
Assistant Foreman, Parel and Jhansi Workshops, Yard Supervisor, Parel, Jhansi and Matunga Workshops, Chargeman (Covenanted), Parel and Jhansi Workshops	
Chief Timekeeper, Parel, Jhansi and Matunga Workshops	
Chargemen (A. & B. Class), Parel, Jhansi and Matunga Workshops and Electrical Chargeman, Electrical Repair Shop, Matunga	
Electrical Inspector	
Sub-Station Operators	
Test Room Assistant	
Electrical Chargeman, DD. Jhansi and Bhusaval	

GREAT INDIAN PENINSULA RAILWAY—*contd.*

Designation.	Date of specification.
<i>Stores Department.</i>	
Contract and Depot Superintendents	} 12th March 1936.
Assistant Depot Superintendents	
Head Clerk	} 1st December 1939.
Supervisors, A, B, C, and D	
<i>Medical Department.</i>	
Assistant Surgeons (10 per cent)	} 12th March 1936.
Chief Clerk	
Matron	

NORTH WESTERN RAILWAY.

Train Inspector	5th June 1931.
Station Superintendent	
Deputy Station Superintendent	4th October 1938.
Station Master	
Assistant Station Master	5th June 1931.
Yard Supervisor	
Chief Controllers	
Deputy Controllers	4th October 1938.
Assistant Controller	
Litigation Inspector	5th June 1931.
Claims Inspector	

Transportation (Power) and Mechanical Branch.

Loco. Inspector	14th June 1938.
Carriage and Wagon Inspector, Viceregal Train	1932.

Office Clerical Staff.

Office Superintendents	28th April 1937.
Superintendents	
Assistant Superintendents and Head Clerks	16th January 1935.
Clerks	
Stenographers	

Information promised in reply to starred question No. 138 asked by Mr. H. A. Sathar H. Essak Sait on the 18th November, 1940.

SAVINGS DUE TO SETTING UP OF THE PORT HAJ COMMITTEES.

- (a) Yes.
- (b) It is difficult now to extract exact figures but the total saving during the years 1934-35 to 1939-40 would seem to be between Rs. 30,000 and Rs. 31,000.

STATEMENTS LAID ON THE TABLE

Information promised in reply to parts (d) to (h) of starred question No. 180, and parts (a) and (b) of starred question No. 181 asked by Khan Bahadur Mian Ghulam Kadir Muhammad Shahban on the 20th November, 1940.

REDUCTION OF THE GANG STAFF ON JACOBABAD-KASHMORE SECTION, NORTH WESTERN RAILWAY, TO LOWER SCALES OF PAY.

No. 180.—(d) Yes.

(e) The reply to the first part is in the affirmative; the second part does not arise.

(f) The staff were wrongly given 'C' scales of pay and their pay was refixed. The Administration is competent to rectify such mistakes.

(g) The answer to the first part is in the affirmative. As regards the second part, the General Manager, N. W. Railway on reconsideration has allowed the staff on the Jacobabad-Kashmore section to draw the 'C' scale of pay as personal to themselves until they vacate their posts or can be absorbed elsewhere on that division where 'C' scales are in force.

(h) Yes.

DEDUCTIONS MADE FROM THE SALARIES OF THE GANG STAFF ON JACOBABAD-KASHMORE SECTION.

No. 181.—(a) Yes, but the General Manager, North Western Railway, has since withdrawn the order in view of his decision to allow the staff on the Jacobabad-Kashmore section to draw the 'C' scale of pay as personal to themselves. Arrangements have also been made to refund the amount already recovered from such staff.

(b) Arrangements have since been made to pay the staff who have already retired the difference between the gratuity admissible on the 'C' and 'B' scales of pay.

Information promised in reply to unstarred question No. 6 asked by Qazi Muhammad Ahmad Kazmi on the 13th February, 1941.

INCOME, EXPENDITURE, ETC., OF THE ALLAHABAD CANTONMENT BOARD.

	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.
(a) Income	1,21,322	1,31,648	1,18,412	1,05,786	1,23,734
Expenditure	1,48,947	1,26,918	1,16,537	1,11,305	1,23,513
Reserve fund	90,040	76,500	76,500	86,500	86,500
(b) Water tax (including water rate).	8,247	10,323	10,249	10,559	11,170
Amount spent on water supply, excluding the entitled consumer.	16,566	15,666	17,350	16,162	16,320

(c), (d) and (e). In spite of a thorough search in the local civil and military records, no useful information has so far been forthcoming.

Government do not consider that the time and labour involved in continuing the search can be justified.

Information promised in reply to unstarred question No. 7 asked by Mr. Muhammad Nauman on the 14th February, 1941.

OVERCROWDING IN THE THIRD CLASS ON 19-UP AND 20-DOWN DELHI EXPRESS TRAINS.

(a) No.

(b) The record maintained at Howrah showing the number of seats occupied on the departure of trains and the yearly census figures taken during a busy month.

Information promised in reply to parts (b) and (e) of starred question No. 134 asked by Dr. Sir Ziauddin Ahmad on the 25th February, 1941.

ALLEGED BOGUS APPOINTMENTS IN THE HOWRAH DIVISION, EAST INDIAN RAILWAY.

(b) I understand that some of the appointments were made against existing vacancies, others where vacancies did not exist.

(e) The reply to the first part is in the affirmative and to the second in the negative, the last part does not arise.

Information promised in reply to starred question No. 150 asked by Mr. H. M. Abdullah on the 25th February, 1941.

WORKS MISTRIES APPOINTED ON THE NORTH WESTERN RAILWAY.

The attached statement gives the required information.

Statement showing the number of staff recruited direct or promoted as works mistries during the year 1939 and 1940.

Year.	Division.	Temporary.			By promotion.		
		By direct recruitment.					
		Hindu.	Muslim.	Sikh.	Hindu.	Muslim.	Sikh.
1939	Delhi	17	2	7	1	1	..
	Rawalpindi	3	11	1	Nil		
	Karachi	42	11	2	4	2	3
	Multan	4	11	1	6	..	..
	Lahore	10	21	15	Nil		
	Total	76	56	26	11	3	3
1940	Delhi	7	2	3	..	2	..
	Rawalpindi	2	16	..	..	Nil	..
	Multan	3	7	1	5	..	3
	Lahore	19	33	6	Nil		
	Total	31	58	10	5	2	3

		Permanent.					
Year.	Division.						
1939	Karachi	..	1	..	Nil	..	..
1940	Quetta	..	Nil	..	1	..	..
	Lahore	..	1	..	Nil	..	..
	Total	..	1	..	1	..	..

Information promised in reply to parts (b) and (c) of starred question No. 158 asked by Mr. Muhammad Nauman on the 25th February, 1941.

PANEL SYSTEM FOR SELECTION TO LOWER GAZETTED SERVICE ON THE EAST INDIAN RAILWAY.

(b) 4 Muslims, 12 Hindus and 17 Europeans or Anglo-Indians.

(c) The numbers appointed and still officiating in February 1941 were 1 Muslim, 3 Hindus and 5 Europeans or Anglo-Indians. The numbers who officiated and subsequently reverted are 2 Muslims 3 Hindus and 8 Europeans or Anglo-Indians.

Information promised in reply to unstarred questions Nos. 19, 24, 25 parts (a) to (d) and (f) and 27, asked by Mr. Govind V. Deshmukh on the 25th February, 1941.

ELECTRICAL RATES CHARGED BY RAILWAYS AND OTHER ELECTRICITY PRODUCERS AT HOWRAH.

No. 19.—Electric energy is supplied by the Calcutta Electric Supply Corporation to the public for lights and fans at a rate of Re. 0/2/6 per unit subject to a rebate of Re. 0/0/6 for prompt payment. In the case of domestic supplies there is also a duty charge of Re. 0/0/6 per unit levied under the Bengal Electricity Duty Act, 1935.

2. The Supply of electric energy by the East Indian Railway is made at the following rates :—

(A) To Auxiliary Railway Services (including Refreshment Rooms Re. 0-3-6. per unit—

(B) To Railway Employees Re. 0-1-6 per unit.

(C) To outside consumers Re. 0-4-0 per unit.

SCALES OF PAY OF STENOGRAPHERS ON STATE RAILWAYS.

No. 24.—(a), (b) and (c). The attached statement gives such information as is available with Government.

(d) The qualification and method of recruitment are laid down in the rules contained in Appendix II of State Railway Establishment Code, Volume I.

(e) Stenography and typewriting.

(f) The differences in the scales of pay for stenographers are due mainly to nature of the work and responsibility attaching to each charge.

Statement showing the scales of pay of stenographers in all departments including the Accounts Departments of State-managed Railways before and after 1929.

Name of office.	Scales of Pay.		
	Before 1929.		After 1929.
	Old Scales.	New Scales.	
	Rs.	Rs.	Rs.
<i>Eastern Bengal Railway.</i>			
General Manager's Office	250—10—300	210—10—300	230
	175—10—225	210—10—250	200
	130—10—160	175—10—225	160
Accounts Office	150—10—200	150—10—200	
	150—10—270	100—10/2—140	
	260—10—30	210—10—250	200
Other Departments	150—10—200	150—10—200	160
	110—10—140	110—10—140	100—10/2—120
	110—10—140—10—200.		
	85—5—100—10—140.	85—5—100	65—5/2—85
	65—5—80/3—5—100/3—10—140.	65—5—80/3—5—100/3—10—140.	
	65—5—80/3—5—100/3—10—140.		
<i>East Indian Railway.</i>			
General Manager's office including other departments.	280—10—250	180—10—220 (Revised 1931).	200 (Revised 1934).
	200—10—220	90—5—150 (Revised 1931).	180 (Revised 1934).
	150—10—270	100—10/2—120 (Revised 1934).	160 (Revised 1934).
Accounts Departments	150—10—200	140 Grade I (Revised 1934).	
	120—8—144—50.	120 Grade II (Revised 1934).	
	200—10—240	200—10—240	200
Other Departments	160—10—200	160—10—200	160
	120—8—160	120—8—160	120
	80—8—120	80—8—120	100
	60—5—80	60—5—80	30—4—50—5—80.
	40—5—60	40—5—60	
<i>Great Indian Peninsula Railway.</i>			
General Manager's Office	250—25—375	250—15—350	250
	250—15—350		
	240—15—300		200
Accounts Department	200—10—300	200—10—240	
	150—10—200		
	120—8—144—50.	150—10—270	150—10—200
Other Departments	200—10—240	240—15—300	250
	160—10—200	200—10—240	200
	120—8—160	160—10—200	160
	80—8—120	120—8—160	120
	60—5—80	80—8—120	100
	40—5—60	60—5—80	30—4—50—5—80.

Statement showing the scales of pay of stenographers in all departments including the Accounts Departments of State-managed Railways before and after 1929—contd.

Name of office.	Scales of Pay.		
	Before 1929.		After 1929.
	Old Scales.	New Scales.	
	Rs.	Rs.	Rs.
<i>North Western Railway.</i>			
General Manager's Office	215—15—275	215—15—275	200
	160—10—200	160—10—200	160
	100—5—140	100—5—140	140
Accounts Department		100—10/2—120.	
		230—10—270	180
		150—10—270	140
Other Departments	215—15—275	215—15—275	160
	160—10—200	160—10—200	140
	100—5—140	100—5—140	100—10/2—120
	68—4—80—5—95.	68—4—80—5—95.	65—5/2—85

PERSONNEL AND RESEARCH BRANCHES ON STATE RAILWAYS.

No. 25.—(a) There are no Research Branches on the Railways.

(b), (c) and (d) The attached statement gives the required information.

(f) The differences that exist are due to different organization on different Railways and differences in the volume of work handled.

Statement showing the designation number and revised scales of pay of staff employed in the Personnel Branches of the E. B., E. I. and N. W. Railways.

Designation.	No.	Revised scales of pay.
<i>E. B. RAILWAY.</i>		
<i>Gazetted.</i>		
Deputy General Manager, Personnel	1	Rs. 1,300.
Senior Scale Officer	1	Rs. 750—950.
Junior Scale Officer	2	Rs. 300—500.
Lower Gazetted Service	1	Rs. 250—600.
<i>Non-Gazetted.</i>		
Office Superintendent	1	Rs. 400.
Section Superintendent	4	Rs. 230.
Assistant Superintendent	1	Rs. 180.
Stenographer	2	Rs. 160, Rs. 230.
General Inspector	1	Rs. 200.
Clerks	59	Rs. 140, Rs. 100—120, Rs. 65—85, Rs. 30—60.
Typists	5	Rs. 65—85, Rs. 30—60.

* There was no post of Stenographer in the Accounts Department.

*E. I. Railway.**Gazetted.*

Deputy General Manager	1	Rs. 1,300.
Senior Scale Officer	2	Rs. 750—950.
Junior Scale Officer L. G. S.	3	Rs. 300—500. Rs. 250—600.

Non-Gazetted.

Superintendent	1	Rs. 350—400.
P. A. to Dy. General Manager	1	Rs. 260—340.
Head Clerks	2	Rs. 210—250, Rs. 240—300.
Clerks	42	Rs. 140—180, Rs. 140—164, Rs. 116—131, Rs. 55—70, Rs. 30—60.
Stenographer	4	Rs. 100—120.
Personnel Inspectors	3	Rs. 260—340.

*N. W. RAILWAY.**Gazetted.*

Dy. General Manager Personnel	1	Rs. 1,300.
Senior Scale Officer	4	Rs. 750—950.
Junior Scale Officer		Rs. 300—500.
L. G. S.		Rs. 250—600.

Non-Gazetted.

Superintendent Personnel	64	Rs. 350.
Assistant Superintendent Personnel		Rs. 230.
Head Clerks		Rs. 200.
Sub-Heads		Rs. 160, Rs. 140, Rs. 100—120.
Clerks		Rs. 100—120, Rs. 65—85, Rs. 30—60.

NOTE.—Inferior staff are not included in the statements.

RULES FOR ALLOTMENT, ETC., OF RENT-FREE OR RENTED RAILWAY QUARTERS.

No. 27.—Copies of the rules prescribed by the Eastern Bengal, East Indian and Great Indian Peninsula Railways, and by the North Western Railway in respect of the Railway Officers' bungalows at Lahore and Moghalpura, which are in a convenient form are placed in the Library of the House. For other allotments on the North Western Railway the rules are not available in a convenient form, but they follow generally the rules laid down in Chapter XIX of the State Railway Code for the Engineering Department a copy of which is in the Library of the House.

Information promised in reply to unstarred questions Nos. 41, 42 and 44 parts (c) to (g) asked by Maulvi Muhammad Abdul Ghani on the 25th February, 1941.

OPERATION OF THE RULES RE RENT-FREE QUARTERS ON STATE RAILWAYS.

No. 41.—(a) and (b) Before the introduction of the rules in the State Railway Code for the Engineering Department and the Circular referred to, staff entitled to free quarters were allowed to continue to occupy them while on leave for short periods on account of sickness, etc. or on privilege leave provided that the quarters were not required and that no allowance was drawn by the *locum tenens*.

(c) The effect of the circular in the case of the employees taken over from the East Indian Railway Company management was to retain for them the privilege they had enjoyed under the Company's rules.

(d) Yes.

(e) and (f) The withdrawal of the concession in the case of the State Railway staff was due to a mistaken impression and it has now been restored on the old scale to those who formerly enjoyed it.

CONFIRMATION IN HIGHER GRADES FROM THE HOWRAH GOODS STAFF.

No. 42.—(a) None since the issue of the Circular of 10th June 1939 referred to.

(b) Four.

(c) (i) and (ii). Of the individuals mentioned Messrs. N. Sen, P. H. Benbow and H. C. Shaw are confirmed in grades higher than the lowest. The others are officiating in grades higher than the lowest, and with the exception of Mr. Gyasuddin who has already passed the Goods Accounts Examination, will be required to pass before they are confirmed in the higher posts.

(d) No. Only two of them have been declared as unsuitable for promotion to the post of Assistant Goods Accountant in the grade of 180—10—300.

(e) The passing of the examination is not obligatory for officiating promotion and none who have not passed the examination have been confirmed since 10th June 1939, *vide* answer to part (a) above.

RAILWAY ACCIDENT BETWEEN HARANGAU AND FEROZABAD STATIONS, EAST INDIAN RAILWAY.

No. 44.—(c) Both Harangau and Ferozabad railway stations are "double line" stations, worked on the absolute block system.

(d) No.

(e) There is no mechanical protection against the use of these instruments by unauthorised persons. The second part of the question does not, therefore, arise.

(f) Yes.

(g) Yes. The Senior Government Inspector of Railways came to the conclusion that some person or persons unknown operated the instrument, thus transmitting line clear to Harangau for the down passenger train while the goods train was still in the section. He held that the Assistant Stations Masters of the stations were both guilty of breach of rules.

Information promised in reply to parts (b) to (f) of unstarred question No. 58 asked by Pandit Nilakantha Das on the 25th February, 1941.

CONTINUATION OF THE CONTRACT FOR THE HINDU REFRESHMENT ROOM AT DELHI STATION GIVEN TO BALLABHDAS ESWARDAS.

(b) and (c) Yes.

(d) and (e). Neither tenders nor applications were invited. The contract was renewed for another year on the terms and conditions of the original contract as the work of the firm was considered satisfactory.

(f) Only one complaint of substance appears to have been made during 1939-40. This related to a refreshment room and kitchen which were found to be dirty, and suitable instructions were issued to the contractors.

Information promised in reply to starred question No. 184 asked by Mr. Muhammad Azhar Ali on the 26th February, 1941.

APPOINTMENTS, PROMOTIONS, ETC., IN THE STAFF OF THE DELHI MUNICIPAL COMMITTEE.

(a) and (b) The value of the information asked for by the Hon'ble Member in respect of appointments, promotions, suspensions and dismissals among the large municipal staff, including the petty establishment, would not be commensurate with the time and labour involved in its compilation. Statements are, however, laid on the table which give the number of (a) new appointments to posts carrying pay of Rs. 50 or above, and (b) suspensions and dismissals in the total establishment of the Delhi Municipal Committee for the period 1st January, 1939 to 5th February 1941.

(a) Statement showing the number of new appointments to posts carrying pay of Rs. 50 or above for the period 1st January 1939 to 5th February 1941.

Hindus.	Muslims.	Sikhs.	Christians.	Total.
38	23	3	18	82

(b) Statement showing the number of suspensions and dismissals in the total establishment during the period 1st January 1939 to 5th February 1941.

	Hindus.	Muslims.	Sikhs.	Christians.	Total.
1. Suspension—					
(a) ordered as a punishment	6	2	..	..	8
(b) ordered as an interim measure pending departmental enquiries	6	7	1	2	16
2. Dismissals	5	3	..	..	8

Information promised in reply to starred question No. 207 asked by Maulvi Muhammad Abdul Ghani on the 28th February, 1941.

RAILWAY REFRESHMENT CONTRACTS HELD BY BALLABHDAS ESWARDAS.

As regards the East Indian Railway, in addition to the 'area' contracts of Howrah and Dinapore Divisions, Messrs. Ballabhdas Eshwardas hold contracts at certain stations on the Allahabad, Lucknow and Moradabad Divisions, particulars of which are given in the statement below.

I understand that the firm does not hold catering contracts on more than two Divisions on the Great Indian Peninsula Railway.

The East Indian Railway gave these contracts to Messrs. Ballabhdas Eshwardas in order to secure a satisfactory service for the public.

Statement showing particulars of contracts held by Messrs. Ballabhdas Eshwardas at certain stations on the Allahabad, Lucknow and Moradabad Divisions of the East Indian Railway.

Allahabad Division	Hindu refreshment rooms at Allahabad, Cawnpore, and Tundla, and certain vending contracts at 13 stations.
Lucknow Division	Hindu refreshment rooms at Lucknow and Benares Cantonment and vending contracts at Benares Cantonment and Pertabgarh.
Moradabad Division	Hindu refreshment rooms at Moradabad, Bareilly, Hardwar and Lhaksar, and vending contract at Moradabad station.

Information promised in reply to parts (d), (f) and (g) of starred question No. 218 and starred question No. 220 asked by Mr. H. M. Abdullah on the 28th February, 1941.

APPOINTMENTS TO THE NEWLY CREATED POSTS OF ASSISTANT CHARGEMEN ON NORTH WESTERN RAILWAY.

No. 218.—(d) When the Administration decided to amalgamate the power and train lighting branches of the Electrical Department it was necessary to consider whether the men possessed the requisite knowledge for doing the work, irrespective of their training. I am informed that persons promoted to higher appointments possess the requisite qualifications.

(f) One has been so promoted.

(g) Promotions are not regulated by communal consideration.

NON-CANCELLATION OF THE LIST OF CANDIDATES FOR APPOINTMENT AS STOCK VERIFIERS.

No. 220.—(a) Lists of candidates selected for recruitment are generally kept open for one year, while those for promotion to higher posts are maintained without time limit.

(b) A fresh selection will be made when appointments have to be made. The existing list is being treated as obsolete.

(c) Yes.

(d) and (e) Do not arise in view of reply to part (b).

(f) Yes.

(g), (h) and (i). Do not arise.

Information promised in reply to unstarred questions Nos. 74, 76 parts (a), (c) and (d), 77, 81 parts (c) and (e), 82, 84, 85, 86 part (g) asked by Khan Bahadur Shaikh Fazl-i-Haq Piracha on the 28th February, 1941.

PROMOTION TO POSTS OF SECTION CONTROLLERS, GRADE "A", IN HOWRAH DIVISION, EAST INDIAN RAILWAY.

No. 74.—(a) Three permanent and one officiating promotions were made; of those promoted permanently one was an Assistant Station Master on the Asansol division who was senior to all Assistant Station Masters on the Howrah division and the other two were third and fourth on the seniority list of Assistant Station Masters on the Howrah division. The man who was appointed to officiate was a medically unfitted guard who had been absorbed in the lower grade of Section Controllers.

(b) No, except in the case of the first man referred to in the reply to part (a).

(c) No. A man who had been drawing on the average about Rs. 290 as a guard, and had become medically unfit for these duties was at first absorbed in a post of Section Controller on Rs. 155 and then appointed as Section Controller on Rs. 300—10—400.

PROMOTION OF INFERIOR STAFF TO CERTAIN POSTS UNDER THE POWER SUPERINTENDENT, HOWRAH DIVISION, EAST INDIAN RAILWAY.

No. 76.—(a) The attached statement gives such information as is readily available.

(c) In the Howrah Division the communal quotas were not obtained and the matter is being examined by the General Manager.

(d) No advertisement was necessary as Government are informed that no direct recruitment of outsiders has been made to such posts during recent years in the Howrah Division. A Selection Board tested the competency of the inferior servants for promotion (recruitment) to the grade of Firemen.

NON-ADVERTISEMENT FOR CERTAIN POSTS IN HOWRAH DIVISION, EAST INDIAN RAILWAY.

No. 77.—The posts were filled by promotion or by men in service and it was, therefore, not necessary to advertise vacancies: the method of recruitment referred to by the Hon'ble Member is not applicable to these posts.

STATEMENT.

(i) Particulars of inferior staff promoted as firemen on the Howrah Division.

Serial No.	Date of appointment.	Appointed as.	Pay on original appointment.	Date of promotion to Fireman.
1	2	3	4	5
			Rs.	
1	6-5-32	Cleaner	12	1-8-34
2	*	Do.	12	11-8-34
3	24-6-35	Do.	12	26-8-38
4	17-9-34	Do.	12	26-8-38
5	18-11-35	Do.	12	28-8-38
6	18-11-35	Do.	12	4-9-38
7	18-12-34	Do.	15	5-9-38
8	17-2-32	Do.	12	14-9-38
9	1-4-38	Do.	8	20-9-38
10	16-9-35	Bound Apprentice Fitter	8	25-7-39
11	30-11-35	Shed Apprentice Fitter	12	25-7-39
12	17-10-38	Cleaner	12	25-7-39
13	18-10-38	Do.	12	11-1-40
14	16-3-38	Do.	12	

* His date of appointment cannot be readily furnished.

(ii) Particulars of inferior staff promoted as fuel checkers on the Howrah Division.

Serial No.	Date of appointment.	Appointed as.	Pay on original appointment.	Date of promotion.
1	2	3	4	5
			Rs.	
1	11-12-33	Cleaner	12	14-2-37
2	9-7-35	Do.	12	11-9-38
3	20-4-35	Do.	12	11-1-39
4	1-3-32	Do.	12	12-9-38
5	8-11-37	Fitter cooly	13	19-12-38
6	2-3-38	Cleaner	12	16-8-40
7	19-11-38	Do.	12	13-10-40

ALLEGED BOGUS APPOINTMENTS IN THE HOWRAH DIVISION, EAST INDIAN RAILWAY.

No. 81.—(c) Yes.

(e) The main facts are that a temporary clerk in the office of the Divisional Superintendent, Howrah, issued letters of appointment to candidates who had not been selected for appointment by the competent authority and for whom, in some cases, there were no vacancies. On the discovery of the irregularities the candidates irregularly appointed were discharged. The clerk was prosecuted on three charges of having cheated by receiving money in respect of the making of three of these irregular appointments. He was convicted on all the charges by the trial court but was acquitted on appeal.

GUARDS IN MORADABAD DIVISION, EAST INDIAN RAILWAY.

No. 82.—(a) Yes.

(b) I understand that this is not the case.

(c) Six, as a result of the re-allotment of higher grade guards' posts on the divisions.

(d) As regards the first part, two of the six guards transferred to the Moradabad Division formerly drew mileage allowance at the rate of Rs. 1-4, 1-6 and 1-14 per 100 miles according as they worked Mail, Express and Passenger or Goods trains respectively; the other four at the rate of Rs. 2 per 100 miles for all classes of trains. On the Moradabad Division all six draw mileage allowance at the rate of Rs. 2 per 100 miles.

(e) No exact figure can be given; but as stated above four of the guards were already drawing mileage at the higher rate.

(f) Yes. They were transferred to meet a shortage of qualified staff and they were retransferred gradually when this shortage was made up.

(g) The transfers were effected for a better distribution of higher grade posts in the interests of efficient working.

COMMERCIAL GROUP STAFF VIS-A-VIS THE TRANSPORTATION STAFF ON EAST INDIAN RAILWAY.

No. 84.—(a) No.

(b), (c) and (d). Five in each case

GUARDS IN MORADABAD DIVISION, EAST INDIAN RAILWAY.

No. 85.—(a) None of those appointed in 1940 and 1941 come within the description given in the question.

(b) Yes.

MUSLIM STAFF AT PATIALA RAILWAY STATION, NORTH WESTERN RAILWAY.

No. 86.—(g) The answer to the inquiry made from the administration was in the negative.

Information promised in reply to parts (c), (d) and (f) to (i) of unstarred question No. 97, and unstarred question No. 100, asked by Mr. Muhammad Azhar Ali, on the 5th March, 1941.

ASSISTANT STATION MASTERS ON EAST INDIAN RAILWAY.

No. 97.—(c) No.

(d) and (f). Do not arise.

(g) 'A' class Station Masters are in charge of small roadside station. The Assistant Station Masters do not assume this responsibility.

(h) 2 have been on the maximum for more than 11 years; 52 have been on it for 5-10 years and 97 for 1-5 years. These include men declared unfit for further promotion.

(i) Both the assistant station masters and 'A' class station masters are joint hands trained in telegraphy, transportation and coaching and goods duties. Station Masters are required in addition to pass the Goods Accounts (lower) examination.

GUARDS NOT QUALIFIED IN THE FIRST AID ON EAST INDIAN RAILWAY.

No. 100.—There were no guards whose increments and promotions were withheld in 1940 on account of their failure to qualify in First Aid.

Information promised in reply to parts (c) and (d) of starred question No. 289 asked by Mr. Lalchand Navalrai on the 10th March, 1941.

CERTAIN BOY FIREMEN ON NORTH WESTERN RAILWAY ELECTING OLD EDUCATIONAL ASSISTANCE RULES.

(c) The answer to the first point is in the affirmative; as regards the second part, the question has been reconsidered and it has been decided to permit such staff to be governed by the old rules regarding educational assistance.

(d) Government are informed that in view of the decision referred to in the reply to part (c) any recoveries made will be refunded.

Information promised in reply to unstarred question No. 114 asked by Sardar Sant Singh on the 10th March, 1941.

PRINCIPLE FOR PROMOTION OF SELECTED STAFF IN THE DELHI DIVISION OF NORTH WESTERN RAILWAY.

(a) I have seen the letter referred to and am informed that it does not refer to appointments made on the results of examinations. I have been unable to verify whether a reference was made to the General Manager. The last part does not arise.

(b) Yes; to appointments other than those filled on the results of examinations.

(c) I understand that the General Manager, ordinarily follows the same practice in similar circumstances.

Information promised in reply to part (c) of starred question No. 320 asked by Pandit Lakshmi Kanta Maitra on the 14th March, 1941.

WORKING OF THE 60-YEAR SUPERANNUATION PENSION RULE.

(c) A statement is laid on the table.

Statement showing the names of ministerial servants in the Departments (including Attached Offices) at the headquarters of the Government of India who were made to retire during the period—April to February—of the official year 1940-41 before they attained sixty years of age—

(i) in the ordinary course, and

(ii) specifically on the ground of inefficiency.

Department or Office.	Name of the Ministerial servant.	Whether retired in the ordinary course or specifically on the ground of inefficiency.
Finance Department (Ordinary Branch).	Mr. A. T. Chatterjee	In the ordinary course.
	" L. K. D. Ghattack	Ditto.
	" S. N. Bose	Ditto.
Finance Department. (Military Finance Branch).	" S. K. Mukerjee	Ditto.
	" M. M. Basu	Ditto.
Home Department	" C. N. Mathur	Ditto.
Commerce Department	" H. D. Banerjee	Ditto.
	Rai Bahadur Tulsi Ram	Ditto.
Railway Department. (Railway Board).	" J. C. Majumdar	Ditto.
	" D. K. Banerjee	Ditto.
Department of Labour	" Barkat Rai	Ditto.
	Rai Sahib Bhag Mal	Ditto.
Department of Education, Health and Lands.	Mr. S. K. Sarkar	Ditto.
	" Jawahar Kishen	Ditto.
Legislative Assembly Department.	" J. R. Dwivedi	Ditto.
	" P. N. Banerjee	Ditto.
Indian Stores Department	" B. B. Haldar	Ditto.
	" Bhagat Singh	Ditto.
	" Nihal Chand Puri	Ditto.
Office of the Director General, Posts and Telegraphs.	" K. C. Roy	Ditto.
	" N. N. Ghosh	Ditto.
	" S. C. Chandra	Ditto.
	" L. K. Basu	Ditto.
Central Standards Office	" K. B. Gupta	Ditto.
	" Abdur Rahim	Ditto.

Information promised in reply to starred question No. 329 asked by Maulvi Muhammad Abdul Ghani on the 14th March, 1941.

MUSLIMS IN THE OPIUM DEPARTMENT.

(a) 25 per cent. of the vacancies filled by direct recruitment.

(b) Four.

(c) One.

(d) Two (including a vacancy due to the reversion of an officer which will take place shortly).

(e) to (g). Yes.

Information promised in reply to parts (b), (c) and (d) of starred question No. 330 asked by Mr. H. A. Sathar H. Essak Sait (on behalf of Nawab Siddique Ali Khan) on the 14th March, 1941.

EXTENSIONS OF SERVICE TO SUPERINTENDENTS.

(b) and (c). Superintendents in the following Departments and Offices were retained in service after attaining the age of 55 years during the period 1st March 1938 to 28th February 1941—

Dept. or Office	Number.	Community.
Home Department	One	Hindu.
Department of Education, Health and Lands	One	Hindu.
Office of the Agricultural Marketing Adviser to the Government of India.	One	Hindu.
Office of the Director General, Posts and Telegraphs	One	Hindu.

(d) No : eight non-Muslim Superintendents retired on reaching the age of 55 within the period mentioned above. One Muslim Superintendent retired on reaching the age of 55 shortly after that period.

Information promised in reply to second part of starred question No. 346, and starred question No. 347, asked by Nawab Siddique Ali Khan on the 15th March, 1941.

EMPLOYEES LOSING JOBS FOR HABITUAL INDEBTEDNESS ON EAST INDIAN RAILWAY.

No. 346.—Five, during the year 1940 including one employee who was removed from the service for making an application for insolvency without obtaining departmental sanction.

VISION TEST FAILED STATION MASTERS AND ASSISTANT STATION MASTERS EMPLOYED IN TICKET CHECKING BRANCH OF MORADABAD DIVISION.

No. 347.—(a) Two Station Masters.

(b) They were drawing Rs. 72 and Rs. 76 in the grade Rs. 52—4—76.

(c) The pay of the men is Rs. 64 and Rs. 52, respectively. The first is now on leave prior to retirement and the other who is employed as a Ticket Collector in the grade Rs. 37—3—52 is being put into a post of Goods Clerk on Rs. 66.

(d) The Honourable Member is referred to the reply to the previous parts.

Information promised in reply to starred questions Nos. 350, 351, and 352 asked by Qazi Muhammad Ahmad Kazmi on the 15th March, 1941.

PROMOTION OF JOURNEYMEN AS CHARGEMEN ON EAST INDIAN RAILWAY.

No. 350.—(a) I am informed that the duties of Journeymen are not supervisory.

(b) Literate and competent Mistries are still promoted as Journeymen and they are eligible for further promotion to Chargemen (grade Rs. 90—20—250). It is not a fact that posts of Journeymen and Chargemen were wholly filled by promoted Mistries.

(c) Journeymen are not promoted to posts of Chargemen grade Rs. 185—15—350/270—20—330; these posts are filled by trained Apprentice Mechanics and a few selected Chargemen in the grade Rs. 90—20—250. Journeymen who obtain promotion to the lower grade of Chargemen can become ultimately eligible for the higher grade by selection. When trained Apprentice Mechanics are not available for filling any posts of Chargemen, Rs. 185—15—350/270—20—330; Journeymen are appointed to officiate in the lower grade; this, however, confers no claim for permanent promotion.

RECENT RESTRICTION ON ADVANCE OF LOANS BY CO-OPERATIVE CREDIT SOCIETY ON EAST INDIAN RAILWAY.

No. 351.—The General Manager issued the orders referred to in the question. Government do not propose to interfere as the orders were designed for the best interest of the staff and would appear to serve that purpose.

LEAVE PRIVILEGES TO INFERIOR LABOUR STAFF PROMOTED TO SUBORDINATE CADRE ON EAST INDIAN RAILWAY.

No. 352.—(a) Apprentices appointed before 1st September 1928 and subsequently absorbed in the regular establishment without a break in service have been allowed the benefit of the Fundamental Leave Rules.

(b) Inferior labour staff in sheds and workshops appointed before 1st September, 1928, who have elected the Fundamental Leave Rules, continue to enjoy leave under those rules on promotion to subordinate service.

Information promised in reply to parts (a) to (d) of unstarred question No. 131, and unstarred question No. 132, asked by Mr. Muhammad Azhar Ali on the 15th March, 1941.

COMPETENCY OF THE STATION SUPERINTENDENT, HOWRAH, TO GRANT UNRECORDED LEAVE TO HIS SUBORDINATE STAFF.

No. 131.—(a) The reply to the first part is in the affirmative and to the second part in the negative.

(b) No: conditions of work are not identical in all posts.

(c) Yes.

(d) The Station Superintendent can grant casual leave to all staff employed under him.

RULES FOR PROMOTION IN THE COMMERCIAL DEPARTMENT OF THE NON-GAZETTED STAFF ON EAST INDIAN RAILWAY.

No. 132.—(a) Yes, the orders require that (i) all goods clerks in grades above the lowest and all station masters must pass the Goods Accounts (Lower) examination and (ii) all Senior Commercial, Transportation and joint staff, e.g., Inspectors, higher grade station masters and goods clerks, etc., must pass the Goods Accounts (Higher) examination. Staff over 45 years of age are exempted.

(b) They retain their seniority but are not eligible for permanent promotion till they have passed the examination.

Information promised in reply to part (h) of starred question No. 373 asked by Sir Syed Raza Ali on the 17th March, 1941.

MR. K. N. PURI, FORMER CUSTODIAN OF THE ARCHÆOLOGICAL MUSEUM AT MOHENJODARO, AND THE ORDER PASSED AGAINST HIM BY THE CIRCLE SUPERINTENDENT.

The Government of India have reviewed the case relating to the claim of travelling allowance by Dr. K. N. Puri and have decided after consulting the Federal Public Service Commission, that he should be reduced by one stage in the time-scale of pay drawn by him for a period of one year, with effect from the 1st October, 1941.

Information promised in reply to starred question No. 380 asked by Mr. Umar Aly Shah on the 17th March, 1941.

ENHANCEMENT IN THE PASSAGE FARE CHARGED FROM THE INDIAN HAJ PILGRIMS.

(a) The attention of the Honourable member is invited to the reply to starred questions Nos. 1973-1975 on the 8th December, 1938. There is no record that the Mogul Line, during the discussions with the Honourable the Commerce Member in the autumn of 1938, ever indicated that, in their opinion, a return fare of Rs. 121 for a deckpassage between Bombay and Jedda would in normal times be an economic fare.

(b) Does not arise.

(c) The following increases are reported to have been made in certain steamer fares.

Steamer fares.	Increase over pre-war fares.
All fares for Europe, Far East and Australia (in most cases return fares are not being quoted)	per cent. 33½
Single and return fares for East African ports and Persian Gulf ports	50
Fares from Bombay to Karachi	25
Fares to Red Sea ports, excepting pilgrim fares, (return fares are not being quoted)	50

Information promised in reply to starred question No. 382 asked by Mr. H. A. Sathar H. Essak Sait on the 17th March, 1941.

PATIENTS TREATED AT AND EXPENDITURE ON THE IRWIN HOSPITAL, NEW DELHI.

Year	Number of patients treated.		Expenditure.
	In-patients.	Out-patients.	Rs.
1936	1,357	61,420	1,85,000 (approximately).
1937	3,742	65,733	2,96,312
1938	4,989	73,324	3,08,924
1939	5,441	87,857	3,46,596
1940	4,903	83,754	4,24,108

The figures for 1936 are for the period 1st June to 31st December.

Information promised in reply to starred question No. 387 asked by Mr. Govind V. Deshmukh on 17th March, 1941.

SISTERS AND NURSES IN THE IRWIN HOSPITAL, NEW DELHI.

(a) Nursing Superintendent	...	...	...	...	...	1
Sisters	...	...	...	...	...	7
Nurses	...	...	...	...	...	44

(b) A sister has to remain on night duty for 10 hours and on day duty for 8½ hours. A nurse has to remain on night duty for 12 hours and on day duty for 9 hours. During night duty half an hour's break is allowed.

(c) Not normally. The ordinary turn for night duty is a month, with one night off duty, but this period has on occasions to be extended.

(d) It would not be possible to shorten the hours without increasing the strength of the nursing staff.

(e) A night nurse normally looks after 26 patients in one ward plus 2 in a special room. When the nursing staff available is below the sanctioned strength, the number of patients in a nurse's charge may unavoidably be larger.

Information promised in reply to starred question No. 390 asked by Maulvi Syed Murtuza Sahib Bahadur on the 17th March, 1941.

LACK OF CIVIC AMENITIES IN CERTAIN LOCALITIES OF DELHI.

(a) No.

(b) One large public latrine is provided in Malkaganj.

(c) Yes. The Katra is private property and the responsibility for its lighting and sanitation rests primarily with the owner. Actually he has been prosecuted for the insanitary conditions which prevail.

(d) and (e). The Municipal Committee has sanctioned an estimate for the reconditioning of the lanes and the work is to be taken in hand shortly.

(f) The complaints will be brought to the notice of the Municipal Committee.

Information promised in reply to unstarred question No. 140 asked by Mr. Amarendra Nath Chattopadhyaya on the 17th March, 1941.*

APPOINTMENTS IN THE INDIAN STORES AND SUPPLY DEPARTMENTS IN CONNECTION WITH WAR SUPPLY.

* * * * *

Information promised in reply to parts (b) to (e) of starred question No. 439 asked by Qazi Muhammad Ahmad Kazmi on the 20th March, 1941.

PASSES FALSELY OBTAINED BY CERTAIN RAILWAY EMPLOYEES IN MORADABAD DIVISION, EAST INDIAN RAILWAY.

(b) Each case is considered on its merits and decided in conformity with the rules regulating discipline and rights of non-gazetted servants.

(c) I understand that no such case has occurred within the last 10 years.

*Not included in these Debates, but a copy has been placed in the Library of the House.—Ed. of D.

(d) and (e). Particulars of the cases referred to in these parts of the question are, I understand, as follows :—

(1) A gatekeeper, who had children of his own, obtained a pass for a boy, who was neither a dependent relative nor an adopted son, and was, therefore, not entitled to passes. He was removed from service.

(2) A stationmaster obtained a pass for a boy who, it later transpired, was actually adopted, and for a widowed niece who had been dependent on him since the age of 9. The General Manager was satisfied that the breach of the pass rules was committed unwittingly. The cost of fares for the journeys performed by the adopted son and niece were recovered from the stationmaster who had an excellent record for 34 years. He was due to go to another station on promotion, and was sent there as soon as the case was settled.

Information promised in reply to part (b) of starred question No. 436 asked by Bhai Parma Nand on the 20th March, 1941.

PROMOTION OF RAILWAY GUARDS FROM GRADE II TO GRADE III.

(b) Of the eight men mentioned in the reply to part (a) one, who was permitted to appear along with outside candidates, was already a guard. Including him, 25 guards were promoted and 7 recruited from outside. As regards the latter part the Hon'ble Member is referred to the reply to part (a).

Information promised in reply to unstarred question No. 156 asked by Qazi Muhammad Ahmad Kazmi on the 20th March, 1941.

DISTINCTION AMONGST INDIAN AND EUROPEAN GUARDS AND DRIVERS ON EAST INDIAN RAILWAY IN THE MATTER OF RUNNING ROOM ACCOMMODATION.

(a) Yes. Separate running rooms are provided for European, Hindu and Mohammedan Guards and Drivers.

(b) Not ordinarily. In certain special instances where Indian Guards have adopted the European mode of living they can, with the permission of the Divisional Superintendent, occupy the European Guards Running Rooms.

(c) No separate running rooms are provided for Indian Christian Guards, they can occupy the Mohammedan Guards running rooms or if they have adopted the European mode of living they may occupy the European Guards Running Rooms with the prior sanction of the Divisional Superintendent concerned.

Information promised in reply to part (b) of starred question No. 472 asked by Mr. Muhammad Azhar Ali on the 22nd March, 1941.

HOUSE RENT ALLOWANCE TO MIGRATORY AND NON-MIGRATORY GOVERNMENT STAFF NOT PROVIDED WITH QUARTERS AT DELHI.

(b) 883.

Information promised in reply to unstarred questions Nos. 178 part (a), 179, 182 parts (b) and (c), 184 part (d), and 186, asked by Mr. Muhammad Azhar Ali, on the 24th March, 1941.

POLICY CONCERNING ALTERATION OF DATE OF BIRTH ON EAST INDIAN RAILWAY.

No. 178.—(a) The reply to the first part is in the negative. The second part does not arise. As regards the third and fourth parts, the rules issued by the Railway Board are contained in paragraph 144 of the State Railway Code, Volume I, as

amended by correction slip No. N2. It is understood that the General Manager was up to now prepared to consider the alteration in the age of literate employees if he was satisfied that an error had occurred, but he is being advised that the Railway Board's intention is that this concession should be restricted to illiterate employees.

RECORDS OF LEAVE ACCOUNT PRESERVED ON STATE RAILWAYS.

No. 179.—Statement showing the periods for which leave accounts are preserved in State Railways after termination of service of employees.

Eastern Bengal Railway.

I. Non-gazetted staff.

- | | |
|--|--|
| (a) Five years after retirement. | } Some of the District Officers preserve the record permanently. |
| (b) Three years after death. | |
| (c) Ten years after resignation or removal from service. | |

- (d) Kept permanently in cases of dismissal.

II. Gazetted Officers.

No period of preservation has been laid down, but they are kept for a fairly long time after their retirement.

East Indian Railway.

No specific orders have been issued prescribing the periods for which the records of subordinate staff should be preserved. Generally speaking they are preserved indefinitely.

G. I. P. Railway.

Three years after the final settlement of an employee.

North Western Railway.

I. Gazetted Officers.

Five years after the Officers' termination of services.

II. (a) Non-gazetted staff except those of the Accounts Branch.

- (i) Ten years after resignation or discharge or dismissal.
(ii) Five years after retirement.
(iii) Three years after death.

(b) Non-gazetted staff (Accounts Branch).

Five years after termination of service.

FAILURE TO USE PURE GHEE FOR INDIAN MEALS BY BALLABHDAS ESWARDAS.

No. 182.—(b) and (c). I am informed that this firm was prosecuted by the Howrah Municipality in respect of a complaint relating to the sale of mustard oil and was convicted by the District Magistrate, Howrah. The conviction was upheld by the District Judge but was set aside by the High Court.

FAILURE TO USE PURE GHEE FOR INDIAN MEALS BY BALLABHDAS ESWARDAS.

No. 184.—In continuation of the reply given to part (d) I understand that on the Great Indian Peninsula Railway Messrs. Ballabhdas Eswardas use Agmark or other pure ghee in the preparation of meals, sweets, etc. On the East Indian Railway this firm uses pure ghee, samples of which are covered by a certificate of purity, usually issued by the Ghee Merchants' Association or by the Grading Laboratory. Government graded ghee in sealed tins is also used to a certain extent.

MISUSE OF RAILWAY PASSES OVER EAST INDIAN RAILWAY BY BALLABHDAS ESWARDAS.

No. 186.—(a) and (b). No; but I understand that a few cases of misuse of passes by the Contractors' servants have been reported by the Ticket Checking staff.

(c) Passes may only be used on business connected with the catering contract.

(d) Passes issued in the names of particular individuals are not transferable.

(e) In all cases of proved misuse, the fare and excess charges due were recovered, and in some cases disciplinary action was taken by the Contractors at the instance of the Administration.

Information promised in reply to unstarred question No. 190 asked by Bhai Parma Nand on the 24th March, 1941.

INSTRUCTION TO EAST INDIAN AND NORTH WESTERN RAILWAYS TO OBTAIN SUPPLY OF ELECTRODES FROM THE INDIAN FIRM.

(a) and (b). Yes.

(c) Delay was caused by tests which also had to be carried out on electrodes supplied by 21 other firms.

(d) No. Messrs. L. H. Dignum actually supplied Racotex Electrodes on the 9th March 1940, and on the 21st October 1940 the East Indian Railway informed the firm of the result of the test.

(e) No; because there are no grounds for issuing an order in favour of this firm.

Information promised in reply to starred question No. 495 asked by Bhai Parma Nand on the 25th March, 1941.

POSTPONING TILL AFTER THE WAR OF BUILDING OPERATIONS ON THE DELHI IMPROVEMENT TRUST PLOTS.

(a) Yes.

(b) The Improvement Trust do not contemplate the issue of similar orders as they have experienced no difficulty in finding purchasers under the conditions relating to construction of buildings laid down in the standard lease and in the Trust Resolution No. 71 of the 29th November 1939, an extract from which is laid on the table.

(c) to (f). The Trust have considered the question. General postponement of building operations would seriously interfere with the work of the Trust in relieving congestion and Government do not propose to take the action suggested.

Extract from Trust Resolution No. 71, dated the 29th November 1939.

"1. Failure to erect building by the date stipulated in the lease deed.

Trust leases.—In the case of leases sanctioned by the Trust, extensions may be allowed by the Chairman, if applied for, on reasonable grounds, up to a maximum of 12 months, and with the sanction of the Board for a longer period. If the building is not completed within the specified period, or within the period of any subsequent extension or extensions allowed, the right of re-entry may be waived by the Chairman on payment by the lessee of an additional premium at the rate of 3 per cent. of the initial premium paid for the plot for every month up to the maximum of 12 months during which the breach of the above condition continues after the receipt of the notice from the Trust, and in case of continuance of the said breach after the expiry of 12 months the land shall be re-entered. Where no initial premium was paid for the lease of the plot, the premium to be assessed for the purpose of this rule will be the premium at the market rate at the time of the commencement of the lease, for a plot of land of similar description in that locality. Annual ground rent will not be enhanced.

Information promised in reply to starred question No. 504 asked by Khan Bahadur Shaikh Fazl-i-Haq Piracha on the 25th March, 1941.

RECONSTRUCTION OF THE MOSQUE ON THE CIRCULAR ROAD, NEW DELHI.

During the course of the levelling operations in 1934, a long disused graveyard was uncovered in the area in question. So far as Government are aware the graveyard is of unknown antiquity and in spite of careful enquiries, no evidence has been discovered to show that there is, or ever has been, a regular mosque upon it. The area has been provided with wire fencing and permission given for a custodian to reside at the graveyard under arrangements to be made by the Jama Masjid Committee to whom the area is leased on an agreement. No application has been received for the reconstruction of the mosque and since there is no indication that a mosque ever existed on the site, the question of its reconstruction does not arise.

Information promised in reply to starred question No. 505 asked by Maulvi Muhammad Abdul Ghani on the 25th March, 1941.

PAUCITY OF MUSLIMS IN THE STAFF OF THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

(a) The percentage of Muslims in April 1933 in the category "veterinary staff" which consists of Veterinary Inspectors and Dressers was 45.7 per cent. The percentage in that category excluding dressers was 9.1 in 1933 and 25.6 per cent. in November 1940.

(b) The statement furnished in reply to question No. 141 (b) applied only to permanent appointments filled by direct recruitment. The model rotation prescribed by Government is followed in filling the vacancies but a common roster is maintained for both permanent and temporary appointments. It is proposed to fill the next two permanent vacancies by Muslims so that they will have had 10 out of the 40 vacancies filled by direct recruitment since 1934.

(c) Does not arise.

(d) Yes.

(e) In the letter referred to it was stated that the sanctioned strength of the ministerial staff was 46 of whom 8 were Muslims, 6 being employed in a substantive capacity. In November 1940, 9 out of 46 were Muslims and out of these nine 7 were permanent.

Information promised in reply to unstarred questions Nos. 205, 206, and 207 asked by Mr. Umar Aly Shah on the 25th March, 1941.

PAUCITY OF MUSLIMS IN THE STAFF OF THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

No. 205.—(a) to (c). There are no unqualified clerks.

(d) Not when the former incumbent continues in the post.

(e) No.

(f) to (i). Do not arise.

(j) and (k). Promotions are made on the basis of merit and seniority.

(l) Does not arise.

(m) The answer to the first part is in the affirmative and to the second part in the negative. As far as Government are aware the orders have not been contravened.

MUSLIM PERCENTAGE IN THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH SCHEMES.

No. 206.—Four.

PERMANENT MUSLIM VETERINARY INSPECTORS IN THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

No. 207.—One. The post was filled by the promotion of an officer who had been continuously in Government Service since September 1926 and had been officiating as a veterinary inspector before the orders referred to came into operation.

Information promised in reply to starred question No. 509 asked by Maulvi Muhammad Abdul Ghani on the 27th March, 1941.

OFFICERS RESIGNING COMMISSIONS IN THE 12TH AND 13TH MALABAR BATTALIONS, INDIAN TERRITORIAL FORCE.

(a) 31st October 1938.

(b) Senior Grade Officers.

12th Malabar Battalion	...	...	...	...	...	1
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13th Malabar Battalion	...	...	...	...	...	4
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One officer gave no reasons. Four resigned for private reasons, which in one case were mainly medical, and in another financial.

Junior Grade Officers.

12th Malabar Battalion	...	...	...	...	...	2
------------------------	-----	-----	-----	-----	-----	---

13th Malabar Battalion	...	...	...	...	...	3
------------------------	-----	-----	-----	-----	-----	---

Two officers resigned for private reasons, two in order to secure other employment and 1 as a conscientious objector.

(c) Three. Two officers who were adversely reported on were asked by the Commandant to consider the advisability of resignation if they felt that private affairs had prevented them from doing their best. The third officer was passed over twice as unfit to command a Company and the Commandant suggested voluntary resignation to avoid his continuing to serve under officers junior to him.

(d) No. One officer however subsequently petitioned for reinstatement.

(e) The percentage of resignations for Senior Grade Officers is slightly above average in one battalion and below average in the other. The percentage for Junior Grade Officers is below average in both battalions. No special reasons need therefore be assigned.

(f) The Head Clerk was discharged as, owing to his age, he was unable to cope with the growing pressure of work. The clerk who was recruited in his place however proved inefficient, unreliable and unsuitable and resigned at a time when the battalion was under orders to leave for a new station. As no other suitable clerk was immediately available, the original Head Clerk was reinstated.

(g) 127 men were provisionally selected from Travancore by the Commandant in August 1940, but a number of them withdrew their names and their places were taken by others whom the Commandant had no opportunity to inspect until the draft reached Bangalore. A number of them were found unsuitable and had to be returned to Travancore at State expense.

(h) An enquiry has been instituted and has disclosed the facts mentioned above.

Information promised in reply to starred question No. 513 asked by Mr. Govind V. Deshmukh on the 27th March, 1941.

THEFTS AND BURGLARIES IN NEW DELHI.

(a) and (b). Two Statements giving the desired information are laid on the table.

(c) and (i). The area most affected by burglaries was the residential area occupied by clerks and other Government subordinates in the vicinity of Reading Road. For bicycle thefts the worst area was Connaught Circus and its vicinity. Petty miscellaneous thefts were fairly generally distributed. The reasons for the large number of petty thefts in New Delhi have been explained in the replies to former questions in

this Assembly. Among them may be mentioned the presence in New Delhi of large numbers of casual labourers employed on building work and the like, and the extraordinary carelessness of some householders in engaging low paid servants without any attempt to verify their antecedents. As regards remedial measures, the Reading Road area is already patrolled by the police on a scale greatly above that which is usual in urban areas, but the question of entertaining still more police to intensify patrolling is under consideration. A separate police station with headquarters in Tughlak Road has been started with effect from the 1st March, 1941, in order to relieve the New Delhi Police station of the responsibility for the portion south of the Central Vista, and thus enable the staff of the older station to concentrate on the prevention and detection of crime in the areas in which it is most prevalent. The staff of New Delhi Police Station has also been increased by 3 assistant sub-inspectors and 8 constables for investigation duties.

(d) The number of thefts, etc., was as follows :—

	379 I.P.C.	380 I.P.C.	381 I.P.C.	454 I.P.C.	457 I.P.C.
1940	5	5	4	35	19
1941	..	1	2	5	..

(up to the end of February).

(e) The Honourable Member is presumably referring to two cases of burglary, involving the loss of ornaments, etc., valued at Rs. 4,895 from a house on Irwin Road, and the loss of Rs. 3,602 from a house on Circular Road. These cases occurred on the 15th and 17th February and were under investigation when the question was asked.

(f) No. There is certainly no justification for any general feeling of insecurity.

(g) In August 1940 two representations were received from tenants of quarters on the Reading Road complaining that police arrangements were inadequate and that their quarters were easily accessible to thieves and burglars from the jungle on the ridge. They suggested that till suitable protective measures could be adopted, they might be allotted quarters elsewhere. Their requests could not be accepted as Government could not leave the quarters untenanted. But it is open to the tenants to apply for an exchange of quarters under the rules.

(h) Representations have been made by Government subordinates from time to time that the police patrolling staff should be increased, but as I have said in reply to part (c) of the question, the patrolling staff in the areas concerned is already considerably in excess of the normal scale.

(j) There is no Branch of the Delhi Criminal Investigation Department as there is in the Provinces, for the investigation of ordinary crime, but a small Central Investigating Agency has been formed from the existing strength of the Delhi Police to investigate ordinary crime, and the question of employing extra police officers for this purpose is under consideration.

Part (a) Statement showing the number of thefts and burglaries committed in the jurisdiction of the New Delhi Police Station month by month in 1940 and 1941 up to the end of February.

(A) 1940.	379 I. P. C.	380 I. P. C.	381 I. P. C.	454 I. P. C.	457 I. P. C.
January	46	5	4	2	7
February	34	5	2	5	8
March	18	4	2	3	4
April	22	4	3	4	5
May	21	3	3	5	4
June	14	3	5	6	6
July	16	8	2	6	6
August	20	7	5	4	4
September	18	8	..	7	5
October	27	12	6	9	4
November	29	7	4	4	6
December	39	11	2	4	5
Total	304	77	38	59	64
GRAND TOTAL	..	..	..	..	542

STATEMENTS LAID ON THE TABLE

(A) 1940.	379 I.P.C.	380 I.P.C.	381 I.P.C.	454 I.P.C.	457 I.P.C.
1941—					
January	22	12	5	4	..
February	20	9	5	7	5
Total	42	21	10	11	5
GRAND TOTAL	..	..	..	..	89

Part (b)—Statement* showing all cases of theft and burglary in the jurisdiction of New Delhi Police Station during 1940 and the first two months of 1941, showing the culprits convicted and the value of property recovered.

*

Information promised in reply to parts (b) to (i) of starred question No. 514 asked by Dr. Sir Ziauddin Ahmad (on behalf of Khan Bahadur Shaikh Fazl-i-Haq Piracha) on the 27th March, 1941.

ALLEGED MISUSE OF CERTAIN POWERS UNDER THE INCOME-TAX ACT BY THE INCOME-TAX AUTHORITIES.

(b) I presume that the Honourable Member is referring to offers of composition under section 53. The number of such offers made by the Inspecting Assistant Commissioner, Delhi, during 1940-41 is 16.

(c) and (e). Government are aware that some complaints have been received but have no reason to believe that they are well founded.

(d) The compounding fee varies in different cases in accordance with the seriousness of the offence and the total amount of tax evaded.

(f) I would invite the attention of the Honourable Member to the provisions of section 53.

(g), (h) and (i). Government see no need for any alteration in the existing law or procedure. Composition is only offered as an alternative and the assessee is in no way bound to accept the terms proposed by the department. It is always open to him to have his case tried by the appropriate court and if he adopts this course he has the usual rights of appeal.

Information promised in reply to part (c) of starred question No. 518 asked by Maulvi Muhammad Abdul Ghani (on behalf of Mr. H. A. Sathar H. Essak Sait) on the 28th March, 1941.

MUSLIM OFFICERS EMPLOYED BY THE CALCUTTA, MADRAS, BOMBAY AND KARACHI PORT TRUSTS.

(c) During the years 1924-25 to 1939-40, there were 15 direct recruitments made at Madras in the grades of officers holding posts with a maximum salary of Rs. 500 per mensem and above, 49 at Bombay and 22 at Karachi. There were no direct Muslim recruits at Madras but there were 2 at Bombay and 1 at Karachi.

* Not included in these Debates, but a copy has been placed in the Library of the House.—Ed. of D.

Information promised in reply to parts (b), (c), (d) and (f) of starred question No. 523 asked by Mr. Amarendra Nath Chattopadhyaya on the 28th March, 1941.

PAUCITY OF INDIANS IN THE SUPERIOR ESTABLISHMENT OF STATE RAILWAY PRESSES.

(b) and (c). One permanent and three officiating vacancies occurred. These were filled by the promotion of suitably qualified subordinates.

(d) As these vacancies were filled by promotion it was not necessary to advertise.

(f) The appointments were made within the service in which case no question of communal or racial reservation arises.

Information promised in reply to part (a) of starred question No. 527 asked by Sir Syed Raza Ali, on the 29th March, 1941.

PAUCITY OF MUSLIMS IN THE STAFF OF THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

The increase in the percentage of Muslims was due to the following causes—

Clerical staff.—One Muslim officiating since 1930 was confirmed in 1934 and one was taken from another department in the same year.

Other staff.—One Muslim was transferred from another department in 1934.

Farm staff.—One Muslim was transferred from the clerical staff.

These appointments were not included in the statement furnished in reply to starred question 141 (b) which related only to permanent appointments filled by direct recruitment.

Information promised in reply to part (b) of starred question No. 540 asked by Bhai Parma Nand, on the 29th March, 1941.

WIREMEN IN THE ELECTRICAL AND PROVINCIAL DIVISIONS, CENTRAL PUBLIC WORKS DEPARTMENT.

(b) (i)	Nil.	
(b) (ii)	Number.	Increase of pay.
		Rs. A.
	26	3 0 each.
	12	1 0 each.
	7	2 0 each.
	4	2 8 each.
	1	4 0

Information promised in reply to starred questions No. 548, 549, 553 and 554, asked by Mr. Amarendra Nath Chattopadhyaya on the 29th March, 1941.

BUILDING PLANS SANCTIONED BY THE DELHI IMPROVEMENT TRUST.

No. 548.—(a) to (d). The value of the information asked for by the Honourable Member would not be commensurate with the time and labour involved in its compilation.

(e) No. All plans are scrutinized by the Superintending Engineer, the Chief Health Officer and the Chairman and are approved or rejected in accordance with the scrutiny reports.

(f) No.

(g) No. The Trust are only responsible for administering the relevant sections of the Punjab municipal law and the by-laws framed thereunder, and not for preparing building plans.

(h) No. Government see no justification for an enquiry.

CASE AGAINST ONE MR. MUL CHAND BY THE DELHI IMPROVEMENT TRUST.

No. 549.—(a) Yes. The prosecution, however, was not on account of deviations in a building but for unauthorised construction.

(b), (c) and (d). Yes.

(e) 97.6.

(f) No. The fact that the conviction was upset in one case affords no basis for inferring that the convictions in the other cases were not justified.

OPENING OF THE PUBLIC LATRINES BUILT IN KAROL BAGH, DELHI.

No. 553.—(a) and (c). The Delhi Municipal Committee has recently agreed to take over and operate the new services provided by the Delhi Improvement Trust, and the latrines not already brought into use will be opened shortly.

(b) No. Conditions in Karol Bagh have been materially improved by the operations of the Trust.

(d) The locality is receiving the special attention of the Delhi Improvement Trust.

COMPLAINTS AGAINST THE CHAUKIDAR AT THE BHULI BHATIARI TANK, DELHI.

No. 554.—(a) and (b). Two complaints are reported to have been received by the P. W. D.; one in October 1938 and the other in November 1940. The first complaint was from a Police Head Constable who quarreled with the chowkidar because the latter prevented him from bathing in the reservoir which is dangerous for bathing; in fact a drowning fatality occurred in it in 1933. The second complaint was made by two persons who also are reported to have attempted to bathe in the tank. Bathing in the reservoir is prohibited and it is the chowkidar's duty to keep out trespassers.

(c) No, he is an ex-soldier with an excellent service record.

(d) Does not arise.

Information promised in reply to starred question No. 558 asked by Mr. Amarendra Nath Chattopadhyaya on the 31st March, 1941.

SPECIAL POLICE OFFICERS IN THE DELHI CITY.

(a) The witness to whom the words of the Court referred to were applied in the Judgment was not, and never had been, a special police officer, nor did the judgment suggest that he was one;

(b) It is not a fact that special police officers are invariably used as search and prosecution witnesses in Crown cases by the Police in Delhi;

(c), (d) and (e). As part (a) of the Hon'ble Member's question appears to have been based on a misunderstanding, it is presumed that he will not require the information asked for in these parts of the question. But with reference to parts (d) and (e) it may be noted that it will probably be unnecessary for some time to appoint persons as special police officers, since the services of the Civic Guard are now available for that purpose.

Information promised in reply to starred question No. 560 asked by Mr. Akhil Chandra Datta on the 31st March, 1941.

LICENSES FOR PREPARATION OF AYURVEDIC MEDICINES FROM NATURAL FERMENTED INGREDIENTS IN DELHI.

- (a) No rules of the kind mentioned have been framed for Delhi Province.
- (b) Government do not think that the absence of such rules is detrimental to the proper development of the Ayurvedic system of medicine.
- (c) Government have seen the rules in force in Bengal but have no information as regards Bihar.
- (d) The Majumdar Ayurvedic Pharmaceutical Works, New Delhi applied for permission to prepare certain Ayurvedic medicines by distillation but, since the Pharmacy were not prepared to bear the entire cost of the special excise staff, the Deputy Commissioner rejected the application.
- (e) Government do not think it desirable to issue instructions for the grant of such licences.
- (f) Government are informed that both Mahuwa wine and Ganja are used as ingredients in some Ayurvedic medicines.
- (g) The import of Mahuwa wine and Ganja into Delhi is prohibited. Delhi follows the Punjab in the matter of excise policy and rules. Government have no information about other Provinces.
- (h) Not at present.

Information promised in reply to starred question No. 564 asked by Mr. Muhammad Azhar Ali on the 31st March, 1941.

THEFTS AND BURGLARIES IN NEW DELHI.

(a) The number of thefts and burglaries in the jurisdiction of New Delhi and Tughlak Road Police Stations, (the latter was opened on the 1st March, 1941) reported during the period from the 11th February to the 20th March, 1941, was as follows:

Thefts.			Burglaries.		Total.
379 I.P.C.,	380 I.P.C.,	381 I.P.C.	454 I.P.C.,	457 I.P.C.	
22	9	3	11	5	50

(b), (c), (d) and (e). A statement giving the desired information is laid on the table.

(f) In sixteen of the cases the thefts or burglaries were from premises which were at the time vacant.

(g) None.

(h) I have already, in replies to other questions, explained the special conditions which facilitate crime in New Delhi and the action that is being taken.

(i) All the cases reported during the period in question, if not already sent for trial, were, at the time the information was collected, still under investigation and every effort was being made by the police to trace the culprits and recover the stolen property. Property to the value of Rs. 1,598-0-3 had already been recovered in ten cases.

(j) Eight persons had at the time the information was collected been arrested in connection with these thefts and burglaries.

Statement showing thefts and burglaries committed in the jurisdiction of New Delhi and Tughlak Road Police Stations from the 11th February to the 20th March, 1941, including the places, date and time of occurrence, the time during which the premises were vacant, and the nature and value of the property stolen and recovered.

F. I. R. No.	Section.	Place of offence.	Date.	Time of offence.	Time during which the premises remained vacant.	Number of packages taken.	Property recovered.
New Delhi Police Station.							
74	457	B. Block, Connaught Place	10/11-2-41.	Between 9-0 P.M. and 9-0 A.M.	10-0 P.M. to 9-0 A.M.	Isolated articles taken from show cases of shop, value Rs. 3,417.	One iron rod, Re. 1.
75	380	3, Barakhamba Road	11-2-41	7-0 A.M.	11-45 A.M. to 12-15 P.M.	Two packages, value Rs. 16	..
78	454	85, Market Road	11-2-41	Between 11-45 A.M. and 12-15 P.M.	..	..	..
81	380	Bengali Mull Market.	14-2-41	12-30 P.M.	..	Cash Rs. 21-9-3 stolen from shop.	Rs. 2-3-3.
82	454	40-C, Irwin Road	15-2-41	Between 1-0 P.M. and 2-0 P.M.	1-0 P.M. to 4-0 P.M.	Cash and ornaments valued at Rs. 4,895. Number of packages not known.	..
83	454	4, Telegraph Chambers, Atul Grove.	15-2-41	Between 12-30 P.M. and 3-30 P.M.	7-0 A.M. to 3-0 P.M.	One package clothes Rs. 60.	..
85	379	Anurao Singh Bhawan, Connaught Place.	16-2-41	Between 11-15 A.M. and 12-15 P.M.	Theft from open place.	One bicycle Rs. 50	..
86	379	Near R. S. Bhole Ram's shop, Connaught Place.	16-2-41	Between 11 and 11-30 A.M.	Do.	One bicycle Rs. 40	Rs. 40.
87	454	Harcourt Butler High School, Reading Road.	16-2-41	1-30 P.M.	4-0 P.M. to 15-2-41 on 16-2-4	Cups and Stationery, Rs. 150	..

F. I. R. No.	Section.	Place of offence.	Date.	Time of offence.	Time during which the premises remained vacant.	Number of packages taken.	Property recovered.
88	379	Salvation Army Hostel near Connaught Circus.	16-2-41	Between 6-0 P.M. and 6-0 A.M.	Theft from open place.	One bicycle Rs. 30	..
90	379	Cycle Stand, Army Headquarters, South Block, Secretariat.	18-2-41	Between 9-0 A.M. and 1-0 P.M.	Theft from open place.	One bicycle Rs. 66	..
91	379	34, Asoka Road	18-2-41	Between 10-30 P.M. and 12 Midnight.	Theft from open place.	Clothes Rs 39-12	..
93	380	27, Aurangzeb Road.	19-2-41	Between 10-0 A.M. and 12 Noon.	..	Rs. 40.	..
94	379	Messrs. Kitson's Ltd., Connaught Place.	20-2-41	..	..	..	Rs. 35.
95	379	South Block, Secretariat	20-2-41	Between 10-0 A.M. and 5-0 P.M.	Theft from open place.	Bicycle Rs. 15.	..
96	457	K. Block, Connaught Circus	20/21-2-41.	Between 10-0 P.M. and 9-0 A.M.	10-0 P.M. to 9-0 A.M.	Miscellaneous stationery Rs. 129-6.	..
98	457	13, Akbar Road	23-2-41	1-45 A.M.	..	One package clothes and cash Rs. 25.	..
99	379	Plaza Building, Connaught Circus.	23-2-41	5-45 A.M.	Theft from open place.	One bicycle Rs. 35	..
100	380	1, Windsor Place	23-2-41	Not known	..	One package clothes Rs. 80	..
103	379	Cycle Stand, Army Headquarters, South Block Secretariat.	22-2-41	Between 3 and 4 P.M.	Theft from open place.	One bicycle Rs. 35.	Rs. 35.
104	381	4, Foch Square	24-2-41	7-0 A.M.	..	Cash and watch Rs. 27-8.	..

107	379	North Block, Secretariat	23/24-2-41.	Between 6-0 P.M. and 9-0 A.M.	Theft from open place.	One bicycle Rs. 30	Rs. 30.
108	380	1, Ratendone Road	25-2-41	Between 11-30 A.M. and 1 P.M.	..	Alarm Clock Rs. 40	..
109	379	5, York Road	Not known	Not known	Theft from open place.	One brass lock Re. 1.	..
112	454	3, Telegraph Square	1-3-41	Between 11-0 A.M. and 4-30 P.M.	11-0 A.M. to 4-30 P.M.	Two packages clothes, utensils Rs. 148.	..
113	379	Prem House, Connaught Circus.	2-3-41	Between 11-0 A.M. and 12 NOON.	Theft from open place.	One bicycle Rs. 40	..
114	381	Rabid Dyers and Cleaners, Connaught Place.	2-3-41	5-0 P.M.	..	Cash Rs. 200	..
115	381	4, Hailey Road	2/3-3-41	Between 9-0 P.M. and 9-0 A.M.	..	One package, clothes, Rs. 25	..
118	380	1, Jai Singh Road	5-3-41	6-0 A.M.	..	Revolver and cartridges Rs. 150.	..
119	457	382, Peons Quarters, Punchkuin Road.	6-3-41	11-30 P.M.	..	No loss.	..
120	379	New Asiatic Building, Connaught Circus.	4-3-41	Between 7-30 P.M. and 8 P.M.	Theft from open place.	One bicycle Rs. 40	..
121	454	55, Hanuman Road	7-3-41	Between 11-0 A.M. and 3-0 P.M.	11-0 A.M. to 3-0 P.M.	Two packages clothes Rs. 221-2.	..
123	379	Flat No. 31, G Block, Connaught Circus.	10-3-41	8-0 P.M.	Theft from open place.	One bicycle Rs. 40	..
125	454	T-B1, Market Road	11-3-41	Between 11-30 A.M. and 3-30 P.M.	11-30 A.M. to 3-30 P.M.	One package, clothes, Rs. 150.	..
127	379	D. Block, Connaught Place	11-3-41	11-0 A.M.	Theft from open place.	One bicycle Rs. 25	..

F. I. R. No.	Section.	Place of offence.	Date.	Time of offence.	Time during which the premises remained vacant.	Number of packages taken.	Property recovered.
128	380	Raja Akbar Ali Block, Connaught Circus.	12-3-41	Between 10-15 A.M. and 6-0 P.M.	10-15 A.M. to 6-0 P.M.	One package, clothes and time-piece Rs. 73.	..
129	380	Statesman, Peon's Quarters, Connaught Place.	13-3-41	Between 9-0 A.M. and 9-30 A.M.	9-0 A.M. to 9-30 A.M.	Cash Rs. 80	..
130	379	M. B. High School, Reading Road.	15-3-41	Between 11 P.M. and 3 A.M.	Theft from open place.	Small tent Rs. 40	..
131	454	6, Baird Road.	17-3-41	Between 6 A.M. and 7 P.M.	6 A.M. to 7 A.M.	Two packages, Singer Sewing Machine and clothes, Rs. 200.	..
132	379	Lakshmi Narain Temple, Reading Road.	17-3-41	Between 4 P.M. and 6 P.M.	Theft from open place.	1 bicycle Rs. 25	..
133	379	Improvement Trust Office, Regal Building, Connaught Place.	18-3-41	7 A.M.	Theft from open place.	1 bicycle Rs. 25	..
134	379	Connaught Place	19-3-41	10-30 A.M.	Theft from open place.	2 bicycles Rs. 70	..
135	379	Bholi Bhatnari Reservoir	19-3-41	Not known	Theft from open place	7 cart loads of stone Rs. 1,120.	Rs. 1,120.
136	379	Harcourt Butler High School, Reading Road.	19-3-41	Between 11-15 A.M. and 2 P.M.	Theft from open place.	1 bicycle Rs. 25	..
137	379	Connaught Place, Opposite Rivoli Cinema.	18/19-3-41.	Between 8 P.M. and 6 A.M.	Theft from open place.	1 bicycle Rs. 25	..
138	457	Lakshmi Restaurant, Connaught Circus.	19/20-3-41.	Between 11 P.M. and 7 A.M.	11 P.M. to 7 A.M.	Cash Rs. 68-6	..

139	380	Chummary No. 2, Alexandra Place.	20-3-41	Between 11-30 A.M. and 1 P.M.	..	1 package, clothes Rs. 50	..
140	454	13-D, Diaz Square	20-3-41	Between 10-15 A.M. and 4-15 P.M.	10-15 A.M. to 4-15 P.M.	1 package, clothes Rs. 323.	..
<i>Tughlaq Road Police Station.</i>							
1	454	Imperial Delhi Gymkhana Club.	3-3-41	Between 2 P.M. and 4-45 P.M.	2 P.M. to 4-45 P.M.	Wrist watch and note book with G. C. notes Rs. 50.	..
4	454	3, Akbar Road.	14-3-41	Between 9-30 A.M. and 6-45 P.M.	9-30 A.M. to 6-45 P.M.	1 package, Cash and ornaments Rs. 500.	..

Information promised in reply to parts (a), (b), (c), (d) and (e) of starred question No. 566 asked by Maulvi Syed Murtuza Sahib Bahadur on the 1st April, 1941.

DIFFERENTIAL TREATMENT TO 1925 NORTH WESTERN RAILWAY STRIKERS.

(a) Government are informed that some of the staff on the North Western Railway struck work in March 1925, at which time the law contained no provision relating to illegal strikers. As the strike took place 16 years ago it is not possible, without spending considerable time and labour, to ascertain how many of the staff who did not return to duty by 15th July 1925 belonged to the Rawalpindi Division. The break in service of those who were re-appointed after 15th July 1925 and who applied for the condonation of such breaks, were condoned for the purpose of gratuity provided they fulfilled the conditions for such condonation. Those who returned to duty before 15th July 1925, were treated as reinstated and were allowed to retain their previous seniority, but those who joined after that date were treated as new entrants and were therefore not given their original seniority.

(b) Ex-strikers of the Great Indian Peninsula Railway who reported for duty before the 17th March 1930 were treated as reinstated when subsequently absorbed on the North Western Railway. The refunding of Provident Fund money and gratuity was not insisted on as a condition precedent to their service being treated as continuous. Ex-strikers of the Great Indian Peninsula Railway who reported for duty after the 17th March 1930 were not reinstated but only re-employed.

(c) Does not arise in view of the replies to parts (a) and (b).

(d) The reply to the first part is in the affirmative. As regards the latter part owing to certain difficulties in recovering by monthly instalments through salary bills the staff concerned were required to pay in a lump sum in cash. Those who were unable to pay in a lump sum were allowed to pay by monthly instalments in cash.

(e) There would appear to be no sufficient case for a review of the orders.

Information promised in reply to starred question No. 573 asked by Maulvi Muhammad Abdul Ghani on the 1st April, 1941.

DISREGARD OF CLAIMS OF MUSLIMS IN THE OFFICE OF THE DIVISIONAL SUPERINTENDENT, NORTH WESTERN RAILWAY, FEROZEPUR.

(a) to (e). I understand that the Selection Board asked candidates who appeared before it to answer a few written and a few oral questions. There would appear to be no ground for the suggestion that this step was influenced by any communal considerations; the President of the Board was a Muslim Officer.

(f) The figures given are correct.

Information promised in reply to starred question No. 574 asked by Dr. Habibur Rahman on the 1st April, 1941.

CASE OF A MILITARY SEPOY FOUND TRAVELLING IN IRREGULAR MANNER AT KIUL RAILWAY STATION, EAST INDIAN RAILWAY.

(a) Yes.

(b) He was detected travelling in a higher class than that for which he had a ticket, and in a train by which he was not entitled to travel. He had exchanged his warrant for a ticket.

(c) He was requested to pay the difference between inter and third class fares plus penalty and on his refusal to do so, details of his ticket were noted so that the matter could be reported to the military authorities.

(d) Yes. The charge against the Chief Inspector was subsequently withdrawn.

STATEMENT MADE BY THE HONOURABLE THE PRESIDENT REGARDING THE INTRODUCTION OF A SECOND ROUND FOR STARRED QUESTIONS.

Mr. President (The Honourable Sir Abdur Rahim): It will be within the recollection of Honourable Members that during recent Sessions requests were made to me on several occasions that inasmuch as there was still question-time, those Members who had come after their questions had been passed over, might be permitted to ask them. In view of the general desire among non-official Members that, if there is still time, those who come late may be given one more opportunity to ask their questions, I have considered the matter, bearing in mind the provisions of Standing Orders 10 and 17; and in future I propose to adopt the practice followed in the British House of Commons where, if time allows, questions that have not been answered in the first round are called a second time. I also propose to adopt the House of Commons practice in this connection in its entirety, that is to say, in future those Members who hold authority to put questions of other Members will be permitted to do so in the second round only, and in the first round only those Members who have questions in their names and are actually present in the House, will be allowed to ask their questions. I trust that this change in practice will not act as an inducement to Members to come late during the question-hour.

Pandit Lakshmi Kanta Maitra: Will you kindly order, Sir, that a copy of the announcement which you just now made be given to all the Members.

Mr. President (The Honourable Sir Abdur Rahim): Yes. That will be done.

MOTIONS FOR ADJOURNMENT.

INDO-BURMA IMMIGRATION AGREEMENT.

Mr. President (The Honourable Sir Abdur Rahim): Motion for Adjournment. The first motion stands in the name of Mr. Akhil Chandra Datta. He wishes to ask for the adjournment of the House "to consider a definite matter of urgent public importance, viz., the Indo-Burma Immigration Agreement".

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): There is a Resolution coming day after tomorrow, and, therefore, I do not propose to move this motion.

Mr. President (The Honourable Sir Abdur Rahim): A Resolution on the subject is put down for 29th, and so this cannot be moved.

The second* motion for adjournment is in the name of Sir Abdul Halim Ghuznavi and it has exactly the same effect, and so it cannot be moved.

* "I beg leave to make a motion for an adjournment of the business of the Assembly for the purpose of discussing a definite matter of urgent public importance of recent occurrence, namely, the conclusion of a highly unsatisfactory and inequitable Indo-Burma Immigration Agreement."

[Mr. President.]

The third* and fourth† motions are to the same effect. They cannot be moved.

EXPANSION OF THE EXECUTIVE COUNCIL AND THE ESTABLISHMENT OF THE NATIONAL DEFENCE COUNCIL.

Mr. President (The Honourable Sir Abdur Rahim): The next motion for adjournment is in the name of Mr. Govind V. Deshmukh. He wants:

"That the business of the Assembly be adjourned for the purpose of discussing a definite matter of urgent public importance, namely, the inadequacy of such measures as the recent expansion of the Executive Council and the establishment of the National Defence Council to increase further war efforts unless accompanied by the release of all political prisoners and detenus and a declaration that India will enjoy the same freedom as Britain or the Self-Governing Dominions within two or three years after the War."

There seems to be two distinct questions which the Honourable Member wants to discuss, firstly the present composition of the Executive Council and the establishment of the National Defence Council, and secondly the release of political prisoners and also the question of Dominion Status.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): I am merely emphasizing in the adjournment motion the inadequacy of the measures to increase further war efforts. That is the sole point. The rest incidentally follows.

Mr. President (The Honourable Sir Abdur Rahim): Which is the question which the Honourable Member wants to discuss?

Mr. Govind V. Deshmukh: While dealing with the inadequacy of the measures, I would certainly deal with the expansion of the Executive Council or the establishment of the National Defence Council, and so on.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's point is that unless something else is done, the war measures cannot have any effect.

Mr. Govind V. Deshmukh: These are not adequate. What is to be done is that the political prisoners should be released; that alone will not satisfy. What I mean to say is that the cumulative effect of the steps suggested by me would lead to satisfactory war effort.

Mr. President (The Honourable Sir Abdur Rahim): The difficulty is that this question of release of political prisoners is not a recent matter

*"The Assembly do adjourn to discuss a definite matter of urgent public importance, viz., the failure of the Government of India to protect the rights and interests of the Indians as revealed in the Indo-Burma Immigration Agreement of 1941."

†"The Assembly do adjourn to discuss a definite matter of urgent public importance, viz., the failure of the Government of India to consult public opinion and to publish the Baxter Committee report before entering into the Indo-Burma Immigration Agreement of 1941 and to protect the legitimate rights and interests of the Indian people in the said Agreement."

‡"This Assembly do adjourn its business to discuss a definite matter of urgent public importance, namely: the unsatisfactory and discriminating terms of the recently signed Indo-Burma Immigration agreement"

within the meaning of the rules nor urgent in that sense. And there is the question of declaration of Dominion Status for India which is also a very old question. The Honourable Member cannot lump up questions of that character with the composition of the Executive Council and the National Defence Council, for whatever reasons. I hold that this is out of order.

Mr. Govind V. Deshmukh: I may say that this is a very urgent matter, because all over India there is a demand for an immediate and specific declaration as regards Dominion Status to be attained within a short period of two years or so after the war.

Mr. President (The Honourable Sir Abdur Rahim): That is a very old question and there must be other means of raising it.

Mr. Govind V. Deshmukh: It has assumed new importance, and, therefore, it is urgent.

RELEASE OF POLITICAL PRISONERS AND DETENUS AND AN IMMEDIATE DECLARATION FOR RECOGNISING INDIA'S STATUS AS A SELF-GOVERNING DOMINION.

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

The next motion is in the name of the same Honourable Member who wants to discuss the gingering up of enthusiasm for the war by such forward steps by the Government as release of all political prisoners and detenus and an immediate declaration for recognising India's status as a self-governing Dominion within two or three years after the war. This also must be held to be out of order.

INDIA'S DISSOCIATION IN THE INTER-ALLIED CONFERENCES AND ALLIED COUNCIL TO CONSIDER THE ECONOMIC POST-WAR PROBLEMS.

Mr. President (The Honourable Sir Abdur Rahim): The next motion has been given notice of by the same Honourable Member who wants to discuss India's dissociation hereafter in the Inter-allied conferences at present held in London and Allied Council to consider the economic post-war problems as outlined in Article IV of the Atlantic Charter, as according to the statement of the Prime Minister, Mr. Churchill, the same (*i.e.*, Charter) is inapplicable to India. The Honourable Member then quotes Article IV as follows:

"They will endeavour, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access on equal terms to trade and to the raw materials of the world which are needed for their economic prosperity."

Is there any objection to the discussion of this motion?

The Honourable Mr. M. S. Aney (Member for Indians Overseas): What is the precise point of dissociation which the Honourable Member wants to raise?

Mr. President (The Honourable Sir Abdur Rahim): The point seems to be that the Atlantic Charter does not apply to India.

The Honourable Mr. M. S. Aney: The motion refers to the Inter-allied conferences and the Allied Council which are different matters. So it refers to more than one issue and there is no specific single issue of recent occurrence, which the Honourable Member wants to discuss.

Mr. President (The Honourable Sir Abdur Rahim): I suppose this happened after the last Session of the Assembly?

Several Honourable Members: Yes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Is there any objection to this motion being taken up?

The Honourable Mr. M. S. Aney: Yes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): As objection has been taken, those Honourable Members who are in favour of leave being granted will rise in their places.

(After a pause.)

As less than 25 Members have stood up, leave is refused.

ECONOMIC CONDITION OF COTTON GROWERS.

Mr. President (The Honourable Sir Abdur Rahim): The next motion for adjournment stands in the name of the same Honourable Member. The matter sought to be discussed relates to the grave situation arising out of the precarious economic condition of growers of cotton, particularly short staple, consequent on the order freezing Japanese assets, needing urgent and substantial relief as the cotton crop will be moving to the markets within a month.

Is there any objection to this motion being discussed?

(After a pause.)

The motion is in order, and as no objection has been taken, it will be taken up at 4 o'clock unless the business of the House is concluded earlier, in which case it will be taken up when the agenda is finished.

H. E. THE GOVERNOR GENERAL'S ASSENT TO BILLS.

Secretary of the Assembly: Sir, information has been received that the following Bills, which were passed by both Chambers of the Indian Legislature during the Budget Session, 1941, have been assented to by His Excellency the Governor General under the provisions of sub-section (1) of section 68 of the Government of India Act, as continued by section 817 of the Government of India Act, 1935:—

- (1) The Insurance Deposits (Temporary Reduction) Act, 1941,
- (2) The Indian Merchandise Marks (Amendment) Act, 1941,
- (3) The Petroleum (Amendment) Act, 1941,
- (4) The Berar Laws Act, 1941,
- (5) The Assam Rifles Act, 1941,
- (6) The Indian Railways (Amendment) Act, 1941,
- (7) The Indian Finance Act, 1941,
- (8) The Protective Duties Continuation Act, 1941,
- (9) The Indian Tariff (Amendment) Act, 1941,
- (10) The Tyres (Excise Duty) Act, 1941,
- (11) The Excess Profits Tax (Amendment) Act, 1941,
- (12) The Delhi Restriction of Uses of Land Act, 1941, and
- (13) The Insurance (Amendment) Act, 1941.

HOME DEPARTMENT NOTIFICATION ISSUED UNDER THE REGISTRATION OF FOREIGNERS ACT, 1939.

The Honourable Sir Reginald Maxwell (Home Member): Sir, I lay on the table a copy of the Home Department Notification No. 21/33-1/40-Political (E), dated the 12th July, 1941, issued under the Registration of Foreigners Act, 1939.

HOME DEPARTMENT.

NOTIFICATION.

POLITICAL (E).

Simla, the 12th July, 1941.

No. 21/33-1/40.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to direct that the following further amendment shall be made in the Registration of Foreigners (Exemption) Order, 1939, published with the notification of the Government of India in the Home Department No. 21/32/39-Political, dated the 21st June, 1939, namely:

To the Declarations set out in the said Order, the following Declaration shall be added, namely:

"7. That the provisions of sub-rules (1) and (3) of rule 10 of the Rules shall not apply to, or in relation to, any foreigner who is absent from the district of his registered address and who has furnished in respect of such absence a report in pursuance of paragraph 10 of the Foreigners Order, 1939, to the Registration Officer of the district of his registered address so long as the said report shall substantially comply with the requirements of the said sub-rule."

(Sd.) H. J. FRAMPTON,

Joint Secretary to the Government of India.

AMENDMENT TO CERTAIN RULES AND FORMS OF THE INSURANCE RULES.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I lay on the table a copy of each of the following documents:

- (i) amendment to Rule 8 of the Insurance Rules, 1939, published with the Department of Commerce Notification No. 597-I (2)/40, dated the 1st February, 1941;
- (ii) amendment to Forms V and VI of the Forms set forth in the Schedule to the Insurance Rules, 1939, published with the Department of Commerce Notification No. 597-I(2)/41, dated the 2nd August, 1941; and
- (iii) amendments to Rules 16 and 24 of the Insurance Rules, 1939, published with the Department of Commerce Notification No. 597-I (3)/41, dated the 16th August, 1941.

DEPARTMENT OF COMMERCE.

NOTIFICATIONS.

INSURANCE.

New Delhi, the 1st February, 1941.

No. 597-I (2)/40.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following amendments shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely :—

In rule 8 of the said Rules—

- (1) in sub-rule (2), for the words "shall be" the words and figure "shall, at the option of the depositor, be either paid in London by the London Office of the Bank after deduction of a commission of 5s. on every sum of £100 or part thereof, or" shall be substituted;
- (2) in sub-rule (3), for the words "and amounts" the words "and amounts if any", shall be substituted.

H. C. PRIOR,

Addl. Secy. to the Govt. of India.

INSURANCE.

Simla, the 2nd August 1941.

No. 597-I (2)/41.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendment shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely :—

For Forms V and VI of the Forms set forth in the Schedule annexed to the said Rules, the following Forms shall be substituted, respectively, namely :—

"FORM V."

(See Rule 16).

Application for a licence to act as an Insurance Agent.

To

The Superintendent of Insurance,

Department of Commerce,

New Delhi.

SIR,

I request that a licence to act as an insurance agent may be granted to me. Necessary particulars are given below. The fee of Rs. _____ has been paid, vide bank treasury receipt attached. your letter No. _____, dated _____.

2. I, the applicant, declare that the answers below are true and that the licence for which I hereby apply will be used only by myself for soliciting or procuring insurance business.

Yours faithfully,

Signature.

Date

194 .

- | | |
|--|------|
| (1) Full name of the applicant in block letters. (State whether Mr., Mrs. or Miss). | (1) |
| (2) Father's or Husband's name. (Strike out portion not required). | (2) |
| (3) Full address (in block letters) stating the name of the Province or Indian State in which the address is situate. | (3) |
| (4) Age and date of birth in Christian era. | (4) |
| (5) Number and date of the last licence held, if any. | (5) |
| (6) Date of expiry of the last licence held, if any. | (6) |
| (7) Has the applicant been found to be of unsound mind by a Court of competent jurisdiction? | (7) |
| (8) Has the applicant been found guilty of criminal misappropriation or criminal breach of trust or cheating or forgery or an abetment of or attempt to commit any such offence by a Court of competent jurisdiction? | (8) |
| (9) In the course of any judicial proceeding relating to any policy of insurance or the winding up of an insurance company or in the course of an investigation of the affairs of an insurer has the applicant been found guilty of or to have knowingly participated in or connived at any fraud, dishonesty or misrepresentation against an insurer or an insured? | (9) |
| (10) Has the applicant's licence been cancelled at any time by the Superintendent of Insurance and if so, when? | (10) |
| (11) Has an application for a licence ever been refused? If so, when and by whom? | (11) |

[To be filled in by the insurer or chief agent, if the application is submitted through him. In the case of applications submitted in bulk this endorsement should be filled in for each application.]

Forwarded to the Superintendent of Insurance, New Delhi, with the request that the licence, if granted, may be sent to us for transmission to the party/parties concerned direct to the agent

The fee of Rs. _____ in respect of this application has been paid _____ into the bank/treasury, vide consolidated chalan for Rs. _____ and list attached. _____, dated _____, letter No. _____, dated _____.

Signature of sender.

(Full address of sender.)

No.

Dated the

NOTES.

1. The attention of the applicant is drawn to section 104 of the Insurance Act, 1938, which provides that whoever in any document required for the purposes of any of the provisions of that Act, wilfully makes a statement false in any material particular, knowing it to be false, shall be punishable with imprisonment for a term which may extend to three years, or with fine which may extend to one thousand rupees, or with both.

2. This application should be accompanied by a treasury or bank receipt obtained as laid down in Rule 16 of the Insurance Rules, 1939, unless it is submitted through an insurer, etc., with a consolidated chalan. Payment by money order, cheque or postal order will not be accepted. The fee should be paid for credit under the head "XXXVI-Miscellaneous Departments—Miscellaneous—Fees realised under the Insurance Act, 1938". Care should be taken to see that the name given in the treasury or bank receipt is identical with that shown against item (1) of the application form.

3. Every question should be clearly answered in words and not by putting a dash or a cross.

4. An applicant must be 18 years or over on the date of submission of the application.

5. It is requested that the application may be filled in as far as possible in the English language. Where it is not possible to do so, at least the name and address of the applicant and the father's or husband's name should be transliterated in English in block letters.

6. If this application is for renewal of the existing licence held, it should be submitted not more than 3 months before the date of its expiry.

7. No acknowledgment of this application will be sent. If one is required the application should be sent by registered post (Acknowledgment due).

(FOR USE IN THE OFFICE OF THE ISSUING AUTHORITY).

No. I. L. ()/4, dated New Delhi, the 194 .

Returned with the bank/treasury receipt with the remarks that
To Assistant Superintendent of Insurance.

Re-submitted with/without the bank/treasury receipt.
Dated the Signature of sender.

To The Superintendent of Insurance,
New Delhi.

FORM VI.

(See Rule 16.)

No. of Licence

Licence to act as an Insurance Agent under Part II of the Insurance Act, 1938.

of

having paid the prescribed fee and having made the necessary declaration is hereby authorised to act as an Insurance Agent up to

Dated the day of 194 .

Superintendent of Insurance.

Signature of Licence-holder to be made
as soon as licence is received.

NOTE.—If it is desired to renew this licence for a further period the procedure laid down in rule 16 of the Insurance Rules, 1939, shall be followed and an application for renewal should reach the issuing authority not more than three months before the existing licence expires."

Simla, the 16th August 1941.

No. 597-I. (3)/41.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendment shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely :—

1. In rule 16—

(a) in clause (a) for the words "a fee of one rupee", the words, brackets and letters "the fee specified in clause (aa)" shall be substituted;

(b) after clause (a) the following clause shall be inserted, namely :—

"(aa) The fee for obtaining or renewing a licence to act as an insurance agent shall be one rupee if the licence is issued for a period beginning with a date earlier than the 1st October 1941 or one and a half rupees in any other case;

Provided that an additional fee of one rupee shall be paid if the application for renewal of the licence reaches the issuing authority on or after the date on which the licence ceases to be in force."

2. In rule 24—

(a) in sub-rule (1)—

(i) for the words "one hundred rupees" the words "five hundred rupees" shall be substituted;

(ii) for the words "accident and miscellaneous insurance, including workmen's compensation and motor car insurance", the words "miscellaneous insurance" shall be substituted;

(iii) in the proviso for the words "fifty rupees" in both places where they occur, the words "two hundred and fifty rupees" shall be substituted,

(b) sub-rule (2) shall be renumbered as sub-rule (6), and sub-rule (3) shall be omitted,

(c) before sub-rule (6) as so renumbered, the following sub-rules shall be inserted, namely :—

"(2) The fee for renewal of registration under section 3A of the Act for each class of insurance business for which the insurer is registered shall be,

(i) where the total annual gross premium income including annuity considerations, if any, as shown in the revenue account for that class of insurance business prepared under the Act for the calendar year preceding the one in which the application for renewal of registration is required to be made does not exceed one lakh of rupees, fifty rupees;

(ii) where such premium income exceeds one lakh of rupees but does not exceed two lakhs of rupees, one hundred rupees;

(iii) where such premium income exceeds two lakhs of rupees but does not exceed four lakhs of rupees, one hundred and fifty rupees;

(iv) where such premium income exceeds four lakhs of rupees but does not exceed six lakhs of rupees, two hundred and fifty rupees;

(v) where such premium income exceeds six lakhs of rupees but does not exceed ten lakhs of rupees, three hundred and seventy-five rupees;

(vi) where such premium income exceeds ten lakhs of rupees, five hundred rupees :

Provided that the fees for renewal of registration payable in any one year by an insurer in respect of his insurance business other than life insurance business shall not exceed one thousand and five hundred rupees.

(3) The fee for registration under section 70 of the Act shall be two hundred rupees.

- (4) The fee for renewal of registration under section 70A of the Act shall be fifty rupees where the total gross premium income including annuity considerations, admission fees and other fees, if any, as shown in the revenue account last furnished under the Act was less than fifty thousand rupees per annum or one hundred rupees in all other cases.
- (5) The fee payable for obtaining copies under section 119 of the Act shall be two rupees for each foolscap page of the copy, the copy being prepared with reasonable margin and spacing."
- (d) in sub-rule (6) as so renumbered, for the words "The fee for registration", the words, brackets and figures "Any fee specified in this rule or payable under sub-section (1) of section 20 of the Act" shall be substituted and for the words "the application for registration", the words "the relevant application" shall be substituted.

N. R. PILLAI,

Addl. Secy. to the Govt. of India.

ELECTION OF SIX NON-OFFICIAL MEMBERS TO THE DEFENCE CONSULTATIVE COMMITTEE.

Sir Gurunath Bewoor (Government of India: Nominated Official): Sir, I beg to move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official Members to serve on the Defence Consultative Committee."

The present Consultative Committee which is a departmental committee of the Defence Department consists of Members nominated by certain Leaders of Parties. When Government announced the appointment of this committee it was also announced that steps would be taken immediately the Central Legislatures meet to have the members of the committee duly elected. In pursuance of that undertaking I make this motion. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect in such manner as the Honourable the President may direct, six non-official Members to serve on the Defence Consultative Committee."

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): I consider this motion to be the most important one before the House for this Session. In fact, Sir, a great deal has been said, and rightly too, that we are passing through very trying times. On the one hand, Sir, it has been said that the people are with the Government. On the other hand it has been said that certain classes of people are not with the Government. But above all, Sir, there is no denying the fact that this House is the responsible House under the Constitution and is the most important authority belonging to the people of this country and, as such, so long as the Government realize this true aspect of the question and try their level best to associate in this important war measure as many elected Members as could possibly be of this House, I think then and then only would they be able to justifiably say that a large number of people are with them. Sir, we have been asked to nominate only six Members on this all-important matter. This is really one of the most important of the war activities which lies within the power of this House, to watch, guide and help.

Mr. N. M. Joshi (Nominated Non-Official): We have become a very small House.

Mr. Husenbhai Abdullabhai Laljee: It may be a very small House at present, but it really represents crores of people; if Government will look into the figures of the Constituencies represented here, they will find lakhs of people are represented. Not only that, but we have been very glad to learn that the Secretary of State for India has realised and taken the greatest pride in being able to get in the extended Council the nomination of our friends, Mr. Aney and Sir Homi Mody, because they happen to be elected Members. Sir, they know very well, and we ought to realize the fact, that at present, howsoever we may be constituted, we are the persons who are really responsible for the defence and prosperity of our people and for the moneys of the people, and for every farthing that is spent—for good or for bad—we shall be held responsible. I am sure, Sir, constitutionally it is, and Government will and must acknowledge it.

Sardar Sant Singh (West Punjab: Sikh): Constitutionally it is not.

Mr. Husenbhai Abdullabhai Laljee: I hold it is and it is the true view. What I want to tell is this: only six Members of this House to look after this all important war activity of Government is not right and proper. Besides, we find that hardly three elected Members were chosen. What is the value the Government attach to the representatives of the people? What is the value Government has given to the rate-payers? If even now Government do not realize that the elected people are the real people to look after such activities of Government then what is the use of this House and why have extension of this Assembly and why have all these constituencies? Let us go back to the old age and let the Government act in their own name and on their responsibility. It is high time that Government should realize that it is in their own interest that they should now consider seriously and recognize the elected Members of this House. Howsoever small they may be at present it is due to their co-operating with you and due to the fact that they offer their co-operation that you can tell the world at large that the people are with you. Sir, for these reasons I want the number of Members on the Defence Consultative Committee to be very large, large enough to meet people's desire.

Well, Sir, I do feel that great attempts are and have been made in various provinces—and they are in a way good—for the prosecution of the war, but everywhere what do we find? We find nominated Members; nominated by His Excellency the Viceroy or nominated by H. E. the Governor. But why? Why not ask the people? Why not take the people's representatives? If you have doubts about the credentials of those who are present here in this House do please dissolve the House and get newly elected Members. That will be the right spirit and right thing to do. That will be straightforward, honest position to take. That will be the dignified position. Very recently I happened to attend a small Conference when I saw the representatives who were on the Treasury Benches only a few years back saying "people desire everywhere people's representatives and that is what is required". But I regret they did not speak so frankly for the people's right when they were on those Treasury Benches. I appeal to the Government to consider

[Mr. Husenbhai Abdullabhai Laljee.]

this position seriously. Even now there is a chance for them to recognise people's representatives' right and Government should take on a larger number of elected representatives of the people. With due regard for the Committee that H. E. the Viceroy has appointed I must say that constitutionally they are not and cannot be taken as representatives of the people. I am glad to acknowledge that they will be doing useful work and this I say from the information I have got but constitutionally they are not representatives of the people. Let the elected representatives be selected first and then some of the people will not be able to say that there is not the co-operation of the people. It is an elementary principle of democracy to acknowledge the right of elected members. The British Government has been all along doing it. Therefore, I do ask, Sir, that the number may be increased, almost doubled and that the elected element must be 2/3rd of it.

Honourable Members: Move an amendment.

Mr. Husenbhai Abdullabhai Laljee: Sir, I would move an amendment if you permit. I do not know whether since a notice has not been given I will be allowed; that is my difficulty.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can only appeal to the House.

Mr. Husenbhai Abdullabhai Laljee: I think that is the position, but if the Leader of the House agrees I hope there will be no objection to moving an amendment. However, Sir, I know my position and I agree I cannot make any amendment. Therefore, I am appealing and I do hope sincerely that now is the opportunity for all the Honourable Members on the Treasury Benches to take into confidence the people's real representatives and I tell them on the floor of this House that, after my having drawn their pointed attention that there are people's real representatives in this House wishing to co-operate (having been elected by the people, they represent lakhs and lakhs of people by their vote) and if you even now deny them the opportunity it would be very difficult for many to understand how you say that the people are consulted and are entirely with you—I use the word 'entirely'. Here it is an option placed before the Government to avail of or reject, I still hope you make the number at least double or three times and have at least 2/3rd elected Members. I have nothing to say against the Members who are already working. From the information I have got, I can say that they have done well. But all the same that does not make much difference. Everybody here would like to become a President of this Honourable House but it is an acknowledged fact that none but an elected Member of this House can become its President. It is that very principle on which I appeal to my Honourable friend, the Leader of the House and all the other Honourable Members to avail of this opportunity. This is the only body connected with the war activities, this is the only body that is associated with the Central Legislature, a body associated with real and elected representatives of the people, and if you wish that the people should be fully with you then why should you not consult them? Why should you not associate with them?

And why should not their views be taken into consideration? Sir, they want to take on only six Members even at this stage of the war—only six Members! And the whole of India to be represented by six Members! Let anybody dare deny that this Assembly does not represent the people. If this Assembly does represent the people, then the number of members on this important Committee must be larger. The stakes are great and it is only but fair, just and equitable that they should have as large a number as possible from this House, from among those who are willing to co-operate. With these words I once again appeal to the Government to realize this position and get the fullest co-operation possible through the people's real and elected representatives so that you may be in a position to say that the voice of the people is with you in carrying out the war activities.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I desire at this stage to associate myself with the remarks made 12 Noon. by the Deputy Leader of my Party. Sir, this is a matter to which I have given considerable attention. I am a Member of the Defence Consultative Committee having been elected by my Party. But this is a matter which the Government must look at from a different standpoint. We know how peculiarly we are situated as far as those empty benches are concerned. We also know that Government's field of recruitment from the elected Members has been tremendously narrow. We also realise that it is wrong in this House to make a difference between a non-official Nominated Member, and an elected Member or even an official Member. They come to this House with equal responsibility, and sometimes some of the Nominated Members, for instance, my friend Rao Sahib Shivraj, represents sixty millions of people,—and we have Members on this Committee who are nominated as well as elected. As a member of that Committee, I can bear ample testimony to the most excellent work that was done on that Committee by my friend, Col. Rahman and he is a non-official nominated Member. I do not know what we could have done without him. But I join with my friend, Mr. Laljee, in pointing out that Government have given scant recognition to elected Members. May I point out to Government for their consideration that, in the composition of the last Defence Consultative Committee we had 50 per cent. elected Members from the Groups and 50 per cent non-official nominated Members. This I consider is not right. I wrote to Government on the matter, but they did not take notice of my protest. I go a little further and say this, that in the composition of that Committee there was not even one elected Muslim. There was one Sikh, who was an elected Member. But that is the position. Sir, if you want the co-operation of the communities, if you want the co-operation of a community like the big Muslim community, you must have an elected representative from that community, and this is really the very nucleus of the protest which my friend, Mr. Laljee, has placed before this House, and I join with him in his protest. Again I also feel that the Committee is too small and was not representative enough. Whether it was boycotted, girlcotted or any-cotted by the Congress and Muslim League the point was that the Committee was not large and representative enough. The other issue raised was that there were too many non-official Nominated Members as compared with elected Members. I am not entirely a non-official nominated Member inasmuch as I am selected by His Excellency the Viceroy from a panel, and H. E. the Viceroy has an opportunity of electing from this panel, I there-

[Sir Henry Gidney.]
 fore, stand on a par with Mr. Aney's election—but apart from that—I was elected to this Committee by my Party. The question is, are the Government prepared to enlarge the Committee? And may I say it will be to their interest as well as to the interest of the House and the Committee as well if this Committee were enlarged in the manner we have suggested. I think it will not be good policy if the Government were to demand non-official Members from elected Members of this House under any circumstance. If in a Committee there are, say, six members, there should be four elected and two nominated members, and in that proportion one can increase the total number of members in the Council. But I wish to impress on the Government that we cannot fill these Committees with members who will say just what you want them to say. I am afraid there is some such feeling in the minds of some elected members of this House and I tell the Government that this feeling was observed by me during my recent tour in the South. Sir, my friend, Mr. Laljee, has pointed out to the Honourable the Leader of the House a very important matter regarding the enlargement and composition of this Committee and I do hope due notice will be given to it.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, so far as this motion is concerned, it has a history behind it. The country will not be satisfied with the appointment of certain Committees or Councils for defence matters. What the country wants is that the actual portfolio of defence should be given to an Indian Member. That is the demand made for a long time past, but nothing has been done up to this moment to meet that demand. We expected that when the Cabinet was expanded the Government would repose the fullest confidence in the Indian Members of that expanded Cabinet and also transfer this otherwise untouchable portfolio into the hands of one of the Indian Members, but they have not done so. Therefore, I think the country has a grievance over this matter. I cannot understand why the defence portfolio should not be in the hands of an Indian Member as all other subjects are in the hands of Indian Members

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should perhaps confine himself to the motion before the House. He cannot go into all those details.

Mr. Lalchand Navalrai: Sir, I again repeat that the country will not be satisfied with these small Consultative Committees. This House had committees for other departments like Finance, Home and so on, but no consultative Committee was appointed for Defence. Demands were made from time to time, there was a great agitation set up in this House, but always a deaf ear was given to our demands until, last time, when the predecessor of the present Commander-in-Chief made a statement in the Council of State to the effect that a Consultative Committee would be appointed. Since then we know that a Committee of Nominated Members was appointed. At that time the House was not in Session and so the matter could not be taken up then. I think now is really the time when this question should be taken up.

Now, Sir, the first point raised by my friend is that the number of Members is too small. I agree with him. As I said, there are Committees associated with Finance, Home and other Departments. In the Finance Committee there are 14 members, and I cannot understand why in an important Committee like the Defence Consultative Committee there should be only six members. There is therefore every justification for increasing the number of members on this important body, and as no amendment has been made, I appeal to the House as well as to the Treasury Benches to increase the number of members. The most important thing to be borne in mind is that it is not enough if the Committee were enlarged, but the members of the Committee should be furnished with all detailed information

Lieut.-Colonel Sir Henry Gidney: We got full information on all the matters to which the Honourable Member has referred.

Mr. Lalchand Navalrai: We want a sound and substantial Committee which may be allotted certain definite functions to discharge, and in whom fullest confidence may be reposed. My friend, the Mover, said, that the Committee should be adopted, but he has not enlightened us as to what should be the functions of the Committee or how far will the Government repose confidence in the Committee, because, invariably, the Government say that such and such a matter is confidential and nothing is disclosed. On the last occasion when this Committee was appointed, I find the Army Secretary said this:—

"His Excellency the Defence Member is firmly of the opinion that the possibilities of his receiving views and advice from the representative public men, on the one hand, and of his giving them, on the other, information which will assist them in the exercise of their public duties, require regularization and he hopes that arrangements will be shortly worked out whereby this can be given effect to,—in what precise manner I cannot at present explain, because it has not been worked out and as it has been made, I think, abundantly clear, there are many difficulties, not only constitutional, but also practical, in the way. But so far as rendering it possible for the Defence Member to receive the advice of Indian public men in matters which are connected with his sphere of responsibility and of his giving them all the information which he can safely and properly give is concerned, those difficulties will somehow be surmounted."

I would, therefore, like to put two questions: What is the information that this Committee will get? Will it be free and full or will everything be marked confidential? I have no information and that is why I am putting the question whether the present committee with its Nominated Members—how far are they satisfied and how far are they taken into confidence—or does it exist only in name? If it exists merely for name's sake, then I think it is no use having it, though I would like the committee to work and its co-operation should be taken in full confidence. I would also like to know how far their views are given consideration or whether they are thrown away. This can be explained by instances that may have happened up to this time. Members on that committee must be knowing how far information is given to them and they are being taken into confidence and how far their suggestions are taken into account. I would really like to know what will be their function and their powers. Is it to be merely consultative as it is till now, in the sense that their views may not be considered? Will their views be thrown away at the whim or caprice of the chairman of that committee?

[Mr. Lalchand Navalrai.]

I, therefore, submit, without taking any further time, that this committee may be constituted with more members and giving them full powers and reposing full confidence in them.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhamadan Rural): Sir, I rise to support the motion moved by my Honourable friend, Sir Gurunath Bewoor. It is true that we have been slow in this matter, that this matter is being proceeded with rather leisurely; but it is not true that the appointment of this Committee is confined to nominated Members, as two of the previous speakers have said. We are not all nominated Members. I am nominated by the Leader of my Party. There is no point in mis-understanding how this Committee was constituted.

This Committee was appointed rather late and it is one more proof of the mistrust which has kept this country out of the inner knowledge of the defence problem for two hundred years. Now that it has come I desire only two things, that the House should take the fullest interest in its appointment and in its proceedings and that the Government should repose the fullest confidence in this Committee by placing all their cards on the table to the extent that is possible. It was my privilege to be recommended for appointment to this Committee by the Leader of the Congress Nationalist Party, and I shall tell the House with such reservations as were imposed on me as a member of that Committee what work that Committee has done.

First of all, the question has been raised by my Honourable friend, Mr. Husenbhai Abdullabhai Laljee, about the number of this Committee. Opinions may differ, and there is room for difference of opinion whether there should be ten or twelve or fourteen people on it. But in my opinion that is not a point of very great substance. Ten is as good a number as 12, and if there are going to be 12 I do not mind.

Mr. Husenbhai Abullabhai Laljee: It is only six!

Mr. Jamnadas M. Mehta: Six out of 10. Six for this House and four for the Upper House. I agree that the number allotted to the Upper House is in excess of its numbers and its importance. Everybody will agree that this House represents the public far more effectively and correctly than the Upper House can ever hope to do.

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member must not make any reflections on the other House.

Mr. Jamnadas M. Mehta: May I submit that I am merely claiming importance for my side of the House?

Mr. President (The Honourable Sir Abdur Rahim): Yes, but not at the expense of the other House.

Mr. Jamnadas M. Mehta: May I not claim more seats for my House?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must not make any invidious comparison.

Mr. Jamnadas M. Mehta: Without any comparison, I can claim—in fact it has been claimed by the two previous speakers whom you allowed to speak in that strain

Mr. President (The Honourable Sir Abdur Rahim): That is all right. If the Honourable Member refers merely to the importance of this House it is all right.

Mr. Jamnadas M. Mehta: The importance of this House is so great that the number allotted to it is far too inadequate. That is how I put it. If the number is increased, I am in complete agreement with it; but it is not the number which makes for effectiveness but the quality of the people whom you elect, and I am not sure that we shall use this opportunity of electing even six Members with as much responsibility as we should have done. I am sorry to have to say that even the first tour of this Committee was not fully attended by members. That is my complaint. Such of them as came, interested themselves far more in other occupations and were less interested in the working of the Committee. I think more younger blood is necessary. Members who cannot walk 50 feet without being fatigued are not expected to roam about four miles in the Naval Depot in Bombay. People who cannot ride without riskshaws are not expected to go round the Arsenal at Poona which is about two miles. Therefore, it is absolutely necessary that the House should elect men actively interested in the matter. Members must be selected with due regard to their capacity to stand the strain of strenuous work which is the work of this Committee. Mere communal proportion and raising other hares of that kind is absolutely useless. If you want a Consultative Committee, appoint six most enthusiastic, most earnest people of reasonable limits of age. That unfortunately is not the case today.

Secondly, the Committee was not called more often. It was appointed in a belated manner and having been appointed in a belated manner it was convened far more belatedly. We were told we will be called this day, we will be called that day, and, ultimately, we were called in July end. And now we are October end, and after five months of our appointment we were called only once. That I think is too little consultation.

Further, although a great deal was promised when the Committee was appointed, that the members will be shown this, that the members will be shown that, only one tour was undertaken and that for about ten days. This tour was very valuable, we learnt a lot, we came into grip of the inner working of the defence problem of this country to some extent, but it was only a part of it, a very small part at that. People whom you want to consult on the question of defence are entitled and are bound, first of all, to acquaint themselves with the whole defence problem at the earliest possible moment. But that is apparently not the object with which this Committee was appointed, or if that was the object it has been very feebly carried out. We were told that we shall be taken to all the military installations and there may even be some journey outside this country; the frontiers of this country are now supposed to rest on Suez on the one hand and at Singapore on the other and, therefore, we were told that we might be taken there. We have been waiting for five months and not a single intimation has arrived about the proposed visits to these frontiers and the request which I made to be shown, some of the places even in India was turned down in the most polite manner. In our Southern

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Command tour we omitted Belgaum, Mhow and Devalali. I thought they were centres of some military importance and I asked for permission, if the other members were not being invited, to be allowed to be there alone. The reply was, 'Not now'. In the case of Alice in the Wonderland, jam tomorrow, jam yesterday, but no jam today! Knowledge yesterday, knowledge tomorrow, but no knowledge of the Defence today.

I do not wish to belittle the importance of this Committee on these grounds. The appointment of this Committee is a step in the right direction. For the first time in the history of this country elected representatives of the people sit at a table to know the inner working of the defence problem though to a very limited manner. And although the Commander-in-Chief has imposed the duty of secrecy on me he has also I am sure left us to our commonsense to decide for ourselves what was secret and what was not, and in pursuance of the use of that commonsense I say that His Excellency the Commander-in-Chief gave us a lucid exposition of the war situation that prevailed in July last. He gave us in one hour what we had tried to learn in two years from the newspapers. The Commander-in-Chief is a student of history of War, and I think he is a very real close student. His manner of expounding the question was worthy of all praise. He has a lucidity of expression and a dryness of humour which sometimes enlivens even the proceedings of a dull Committee. Once he said, Hitler had a great advantage over him; one of them was that he has not yet appointed a Defence Consultative Committee. In the Defence Consultative Committee the members should be taken into the fullest confidence and at the earliest possible moment. From the way in which the Committee worked, the members of this Committee will, I am afraid, not be equipped with the knowledge of the defence problems until this war is over. The pace of enlightenment must be accelerated. If the defence problem is of immense interest to this country, the knowledge of those who compose the Consultative Committee should be as quick and as thorough as the Commander-in-Chief can make it. That is my one request to His Excellency the Commander-in-Chief,—that having appointed this Committee, never mind the number, he should make the fullest use of that Committee at the earliest possible moment so that the members of this Committee, are so equipped that they can enlighten public opinion on this momentous issue of Defence.

I want to tell the House one more grievance about the way in which the Defence Department is recruiting officers. This grievance is that no matter how educated a man may be, no matter how physically fit he may be, even when he satisfies every educational, physical and other known test laid down by the military, scores and scores of people are turned down and not granted commissions on the plea of unsuitability. The word "unsuitable" is used for blasting the hopes of young men who have offered to volunteer their services either as King's Commissioned Officers or as Viceroy's Commissioned Officers. Young men equipped educationally and physically in the best manner possible, men renowned for sports in their colleges and schools,—these men are interviewed and found fit, and then they are told, "We thank you for offering your services, but you are not found suitable". Nothing can break the heart of a young man offering to serve his country so much as this cynical and laconic reply. I want the Defence Consultative Committee to be taken into confidence and told why these scores and scores of young men against whom there may be nothing, for whom there is everything, are not accepted and are turned down on the

ground of unsuitability. What is unsuitability? Is their nose a little crooked? What is unsuitability? If the man is physically fit, if he is educationally qualified, if he was a leader of men in his own college and school, what is this unsuitability? This unsuitability gives play to personal forces of partiality and all the evil proceeding from unrestricted discretion of a few individuals. The Defence Consultative Committee must be convinced that before one young man is wrongly turned down when he has qualified himself in other ways—the Committee shall be satisfied that the reasons were absolutely genuine. I do not want that we should publish the reasons in the press or that we should carry on correspondence with the young man who is refused a commission, but if this Committee is to act as a link between public opinion and the Government, then the Committee must be convinced that for every rejection of an otherwise qualified man there is ample justification. You may take 2,800 young officers in the Army, but if you have refused to take fifty only without showing any ground, the wrong that you will do by turning down those 50 people wrongly will undo all the right that you might have done by appointing 2,800 men. This is a very important question which I wish that the Government should bear in mind. Let no sense of grievance remain in the heart of any young man as to why he was not accepted after he has satisfied all the tests, and this Defence Consultative Committee should know what we are to reply when a young man comes to us, shows his qualifications,—his principal's certificate that he was the captain of the college eleven, that he was an expert in football, that he was a leader of men, that he is five feet six inches tall according to the medical certificate, that he has a double degree from the university—in the face of all this, a man having all these qualifications gets a laconic letter, "You are not suitable". More often than not, the man who is selecting is not suitable. You have to enquire whether the selectors themselves are suitable, whether they are guided by considerations only of the efficiency of the men or of other considerations and the Defence Consultative Committee has a right to know that the men in whom is vested the right of selecting the future leaders of the Indian Army are not going to be men swayed by their personal likes and dislikes and who cover their prejudices under the very vague phrase 'unsuitable'. I feel indignant at the number of cases I have got, in which the men have been rejected on what I consider to be inadequate grounds.

Then, Sir, I wish the House also to remember that the Defence Consultative Committee, although it met once, did very excellent work. One of the gravest causes of discontent in this country is the racial discrimination. I am not giving out a secret when I tell the House that the question of abolishing discrimination between British and Indian Officers has been pressed on the Government both inside and outside this Committee and I am sure they are considering it very favourably and I am hoping that before long no distinction of a racial character will exist between Indian and British Officers in this Army. We had gone to Bangalore and we saw nearly 230 Indian cadets at the Bangalore training institution. We were given every opportunity of mixing with them socially and also when they were on training. We were also invited by these Indian cadets to dinner and the military took care that no single military officer was to be present lest the cordiality and the readiness of the Indian cadets to speak out whatever was in their minds might be repressed by the presence of their superior officers. I am glad to be able to say that out of the 230

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Indian cadets getting training there whom we met both individually and collectively every one of them without exception repudiated any suggestion that they were being treated differently from the British cadets. They said that they were treated with the utmost equality, without any distinction, that they had no grievance, that they were as happy as they could be.

The Members of the Committee do not know anything about the Navy or the Air Force yet. I have taken the trouble of visiting a naval installation and I have myself been on warships while they were in actual practice, but with the enemy absent. I saw real fire by machine guns, depth charging and so on but the enemy was not there. Therefore all this appeared to be somewhat unreal, although I had never seen real gunfire within ten feet. That day I had dozens of guns firing, pop guns, machine guns and all sorts of guns were fired at close distance. I soon got accustomed to them.

Now, Sir, the last point I want to make is that the Rajas and Nawabs are prancing between Suez and Singapore. The contribution which they make to the Indian defence, however valuable, cannot be equal to the contribution which the taxpayer of this country is making. While I therefore welcome the Raja of this and the Nawab of that going to Suez or Singapore, I complain very seriously that during five months it was not found possible for the Defence Department to arrange our tour outside India to see the actual battlefield, to see how our armies and our soldiers were finding things there.

I cannot close my observations without paying my tribute to Sir Gurnath Bewoor for the manner in which he conducted our Southern Command tour. I congratulate him on the excellent temper which he maintained when provocations were not wanting. Provocations were given to him, in as large a measure as he might have feared, by the members of this committee but he preserved the most saintly temperament. I often wondered how a bureaucrat would have such a temper. I congratulate him again on the excellent manner in which he conducted the first tour of the members of the Committee in the Southern Command, on his equable temperament and the willing attention he gave to the members of the Consultative Committee. I support the motion and wish the Committee all success.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): As a matter of fact, we are being called upon to vote on a matter about which we do not know anything. We are thankful to Mr. Jamnadas Mehta that, in spite of the oath of secrecy that he had taken.....

Mr. Jamnadas Mehta: I had taken no oath.

Qazi Muhammad Ahmad Kazmi: In spite of the promise of secrecy which he had made to His Excellency the Commander-in-Chief, he has been kind enough to give some idea to the House of the working of this committee. I was really hesitating as to the functions of this committee from the very beginning, but the clear enunciation of the whole position by my friend, Mr. Jamnadas Mehta, has convinced me that probably this committee is going to be nothing more than a farce, as has been our experience with so many other committees of this House before. What I understand is that His Excellency the Commander-in-Chief is going to impart his knowledge to the members of the committee by lecturing them off and on and showing them how guns and machine guns are

fired without allowing them to make the experiment themselves. Will this make them real experts? Then, what is the use of this consultative committee. My idea is that a committee without any powers, without any knowledge and which does not enjoy the confidence of the people should not be appointed and it is a sheer waste of time and money to have any committee of the kind. My point is a simple one. We know the experience of Railway Advisory Committees, which have got nothing to do with Defence Problems, which are not half as important as the defence problems of today. I had not the good fortune of being on that advisory committee but those on the committee say that it is only the chairman that does everything. If that is the position, what is the use of lending some members of this House for that purpose? It is waste of time and waste of money which will give no benefit to this House. Now, a further difficulty is here. They are bound by the oath of secrecy or by the promise of secrecy and even the Members of the House do not know what they are doing.

Now, what is the position of the elected representatives of this House? I am the elected Member and I have to tell my constituency what I am doing here. But here is a strange body and we had the misfortune of electing these people to the Defence Committee. They have entered into a compromise or have taken an oath that they are not going to disclose the secrets to their electors. They can tell us something only when it is necessary otherwise they will keep the secrets to themselves. Now, Sir, what is the use for me to send these people or any other Members of this House to a Committee where they are to be won over by the other Party and are not able to disclose any secrets to me? If Government really trust this House, they can hold secret Sessions as is the case with the British Parliament. Are the Members of this House not entitled to be allowed to enter into those secret problems for which the Government is going to choose Members of this House? I resent that. If these people are going to be told something which is not to be disclosed to this House, then we, on principle, cannot send our Members to that Committee because we know that there will be nothing in that Committee but lecturing. I had the courtesy in 1935 of the then Defence Member to be taken round to some of the Military manoeuvres. Of course, they were conducted on a small scale at a time when there was peace. Even then, I can assure the House that, with the exception of my friend, Nawab Major Ahmad Nawaz Khan, who wanted to know something in spite of his being in the army for such a long time, we were always kept at a safe distance to avoid any alleged interference with the work that was being done there. My submission is that everyone of us has got the curiosity to know what is going on all round. Everybody would like to know how the machine guns are fired. But that is not the problem before us.

My friend complained about the recruitment. There, again, it is the same question of jobs; the same question of discrimination between the two communities. There is no question of any secrecy about it. We can read these things and we do not want only a few selected representatives to tell us all that they have seen. Then, again, I would like to know from the Honourable Member as to what this National Defence Council is and what is to be the relationship between the Defence Council

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and this Sub-Committee? Is the National Defence Council going to work along with this Sub-Committee or will it have separate functions and will advise the Government with regard to the recruitment of soldiers and officers? I would like to know whether the advice of the Defence Council is to override the advice of this Sub-committee. I would also like to know the reason why the Government thought it fit that there must be a National Defence Council. My friend, Mr. Laljee, said that we are the elected representatives of Indians. It may be that all of us are not here. It may be that all are not co-operating. Still, we have got so many elected representatives here and the Government have been saying that the elected representatives are better than the nominated ones because they represent the people. The nominated Members represent only the voice of the Government and are expected to say "Yes" to their commands. Therefore, to say that the elected representatives of this House and the nominated Members of this House occupy the same position, is not correct, otherwise what is the difference between slavery and independence. Therefore, I say with due deference to my friends, the nominated Members, that they have no right of being appointed to the National Defence Council. Of course, I have great respect for some of them but surely we are not going to mix up the principles on account of our private relations. I would like to know the reason why the Government has thought it fit to appoint to the National Defence Council persons who are not the members of the Central Legislature. It may be said that the National Defence Council was appointed because they wanted the help of the Indian States and others who are not connected with British India. My idea is that they took the Ruling Chiefs for their consultation, but so far as the British India was concerned, it must have been only the elected representatives of this Legislature who could sit on the Defence Council. So, I hope my learned friend, the Mover, would explain the position and let us know the real functions of this Committee. What do they expect this Committee to do and what will be its relations with the National Defence Council? Will there be any co-operation between these two bodies? It is only after hearing as to what the real functions of this Committee will be that we will be in a position to form some opinion. But as matters stand at present, I think it will be sheer waste of time of the Members of this House to have any Committee of this kind.

Sardar Sant Singh: Sir, I recognise this fact that after a good deal of agitation and persistent effort to have a peep into the matters relating to the Defence Department of the Government of India, we have partially succeeded in securing a small Consultative Committee for that department. This is the first motion that has been tabled in this House for electing representatives to that Committee. But I must say that we are sorely disappointed by the speech of the Honourable the Mover of this Resolution. He said absolutely nothing as to what this Committee is, what its functions are and in what matters the Government or the Department proposes to consult it. We are still left to find out that information from the speeches of some of the Members of this House. Though we are grateful to Mr. Jamnadas Mehta for telling us something of what this Committee did in its only meeting last time. With due respect to him I must say that from his position as a Member of the Opposition, he cannot explain the Government's position. This House is entitled and was entitled that at the time of making this motion the

Honourable the Defence Secretary, who for the first time happens to be an Indian, should have taken this House in confidence as to the attitude of the Government towards this Committee. I am afraid that with the thinning of the attendance in this House the speeches of the Official Members on the Treasury Benches are also being thinned proportionately. This is not fair to those who are actually present in this House. I hope the Honourable the Leader of the House, who was, up till lately, one of us, will see that the information is neither thinned nor held back from the House on important matters like the present one.

We really expect that the Honourable Member will tell us in his reply what is the position of this Consultative Committee and in what matters the Members are likely to be taken into confidence. We know, Sir, the value of Advisory Committees of this House. They have very little influence, if any at all. Some of you, Sir, who have read the article of Mr. Fielden, who was lately Director of Broadcasting here in India, will realise what are the powers of the Advisory Committees. Mr. Fielden has given away the secret of the working of the official mind. He says he is familiar with Advisory Committees and their functions. He had an Advisory Committee attached to the Broadcasting Department. If I am not mistaken the Honourable Member for Communications who is the Member in charge of Broadcasting, has been taking pride in the fact that he has given an Advisory Committee to this section of his department, namely, Broadcasting. In that article Mr. Fielden says that the function of the Advisory Committee was to meet and give advice and his function was to ignore that advice altogether. If that is to be the function of the present Advisory Committee too, I am sure it will neither be complimentary to this House nor to the Members of that Committee, be it Consultative Committee. The department should take particular care that the Members elected by this House are taken into the fullest confidence in vital matters. Our trouble in India is twofold.

Lieut.-Colonel Sir Henry Gidney: Manifest.

Sardar Sant Singh: First, we have to fight continuously for the recognition of a particular policy and then, if after many years of agitation, we succeed in securing that recognition, the second trouble begins. The second trouble is always insuperable, and that is the manipulation of that policy by the bureaucracy. Now, Sir, when we have succeeded in securing a Consultative Committee comes the complaint that the composition of that Committee is of such a nature that important interests are not represented. Those interests which are already represented in the Defence Department, and practically those who are in charge of the department, who have got to initiate policy in the department, these are represented again in order to fill up the composition of that Committee. I mean no disrespect to the elected Members of the European Group when I say that the Defence Department is entirely Europeanised. Therefore, a representative from the European Group—technically speaking they are entitled to representation as much as any other Party in this House—but substantially speaking, they have got so much representation in the Defence Department that the further representation should go to Indians of other Parties. I do not mean any disrespect.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): It is superfluous.

Sardar Sant Singh: It is pure and simple manipulation in this matter. Similarly, I must say to my Honourable friend, Sir Henry Gidney, who is the respected Leader of an important Party in this House, that his community is abundantly represented in the Defence Department.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member mention one? I challenge my Honourable friend.

Sardar Sant Singh: The Honourable Member will perhaps wait for a couple of days. I have tabled certain questions on this subject and he will know the real state of affairs when the questions are answered. The position is that in the matter of manipulation, the underlying principle of such Committee should be that Indians as Indians should be consulted and should be given a free hand in the matter of defining as well as initiating new defence policies which are in the interest of India and India alone. That is the fundamental principle on which we insist, though we are constituted under very peculiar political conditions. Such political conditions are not to be found in any other country. There are anomalies in the extreme here. The elected part of the House expects that some way will be found out for these anomalies and Indians in the real sense of the term will be consulted in the matter of defence. As regards one or two matters in which my Honourable friends have already said something, I want to add a word or two. That is about the Contract and Ordnance Departments. I fail to see why these two departments should not be administered in a manner that the policy is controlled by Indian opinion entirely. It is not a matter of strategy

Lieut.-Colonel Sir Henry Gidney: What have these two Departments got to do with the National Defence Council?

Sardar Sant Singh: Is it within the cognisance of this Consultative Committee to raise questions or not? That is the relevancy.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Members are going into all sorts of matters. The Chair's difficulty is that the motion is very widely worded—Defence Consultative Committee. We are not told what will be their exact function.

Sardar Sant Singh: I refer briefly to some of the anomalies and the question on which I want the Honourable the Secretary for the Defence Department is to give information to this House is the question relating to the method they adopt in carrying out their duties whether this will be placed before the Consultative Committee or not. The second question which is agitating very strongly the Indian element in the Indian Army is the question of emoluments and allowances and the racial discrimination which is still prevalent in the Army. Will the Consultative Committee be consulted in that matter? Will they be permitted to influence the policy of the Defence Department as regards racial discrimination that is still prevailing in the army as regards pay and allowances? There are certain anomalies. I illustrate my point, that here in India a certain

section of the Army does not get lodging allowances, but when they go Overseas, lodging allowance is being deducted from the pay of Indians. Really one person came to me and asked me, what is the meaning of this. I could not explain. I think it was the business of the Consultative Committee to raise this point and discover for themselves whether this is a fact or not.

Lieut.-Colonel Sir Henry Gidney: Why did you not ask us when we sat in the Committee?

Sardar Sant Singh: I will request the Defence Secretary to tell us whether these questions will be put and whether the department will be influenced or not by the decisions of this Consultative Committee.

Lastly, Sir, I want to emphasise this point. The composition of this committee has been already referred to by several speakers 1 P.M. before me but I submit that the importance of this House should be fully recognised and greater representation should be given to the elected portion of it than has been conceded so far. I hope the Honourable Member will see that important interests are not left out on account of inadequate representation. I have seen most of the speeches of the highest military officers and other important personages from the Prime Minister of Great Britain downwards who have seen the work of the Indian Army and they have all very high praise for the work of the Indian troops. If that be so, why is it that the status of the Indian soldier is not brought to the same level as that of the Britisher?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is going into a very wide question. The question is whether there will be this committee or not.

Sardar Sant Singh: I am drawing the attention of the Consultative Committee to this aspect of the question. If these are tackled by the Consultative Committee it is a welcome measure, but if they are excluded we will have to consider what attitude to adopt with regard to this motion.

Lieut.-Colonel M. A. Rahman (Nominated Non-Official): Sir, before I take up this subject I should like to congratulate the first Indian who has been appointed by Government to represent the Defence Department i.e., my Honourable friend, Sir Gurunath Bewoor, and I wish him success and strength to his elbow. Many controversial points have been raised, specially by my Honourable friend, Mr. Jamnadas Mehta, and from my knowledge, inner as well as from outside, of some of the questions raised by him I rise to repudiate the points which he has made. I think I am right in saying that it is his utter ignorance of the facts which made him pass those remarks. First he said that members were not even eager to go round and see the various places which were arranged by the Defence Department. I wonder if he realised that some of the members have not only made one round of those places where officers are being trained but twice and some places had been visited thrice; and, some of the members too have already been to the places where our trainees are

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and the factories are functioning and Indians are being trained. If he had realised this he would have understood why members did not go again to incur extra expenses to Government.

Mr. Jamnadas M. Mehta: Things were explained in your absence, that is all.

Dr. P. N. Banerjea: Were they explained only to Nominated Members?

Lieut.-Colonel M. A. Rahman: It does not matter whether we are nominated or elected. I maintain that nominated Members on this side have much more experience of administration than many of you put together. I personally have got 30 years' experience of administration; I have worked five years in the last great war, and I know a lot more of military defence of India than many of the Honourable Members there.

Mr. Mehta then raised the point that the Members were too old. I look round and I hardly find one or two below 50 and I do not know where he is going to raise youngsters of 20 or 21.

I now come to the point which I know most and that is about the Indianisation of the Army. From the very inception of the Central Interview Board in February 1940 I have been connected with this Indianisation problem. Mr. Mehta says that many of our youngsters have been refused admission even when they volunteered for service; that many of them are B. A.'s, LL.B.'s, failed M.A.'s and so on; that though they are physically fit they are politely told that they are unsuitable; and my friend, Mr. Mehta, does not understand what suitability means. I will explain to him what suitability from the military point of view means, and then he will realise that those who have been rejected are really unsuitable for the army line. I am after all an Indian myself and want as many Indians in the army as possible; and I am also the first person to say that unless and until India knows how to defend herself self-government or independence is an absolute misnomer. So no one can say that I do not support Indianisation; I say the more Indians are forthcoming, the better for the defence of our country. This Central Interview Board which was appointed in 1940, was improved by stages. To start with, we opened it only to those youngsters who were between the ages of 21 and 26. We gradually increased the age limit and now it is from 18 to 36. Even then our people are not coming as much as we want. They do not realise that we are in the war ourselves. This is a war of the world. It is a total war and every one of us will have to put in our little mite, whatever we can. We want our youngsters to defend our country. And who are the people to send them to us? Representatives of all the millions of India. Let all the parents make up their minds to send one or two of their young sons for the defence of their country as other countries are doing. I am one of those who believe in fighting and dying on the field and not sitting at home and being murdered by bombs and Hitlerism.

As regards the suitability of a candidate we have had men before us from the north, south east and west of India, Kahashis and Lahashis and people whom I have never met. It was a great experience for us. My

Indian colleagues,—one of them sitting on my right, Sir Henry Gidney,—will bear me out when I say that there was nothing but absolute fairness shown by the Central Interview Board to each and every individual who appeared before us. We had before us actors from Hollywood, professional singers who made their earning in Italy, professional dancers from the Uday Shankar School, lawyers, doctors, engineers, and so on. As regards suitability it is not that we have not B.A.'s and M.A.'s who are suitable for it. What 'suitability' means is this. Remember, if one officer is wrongly chosen, he may be a source of great danger to a country. It is not the case of a civilian who may make wrong judgment. Well, his error could be corrected afterwards. But in the battle-field if you make one mistake it is the death of your country. That is why we have to be so careful. I can give you scores of examples in which a candidate had good educational qualifications, good physique and all that but he could not be selected for lack of personality. There was a gentleman who appeared twice before us. He was an excellent fellow—I think he hailed from Bengal. But he had no personality and he had no power of leadership.

Dr. P. N. Banerjea: How could you detect that?

Lieut.-Colonel M. A. Rahman: I will tell you. The Chairman of our Board has for five years been engaged in selecting youths for various branches of administration; so you cannot say that we have in the Chair an inexperienced man. He is helped by two military veterans, who have 30 or more years of service to their credit and who have shed their blood in many a battle fields. By ten to fifteen minutes talk with a candidate they know whether he is suitable or not.

Dr. P. N. Banerjea: No, no. It is impossible.

Sardar Sant Singh: Is it or is it not a fact that the Chairman of the Selection Committee and some of those gentlemen who come from the Army in the Selection Board are privately informed of the political views of the parents and their influence upon the candidates.

Lieut.-Colonel M. A. Rahman: What I mean by leadership is this. In many cases it is a hereditary term. Now, why do you complain that we take so many Punjabis? I can tell you that Punjabis have inherent qualities to be good soldiers and leaders.

Dr. P. N. Banerjea: Does it mean that no one should be taken from other provinces?

Mr. Jamnadas M. Mehta: On a point of order, Sir, Such discrimination has been abolished by Government.

Mr. President (The Honourable Sir Abdur Rahim): That is no point of order. It is for the House to decide.

Lieut.-Colonel M. A. Rahman: I tell you that the Central Interview Board has been nothing but fair to every nationality wherever they came from. I was defining leadership by giving an example.

Dr. P. N. Banerjea: It can be acquired.

Mr. President (The Honourable Sir Abdur Rahim): I must ask the Honourable Member not to interrupt.

Lieut.-Colonel M. A. Rahman: I say in majority of cases it is inherited. I am a Doctor and I know such qualities are inherited. I have seen many officers of Bengal who have done very well in flying. For good leadership it is necessary that the officer must first know his men, he must know their language, he must set an example for them, he must be with them in their little troubles, look after their health, and by these ways he makes men to follow him.

Dr. P. N. Banerjee: But all these may be acquired.

(Interruption by several Honourable Members.)

Lieut.-Colonel M. A. Rahman: I refuse to admit, Sir, that we have refused anyone on racial, religious or sectarian grounds. There is not one case before us. As regards the point which was raised by my Honourable friend, Sardar Sant Singh, about emoluments and different other things, I cannot divulge much more but I can tell you that there is no racial discrimination. Emoluments are all equalised. There are certain other points which are drawing the serious attention of Government and you will find gradually it will all come. I think I have said enough about the Honourable Mr. Jamnadas M. Mehta's point about Selection Board.

The percentage of successes in various Interview Boards has been very high. I have no knowledge of your provincial selection: that you may find out in your Province. But when they come up to the Centre before us, do you know from 60 to even 70 or 76 per cent. of successes have been accorded. If you take a class which we call B class—they are trained in Lahore—you will get the percentage go up to 84. Do you think that we are strict and don't you think that we should be more cautious. It is not a question of civil life. It is a question of life and death of the country.

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. Govind V. Deshmukh (Nagpur Division: Non-Muhammadian): Sir, the speaker who preceded me was under a happy illusion that he has refuted all the charges made by Mr. Jamnadas Mehta just now against some of the members of the Defence Consultative Committee who went round. I am in the happy position of being able to substantiate the charges made by my friend, Mr. Jamnadas Mehta. I happen to be one of those few who in the month of April last went round with some of my friends though not as member of this Defence Consultative Committee to see all these places where men are trained, where ammunition and ordnances are manufactured. The first thing that I would like to take up is this. Though the functions of the Consultative Committee are not defined, I consider that the primary one is recruitment for King's Commissioned Officers—officers for the emergency commissions—and the recruitment of Indian soldiers. It was alleged—and Mr. Jamnadas Mehta has said—that there is a good deal of *hocus pocus* business in this selection of officers for the King's Commission; and he could not understand what was meant by suitability; my friend, Dr. Rahman, gave a few instances and left the

thing as vague as he could leave it. I am now going to tell you something from my own personal experience how fit persons are rejected and unfit persons are selected. In August 1940 a number of persons—qualified physically and medically and educationally, because, they were graduates and had got doctor's certificates and had the leader's qualification because they were officers in the University Training Corps—I expect that nobody would be an officer in the University Training Corps unless his superior officers considered him to be a proper person to be a leader

Lieut.-Colonel M. A. Rahman: Not necessarily.

Mr. Govind V. Deshmukh: Then it all depends on your own volition as to his suitability or not. These are the tests. Persons who belonged to a particular caste—and I am not afraid to declare it on the floor of the House—persons who were Brahmins were rejected as officers for the King's Commission as well as Indian soldiers on the ground that they were Maharashtra Brahmins. Then, in that year 1940, I started an agitation and it went on for about three months—I went to the length of saying that if these Provincial War Committees do not help these boys, then what is their business? Was it merely to go round collecting money? They ought to help these people. Government must make themselves very clear on this question whether they merely want money or men. I afterwards said this in one of my articles in the newspapers through which I was carrying a propaganda that if the Government are not prepared to take our men who are qualified and fit in every way, physically and educationally and in every way, then the elected members on these War Committees who were members of the Provincial Council or Council of State should be made to resign and public meetings should be held and no money should be contributed

Sir Gurunath Bewoor: Sir, I am afraid the discussion is going far beyond the particular motion, which is purely for the election of a Defence Consultative Committee: this has no reference to the suitability or unsuitability and the method of selection of officers.

Mr. Govind V. Deshmukh: My friend was referring to it that persons are selected as officers though they are

Mr. Deputy President (Mr. Akhil Chandra Datta): Since a point of order has been raised, I must say that a discussion on this matter has already been going on for some time.

Mr. Govind V. Deshmukh: The motion is so widely worded that it is not our fault; and you have allowed other Members to go on with it. Now, what happened was this: all those papers were sent to the Defence Department and it so happened that persons who were rejected were taken in and telegraphic orders were sent that these persons should be accepted. I wanted to show that there were particular castes banned—I do not say it exists now and I will give the reasons why it does not exist now. Let me say something about the selection when persons are interviewed. While I was going round I happened to go to a place which shall remain unnamed—that is the procedure ordered I suppose and followed by newspapers—they do not mention the names of places where ordnance are being manufactured or where officers and soldiers are trained—I went round and

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 got into conversation with a Brigadier, and I started this topic of listed and non-listed and martial and non-martial and I asked "What is your experience of the candidates selected and sent over here? Is every one a qualified man?" And he told me he made no distinction between martial and non-martial and that "25 per cent. is wastage." These are his words. Then I asked him how he explained it. There is the Provincial Committee on which there are qualified military members and others who test that boy and ask him all sorts of questions and then he goes before the final selection committee and there is a military officer there—as my friend told me, he has been selecting men for the last five years—he goes through all this procedure and how is it that there is this high percentage of wastage? This is his reply: "There is a good deal of nepotism in it." I am quoting his very words. I can mention his name in private—but not in public; he was very frank and candid to me. When I cross-examined him about this high percentage of wastage, there was no other go for him but to come out with the real explanation that there is a great deal of nepotism. After examination and interview by the Chairman and different persons and even my friend, Dr. Rahman, is there—there is this 25 per cent. of wastage: what does it mean? It means that our money is being wasted. What happens to these boys I asked the Brigadier. Is there any scope for them? He told me: "We ask them whether they will become clerks or join this or that department and if they agree they are sent there." But the fact remains that so much money is being wasted; and nobody ever cared to see through it and I do not know whether this Consultative Committee has ever gone into this question. Now, this is so far as wastage and suitability are concerned. The same was the case with regard to the selection of Indian soldiers to the army at one time, and as the same arguments apply to this aspect also, I shall not repeat those arguments.

Then, Sir, my friend said that they selected those people who were leaders, who had the qualifications of leaders. And what are the qualifications of persons who want to be leaders? The qualifications, he told us, are that they, I mean the people who want to be leaders, should know their men, their grievances and so on. Now, how can you find out from a person who is to be interviewed that he knows his men because he had no men under him at all. One can only say that these are necessary qualifications for a leader, and his fitness for leadership can only be tested when he is actually placed in charge of men. After all, these are ordinary qualities which will be found in every one, whether in the army or in the civil line, because a man who is in charge of his men either in an office or, for instance, in a textile mill or in the army, generally knows the needs of his men. But how can my friend tell beforehand that so and so is competent to be a leader of men? I do not know if my friend has the horoscopes of these candidates before him to decide this matter or whether there is someone in the Consultative Committee who knows, how to read the horoscopes of the candidates appearing before the Selection Committees.

Sir, those who have studied Maharashtra history will readily realise the point I wish to make. Everybody knows the name of the Peshwa Baji Rao I. Who were his generals? Men like Holkar, Shinde and others, persons who had no martial traditions in the family but created them; in fact in those days anybody who had served in the army could become a general provided he showed the necessary qualifications. They were all

ordinary men possessing commonsense in addition to courage and bravery, and they were placed in charge of large armies,—and everybody knows the bravery and valour which they displayed in those days, and conquered provinces in India.

Dr. P. N. Banerjee: Sir Gurunath is himself a Maharashtrian and he ought to know it.

Mr. Govind V. Deshmukh: Nobody can say that because a certain candidate has come from a family having a record of martial traditions he will become a good general. It is quite possible that if in a family with good martial traditions there are ten members, one of them at least out of ten members may possess some of the martial qualities, but others will not. But you cannot say that you can turn out soldiers and generals from a family as you turn out motor cars from Ford's factory, in spite of its martial traditions. You cannot standardise like this and say because so and so belongs to such and such family, he would become a good general. To suggest such a thing is to favour nepotism. My friends ought to remember this. At one time it was thought that not more than 25 cadets would be fit enough for selection to the army, but now what is the position? Now, there are so many officers, and what is it that has brought about this change? You are not in a position to reject men indiscriminately as before, because, we all know that the war danger is approaching the shores of India, and, therefore, you cannot exhibit the same amount of distrust in Indians, because, you want the army to expand. You must have officers to man the men. The necessity is growing daily, and it is this necessity which makes the Government to select more officers and men for the army brushing aside their prejudices or mistrust against certain classes. Recruitment has come to some people as a boon out of this evil war, because, persons who were not considered fit to lead an army, people who were not considered fit even as soldiers, have suddenly been taken in, and they have now got an opportunity to establish their claims. One might as well thank Hitler for this, though one may not like this terrible war. So, it is under these compelling circumstances, that Government had to brush aside all these prejudices and so-called objections against certain classes of people. Therefore, Sir, it is necessary to democratise and nationalise the army. Do not stick to these prejudices against certain provinces or certain classes. Till recently, just as it was in England, only sons of rich men or Lords got into the army without much difficulty as officers. Do not stick mainly to these richer classes for recruiting your officers. Anybody who is educationally, medically and physically considered fit should be given a chance, and it is too late in the day to suggest on the floor of the House that people of such and such province or of such and such class alone are fit for recruitment as officers. As a matter of fact, this argument has been placed before the House so many times that it has lost all its novelty, it has lost all its importance and its efficacy as well, because, those who know Indian history also know very well that the army with whose help the Britisher conquered this country originally came from Madras. Then the Biharees helped the British to conquer the Punjab. What is the good of flinging this argument at us and saying that only the Punjab can produce the best soldiers, the best commanders and the best generals. There should be no attempt whatever made to differentiate between province and province in this matter.

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Then, Sir, my friend, Mr. Jamnadas Mehta, said that certain persons are nominated on this Committee who, on account of their age or habits, are disinclined to take interest in the work they are expected to do, or that they are not anxious to see certain things at the several places they are taken round. My friend, Colonel Rahman refuted that charge. But I for my part again substantiate the charge which my friend, Mr. Jamnadas Mehta, made, and I wish to suggest that, if really members are to be elected or nominated, such election or nomination should be made from persons who are prepared to take a keen interest, in the work before them, persons who by age, experience, and powers of endurance are fit enough to discharge their responsibilities when going round the various places. I may say here that there were certain colleagues of mine when we went round, and they were only too anxious to go back when we visited one or two places. They said: 'What is the use now of going round like this? Why not go back? This is hot summer, why not let us go back now?' Now, my point is, why should such people undertake to assume this responsibility of going round the various places if they cannot stand the strain, if they have no aptitude or interest in the work they are expected to do for the country? If they consider that it is a matter of privilege or honour to serve on a Committee, they should seek membership on other committees. I do not know whether by being associated with the Defence Department in this manner they get any additional privileges. Anyway, I think that the Government ought to bear in mind in selecting people for this Committee not merely the age of the person to be selected, but also his antecedents and they should see whether he has the aptitude to do that work. They should find out whether he has ever taken any interest in army matters,—not merely by putting questions in this House if he has the courage and interest to do so, because, certain people are lacking even that much courage and interest. Government should see whether the person whom they will select for this Committee would make use of all the opportunities afforded to him for the public good.

Having said this, let me point out another thing. When I went round and had conversation with some of the gentlemen in different places somewhere in India, I came to know that in the month of April our Government, or I should say the Defence Department, was so slack, so lethargic, so indifferent to the real nature of defence that they did not utilise the capacity of several workshops or factories to the extent that they were at that time available, which meant that the Government were not really enthusiastic. They were enthusiastic only so far as collecting funds was concerned. That was my firm conviction then, because, I made enquiries as to how many persons had come from different provinces, whether registers were maintained, and all that, and I found that some of the things which could be manufactured in some of the places were merely repaired, and not manufactured. I asked, "Could not these be manufactured here?" They said, "Yes, provided we could get some things from America because it would take some time to manufacture them", and it was not difficult then to get them. This department is moving in such a slow manner—and I do not know whether, excepting Hitler's Government, all other Governments go in this slow fashion, because, it was the same thing in England and there was a hue and cry about her being ill-prepared and all that. There it was total slackness, redtapism, here it is total mistrust, distrust of the Indians in addition to redtapism. They were not prepared,

they were not prepared to go to the length to which they could have very well gone warranted by circumstances then existing. It is the compelling necessity of the war, the condition of the war, the war approaching towards the borders and outposts of India, which makes them move a little. If the Consultative Committee could give it a momentum, then it is well and good; otherwise just a few people going round or whether they go round or not, attending lunches given by brigadiers or dinners given by brigadiers—that sort of thing

Lieut.-Colonel Sir Henry Gidney: What about the laddu and jilebi lunches?

Mr. Govind V. Deshmukh: I do not know about other lunches.

Lieut.-Colonel Sir Henry Gidney: What about laddu lunches?

Mr. Govind V. Deshmukh: Laddu lunches were never given to us. This is one thing. Otherwise it is useless for this Consultative Committee to be in existence, merely given to us as a sop, and showing to the country and the world abroad and America, "Look here. We have given these people this Defence Consultative Committee". My Honourable friend was very wise in not making a speech and disclosing to us what were the different functions. If merely the motion that is passed goes abroad, then the people in England and in America will say, "Look here. Here is a committee of their own people. Indians going round, exerting themselves irrespective of what other people are saying that they are not helping the war and that the Government are not really stimulating their efforts."

Another thing I wish to say is this. Of course, we have to anticipate many things because, as I have said, there was no opening speech giving us points. I want to know whether there would be any co-ordination between the National Defence Council and the Defence Consultative Committee. If there is not, what is going to be the result? Certain persons have had the advantage of going round and knowing the conditions in their own provinces. They have formed their own opinions and there are others who are moving in a different circle. They may or may not move about, because, some of them are big folks, they may attend teas and dinners and all that. If these two circles do not coincide and do not come together, the result would be nil. There is, therefore, a great necessity for the co-ordination of the activities of these two committees. One should like to know from the Honourable the Mover of the motion whether there is any such intention or not.

Let me say this about the number. I strongly support the plea advanced by my Honourable friend, Mr. Huseinbhai Laljee and others, that this number, six, is too small, and that this should be increased. Of course, we were not allowed to draw any comparison between this House and the other House. I do not want to draw any comparison as regards the merits or demerits of the members of the other House, but certainly on the numerical strength we are entitled to more. We must not make comparisons which may be odious as regards the qualities or qualifications of the members of the other House and this House, but we can surely say that on the total strength of the elected members we are entitled to a much larger number than what is mentioned in the motion.

I take it that the real object or the main object is that the Government wish with the help of this Committee to create enthusiasm among the

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people, that the people should with enthusiasm come forward and offer themselves either as doctors or as soldiers or emergency commissioned officers or as technicians. To win over the people, let me say this. I echo the resolutions passed and the speeches made and the points emphasised at the Non-Party Leaders' Conference at Poona to the effect that unless political prisoners are released and a declaration about the status of India, national as well as international—unless a declaration like this is made immediately that within so many years after the war we shall have that status, enthusiasm could not be evoked. Let me say this because it has been said not merely by the Non-Party Leaders' Conference, but even by the Anglo-Indian papers. Take the *Times of India*. I have found many a time the Editor saying therein that the suggestion is a good suggestion and he sees no reason why the declaration should not be immediately made that after so many years the status of India will be the status of self-governing colonies. He says there should be a recognition, there should be a declaration immediately in how many years India will attain Dominion Status after the war. There was also the statement made by Sir Sikandar Hayat Khan who said that if such a statement was made immediately fixing period about India's status there would be great enthusiasm. There was the Indian Christians' Conference which passed a resolution on similar lines. All these bodies reflect public opinion. Nobody is interested in saying that we should not help the Government. All these bodies are keen on helping but when they go out and meet their constituents they have to tell them what we are fighting for. So, unless this declaration is made and the other defects are removed, one would not see great enthusiasm in the country. Everybody who resents the Governments' attitude of want of proper response, everyone, who says that is no sufficient response on the part of the Government, yet says, we shall help the Government, we shall help the Government. That is the resolution passed by everybody, but because such a body has passed such a resolution the Government should not think that the response from the people is satisfactory, they should realise that the response given by the people is capable of being expanded, that there can be a greater response. You can get many more millions of men. The war is getting nearer, and, if, unfortunately, the war comes nearer, then it will be the twelfth hour and not the eleventh hour. In the case of France you were prepared to make a sort of Anglo-French Union and constitution, Mr. Churchill never cared whether the House of Commons should meet and whether the Prime Minister should make a statement and get that declaration ratified by the House; emergency requires that such steps as are required for appealing to the people of that particular country or your allies—such steps ought to be taken.

In conclusion, Sir, I would say that there should be a proper procedure followed by this Committee as regards the agenda, and the subjects to be discussed. If it is merely going round and seeing the ordnance factories and there is nothing else to be done, then there would not be even among those members of the Committee any zest left to go round. If they are taken after a period of some months, and people are very inquisitive, they may make inquiries and come to know how far we have advanced but that is not the thing. As war is coming nearer and nearer, you must repeat the consultations as frequently as possible and not have them only once in three months or six months. With these words, I support the motion.

Sir Gurunath Bewoor: When I moved what appeared a perfectly simple motion, I never expected to have a debate upon it of such length. This however merely indicates the very keen interest which this House takes in all matters relating to the defence of India, especially at a time of such emergency and crisis as we are in. Sardar Sant Singh accused me of not having made a somewhat long speech explaining what the committee is intended to do.

An Honourable Member: We want a long speech from you.

Sir Gurunath Bewoor: I know my friend, Sardar Sant Singh, is a great student of politics and I expected that he would have read all about this committee when it was announced in the public Press and the procedure which we intended to follow to fill up the membership of the committee, pending the meeting of the Legislature. Perhaps it has escaped his attention and I think I cannot do better than read out a small portion of what was then published.

It was then announced that the committee is a Departmental Committee of the Defence Department. It would be presided over by His Excellency the Commander-in-Chief and will meet whenever called by His Excellency but not less often than once a quarter. Its proceedings will be formal and strictly confidential. The agenda will be circulated beforehand to members of the committee and its meeting on each occasion will be opened by a statement on the war situation by the Commander-in-Chief. The object of the committee was explained as being the anxiety of His Excellency the Commander-in-Chief to establish a direct contact with representatives of the Legislatures and the committee will be constituted for the time being only with the help of the Party Leaders but as soon as the Legislatures met a motion would be made for its election. The Commander-in-Chief was confident that he would receive valuable advice on matters affecting defence from the non-official representatives and will in his turn be able to give them a regular appreciation of the situation and keep them confidentially informed in a way which will assist them in the performance of their public duties.

Sir, the committee will undoubtedly give great help to the Defence Department and we are anxious to utilise their advice in all matters in which we feel that they are qualified to advise. It is quite understood that they would not be able to advise us on many matters such as military operations and things of that kind but there are numerous matters in which their advice would be extremely useful. It is not possible to give an exhaustive list of what those matters are but various matters might arise from time to time, in which we would feel that their advice would be extremely useful.

Then, Sir, I have been asked what is the relationship between the National Defence Council and the Defence Consultative Committee. The names of these two bodies should be sufficient to explain the difference. One is a committee of the Members of the Assembly and of the Council of State. The other is a body which is constituted by His Excellency the Viceroy and contains representatives from all over India including the Indian States. This has nothing to do with the Defence Department. As regards the numbers we have already taken into consideration the great interest which members take in matters of defence and that is why this

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committee has been constituted with a total membership of ten, whereas the usual Departmental Advisory Committees consist of six members. We consider that any further increase would militate against the utility of this committee. Too large a number would defeat the very purpose we have in view. (Interruptions.)

It is laid down that the ordinary Standing Advisory Committees should consist of six members, four of this House and two of the other House. We feel that a membership of six is sufficiently representative of the interests of this House. As regards the proceedings of the committee, from the very nature of the case, they must be confidential, as they deal with matters relating to the war but there are certain matters in regard to which the members are not required to keep any special secrecy. My friend, Mr. Jamnadas Mehta, complained that we have not had more meetings or more trips. We extremely regret that it has not been possible to have more than one meeting but according to our undertaking there ought to be one meeting at least a quarter and we hope to have another meeting in this quarter. The tour was essentially intended to be an instruction to the members of the committee. To me it was a great education and I am sure all the other members also felt that it was a great education to them and they were able to appreciate the complexity of modern warfare. It is no longer the old method of warfare, where a strong arm and a sturdy heart was enough. You need much more in these days, much more technical education, knowledge regarding most complicated machinery and I am sure members of this committee who go round will be in a position to appreciate the great complexity of modern warfare and the kind of things that have to be prepared before you can put a force in the field. We are extremely anxious to give the members of the committee as much knowledge as possible and to give them the opportunity of visiting the factories and institutions not only in this country but also Overseas. It must be remembered that the Supply Department is concerned with the provision of munitions and the Supply Department has its own committee of this House.

I do not wish to enter into the very long discussion which unfortunately started about the Central Interview Board and also the discussion which my friend, Mr. Deshmukh, wanted to start on a subject on which he wanted to move an adjournment, which was disallowed. These are questions which if they are raised in the Defence Consultative Committee we shall be very happy to explain and try to meet the various arguments and considerations which have been put forward. But I would like to assure the House that there is now no question of martial or non-martial classes or of listed or non-listed classes. The Central Interview Board consists of the President and one Military member and two Indians of high status. Now, we are going to have shortly two Interview Boards instead of only one. One will tour about the Southern Command at selected centres and another will be in the Northern Area. On both these bodies there will be two Indian gentlemen of well-known high character and status and we must trust to the best judgment which they can exercise in making selections. It is quite possible that there may be differences of opinion. As my friend, Mr. Deshmukh, said, if there was 25 per cent. wastage even on the present method of selection, it is feared, if we are very generous or we do not properly observe the various considerations, the wastage may be greater. However, all I wish to assure is that there is no question of either distrust or of any class distinction, but there may be mistakes made by the

Board in either rejecting or accepting the candidates. We only hope that the Boards will improve by experience and, as my friend, Colonel Rahman, has already said, the percentage of acceptance was recently as high as 70, and we have now got what is called a pre-cadet class where candidates who appear to be doubtful are sent for a preliminary training and then they are given a second chance. I trust, therefore, Sir, that any misapprehension that may be in the minds of the Members will be removed. Whatever other remarks have been made merely go to indicate the necessity for the type of the Defence Consultative Committee that I have proposed and I trust the House will support it.

Babu Baijnath Bajoria: Will the proceedings of this Consultative Committee be available to the Members of the House?

Sir Gurunath Bewoor: No.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Defence Consultative Committee."

The motion was adopted.

Mr. Deputy President (Mr. Akhil Chandra Datta): I may inform Honourable Members that for the purpose of election of members to the Defence Consultative Committee the Notice Office will be open to receive nominations up to 12 noon on Thursday, the 30th October, 1941, and that the election, if necessary, will, as usual, take place on Tuesday, the 4th November, 1941, in the Assistant Secretary's room in the Council House, New Delhi, between the hours of 10.30 A.M. and 1 P.M. The election will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I introduce the Bill further to amend the Indian Income-tax Act, 1922.

THE EXCESS PROFITS TAX (SECOND AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I introduce the Bill further to amend the Excess Profits Tax Act, 1940 (Second Amendment).

THE FACTORIES (AMENDMENT) BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I introduce the Bill further to amend the Factories Act, 1934.

THE MINES MATERNITY BENEFIT BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I introduce the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them.

THE WEEKLY HOLIDAYS BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I introduce the Bill to provide for the grant of weekly holidays to persons employed in shops, commercial establishments, restaurants and theatres.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): Sir, I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is: "That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1898."

The motion was adopted.

The Honourable Sir Sultan Ahmad: Sir, I introduce the Bill.

THE CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): Sir, I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment).

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment)."

The motion was adopted.

The Honourable Sir Sultan Ahmad: Sir, I introduce the Bill.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I do not want to move my motion* today.

"(1) *That Mr. A. C. Datta be appointed to the Select Committee on the Bill to simplify the procedure in appeals to the Federal Court in place of the Honourable Mr. M. S. Aney whose seat on the Committee has become vacant,

(2) that the Honourable Mr. M. S. Aney be re-appointed to the Committee in place of the Honourable Sir Reginald Maxwell, and

(3) that Dr. F. X. DeSouza be appointed to that Committee in place of Mr. R. A. Gopalaswami who has ceased to be a member of the Assembly."

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, and the Mover, with instructions to report on or before the 5th November, 1941, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The mention of Income-tax amendment Bills is liable to arouse emotions similar to those which arise in the dentist's chair, but I would remind the House that even the dentist occasionally performs operations or processes which are soothing and relieving rather than painful or exasperating, and I think I am right in claiming that this measure is mainly a measure which will have the effect of soothing the feelings of the taxpayer rather than otherwise. One of the most important clauses of this Bill is one which alters the basis

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): You are referring to clause 8.

The Honourable Sir Jeremy Raisman: I am referring to clause 10. I was about to say that one of the most important clauses is one which alters the basis of liability to income-tax in relation to income arising or accruing in Indian States. When the Act was amended in 1939 by the adoption of the residence basis, all income accruing or arising in an Indian State became liable to tax in the hands of a person ordinarily resident in British India; and in the case of a person resident but not ordinarily resident, all such income arising from a business, profession or vocation controlled or set up anywhere in India, that is, including the States, became so liable. At the time when this increase in the scope of the tax was made, the Indian States themselves had not adopted the residence basis and it was not anticipated that they would. I think it is right to say that we did not perhaps visualise clearly the effects of such a step on the part of the States. The problem has now arisen in a practical form owing to the adoption of residence basis by certain States. While our law remains unaltered, it is somewhat difficult for us to object to States following our example in adopting this basis, nor can we, without causing great hardship to the taxpayer refuse to make arrangements with such States for double income-tax relief. But the result of such arrangements will be exceedingly serious to our revenue. I cannot give even an approximate estimate of the amount involved, but our examination of the position has made it clear that the amount of revenue which we should have to forego by reducing the scope of the charge, as we now propose in this Bill, is small in comparison with the amounts we might have to pay out in double income-tax relief if we adhere to the residence basis in the case of States. We have, therefore, endeavoured now, in modification of the previous policy to arrive at a basis which can serve as a firm basis for double income-tax relief arrangements with the States.

We feel that if we get back on to this basis, we can take a perfectly logical and fair line with the States. We can say to them, if you do not trench on our fiscal jurisdiction any more than we do on yours, then this is the basis on which we are prepared to give double income-tax relief arrangements. In other words, any State which goes no further beyond

[Sir Jeremy Raisman.]
its own borders than we do now will be entitled to claim that the double income-tax relief provision should be extended to that State and we shall be prepared to enter into double income-tax relief arrangements with them. I hope I have made the position as clear as it is possible to do in a technical matter of this kind.

Sir F. E. James (Madras: European): I want to put one question. Has any definite arrangement been made with any Indian State or with any group of States on the basis of provisions now sought to be introduced?

The Honourable Sir Jeremy Raisman: We have not yet made arrangements on this basis, but my intention is that on the adoption of this basis we shall be prepared to make such arrangements, and it follows from that that in the case of a State which attempts to adopt the residence basis which we now propose to depart from, to discard in effect, in the case of a State which attempts to adopt that basis in relation to British India, we shall not be prepared to enter into double income-tax relief arrangement with such State. That is an important change from anything we have done hitherto. We have hitherto implied that we were prepared to adopt double income-tax relief arrangements with any State which had an income-tax system. We cannot adhere to that without subjecting ourselves to the possibility of a very serious disadvantage, because States may adopt a basis which trenches far more heavily and in our opinion unjustifiably on the taxable capacity which belongs to British India than we think fair. We are not prepared in those cases to accept the arrangement. I do not think I should go further into this matter because as this Bill is going into the Select Committee, there will be an opportunity for further explanation of the position in the course of the proceedings.

Another important concession which is included in this Bill is in respect of depreciation with reference to the calculation of written-down value. As the Act stands, in arriving at written-down value, deductions are made in respect of amounts of depreciation which have never been allowed with the result that an assessee may in the long run be allowed less than the full cost of his assets. It is now proposed to remedy this by deducting only depreciation which has actually been allowed.

Two other amendments with regard to depreciation may be mentioned here: clause 7 which provides for depreciation on industrial buildings let out on hire, and clauses 6 and 13 which give priority to the allowance for losses over the allowances for depreciation. Since losses can be carried forward for only six years, while depreciation can be carried forward indefinitely, this provision is necessary to secure to the assessee the benefit of the carry forward of losses.

The other provisions which I may mention and which alter the scope of the tax or reduce the quantum are: clause 3, which slightly expands the existing exemption by including all official representatives of other Governments on the basis of reciprocity, and State and Nepalese Forces serving on with His Majesty's Forces, clause 4 which expands the definition of residence so as to cover the case of a person who comes to reside in British India, but is not here long enough in his first year to qualify as resident for that year. It seems to us unfair to treat such a person as a non-resident and tax him at higher rate than the resident. There are certain amendments which somewhat increase the quantum of assessable income. These

are done in clauses 13 and 14. Clause 14 corrects anomalies in section 25 for which we consider there is no justification. Briefly the object of sub-sections (3) and (4) of section 25 is to provide for the effect of the changes in the assessment basis made in 1886, 1918 and 1922 Acts. As a result of those changes, an assessee, but for these sub-sections, would have had to pay tax for one year more than the number of years he has been carrying on business; but this consideration does not apply to super-tax on companies except to the limited extent provided for in the present amendment. We have found, in practice I may say, that there has been a tendency to take advantage of this discontinuance of provisions, and it may even be said to be in the nature of an abuse. The idea is to take advantage of the provisions at a time when the rate of taxation is higher, to cash in, so to speak, the concession allowed by the Act at the most favourable time. The amendment does not directly counter that. What we see no justification for continuing are the concessions in respect of super-tax or companies where considerations on which the concessions were based do not apply. In other words the amendment seeks to withdraw from companies and in respect of super-tax, the concessions which were intended to save them from being assessed for one more year than they had actually been in business. It limits the scope of section 25 to what was originally intended and is justifiable.

Clause 13 contains an amendment in regard to unregistered firms. It allows an unregistered firm whose constitution is changed to set off only the amount of its loss which is attributable to persons who are partners in the previous year. It was never intended that other partners under such circumstances should get the benefit of the retiring partners loss.

So far as profits are concerned the intention is correctly expressed in the first proviso to section 26(1) which provides for the apportionment of profits between partners entitled to receive them. I pass over some of these amendments which it is difficult to explain on the floor of the House any better than is already done in the notes on clauses. But there is an important amendment to which I must draw attention in clause 18 which seeks to restore the Commissioner's powers of revision. These powers were abolished on the recommendation of the Select Committee on the Income-tax Amendment Bill, 1939. I am afraid it was not then sufficiently realised that almost invariably the Commissioners had used their powers of revision in order to give relief to assessees. It was very exceptional or comparatively exceptional that the Commissioner's power of revision was used in the opposite direction. Since then it has become apparent that there is a real need for some provision by which relief can be given to assessees in cases where relief is clearly indicated and in cases where an assessee ought not to be put to the trouble and expense of going to the tribunal. It may be a case where the amount involved is not worth an appeal to the tribunal; that is no reason why the Commissioner should not exercise his power to rectify and injustice or hardship. I propose, therefore, in this Bill to give the Commissioner power to revise assessments in favour of the assessee. He will not be able to enhance any assessments or pass any other order prejudicial to an assessee. But,—and there is a fly in this jam-pot too,—in order to prevent Commissioners from being flooded with applications,—and I may mention that previous to the abolition of these powers there used to be as many as two thousand applications a year in Bombay alone,—I propose that a fee of Rs. 25 should be charged for an application to the

[Sir Jeremy Raisman.]

Commissioner to exercise his power. I am quite satisfied that if there is no such deterrent to petty and frivolous applications, the Commissioners will be overwhelmed and will be unable to cope with the work. I would point out that in a great many cases where relief is clearly due the income-tax authorities will, on their own initiative, report the facts to the Commissioner with a view to obtaining relief for the assessee; and lest Members should be disturbed about the case of assessee who do not find it worthwhile to deposit the 25 rupees I may say that I am prepared to have instructions issued to the Commissioners to give relief in this type of case, that is, without an actual application by an assessee accompanied by a fee. I would point out, whilst on this clause, that the scope of the proposed revisional powers of the Commissioner will be restricted to cases which have not gone to the income-tax tribunal and will not be exercised in cases in which recourse to the income-tax tribunal is still desired by the assessee.

Finally, there is a provision to which I attach some importance relating to the Collector's power to recover income-tax demands. At present the Collector may recover such amounts as if they were arrears of land revenue, and in addition he has the powers of a civil court in respect of attachment and sale when debts are due from an assessee. It has been found in practice that the powers for the recovery of land revenue are inadequate for recovering large amounts which may be due for income-tax; and it is therefore proposed that the Collector shall, for the purpose of recovering income-tax demands, have the powers which a civil court has for the purpose of recovering an amount due under a decree.

The remaining provisions of the Bill are mainly designed to improve the machinery and to give assistance to the assessee, for instance, in regard to filing appeals.

Sir, I apologise to the House for the somewhat technical nature of some of the explanations which I have had to give them, but I am afraid it is inevitable that income-tax legislation should be of a somewhat complicated and technical character. I hope that in the course of Select Committee proceedings it will be possible to impart greater lucidity to the objects of this measure.

Sir, I move.

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

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, and the Mover, with instructions to report on or before the 5th November, 1941, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Dr. P. N. Banerjee: Sir, in the Statement of Objects and Reasons appended to this Bill it is pointed out that the object is three-fold. I will discuss these objects *seriatim*. In the first place it is pointed out that there is an exemption in regard to the basis of taxation of foreign

incomes. In this connection I believe Members of the House remember that when the Income-tax Act of 1939 was passed, it was urged from this side of the House that the accrual basis which replaced the old remittance basis was not a fair one, and appeals were made to the sense of justice of the then Finance Member of the Government of India. But those appeals fell on deaf ears. Now, however, the situation has changed and Government have begun to realise that in certain cases at least the basis is not a fair one. I would have welcomed their change of attitude if it had come as a result of introspection or as the promptings of the inner voice; but that is not the case. It is because some of the Indian States have begun to retaliate and to pay Government in their own coin that they have realised their mistake. If they had not done that perhaps the Government of India would have gone on perpetuating the injustice for ever. However, better late than never. But I should like to ask in this connection, why should the application of the remittance basis be confined only to Indian States? Why should it not be extended to Burma, to East Africa and to South Africa? Well, because those countries have paid you back in your own coins, therefore you are not considering those cases. Now, the only justification which was urged on behalf of this accrual basis was that the Government of India wanted money. But is that a sufficient justification? Government of India want money; therefore, are the Government of India entitled to steal or rob? I don't object to the present attitude of the Government. The decision is right, but it should have been arrived at in 1939, and now this decision should be extended to other cases.

Coming to the second object, I find that it is pointed out here that some concessions have been made, but while some concessions are being made others are being taken away. So in that respect it is not much of an improvement—some concessions are being taken away and other concessions are being made. Now, if the concessions which are sought to be taken away by this Bill were left intact, then the people would have greatly appreciated the present change in the attitude of the Government.

Thirdly, the object is to clarify some of the provisions of this Bill, and, lastly, some defects and omissions are being removed. Now, why has it been necessary to clarify some of the provisions? We all know that before the Income-tax Act of 1939 was passed, a committee had been appointed consisting of experts from England who were brought out here with a great deal of trumpeting and after finishing their report these experts also sat as expert members of this House. Even then it has been found necessary to amend the Income-tax Act of 1939 several times. This does not redound to the credit of the Government.

The Honourable Sir Jeremy Raisman: There is no finality in Income-tax legislation.

Dr. P. N. Banerjee: It is because when any difficulty was pointed out in this House, the Government did not accept the views of the Opposition and their policy thus was to legislate in a hurry and then to repent at leisure. However, I must say that it is quite right to remove defects and make good the omissions. But you are removing only the minor defects and making good small omissions. There are many major defects left in the Bill and there are many important omissions. It is high

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time that these should be rectified. For instance, in regard to exemptions, we have not adopted in this country the system of allowances in respect of children and a wife, nor have we discriminated between 'earned' income and 'unearned' income. These are very serious defects which exist, and opportunity should have been taken on this occasion to remedy these defects.

It is pointed out in this Bill that opportunity has been taken for the restoration of the Commissioner's powers. I welcome this decision but this has been coupled with a fee of Rs. 25. That seems to be a rather heavy fee; it may prove to be a heavy fee in some cases at least not always. Therefore, I would advise the Government either to reduce the fee or to fix a scale according to the value of the assessee.

Another point to which I may refer is that the Income-tax tribunal is allowed to work temporarily in the absence of an equality of members on the accounting side and on the legal side. This is quite right. The present wording of the Act is unhappy and the proceedings of the Tribunal should not be rendered invalid because of the disparity on the two sides, but it should be provided here that this temporary disparity should not last for a long time. If there is a vacancy on the legal side, it may be allowed—unless this clause is amended—to continue for a long time. Therefore, some period should be fixed here beyond which this vacancy should not be left unfilled. There are also various other defects in the Bill which I hope the Select Committee will consider.

I would ask the Finance Member, who, I believe, is a little less extortionate and a little more conscientious than his predecessor, to consider the main defects and omissions and recast the Bill in such a way that it may be welcomed by all sections of the community.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I am glad that even Sir Jeremy Raisman has introduced a Bill which gives some concession to the assessee. He has always been raising taxes every six months, but I apprehend that this is only, so to say, washing off the tears and probably he is sharpening his razor and making himself ready to give the assessee a much harder blow either in this Session or, if they escape in this Session, in the Budget Session. Anyway we must give him the credit for giving some relief which he is proposing under this Bill, which I welcome. But, Sir, I would like to draw attention to one or two points for his consideration so that he may consider these points before the Select Committee meets.

Sir, this Bill seeks to give relief to the tax-payer from the double income-tax relief proposal in the case of certain Indian States which, following the example of the Government of India, have been enacting Income-tax Laws similar to the laws of British India. But the whole trouble in my opinion is due to this Section 49 dealing with double Income-tax relief which must go, because it is very much prejudicial to the interests of British India. It was pointed out at great length that this double Income-tax relief provision acts very adversely to the interests of India to the tune of, if I am not mistaken, over a crore of rupees. If that is so, this Bill is only a partial solution of this problem. As a matter of fact I would like both these sections to go—this section 49 as well as the section dealing with exemptions under section 60

to Ruling Chiefs and Princes: I am giving a friendly advice, and it will be very useful to the Finance Member if these two sections are repealed and he will benefit to the tune of at least two crores of rupees. There is also a great volume of opinion for the abolition of these two sections. I may be wrong about the actual figure, but it is very considerable. As a matter of fact, my community, the Marwari Community, come mostly from the Bikaner State and Jaipur; and in Bikaner under the guidance of an *ex-Law* Member of this Government they copied out practically this very Bill so that they may get an enormous sum of money from the community trading in British India. Apart from the burden of taxation, it is a question of harassment. The assessee has to show all their books and income both in British India and in the Native States and then claim double taxation relief both in British India and in the Native State. As far as the Native State is concerned I have no hesitation in saying that our greatest protest was due to this procedure, that we are very much afraid that once the tax is paid there, to get refund will not be a question of months or years but of decades. The provision in this Bill is only a partial solution. What is equitable is that income derived in British India should be assessed in British India and should be paid to the Government of India, while income derived in an Indian State should be assessed and paid in the State. I do not want this double taxation relief basis as regards Indian States and British India because it is a very harassing and annoying procedure.

Again the note to clause 8 says: "Such income (unless received in or brought into British India or unless assessable under section 42) will be exempted both from income-tax and super-tax but it will be taken into account in calculating income-tax and super-tax." It means that the rate of tax will be based on the joint income both in British India and Native States, and it means that the whole account has to be shown both in British India and in the Native States. Assessee and several chambers of commerce have objected strongly to this. What we want and what is fair is that the rate of tax should be for the total income in British India, and the rate of tax for income in the Native State should be the income in the Native States. There should not be accumulation of two incomes. That is my suggestion. There should not be any double income-tax relief basis as regards Native States and British India.

As regards what my friend, Dr. Banerjea, said about East Africa, Burma and other countries, they do not stand to gain by such reciprocal legislation; otherwise they would have done it long ago: the number of East Africans or Burmese in India is much less than Indians in those countries. It is the Government of India who are losing by giving double income-tax relief to this country. The clause is one of the most important clauses in this Bill and I hope the Honourable the Finance Member will give consideration to the point which I have raised so that it may be effectively dealt with in the Select Committee.

As regards the question of resident, ordinary resident, non-resident, etc., I must admit that these words as embodied in the Income-tax Act are very confusing: I cannot interpret them because I am not a lawyer, but even the best lawyers with whom I have discussed it are confused about the definition of these terms. The whole trouble has arisen on account of the acceptance of the accrual basis, which also formed the

[Babu Baijnath Bajoria.]

subject of a heated debate in this Assembly. It will be much better if the Finance Member will consider reverting to the former position of remittance basis.

I welcome the change made in this Bill as regards depreciation and carry forward of losses and I also agree to the restoration of the power to the Commissioner for revising and giving relief to the assessees. As regards Collector's powers to recover money due by the assessee as if it were a decree of the High Court, I would suggest that these powers are rather too wide. I would suggest that the Collector should apply to the Court and get the demand certified as a decree and then the demand will become a decree and will be executable as such. This is done in the case of arbitration awards, where a similar procedure is adopted by filing them. The assessee will have the benefit of a judicial decision, whereas in this case the Collector may be in some cases very hasty and too eager and over-zealous to recover.....

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order: it is now 4 o'clock and we must take up the adjournment motion.....

Babu Baijnath Bajoria: Can I resume my speech later?

Mr. Deputy President (Mr. Akhil Chandra Datta): Just as you wish.

MOTION FOR ADJOURNMENT.

ECONOMIC CONDITION OF COTTON GROWERS.

Mr. Govind V. Deshmukh (Nagpur Division : Non-Muhammadan) :
4 P.M. Sir, I move :

"That the House do now adjourn."

The Honourable Member for Commerce in one of the previous Sessions said that he would be glad to hear the voice of the agriculturist, and last Session I made him undergo that ordeal by my moving a Resolution expressing the grave concern about the condition of the agriculturists, particularly cotton growers, and specially growers of short staple cotton. The Honourable the Commerce Member then gave me an assurance that everything that was possible was being done to increase the consumption of short staple cotton, by asking the Supply Department and the Army Department to modify their specifications in such a manner as to suit the consumption of short staple cotton so that the agriculturists might be given sufficient relief.

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

After that the condition of the agriculturists has worsened. Everybody knows that Japan was our greatest consumer so far as short staple cotton was concerned. The Government of India issued an order freezing Japanese assets in this country, which resulted not only in restricting, but doing away with the import and export trade of India. With the rest of the items I am not concerned, but I particularly wish to concern myself with short staple cotton. Now, Sir, as the Japanese assets were frozen, no short staple cotton could be purchased by Japan, nor could it be exported to Japan. The result was, and still is, that short staple cotton which was last year quoted in my province say at Rs. 60 or Rs. 70 per

khandy, has gone down to Rs. 40 per khandy, and that too at a time when the cotton crop is not in the market. That crop is still in the fields. We, naturally, expect a higher price when the crop has not yet gone to the market, because there are tempting offers, and at present Rs. 40 per khandy appears certainly a very tempting offer. By making tempting offers they want the agriculturists to bring whatever short staple cotton they have available into the market,—and the agriculturist takes his crop to the market under the belief that when much cotton has not yet gone to the market, when the market is not yet flooded, he will be able to get a good price, and if large supplies of cotton get into the market the prices will go down. In other words, the agriculturist, if matters are not set right, would be in a very precarious condition. In fact, he is in that condition today,—he is virtually on death bed, and you have to give him some kind of injection to prolong his life for some time. If you do not do it, then he will completely succumb, and, afterwards, there will be no remedy left to revive him.

Sir, this is such an important subject that it concerns 70 per cent. of the people of India, and those who advocate the interests of Indian agriculturists, should certainly see to it that some relief is given to them at this particular juncture. Sir, I have given a general idea as regards the effect of freezing the Japanese assets in this country. Then we naturally expected that something would be done to give relief to the poor agriculturists as promise was held out to us in this matter in the last Session. I specifically mentioned in my speech last time that there was a Jute Conference, a Ground-nut Conference, and relief was given to Bengal and Bihar by convening a Jute Conference. Then I was told that if it became necessary a conference of persons or of interests concerned either with the growing or consumption of cotton would be convened. I was under the impression that that Conference very likely might be called, but so far it has not been called. Then I thought that very likely the issue might be gone into when the Price Control Conference was held,—and it appears to me that several of the Associations did emphasise this point. For instance, an Associated Press Telegram of 7th of October was sent from Calcutta in which it was said "that the Conference will discuss among other things the question of controlling the prices of cotton". I also observed that other bodies and persons appealed to the Government and made the same request. For instance, the Committee of the Federation of the Indian Chambers of Commerce drew the attention of the Government of India. This is what they said :

"The Committee decided to draw the attention of the Government of India to the recent fall in the prices of raw cotton in India and to impress upon Government the need for meeting the situation especially when the problem of cotton prices was likely to be accentuated as the result of coming movement of crops."

Then similar requests were made in the month of October to the Supply Department that something should be done to give relief to the poor cotton grower.

"The Committee also decided to draw the attention of the Government of India to the recent fall in the prices of cotton, especially of short staple and the coming movement of crops which would further aggravate the situation."

So, Sir, from every part of the country, from every corner, the demand was put forward, and the condition of the agriculturist was prominently placed before the Honourable the Commerce Member.

[Mr. Govind V. Deshmukh.]

Well, Sir, as I have said, we have lost our greatest customer, I mean Japan, and the situation has worsened. It has become worse than what it was at the time of the last Session and the situation is getting worse daily, because the Government of India enter into several cotton transactions,—and the British Government also enter into several transactions with several outside countries. I had drawn attention on the last occasion to the fact that the whole crop of cotton grown in Egypt had been bought out. That was how the British Government gave them relief. After that cotton from Iraq has been purchased, and the strangest thing is this. Last time I had rebuked the British Government for giving relief to cotton growers in Egypt and not to the people of this country whose interest they proclaim so loudly they have at heart. Now, I say that the Government of India are at fault. What have they done? This is what I gather from the Associated Press :

"It is announced that the Government of India have decided to give general permission for the importation of raw cotton from Iraq provided it has not been previously imported therefrom or from any other country....."

So that cotton is being imported here. I really don't understand why it should be imported into this country, and why India's interests should be sacrificed for the sake of other nations,—why we should be tied to the chariot wheels of the British Government or of any other Government. It merely means that the Government of India are reckless, they do not concern themselves with the interest, happiness and welfare of the Indians over whom they are ruling, though, as I said before, they are always proclaiming from housetops that they have the interests of the country at heart.

On the last occasion when the assurance was given, it was an assurance given by one individual person. I do not know whether that promise was given in consultation with other members of the Cabinet then; but now as we have an expanded Council, and as it is stated that they have got joint and collective responsibility, I hope an assurance will be given which will safeguard the interests of the cotton grower, and that his interests will not be sacrificed in such a manner as to promote the interests of other countries,—but that the interests of India will be looked after even at the sacrifice of other countries, whether they are Britain's allies or not, I do not care. Now, Sir, this particular question has to be solved. Britain did not stop its import and export trade after freezing Japanese assets with Japan. It wanted to retain its customer Japan. How did it solve the question? I will read this portion which was sent by the Reuters :

"There is no question of entering into any barter agreement between Britain and Japan or of unfreezing Japanese assets, it was stated in authorised quarters in London today.

The banking machinery set up between the Bank of England and the Yokohama Specie Bank will provide for trading licences to be granted in exceptional circumstances. Each licence will be on its own merits from the British supply viewpoint. In each case supply considerations will be weighed against considerations of economic warfare.

It is pointed out in London that it would be wrong to regard the setting up of machinery for issuing trading licences as an essay in appeasement. The arrangement reached between the Bank of England and the Yokohama Specie Bank does not represent any retreat from the situation as set out by Mr. Eden in the House of Commons. It defines the grounds on which licences are likely to be granted,

but those grounds are exceedingly narrow. It was understood at the time that Mr. Eden announced freezing of Japanese assets that, in certain limited cases, licences might be granted.

Trade under the new arrangement must be very limited. In the first place, it will be impossible to export from Britain to Japan goods greater in value than imports. The British authorities think it wise to receive from Japan. Secondly, Britain is not bound to release any goods at all. No commitment has been entered into with regard to goods Japan will get from Britain."

This will show that Britain is anxious to keep its trade, import as well as export, to whatever limited extent and to the extent that it will benefit Britain, not Japan. They did not wish completely to stop the import and export trade of their own country. This is how Great Britain proposes to solve the situation with which it is faced. How does Burma solve it?

I will read it from the Associated Press Telegram.

"Following the decision to buy up the whole of the cotton crop. . ."

This is what the Government of Burma did.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Govind V. Deshmukh:

"Following its decision to buy up the whole of the cotton crop, the Burma Government announces to-day that it accepts the fact that its primary responsibility is to endeavour to secure to the cultivator an economic return for his labours.

With this end in view the Government will commence its operation in regard to the new crop by offering to purchase baled cotton at the equivalent of Rs. 65 per hundred viss for loose ginned cotton. The Government points out that by this the cultivator will obtain a price comparable with the average price which ruled during the last four years."

It has brought this decision into force, and what is more, the Burma Government announced again its decision to secure to the cultivator an economic return for his labour.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. Govind V. Deshmukh: I will finish in two minutes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot have any more time under the rules.

Mr. Govind V. Deshmukh: The Honourable U Saw has again gone to England and is negotiating there about the consumption of short staple cotton. I hope, I should have expected a little leniency, for about five minutes

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot have it under the rules.

Mr. Govind V. Deshmukh: Then, I am sorry. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved :

"That the House do now adjourn."

Sardar Sant Singh (West Punjab: Sikh): There are certain well defined principles underlying this motion which the Government of India will probably accept as their responsibility. The first point that I particularly

[Sardar Sant Singh.]

wish to draw the attention of the Government to is this. Are the Government at one with us that their primary duty is to protect the cultivator? I think the reply will be in the affirmative. The second point is, are the Government prepared to take steps to absorb the whole produce of the cotton in India itself? The third point which requires consideration is this. Are not the Government at present the biggest buyers of the production of the textile industry of this country for supply purposes? If so, it should not be difficult for Government to absorb the whole crop of cotton for the next season. The difficulty, as I pointed out in my speech earlier in the day, is that manipulation goes on to such an extent in this country that the country's industries suffer and foreign industries prosper at the expense of India. In this particular case I am told that those who are responsible in the office issue specifications of goods which preclude the use of our cotton in the textile industry of the country. Specifications are made in such a way that you cannot use the cotton produced in the country. I am reminded of a well known slogan in the old days when the swadeshi was getting into prominence, that when somebody asked a very fashionable gentleman why he did not use Indian made boots, he said, "I am prepared to use it provided I get Dawson shoe". A Dawson shoe could not be had in India and so, he could not use an Indian shoe. My information is that those whose duty it is to issue specifications of goods take pretty good care to see that the specifications are such that the goods can only be had from England or Japan or some other foreign country and not from India.

We have in charge of this department at this time one of the most acute and hard worked Commerce Members, and another, a business man of the accumen of Sir Homi Mody. Both are experts in this branch and it should not be difficult for them to detect any such manipulation in the order or in the specifications which the department receives. I know that it will involve a great deal of trouble, a good deal of labour to discover it. The Army requires to be clothed no doubt, but the Army does not require to be clothed in a particular kind of cloth or production of a textile industry. The clothing may be a bit more coarse to wear, but in the interests of India, in the interests of the cultivator towards whom the Government owes a special responsibility, both the Supply and the Commerce Departments should look into this question and see that the specification supplied to the industry is such that this coarse cotton can be utilised and not the fine cotton that is imported from Egypt or other foreign countries. It will not be very difficult provided a bit of attention is paid to this question. My Honourable friend has quoted what Burma is doing, what others are doing in the matter of self-sufficiency, and also what Great Britain is doing to maintain even its export trade. There is no reason why India should not follow their example. If the Burma Government can purchase the whole crop and thus help the cultivator there is no reason why the Government of India should not do the same. The only thing is that particular attention is needed towards this problem and if the problem is tackled in a statesmanlike spirit, in the spirit that India is to be helped and that the Indian cultivator is to be helped, there is no reason why a solution could not be found. This particular motion is directed to emphasize the position and is not intended as a censure motion upon the Government. We know that the Honourable Sir Homi Mody who is not in his place has taken charge very recently. Time is needed to make

this policy being felt in the Department. Probably he will do it but it is our duty to bring to the notice of the Government the need for absorbing the whole product of the next crop of cotton in the country itself. I hope the Government will take a sympathetic view of the situation and will do something in the matter.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Mr. President, it was towards the fag end of the last Session that my Honourable friend raised this question of the price prevailing in the country for short staple cotton and I then stated the steps that the Government hoped to take with reference to that matter. I shall in a few moments review what those steps were and I hope I shall satisfy even the Honourable Member that the Government of India is not as reckless as he contended it was nor so oblivious of the interests of the agriculturists. My Honourable friend, as no doubt befits a member representing an agricultural area where short staple cotton is being produced, has paid a great deal of thought to this problem and I am sure he has been inundated with a number of representations from various cotton growing interests. May I tell him that not a day has passed when this question has not been before my department and myself and that not a day has passed when I have not received some telegram or other on the question of agricultural products and their prices and particularly on the question of prices of cotton of short staples. If my Honourable friend is under the belief that we have no concern in questions of that kind and that we do not toil or spin and that we enjoy an easy rest at Simla in the cool heights, all I can say is that he is very much mistaken.

An Honourable Member: We did not say that.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: On the last occasion I promised consideration for a number of measures which in the opinion of some would afford relief to the cotton growers and would give him fairly reasonable prices. As a matter of fact, when my Honourable friend raised the adjournment debate on the last occasion, I think it was towards the end of March, the price prevailing for Bengal was 132 per candy. The price today is 144 and I need not remind this House or the Honourable Member that during the interval between March and August the price was considerably more than 144. It had gone up to 159 in June as against 132 at the time my Honourable friend made his motion. Taking omras, the price in March was 175. The price today is 185 and the price in June and July of this year went up to 215. I do not grudge that price. On the other hand I was happy to see that the price had gone up but of course when the price goes up, no credit is given to the Government but when the price comes down, everything that can possibly be said against a wicked Government, which is unrepresentative and which pretends to take interest in agricultural matters but does not really do so, is said and perhaps with some justification in the opinion of some Honourable Members on the other side. Now, Sir, let us see by what set of misfortunes we have been pursued in this matter. We took a certain number of steps towards getting a better price for the short staple cotton. The suggestion was made that specifications on behalf of the Supply Department may be so diluted that a larger quantity of short staple cotton may be consumed for those war orders that have been given out. I am here in a position to state on behalf of myself and my Honourable colleague the Supply Member that that has been done. You have only to look to

[Sir A. Ramaswami Mudaliar.]

the consumption of the mills of various kinds of cotton and to the actual growth in the consumption of the total amount of cotton to see what steps have been taken in that direction. The mills are consuming now on an average per year some hundred and thousands more bales than they consumed in previous years. That has been largely due to the fact that the specifications of the Supply Department have enabled the mills to consume more of short staple cotton. But we have not been satisfied with the position. When I and my Honourable colleague went down to Bombay and attended a special conference of all the mill representatives in the middle of September, the proposition was again put to us that further dilution of specifications may be made to increase both the quantity of local cotton that can be consumed and to expedite war orders. That problem has again engaged the attention of the Supply Department and we believe it may be possible to further dilute some at least of these specifications so as to enable the mills to consume more quantities of cotton. In this connection I should like to state with reference to what fell from my Honourable friend, Sardar Sant Singh that it is entirely incorrect to say that the textile mills are not given as much of orders for the war supplies, as can be given.

Sardar Sant Singh: I did not say that.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I gathered the impression that our industries are not getting as many orders as they ought to get and that these orders are going elsewhere.

Sardar Sant Singh: What I said was that the specifications made in the office are of such a nature that short staple cotton cannot be used.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I am glad that my friend has not conveyed the impression that I thought he did, because as a matter of fact, the textile mills are unable to cope with the large amount of war orders that are being placed on them and with the demand of the export markets that is coming to them. The problem that I and my Honourable colleague have to face now is not that they are not given the orders that they want but that there is too much of these orders with which they are unable to cope. We are hoping that with the co-operation of the leaders of labour we shall be in a position shortly to see to it that larger production is made by these mills either by increasing the hours of normal work or by having double and multiple shifts. (*An Honourable Member:* You are appealing to Mr. Joshi who is not here) I am appealing also to other leaders of equal eminence and importance in the labour world. The problem is one of increasing the supply not only in connection with the war effort but also for civil consumption. The problem of so increasing the production that the prices may find some reasonable levels so far as the civil consumer is concerned is inextricably connected with the co-operation that we hope and trust will be coming from the labour leaders and labour generally in agreeing to increase the hours of work or in agreeing to work double and treble shifts and I need hardly state that the increased hours of work beyond the normal hours mean of course over time pay and they are not going to be sacrificed by being asked to do more work for the same pay.

Now, Sir, there was another direction in which relief was sought. I was asked whether we could find alternative markets for exporting this raw cotton. We tried our best in that direction. My Honourable friend

will, I know, with his intimate knowledge of this subject, be aware of the fact that short-staple cotton is going in larger quantities to the markets of the United States of America at the present time. The United States of America has almost doubled or trebled the amount that it used to take from us so far as short-staple cotton is concerned. The United Kingdom has kept up notwithstanding the great shortage in shipping the amount of cotton that it used to take from India. But, Sir, while these measures of amelioration were being taken and in the Commerce Department we were gratified to find that the price was gradually rising and not falling, the unforeseeable event of the Japanese freezing order came into existence. Now, my Honourable friend must realise the effect that it must have normally on the cotton market. One would have expected that the cotton market would have collapsed because one million and a half bales was the consumption which Japan had of our short-staple cotton and almost by a stroke of the pen all that export has had to be stopped.

My Honourable friend asked me about the exports. From 1st April to 31st August this year we exported to the United Kingdom 32,000 tons as against 21,000 tons last year and as against 32,000 tons in 1939, which was a normal year before the war. To the United States of America we exported 17,900 tons as against 9,000 tons last year and 5,000 tons in 1939. As I said, like a bolt from the blue came this Japanese freezing order which to a very large extent upset the calculations of ours and of the cotton market. It is indeed gratifying that in spite of all that the market has held on and, as I pointed out earlier in my speech, the price today is better than what it was in March, 1941. But we are not satisfied with the conditions as they prevail at the present moment. The Government of India is considering the steps whereby the effect of the Japanese freezing order may not be seriously felt as far as possible by the producer of the short-staple varieties. My Honourable friend read out a long extract from some statement issued by the United Kingdom when the Japanese freezing order was first announced. Here let me say that at every stage we have been in exactly the same position as the United Kingdom with reference to the Japanese freezing order. The whole of the British Commonwealth of Nations, the United Kingdom and the Dominions, and various allied Governments are adopting a common economic policy with reference to this matter. There is not one policy that is adopted by the United Kingdom regarding Japan and another policy by India. In fact, from the very nature of the case that a common economic warfare policy or whatever it may be called should be adopted, there cannot be any distinction between the policy of the United Kingdom and the policy of India. If there is any relaxing of the freezing order by the United Kingdom, let me give the assurance that India will relax perhaps a little more than the United Kingdom and not a little less. But the fact is that at the present moment owing to reasons which I need not enter into, facts which Honourable Members will readily, if they consider the matter, recall for themselves, there is stoppage of exports and imports between India and Japan and between any country in the British Commonwealth and even the allied countries and Japan. That is a fact which has supervened and cannot be got over. All the more it is our anxiety to see that this question of surplus cotton should be examined and should be adequately dealt with. We were taking certain measures—we did take certain measures—to promote the consumption of cotton on the one hand and to promote its export in better quantities on the other. But, as I said, this particular factor supervened while those ameliorative measures were being taken.

[Sir A. Ramaswami Mudaliar.]

My Honourable friend talked of the measures which the Burma Government had taken with reference to raw cotton. Now, the position of raw cotton in Burma is entirely different from the position of raw cotton in this country. Perhaps it would be more accurate to compare the position of rice in Burma with the position of raw cotton in this country. Their cotton crop is a very small crop: it can be handled even by the Burma Government. The price factor does not largely come into it and therefore it was much easier for Burma to handle that position than it would be for us to handle the position of raw cotton in this country which is produced on such a large scale. The Commerce Department and the Supply Department are both considering this question. My Honourable friend threw some doubt on the question whether an assurance by an individual Member is equal to an assurance by the Government of India. I do not want to enter into the theoretical issue of joint and individual responsibility but I can tell you that any Member from these Benches who gives an assurance gives it on behalf of the Government of India and no question of personal assurance can at any time arise.

Now, Sir, certain proposals are engaging our attention at the present moment. In one sense I felt that my Honourable friend's motion was a little premature. If he had raised it later in the Session, I might have been able to give him more concrete idea of what the Government was intending to do. At the same time, I was glad that he raised it because I want it to go out to the agriculturist that he is not going to be left in the cold entirely but that the Government of India is thinking of measures which somehow or other will give him some relief. In this matter there are three or four parties who are interested and concerned and I trust that all the four parties will come on a co-operative basis to assist in the solution of the question. There is the Central Government, but the Central Government is not the only party on whom the entire burden and responsibility of solving the question can lie. There are Provincial Governments who are anxious—whose representations are now before the Central Government—to do something to ease the position or rather to see that it does not deteriorate further in view of the coming crops. A certain amount of responsibility must necessarily and naturally lie on these Provincial Governments also. Then, there is the textile industry to which an appeal was made by the Central Cotton Committee in one of the Resolutions that it sent up to the Central Government. They said that the textile industry should be asked to co-operate in stocking certain quantities of raw cotton so that there may not be a glut and a pressure on selling so far as the Indian market is concerned. There is, lastly, the Indian grower himself whose co-operation is also required in this matter. I trust that with the help of all these parties we may be able to find some solution. I am only anxious to suggest that this is not a matter which has escaped our attention. On the other hand, it is meeting with our very active consideration.

Mr. Govind V. Deshmukh: Sir, the first thing that has been said is that the motion is premature. Let me tell the House that the motion is exactly in time. It is meant to save the agriculturists. If I had not moved it just now and if I had waited, the motion would have come some time at the Budget Session. In between, the agriculturist would have sold his cotton. If the agriculturist whose crop is now ready but which has not been transferred from the field is in a position to put confidence on the assurances given, then in spite of the creditors who would be pressing him for money for their dues he will try to hold on. I, therefore,

thought that this was the best time so that the agriculturists might hold on to their crop in spite of the difficulties that would face them. Then, it has been said that the responsibility is not only of the Government of India but of the Provincial Governments also. Now, the order freezing the assets was passed by the Government of India, otherwise we had Japan which was a very good customer. It means that the Government of India have taken it upon themselves to freeze Japanese assets and thereby stop all the consumption of the short-staple cotton. Having taken the initiative, the Government of India should face this question. It is the primary responsibility of theirs and not of the Provinces. The Provinces were not consulted whether the Japanese assets should be frozen or not. I, therefore, submit that I was fully justified in saying that it was primarily the responsibility of the Government of India and they must shoulder it. Then, it was said that they have tried their level best to get the consumption of short-staple cotton increased and it was mentioned that America has doubled or trebled its consumption. Well, Sir, I am not concerned with how much consumption is by a particular country in the Commonwealth or by the Allies. I am merely concerned with this that Japan used to consume so much short staple cotton. Is there any individual customer, is there any country, or do the nations forming the British Commonwealth undertake in consultation with India to consume as much cotton as Japan was consuming? That is my main consideration. I am pleading that in India cotton which used to be consumed by Japan must be consumed either by this country alone or in company with other nations. Merely saying, America has doubled or trebled, does not help my case.

Then, it was said that prices have gone up a little or come down a little. I do not know. Let it be taken from me, that if prices go up for a few days on account of war situation, it is no ground to say that in such and such a month the prices have gone up. Today in Central Provinces a candy of cotton cannot fetch more than Rs. 40. If today an assurance goes from this House that there is a certainty of so much short-staple cotton being consumed, I have not the least doubt that prices will shoot up so as to induce the agriculturist to hold on to his cotton. The agriculturists would be the persons to benefit. It has been said that there is a common economic policy. I read the statement which was wired to us by Reuters from Great Britain. In spite of the freezing of Japanese assets, they have adopted the system of issuing licences. The arrangement is between banks to satisfy Great Britain's needs. If Great Britain can make that arrangement in spite of the freezing order, why can't the Government of India make some arrangement to meet our needs. That is the point which has to be taken into consideration.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: We had made exactly the same arrangements. That is what I said.

Mr. Govind V. Deshmukh: I wish that you issue a communique like this which will assure the cotton growers that in spite of the freezing orders, you are prepared to relax the effect of those orders by resorting to such and such methods, for example, the licensing method or some other method. You have to give the assurance that the freezing of the Japanese assets is not a factor which should seriously be taken into consideration. There are ways of getting out of it and just as Great Britain tries to meet these needs by relaxing those orders, similarly the Government of India should be prepared to do it. The cotton growers will then be benefitted.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I should like to remove a misapprehension either due to what I said or due to what my Honourable friend is saying just now. The Honourable Member referred to a Reuter's telegram which is, I think some weeks old. At the time the freezing order was first instituted, the basis was reciprocity. So far as value of imports and exports are concerned, the British Government were prepared to relax the freezing order; to that extent the Government of India were prepared to do that and did do it, and certain exports of cotton did go to Japan. These things are known to merchants, particularly in exporting centres like Karachi and Bombay and since then other considerations have prevailed and what is happening in India is exactly what is happening in the United Kingdom also.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): What are those other considerations?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Greater tightening of freezing order owing to political considerations.

Mr. Govind V. Deshmukh: Unfortunately for us, the Government of India did not issue any communique so that the cotton growers or whoever is holding cotton would have benefitted by it. If such a step was not thought of till now, I hope the Government of India will hereafter do something to carry out my suggestion.

Then, Sir, he referred to a common economic policy. Here again I must point out that common economic policy means carrying out the war.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Common policy of economic warfare. Common policy of economic warfare which is a different thing.

Mr. Govind V. Deshmukh: I thought you meant common economic policy. Let me say this that when I tabled this motion for adjournment, it was not meant as a censure of the Government or any Member thereof. As a matter of fact, I must say that the Honourable the Commerce Member, as he himself has said, has been thinking over this matter and when he says that, I believe it. I want him to go a step further and carry with him other Members of the Government and see to it that with the help of other departments the consumption of cotton is increased. This much is no consolation to me that I am trying my level best. This cannot serve as a consolation or a stimulant to a person on his death bed. To a person on his death bed, if you tell him "I am looking after you, I am doing my best", what is the use. I know you are doing your best, there may be others who should be in a position to help you, they are not helping you. I want to quicken your pace. We have seen that in India as well as in England, it is red-tapsim that retards the growth of war efforts. I wish you speed up. I want your other colleagues to help you to speed up in this matter. I appeal to you that you should try as much as possible to increase the consumption of short staple cotton to the same extent as it was consumed when Japan was importing cotton from here.

I hope that all Members of the Government will put their shoulders to the wheel and give this a momentum and speed up matters so that the agriculturists may not suffer. With these words, I beg leave of the House to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

THE INDIAN INCOME-TAX (AMENDMENT) BILL—*contd.*

Mr. President (The Honourable Sir Abdur Rahim): The House will now continue the discussion on the motion to refer the Income-tax (Amendment) Bill to a Select Committee. Babu Baijnath Bajoria.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): When the House took up the discussion on the motion for adjournment, I was referring to the powers which are proposed to be given to the Collector for recovering the dues. I think he has got enough powers and no wider powers need be given. If he finds he has difficulties in collecting the dues, he can seek remedy through the court. I do not think any further powers are needed in this respect. With these words, I support the motion.

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

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Huseinbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid and the Mover, with instructions to report on or before the 5th November, 1941, 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 RAILWAYS (LOCAL AUTHORITIES' TAXATION) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I beg to move:

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. T. S. Sankara Iyer, Dr. R. D. Dalal, Mr. J. Ramsay Scott, Mr. Akhil Chandra Datta, Maulvi Abdur Rasheed Chaudhury and the Mover and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

Honourable Members will find in front of them a statement of the opinions which we have received from the Provincial Governments on this Bill, and it has received very general support. I would not have troubled the House for the appointment of a Select Committee in ordinary circumstances, but I felt that as we have received these opinions and as the subject is a little intricate the House would probably prefer to deal with it at a small Select Committee rather than in the first instance on the floor of the House. I think I can say that the principle has been universally accepted and the House need not have any qualms in sending the matter to a Select Committee. Honourable Members will notice that the names I read out do not include representatives of a party which normally sits opposite. That is because no nominations were received from them; but if they should apply later to add one or two names to the committee, I have no doubt the House will be prepared to agree.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I would suggest the addition of the name of Mr. Jammadas Mehta who was Mayor of Bombay Corporation.

The Honourable Sir Andrew Clow: Sir, I think it is undesirable to add names beyond the general recommendations of the parties. His Party, I understand, nominated some other Member, and if he makes room for Mr. Mehta I would have no objection.

Dr. P. N. Banerjee: We selected two Members.

The Honourable Sir Andrew Clow: If every group selected two Members, the committee for such a small Bill would be unduly enlarged. It is a Bill which could be taken up quite easily on the floor of the House.

Dr. P. N. Banerjee: If it is an intricate Bill it is desirable that there should be more Members on the Select Committee.

The Honourable Sir Andrew Clow: It is not such an intricate Bill. My experience of Select Committees, which is a fairly long one, is that the addition of more Members does not contribute to ease in procedure. It is not an intricate Bill, but it deals with a point which requires to be examined in Select Committee rather than in the House.

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

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. T. S. Sankara Iyer, Dr. R. D. Dalal, Mr. J. Ramsay Scott, Mr. Akhil Chandra Datta, Maulvi Abdur Rasheed Chaudhury and the Mover and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

The motion was adopted.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, may I know when the meeting of the Select Committee is proposed to be held?

The Honourable Sir Andrew Clow: As soon as possible during the Session. I hope to see this Bill passed during this Session. It will depend on the convenience of my Honourable colleague, the Law Member.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, the provisions of this Bill seem to be fair and the Bill aims at making the railways pay for the amenities that they get as other people do in the provinces where there are local bodies which give them amenities; and for that it would be only fair to pass a Bill like this. The statement put into our hands shows that the Provincial Governments are in favour of this Bill. But the case of the local bodies should also be considered and they should not be treated differently. They also supply amenities and they should get a return for it. I must, however, object to clause 3(2) of the Bill under which the rate which the railways shall have to pay is being reduced to half. I do not see any justification for that. Sub-clause (2) of clause 3 says:

"(2) A notification issued under sub-section (1) may modify any tax in its application to any railway administration and in particular and without prejudice to the generality of the foregoing power may reduce the rate of the tax in respect of all or any part of the property of the railway administration, or may define the manner in which the tax shall be assessed on any such property or may exempt any particular property or class of property or any specified area from the whole or any portion of the tax."

I do not see any reason for this distinction and it has not been very well explained in the Statement of Objects and Reasons. This is an invidious distinction which should be considered by the Select Committee. It is a small Bill and I need not take very much time over it. I will only say that the question involved is with regard to certain amenities that they get and I do not see why the railway people should have a distinction made in their favour and pay half the tax. I submit, Sir, that these points should be fully considered in Select Committee.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 28th October, 1941.

LEGISLATIVE ASSEMBLY.

Tuesday, 28th October, 1941.

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

MEMBER SWORN:

Mr. Ramaswami Ayyangar Gopalaswami, M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

SUBMISSION OF THE THREE-YEAR DEGREE COURSE SCHEME FOR THE CONSIDERATION OF THE DELHI UNIVERSITY COURT.

12. *Mr. Lalchand Navalrai: (a) Will the Secretary for Education, Health and Lands, be pleased to state if his attention has been invited to the resolution of the Court of the University of Delhi, passed while considering the Annual Report at its meeting held on 19th April, 1941, to the effect that the Court of the University be given an opportunity to consider the new 3-Years Degree Course before any action is taken on it?

(b) Is the Education Secretary aware of the fact that a similar resolution was passed by the Court of the University at its Annual Meeting about four years ago, when it was resolved that the Court be given an opportunity to consider the scheme of the 3-Years Degree Course within six weeks of the acceptance of its principle by Government?

(c) Is it a fact that the Government accepted the principle about a year back, and the Court of the University has not been given any opportunity to consider the scheme at any time?

(d) Is it a fact that under section 17 of the Delhi University Act the Court is described as the first Authority of the University?

(e) Are Government aware that any ordinance passed by the Executive Committee of the University can only be cancelled by a two-thirds majority?

(f) Will Government be pleased to state why no effect was given to the former resolution of the Court, holding that the consideration of the scheme by the Court should take place before the scheme was given effect to? Why has no effect been given yet to the latest resolution?

(g) Do Government propose to direct the University to place the scheme before the Court before any statute or ordinance is passed by the Executive Committee, prejudicing the consideration of the scheme by the Court? If not, why not?

Mr. J. D. Tyson: (a), (b) and (c). The reply is in the affirmative.

(d) The Court has been placed first in serial order in the list of University Authorities in section 17 of the Delhi University Act but this does not mean that the Court is vested with powers of general direction and control over the other authorities of the University or that the power to pass resolutions on the annual report carries with it the power to enforce a resolution purporting to control the conduct of another authority of the University within the sphere of jurisdiction of that other body.

(e) Yes.

(f) The institution of the three-year course will make it necessary for the Executive Council of the University to make new ordinances which, under the terms of the Delhi University Act, 1922, will have to be submitted to the Court in due course. There is no obligation on the Executive Council to consult the Court before those new ordinances are made.

(g) No. The matter is not one in which there is occasion for Government to intervene.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether it is the privilege of the Court of the University to consider any new scheme that has to be adopted?

Mr. J. D. Tyson: No, Sir. I don't understand that it has any such privilege.

Mr. Lalchand Navalrai: Does the Honourable Member know that resolutions have been adopted twice holding that the Court of the University has got that power, and what was asked for was only that the scheme should be placed before them before the matter was concluded by the Executive Committee?

Mr. J. D. Tyson: The powers of the Court are laid down in section 20 of the Act. No such power, as is mentioned by my Honourable friend, is referred to there.

Mr. Lalchand Navalrai: Has the Honourable Member read the resolution which was passed by the Court? That showed how the power is vested in the Court of the University.

Mr. J. D. Tyson: I have read the two resolutions to which the question refers.

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

Mr. Lalchand Navalrai: Sir, there are one or two more questions which I want to ask in this connection.

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

ORDINANCE TRANSFERRING POWERS OF THE TREASURER TO THE REGISTRAR OF THE DELHI UNIVERSITY.

13. *Mr. Lalchand Navalrai: (a) Will the Secretary for Education, Health and Lands, be pleased to state if the Executive Committee of the Delhi University has passed an ordinance transferring the powers of the Treasurer to the Registrar of the Delhi University?

(b) Is it a fact that the said ordinance was not set aside by the Court of the University at its meeting held on 19th April, 1941?

(c) Are Government aware that such powers cannot be delegated under section 14 of the Delhi University Code and the delegation of such powers is *ultra vires*?

(d) What steps do Government propose to take to set aside that ordinance? If none, why not?

Mr. J. D. Tyson: (a) The Executive Council of the University has passed an ordinance enabling the Treasurer, if he thinks fit, and subject to such conditions as he may impose, to delegate to the Registrar of the University some of the powers conferred on him by the ordinances, to relieve the Treasurer of a mass of routine work which could be more conveniently performed by the Registrar himself as the head of the University administrative staff. No power conferred on the Treasurer by the Act or the Statutes has been delegated to the Registrar.

(b) Yes.

(c) The new ordinance is not *ultra vires* of the provisions of the Delhi University Act, 1922.

(d) The question does not arise.

Mr. Lalchand Navalrai: What powers have been given to the Treasurer which could be transferred to him?

Mr. J. D. Tyson: They are in the ordinance to which the Honourable Member has referred.

DECLARATION IN THE HOUSE OF COMMONS re THE RIGHT OF ALL PEOPLES TO CHOOSE THE FORM OF THEIR GOVERNMENT.

14. *Sir Abdul Halim Ghuznavi: Will the Honourable the Leader of the House please state :

(a) whether he has seen the statement made by the Right Honourable Mr. C. R. Attlee in the House of Commons on behalf of the British Prime Minister on the 14th August, 1941;

(b) if the answer to part (a) be in the affirmative, whether the first part of paragraph 3 of the declaration of joint policy contained in that statement runs as follows :

"They respect the right of all peoples to choose the form of Government under which they will live ;"

and

(c) whether this part of the declaration applies to India?

The Honourable Mr. M. S. Aney: (a) Yes, Sir.

(b) Yes, Sir.

(c) The application of this part of the Declaration to India has been fully expounded in the statements by the Prime Minister and the Secretary of State for India, which have been reproduced in the press.

Sir Abdul Halim Ghuznavi: I want a straight answer to my question: whether this applies to India or not.

The Honourable Mr. M. S. Aney: I think the Honourable Member can read the statement for himself and draw his own inference therefrom.

Mr. N. M. Joshi: May I ask whether the Honourable Member means yes or no?

The Honourable Mr. M. S. Aney: I cannot add anything more to what has been stated by the Prime Minister, and I believe what he has said is sufficiently explicit for anyone who wants to read it carefully.

Sardar Sant Singh: May I know if the Government of India have raised any objection to the statement issued by the Prime Minister of Great Britain in this respect?

(No reply.)

Mr. Lalchand Navalrai: Will the Honourable Member give us information as to the attitude of the Government in that respect?—whether the Government of India approve of the statement made by the Premier that it does not apply to India?

The Honourable Mr. M. S. Aney: The Honourable Member should know that such matters always remain confidential and nothing more can be given out in this House.

Pandit Lakshmi Kanta Maitra: May I just know from the Honourable Member whether or not the Government of India applied their mind to this particular question, or whether it is the policy of the Government of India to leave to others to draw their own conclusions on these matters?

The Honourable Mr. M. S. Aney: It is against public policy.

Pandit Lakshmi Kanta Maitra: I wanted to know from the Honourable Member whether the Government of India have got any definite policy of their own or whether the Government of India have applied their mind to this part of the question whether this particular statement applies to India?

(No reply.)

Sardar Sant Singh: May I know if the Government of India feel comfortable on that reply of Mr. Churchill?

The Honourable Mr. M. S. Aney: The Honourable Member can think of comforts and discomforts of individuals,—not of bodies and corporations.

†15*—20*.

CONSUMPTION OF IRON AND STEEL FOR CIVIL AND INDUSTRIAL PURPOSES.

†21. ***Khan Bahadur Shaikh Fazl-i-Haq Piracha:** (a) Will the Honourable the Commerce Member be pleased to state the quantities of consumption of iron and steel for civil and industrial purposes in India in the year 1938-39?

(b) What is the annual quota of iron and steel allowed for civil and industrial purposes under the steel control scheme?

(c) Do Government propose to undertake any steps to increase the quota allowed for such purposes either from indigenous sources or by imports? If not, why not?

(d) What are the prices paid for the main categories of iron and steel products purchased for the Defence Department during the years 1939-40, 1940-41, and 1941-42?

(e) What are the prices charged by the Iron and Steel Companies for similar products sold in the market?

(f) Will Government state the reasons for the disparity in the two sets of prices?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) I have not had time to collect figures of actual consumption of iron and steel for civil and industrial purposes alone, in India for the year 1938-39. Taking the total production reported for 1938-39 and adding to it net imports (that is to say total imports less re-exports) the figure is roughly 3,893,741 tons. This estimate does not take into account the stock position at the beginning and at the end of the year.

(b) Estimating on the quota that has been actually allotted for the last quarter of 1941 and the first quarter of 1942, the annual quota for civil and industrial purposes works out at approximately 156,000 tons. This does not include the requirements of the Railways.

(c) Government are endeavouring to secure as much supplies of Iron and Steel as possible consistent with the capacity of the indigenous industry and the availability of dollars for such purposes.

(d), (e) and (f). I would refer the Honourable Member to my Honourable colleague the Supply Member.

HIGHER PRICES EXACTED FROM THE CIVIL POPULATION THAN FROM THE DEFENCE DEPARTMENT FOR THE SAME CATEGORIES OF GOODS.

†22. ***Khan Bahadur Shaikh Fazl-i-Haq Piracha:** (a) Has the attention of the Honourable the Commerce Member been drawn to the fact that he is forcing the civil population to pay higher prices than those paid for supply to the Defence Department for the same categories of goods?

(b) Will Government be pleased to state the general policy adopted in the fixation of the prices of articles for which export is controlled by means of special licence?

†These questions were not asked by the questioner.

‡Answer to this question laid on the table, the questioner being absent.

(c) Is it not a fact that in the case of a large number of articles the prices are fixed by importers of the United Kingdom after the delivery of these articles to their customers?

(d) Do Government propose to make special arrangements to ensure that all reasonable requirements of educational institutions, in spite of iron and steel control, are met in full and without serious delay and at prices fixed for the Defence Department?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) No, Sir. I disclaim possession of either the power or the wish to act as suggested.

(b) The matter is not such as to render the formulation of a general policy possible.

(c) It is a common trade practice to send goods for sale on commission, but I have no information as to the proportion of the export trade to United Kingdom that is dealt with in this way.

(d) I regret I am unable to give the undertaking desired.

RECENT ANGLO-AMERICAN DECLARATION *re* THE ALLIES WAR AIMS.

23. *Mr. Lalchand Navalrai: (a) Will the Honourable the Leader of the House be pleased to state if the Government of India have been apprised of the recent joint Anglo-American declaration of the principles underlying the Allies war aims? If so, will Government be pleased to make a full statement on it and to state whether the terms of that declaration, specially with regard to constitutional reforms, are meant to be applicable to India also and if not, why not?

(b) Is it a fact, as announced in the press, that Mr. Cordell Hull, Secretary of State for Foreign Affairs, United States of America, stated with regard to the aforesaid declaration that its principles were universal and meant for practical application?

(c) Is it a fact that the Right Honourable Mr. C. R. Attlee recently declared in the British Parliament that the aforesaid joint declaration was applicable to Asiatic countries also? If so, is India also an Asiatic country or not?

(d) Have the Government of India got it cleared by the British Government whether the said joint declaration covered the case of India, and how it is going to be implemented with regard to giving freedom to India? If not, do Government propose to do so? If not, why not?

The Honourable Mr. M. S. Aney: (a) The answer to the first part of the question is in the affirmative. In regard to the second part, I have no authority to add anything to the statements which have already been made by the Prime Minister and the Secretary of State.

(b) I have seen the press report referred to by the Honourable Member.

(c) I have seen no report of any such statement in Parliament by the Right Honourable Gentleman.

(d) I am unable to add to the statements made by the Prime Minister and the Secretary of State.

Mr. Lalchand Navalrai: With regard to clause (d), have the Government of India got it clearly from the British Government whether this joint declaration governs the case of India and whether it is going to be implemented in regard to giving freedom to India? If not, do Government propose to do it now? If not, why not? I want all these questions to be answered.

The Honourable Mr. M. S. Aney: I have given my reply already. The answers to the supplementary questions to the last question cover the replies to these questions also.

Mr. Lalchand Navalrai: I want specific answers to these queries. First, have the Government of India got it clearly from the British Government or not?

The Honourable Mr. M. S. Aney: I again repeat that my reply given to the supplementary questions to the last question covers completely the reply to the question now put.

Mr. Lalchand Navalrai: May I know, therefore, that Government have got it clearly, and, if so, what is it?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has got the answer.

Sardar Sant Singh: May I know if it is a fact that the declaration of the Prime Minister of Great Britain means that the Atlantic Charter applies only to those countries which are being overrun by Hitler in this war?

The Honourable Mr. M. S. Aney: It is open to the Honourable Member to draw his own inference and conclusions.

Sardar Sant Singh: May I know whether the Government of India want the people of India to draw this inference, that if Hitler overruns India, then the declaration will apply to India?

Maulvi Abdur Rasheed Chaudhury: May I know why, when the principle is universal, it is not applicable in the case of India?

The Honourable Mr. M. S. Aney: I would again refer my Honourable friend to the statements made by the Secretary of State and the Prime Minister.

Lieut.-Colonel Sir Henry Gidney: With reference to the Honourable Member's reply to part (d), if the Atlantic Charter did apply to India, what part of India would be given freedom to?

Sardar Sant Singh: To Anglo-India!

OPINIONS IN FAVOUR OF INTER-CASTE AS WELL AS *SAGOTRA* MARRIAGE
RECEIVED BY THE HINDU LAW COMMITTEE.

24. *Mr. Govind V. Deshmukh: Will the Honourable the Law Member please state, according to the answers received to the queries by the Hindu Law Committee, what percentage of these is in favour of inter-caste as well as *Sagotra* marriage?

The Honourable Sir Sultan Ahmad: Of the replies received to the relevant questions 58 per cent. were in favour of validating all inter-caste marriages, 70 per cent. were in favour of validating all *anuloma* marriages and 81 per cent. in favour of validating *sagotra* marriages.

†25*—27*.

DEMAND FOR DECLARATION ON INDIA'S POLITICAL STATUS AFTER THE WAR.

28. *Mr. Govind V. Deshmukh: Will the Honourable the Leader of the House please state :

- (a) if Government are aware of the demand for an immediate declaration fixing a brief and reasonable time-limit when, after the conclusion of the war, India will enjoy the same measure of freedom as will be enjoyed by Britain and the Dominions, as voiced at the non-party Leader's Conference held at Poona in the last week of July, 1941, as well as, amongst others, by the Premier of the Punjab in his interview, with reference to Mr. Churchill's statement that the Atlantic Charter is inapplicable to India, to the Associated Press of India on 1st October at Simla in these words:

"a fresh declaration to the effect that India shall attain that status of equal partnership in the British Commonwealth within a reasonable time after the war—say two or three years";

- (b) if the demand referred to above has been brought to the notice of the Secretary of State for India; and
(c) the reply, if any, received from the Secretary of State for India with reference to what is mentioned in part (b) of this question?

The Honourable Mr. M. S. Aney: (a) Government are of course aware of the conclusions of the Conference held at Poona and of the statement reported to have been made by the Premier of the Punjab.

(b) and (c). In reply to the second and third parts of the question, I would refer the Honourable Member to statements made in Parliament by the Secretary of State with reference to the conclusions of the Poona Conference and to the statement by the Premier of the Punjab.

Mr. Govind V. Deshmukh: What is that statement of the Secretary of State?

The Honourable Mr. M. S. Aney: The Honourable Member might have seen it printed in the papers.

† These questions were not asked by the questioner.

†29*.

APPOINTMENT OF A NON-OFFICIAL ADVISORY COMMITTEE TO ADVISE THE
POST-WAR DEVELOPMENT DEPARTMENT COMMITTEE.

30. *Mr. N. M. Joshi: (a) Will the Honourable Member for Commerce be pleased to state whether Government have appointed, or propose to appoint, a non-official advisory committee to advise the Post War Development Department Committee appointed by them?

(b) If the reply to part (a) be in the affirmative, have Government appointed, or propose to appoint, any representatives of Labour on that advisory committee?

(c) If the reply to the above be in the affirmative, what are the names of such Labour representatives? If the reply to part (b) be in the negative, what is the reason for the omission?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) The Government have under their active consideration the question of appointing non-official members on the Reconstruction Committees that have been constituted.

(b) It is Government's intention to appoint a representative of labour on the Reconstruction Committee on Labour and Demobilization problems.

(c) The name of the Labour representative will be announced in due course.

Sardar Sant Singh: May I know in this connection if it is the intention of the Government to consult this House with reference to this important subject?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: At the appropriate time, Sir, certainly.

PROVISION OF SCHOLARSHIPS FOR TRAINING INDIAN STUDENTS AS NAVAL
ARCHITECTS.

31. *Mr. Akhil Chandra Datta: (a) Will the Honourable the Commerce Member be pleased to state whether Government have provided any scholarships for training Indian students as naval architects? If so, how many Indian students have up till now been trained as such naval architects, and how many of them have been provided with employments under Government of India?

(b) If the answer to part (a) above be in the negative, do Government propose to consider the question of providing scholarships for training Indian students as naval architects either in England, or in any other foreign countries? If not, why not?

(c) Will the Honourable Member be pleased to state whether he is aware of trained and qualified Indian naval architects being employed in the ship-building yards of the British shipping firms engaged in the Coastal Mercantile Marine Traffic or other Mercantile Marine in India engaged as carriers of Government mails to the United Kingdom and other countries? If not, does he propose to make an enquiry into the matter and inform the House whether qualified Indian naval architects are available in India for employment?

† This question was not asked by the questioner.

(d) Is he aware that some trained Indian naval architects applied for posts of naval architects under the Port Commissioners of the different ports in India but were not employed by any of the Port Commissioners? If so, will he be pleased to state the reasons for refusing the employment of such Indians trained in naval architecture under the different Port Commissioners and different Government Docks in India, and does he propose to issue necessary instructions to all shipping firms or Port Commissioners having dock yards and shipping industry in India to give preference to such qualified Indians, if any are available for employment? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) The reply to the first portion is in the negative. The second portion does not arise.

(b) The attention of the Honourable Member is invited to the reply given by me to part (b) of Dr. Sir Ziauddin Ahmad's question No. 496 on the 21st March, 1940.

(c) and (d). Government have no information but are making enquiries and the result will be communicated to the House as soon as possible.

INDIANS EXTERNEED FROM HONGKONG AND INTERNED IN THE PUNJAB.

32. *Sardar Sant Singh: Will the Honourable Member for Indians Overseas please state:

- (a) whether it is a fact that about 30 persons—25 belonging to the Hongkong British Police—were externed from Hongkong at the beginning of this year and brought to the Punjab where they were interned for sometime;
- (b) whether it is a fact that six persons have been detained in jails under rule 26 of the Defence of India Rules;
- (c) whether Government contemplate detaining them indefinitely, or order their release as there is no charge against them;
- (d) how they are being treated in jail; and
- (e) whether Government intend to give them B Class in jail; if not, why not?

The Honourable Mr. M. S. Aney: The question should have been addressed to the Honourable Member in charge of the Home Department.

Sardar Sant Singh: May I know if the Department for Indians Overseas has no information on the subject or was not informed by the Home Department in this connection?

The Honourable Mr. M. S. Aney: It does not deal with this matter. The Home Department deals with this matter.

APPOINTMENT OF MR. HODSON AS THE REFORMS COMMISSIONER.

33. *Sardar Sant Singh: (a) Will the Honourable the Leader of the House please state when Mr. Hodson, the Reforms Commissioner, was appointed, and with what object?

(b) Is the Honourable Member aware of the announcement of His Excellency the Viceroy, made on the 8th August, 1940, regarding reforms in Indian Constitution being the principal concern of Indians themselves? If so, how is the appointment of Mr. Hodson consistent with such announcement? Was no Indian available for this work?

The Honourable Mr. M. S. Aney: (a) Mr. Hodson was appointed on the 3rd April, 1941, and entered into his appointment in Simla on June 5th, 1941. He was appointed by the Governor General in his discretion as a member of his secretarial staff under section 305 of the Government of India Act, 1935, in order to assist him in connection with constitutional developments in India and particularly to assist in preparing the way for a revision of the whole constitutional position after the war.

(b) The appointment of the Reforms Commissioner was made in the light of the announcement by His Excellency the Viceroy on the 8th August, 1940, that His Majesty's Government desire to see a body representative of the different elements in India's national life devise the framework of her post-war constitution, and it in no way traverses this policy. The appointment was made by the Governor General in his discretion, and I am unable to answer questions relating to his selection for the post.

Pandit Lakshmi Kanta Maitra: May I know if this Mr. Hodson is an Indian or not?

(No answer.)

Sardar Sant Singh: Is it the intention in making this appointment that the frame work of the future Constitution should be prepared by a non-Indian and be filled in by Indians later on?

The Honourable Mr. M. S. Aney: I do not think so.

Sardar Sant Singh: Then the announcement of the 8th August, 1940, means, if it means anything at all, that the Constitution of India is to be framed by Indians themselves. Is it not inconsistent with that announcement that the frame work should be prepared by a non-Indian, particularly by a European who is an interested party in the whole thing?

The Honourable Mr. M. S. Aney: I do not admit the implication which the Honourable Member has drawn that the frame work is being prepared by an interested party.

Sardar Sant Singh: May I know, Sir, what are the implications in appointing an Englishman over the head of Indians for preparing the framework in this connection?

The Honourable Mr. M. S. Aney: My point is this, that the framework is an entirely different thing from collecting information which will be of use in the framing of the Constitution.

Sardar Sant Singh: Could not the same thing be done by a competent Indian?

The Honourable Mr. M. S. Aney: I have already stated that the appointment is within the discretion of the Governor General, and I am not prepared to make any further statement.

Mr. President (The Honourable Sir Abdur Rahim): As announced yesterday, if any of the Honourable Members, who have put down questions for answer today, were absent during the first round, they can put their questions now.

UNSTARRED QUESTIONS AND ANSWERS.

DEALERS IN INDIA APPLYING FOR LICENSES FOR ESTABLISHMENT OF GUN-POWDER MAGAZINE AND FOR PERMITS UNDER RULE 2 (2) OF THE EXPLOSIVES RULES.

17. Khan Bahadur Shaikh Fazl-i-Haq Piracha: (a) Will the Honourable the Labour Member be pleased to state the names and addresses of dealers in India who applied to the Chief Inspector of Explosives for a licence to establish a magazine for gunpowder and whether the respective applications were accepted or rejected and the grounds on which generally the acceptance or rejection was based?

(b) Will Government be pleased to state the names and addresses of dealers in India who applied to the Chief Inspector of Explosives for a permit under Rule 2 (2) of the Explosives Rules, 1940, and whether the respective applications were accepted or rejected, and the grounds on which generally the acceptance or rejection of such applications was based?

(c) Will Government be pleased to state whether the district authorities were consulted by the Chief Inspector of Explosives before accepting or rejecting an application for a permit under Rule 2 (2) of the Explosives Rules, 1940?

Mr. H. C. Prior: (a) It is not in the public interest to disclose these particulars about gunpowder magazines.

(b) One joint application from the following dealers was received:

- (i) Messrs. Panna Lal Atta, 150, Old China Bazar Street, Calcutta.
- (ii) Messrs. Paul Friends & Company, 159, Old China Bazar Street, Calcutta.
- (iii) Mr. M. L. Dutta, 143, Old China Bazar Street, Calcutta.
- (iv) Mr. N. N. Paul, 142, Old China Bazar Street, Calcutta.
- (v) Munshi Maha Uddin, 72, Canning Street, Calcutta.
- (vi) Messrs. S. Ekram Ellahi & Sons, 72, Canning Street, Calcutta.

The application was accepted to avoid dislocation of trade.

(c) No. If the Honourable member would care to discuss these matters with me I shall be very glad to have his views.

APPLICATIONS FOR EXPLOSIVES LICENSES FROM CERTAIN TOWNS.

18. Khan Bahadur Shaikh Fazl-i-Haq Piracha: Will the Honourable the Labour Member be pleased to state (a) the names and addresses of dealers in explosives who applied for licences in forms K, J, and G, respectively, of the Explosives Rules, 1940, in the towns of Bombay, Madras, Calcutta, Karachi, Delhi, Lahore and Lucknow, (b) the date of receipt of application by the district authorities concerned, (c) the date of payment of licence fees by the respective applicants, (d) the date of final disposal and (e) the result of the applications in each case?

Mr. H. C. Prior: (a) It would not be in the public interest to give the details for which the Honourable Member asks.

(b) to (e). Information has been called for from the District Authorities and a reply will be laid on the table of the House in due course.

NOTIFICATIONS EXTENDING THE PAYMENT OF WAGES ACT TO INDUSTRIAL ESTABLISHMENTS OR CLASSES OR GROUPS OF INDUSTRIAL ESTABLISHMENTS.

19. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Labour please refer to clause (5) of section 1 of the Payment of Wages Act, No. IV of 1936, and state the particulars of the notifications by which the Act has been extended to any class of persons employed in any industrial establishment or in any class or group of industrial establishments?

Mr. H. C. Prior: It is presumed that the question relates only to the Central sphere.

No such notifications have been issued by the Central Government. By a notification No. 7-A/37, dated the 6th May, 1937, issued by the Chief Commissioner, Ajmer-Merwara, the Act has been extended to the Motor Omnibus Services and Mines or Quarries.

EXEMPTIONS UNDER SECTION 5 (3) OF THE PAYMENT OF WAGES ACT ON STATE RAILWAYS.

20. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Labour please refer to clause (3) of section 5 of the Payment of Wages Act, No. IV of 1936, and state the particulars of the general or special order under which an exemption from the provisions of the said clause is given to the persons responsible for the payment of wages to persons employed on the Bombay, Baroda and Central India, Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways?

Mr. H. C. Prior: Orders have been issued exempting the Bombay, Baroda and Central India, Eastern Bengal and East Indian Railways or the persons, if any, nominated by these Railways under section 3 (c) of the Payment of Wages Act, from the operation of section 5 (2) of the Act in respect of the wages of employees on the list of "approved candidates", subject to the condition that such employees shall be paid before the expiry of the 10th day after the last day of the month in which the wages were earned. No such orders have been issued in respect of the Great Indian Peninsula and North Western Railways.

WAGE PERIODS FIXED IN LOCAL AREAS ON STATE RAILWAYS UNDER THE
PAYMENT OF WAGES ACT.

20A. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Labour please refer to clause (1) of section 4 of the Payment of Wages Act, No. IV of 1936, and state the particulars of the 'wage periods' fixed by the persons responsible for the payment of wages in the local areas concerned on the Bombay, Baroda and Central India, Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways?

Mr. H. C. Prior: The information is being collected and a statement will be laid on the table of the House in due course.

ACTS AND OMISSIONS SPECIFIED BY THE STATE RAILWAY ADMINISTRATIONS
UNDER SECTION 8 (2) OF THE PAYMENT OF WAGES ACT.

20B. Pandit Lakshmi Kanta Maitra: Will the Honourable Member for Labour please refer to clause (2) of section 8 of the Payment of Wages Act, No. IV of 1936, and state the particulars of the 'acts and omissions' specified by the Bombay, Baroda and Central India, Eastern Bengal, East Indian, Great Indian Peninsula and North Western Railways Administrations?

Mr. H. C. Prior: The list of such Acts and Omissions approved in the year 1938-39 will be found in Appendix II of the Supervisor of Railway Labour's Annual Report on the working of the Payment of Wages Act on Railways, a copy of which is in the Library.

More up-to-date information is being obtained and a statement will be laid on the table of the House in due course.

MOTIONS FOR ADJOURNMENT.

EXPANDED EXECUTIVE COUNCIL.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. There is a notice of motion for adjournment given by Mr. Kazmi to this effect. He wishes to discuss a definite matter of urgent public importance, viz., the failure of the Government of India in keeping His Majesty's Government in touch with the real political situation in India and in having tendered wrong advice to them which has resulted in stultifying the projected political advance to a farcical unrepresentative expanded Executive Council which, without any benefit to the Indians, has added a useless burden to the Indian taxpayer. Is there any objection to this?

The Honourable Mr. M. S. Aney (Leader of the House): What is the date on which this failure is alleged to have taken place? How are we to know that it is a matter of recent occurrence? It is not stated here? What is the date?

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): I am supplementing that statement, Sir.

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member means that the expanded Council came into existence after the last Session, and only then he came to know of it.

Qazi Muhammad Ahmad Kazmi: Yes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Is there any objection still?

The Honourable Mr. M. S. Aney: Yes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): As objection has been taken to this motion, those Honourable Members who are in favour of leave being granted will rise in their places?

(As less than 25 Members stood up, leave was refused.)

NON-RELEASE OF POLITICAL PRISONERS.

Mr. President (The Honourable Sir Abdur Rahim): The next motion of which notice has been received is also in the name of Mr. Kazmi. He wishes to discuss a definite matter of urgent public importance, namely, the failure of the Government of India to reconcile Indian public opinion by negotiations and releasing persons convicted of non-violent political offences and even alienating the sympathies of the moderates by flouting their opinion in spite of the danger of the war having come so near India and which can only be successfully met by an United India.

The whole thing seems to be very vague, and so I disallow this motion.

Qazi Muhammad Ahmad Kazmi: I can clarify anything if you want, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought to have done it when he sent notice of the motion.

OCCUPATION OF PERSIA.

Mr. President (The Honourable Sir Abdur Rahim): The next motion is also in the name of Mr. Kazmi. He wants to discuss a definite matter of urgent public importance, namely, the failure of the Government of India to keep His Majesty's Government in touch with the Indian sentiment and opinion which considers the method of force instead of negotiations used in the occupation of Persia with great horror and indignation.

Is there any objection to this?

Mr. O. K. Caroe (Secretary, External Affairs Department): Yes, Sir. It is a question which requires the consent of the Governor General under Rule 23 of the Indian Legislative Rules,—23(2) (ii) (a).

Mr. President (The Honourable Sir Abdur Rahim): I see the Honourable Mr. Kazmi did apply for sanction or consent of the Governor General, and I have received this communication:

"With reference to the Office Memorandum from the Legislative Assembly Department, No. A. M. D. 40-41-A, dated the 24th October 1941, the undersigned is directed to state that His Excellency the Governor General has withheld the consent appearing

[Mr. President.]

to him to be required under clause (v) of rule 12 read with sub-clause (a) of clause (ii) of sub-rule (2) of rule 23 of the Indian Legislative Rules to the moving of the adjournment motion, a copy of which was enclosed with the Office Memorandum under reply."

It has been contended by Mr. Caroe that, under the rules, such a motion requires the consent of the Governor General. I think the motion as worded did require such consent, and the Governor General having refused his consent, the motion cannot be moved.

ARREST AND DETENTION OF MR. S. K. D. PALIWAL.

Mr. President (The Honourable Sir Abdur Rahim): The next motion is also in the name of Mr. Kazmi. He wants by this motion to discuss a definite matter of urgent public importance, namely, the arrest and detention of Mr. S. K. D. Paliwal, a Member of this House, while he was engaged in the election campaign of Mr. Khedan Lal for a seat to this Honourable House in March last and which act was only an interference with the election to this House as is proved by his acquittal from the court of appeal.

I think Mr. Paliwal was arrested under some sort of warrant by a court of justice, and he was duly tried and then he appealed after conviction.

Qazi Muhammad Ahmad Kazmi: There was an appeal and he was acquitted.

Mr. President (The Honourable Sir Abdur Rahim): What is your grievance?

Qazi Muhammad Ahmad Kazmi: The grievance is

Mr. President (The Honourable Sir Abdur Rahim): I disallow the motion.

BANNING OF KHAKSAR VOLUNTEERS.

Mr. President (The Honourable Sir Abdur Rahim): The next motion is also in the name of Mr. Kazmi. He wants by this motion to discuss a definite matter of urgent public importance, namely, the banning of Khaksar volunteers by the Government of India and thereby hampering the development of indigenous organizations which are a necessity for the defence of the country in times of war.

I suppose the ban was imposed by the Government of India?

Qazi Muhammad Ahmad Kazmi: After the last Session.

Mr. President (The Honourable Sir Abdur Rahim): That seems to be in order. Is there any objection?

The Honourable Sir Reginald Maxwell (Home Member): I don't object.

Mr. President (The Honourable Sir Abdur Rahim): The motion will be taken up at 4 O'clock unless the business of the House is finished before then, in which case it will be taken up immediately thereafter.

THE DELHI MASAJID BILL.

SUBSTITUTION OF THE NAME OF THE HONOURABLE SIR SULTAN AHMAD IN PLACE OF THE HONOURABLE SIR MUHAMMAD ZAFRULLAH KHAN ON THE JOINT COMMITTEE.

Kunwar Hajee Ismaiel Ali Khan (Nominated Non-Official): Sir, I beg to move:

"That the Honourable Sir Sultan Ahmad's name be substituted in place of the Honourable Sir Muhammad Zafrullah Khan's name on the Joint Committee on the Bill to make better provision for the administration of Masajid and the Endowment of the Jama Masjid, Fatehpuri Masjid and Kalan Masjid of Delhi."

The Honourable Sir Muhammad Zafrullah Khan is no more a Member of this House, and hence the necessity of substituting another Member in his place.

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

"That the Honourable Sir Sultan Ahmad's name be substituted in place of the Honourable Sir Muhammad Zafrullah Khan's name on the Joint Committee on the Bill to make better provision for the administration of Masajid and the Endowment of the Jama Masjid, Fatehpuri Masjid and Kalan Masjid of Delhi."

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

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

"That the Bill further to amend the Code of Criminal Procedure, 1898 (amendment of section 4), be referred to a Select Committee consisting of the Honourable the Law Member, Sir George Spence, Mr. Muhammad Muazzam Sahib Bahadur, Mr. J. D. Boyle, Maulvi Abdur Rasheed Chaudhury, Pandit Lakshmi Kanta Maitra, Sardar Sant Singh, Qazi Muhammad Ahmad Kazmi, Sir Abdul Halim Ghuznavi and the Mover, and that the number of members whose presence"

Mr. President (The Honourable Sir Abdur Rahim): I have not got the names of the Members of the Select Committee. The Honourable Member ought to have supplied them before.

Mr. Lalchand Navalrai: I got the names just this morning, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member knows the procedure and he ought to have supplied the names before. It is too late now. The Honourable Member cannot go on, not having supplied the names.

(Mr. Lalchand Navalrai at this stage sent a list of the names to the Chair.)

I have not received them yet. That won't do. I will take it as not moved and call on the others.

No. 3—Mr. Kazmi.

Qazi Muhammad Ahmad Kazmi: I am not moving this, Sir.

THE PROFESSIONS TAX LIMITATION BILL.

Sir F. E. James (Madras: European): I beg to move:

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings or employments, be referred to a Select Committee consisting of the Honourable Sir Jeremy Raisman, Sir George Spence, Mr. J. F. Sheehy, Lieut.-Colonel Sir Henry Gidney, Mr. C. C. Miller, Mr. Amarendra Nath Chattopadhyaya and the Mover, with instructions to report by the 4th day of November, 1941, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

This Bill which was moved in the last Session for circulation received a favourable response from this House. The replies from the provinces are now available. The majority of the provinces are not affected by this Bill and, therefore, they either raise no objection or support the Bill. The Madras Government, whose province is mainly affected, support the proposals of the Bill and have agreed to compensate local bodies for the loss of income which the application of this Bill will cause to them on the basis of their past average receipts under the head of professions tax. The Madras Government have said that for the next two financial years their existing financial resources are sufficient to provide for the compensation of local bodies. As far as the future is concerned, if necessary, the Madras Government suggest that they may have to increase the rate of the general sales tax in Madras, which in a fit of sudden and inexplicable generosity, they reduced from half a per cent to a quarter per cent. This is an eminently reasonable attitude and certainly removes the basis of the opposition to the Bill which was expressed by the local bodies in Madras whose finances will be thereby affected. Sir, some provinces are not able to support the Bill because in their view it may affect the finances of local bodies within their jurisdiction. Others support the Bill on the assumption that it does not affect the revenues of local bodies derived from local Acts of taxation.

Now, Sir, I made it clear during the last Session that the object of the Bill is limited to the imposition of a uniform maximum on a particular type of tax based wholly upon income. If we find that the effect of the Bill is that it brings within its scope taxation which we have no intention of bringing within its scope, then that may be rectified in the Select Committee, either by making a substantive amendment in the body of the Bill, or by the addition of a schedule containing a list of the Acts which have been mentioned by some of the Provincial Governments as possibly coming within the scope of the Bill. That schedule, therefore, would exclude from the operation of the Bill those Acts about which there are some doubts, and such a schedule, if it were placed in the Bill or attached to the Bill, would save those taxes levied at present, or to be levied in future under those existing Provincial Acts. Sir, this motion is to refer this Bill to a Select Committee, in which these matters can be discussed in detail. Therefore, it is not necessary for me to say anything more on this point at this stage. In view of the favourable reception which the Bill has received at the hands of this House and at the hands of the Provincial Governments, I hope that the House will now accept the motion to refer it to a Select Committee. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings or employments, be referred to a Select Committee consisting of the Honourable Sir Jeremy

Raisman, Sir George Spence, Mr. J. F. Sheehy, Lieut.-Colonel Sir Henry Gidney, Mr. C. C. Miller, Mr. Amarendra Nath Chattopadhyaya and the Mover, with instructions to report by the 4th day of November, 1941, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Mr. M. A. Jinnah (Bombay City: Muhammadan Urban): Mr. President, as we have decided not to take part in the discussion, not only of this motion, which is immediately before the House, but we have decided to withdraw from this House during the present Autumn Session as a mark of protest because we strongly resent and disapprove of the decision of the Government in regard to the manner in which the Executive Council has been expanded and the constitution of the National Defence Council, and the way in which this has been carried out. I think, Sir, Honourable Members will agree with me that we owe a duty to the House and to those whom we represent that we should make our statement and give shortly our reasons why we have adopted this course of registering our protest. I assure you, Sir, and I assure the House that I shall avoid, as far as it is possible to do so, entering into any controversial matters on this question, and I shall briefly state our position. It is a sad and painful story. In the first instance, as far back as November 1939, after the war had broken out, a proposal came from the Viceroy. That proposal was that the Government were prepared to meet the major parties at any rate, as far as possible, by the expansion of the Governor General's Executive Council.

Sir F. E. James: Mr. President, might I rise to a point of order. I do not want to interrupt Mr. Jinnah but inasmuch as it appears that a statement dealing with matters which have nothing to do with the present Professions Tax Bill is being allowed to be made, may I ask that you will give due consideration to the time which is now being allocated to that purpose when the question of the further debate on this Bill arises?

Mr. President (The Honourable Sir Abdur Rahim): As the Chair understands Mr. Jinnah, he wishes to state his reasons as shortly as possible, if the Chair followed him correctly, for the decision which he and his Party have arrived at for not participating in the debate on this particular motion, as well as other matters, that will come up before the Assembly during the present Session. The Honourable Member, Mr. Jinnah, is entitled, like any other Member, to speak on this motion. He does not want to deal with the merits of the motion before the House. What he says is this: "I and my Party do not want to participate in this debate nor participate in any other debate during this Session." He feels that he has to explain his conduct to the House for abstaining from taking part in the proceedings, but the Chair thinks Mr. Jinnah will realise, that, as the motion reads, his statement will not be relevant at all to the Bill but only to the attitude that he and his Party are taking up in this matter. He will, therefore, confine himself to as brief a statement of the reasons as possible and make the reasons non-controversial.

Mr. M. A. Jinnah: I am extremely obliged to you for clarifying the position. I assure you that that is exactly what I said at the outset, that we owe a duty to the House. If you do not want to hear me, I do not want to worry you about it. If you do not want to hear us, I am quite willing just to announce our decision and retire. If the Honourable Members want to hear me, I am prepared to explain my reasons.

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member so desires, the Chair is prepared to take the sense of the House.

Mr. M. A. Jinnah: This is not the first occasion. Mr. James is an old Member of this House and he ought to know that this is not the first occasion that this procedure has been adopted in my favour. I think his memory is very short. It has been done on several occasions before and it did not strike Mr. James to raise a point of order then. However, I am quite content with what you said and I propose to follow exactly the same course and, therefore, I do wish the House to understand our attitude and why we have adopted this attitude. I was telling the House that so far as the Muslim League is concerned we have made it quite clear that, apart from the major issues, from the very beginning we were ready and willing to render every possible assistance in the prosecution of the war, but it is not only I who suggested it. It came from the Government and the Government themselves made the proposal and I was very glad that they made that proposal. The proposal was this. To put it in the language of the Resolution which we passed when rejecting the proposal, this is what we said:

"Nevertheless, without prejudice to the adjustment of the larger issues later on, we were even willing as far back as November last (that is 1939) to consider the proposal of the Viceroy to bring about an honourable and workable adjustment in the provincial field which would have been followed up with our representatives being appointed in the Executive Council of the Central Government to the extent permissible within the framework of the present Constitution and the existing law."

But the other parties and organisations were not willing to accept this, and rejected the proposal out of hand and the matter went on. Then, came the announcement of the 8th of August, 1940. In spirit and almost in letter, that announcement was in principle almost what we urged in the Resolution of the All-India Muslim League Committee in June, 1940, but it came on the 8th of August, 1940. We were glad and we welcomed it to this extent that the principle was accepted, namely, to give a genuine and real share in the authority of the Government. But when that principle came to be translated, as the Honourable Members know and I do not want to repeat anything, the only thing that was offered by the Government was, without telling us what the total number was going to be, without telling us who the other Parties were, without telling us what the additional number would be, without telling us as to what would be the portfolios, and without telling us anything more about any other matters, that we were informed only that the number of our representatives will be two. That did not show, to begin with, a real and genuine spirit or desire on the part of the Government to start with to treat us as co-sharers not only in the authority of the Government but co-sharers in the danger which we were willing to face to the utmost. Therefore, it was not possible for us to accept that position and we rejected it. I venture to say that no decent organisation, no decent self-respecting party could possibly have accepted that offer. That was finished in September, 1940. After that the Government remained asleep and the Government and the people all the time were misrepresenting us that we were non-co-operating and were putting difficulties in the way. All sorts of allegations were made against us in the press. Not only that but sometimes arguments of threats were also used. Now, I have always admitted, and there is not the slightest doubt about it;

and we do realise, that there is a grave danger and menace to India. We have repeatedly said in our Resolutions as far back as June, 1940, that the efforts that you were making and the schemes that were suggested by the Government of India and the Commander-in-Chief were not sufficient. You must increase and intensify your war efforts. Our Resolutions are on the record but, as I said, the Government went to sleep and nothing was heard. All that we were told was that we were in danger and we were told what would happen to us. We were told what would happen to us if Hitler came here. Now, I quite agree that if England is broken or beaten there will be a terrible chaos in this country. But while you say this and threaten us with the consequences, can't you also say what will happen to you? Why can't you say what will happen to us both and all of us? The spirit in which the criticism is offered is this: We are all right but what will happen to you; you won't be here even to talk about your independence and liberty and things of that sort much less to enjoy it. I want you to enter into this spirit: What will happen to you and me both? Do you really want our whole-hearted and full assistance? Then, came this decision which was announced on the 22nd of July. As we say, the manner, in which it was undertaken and finally carried out, ignoring everybody, and I am particularly speaking on behalf of the Muslim League, is most objectionable. Why have you ignored us? We have put no difficulties in your way. We have said from the very beginning that major issues will be considered later on within the framework of the existing Constitution. If you honestly and really want our co-operation, you must associate us with you with a real and genuine share in the authority of the Government not only at the Centre but in the Provinces as well. Then and then alone we can give you assistance, not because we are going to favour you, but because you happen to be the major authority. Then and then alone we can give to the Government all the assistance in men, money and supply. But ignoring everything, you have come to this decision and this decision is announced and forced upon us contrary to our advice and notwithstanding our opposition. We have reasoned, we have argued and we had long negotiations and we have come to the conclusion in the hope that the protest that we are registering today will open the eye of the blind and the ear of the deaf, and that you will with God's help have the wisdom and the statesmanship to revise this scheme of yours which I assure you is not going to help you by a tittle in the intensification of your war effort. On the contrary, you must have realised that it is going to do harm to you and I am interested as much as anybody else to ward off that harm and I advise you to think it over.

This is the reason why we have adopted this course. Finally I say to the Government, I say to Honourable Members, I say to the Press and the public outside, please do not misrepresent us. It is the Government and the Government alone that is responsible and one cannot come to any other conclusion than that they do not want our assistance, they do not want our co-operation. When they talk of co-operation, they mean on such terms as no self-respecting organization can come in. Well, Sir, the spirit behind this measure and this policy is this. In the words of Sir Claude Jacob when he sent a message to the troops: the Empire will not forget your loyal and faithful services. Well, you want us to be completely bereft of self-respect, you want us to give you assistance and the Empire will not forget our loyal and faithful

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services. We have reached the stage today for which you alone are responsible. You do not really honestly want our assistance.

Sir, I have done, and I hope you will understand the spirit of this protest in right and proper perspective.

[At this stage, the Members of the Muslim League Party withdrew from the Chamber.]

Mr. President (The Honourable Sir Abdur Rahim): Discussion will now go on on Sir F. E. James' motion before the House.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadian Urban): Sir, I rise to oppose this motion. In the Statement of Objects and Reasons attached to this Bill, my Honourable friend, Sir F. E. James, says, that there is a widespread demand in the Madras Presidency for a reduction in Profession tax. If that be the only reason then he should have approached the Government and the Legislature in Madras for a reduction in the tax. He says that uniformity is desirable and, therefore, he wants Central legislation in order that this limitation should apply throughout India. But, Sir, he forgets that there are great diversities in the different provinces of India. There are great diversities in size, in population and in the functions of local bodies in different parts of the country. The Calcutta Corporation, for instance, has a very large population within its area and its functions also are very large. Whereas in some of the municipalities in the Madras Presidency, the size of the population is small and the functions assigned to them are meagre and small. Therefore, uniformity is not desirable in a case like this. As regards demand for reduction in taxation, well, there is this demand everywhere. We, on this side of the Opposition, have always demanded that Salt tax should be reduced. We have demanded that various other taxes should be reduced. But have the Government seen eye to eye with us in these demands? In the case of Salt tax which is universally regarded as inequitable, have the Government acceded to our request for its abolition?

Now, Sir, what will be the effect of this Bill if it is passed into law? The effect will be a serious curtailment of the resources of local bodies. How will they meet the situation? These local bodies will have either to curtail their activities or will have to approach the Provincial Governments for financial assistance. I do not know whether the Provincial Governments are prepared to give financial assistance to local bodies when their incomes will be reduced. My Honourable friend has given us no hint as to the attitude of any Provincial Government in this regard. He has mentioned that the Provincial Government of Madras is in favour of this Bill. Now, may I ask which Government?—the bureaucratic Government or the Congress Government? Did the Congress Government support this Bill? Well, Sir, if the Congress Government had been in power in Madras at the present moment, I am sure the Congress Government would have declared its opinion against this Bill. The Congress Governments in some of the other Provinces did declare against this Bill. In the United Provinces, the Government declared its opinion against this Bill, but the bureaucratic Government which rules the Province at the present moment has expressed itself in its favour. Now, Sir, the fact

is that the bureaucratic Governments in the Provinces do not care for the development of local self-government in this country, whereas popular Governments do feel that local self-government is very important.

Sir, my Honourable friend has pointed out that large sums of money are derived by the local bodies and many taxes are levied in the different local areas. This is true, but if you curtail one particular tax, you must find a substitute. Where will that substitute be? It will not do to say that this tax should be reduced. You will have to point out what other form of taxation should be introduced or enhanced. Sir, in my view, the passing of this Bill will mean a severe blow to local self-government in India. I find from the opinions which have been received that some of the Provinces have opposed this measure and I also find that the Calcutta Corporation, the Municipality of Howrah, and all the Bengal Municipalities have strongly objected to the passing of this measure. So far as Bengal is concerned, we find that the maximum amount leviable as tax on trades, professions, etc., in the City of Calcutta is Rs. 500. In the Howrah Municipality, it is Rs. 250. In other Bengal Municipalities, it is Rs. 200. Now, this tax is levied on a sliding scale, according to the nature of the trade, profession or calling. If the highest scale of tax leviable is to be reduced to Rs. 50, then the lower scales will have to be proportionately reduced, perhaps to insignificant figures. What will be the result of this? The result will be a serious curtailment of the reserves of these Municipalities.

Then, again, Sir, there is another very serious defect in the Bill of my Honourable friend, Sir F. E. James, and that is that a person will pay only one tax even if he carries on several trades or owns several shops in different parts of the town.

Since 1870, it has been considered desirable by the Government of India and by the British Government that the development of local self-government should be fostered in this country. Have we now come to the stage when this policy is to be reversed? Has local self-government been found to be unsatisfactory and undesirable? If so, let them give the plain answer and let them say that all local bodies should be abolished. Instead of punishing the local bodies in this underhand manner it is better to abolish local self-government in India altogether. If, on the other hand, Government think that it is necessary to encourage local self-government, they should not only help the local bodies with financial aid and in various other ways but should allow them to levy such fees and taxes as are reasonable. No exception has been taken to the levy of these fees which have been in existence for nearly half a century in Bengal; but my Honourable friend comes forward and lays his hands on these fees and says that they should be reduced. This is very undesirable, to say the least, and in the name of the development of local self-government in this country I strongly oppose this motion.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Sir, I rise to oppose this Bill. It is perfectly clear from the speech of the Honourable the Mover that it is a very controversial measure. Some provinces are not affected,—well, they are not interested. Among those who are interested, no Provincial Government has given perfectly clear and unconditional support. My Honourable friend speaks of the support of the Madras Government, but he has himself told us that that support is based upon a certain condition. It is

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admitted, Sir, that without compensation by the Provincial Governments the local bodies cannot afford to sustain the loss which will result from the operation of this Bill. When the Honourable the Mover said this he practically gave away his own case. We have been told that the Madras Government have promised compensation. I do not know if Sir Frederick James is in the confidence of the other Governments, but is there any justification for a taxation measure like this on the chance that some Provincial Governments might possibly be induced to compensate the local bodies? Why do you first give this blow to them and then think of relief from the Provincial Governments which after all it depends on their sweet will and pleasure either to give or not to give? Then, Sir, the proposed changes are simply revolutionary. As a matter of fact, my Honourable friend, Dr. Banerjea, has told us that in Calcutta the maximum amount leviable is Rs. 500; and the present proposal is to reduce it to Rs. 50. It is certainly a revolutionary change which it will be very difficult for the Calcutta Corporation to meet. In Calcutta, the rate is Rs. 500 in some cases, and, in some other cases, it is Rs. 250, while in Howrah it is Rs. 250, and so on. The changes are so drastic that it will be very difficult to make an adjustment of their position after the Bill is passed.

I may point out also that this may be described as the big man's Bill. It is a Bill for the benefit of the big people, big companies, big firms, etc.; and it will affect the local bodies who spend their money for the benefit of the public. So it is a case of big people *versus* poor people.

There is another aspect of it. This is a Bill which operates very differently upon different categories of business and of people. It is said that the tax is payable by any one person. In the City of Calcutta, one man may have five firms in five different parts of the City; and, quite apart from the size of the business and the profits made, it is now proposed that the total maximum tax leviable is Rs. 50. It makes no distinction between small people and big people, small business and big business; and, therefore, it is inequitable. Then, Sir, from a tax on professions and trade it practically converted into a tax on persons.

These are some of my objections, and, in view of the very acute differences of opinion, I submit that this Bill should not be proceeded with, and I oppose the motion.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, this is a Bill which, though it has got only two clauses, appears to be very controversial. In the Statement of Objects and Reasons the framer of the Bill has said that there is a great demand for the abolition of this tax in the Madras Presidency. I have seen the opinions expressed by the local bodies in the Madras Presidency and I find that out of 109 local bodies in Madras only 20 have supported this Bill. One has passed no opinion and the rest have all opposed this. So far as the demand of Madras is concerned, the framer of the Bill has got to satisfy this House that the demand is a genuine one. From the papers in our hand we do not find such demands and so we cannot agree with Sir Frederick James that there is a great demand in Madras for the abolition of this tax.

Now, Sir, this Bill will have the effect of curtailing the revenue of local bodies. Curtailing the income is a very difficult affair both in the

case of individuals and in the case of corporate bodies. If the income of an individual is touched he at once runs to the court and takes all measures possible to get redress so far as the curtailment of that income is concerned. If it is a corporate body it does not lag behind. It goes to court, it goes to Government and tries all means to see that the resources of the body are not curtailed. Now, Sir, the framer of the Bill in his Motion has said that the Government of Madras support this. It would have been pleasing to this House if he had produced the remarks of the Madras Corporation. Although the Government of Madras have said that they would compensate the loss of the Madras Corporation if the Bill is passed, we have not heard anything from the Madras Corporation in this matter. So far as the other Corporations are concerned, we have not got their opinion. But we find that all the big Corporations, such as the Corporation of Calcutta and Bombay, will lose their income heavily if this Bill is passed into law. Then, Sir, there is one aspect of the question which I wish to bring to the notice of the House. It is this: whether this Government is competent to take up a legislation of this nature. The Government of the United Provinces in their opinion have expressed that the income of local bodies come under the 'Provincial subjects'. Whether the Central Government has got any authority to legislate laws which only the provinces can do is the question which I leave to the Honourable the Law Member to decide. The Government of the United Provinces have expressed doubt whether the Central Government can take up a legislation of this nature. Now, Sir, let us come to the actual facts. I have just got in my hand the opinion of the Howrah Municipality in this connection. They say:

"This will seriously affect the revenue of the Municipality and will deprive them of a revenue which the Municipality had been enjoying for a very large number of years."

The Mover of the Motion has said, as I have already mentioned, that the Government of Madras is ready to compensate the loss of the Madras Corporation, but we do not know of any other Government. Take for instance the Government of Bengal. We do not know whether the Government of Bengal would be prepared to compensate the loss of the local bodies of Bengal if this Bill is passed. Even if the Government undertake to compensate the loss, still you must hear the local bodies which are affected by legislation of this nature. In the absence of any guarantee that the Government of Bengal and the Government of Bombay are willing to compensate the loss of the local bodies affected by this Bill, we, in this House, should not jump into the support of this Bill. Then, Sir, there may be some demand in Madras for the curtailment of this tax, but we know there are similar demands everywhere. So far as the postage and other taxes are concerned, we are all demanding that the postcard should be available to the public at two pice and not three pice; we are also demanding that Salt tax should be reduced, but the Government do not give attention to these demands. Therefore, I do not think that the Government will come forward to support this. There is another small point which I would like to mention. The Bill seeks to limit to a maximum of Rs. 50 per annum by way of tax in respect of any person. Now, companies and other trading bodies come under 'persons'. Suppose one company has got five or six kinds of businesses in one place—there are several such concerns in Calcutta dealing in textiles and hardware and so on—they will pay only one tax if this Bill

[Maulvi Abdur Rasheed Chaudhury.]

is passed. In fact it is reduced to a personal tax and not a trade tax. I think I am quite clear in this respect. So the Bill is not convincing in any aspect and, Sir, I do not see why we should support this Bill without receiving opinions of the Governments concerned as to whether they would undertake to compensate local bodies for the loss of revenue. Sir, I oppose this Bill.

Lieut.-Colonel Sir Henry Gidney (Nominated non-official): Sir, as one who is familiar with this Bill especially when it was originally presented, I feel I should like to make a few observations. Sir, this House should clearly understand that this amounts to a double taxation and I think any imposition of double taxation is wrong, not only in principle but in practice, and if it be within the power of this House to stop that I think we should. Now, what does this Bill really mean? It means that the relief of a professional or trade tax or a double tax not only benefits the middle class people but also the poor man and thus all sections will be beneficiaries. I know in Bengal, where, I stopped for many years, this was a very sore point with the Bengal Government and many were the changes that were introduced before they came to any finality. What one has to rely on in this House is not the opinion of individuals as expressed here, unless those individuals receive a mandate from their Parties or their constituents, but that of the Provinces. What have the Provinces said about this measure? Let us take them as a guide in arriving at a decision here. I have in my hand a summary of how the various parts of India have reacted to this Bill.

"Bihar: As it does not affect the Province it has no opinion to express". That is, I take it, a valuable negation. Assam, from which the last Honourable Member who spoke comes, and who has opposed it, for one or two reasons which in a way appealed to me, but let me tell him his Government is not opposed to the Bill, for they have given no comment on it. Punjab says, "No objections to the proposals." North-West Frontier Province is in favour. Coorg is not affected, but it is in favour. The Ajmer-Merwara Government is in favour. Sind which is a Province where the Local Government is functioning—not a Government with Advisors—is in favour of the Bill. That is, it is the opinion of the province of Sind. Delhi has no observations to make. Orissa is in favour on the assumption that the Bill does not affect the power of the municipality functioning under the Bihar and Orissa Municipal Act of 1922 to levy a personal tax under section 20 upon persons in sole or joint occupation of holdings within the municipality according to their circumstances and property within the municipality in excess of Rs. 50, but subject to the maximum of Rs. 120 laid down in section 92 of that Act. Now, let us take Baluchistan. That Government is in favour. We now come to Bengal from where my friend, Dr. Banerjea, comes. We have just now heard the opinion of the Howrah Municipality. I do not know that we should be guided more by the Howrah Municipality than by the opinion of the Bengal Government. That Government does not support it because the Bill will affect the finances of local bodies. For instance, the Calcutta Municipal Act. I think the least said in this House about the working of the Calcutta Municipality the better it would be. I happen to have lived in that town for over 20 years, and if there is any public body that wants to be completely overhauled and thoroughly purged of a

lot of its—I will use only a mild word—maladministration, it is the Calcutta Municipality. And here, we have our friend, Dr. Banerjea, the puritan economist from that country called Bengal, pronouncing his own views in this House. The economist Dr. Banerjea comes forward with his view on a matter that is going to be of some help to all classes of the people and opposes it simply because it is going to reduce the municipal finances of which Dr. Banerjea may be the stoutest advocate. (Interruption.) Whether he is or not, I stand here again to tell you that if any municipality requires to be completely purged, it is the Calcutta Municipal Corporation.

An Honourable Member: Not much chance of its being heard.

Lieut.-Colonel Sir Henry Gidney: I hope the Government take it over soon; otherwise it will become bankrupt.

We come now to the United Provinces, which is a very advanced province. It previously objected to the Bill but it has now withdrawn, in view of the opinion held that the Bill does not affect the circumstances and property tax, and on condition that it is made clear that the Bill only relates to the subject matter of section 142A of the Government of India Act and to special taxes imposed on trades which derive special advantage from or impose special burdens on local services or to license fees and cesses, etc. Now, that is not a provisional consent. It is a consent given by a very enlightened province,—the United Provinces. Madras, from which my friend, the Mover of this Bill comes, supports the Bill and goes further. I consider the Madras Corporation's consent as an object lesson to most others: not that intelligence is the perquisite of Madras, although some think so; but the Madras Corporation and the Madras Province have supported this Bill. Not only does it support it, but it has agreed to make good any financial help to bodies who would suffer any loss and that it is prepared to make good the loss which might be suffered if this Bill came into operation. That is an object lesson for the Calcutta Municipality, of course, if it had any funds on which to indent

Dr. P. N. Banerjea: It does not affect the Calcutta Municipality only, but all the municipalities in Bengal.

Lieut.-Colonel Sir Henry Gidney: Madras supports it, I say. Central Provinces says no objection if it is made clear that the tax on professions, etc., based on income should not exceed Rs. 50 per annum, but not in favour as it stands, because it may affect taxes on ginning and cotton presses, etc.

Now, we come to Bombay. Bombay has no objection to the Bill provided it is made clear that taxes, duties or fees levied by the Government of Bombay for controlling and regulating a trade or profession, or *abkari* or the Western India Turf Club are not affected. Sir, I think we can put the turf club, horse racing, housing and other such things out of the consideration of this House.

Here we have a Bill before the House which offers relief to a large section of all classes of peoples in India. (Interruption by Mr. N. M. Joshi.) Never mind, it will not be the labour union leaders because your money comes quietly—we all know where it comes from and you do not

[Lieut.-Col. Sir Henry Gidney.]

pay any taxation on that so you cannot afford to talk; but here is a taxation on professional people who are striving to earn a living many of whom have nothing at the end of the month to call their own and who are called upon to pay this tax and who cannot afford it. I know this to be a fact from experience in Calcutta. Many of the younger doctors often came to me and said they could not pay this tax. This Bill may, and I suppose, will reduce the revenues of certain municipalities. But one is seriously tempted to ask, are the revenues of municipalities wisely used? Would it not be wiser to endeavour to give some alleviation and relief to some of our subjects, such as this Bill asks this House to do than to swell the incomes of some municipalities to squander? I am not one who goes blindly at a thing. I have studied the problem and I feel I can state to this House, without doubt, from the reports I have read out, that with one or two exceptions, all the provinces of India support this Bill. On the face of that, I would be devoid of intelligence if I were to vote against it. I, therefore, support this Bill very heartily as being a measure that will do a lot of good to the country. If this House is not inclined to apply it to the whole of India, I do not think I shall be wrong in saying that the Mover of this Bill would not be in any way disappointed if it were partially applied. If Bengal does not want it, let them keep out of it; but if Madras wants to accept it, why not let it have it? I, therefore, Sir, heartily support that this Bill be sent to a Select Committee as asked by the Mover of this Bill.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I rise to support this Bill. I am sorry I cannot see eye to eye in this matter with some of my colleagues of my Party. I am now speaking entirely on my own behalf, and not on behalf of my Party. I have carefully gone through the opinions received on this Bill, and I find that excepting the Government of Bengal, none of the other Governments have opposed this Bill. As a matter of fact, most of them have supported this measure, and some say that as they are not interested in the matter, they are neither opposed to it nor support it.

As regards Bengal, Sir, it has been said with some force by other speakers that the Calcutta and Howrah Municipalities in Bengal will be very adversely affected by this Bill. I claim to know something about the Calcutta Municipality. I have more occasions to deal with the Calcutta Corporation than the other speakers who have preceded me from Bengal. Sir, the total revenues of the Calcutta Municipality are over two crores 50 lakhs, and in their own statement of opinion of the Calcutta Corporation they have pointed out that if this Bill is passed, their revenues will be affected to the extent of two lakhs 82 thousand rupees. That is, only 1 per cent. of their total revenues. I don't think that this one per cent. is going to cripple their finances to such an extent that they will not be able to bear this loss. As a matter of fact, I can say without fear of contradiction that if the Calcutta Corporation puts its house in order and effects economies and runs the administration more efficiently than at present, they can easily save ten per cent. of the expenditure which they are incurring today. I don't want to go further than this, but this is the general opinion of the ratepayers of Calcutta, because the expenditure of the Calcutta Corporation is really very extravagant, and the sooner they put their house in order and thereby reduce the expenditure the better it

will be for the ratepayers. Sir, the Calcutta Corporation are charging from Rs. 500 to Rs. 100 for different classes of trades and callings. I think they have quoted verbatim Schedule VI in which the licences charged are mentioned. I find that they are not charging any licence fee for professions or callings from lawyers and doctors. I have read the schedule mentioned here. They mention here merchants, bankers, traders, commission agents, engineers, architects, pleaders, carriers and other things, but not lawyers or doctors . . .

Mr. Akhil Chandra Datta: They do charge the lawyers.

Babu Baijnath Bajoria: I am not mistaken; the Schedule must be mistaken. Then, Sir, the Calcutta Corporation are also charging separately if the same person or firm has different branches in the city. For instance, there is one main office and it has some branches or retail shops in different parts of the city, and they are all charged separate licence fees. There was some doubt whether the Calcutta Corporation was entitled, even under the present Municipal Act, to make such a charge on each shop or place of business belonging to the same party or firm, and when this matter was referred to the Calcutta High Court by Bata Shoe Company, the High Court decided in favour of the Calcutta Corporation. I think, Sir, it is very unfair and unjust to charge more than one licence fee for a calling or trade from the same party, whether it has one or more branches in the city. In this matter I think the Mover has done a distinct service to the community in bringing this matter before the Central Legislature. I also find that not all the Municipalities in Bengal have protested against this. In the opinions I find the names of only two municipalities, namely, Calcutta and Howrah. I presume thereby that the other municipalities are not affected or would not be affected by this Bill. I also consider that the manner in which this tax is being levied is more or less a double income-tax, and I am supported in my opinion by no less a person than the Governor of Madras. This is what he says: "His Excellency the Governor supports this view and considers that there is a good case for the total abolition of a tax which is in fact a supplementary income-tax levied at varying rates by some of the local bodies, and not by others". So I think, Sir, there should be a limit. Whether the limit should be Rs. 50 or a little more than that, it is of course a matter for the Select Committee to decide, and we will have further opportunities to express our opinion on the limit proposed. I find, Sir, many Chambers of Commerce have also supported this measure.

An Honourable Member: Also the Finance Member.

Babu Baijnath Bajoria: I think he will be able to speak for himself. I need not plead for him. With regard to the Central Provinces, Sir, I would draw the attention of the House to the manner in which this tax is being levied in the Central Provinces. In Berar the tax has been imposed on trade of ginning and pressing cotton based on the number of bales and bundles. That is absurd. It is a direct tax on income. You are giving here licence to a person to do a certain business or trade, but you charge on the number of bales or bundles being ginned in a press. I think if the same thing is applied in Calcutta or the suburbs, say, on the jute mills or other industries, if you levy such a tax on a production basis, I think it will be absurd from the merchants' point of view. It will mean

[Babu Baijnath Bajoria.]

something like a Sales tax or a Production tax. The greed of the municipalities in this matter must be curbed. Sir Henry Gidney said that if Bengal was opposed to this Bill it could be excluded from the operation of this Bill and the Bill could only be partially applied to the other provinces. Sir, I strongly oppose this suggestion. The Bill must be applied to all parts of India because it will be passed by the Central Legislature. With these few words, Sir, I strongly support the motion before the House.

The Honourable Sir Jeremy Raisman (Finance Member): In supporting the Motion for reference of this Bill to Select Committee I wish to make clear the attitude of the Government of India. I have already on a previous occasion indicated that the Government of India are in sympathy with the object of this Bill. If at an earlier stage there was a certain delicacy about my approach to the measure, it arose from the fact that as the principal taxing agent in India I did not wish to appear to associate myself with a scheme for reducing the powers of other members of my trade union, but there is no getting away from the fact that this measure is in principle a measure of double taxation relief. I do not see how it can be logically argued that the principle of this Bill is not sound. After all, Parliament has already recognised that fact and has enacted that any tax of this kind in future cannot exceed Rs. 50 per annum.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Which Parliament?

The Honourable Sir Jeremy Raisman: That has already been enacted in section 142A of the Government of India Act. This was enacted some time last year. It may be said that Parliament did not intend to make this applicable to existing taxes. The answer simply is that Parliament recognised that this would have some effect on the finances of local bodies, that these taxes, although admittedly bad and unjustifiable in principle, did exist and, therefore, some *locus penitentiae* as lawyers call it, or some time for adjustment should be given to the bodies or provincial authorities in order to enable them to meet the situation that would arise when the pitch of these taxes was reduced. Therefore, Parliament in its amendment left it to this Legislature to deal with the existing taxes. I submit that there is a strong implication in section 142A that these taxes should be dealt with by this House. It is arguable that it would be a failure of duty on the part of this House not to regulate the matter of existing taxes also.

There have been objections from Bengal because of the level of taxation in the Calcutta Corporation. I would suggest that the reduction of these taxes does not create a situation which is irremediable. After all, a body like the Calcutta Corporation is surely capable of adjusting itself to the limitation of a type of tax which is admitted to be unsound in principle and is surely capable of so arranging its scheme of taxation as to make up for the resources which it has lost. And that, as I said just now, was probably the object of not making the Parliament amendment applicable to existing taxes. At the same time, I notice that other

Governments, while not opposing the principle of this measure, or while supporting it, have expressed some apprehensions about its possible effect on other taxes some of which are definitely not of the nature of a municipal or provincial income-tax, and I think it is important that the Select Committee should take those apprehensions into consideration and see what can be done to limit the mischief of the Bill and to prevent undue damage being done to the resources of local bodies. I do not mean that the principle of excluding or at any rate limiting double income-tax taxation should be foregone, but that the measure should as far as possible be confined to the main object which is to prevent the levy of what are merely disguised income-taxes by local bodies and that we should not at the same time sweep up a large number of other imposts which may be entirely justifiable sources of municipal or provincial taxation. I think, Sir, that this measure should go to Select Committee and that these aspects which I have touched upon should be carefully considered there.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): I rise to oppose the motion made by my Honourable friend, Sir F. E. James. Not that I have not got some amount of sympathy for the point of view which is behind this motion, but because this Bill is fundamentally wrong in principle. It is also of doubtful legality. I am not here to raise the legal issue, but I thought that under the Government of India Act, 1935, all local taxation was within the power of the Provincial Governments and it was not for the Central Legislature to control that power in any way. But I am not raising this issue because, the Government of India having supported this Bill, perhaps they are quite seized of the legal position on this point. (Interruption.) Sometimes they go wrong as you rightly say. But I will take it that the legal position has been properly examined and that the measure is within the jurisdiction of this Honourable House. But apart from this legal issue, the principle of the Bill is fundamentally vicious. When Sir Otto Neimeyer examined the finances of this country some 6 or 7 years ago, he pointed out that in India the incidence of taxation was largely on the poor man and the richer classes escaped the burden of taxation to a large extent. Anybody will remember.

The Honourable Sir Jeremy Raisman: That has been considerably rectified since then.

Mr. Jamnadas M. Mehta: But the tendency of this Bill is to go back in that direction. I quite agree that the stress of war has brought in the richer classes within the taxable limits, but this measure is a definite attempt to go back to the very vicious principle which Sir Otto Neimeyer pointed out in the taxation of this country.

What is this Bill after all? It is a Bill for the rich man. It is a Bill for the professional man. It is a Bill in favour of those who have got money to go to the race course but will not contribute to the municipal revenues. That is this Bill. It is a Bill against municipalities' power of taxation.

Sir Cowasji Jehangir: It does not affect the Bombay Municipality.

Mr. Jamnadas M. Mehta: True. The latest legislation from Parliament has tied down our hands to a large extent. It is now nearly sixty years since Lord Ripon declared the intention of the Government of India to encourage the development of civic local self-government in this country but the record of those 60 years is most disappointing. Why? Because neither the Provincial Governments nor the Central Government ever showed any intention substantially to help the finances of the local bodies. The tendency rather was to rob them of what they had got and not to encourage them in their nation building activities. I say, of the three bodies under which we are subjected to taxation, namely, municipalities, Provincial Governments, and the Central Government, I would prefer to be taxed first by municipalities, secondly, by the Provincial Government, and lastly only by the Central Government. The process is unfortunately reversed. The Central Government monopolises most of the taxation powers. So far as the Bombay Province is concerned, the municipalities have been wronged by the Provincial Government and by the Central Government. So far as the city of Bombay is concerned, the Government of Bombay have shown themselves to be the most grasping of Provincial Governments, to the prejudice of the municipal administration of that city. Every new taxation which committee after committee recommended for local bodies was pounced upon by the Provincial Government and allocated to itself. That is the black record of the Government of Bombay. It has taken for itself a tax which used to be the source of income of the Bombay municipality since 1857, for practically 80 years. This tax has been appropriated by the Provincial Government. The Government of Bombay has gone back and the High Court of Bombay itself declared that it had gone back over and committed a breach of its promise to the Bombay municipality in the matter of primary education since 1917. This is the history of the Provincial Governments and the Central Government towards local bodies: the one grouse against the Morley-Minto reforms and the Montagu-Chelmsford Reforms was that the nation building departments were starved. Medical relief, education, sanitation and health—these are primarily the duties of local bodies. The removal of slums which is one of the duties of the local bodies is still far from being even approached.

An Honourable Member: Whose fault?

Mr. Jamnadas M. Mehta: It is the fault of want of resources. Elected Members are often shy of undertaking responsibility for imposing taxation. If you add to that disability the Government's keenness on appropriating the resources which belong to local bodies it would be a long long time before local self-government in this country will develop even to a moderate modicum of modern requirements. That is my objection to the Bill. It is an attack on the rights of local bodies to improve their finances. After 60 years of local self government 90 people out of 100 are still uneducated because the local bodies have very little resources. Government grants are very meagre and such resources as have been allocated to them are being increasingly encroached upon and

this measure is the last illustration of that tendency. My friend, Mr. Bajoria and some other friends who waxed eloquent about the justice of this Bill were only trying to criticise a single municipality. I entirely agree with them that municipalities often go wrong but still municipalities have their duties to perform. They are already weak and what you do here will make them weaker still by taking away this power of taxation. What is the power of taxation after all. It is not merely a question of taxing up to Rs. 50 but according to the capacity of certain associations or persons who are in a position to pay more. Well, Sir, is it not possible for doctors and lawyers in a big city like Bombay or Calcutta to afford Rs. 100 a year for the upkeep and better running of their own civic bodies. After all what are the functions of a civic body? It touches the daily life of the people. The Provincial Governments are far away. The Central Government is still further away. Is it the Government of India or the local body which supplies you with water, light, good roads, health, sanitation, medical relief, poor relief to some extent and slum clearance? All these are duties and obligations which cannot be carried out of nothing. Show me one single instance where the municipalities are over rich in any part of India. Their revenue is not even Rs. 7 per head of the population. The total municipal revenue of the Bombay Presidency is not more than 2 crores, excluding the city of Bombay. Now, what can such bodies do. There are so many amenities to be attended to and the result of financial stringency is the high death rate, infantile mortality, malarial and other fevers. The water for drinking is often the dirtiest possible. I know, Sir, an area of 40 square miles in one of the districts of the Bombay Presidency. It is not possible for 30,000 people in that area to get pure potable water except by walking 7 miles per day. For washing water there was a tank near the village. Cattle and men dropped their dung in it and the water was full of filthy substances mixed in it.

An Honourable Member: Poor compliment to the municipalities.

Mr. Jamnadas M. Mehta: Poor compliment to the Government which gives them no finance and poor compliment to the members who take away the modicum of taxing powers which they have got. My friend, Mr. Bajoria seems to think that some experience of Calcutta municipality means experience of the whole of India. I am talking from the reports of the local bodies published by my Government. I am not talking from a sort of passing acquaintance with the municipalities. I can understand his reluctance to pay more. I do not want to be diverted into any side question. To me it is question of the well-being of 36 lakhs of people in the Bombay Presidency, who are within municipal limits, excepting the city of Bombay. Others are under local boards. So far as the Bombay Presidency is concerned it is a question of one crore and 80 lakhs of people. Similarly it must be applicable to 80 per cent of the people in other provinces. The recent amendment in Parliament of the Government of India Act was also in the wrong direction. As the Sanskrit proverb says:

"The Great are always the slaughterers of the poor. The weak are always sat upon by the strong."

In passing that amendment, Parliament has really overlooked the welfare of the local bodies which during the last sixty years have been

[Mr. Jamnadas M. Mehta.]

starved of finance. It was a scandal that under the Montagu-Chelmsford reforms, local boards and municipalities could do nothing and even now the ministers could do nothing to help the nation building activities. I am sorry that this Bill is sought to be passed into law at the instance of the Government of India rising in his seat and supporting a measure of this disreputable character. You are taking the blood of the poor people; you are perpetuating the infant mortality; you are perpetuating fevers; you are perpetuating the scarcity of potable water; you are doing a serious wrong to the rural and municipal population in supporting this measure. Sitting here, I say the Government of India at least could have been decent in keeping neutral. But what have they done? They have shown their consideration for 30 crores of people by supporting this measure. What is the value of this measure? The only thing that the Finance Member said was: there is some double taxation. Let there be treble taxation, four-fold taxation in the interests of the poor and in the interests of the municipal local self-government. A country without a strong, broad basis of local self-government where healthy residents reside, where education is increasing and where vital statistics are improving is not a country to be proud of.

Sir, I will only take one more point now and then conclude my observations. I was reading the other day the report of the highest authority in the land about the health statistics of this country. I forget the technical name by which it is called. It is a recent publication. I ask the Honourable Mover of this Bill and I ask the Government of India to pursue that document and find out for themselves whether the municipalities and local bodies have done anything in the last 40 years to improve the health statistics of their respective charges. If you read that document it will throw immense light on the disabilities of the local bodies and you will at once come to the conclusion that if you value the health, the strength and the amenities of life for the masses and if you want to decrease the death rate in this country, your first and most sacred duty is to go to the municipalities and offer them generous assistance. I find from the quotations in support of the Bill that the Government of Bombay have approved the principle of the Bill. The Government of Bombay are always agreed on principle in robbing local bodies. Look at the history of the Government of Bombay. During the last 20 years if not more you will find that wherever there is some loophole they have taken over the money which rightly belongs to the Bombay municipality. Therefore, what is the good of quoting an example of a Government which is notorious in its propensity of robbing the municipalities. (Interruption.) I assure you that I did no wrong. If you had come to me when I was a Minister, I would have rejected your offer also. But that is neither here nor there. We are now told that the Mayor of Bombay has supported this Bill. The Mayor of Bombay proceeded on the footing that we are debarred by the amendment of the Government of India Act and that now we cannot impose more tax than Rs. 50. That is the effect of the amendment by the 1935 Act. Therefore he thought that as Bombay cannot get more, let others also not get it. I know that Dr. Colaco, the present Mayor of Bombay, has always supported in the Committee proposals empowering the Bombay municipality to raise

the taxation and there is a draft schedule for the last ten years of taxing the trades and professions in Bombay. I think my friend, Sir Homi Mody, will bear me out in this as he was one of the members of those Committees unless he has forgotten it.

In conclusion, I wish to say that Government should stand aside. I appeal to them in the name of the masses of this country, in the interests of the development of local self-government and in the interests of the finances of the local bodies that this Bill will be one more handicap in their way to improve their finances; in the circumstances they cannot hope to improve either the health, education or sanitation of the people within their charge. Sir, I oppose it.

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 F. E. James: Sir, for one flashing moment this morning I had an idea that Mr. Jinnah and the Muslim League Party had come to the House specially to support my Bill. But I found I was sadly mistaken. He had come to make a statement as to why he and his Party could take no part in the discussion on my Bill or on any discussion on any subsequent Bill or Resolution during this Session.

Babu Baijnath Bajoria: But he came while your Bill was under discussion.

Sir F. E. James: I am afraid that on this particular occasion that was entirely fortuitous. I am bound to say that while I and my Colleagues are most anxious to understand his point of view, we found the reasons he gave for his action, entirely unconvincing. Mr. Jinnah expressed on his behalf and on behalf of his Party, willingness to assist whole-heartedly in the prosecution of the war, and I seemed to hear the echo of a previous offer of unconditional support which came from one, who is, shall I say, even greater than Mr. Jinnah himself. Sir, we feel that the dangers now are so real and imminent that there can be no middle course. People either help or they do not help. Those who endeavour to stand aside, as it were, as spectators of the scene, are definitely not helping. I do not doubt for a moment that the Members of the Muslim League are sincere in their desire to help, but in that event their place is in this House and not sulking in the lobbies or purlieus of New Delhi.

Nobody now-a-days can shirk the issue which I have mentioned and no amount of juggling on the part of Mr. Jinnah, with constitutional arguments can effectively smoke-screen the plain choice which now is before every man of every community and indeed every Party. I consider it singularly unfortunate that this week, when for the first time in constitutional history the Government of India contains a large majority of Indians drawn from the best elements in India's public life, one of the great Parties should have chosen to stage what its leader calls a "protest" thus following long afterwards the method which the Congress Party has made familiar in politics during the last twenty years. Giving his words all the weight which they deserve as coming from the

[Sir F. E. James.]

leader of a great Party, we are forced to the conclusion that he and his reluctant friends staged not a protest or a gesture, but a definite declaration of non-assistance in the prosecution of the war. That means not only a declaration of non-assistance to their own countrymen who lately have had the courage to take up the exceedingly heavy responsibilities of office, but also a refusal to assist the members of his and other communities who today are under training in this country and actually at this moment fighting overseas to defend, not only India, but freedom everywhere, freedom that Mr. Jinnah may protest in peace.

We deeply regret this action on the part of the Muslim League. Any one who has visited the camps and training centres of this country is aware of the complete difference in outlook between those who lead this kind of procession and those young men who are training to equip themselves as India's soldiers. Perhaps it is the difference of a generation. All I can hope is that those young men, when they come back from active service, will be prepared to forgive and forget their elders for what today they have done. I must say it is a depressing prospect at the moment in the political life of India. Speaking on behalf of the Party to which I belong, may I urge the three Parties which remain, to determine to uphold such parliamentary traditions as we have built up in this House; to join hands in assisting and in criticising this Government; to join hands in assisting in every possible way the effective prosecution of the war and, indeed if possible, in restoring that unity in this country the absence of which is such an exceedingly dangerous factor in the world as it is today.

Now, Sir, coming to the Bill, there are really not many points to which I need refer. We have had an interesting discussion, and I personally am grateful to Honourable Members who have spoken for their suggestions and for the expression of their points of view. I believe that most of the difficulties which have been mentioned by my Honourable friend, Dr. Banerjee, can be overcome and the Select Committee which is now to be appointed will have that task. I should like to say that this is not a question of the rich *versus* the poor. My Honourable friend, Mr. Jamnadas Mehta, spoke for the masses. There are some in this House who can speak for the rich. But on this matter I can confidently speak for the middle class, a class which is frequently completely ignored in this House in the struggle between the upper and the nether millstones. I have had many letters from the people of all communities drawing small salaries pointing out what a hardship this particular tax is, based as it is not upon a profession which a person exercises nor even upon the amenities which the local bodies provide, but upon a person's income. If some of my Honourable friends would spare the time, I would gladly show them the files that I possess which tell stories of real hardship in the middle and lower middle classes particularly. Therefore I reject the suggestion that I am attempting to do good to the rich at the expense of the poor. Moreover, as far as Madras is concerned, it has been pointed out, in the opinion of the Madras Government, that such loss as the local bodies sustain as a result of the passing of my Bill is to be made good out of the proceeds of the General Sales Tax. That General Sales Tax was introduced and piloted by a distinguished Congress Premier, and when he brought it in he made a great point of the

fact that this was a constructive effort to shift the burden of taxation from the poorer classes to those classes which were more easily able to afford it in his province. So that if, in the case of Madras the proceeds of the tax which I now seek to restrict in operation are to be made good from the General Sales Tax, then it is not the poorer classes who will be asked to pay, but what are usually described as the trading and the mercantile classes.

I will not follow my Honourable friend, Mr. Jamnadas Mehta, in his passionate harangue in regard to local self-government. I think it is sometimes well to remember that there is no particular virtue in self-government being local if it is bad government; and certainly some of the municipalities and other local bodies for which my Honourable friend so eloquently pleaded hardly deserve all the encomiums that he wished to pour out upon them. But he again spoke of my Bill as being a measure which, if passed, would cripple the resources of local bodies for generations to come. He called my Bill a disreputable Bill. I feel justified in calling that argument of his nonsense. This Bill does nothing of the kind. Its purpose, as I explained on the last occasion when it was before this House, is quite restrictive. This is a tax which is based entirely upon income and bears no relation to the amenities provided nor to the profession which a person exercises within the local board area. In other words it is a tax which, strictly speaking, should be a central tax and not a tax levied under provincial statute by local bodies. The Parliamentary enactment of 1940 dealt with that problem by imposing a limit of Rs. 50 upon such taxes in the future, though it excepted from the application of this clause such taxes as were on a certain date in existence, although they were on the same basis. The Central Legislature is the body which has been empowered by Parliament to deal with that excepting clause. That is why I have come to this House; otherwise I would have gone either to my own Government or, had it been in existence at this time, to my own Legislature in Madras. This is the only forum which at the moment is left open to me and I think I made that quite clear when I spoke on the last occasion. There is no reason why any one should apprehend that the passing of this Bill should affect the future powers of local bodies to any great extent, and I have already made it clear that, if in the course of the discussions in the Select Committee there is a strong case made out for the detailing of certain enactments which it is feared by certain Provincial Governments may be affected by this Bill, I certainly will have no objection to those enactments being specifically excluded. I hope that in view of what I have said on this question and in view of the attitude of the Government of India, the House will agree to permit this Bill to go to Select Committee without a division.

Sir Cowasji Jehangir Sir, I do not propose to follow my Honourable friend, Sir Frederick James, into higher politics on this present occasion. I can only warn him that lecturing most important political parties from his seat in this House when he does not happen to belong to one or the other party and when he happens to be an Englishman, may do more harm than good. I do not desire to follow his arguments any further; I propose to speak on the Bill.

I was very pleased indeed to hear my Honourable friend, Mr. Jamnadas Mehta, ventilate his grievances against the Government of Bombay *vis-a-vis* the Bombay Municipal Corporation. I can well remember nearly

[Sir Cowasji Jehangir.]

forty years ago the great efforts made by the founder of Municipal Government in Bombay, Sir Phirozeshah Mehta, fighting the Government of Bombay on every conceivable occasion for greater powers of taxation. I can well remember those great fights that he put up whenever he believed that the great institution which he helped to found was deprived of the necessary revenue, revenue which they had a right to get. And I can remember those fights being continued even after Sir Phirozeshah Mehta had to leave the Corporation only when death called him away. There is no doubt that Provincial Governments are inclined, like all human beings, to grab at all they can get, and sometimes they may not be quite fair or quite equitable when they demand certain revenues for themselves. But Mr. Jamnadas Mehta forgot to inform this House that the greatest sinner in this direction was the Congress Government of Bombay for it was

Mr. Jamnadas M. Mehta: I am not standing up for the Congress Government.

Sir Cowasji Jehangir: But the Honourable Member forgot to mention that. The greatest sinner was the Congress Government of Bombay who not only refused to give the Municipal Corporation their just dues but went much further and seized revenue to the extent of over a crore to which they were not entitled. These are all old grievances and I am glad,—I repeat,—that my Honourable friend has had an opportunity of ventilating them. But what gave me great pleasure was to see my Honourable friend, the Finance Member, rise to support this Bill, a Bill for the reduction of taxation. But before he sat down he let the cat out of the bag. He said, something to the effect that this taxation was an infringement upon his preserves and since it was an infringement upon his preserves he was ready to agree to a Bill which would deprive others of getting it. Having said that, I was expecting from him a very liberal gesture that since this is taxation which ought to be given to him he would make up the difference between the present taxation and the Rs. 50 that the municipalities would be reduced to if the Bill were passed. He did not offer that. He allowed the Local Governments to do that if they choose to. It was only logical from the trend of his speech that he should have made that offer.

The Honourable Sir Jeremy Raisman: I would point out to the Honourable Member that grants-in-aid to local bodies is a purely provincial subject.

Sir Cowasji Jehangir: Yes, perfectly true. But here is a Government of India Act which says that no local bodies shall tax more than 50 rupees. Some municipalities had already taxed more. The act allowed the *status quo* to remain, but this Bill will lower the taxation to Rs. 50. The Government of Madras have very liberally come forward to make up the difference out of the provincial revenues. Well, if this is an infringement upon his preserves, it is only logical that the Government should come forward to make up the difference.

The Honourable Sir Jeremy Raisman: Not at all.

Sir Cowasji Jehangir: But as far as Bombay Government is concerned, this Bill is not effective because there is no taxation just now on professions, etc., and they cannot put it up to more than Rs. 50 under the Government of India Act. Therefore, they are deprived of nothing. It is only those municipalities which have a tax about Rs. 50 who are affected and, therefore, so far as Bombay Municipality is concerned they have no grouse. I would remind my friend, Mr. Jamnadas M. Mehta, that when he speaks for provincial local self-Governing Body that it is very essential to see that the money that is already being given to them is properly used. I think that my Honourable friend will be doing a great service if he would direct his attention and his superfluous energy in that direction.

Mr. Jamnadas M. Mehta: I am doing.

Sir Cowasji Jehangir: And if it can be shown—I am not talking of the Municipal Corporation of Bombay; I am talking of small bodies—that they can make good use of the money that is already given to them, by all means give them more. But this Legislature is not concerned with that. This is a very narrow Bill. It really seeks very little. All it seeks is that, since there is a Government of India Act passed by Parliament which restricts this taxation to Rs. 50 and if there has been taxation above Rs. 50 since the Act allows the *status quo*—let the tax be reduced to Rs. 50. Somebody will have to bear the difference,—Provincial Government or Central Government. I do not think there is anything unfair in the Bill as it stands and I congratulate my Honourable friend, Mr. Jamnadas M. Mehta, for having had an opportunity of ventilating before higher authority—the Finance Member, the Law Member and other Members of the Government of India—the great grievances that the Municipality of Bombay have suffered under for many years. And I trust that his ingenuity will be so exercised that he will find ways and means of putting his hands into the pockets of the Finance Member of the Government of India and, if he succeeds in doing that, he will have done a great service.

Mr. Deputy President (Mr. Akhil Chandra Datta): Practically the debate was closed after the speech of the Mover of the Bill, but in my absentmindedness I allowed Sir Cowasji Jahangir to speak. As both of them got up together (Sir Cowasji Jahangir and Mr. Joshi), having allowed the one, I will allow the other.

Mr. N. M. Joshi (Nominated Non-Official): I do not wish to take advantage of the kindness which has been done by you to those who had risen to speak on this Motion without having really the right to do so. Sir, in judging this Bill I consider only one point, *viz.*, how is the incidence of taxation going to be affected. From that point of view, Sir, a tax on trades and professions is, on the whole, a good tax. It is more or less a direct tax. It falls upon people in accordance with their ability to pay. From that point of view any attempt to restrict this right of taxation is a wrong attempt and I propose to oppose this measure.

Sardar Sant Singh (West Punjab: Sikh): But how many taxes?

Mr. N. M. Joshi: Sir, it has been said that in the first place the Government of Madras will pay compensation to local bodies. Sir, it does not interest me whether the amount of the taxation is paid to the local bodies,

[Mr. N. M. Joshi.]

to the Provincial Governments or to the Central Government. As a taxpayer the tax has to be paid. That is what interests the taxpayer and if the Provincial Government in order to be able to pay the compensation to the local body pays that amount out of indirect taxation, I feel this Bill will be doing a wrong thing. It has been pointed out by my Honourable friend, Mr. Jamnadas M. Mehta, that it is an admitted fact that in India the indirect taxation is too large and, therefore, any attempt from that point of view to reduce the direct taxation and compel the Government to resort to indirect taxation is against the interest of the poorer taxpayers of this country. Sir, the Honourable the Finance Member said that this is double taxation and, therefore, he considers that it is his duty to support this Bill, which, to some extent, restricts double taxation. Well, Sir, in my judgment when you have got the Central authority taxing, the Provincial Government taxing and local bodies taxing, you cannot avoid double taxation. After all a taxation to be a good taxation must fall upon the people according to their ability to pay and it does not matter whether the Central Government taxes or the Provincial Government taxes or the Local Body taxes, or if all the three tax. If these three Bodies receive their revenues by good taxes then the taxpayer is bound to be not only doubly but trebly taxed. What guarantee is there, if this Bill is passed, that the Provincial Government of Madras will not recoup themselves by either imposing a Sales tax or an octroi duty or some other indirect tax which is bound to be a double tax. We have got import duties on so many articles that if you have a Sales tax it is bound to be a double tax. If the Municipalities levy, when their powers are restricted, say an octroi duty, it is bound to be a double tax. Therefore, this argument of double taxation does not hold water at all. In order to avoid double taxation, in the first place you must stop three bodies taxing in one country. I, therefore, feel, Sir, that there is no justification for the measure which has been brought forward by my Honourable friend, Sir Frederick James. The only thing in favour of this measure is that it introduces uniformity. In some provinces the tax cannot be imposed beyond Rs. 50. In some provinces it can be imposed beyond Rs. 50. Therefore the only argument in favour of this Bill is uniformity. Uniformity may be good, but uniformity at the cost of the poorer people is a wrong thing

An Honourable Member: Where is the cost to the poorer people?

Mr. N. M. Joshi: It is because if you do not allow the local bodies to have this taxation to a larger extent than will be allowed by this Bill, then the municipalities or the Local Government will have to find money by some other method of taxation

Sardar Sant Singh: Does my Honourable friend know that the Local Governments frame their budgets and get money but without showing the demand for it? Their present budget is quite sufficient to meet their expenditure and yet they go on levying taxes without showing what necessity there is for more money to come.

Mr. N. M. Joshi: That does not interest me. If a Local Government has more money than it needs, then it must reduce taxation. This Bill will prevent their reducing taxation which ought to be reduced. Therefore

in judging of this measure, I judge it from the point of view of incidence and I feel from the point of view of incidence it is a very undesirable measure.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings or employments, be referred to a Select Committee consisting of the Honourable Sir Jeremy Raisman, Sir George Spence, Mr. J. F. Sheehy, Lieut.-Colonel Sir Henry Gidney, Mr. C. C. Miller, Mr. Amarendra Nath Chattopadhyaya and the Mover, with instructions to report by the 4th November, 1941, 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—42.

Ahmad Nawaz Khan, Major Nawab Sir.
Aiyar, Mr. T. S. Sankara.
Aney, The Honourable Mr. M. S.
Ayers, Mr. C. W.
Bajoria, Babu Baijnath.
Bewoor, Sir Gurunath.
Boyle, Mr. J. D.
Bozman, Mr. G. S.
Buss, Mr. L. C.
Caroe, Mr. O. K.
Chapman-Mortimer, Mr. T.
Clow, The Honourable Sir Andrew.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Gidney, Lieut.-Colonel Sir Henry.
Gopalaswami, Mr. R. A.
Gwillt, Mr. E. L. C.
Ikramullah, Mr. Muhammad.
Ismail Ali Khan, Kunwar Hajee.
James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.

Jehangir, Sir Cowasji.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lawson, Mr. C. P.
Manavedan, Raja T.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Muazzam Sahib Bahadur, Mr. Muhammad.
Mudaliar, The Honourable Diwan Bahadur Sir A. Ramaswami.
Parma Nand, Bhai.
Pillay, Mr. T. S. S.
Prior, Mr. H. C.
Raisman, The Honourable Sir Jeremy.
Sant Singh, Sardar.
Scott, Mr. J. Ramsay.
Sheehy, Mr. J. F.
Sivaraj, Rao Sahib N.
Spence, Sir George.
Sultan Ahmad, The Honourable Sir.
Thakur Singh, Capt.
Tyson, Mr. J. D.

NOES—7.

Banerjea, Dr. P. N.
Chattopadhyaya, Mr. Amarendra Nath.
Dam, Mr. Ananga Mohan.

Deshmukh, Mr. Govind V.
Joshi, Mr. N. M.
Maitra, Pandit Lakshmi Kanta.
Mehta, Mr. Jamnadas M.

The motion was adopted.

THE HINDU MARRIAGE DISABILITIES REMOVAL BILL.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I should like to spare this House the time and the ordeal of listening to a debate, provided a statement is made by the Honourable the Law Member on the motion I propose to make, as I understand a statement is going to be made by him. The two points I wish to make are these.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Rural): Your should first move and then withdraw.

Mr. Deputy President (Mr. Akhil Chandra Datta): Are you moving it?

Mr. Govind V. Deshmukh: Yes. I move:

"That the Bill to remove legal disabilities under Hindu Law in respect of marriage between Hindus be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir George Spence, Mr. Amarendra Nath Chattopadhyaya, Mr. N. M. Joshi, Rao Saheb N. Shiv Raj, Mr. Ananga Mohan Dam, Mr. Akhil Chandra Datta, Sardar Sant Singh, and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

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

"That the Bill to remove legal disabilities under Hindu Law in respect of marriage between Hindus be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir George Spence, Mr. Amarendra Nath Chattopadhyaya, Mr. N. M. Joshi, Rao Saheb N. Shiv Raj, Mr. Ananga Mohan Dam, Mr. Akhil Chandra Datta, Sardar Sant Singh, and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Mr. Govind V. Deshmukh: Sir, I wish to save the time and the ordeal, as I said before, the House will have to undergo by listening to a debate, but if a statement is made on the points which I am now going to mention. I shall be quite satisfied and withdraw this motion. The points are these. Everybody knows that the Hindu Law Committee is a Committee which has been

Mr. Deputy President (Mr. Akhil Chandra Datta): There cannot be a conditional withdrawal. You must make up your mind.

Dr. P. N. Banerjee: He wants to make a short speech.

Mr. Deputy President (Mr. Akhil Chandra Datta): He did make a speech.

The Honourable Sir Sultan Ahmad (Law Member): Sir, before I say anything on this motion, may I, with your permission and the permission of the House, refer to a matter which has so far not attracted the notice which it deserved. I am sure the House will agree with me that there is amongst us present today a Member whose presence is most cordially welcomed by the House, and that is the presence of a representative of the biggest Party in the House,—I mean Dr. Deshmukh. I am not only speaking on behalf of the Members of this House, but I am sure I am representing the views of those new Indian Members who have come to be Members of the Government of India. We have come here with certain ambitions, and one of those ambitions being to serve the country as best as we can, and in that ambition we hope we will always have the assistance not only of those who are here, but also of those who have so far kept away from the House, and it is a relief to us, the new Members of the Government of India, to find amongst us at least one person who has got the courage to come and give us the help that we need; and we hope and trust that he will continue to give us not only today, but throughout the Sessions, all the help he can. We also hope that he will persuade the other Members of his Party to come and give us the assistance that we really need.

Now, Sir, so far as the Bill itself is concerned, the House is aware that the Bill was circulated for opinion, and I find that most of the Provincial Governments, Chief Commissioners and High Courts have not expressed

their opinion, because they felt that this was a matter really more appropriately to be discussed and decided by the Hindu community. So far as the majority of the orthodox opinion is concerned, it is dead against this Bill, and it has met with opposition from other quarters also. Mr. Deshmukh has very rightly pointed out that there is a Committee presided over by Sir B. N. Rau. That Committee has already issued one Report, which has certainly met with the approval of people both outside and inside the House, and I am sure that the objects of the present Bill will be seriously considered by that Committee. If the Bill is pressed today, Government will have no alternative but to oppose it on the grounds I have stated, that is, first of all, that it is strongly objected to by the majority of the orthodox section of the Hindu community, and secondly, this very matter which is now before the House will be considered more appropriately and more adequately by the Rau Committee whose Report, I hope, will be before the House before the next Session. We are very anxious that the Rau Committee should function and function expeditiously, and I have no doubt that it will do its level best to expedite the codification of the provisions of the Hindu law of Succession and Marriage. The only assurance therefore that I can give is, that the Rau Committee will give this Bill their fullest consideration, and the codification will go on as expeditiously as possible, and the Bills for the same may be ready before the next Budget Session. With that assurance, I hope, the learned Mover will withdraw the motion.

Mr. Deputy President (Mr. Akhil Chandra Datta): Does the Honourable Member (Mr. Deshmukh) want to speak on the Bill or withdraw the motion?

Mr. Govind V. Deshmukh: As an assurance has been given by the Honourable the Law Member that the Hindu Law Committee will be kept alive to go through this question of marriage, to look at the marriage question from all these aspects, and that a Bill would be ready by the Budget Session and be introduced, I beg leave of the House to withdraw this motion.

The motion was, by leave of the Assembly, withdrawn.

THE HINDU MARRIED WOMEN'S RIGHT TO SEPARATE RESIDENCE AND MAINTENANCE BILL.

Mr. Deputy President (Mr. Akhil Chandra Datta): Dr. Deshmukh.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): With your permission, Sir, may I be permitted to thank the Honourable the Law Member for the very kind and graceful words in which he has alluded to me. I can assure him that not only the fresh Indian Members, but all those Indian Members who are on the Government Benches will always have the support of me and the Party to which I have the proud privilege to belong. They will always have this support so long as we are convinced—and we are convinced—that they are really working for the welfare of my country. I may go even a step further. I do not make a distinction when my country's welfare is concerned, whether it is an Indian Member or a European Member. That restriction is left for

[Dr. G. V. Deshmukh.]

European statesmen. It is for them to say that this is an European war, it is for them to say this is for European civilisation, it is for them to say that this is for European peace. If all this is for European peace and European civilisation, why then bother us? We are not Europeans. As soon as the war is over, you are not going to treat us on the same level as Europeans, and all kinds of excuses will be put forward, "Oh, well. During the time the war is on, we cannot give you any Constitution. We cannot give you now anyhow because Hindus and Mussalmans are fighting with each other." My answer to that is this. If that is so, why don't you wait to take our money and our blood till such time as Hindus and Muhammadans fraternise together? All these arguments are absolutely futile. If you ask us to wait for the Constitution, for the welfare of my country till all the minorities come together, why take our money now, why drain our blood, not only in India, but outside?

Sir F. E. James (Madras: European): May I interrupt my Honourable friend and ask whether he is making a statement preliminary to walking out?

Dr. G. V. Deshmukh: It may be a statement preliminary to coming in, which might be more uncomfortable for my Honourable friend, Sir F. E. James. It might be, I cannot assure you that it may not be. Therefore, what I say is this. This narrow view has never been taken by the Indians, I may say, even by the Asiatics, because we never had this narrow view. Even the Group, that is sitting here, calls itself the "European Group". I could have very well understood if they called themselves the "Britishers' Group", but even here they cannot get away from this idea, this obsession, this damnable obsession that everything is for Europeans, and this country and its welfare is all for the sake of the Europeans. Despite all this, when a European assists me and my country and its welfare, I am thankful and grateful to him as to any of my countrymen. Of course, when my own countrymen do it, it will be still better, and I shall be more proud. From that point of view the new Members of the Executive Council of the Government of India will always have my sympathy. Let me assure the Leader of the House as well as the Law Member that when we remain absent and do not come in, it can only be out of the courage of our conviction—it can only be out of the courage of our conviction that it is for the good of our country. If it is good for our country that we should come in, we shall come in. If we think that it is for the good of our country that we should remain absent, we will remain absent.

Coming to my motion

Mr. Deputy President (Mr. Akhil Chandra Datta): The whole thing from the beginning has been irrelevant.

Dr. G. V. Deshmukh: I think Sir F. E. James was the first to start this after Lunch. I know that he is a very distinguished person and I cannot do better than follow in his footsteps. On a point of information. I should not like this Bill to be dead for this reason that there will be a report of the Hindu Law Committee.

Mr. Deputy President (Mr. Akhil Chandra Datta): Has the Honourable Member moved it?

Dr. G. V. Deshmukh: Not yet. If I move now, then I shall have to withdraw the motion. Only on a point of information. I can move now and then withdraw?

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member is quite at liberty either to move, or not to move.

Dr. G. V. Deshmukh: If I move now, and then in view of what the Law Member has said

Mr. Deputy President (Mr. Akhil Chandra Datta): He can withdraw the motion.

Dr. G. V. Deshmukh: Will that kill the Bill?

The Honourable Sir Sultan Ahmad (Law Member): No. The Bill will not be killed.

Dr. G. V. Deshmukh: If so, may I move it? I beg to move:

"That the Bill to give Hindu married women a right to separate residence and maintenance under certain circumstances be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, the Honourable Mr. M. S. Aney, Sir George Spence, Sir F. E. James, Mr. Govind V. Deshmukh, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Sardar Sant Singh and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

I know from the answer given by the Honourable the Law Member to the other Bill that the Hindu Law Committee is sitting and that a specific reference was made to this Committee with regard to this particular Bill. With all that, I have given notice of this motion, because often times from a practical point of view, best is the enemy of good, and if this Hindu Law Committee wants to produce a perfect, ideal Bill or make a code dealing with the marriage laws of the whole Hindu community, it may mean that perhaps nothing will be done. It is from that point of view that I have given notice of this motion. Nobody will be more pleased than myself and those who are of my way of thinking, that a perfect code, so far as marriage laws of the Hindu community are concerned, should be produced and supported and passed through by the Government. But I know that there are difficulties because I have worked in this field for a little while—I know the difficulties which are likely to be met with from the opposition of the Hindu community as well as how Government find any pretext to keep out of doing something good for my country. I will give you an instance. Take the Sarda Act itself. After the passing of that Act, Government seem to be so frightened and so panic struck for the last nearly 12 years that they do not appear to be doing anything about it. Indeed, I had a talk with a few Law Members and Home Members and they said, "We cannot do anything. Supposing we do interfere and there is rebellion in the country, who is going to be responsible?" No doubt I should like that the Hindu Law Committee should produce an ideal codified Bill and it should be got through, but if by any chance it is not possible or other people do not accept it, or Government do not accept it, then I suggest

[Dr. G. V. Deshmukh.]

that this Bill will remove a great smudge on the Hindu society. On a point of information I may as well tell you that with regard to this question of residence and maintenance of Hindu women, this House was unanimous to the extent that even the distinguished present Leader of the House, my friend, Mr. M. S. Aney than whom there cannot be a more religiously minded Hindu agreed to it and, what is more, even my friend, Mr. Bajoria, the greatest Sanatanist of the present time, in the Assembly at any rate, wholeheartedly agreed to it. So far as this Bill is concerned, the House was unanimous and even for this particular purpose a separate committee was appointed. I do not say that the Law Member should give me an assurance. I am perfectly willing to take his word. If he will move the Hindu Law Committee to send in a Bill by January, then I will be perfectly satisfied. One thing more I will say. I hope that the Report of this Committee will be according to the majesty and grandeur of this great and ancient system of Hindu Law; but I also hope that it will be in consonance with modern ideas of freedom and liberty for women. Everybody knows that Hindu women are treated in a much worse fashion than the women of any other community. I therefore, move this motion.

Some Honourable Members: Withdraw.

Mr. Deputy President (Mr. Akhil Chandra Datta): The motion having been moved, the Chair has got to put it to the House. The Honourable Member, if he is so advised, can thereafter ask the leave of the House to withdraw it.

Motion moved:

"That the Bill to give Hindu married women a right to separate residence and maintenance under certain circumstances be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, the Honourable Mr. M. S. Aney, Sir George Spence, Sir F. E. James, Mr. Govind V. Deshmukh, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Sardar Sant Singh 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 Honourable Sir Sultan Ahmad: I repeat the statement that I made before on the earlier Bill. I cannot fix the month when the Rau Committee will be submitting a report on the codification of Hindu Law, but I will do my best to tell them that it is necessary that it should be expedited. I have no doubt that they would take this Bill into consideration and they would do their best to expedite. More than that I cannot say.

Dr. G. V. Deshmukh: May I ask the House to give me leave to withdraw the motion?

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Mover wants the leave of the House to withdraw his motion.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Some things have been said by the Honourable the Mover of this motion and I want to say something on that. I am glad that my friend, Dr. Deshmukh, has come to the House today. I hope this will not be the

last day of the Session for him. I trust he will come here regularly every day. We all know that he is interested in such Bills relating to marriage and divorce and marriage again.

Dr. G. V. Deshmukh: We owe our existence to it.

Babu Baijnath Bajoria: Dr. Deshmukh is past marriageable age, and still he is after marriage and divorce.

Dr. G. V. Deshmukh: How do you know that?

Babu Baijnath Bajoria: This question of giving rights to Hindu women came before this House sometime ago, and then an amendment to that was moved by my Honourable friend, Mr. Deshmukh. That did not give the grounds for separate residence as is embodied in this Bill. I certainly agree that Hindu women must have the right of adequate maintenance and must be kept comfortably by the husband. To that extent I agree. I do not agree with the provision in the Bill that they should have the right of separate residence. That question did not come up before this House.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): What is your idea of comfort for a woman? Rs. 10 a month?

Babu Baijnath Bajoria: I am surprised that Dr. Deshmukh who is a staunch Congressman and who has boycotted this Government and this Legislature and opposed the Government on all fronts should now be coaxing the Government and requesting them to adopt this measure as their child. It is very strange.

Dr. G. V. Deshmukh: If I want to make profit, I can only get it through Mr. Bajoria.

Babu Baijnath Bajoria: It has been said that the Hindu Law Committee under the chairmanship of Sir B. N. Rau will deal both with the previous motion about *sagotra* marriage and this Bill too, and then on the recommendation of that Committee a Bill will be framed by the Government and moved in this House in the Budget Session.

The Honourable Sir Sultan Ahmad: I said that the matter will be considered by the Government. Any report that is submitted to us by Sir B. N. Rau's Committee will be considered by us.

Babu Baijnath Bajoria: It will be considered by the Government. Speaking not only for myself but representing the Sanatanists all over the country, who have got some confidence in me, I say, Sir, as regards the codification of the Hindu Law by this committee we are entirely opposed to this procedure. Even in connection with the previous Bill it has been pointed out in no uncertain terms that we do not want any interference with our religious matters either by this Hindu Law Committee or by any committee whatsoever, by this House or by any House whatsoever. We say that the Hindu Law as it is today has been propounded by great Rishis, divine Rishis who were sent by God. We can bow only to those

[Babu Baijnath Bajoria.]

Shastras if we are to be true Hindus. If any change is to be made which is not in consonance with or in agreement with those Shastras, I for one would say that I do not agree and I will not be surprised that if any revolutionary change is made in the Hindu Law, there may be rebellion in the country. I think Dr. Deshmukh and Mr. Deshmukh and others of their way of thinking also know that after all this country is still a country of religious people who hold religion most dear and sacred to them. (Interruptions). I would like to bury this Bill but I won't interrupt the motion being withdrawn. I would say that on this Hindu Law Committee, though I do not cast any reflection on its members, there are no members who represent the Sanatanists or the orthodox school of thought. Then, again, this is a question on which you should have the opinion of the learned Pandits, those who have devoted their whole life in the reading of the Shastras. They are the proper persons who can advise on this matter and not the great lawyers or the great advocates or the great barristers. They may be great men in their own spheres, but so far as religious matters are concerned, I do not think they have got the right or the authority to speak or dictate to us on these matters. Sir, I do not want to be long because Dr. Deshmukh is restless looking at the clock and also because the motion is going to be withdrawn. I have made these remarks for the consideration of the Honourable the Law Member.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, as one who has always taken an interest in this matter and as one who has had conversations with the Mover of this motion, I feel I would be failing in my duty if I did not offer some remarks on this matter. My colleagues may think not being a Hindu it is outside the purview of my work but I do not think so. No one can deny that the old order is giving birth to the new and none in this House or outside it will deny that the progress and the regeneration of India depends, if on nothing else, it does on the emancipation of its woman-folk. I consider that there are certain things—although I am not a Hindu—which are preventing this progress, and I think the points raised by Dr. Deshmukh in this Bill are essentially the points that should be considered very seriously. Dr. Deshmukh deserves the congratulations of this House. Apart from coming here and dissociating himself from his colleagues, he has had the courage to pronounce and advocate this Bill in the teeth of orthodoxy, Government-oxo or any other oxo. The question here is a very simple one. Dr. Deshmukh wants to give to the Indian Hindu women a certain privilege which is enjoyed by all other women all over the world. That privilege is one of equality with other women. Government, on the other hand, say that it will be contrary to their policy to interfere with religious views of this country. Government have brought forward that plea very often. For how many years did we not hear Government make the same excuse when Mr. Harbilas Sarda brought his Bill before this House? Look at the opposition that he had to face and look at the extreme nullification of the practical application of that measure today. But, today, Government say that they must wait for the report of the Rau Committee. If I can read Dr. Deshmukh's mind aright, it is this. He fears that the Law Member, in his opposition to this Bill, based as it is on Hindu orthodoxy may not like to interfere with the views of the orthodox people. He fears that this Rau Committee will take so long to make its report that his Bill will die a natural death as

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have so many similar Bills. He fears the Rau report will not appear and in course of time be frozen out. What he wants the Government to do is—if I am wrong he will correct me—to ask the Rau Committee to submit its report within a reasonable time so that he may have an opportunity of pressing his Bill and fighting for it in this House tooth and nail, winning or losing it on its merits. If he had made such a motion today, I should have supported him, but my great sorrow is that he has taken the trouble to come here and has been influenced to withdraw his motion. I wish he had not done that. Sir, I support it.

Dr. G. V. Deshmukh: Sir, in view of the statements made during the course of the discussion on this motion, I beg to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

THE KAZIS BILL.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, I beg to move for leave to introduce a Bill to provide for the appointment of persons to the office of Kazi and for performing and keeping a record of marriages amongst Muslims.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill to provide for the appointment of persons to the office of Kazi and for performing and keeping a record of marriages amongst Muslims."

The motion was adopted.

Qazi Muhammad Ahmad Kazmi: Sir, I introduce the Bill.

THE SPECIAL MARRIAGE (AMENDMENT) BILL.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Sir, I beg to move for leave to introduce a Bill further to amend the Special Marriage Act, 1872, for certain purposes.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill further to amend the Special Marriage Act, 1872, for certain purposes."

The motion was adopted.

Dr. G. V. Deshmukh: Sir, I introduce the Bill.

THE RECIPROCITY BILL.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I beg to move for leave to introduce a Bill to make provisions in regard to entry, residence, the acquisition, holding or disposal of property, franchise, the holding of public office, or the carrying on of any occupation, trade, business or profession in British India by persons domiciled in the British Possessions on a basis of reciprocity.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill to make provisions in regard to entry, residence, the acquisition, holding or disposal of property, franchise, the holding of public office, or the carrying on of any occupation, trade, business or profession in British India by persons domiciled in the British Possessions on a basis of reciprocity."

The motion was adopted.

Mr. Govind V. Deshmukh: Sir, I introduce the Bill.

THE MUSLIM PERSONAL LAW (SHARIAT) APPLICATION (AMENDMENT) BILL.

Qazi Muhammad Ahmad Kazmi (Meerut Division. Muhammadan Rural): Sir, I move for leave to introduce a Bill to amend the Muslim Personal Law (Shariat) Application Act, 1937.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is that leave be granted to introduce a Bill to amend the Muslim Personal Law (Shariat) Application Act, 1937.

The motion was adopted.

Qazi Muhammad Ahmad Kazmi: Sir, I introduce the Bill.

MOTION FOR ADJOURNMENT.

BANNING OF KHAKSAR VOLUNTEERS.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable the President has directed this morning that the Motion for adjournment may be taken up earlier than four o'clock, if the business of the House is finished before then. **Qazi Muhammad Ahmad Kazmi**.

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

"That the House do now adjourn to discuss a definite matter of urgent public importance, namely, the banning of Khaksar volunteers by the Government of India and thereby hampering the development of indigenous organizations which are a necessity for the defence of the country in times of war."

Sir, the position of the Government of India is very peculiar today. India has been dragged into the war which is called a European war. But in spite of its being a European War, the Government of India are taxing the strength and the finances of this country as well. Not only that, unfortunately, that European war is spreading day after day and there is every chance of the war spreading not only to Asia but to India as well. Situated as we are we have got to face the danger of war so near our homes. We have to see as a nation what are the duties of every Indian and of any Government which purports to call itself the Government of India at this time of danger.

Only recently I read an appeal in the newspapers from Mr. Stalin the Chief of the Soviet Russian Republic, that every person who knows how to handle a rifle must come forward to help Russia. In a war of this magnitude it is only with the help of every one of the people inhabiting the country and of every Indian that we can meet such a big danger. Unfortunately as we have got at the head a foreign government, there is no such preparation and no steps are being taken in the direction of protecting India. Do you expect that a few thousand Europeans or a few thousands of persons whom the European Government chooses to take into their confidence, are sufficient to meet this danger? Is it not a fact that in this war even the European countries are depending upon India's man power. Then how can you reconcile on the one hand the attitude of the present Government in exploiting the man-power and finances of India and on the other, suppressing every indigenous organisation. Every attempt on the part of the people of this country to organize themselves and to prepare themselves in a way in which they can easily join the army and defend their hearth and home is suppressed. Unfortunately the present Government—the British element in the Government—do not realise that we Indians have got our own homes. As soon as the salaries of these high officials are stopped they can afford to leave this place saying we have got no concern with India. But in our case, there is no question of leaving and we have got to defend our country in the best possible way. Ultimately it is Indians who will have to do everything to defend India and not outsiders and foreigners. These foreigners, in order to keep up their own prestige, to keep their own power, to make their own position safe according to their own ideas consider every Indian to be an enemy of India. This is the policy of a foreign Government which we find have been employed by the present bureaucracy.

The Congress started its movement as a non-violent organisation. There was no act of violence that was attributed to them from beginning to end. But even the volunteers of that organisation were not allowed to drill in parade or to have any training which in any way may be akin to military training. Not only that, but even ordinary drill, moving in flanks was prohibited. People were arrested and imprisoned for breaking that order. Uniforms of all kinds were prohibited. Military exercises of all types and descriptions are prohibited. Why? Only because India is being governed by a foreign Government which according to its own ideas thinks that it is the only body entitled to talk in the name of India. Why should not the congress organisation, which was undoubtedly led by people whose patriotism could not be doubted—no doubt has ever been cast on that even by persons who are in power today—why should not such an organisation be depended to serve India in times of war? Have we not seen that even the Muslim League, which is not non-co-operating with the Government, was not allowed to have its own national guard. They are not allowed to have volunteers who can parade in streets. What is the reason? Do they think that even the leaders of the Muslim League who have not been non-co-operating and whose leader this very morning in very loud voice said that from beginning to end their aim and their ideal was to help this Government in their war efforts and to give the greatest possible help to the Government to defend India, do they think that even such leaders could not be trusted? Is he not to be trusted with an organisation which can develop itself into an army or at least an army of defence which can keep India safe at the time of danger from internal disorder?

[Qazi Muhammad Ahmad Kazmi.]

How can Government justify their position in banning all indigenous volunteer organisations? One after another they have been banned and the banning of the Khaksar movement is a link in the same chain. The Khaksars were a body who had an organisation of their own, and I who belong to the Ahrar party can say that our domestic relations with the Khaksars were not good and we did not consider them to be working on right lines. The Ahrar volunteers were banned, banned in the sense that they had to follow the orders of Government in not having any kind of drill or training which may be taken as military training or an organisation in which men can join together to work for public peace. The banning of the Khaksar movement came as the only object of that organisation was having these volunteers. The other bodies had volunteers as subsidiary to their own organisation but the Khaksar movement was a volunteer organisation pure and simple. This body as I said before had differences domestically with the body to which I belong. But these differences will not allow me to keep quiet when such a body is declared illegal or banned merely because it is an Indian organisation. Government may say that for the defence of India they have started civic guards. To tell you the truth, Sir, I am not in favour of these civic guards. On a previous occasion I made a protest in this House when financial help was sought to be given to that body. I want to bring to the notice of this House the regard that this Government have got for Indians. Are they trusting the civic guards and giving them training in rifles and guns or any kind of military training.

An Honourable Member: They are given sticks

Qazi Muhammad Ahmad Kazmi: They are given sticks which will be useful against foreign invasion. Do the present Government want to defend themselves or do they want to prepare us for that work? What has happened in the matter of the allocation of the Executive Councillors? What are the portfolios that have been given to the new Indian Members? Not Finance or Railways which are considered material for Indians. What has the Minister of Information got to do? To give us information about the war?

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got one minute more.

Qazi Muhammad Ahmad Kazmi: The Berlin radio and the Ankara radio give us information about the war every night and we do not want a Minister of Information on Rs. 5,000 a month for that purpose. Then there is a Member for Indians Overseas. The humiliation

Mr. N. M. Joshi (Nominated Non-official): What has that got to do with Khaksars?

Qazi Muhammad Ahmad Kazmi: The banning of the Khaksar movement is based upon distrust of Indian organisations and that distrust is to be found in every department of the present Government. Sir, I move.

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

“That the House do now adjourn.”

The Honourable Sir Reginald Maxwell (Home Member): Sir, it is gratifying to find the Honourable Member urging Government to make further efforts to mobilise India's resources in the defence of the country; but the question before the House on a motion of this kind is what kind of agency they are prepared to entrust their safety to; whether the Khaksar organisation whose cause the Honourable Member advocates is an agency such as would command the confidence of the people of this country and incidentally provide a suitable target for the massed tanks of the Nazi army. Personally I do not see *belchas* coming in very well against a tank formation but the Honourable Member appears to have other opinions. As regards the Khaksar movement and the main question whether it is a useful body which should have been encouraged by Government for its contribution to the defence of the country, I need only remind the House very briefly of the history of this movement. It was started in 1931 and it was in 1939 that it first came into conflict with the authorities of the United Provinces, then under a Congress Government. After considerable trouble there which necessitated firing on one occasion, we come to the well-known Punjab disturbances of 1940 where again it proceeded to attack a popularly elected Government. The offence of this Government was that it had prohibited military drill by non-official bodies and the carrying of arms in processions of certain descriptions and therefore Khaksars set themselves to intimidate their own Government in order to get this order withdrawn. The result, which the House will remember, was that there was a serious clash with the police and the military. The leader of the Khaksars issued a violent statement attacking the Premier of the Punjab and announcing that the orders would be defied and declaring that if there were to be a clash with Government they would surround Sir Sikandar's bed with corpses. This is the kind of body which the Honourable member wants us to trust . . . In a clash which followed the Superintendent of Police was seriously injured, a Deputy Superintendent was injured, two policemen were killed and 17 more received serious injuries. The police had to open fire and a number of Khaksars were killed or injured. Then the Khaksars took refuge in the mosques in Lahore and proceeded to make them bases for marching out in small parties armed with spades and attacking the police who came to arrest them. As a result of these proceedings the Association was declared unlawful in the Punjab and Delhi. After a while the Government were prepared to give another chance to this Association on certain assurances which they had received and the ban was withdrawn. Agitation however continued for the release of their leader who remained under detention until Government were satisfied that there was no further danger of such disturbances arising. In pursuance of this agitation, on the 23rd of May, 1941 the organ of the Khaksars, the *Al-Islah*, issued an order directing that the Khaksars should proceed to the mosques in five different centres—Delhi, Lahore, Peshawar, Hyderabad (Sind), and Nagpur. They were to gather there on the 6th of June before Friday prayers in uniform and armed with *belchas*. In other words, they were prepared to repeat the proceedings which had led to such a serious loss of life and serious disturbances in Lahore. When Government received information of this design, they did not even then declare the Association unlawful at once, but they conveyed a warning to the leaders who were holding a meeting in Peshawar to consider their plan of action. These leaders were given to understand that action of this kind would merely prejudice consideration of their case and the restoration of happier relations between them and Government. They refused to take any notice

[Sir Reginald Maxwell.]

of this advice and, therefore, the Association as a whole was declared unlawful.

Now, I will just remind the House of the nature of the Khaksar Association. I have here a translation of the aims and objects of the movement as published in their own organ, the *Al-Islah*, in 1937. I will only quote one or two of these items so as not to take up too much time:

"1. The teachings of Maulvis are wrong: the Khaksar soldier has arisen to wipe out these false doctrines from the face of the world and to teach the doctrine of Islam in accordance with the principles laid down by the Holy Prophet.

2. The terms 'Maulvi' or 'Maulana' must be abolished and must be replaced by such terms as 'Sheikh' or 'Fazal'.

3. Khaksar soldiers consider it the religious right of every Muslim to act in accordance with the teachings of the Holy Prophet, and are prepared to make every sacrifice to prevent the Government of the time from exercising political or legal control in this respect.

4. The goal of the Khaksar soldier is the Kingdom of the World and the collective and political domination of the community."

This is the body the Honourable Member wishes us to trust.

Sardar Sant Singh (West Punjab: Sikh): May I know whether these aims and objects were published in 1937 or 1940?

The Honourable Sir Reginald Maxwell: They were published in the *Al-Islah* in 1937.

Sardar Sant Singh: And the Government did not take notice of them.

The Honourable Sir Reginald Maxwell: We have been attacked for not doing something sooner. The object of the Honourable Member is to censure Government for doing something now.

Sardar Sant Singh: May I know whether this body was being paid by a foreign country?

The Honourable Sir Reginald Maxwell: I will only quote one more item:

"Khaksars are deadly enemies of treacherous leaders, hostile editors and newspapers, and communal mischief-mongers". . . . "(The Honourable Member had better look out for himself)". . . . "and desire to wreak vengeance on them even if this involves sacrifices."

I think I have quoted enough to illustrate the nature of this organization which we are talking about. And now as regards private armies. The Honourable Member has attacked Government for taking any action against volunteer organisations. Well, Government have taken the public into their confidence in this respect. The Honourable Member has presumably forgotten the long communique which was issued on the 5th of August, 1940. There the reasons of Government for not looking with favour upon voluntary organisations of a military character were carefully explained. The principle at issue is that Government have the right and duty of protecting all members of the public, whether against foreign invasion or against dangers within the country, and they cannot surrender that right to any self-appointed body which chooses to arm itself and drill itself and calls itself an army. The very fact that such a body

resorts to drilling is in itself an evidence that it intends to attain its object by the use of force and this presumption is aggravated when it wears uniform and when it carries arms, as the Khaksars do. Such a body can only exist for the purpose of intimidating someone, whether it be intimidating the Government or the members of another community. And this was all pointed out by Government to the public and the general opinion of the country was that this action taken was entirely right. At the same time it was pointed out that for all those who wished to offer voluntary service for the protection of the public in times of danger, the civic guards provided a suitable outlet and I entirely disagree with the attempts of the Honourable Member to cast aspersions on the usefulness of these civic guards. The success of this organisation of civic guards has been one of the very encouraging things that has happened during this war. They have enabled all persons of good intent to mobilize themselves as volunteers for the protection of the community, and the civic sense which these volunteers have shown has been of a very high order. I entirely repudiate any suggestion that they are useless or superfluous bodies. Of course for those who wish to give their whole time in fighting the enemy there is an ample field open to them. There is no limit, practically speaking, to the number of able-bodied recruits we require for the army, and it is absurd for the Honourable Gentleman to say that Government are not offering Indians opportunities for enlisting themselves, for arming themselves or training themselves for their own defence.

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

That is all I need say against the motion, except that I may remind the Honourable Gentleman that when the ban was placed on the Khaksar movement the public and the press generally supported the action of the Government, including a number of Congress papers which usually are not too well disposed towards any form of repressive action by the Government. I have here a cutting from the *Hindustan Times* and even from the *National Herald*—the latter gave me some misgivings lest I should have done the wrong thing, but still there it is—the *National Herald*, the *Hindustan Standard*, the *Searchlight* of Patna, the *Ananda Bazar Patrika* of Calcutta, the *Advance* of Calcutta, the *Indian Social Reformer*, the *Indian Nation* of Patna, and so on. I do not know whether the Honourable Member has entirely renounced his association with the empty benches opposite, but I feel fairly certain that he would not have the support of those who were his erstwhile colleagues on this particular affair. Sir, I oppose the motion.

Sardar Sant Singh: Sir, I must say that the Honourable the Home Member has been too modest in imparting information about the Khaksars to this House, and, through this House, to the public at large. I have been drawing his attention to the dangers of this movement and the menace it offers to other communities in this country, for a very long time. I wish that he had disclosed a few more facts about these, and I am putting specific questions to the Honourable the Home Member to answer because I feel that they are in the public interest and that the information should go abroad and be known to everybody. May I know if it is a fact or not that Rs. 3,000 was paid monthly by an unknown gentleman in Lahore, through a German company dealing with electrical goods at Lahore, before the war? Is it a fact

[Sardar Sant Singh.]

or not that certain letters were in the possession of the Government, which were written by the leader of this movement from jail and which were intercepted by the Government? I wish the Government would have the courage to publish those letters and this might tell us that this movement had connections with the foreign enemy of the country. I am asking the Honourable the Home Member to enlighten the country about this

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir Sikander Hayat Khan himself said that.

Qazi Muhammad Ahmad Kazmi: Sir Sikandar Hayat Khan used them against the Congress Governments and then denounced them.

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member wishes to say anything, he must go back to his seat.

Sardar Sant Singh: Whatever it is, the movement was pampered in the Punjab, and with all the good inclinations of the Punjab Government towards it, that Government was compelled by the activities of the members of this Khaksar movement to declare them as unlawful bodies. They were compelled, against their wishes, to do so. I know when Dr. Gopi Chand Bhargava, the Leader of the Opposition in the Punjab Assembly, was not allowed to see the Prime Minister during the session of the Assembly because the Prime Minister was engaged in talking with the leader of the Khaksars, and a Khaksar was standing outside in the room. A Khaksar was keeping guard on the room of the Premier in the Secretariat building where the Punjab Assembly was sitting and was not permitting the Leader of the Opposition to see the Leader of the Government. Matters went so far. Why be so modest as not to tell the people what the danger was and what the menace was? If constitutionalism is to prevail in this country, if democracy is to make headway amongst the people of this country, the people of the country should be taken into confidence not only where the administration of the country is concerned but where the danger to the country lurks. Therefore, I wish the Honourable the Home Member and the Government of India will decide to publish the information about this movement in more detail and in a more descriptive manner than they have done and thus remove the fears on the one side of those who had genuine fears from this movement, and the sympathies of those who from ignorance of the real facts tried to sympathise with this movement. I have nothing more to add.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Mr. President, I had not the least desire to take part in this debate, but for the reply given by the Honourable the Home Member in connection with this Adjournment Motion. Personally I had very little knowledge of these Khaksars and of the Khaksar movement. It was only a couple of years back when I first came in contact with a batch of Khaksars, that I got the impression of my life of what that organisation was. Armed from head to foot with *belchas* and other things they stood in front of my car and I had considerable difficulty in making my way through them. I then asked myself, was this really the kind of innocent organization it was described

to be? I had to keep quiet as I was told in season and out of season that it was a social service organisation, and that its main object was to serve humanity irrespective of colour or creed. Later on, newspapers all over the country, began to question the advisability of allowing these Khaksars to roam about in the way they did. Sir, on one occasion, on the floor of this House, there was a question or rather a supplementary question whether it was not a fact that these Khaksars had been described by a responsible authority, no less than the Premier of the Punjab, as the Fifth Columnists in the country. I remember the Home Member then said: "The Government are not aware" I took him at his word because this Government have a peculiar method of deriving their own knowledge and they become conscious or unconscious of things going on in this world according to their own convenience. I think year before last, in the lobby I was first told that there was a clash at Lahore between the Khaksars and the Police and firing was resorted to. The matter was discussed on the floor of the Punjab Assembly in connexion with an Adjournment Motion over the firing on the Khaksars and it was defeated by the votes of the Government vindicating the action taken by them. Even then the Government of India would not wake up. I am surprised today to see the Honourable the Home Member giving an apologetic reply instead of a straightforward one defending the action of the Government. He says: "It was a good organisation to begin with and we argued with them when they went wrong and we released their Leader on their giving us assurances of orderly conduct. But when we found that our position was untenable then at last on the 23rd May, 1941, we decided that their activities should be stopped". Well, he has stated on the floor of the House that as early as 1937 he knew the aims and objects of this organisation which we did not. We have been given this information today, and probably we would not have got it at all but for the walk-out of the Muslim League Party.

The Honourable Sir Reginald Maxwell: I quoted it from a published paper.

Pandit Lakshmi Kanta Maitra: Yes, and this is the first time that the Central Government of this country have come out through their spokesman in the Home Department to tell us that the Khaksar organisation had for its professed ends the intimidation of communities, the taking the law into their own hands, coercion, violence and the like.

May I ask the Honourable the Home Member what he and his Department had been doing all this time? Sir, at one time they painted the Khaksars in bright colours, but today they have painted them in the darkest colours, and I am sure if the Muslim League Party had not left the House today, Government would not have declared the attitude they have now adopted in regard to these Khaksars. I want the Government to be realistic, and to open their eyes to the actualities of the situation. But they won't see things straight in the face and they won't make their position clear when occasion demands it. It is only when they find that they have been deceived that they come forward and make statement in explanation of their conduct.

An Honourable Member: Lack of courage.

Pandit Lakshmi Kanta Maitra: Did they show courage, statesmanship and magnanimity when banning the volunteer organization of the Congress, which is essentially a non-violent organization? And did the Government come forward and make this kind of apologetic speech when they banned the congress-volunteer organizations; the Seva Sanghs, volunteer organisations of the Hindu Mahasabha? No, nothing of the kind. Sir, we want it to be definitely understood that we are against curtailment of civil liberties in any shape or form, but having banned the other great peaceful organizations which had no aim of intimidating communities or committing violence on anybody, why did it take you three long years to take steps against the Khaksar organization, and you did it only in May last? And you did it only when trouble broke out in the neighbouring Muslim countries as you thought that you had allowed the Khaksars too long a rope, and that it was time to take some steps for your own safety. This is very bad statesmanship. I am not going to censure you for the belated action you have taken. My grievance against you is that wisdom did not dawn on you much earlier. In my province, demonstrations by Khaksars had been going on in the early hours of the morning even after the imposition of the ban. A friend of mine had a servant who used to rise very late in the morning. My friend asked him why he was rising so late, and his reply was: 'I practise parading, I am a Khaksar, I have to parade till 2 or 3 a. m. and, therefore, I have to rise late'. This is the kind of thing that had been going on under the very nose of this Government, and they did not take any action till they found that they could not any longer ignore the danger. So long as they could help it, they allowed the movement to continue and exploited it to suit their own ends. But when it did not suit them, they described them as undesirables and banned the institution. This is only in consonance with the ways of this Government. Sir, I cannot congratulate this Government on this belated move nor do I propose to censure them, though they have seriously blundered in this matter in not taking action earlier.

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

"That the Assembly do now adjourn."

The motion was negatived.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 29th October, 1941.

LEGISLATIVE ASSEMBLY.

Wednesday, 29th October, 1941.

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

MEMBERS SWORN:

The Honourable Mr. Nalini Ranjan Sarker (Member for Education, Health and Lands); and

Mr. Venilal Tribhovandas Dehejia, M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

Mr. President (The Honourable Sir Abdur Rahim): Questions. I am not going to call the questions in the names of Members of the Muslim League Party. Mr. Boyle—Question No. 36.

†34* and 35*.

CESSATION OF THE BROADCASTS OF KEN MAC'S BAND FROM BOMBAY BROADCASTING STATION.

36. *Mr. J. D. Boyle: Will the Member representing the Information and Broadcasting Department be pleased to state:

- how long Ken Mac's band has been broadcasting from the All-India Radio Station at Bombay;
- whether he is aware that Ken Mac's broadcasts were among the most popular items of the Bombay programme;
- why these broadcasts suddenly stopped altogether; and
- whether he is aware of the resentment caused by the cessation of these broadcasts which was voiced by the public and in the press?

The Honourable Sir Andrew Clow: (a) Since 21st July, 1931.

†These two questions were not asked by the Chair as these were from Members of the Muslim League Party (*vide* remarks of the Honourable the President above).—*Ed. of D.*

(b) There is no reason to believe that Mr. Ken Mac's broadcasts were more popular than those of the other jazz bands in Bombay.

(c) The broadcasts were stopped because of Mr. Ken Mac's behaviour towards the officers and staff of the Bombay Station on more than one occasion, which could not be tolerated in the interests of discipline.

(d) Some comments have appeared in the press which were presumably made in ignorance of the circumstances leading to the cessation of these broadcasts.

Mr. J. D. Boyle: With reference to the answer to part (c) of the question, is it not a fact that on two consecutive occasions when this band was broadcasting it was found subsequently that the microphone was dead and that was the reason why Mr. Ken Mac complained that on two occasions something like 40 minutes were wasted while he had been broadcasting to a dead microphone?

The Honourable Sir Andrew Clow: The only information I have on that point is that on one occasion Mr. Ken Mac had reason to believe that one of the microphones was not working, that he made a scene, and made accusations of inefficiency and indifference all round, summoned the engineer of the station and said what he thought of him in the presence of everybody.

Mr. J. D. Boyle: If there was considerable inefficiency in that he should have had to broadcast to a dead microphone, surely he had every right to bring the matter to the notice of the authorities.

The Honourable Sir Andrew Clow: I have done the same myself. I have broadcast to a dead microphone, but I do not think that justifies a person in any offensive behaviour.

Mr. J. D. Boyle: So far as offensive behaviour is concerned, my information is that the offence was largely caused by the Station Director himself, and Mr. Ken Mac suggested in writing that the matter should be dropped. But the Station Director said rather like to a school boy that the apology should be presented in writing. And is that sufficient reason for stopping a broadcast which, despite what the Honourable Member has said, is extremely popular?

The Honourable Sir Andrew Clow: Mr. Ken Mac's suggestion to let by-gones be by-gones was coupled with the suggestion that his fee should be raised by over 66 per cent.

Mr. J. D. Boyle: That, if I may say so, is not correct. I have seen the original letter and the correspondence in regard to the increase in the fee. They are completely separate and had no relation whatever to the incident concerned.

The Honourable Sir Andrew Clow: The Honourable Member is giving information rather than asking for it.

Mr. J. D. Boyle: The Honourable Member made a statement to the effect that the two were coupled together, and I am asking him whether he has seen the correspondence and whether it is correct.

The Honourable Sir Andrew Clow: I have seen a copy of his letter.

Pandit Lakshmi Kanta Maitra: May I ask the Honourable Member who is the authority who judges the merits or demerits of a particular musical programme? How do Government come to know that one particular form of music is popular, and another form is unpopular?

The Honourable Sir Andrew Clow: They receive a certain amount of what is called "fan mail" and there are at times enquiries made from listeners with a view to ascertain what items they like and what items they dislike.

Pandit Lakshmi Kanta Maitra: Are listeners invited to give their opinions on any particular programme, or talks, or are any attempts made to elicit their opinion?

The Honourable Sir Andrew Clow: They are not asked in a questionnaire to state whether they like this or that particular item, but the department does ask them on occasions to indicate their general preferences.

Pandit Lakshmi Kanta Maitra: Is there any agency set up by the Broadcasting Department to go into the question of programmes, etc.?

The Honourable Sir Andrew Clow: That is a matter to which constant attention is being paid.

Mr. J. D. Boyle: Has the attention of the Government of India been drawn to the fact that without exception every newspaper in Bombay wrote demanding the return of Mr. Ken Mac's band to the studio?

The Honourable Sir Andrew Clow: There has been a certain amount of press campaigning on the subject.

Mr. J. D. Boyle: Is it not a fact that this is not a matter of just a small campaign, but that there are bundles of cuttings several feet deep, of complaints, and they are continuing to complain?

The Honourable Sir Andrew Clow: I am ready to believe that the campaign is of considerable magnitude.

Sardar Sant Singh: May I ask whether the broadcasting management has not been the subject of criticism by all communities, and now that the European Group has also joined will the Honourable Member go into the question of management and review the subject once for all?

Mr. President (The Honourable Sir Abdur Rahim): That does not arise.

Mr. J. D. Boyle: May I ask, in view of what has taken place, whether the Honourable Member will now see that sufficient punishment has been meted out and that the interests of listeners who pay for the station may be considered again and Mr. Ken Mac restored?

The Honourable Sir Andrew Clow: There are about 5 or 6 other jazz bands, several of which, I understand, are as popular as Mr. Ken Mac's, but I shall convey the supplementaries and the answers I have given, to the Honourable Member in charge of this Department.

Mr. Lalchand Navalrai: May I know whether it was the offensive behaviour of only one person, which brought about the stoppage of the broadcast immediately?

The Honourable Sir Andrew Clow: He was the leader of the band. I do not think the first occasion led to the stoppage. I think the behaviour to which exception was taken was shown on more than one occasion.

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

DESIRABILITY OF RELEASING POLITICAL PRISONERS.

37. *Mr. Lalchand Navalrai: (a) Will the Honourable the Home Member be pleased to state whether, in view of the fact that His Excellency the Viceroy's cabinet has been expanded, and in order to create more confidence in the public to secure their co-operation, Government propose to release the political prisoners now in jail? If not, why not?

(b) Has the attention of the Honourable Member been drawn to the statement of an Honourable Labour Member of Parliament in his speech on the debate in the British Parliament on the Indian and Burma estimates, asking the Right Honourable Mr. Amery to consider, if not a general amnesty, at least a substantial release of political prisoners and to make it clear to the Indian National Congress and the Muslim League that, if at any subsequent date, they desire to accept seats on the Viceroy's Council, he will provide them?

(c) If the answer to part (b) be in the affirmative, will the Honourable Member be pleased to state if Government propose to follow that advice? If not, why not?

The Honourable Sir Reginald Maxwell: (a) No.

(b) No.

(c) Does not arise.

Mr. Lalchand Navalrai: May I know from the Honourable Member why he says, "No" to (a), "No" to (b), and "Does not arise" to (c)?

The Honourable Sir Reginald Maxwell: Because those are the correct answers.

Mr. Lalchand Navalrai: I should like to have a substantive reply, whether the Government of India are going to make that gesture or not.

The Honourable Sir Reginald Maxwell: I have said No.

Mr. Lalchand Navalrai: What is the reason?

The Honourable Sir Reginald Maxwell: I cannot answer a question as to why a thing has not been done. If I am asked why I have done something I can give reasons. But if I am asked to give reasons for not doing a thing, which is open to me to do or not to do, I may equally well ask the Honourable Member why he does not stand on his head in the middle of the House.

Mr. Lalchand Navalrai: The public wants a certain thing to be done, but the Government are not doing it, and we are entitled to ask why it is not being done.

The Honourable Sir Reginald Maxwell: The question has nothing to do with the public.

Mr. Lalchand Navalrai: My question is whether this matter has attracted the attention of the expanded Council and whether it has been considered by them or not?

The Honourable Sir Reginald Maxwell: I do not quite understand the Honourable Member's question.

Mr. Lalchand Navalrai: I am asking whether the expanded Council is of that view—that a gesture should be made and these men released?

The Honourable Sir Reginald Maxwell: It is for the Honourable Member to show why they should be.

Sardar Sant Singh: Has this question received the attention of Government in recent years or not in view of the critical situation in the international sphere?

The Honourable Sir Reginald Maxwell: What question?

Sardar Sant Singh: The desirability of releasing the detenus and the other political prisoners in the country.

The Honourable Sir Reginald Maxwell: There is a Resolution in the Honourable Member's name on the paper today on this subject.

Mr. Govind V. Deshmukh: The latter half of part (a) of the question seeks the reasons for not releasing the political prisoners. I submit that we must be given the reasons on the floor of the House as to why you are not releasing the political prisoners?

The Honourable Sir Reginald Maxwell: I have explained already that I can only be asked for reasons why I have done a particular thing and not reasons why any conceivable thing has not been done.

Mr. Govind V. Deshmukh: Is it in the interest of the public that reasons are not being given?

(b) What departmental aid have Government provided to enable the ordinary assessee to fill in the form properly and correctly? If none, do Government propose to provide some such means? If not, why not?

(c) Do Government propose to simplify the form and make the explanation easier to follow? If not, why not?

The Honourable Sir Jeremy Raisman: (a) The new form of return is necessarily more elaborate than the old owing to the changes introduced by the Indian Income-tax (Amendment) Act, 1939. Complete instructions for filling in the form have, however, been given in the shape of notes on the form for the guidance of assessee.

(b) Assessee who find it difficult to fill up the form satisfactorily can always obtain the assistance of their Income-tax Officer.

(c) No. The Income-tax Act is in itself a complex piece of legislation and the Honourable Member will no doubt appreciate the difficulty of devising a form which is both legally accurate and complete and readily comprehensible at the same time. While Government are satisfied that the form adequately fulfils these requirements they are always prepared to consider any specific suggestions that may be made for its improvement.

Mr. Lalchand Navalrai: Has the Honourable Member ever had to fill up this form himself?

The Honourable Sir Jeremy Raisman: Yes, Sir. I do so at least once a year.

Mr. Lalchand Navalrai: Does not the Honourable Member feel any difficulty on account of the form being complicated and complex?

The Honourable Sir Jeremy Raisman: Having been a Commissioner of Income-tax for three years, I just manage to do it.

Mr. Lalchand Navalrai: Does the Honourable Member expect every one to have the experience of the Commissioner of Income-tax?

Sir Cowasji Jehangir: May I ask the Honourable Member whether the Income Tax Officer has got the extra staff to assist the assessee to fill up this form?

The Honourable Sir Jeremy Raisman: In the form issued by the Department under section 22 (2) it is said 'This form contains instructions required for the preparation of the return. If you desire any further information, you should apply to this office'. That is one of the duties which the staff is prepared to carry out.

Sir Cowasji Jehangir: Does the Honourable Member suggest that the Department has got sufficient staff to give the assessee all the assistance that they require?

The Honourable Sir Jeremy Raisman: Well, Sir, I know that the staff of the department is not excessive but I have not heard that there is any inadequacy in regard to fulfilling this particular requirement?

Sir Cowasji Jehangir: Does the Honourable Member realise that there are several complaints that the assessee do not get that assistance in India which the assessee get in England?

The Honourable Sir Jeremy Raisman: I do not admit that. I know that is one of the charges that is regularly brought against the department but I do not admit that that is so.

Sir F. E. James: May I ask whether the Honourable Member has considered the question of redrafting the Income-tax Act in basic English?

The Honourable Sir Jeremy Raisman: I doubt whether the limited vocabulary of basic English will be equal to all the requirements of the Income-tax Act.

Sir Cowasji Jehangir: May I know whether the Honourable Member will entrust this work to Sir F. E. James?

POLICY OF RECRUITMENT TO THE ROYAL INDIAN NAVY.

41. ***Mr. Akhil Chandra Datta:** (a) Will the Defence Secretary be pleased to state how many officers have till now been recruited to the Royal Indian Navy from the Royal Indian Naval Reserves?

(b) How many officers have been directly recruited to the Royal Indian Navy from the British Reserves, and how many from the "Dufferin" cadets?

(c) Is it a fact that the personnel of the Royal Indian Navy has been more than doubled during the last two years of war?

(d) Is it a fact that the claims of duly qualified Indians, already serving in the Royal Indian Naval Reserves, are ignored and preference given to Britishers from British Reserves?

(e) Is it a fact that officers serving in the Royal Indian Naval Reserves have not till now been granted permanent commissions?

(f) Is it a fact that officers serving in the British Reserves have not only been given permanent commissions but that their position has been made secure even for the post-war period?

(g) Is it a fact that some non-Indian officers who joined the Royal Indian Naval Reserves and the Royal Indian Naval Volunteer Reserves as Lieutenants and were placed as junior to the Indian Royal Indian Naval Reserves Sub-Lieutenants, have been allowed to supersede the latter, even though they (the latter) had some years' training at sea and higher technical qualifications?

(h) Are Government prepared to consider the desirability of altering their policy of recruitment to the Royal Indian Navy and taking increasingly more Indians therein from the trained and qualified men of the Royal Indian Naval Reserves?

(i) Are Government prepared to consider the desirability of increasing the number of direct appointments from "Dufferin" to the Royal Indian Navy?

Sir Gurunath Bewoor: (a) Two.

(b) The reply to the first part of the question is none. As regards the second part, the two officers mentioned in the reply to part (a) above were "Dufferin" cadets.

(c) Yes.

(d) No.

(e) Four permanent commissions had been granted in the Royal Indian Naval Reserve and 31 in the Royal Indian Naval Volunteer Reserve on the date of outbreak of war. Since that date all recruitment to the reserves has been on a temporary basis.

(f) So far as Government are aware, no officers serving in the British Reserves have been granted permanent commissions since the outbreak of war.

(g) No.

(h) Not during the period of the war.

(i) I presume the Honourable Member refers to the selection of cadets for the Royal Indian Navy. Government do not propose at present to increase the number of vacancies now offered to candidates from the "Dufferin".

Pandit Lakshmi Kanta Maitra: May I know whether all the cadets of the 'Dufferin' have been absorbed in the Royal Indian Navy?

Sir Gurunath Bewoor: I do not see how the cadets of the 'Dufferin' can be absorbed in the Royal Indian Navy. There is now no direct recruitment to the Royal Indian Navy. The recruitment is to the Royal Indian Naval Reserve.

Lieut.-Colonel Sir Henry Gidney: With reference to part (f) of this question, the Honourable Member made a specific statement in basic English by saying "as far as the Government are aware". May I ask the Government Member to state whether or not that is an improbable truth?

Sir Gurunath Bewoor: This is the information that is now available with the Government of India and that is what I have given. The question is whether any officers serving in the British reserves have been granted permanent commissions. We know that as a matter of general policy His Majesty's Government are not giving any permanent commissions since the outbreak of the war, but there may be exceptions under very special circumstances. That is why I have qualified my reply by saying that so far as we are aware no officers serving in the British reserves have been granted permanent commissions.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please make it his business to find out how many officers are so serving? I do not say that there are many who are serving but the answer 'as far as the Government is aware' seems to be so ambiguous and so frequently expressed as to convey no information. I would like the Honourable Member to find out definitely how many are serving. Would he give that undertaking?

Sir Gurunath Bewoor: I cannot give that undertaking. It is His Majesty's Government from whom we have to obtain information. The British Navy is a very big organisation and we may not be able to find very accurate information. I have stated what the general policy is.

Lieut.-Colonel Sir Henry Gidney: May I implement that by telling the Honourable Member that it is his duty as Member in charge of the Defence Department to find that out. May I ask him to do so?

Sir Gurunath Bewoor: I am not in charge of the British Navy.

Sardar Sant Singh: With reference to part (d) of the question, may I ask the number of qualified Indians who are in Royal Indian Naval Reserves?

Sir Gurunath Bewoor: I will have to ask for notice of that question.

Pandit Lakshmi Kanta Maitra: With reference to parts (a) and (b) of the question, the Honourable Member will see that two distinct sets of services are contemplated, the Royal Indian Navy and the Royal Indian Naval Reserves. I want to know from the Honourable Member whether all the ex-Dufferin cadets have been absorbed in one way or the other?

Sir Gurunath Bewoor: I believe they have been absorbed either in the Indian Mercantile Marine or in the Royal Indian Navy. I cannot say whether anybody has remained unemployed. The question will have to be addressed to the Commerce Department.

ABOLITION OF THE CIVIL SIDE OF THE INDIAN MEDICAL SERVICE.

42. ***Mr. Govind V. Deshmukh:** Will the Defence Secretary please state if the civil side of the Indian Medical Service has now been abolished? If not, why not?

Sir Gurunath Bewoor: This question should have been addressed to the Secretary for Education, Health and Lands.

DISTINCTIONS BETWEEN THE INDIAN AND EUROPEAN MEMBERS OF THE INDIAN MEDICAL SERVICE.

43. ***Mr. Govind V. Deshmukh:** Will the Defence Secretary please state what, if any, distinctions are even now made between the Indian and European members of the Indian Medical Service holding permanent Commissions, and the reasons for doing so?

Sir Gurunath Bewoor: No, Sir, there are no distinctions except such as arise from the fact that certain allowances are paid in Rupees to Indian Officers and in sterling to Europeans and that there are slight differences in leave and passage concessions.

Lieut.-Colonel M. A. Rahman: May I know if there is any difference in the type of commissions of these two kinds of officers, Indians and Europeans?

Sir Gurunath Bewoor: The type of commission that the European officers get is in His Majesty's land forces and the Indian officers get only in the Indian land forces.

Mr. Lalchand Navalrai: May I ask if the payment in sterling is made to the Europeans in India or whether it is sent to them in England? If it is not sent to them in England, then why are they not paid in rupees?

Sir Gurunath Bewoor: It is paid in England.

Lieut.-Colonel Sir Henry Gidney: Is it or is it not a fact that the British members of the I. M. S. and the Indian members of the I.M.S., even for temporary commissions, have a great difference as far as their honorarium is concerned for services which they render? They get a certain amount after 5 years of service and I am asking whether there is a difference or not in the amount that is paid to the Indian and British services?

Sir Gurunath Bewoor: I believe the Honourable Member is referring to the gratuities. The European officers are paid in sterling and the Indian officers are paid in rupees.

Lieut.-Colonel Sir Henry Gidney: I am asking what is the difference?

Sir Gurunath Bewoor: I shall have to ask for notice of that question.

Mr. Govind V. Deshmukh: What are the distinctions and why is there a difference with regard to leave?

Sir Gurunath Bewoor: There are naturally differences in leave and in such concessions for Indian officers and European officers because of their domicile.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member aware that the Indian members of the Indian Medical Service were not permitted to treat British officers?

Sir Gurunath Bewoor: Not so far as I am aware. I do not think there is any such distinction.

PERCENTAGE OF OFFICERS OF THE INDIAN MEDICAL SERVICE ON THE CIVIL SIDE RECALLED TO THE ARMY.

44. ***Mr. Govind V. Deshmukh:** (a) Will the Defence Secretary please state if all officers belonging to the Indian Medical Service working on the civil side have been recalled to the army? If not, what percentage has been recalled?

(b) What are the reasons for not recalling the rest?

(c) How are the vacancies going to be filled up?

Sir Gurunath Bewoor: (a) Approximately 58 per cent. of the officers serving in the civil branch of the Indian Medical Service have been recalled to military duty.

(b) Of the remaining 42 per cent about two-thirds are holding residuary posts and do not form part of the war reserve, and about one-third are officers whom it is considered desirable to retain in their present posts

either because they are employed on work directly connected with the war or because their services are of more value in their present posts than in the armed forces. The latter figure includes officers who are at present unfit for military duty.

(c) The vacancies are filled by the appointment of persons other than officers of the Indian Medical Service on the active list.

Mr. Lalchand Navalrai: May I ask if the officers of the I. M. D. are still working on the civil side and in the civil services and why they are not being recalled seeing that you are recalling all the I. M. S. officers from civil duties?

Sir Gurunath Bewoor: I have replied to that question in my answer to part (b) of the question.

Mr. Govind V. Deshmukh: Why such a big percentage as 42 not been recalled?

Sir Gurunath Bewoor: I have explained that in reply to part (b) of the question.

Mr. Govind V. Deshmukh: Was the matter gone into recently? If so, why is there such a high percentage of reserves?

Sir Gurunath Bewoor: I have explained in my answer to part (b) that two-thirds of this 42 per cent. are holding residuary posts and they do not form part of the war reserve and the remainder consists of posts in which the officers are employed on work directly connected with the war or because their services are considered more valuable in their present posts than in the armed forces.

Mr. Govind V. Deshmukh: Is it necessary to reserve such a high percentage even in these war times when you are asking for the recruitment for the Medical Department and when you are obtaining the services of private practitioners and others?

Sir Gurunath Bewoor: They do not form part of the war reserve.

Lieut.-Colonel Sir Henry Gidney: May I ask whether it is not a fact that the I. M. S. in civil is a war reserve?

Sir Gurunath Bewoor: Not the whole of it.

Lieut.-Colonel Sir Henry Gidney: What does the Honourable Member really mean by 'residuary posts'? Are these residuary posts in addition to the Civil Department? If so, will he kindly inform this House how many men in the I. M. S. and the I. M. D. who had retired have been recalled to active service as dug-outs?

Sir Gurunath Bewoor: I cannot possibly reply to this question and it really does not seem to arise out of the question. However, I shall require notice of it. But so far as the residuary posts are concerned, I would draw the attention of the Honourable Member to the Resolution

of the Defence Department issued in March 1937 on which there was a very prolonged debate in this House in that year. He will find all the information in that Resolution.

Sir Cowasji Jehangir: May I ask whether the Honourable Member will give an assurance that certain officers of the I. M. S. who are now serving in some important posts on the civil side will not be removed? I am forced to ask this question on account of the questions that have been asked on this subject.

Sir Gurunath Bewoor: Each case is always considered on its merits before an officer is recalled.

Lieut.-Colonel M. A. Rahman: Out of this 42 per cent. who are left behind and who are not requisitioned for military duty, will the Honourable Member give the percentage of Indians and Europeans in the I. M. S.?

Sir Gurunath Bewoor: I shall require notice of that question.

Mr. Husenbhai Abdullabhai Laljee: How do you value the services in the civil as more important than those on the military? Is there any criterion, is there any basis for valuing the services in civil side? My Honourable friend, Sir Cowasji Jehangir, just now said that they are doing more important work on the civil side? I do not know how service on the civil side is better than service in war. How do you assess the value?

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

AUSTRALIAN OFFICERS IN THE INDIAN ARMY.

45. ***Mr. Govind V. Deshmukh:** (a) Will the Defence Secretary please state if any Australians have been appointed as officers in the Indian Army? If so, what were the circumstances necessitating such a step?

(b) Are any Indians appointed as officers in the Australian army?

Sir Gurunath Bewoor: (a) Yes, Sir. The reason was the acute shortage of officers required for the expanded Indian Army and the need for making up this shortage urgently.

(b) None, Sir, as far as Government is aware.

Mr. Govind V. Deshmukh: How many and when were these Australian officers appointed?

Sir Gurunath Bewoor: Only eight Australian cadets have been granted emergency commissions in the Indian army?

Mr. Govind V. Deshmukh: When?

Sir Gurunath Bewoor: I cannot give the exact date, but quite recently.

Lieut.-Colonel Sir Henry Gidney: Apart from the eight Australian

officers recruited from Australia, may I ask the Honourable Member to inform the House whether any British officers have been recruited from Hong-Kong, Burma, Ceylon, Egypt, Malaya and other colonies into India and posted as officers of the Indian army? If so how many?

Sir Gurunath Bewoor: I was asked only about Australians. I cannot give information about others.

Mr. Govind V. Deshmukh: What is the answer to part (b)?

Sir Gurunath Bewoor: "None, Sir, as far as Government is aware".

Mr. Lalchand Navalrai: Was it because that Indians were not available and therefore Australians were appointed?

Sir Gurunath Bewoor: Indians were not available in sufficient numbers. We are still wanting as many suitable candidates as can come up. The demand is far greater than the supply.

Sardar Sant Singh: May I know if the question of appointing subjects of other parts of the British Empire was considered in all its implications before these appointments were made? May I know whether any such appointment was made in the British army as officers where Australians have been appointed in the British army?

Sir Gurunath Bewoor: That does not arise out of this question. I was asked only about Australians in the Indian army and I have given the answer.

Sardar Sant Singh: May I know whether the appointment of outsiders as officers in the Indian army has been considered in all its aspects before it is made?

Sir Gurunath Bewoor: They belong to the British Commonwealth of Nations.

Lieut.-Colonel M. A. Rahman: Are Indians eligible for appointments in the Australian army?

Sir Gurunath Bewoor: I have no information.

Mr. Husenbhai Abdullabhai Laljee: Will the Government make enquiries?

Sir Gurunath Bewoor: If a question is put, I will see whether we can enquire.

Pandit Lakshmi Kanta Maitra: May I know whether it is within the competence of the Honourable Member's department to appoint an Indian officer to command an Australian army, or whether it is within the competence only of the Australian Government?

Sir Gurunath Bewoor: It is in the hands of the Australian Government.

Pandit Laksami Kanta Maitra: May I then take it that the position is that it is not within the competence of the Defence Department in India to make any appointment to command Australian army? Is that the position?

Sir Gurunath Bewoor: That is the position.

Mr. Govind V. Deshmukh: Did the Government of India request the Australian Government to send any Australian cadets to serve in the Indian army?

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

†46*.

DESIRABILITY OF COMPOSING AND BROADCASTING OF WAR NEWS, ETC., BY
INDIANS IN INDIAN LANGUAGES.

47. ***Mr. Govind V. Deshmukh:** Will the Member representing the Information and Broadcasting Department please state:

- (a) if the star war feature of the news is the broadcast composed and produced by non-Indian intellectuals;
- (b) the languages in which radio dramatics are originally composed and the languages in which these are given; and
- (c) if all the time and money that is available for broadcasting war matter will be devoted by the All-India Radio to do it through Indians in Indian languages in their own ways instead of translations from English?

The Honourable Sir Andrew Clow: (a) I presume the Honourable Member is referring to items giving important news of the day in a dramatised form which are broadcast from the stations of All-India Radio. The majority of such items are composed by Indian authors.

(b) Dramatic representations of war publicity themes are written and broadcast in English, Hindustani, Bengali, Mahratti, Gujerati, Tamil, Telugu and various other Indian languages, depending upon programme requirements. Some of them are adaptations of English originals, but the majority are originally written in the Indian language in which they are broadcast.

(c) Yes, as far as possible.

Mr. Lalchand Navalrai: Are they broadcast in Sindhi?

The Honourable Sir Andrew Clow: I do not know of any.

Mr. Govind V. Deshmukh: With reference to part (a) are none of the star war feature news produced or composed or broadcast by non-Indians?

†This question was not asked by the Chair as it was from a member of the Muslim League Party (vide remarks of the Honourable the President above).—
Ed. of D.

The Honourable Sir Andrew Clow: A few of these in English have been composed by non-Indians. Many of the English ones are done in collaboration by Indians and non-Indians.

Mr. Lalchand Navalrai: If there is no broadcast in Sindhi, will the Honourable Member give instructions that it should be done in Sindhi also, because there is no Radio station in Sind?

The Honourable Sir Andrew Clow: I am not prepared to give a promise to that effect.

Mr. Lalchand Navalrai: Are you in no way concerned with Sind?

The Honourable Sir Andrew Clow: It must depend upon the number of licences in particular language areas.

Mr. Lalchand Navalrai: Will the Honourable Member find out the number of licences in Sind?

(No reply.)

Sir F. E. James: May I ask if the Honourable Member is aware that with regard to broadcasts in Tamil, there has been a complaint from industrial and plantation areas that the Tamil used is not understood by the people who are supposed to listen? The Tamil used in the broadcasts from Madras and Trichy stations is much too high flown for the workers, particularly in industrial and plantation areas for whom these broadcasts are really intended. That is the complaint which has been made several times to the local stations by those who are in a position to know.

The Honourable Sir Andrew Clow: I was not aware of that. I think it is the habit of broadcast stations all through the world to broadcast more or less in the language of the educated persons. There is naturally difficulty if one is to adopt what would be regarded as local dialects instead of a pure form.

Sir F. E. James: Surely my Honourable friend is aware that there are even in the B. B. C. occasional broadcasts by Lancashire lads for Lancashire people and would he not therefore consider the advisability of putting people on the air who could speak the Tamil of the country and not only the Tamil of literature?

The Honourable Sir Andrew Clow: The Tamil spoken is the Tamil of the country but not necessarily the Tamil of every citizen.

Sir F. E. James: My Honourable friend might perhaps consult his colleague, who knows what I am talking about.

The Honourable Sir Andrew Clow: I think he agrees with me.

Lieut.-Colonel M. A. Rahman: May I know why amongst the list of languages is Urdu omitted? Will the Honourable Member consider the advisability of broadcasting the news in Urdu also?

The Honourable Sir Andrew Clow: "Hindustani" is included.

Lieut.-Colonel M. A. Rahman: Hindustani is different from Urdu.

DESIRABILITY OF APPOINTING INDIAN NAVAL ARCHITECTS UNDER THE ROYAL INDIAN NAVY OR IN THE MARINE DEPARTMENT.

48. *Mr. Akhil Chandra Datta: (a) Will the Defence Secretary be pleased to state whether there are any appointments of naval architects under the Department of the Royal Indian Navy or under the Indian Marine Department?

(b) Will he be pleased to state how many appointments for naval architects are there in India, whose pay is borne on the estimates of the Central Government of India?

(c) Will he be pleased to state whether there are any Indian naval architects employed under the said Departments? If not, will he be pleased to state whether he is aware that Indians trained and qualified as naval architects in the United Kingdom are available in India? If so, did Government consider the desirability of appointing such Indian naval architects under the Royal Indian Navy or in the Marine Department? If not, why not?

(d) Is he aware that there are some qualified Indian naval architects employed in India under British shipping firms engaged in carrying Government mails from India to the United Kingdom, who have got ship-building workshops in Calcutta and other ports and who are now engaged in manufacturing war materials for the Navy? If not, does he propose to enquire into the matter and take steps for recruiting such Indian naval architects under the Royal Indian Navy? If not, why not?

Sir Gurunath Bewoor: (a) No.

(b) None.

(c) The reply to the first part is in the negative.

As regards the second part, Government have no information.

Parts three and four do not arise.

(d) As regards the first part, so far as Government are aware, there are no such architects. As regards the last part, the reply is in the negative in view of the reply to part (a).

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please state whether he is prepared to advertise this appointment in view of the fact that there are Indian architects? Will he be prepared to advertise?

Sir Gurunath Bewoor: In reply to part (a) I said that there is no post of 'Naval Architect' and, therefore, I cannot advertise for a post which does not exist.

ARREST OF SARDAR MANGAL SINGH.

49. *Sardar Sant Singh: Will the Honourable the Home Member please state:

(a) whether it is a fact that Sardar Mangal Singh, M.L.A., was arrested on the 14th August, 1941, under Rule 129 of the Defence of India Rules, two days before he was to offer *satyagraha* of which he had already given due notice on the 11th August, that he would offer *satyagraha* on the 16th August, 1941;

(b) whether it is a fact that in May last the Punjab High Court had held that a mere giving of a notice of one's intention to offer *satyagraha* is no offence under the Defence of India Act;

(c) whether it is also a fact that, in pursuance of that High Court's decision, a large number of *satyagrahi* prisoners were released, including Dr. Gopichand Bhargava and Mrs. Duni Chand, M.L.A., who were detained under Rule 129/26 of the Defence of India Rules; and

(d) what orders Government contemplate to pass, or have already passed in the case of Sardar Mangal Singh, M.L.A., who was also arrested under exactly similar circumstances?

The Honourable Sir Reginald Maxwell: (a) Sardar Mangal Singh was arrested under rule 129 of the Defence of India Rules under the orders of the Provincial Government, on account, it is understood, of certain activities aimed at reviving the *Satyagraha* campaign and not for giving notice of his intention to offer *Satyagraha*. I understand that he has since been released.

(b) Yes.

(c) In view of the ruling of the Punjab High Court the Government of the Punjab released certain prisoners who had been convicted under rule 121 of the Defence of India Rules for giving notice of their intention to offer *satyagraha*. The ruling did not affect the cases of persons detained under rule 129 or rule 26; and I understand that Dr. Gopi Chand Bhargava had been detained under the latter rule. I have no information regarding Mrs. Duni Chand.

(d) Does not arise.

Pandit Lakshmi Kanta Maitra: In view of this ruling of the Punjab High Court do Government propose to release cases of this nature in other provinces so as to bring about uniformity in this respect?

The Honourable Sir Reginald Maxwell: It is for the Provincial Governments to consider; they have the powers.

Qazi Muhammad Ahmad Kazmi: With regard to prisoners under the Central Government, do Government propose to apply this ruling?

The Honourable Sir Reginald Maxwell: It does not apply to any prisoners detained under orders of the Central Government.

**ALLEGED PREFERENCE FOR EUROPEANS IN SELECTING THE SECRETARIES
OF THE GOVERNMENT OF INDIA DEPARTMENTS.**

50. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state if it is a fact that Secretaries to the various Departments of the Government of India are appointed by the Home Department? If not, what is the procedure for selecting such Secretaries?

(b) Are these Secretaries selected from amongst the I. C. S. members? If so, is it a fact that all of them are Europeans? If so, what is the reason for this preference for Europeans?

(c) Will the Honourable Member please lay on the table of the House a statement showing the number of I. C. S. officers working as (1) Secretaries and (2) in offices other than Secretaries in the Government of India, the number of Europeans, Hindus, Muslims, Sikhs, Christians, Parsis and others, and also the number from each Province?

The Honourable Sir Reginald Maxwell: (a) The recommendations for appointments are made to the Governor General in Council by a Selection Board which consists of three Secretaries to the Government of India and the Secretary of the Department in which the appointment is to be made if he is not already a member of the Board.

(b) Secretaries are normally selected from the I. C. S. except in certain *E. G., Legislative Assembly, Departments.* The answer to the second Railway and External Affairs part of the question is in the negative. Departments.

(c) I place a statement on the table.

Statements showing the Number of I.C.S. Officers serving as Secretaries and in offices other than Secretaries in the Government of India.

A.—DISTRIBUTION BY COMMUNITIES.

(a) Secretaries.

Europeans	13
Hindus	1
Muslims	0
Sikhs	0
Indian Christians	0
Parsis and others	0
	14

(b) Others.

Europeans	32
Hindus	22
Muslims	6
Sikhs	..
Indian Christians	..
Parsis and others	..
	60

B.—DISTRIBUTION BY PROVINCES.

Madras	3
Punjab	5
U. P.	1
Bengal	3
Bihar	1
Bombay	..
C. P.	..
Assam	..
Burma	1
	14

(b) Others.

Madras	9
Punjab	7
U. P.	11
Bengal	10
Bihar	3
Bombay	8
C. P.	6
Assam	4
Burma	2
	60

Sardar Sant Singh: May I know how many of them are Indians?

The Honourable Sir Reginald Maxwell: That is contained in the statement which I have laid on the table.

Sardar Sant Singh: Does this selection board consist entirely of British members of the Indian Civil Service?

The Honourable Sir Reginald Maxwell: No, Sir.

Sardar Sant Singh: May I know how many of them are Indians?

The Honourable Sir Reginald Maxwell: I understand there are two Europeans and one Indian.

**STOPPAGE OF THE OVERSEAS ALLOWANCE OF THE INDIAN PILOT OFFICERS
AMALGAMATED WITH THE ROYAL AIR FORCE IN ENGLAND.**

51. *Sardar Sant Singh: (a) Will the Defence Secretary please state if it is a fact that a batch of 24 Indian Pilot Officers was sent to England last year? What emoluments, salary and allowances were they drawing at the time of their departure? What overseas allowance was paid to them?

(b) Is it a fact that these Pilot Officers were subsequently amalgamated with the Royal Air Force in England and their overseas allowance was stopped, resulting in their emoluments being reduced to a level below that which their colleagues in Indian Air Force are getting?

(c) What steps are Government taking to remove this hardship?

Sir Gurunath Bewoor: (a) Yes. Their pay at the time of departure was Rs. 385 per mensem *plus* a messing allowance of Rs. 40 per mensem (Total Rs. 425 per mensem). They were paid an overseas allowance of £25 per annum in the first instance. This was later increased to £50 per annum and again to £100 per annum, in both cases with retrospective effect.

(b) They were seconded to the Royal Air Force and not amalgamated with it. Their overseas allowance was at no time stopped; but the grant of the emergency allowance to officers of the Indian Air Force in India resulted in their drawing less than the latter for a short time. With the retrospective increase in overseas allowance however their emoluments (including the value of certain free services) have become more than those of officers of the same rank in India.

(c) Does not arise.

UNSTARRED QUESTIONS AND ANSWERS.

†21 and 22.

PERSONS DETAINED, INTERNED, EXTERNEED OR RELEASED UNDER THE DEFENCE OF INDIA RULES.

23. Mr. N. M. Joshi: Will the Honourable the Home Member be pleased to lay on the table a statement showing—giving separate figures for each category—the number of persons—

- (a) detained, or
- (b) interned, or
- (c) externed,

under the Defence of India Rules with or without trial, from the beginning of the war up to as late a date as practicable, and also giving the number of persons of each category since released or freed from restrictions?

The Honourable Sir Reginald Maxwell: (a) The total number of persons detained without trial under Defence of India Rule 26 from the beginning of the war up to September 15th, 1941, was 1724, of whom, at the beginning of that month, 1653 were still in custody.

(b) and (c). The Government of India have no precise information, as various types of restrictive order may be passed under rule 26 in addition to what the Honourable Member refers to as externments and internments, and the action has been taken by Provincial Governments. By the 15th September, 1941, 2006 restrictive orders had been passed since the beginning of the war, of which 1610 had been passed in Bengal. The Government of India are not aware how many of these orders are still in force. The collection of the information required would necessitate a reference to all Provincial Governments and would involve much labour and delay.

†Not included in these debates as these were from Members of the Muslim League Party (*vide* remarks of the Honourable the President on p. 189, *ante*)—*Ed. of D.*

APPLICATIONS FOR FAMILY OR PERSONAL ALLOWANCES FROM PERSONS DETAINED, INTERNED OR EXTERNEED UNDER THE DEFENCE OF INDIA RULES.

24. Mr. N. M. Joshi: (a) Will the Honourable the Home Member be pleased to state how many of the persons detained, interned or externed under the Defence of India Rules without trial for an indefinite period, had applied for a family or personal allowance, and in how many of these cases the applications had been granted?

(b) How many have been given a monthly allowance of Rs. 50 or more, how many between Rs. 50 and Rs. 20, how many between Rs. 20 and Rs. 10, and how many less than Rs. 10?

The Honourable Sir Reginald Maxwell: (a) and (b). So far as the 29 prisoners detained under the orders of the Central Government are concerned, ten individual applications for the grant of allowances have been received. An allowance of Rs. 150 per month has been granted for the maintenance of the prisoner's family in one case; three cases are still under consideration; and the remaining applications have been rejected after enquiring into the circumstances of the family. As regards persons detained or restricted under the orders of the Provincial Governments the granting of family allowances rests with the discretion of the Provincial Government and the Government of India have no information as to the number or amount of the allowances granted. Enquiries are, however, being made, and the results will be laid on the table in due course.

MOTION FOR ADJOURNMENT.

DISCONTENT AMONG DETENUS AT THE DEOLI DETENTION CAMP.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjournment from Mr. Joshi who wants to discuss a matter of definite and urgent public importance, namely, grave discontent among the detenus in the detention camp at Deoli on account of some of their grievances having remained unredressed and the apprehension of some serious action being taken by the detenus. The Honourable Member has also enclosed a copy of a telegram which I need not read out; I take it it is only a justification for his motion. Is there any objection to this motion being considered?

The Honourable Sir Reginald Maxwell (Home Member): No, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The motion will be taken up at 4 o'clock unless the business of the House is finished earlier.

Sir F. E. James (Madras: European): Sir, before you proceed to take up the Resolutions, may I raise one point? In view of the absence of two large Parties from this House for the Session, would it be possible for you to allow those seats to be occupied so that the remaining 'rump' of this House might dispose itself more comfortably?

Mr. President (The Honourable Sir Abdur Rahim): I shall consider this matter. So far as the Congress Members are concerned, they have not given any formal notice, so far as I am aware, that they will not attend the sittings of the Assembly this Session. But certainly the Leader of the Muslim League Party gave us yesterday a formal notice that the Muslim League Party will not attend. So far as their seats are concerned, I shall consider what I can do.

RESOLUTION RE INDO-BURMA IMMIGRATION AGREEMENT.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Sir, I beg to move:

"That this Assembly being of the opinion that the Indo-Burma Immigration Agreement should not have been concluded without consulting the Legislature and public opinion in India and being further of the opinion that the said Agreement ignores the fundamental rights of Indians settled in or having connections with Burma, violates the assurances and pledges given at the time of the passage of the Government of Burma Act in regard to the right of free entry of Indians into Burma and is discriminatory and humiliating in its provisions and detrimental to the interests of India, recommends to the Governor General in Council not to implement the agreement as it stands and to revise it satisfactorily in consultation with the interests concerned."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly being of the opinion that the Indo-Burma Immigration Agreement should not have been concluded without consulting the Legislature and public opinion in India and being further of the opinion that the said Agreement ignores the fundamental rights of Indians settled in or having connections with Burma, violates the assurances and pledges given at the time of the passage of the Government of Burma Act in regard to the right of free entry of Indians into Burma and is discriminatory and humiliating in its provisions and detrimental to the interests of India, recommends to the Governor General in Council not to implement the agreement as it stands and to revise it satisfactorily in consultation with the interests concerned."

The Honourable Mr. M. S. Aney (Leader of the House): Sir, I move:

"That the debate on this Resolution be adjourned to some subsequent date."

Government are still considering this matter and it will take some time; and, therefore, if the debate is carried on today, they will not be in a position to give a definite reply. I, therefore, move that it be postponed to some later date this Session.

Sir Abdul Halim Ghuznavi: Sir, I have no objection provided the Leader of the House gives us an assurance that he will fix an official day and not a non-official day, and not later than the 5th November.

The Honourable Mr. M. S. Aney: I can give the assurance that we shall give an official day, and as far as possible we shall try to accommodate the Honourable Member.

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

"That the debate on this Resolution be adjourned."

The motion was adopted.

RESOLUTION RE THE ATLANTIC CHARTER FOR A NEW WORLD ORDER.

Maulvi Abdur Rasheed Choudhury (Assam: Muhammadan): Sir, I move:

"That this Assembly recommends to the Governor General in Council that immediate steps be taken to give effect, in the case of India also, to the joint decision of the British Premier and of the President of the United States of America commonly known as the Atlantic Charter for creating a new world order."

Immediately after the declaration of the war there was a demand both from the press and platform of this country that the British Government should clearly declare their war and peace aims so far as India was concerned. Along with these demands it was made clear that India was ready to help the Government with men, money and everything to win this war, but the country wanted to know from the authoritative quarters what was the war aim and peace aim of the British Government so far as India was concerned. No declaration of policy came from any authoritative quarter. The demand was reiterated and, ultimately, the Congress, the largest Party in this Assembly, made this demand. Nothing came out of that. As a protest the Congress boycotted this House. They left the Assembly and began their *Satyagraha* movement, though this time it was individual *Satyagraha* and not mass *Satyagraha* as before. Things have been going on like this and it went on for about 15 months after the war. Then on the 15th March last, the President of the United States made a declaration that no nation, however small they may be, can be ruled over by others. For the information of the House, I will read only two lines from his declaration so that the House may refresh its memory:

"There has never been and never will be any race of people fit to serve as masters over their fellowmen."

That was one point. The next point is:

"The world has no use for any nation which, because of its size and military might, asserts its right to gosestep to world over other nations and other races."

The Honourable Mr. M. S. Aney (Leader of the House): What is the paper that the Honourable Member is reading from?

Maulvi Abdur Rasheed Choudhury: I am reading from a paper. It only quotes the actual words. After the Peace Conference of the last war, it became clear that the words of even the President of the United States had no meaning. It is fresh in everybody's memory how the 14 points laid down by President Wilson were trampled under foot by the words of the British Premier at the time. But this time the President of the United States will be listened to by the British authorities. The United States have been giving more assistance to Great Britain in this war than they did last time. So we in this country consider that America has a sort of partnership with the British Premier in this world and the part played by the President of the United States will not be taken lightly by the British authorities. This is what raised a false hope that even this country would be benefited by that declaration of the President of the United States. Sir, five months after we read in papers that the President of the United States and the British Premier met somewhere in the Atlantic and their joint decision came out in the form of 8 points, popularly known as the Atlantic Charter, it

[Maulvi Abdur Rasheed Choudhury.]

raised great hopes, especially in India, that this time India can hope to get political advancement from the British authorities as the President of the United States was supporting the principle. There was a reason for that because one of the 8 points was the recognition of free trade policy between England and America. This also lent support to the hope that the President of the United States will have a voice in the settlement of India's destinies this time. But, Sir, let us see what has taken place since then. Two days after the declaration of the Atlantic Charter, Mr. Attlee, the Deputy Premier of Britain, in the absence of the Right Honourable Mr. Winston Churchill, declared that the Atlantic Charter was applicable in the case of India as in the case of other countries. Probably this was a sort of indiscreet announcement. As soon as the British Premier returned he made a declaration that the Atlantic Charter was not applicable in the case of India. We knew him to be a straightforward and blunt man, but still we had a hope that Mr. Attlee's assurances would not be trampled under foot by the Premier. We entertained a hope that this Atlantic Charter would be applied in the case of India as soon as possible. We remained in that hope. Then there were inter-allied conferences which sat in London. That conference was attended by all the allies of Britain including the Dominions and also by Mr. Amery, the Secretary of State for India, but in which capacity we do not know. Be that as it may, that conference passed a resolution and I may read it for the information of the House: the Resolution "declared support for the principles embodied in the Atlantic charter agreed to by President Roosevelt and Mr. Churchill." We were hopeful that the Atlantic Charter would be applicable in the case of India, if not in full at least in part. The first doubt arose in our minds when the Russian Delegation declared the policy of its government and said that the political advance would depend on the economic prosperity of the country. I shall read it for the information of the House:

"The Soviet Union defended the right of every nation to its independence and territorial integrity and its right to choose its own social form and to choose such form of Government as was deemed opportune and necessary for better promotion of its economic prosperity."

That came as a surprise to all the nations who hoped to get some benefit from this Charter. From the declaration of the Russian Delegation it was quite clear that the economic prosperity would play a great part in the determination of the application of this Charter. That upset the political mind of India and even a man like Sir Sikandar Hayat Khan felt doubts whether this Charter would be applicable in the case of India at all. His loyalty to the British Crown is historic and cannot be called into question by anybody; but even he got perturbed and he demanded a declaration from the British Premier to appease his anxiety. Of course, Mr. Churchill could not eat his own words and so he did not make any declaration; but probably at his instance, his lieutenant, the mighty Secretary of State, came forward with a declaration for the satisfaction of Sir Sikandar Hayat Khan and those who thought in his way. I shall read it so that the House might refresh its memory:

"The goal of Dominion Status would be attained with the least possible delay after the war under a constitution framed by agreement among Indians themselves."

There are two things here. One is that the goal of Dominion Status would be attained with the least possible delay. Let us see what this "least possible delay" means so far as our country is concerned. In the last

Round Table Conference the present British Premier had to give evidence before the Joint Select Committee in 1932-34 and he said then:

"No Member of the Cabinet meant, contemplated or wished to suggest the establishment of a Dominion Constitution for India for any period which human beings ought to take into account."

That was the pronouncement of Mr. Winston Churchill in 1932. Human nature hardly changes, and as he is now at the helm of the administration of the British Empire, we cannot expect him to change his meaning so far as the date of the attainment of Dominion Status by India is concerned. According to him Dominion Status for India can never be thought of in any time which a human being can think of. The Secretary of State is a somewhat cleverer gentleman. He wanted to keep a loophole within the declaration through which he could bring himself and the British Empire from the application of that declaration.

Then comes this second thing. I think the House has by this time lost sight of the Atlantic Charter and I shall bring it to the notice of the House again. It was meant to recognise the right of every nation, European or non-European, to live its own life and manage its own affairs, unhampered by the enforced trusteeship of outsiders. Let us see how it applies in our case. As I said, the Honourable Mr. Amery kept a loophole in his declaration and said that Dominion Status will be attained without delay under a constitution framed by agreement amongst Indians. That is a very big thing. The Secretary of State knows full well that the agreement he contemplates will never be reached amongst Indians so long as his trusteeship is here. He knows full well that the Government have set one party against the other, one nation against the other, that this vast sub-continent of India is divided into so many heterogeneous groups,—the Hindu nation has been divided into different sections like the Harijans and non-Harijans, the Muslims have been divided into Sunnis and Shias and Momins and so on. He knows full well that an agreement like this is not possible of attainment in India so long as his trusteeship exists. So this shows that he has kept the loophole when he says that the question of granting any substantial reforms to India would be considered after the termination of the war, and he says: "Well, you are not able to come to an agreement among yourselves; what can we do, how can we help you so long as you remain disunited and disorganized".

Now, Sir, so far as the statements of British statesmen are concerned, our experience is they are like the two sets of teeth of an elephant—one set represents the tusks of the elephant for exhibition and the other set for chewing. In the same way, whatever declarations or announcements are made, the British administrators mean one thing and do quite a different thing. They say something for the ear, while they don't mean to carry out their promises. In this connection, I wish to refer to the famous words which Lord Lytton wrote to the then Secretary of State in the year 1878. This is what he said: "I do not hesitate to say that both the Governments of England and India appear to me up to the present moment unable to answer satisfactorily the charge of having taken every means in their power of breaking to the heart the words or promise uttered to the ear". So like the proverbial elephant which has got two sets of teeth, pronouncements are made with two meanings in whatever they say,—one for the ear and one for the heart. But Mr. Amery could not deceive the people of this country with his pronouncements and assurances although he could satisfy

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Sir Sikander Hayat Khan and men of his way of thinking. But the intelligentsia knew full well that these declarations were all hollow without much meaning, and so long as the British people do not show their sincerity in granting India suitable reforms which the people of this country demand, there can be no real political advancement of this country.

That is the position so far as the meaning given to the Atlantic Charter by the British Premier and the Secretary of State for India is concerned. But, Sir, the situation is really very grave now, and this sort of equivocal pronouncements will not be to the advantage either of Britain or of India. The enemy is practically knocking at our door. The Britishers can of course afford to remain indifferent, because they have taken lots from this country and will be satisfied with what they have taken, but we cannot remain content with the present position. We are determined that the slavery of India should end with the exit of the British. A very big effort is necessary to keep the enemy out of door, and if our overlords are determined not to assist us, it will not matter to us if they go away bag and baggage. But, Sir, in our own interest and for our own benefit we have to keep the enemy out of our country, and how can we do it? A very knotty question arises in that connection. At present there are differences of opinion, and we Hindus and Muslims are running at each other's throat, we are breaking our heads as is clear from the riots at Dacca and Bombay. In these circumstances we cannot render effective help or devise effective means to keep the enemy out of our country. Even at this stage when different communities are breaking each other's heads if the Government come and say: "Well, you agree among yourselves about a constitution and we will give it", knowing full well that such an agreement is not possible, so there is no hope for the future. Sir, the time has now come when sober heads will have to think over and find out means of keeping India safe from the enemy. Sir, the empty benches opposite is a clear indication that the country at large is not with the Government. The Congress represents the biggest political group in this country, and the next largest group is the Muslim League. The Muslim League represents some nine crores of people of this country, while the Congress represents another 15 crores. So these vacant benches indicate that the country is not with the Government. As soon as you are in difficulty, you will find that you have been deceived by your advisers and others who say that the country is with you, that it will come to your rescue when you are in trouble. It is time, Sir, that the British Premier and the Secretary of State reconsidered the whole position and tried to extricate themselves from this difficulty and took India on the road to the political goal without waiting for the termination of the war . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has got two minutes more.

Maulvi Abdur Rasheed Choudhury: It will not do if you merely try to keep this country out of the arena of warfare. It will bring endless misery and trouble to both the British Government as well as the people of this country if you maintain your present attitude. The British Government should now show their statesmanship and they should try and bring together all the people holding different views on one common platform, so that in time of necessity the Government could count on the help of these people and take joint action against the enemy. If that is not done, then the next

step will be this country will have to fight them so that the enemy might not be allowed to come inside the country. That step will be very tragic, and I am sure that step will be inevitable, unless this catastrophe is averted by the ingenuity and statesmanship of the British authorities. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Resolution moved:

"That this Assembly recommends to the Governor General in Council that immediate steps be taken to give effect, in the case of India also, to the joint decision of the British Premier and of the President of the United States of America commonly known as the Atlantic Charter for creating a new world order."

Sardar sant Singh (West Punjab: Sikh): Sir, before I make my observations on this important subject which has created some disturbance in the political life of India, I want to point out that the principal Group that ought to have been here to hear us is conspicuous by its absence. I refer to the European Members of the Government of India and the European Group, because my observations are addressed more to the Europeans, I mean Britishers,—I will not use the word "Europeans", I will rather try to use the term "Britishers" than anything else.

The Honourable Mr. M. S. Aney: Don't call them Continentalists!

Sardar Sant Singh: I would not call them "Continentalists". It is not a new phase of American statesmanship to intervene at the eleventh hour and deceive the world with their "points". There were the 14 "points" of Mr. Wilson, the then President of the United States of America who intervened in the war of 1914-18, and today it is another hypocrite of Mr. Roosevelt's fame who has come and reduced those 14 points into eight. We are accustomed to the hypocrisy of the European nations, we are accustomed to the duplicity of the Americans, and it is not surprising that that duplicity should be shared by a diehard of the type of Prime Minister Mr. Churchill. It may be an impotent rage on our part to call those persons who are in a position to hurt us as hypocrites and given to duplicity in their dealings with our people. They play with our feelings, they have played with our feelings in the past, and they continue playing with our feelings today.

The position is this. In the last war I remember,—I can give the substance of the reply given by the then Prime Minister of England, Mr. Lloyd George, when he was questioned by a correspondent of an important newspaper while he was explaining the theory of self-determination for all nations, what the British people intended to do with India and what the status of India would be after the war. Mr. Lloyd George then replied "Well, if we can conquer Kaiser and his military hordes, surely we are capable of finding a solution for the Indian problem ourselves". Words pregnant with meaning. The above words raised great hopes in the breasts of the politicians in India. There is a long distance between 1918 and 1941, a distance of about a quarter of a century, and we know that we are worse off today than we were in 1918, so far as the political status of India is concerned. Therefore, I regard Mr. Churchill to be more honest than Mr. Lloyd George. I regard Mr. Churchill to be at least free from that charge of fraud and deception towards India. He has plainly told us that the Atlantic declaration does not apply to India. I will presently explain in the short time that is at my disposal what this Atlantic declara-

[Sardar Sant Singh.]

tion is and what it amounts to. But I have nothing but praise for the honesty and straightforwardness of Mr. Churchill. Mr. Churchill is the hero of the Britishers today. He commands a very high respect amongst his own countrymen, and I know that he was the bitterest opponent of Indian constitutional advancement when the Act of 1935 was before the Parliament in England. Therefore, Sir, I have no personal complaint or complaint on behalf of India to make towards the attitude of Mr. Churchill. He has been consistent and he has been very frank. So, it need not disappoint us when we know that he has not done anything which was not consistent with his previous policy.

Now, coming to the declaration itself, the first item out of the eight items which the declaration contains, is that their countries seek no aggrandisement, territorial or otherwise. Why should they? Why should they seek aggrandisement? Aggrandisement? British Empire—the sun does not set on it! They want to maintain that empire. So, they are perfectly right when they say that they seek no aggrandisement. If they seek no aggrandisement we have no quarrel. But our present purpose is to deprive them of the right of ownership of this country, called India. We do not want them to be our owners. Therefore, our case does not fall within the first item of this declaration. So far as India is concerned, this first item is irrelevant to our argument. I said that no greater hypocrite and deceptor was born on this earth than this Roosevelt, and I will prove it by the first item in this declaration. May I ask some of my European friends, representatives of the Britishers in this country, what about Lease and Lend Act? How many parts of your empire have you been deprived of by this Mr. Roosevelt in the name of establishing naval bases? What parts have you kindly given away to America? Is it aggrandisement or is it not aggrandisement? The British Empire is being split up for the benefit of America.

Mr. J. D. Boyle (Bombay: European): Rubbish!

Sardar Sant Singh: What do you mean by rubbish? I know it will trouble you, it will disturb you. I am here to disturb you. I am disturbing you, I am deliberately disturbing you, bringing home to you how many parts of the British Empire you have quietly given away to America, and yet America says that it is not aggrandisement that they seek! That is a curious thing. Hypocrisy cannot go further.

Let me take the second item of this declaration. The second item says: "They desire to seek no territorial changes that do not accord with the freely expressed wishes of the peoples concerned."

Did you take the wishes of Iceland before American troops occupied that place? Did you take the free expression of Syria when you occupied that country?

Mr. J. D. Boyle: It is not occupied.

Sardar Sant Singh: You say it is not. We see it differently. We look upon it differently. Do you say that you took a referendum of the Iranian people when you sent your forces there and occupied Iran?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should address the Chair.

Sardar Sant Singh: I am addressing the Chair. The facts are entirely different from what they are represented to be. You say that without the express wishes of the peoples concerned you would not go to those places. Well your conduct belies your words.

The Honourable Sir H. P. Mody (Supply Member): It will all be different after the war.

Sardar Sant Singh: That is the right position. Sir Homi Mody for whom I have great respect has been our colleague for the last 12 years. He knows the difference and I wish him good luck on that Bench when he tries to bring about what he thinks now. I will wait to see that blessed day.

Then I come to No. 3. It says that they respect the right of all peoples to choose the form of Government under which they will live and they wish to see sovereign rights and self government restored to those who have been forcibly deprived of them. This item clearly refers to those countries which have been overrun by force of Hitler. In a very joking mood, yesterday at question time I told the House that that declaration will be applied to India provided India is prepared to be overrun by Hitler's forces. I thought that small slogan must have brought home to the Secretary of State and His Majesty's Government in Great Britain in what light this declaration has been received in India. This one sentence which I uttered yesterday has a very interesting history behind it. When we were in Lyallpur, we were discussing this declaration. Somebody remarked very cleverly, and probably to the point 'Don't you see that this declaration is not intended for India'. I said 'Why?'. He said 'Don't you see the word 'over-run'. That word 'over-run' carried some light to all of us. On that very day when this declaration was made, we would anticipate Mr. Churchill saying that it does not apply to Indian conditions. We know it and that is the reason why there was unconscious knowledge to all India that this declaration was not intended for India. At the time that this declaration was made even Mr. Satyamurti did not issue a statement about it. None of us issued any statement. Only we were surprised to see a cable sent by Sri Savarkar to the President of the United States asking whether the Charter will apply to India.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Sardar Sant Singh: Very well, Sir. I shall hurry up. That cable still remains unanswered. Then I come to No. 4 which refers to obligations: subject to existing obligations, to fulfil the enjoyment by all states, great or small, victor or vanquished and so on. I shall not go deep into this but the fact remains that Mr. Churchill claims that the British have got obligations in India on account of their long connection with India. Who is to break these obligations. Is it considered that Hitler will break these obligations and then India will get freedom.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Sardar Sant Singh: Finally Sir, I will tell Britishers and Mr. Churchill that India does not look to Britishers for its freedom and that India will look to itself, to its own effort to get rid of this ownership of the British people of our country. If we are capable of doing it, we shall do it. If not, we will remain slaves.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, the subject matter of the Resolution is the Atlantic Charter. Now let us see what brought this into existence? It was the helplessness of the Britishers that brought into existence this Atlantic Charter. It was then a matter of self-preservation. Of course it is only natural. Every human being and every animal tries to preserve itself. That is the law of nature. It is this instinct of self-preservation that brought into existence this Atlantic Charter. When the tide was changing in the beginning of the war in favour of Germany, when the Britishers could not make any headway in France and France was at the point of capitulation, Mr. Churchill came out with a declaration to identify the interests of the British and the French and to have one empire and one constitution. Mr. Churchill is a man given to making bold statements and adopting a very bold policy on important occasions, and his instinct of self-preservation is certainly very strong. We can see that the Atlantic Charter was brought into existence merely to save the Britishers. Now, the terms of the Charter have been read out by the Mover as well as by the Speaker who preceded me. The Resolution asks that certain immediate steps be taken. Does anybody know that really certain immediate steps are being taken to give effect to the Atlantic Charter. The Resolution is worded so as to imply that no steps are being taken to give effect to the Atlantic Charter. It has been forgotten that certain steps are being taken to give effect to the Atlantic Charter. The steps taken are such as to promote the interests of the Britishers at the sacrifice of Indian interests. This was the subject matter of my Adjournment Motion. After this Atlantic Charter came into existence, an Allied Council met in London. Such countries as have been overrun by Hitler and who are the allies of the Britishers met in London and had a Conference to guard and promote their own interests. Those were their aspirations as regards the reconstruction after the war so far as their respective countries were concerned. Now, India happens to be a member of this Allied Council. There are also the delegates from Australia and other countries who attended this Conference and who are the members of it. Mr. Amery is also taking part in these Conferences. Unfortunately, I have not brought all the papers regarding the origin of the Atlantic Charter and the papers connected with the Allied Conference because we never expected that this Resolution will come up for debate. But God is on our side. This subject which had been overruled so many times has anyhow come now before the House and we are given an opportunity to express our opinion on it.

If the Britishers do not wish that India should have anything to do with this Atlantic Charter and that it is inapplicable to India, then why take our help? Why do you want to make it applicable to India so far as Article 4 is concerned which deals with the economic reconstruction. They should be ashamed to take this kind of help from this country

when they do not wish to raise its political status as a free country and as a country which should enjoy the same standard of equality and freedom as they are themselves enjoying or those delegates are enjoying who attended this Conference. This is extremely selfish of them and it is this selfishness Himalayan in size and pure and simple in nature on their part which is compelling me to spill my blood and to part with my money to preserve the British Empire. If any other person had behaved in this manner, he would have been called mean and selfish and all sorts of bad things would have been said of him. But here is a country which poses to practise the principles of justice, equity and good conscience—I do not know what has happened to their conscience—which comes forward and swindles me of my money and makes my people to shed their blood in order to save the British Empire and to bring about its economic reconstruction after the war. They want the Indians to shed their blood in France, in Persia, in North Africa and other places to save their Colonies which have not shown the slightest regard for our self-respect. It is all very well to say that our soldiers have done very well and that they are brave and courageous. But let them understand that these compliments do not count with us now. Whatever may have been the case some years ago, let me tell them that these compliments are not going to stimulate us to any further action, either to part with our money or to help them voluntarily and encourage their effort to the extent that we would have been able to do had they said that this Charter was applicable to India also and that they were going to raise our political status.

Now, let me come to this Atlantic Charter. How was it received in India? As soon as this Charter was broadcast by Mr. Amery—and there was a special broadcast for it—, Sir Tej Bahadur Sapru came out with his statement and he condemned Mr. Churchill's statement that it was inapplicable to India in the strongest possible terms. A very responsible Minister of the Punjab also condemned Mr. Churchill's statement and said that it was most unwise and that it had hampered the efforts of those persons who were trying their level best to promote war effort. He further said that if there was any statesmanship left amongst the Britishers, an immediate declaration should be made that India's status would be that of a self-governing colony within two or three years after the war. He said that a declaration to this effect was to be made immediately. A similar suggestion was made by Sir Tej Bahadur Sapru. Sir, I am pleased to see that there is today an Honourable Member in this House who condemned Mr. Churchill's statement,—I mean the Honourable Mr. Nalini Ranjan Sarker. He forms a part and parcel of the expanded Council, a Council which is going to look after our national aspirations and our prosperity and I hope he will be the first to see that some action is being taken by the Government of India to bring the Secretary of State or His Majesty's Government to their senses and to make them think that if they want India's money and India's men, then it is very necessary that they should come out with a declaration that this Atlantic Charter is as much applicable to India as it is to any other country which has allied itself with them and is trying to save their Empire, to save their lives and to save other parts of the British Commonwealth. It seems to me that we are not merely helping Great Britain but we are going to save America also because it appears that Hitler's aim was to conquer part if not the whole of America. So, we

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have taken upon ourselves a Herculean task of defending these people. Let them take this fact into consideration that India is a country which can supply any amount of man-power and material. As a matter of fact, we are the key country which is supplying raw material for the manufacture of ammunition to all the different parts of the Empire as well as to America. Let them consider, therefore, the whole matter from the point of view that India should help them voluntarily and should supply as much man-power and raw material as she possibly can, and expand her voluntary response, and this can only be if this country is given the same status as other Dominions enjoy within two or three years after the war, and a declaration be made to that effect immediately.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Govind V. Deshmukh: I have finished, Sir, and I resume my seat.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, the question of the Atlantic Charter and of its non-application to India is such a simple one in its significance that it does not require much argument to condemn the attitude of those who have made that declaration. Sir, in books of constitutional law and history we read that at first there is the government by autocracy, then it changes into the government by hypocrisy and, ultimately, democracy comes in. There have been days when there was autocracy pure and simple in India. We all know of it. Then it was followed by government of hypocrisy which continued for a sufficiently long time. We have been quoting English Viceroys and Governors General and other big personalities who admitted the fact that promises made to the ear were broken to the heart. These are the words that have been quoted by one of my predecessors taken from an English Viceroy. So, the fact that the British were carrying on the Government of India by hypocrisy is a well established fact. We may complain of it, we may not complain of it, but it was a fact, it was admitted by everybody concerned. But we were putting up all these hypocrisies in the hope that according to the law laid down by constitutionalists, this is to be followed by democracy. But today we find that the British people realise that it is no more desirable to continue with that hypocrisy and so they have come back to autocracy pure and simple. This is a retrogression pure and simple.

My Honourable friend, Sardar Sant Singh, admired Mr. Churchill for his frankness. I do not admire his frankness because I think what he has done is to speak the mind knowing our feelings, knowing that India is so weak that he can speak his mind to India. They call a man the best statesman when he is a hypocrite. I do not feel why Mr. Churchill is not a statesman. He is not equally frank in other things, but here he is frank because he realises that he was to tell the truth to the people who are so weak as not to be able to protest against his declaration, or even if we protest, it would be of no matter to that gentleman or to the Government. Sir, at a time when Britain is involved in a war of this magnitude, at a time when they are talking of freeing the countries that have been overrun by Hitler, probably the idea

of Hitlerism is prevailing in their very minds themselves. They are probably taking lessons from Hitler in his methods. Whatever we know of Hitler, we know only through our Britishers. We do not know what is reality. But from what the Britishers tell us, we conclude that Hitler is an autocrat. Are the Britishers going to learn lessons from Hitler who is an autocrat himself, and declare that people who have the misfortune to come under their sway were not to be liberated for all time to come. This is what in reality the declaration of Mr. Churchill amounts to.

Now, Sir, a nation which is so surrounded by enemies, day after day it is requiring the help of other nations, day after day, it is sacrificing one friend after another for its own safety, a nation which tells its friends that when it becomes successful, it will see that the sacrifices they have rendered will be awarded—that very nation comes to India and says: “we are not going to consider your case as those of the other free people”. They do not want to give even a false promise to the effect that India would be a Dominion after two years after the close of the war. Even if such a false promise had been given, many gentlemen in this country would have come forward voluntarily and said: “we are prepared to help the Government”. But even that false promise was not considered necessary. So, what the British statesmen are feeling are that India is so weak, India is so helpless that it can be told to its very face that it is a slave country and it will continue to be so for all times to come. Now, Sir let me tell them through you that India does not depend upon others for getting independence, it does not depend upon others for any boons or any favours. India does not depend for the breaking up of her chains upon Hitler. India is not caring for the favours of this nation or that nation. If India is to get her freedom, it will be by standing on her own legs. When we realise the situation in the world, we are no longer hesitant to censure or to record our protest not only against any aggressor, but against the British Government itself which, we are convinced, are nothing short of aggressors and want to perpetuate that aggression. This is so far as the constitutional aspect is concerned. Now let us look into the moral aspect. There again the matter is too apparent to require any comment from me. What right have these gentlemen to say that freedom should not be granted to India even after the war. What right have they got to exploit men and materials of this country when they do not consider us fit to be free? What right have these gentlemen got to make an appeal to Indians that this is your war and that your country is in danger. What right have these gentlemen got to ask us, help us in freeing the world of Hitlerism. It is an absolutely inconsistent position they are taking up with respect to India itself. These are conditions which are too apparent to require any comment from me.

Now, Sir, let us see whether this position is accepted even by the best friends of Englishmen themselves. I mean in the sense not of Englishmen but of the Britishers who are governing India. People who call themselves Moderates or who call themselves Liberals and who co-operate with the Government from beginning to end, how have they reacted to this declaration of Mr. Churchill? I see here one of my Liberal friends sitting in this Honourable House and I hope he will rise to speak the opinion of his Party and of persons of his mode of thinking. They have all denounced the de-

[Qazi Muhammad Ahmad Kazmi.]

claration of Atlantic Charter because it is not made applicable to India. Everybody who understands India and who understands politics and who has any knowledge of India has denounced the declaration of Mr. Churchill regarding the Atlantic Charter. The Premiers, the Moderates, the Liberals have been crying against it. When there is denunciation of this Charter from all sides, it is useless for me to speak more about it. Let them satisfy their friends and say where they stand and where are we. Sir, I support the motion before the House.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, my Honourable friend, Mr. Deshmukh, mentioned the difficulty about discussing this Resolution because he has not brought the materials thinking that this Resolution would not be reached. That is my condition too; but anyway it has been reached and we have got to discuss it. To begin with I must say that I do not see eye to eye with my Honourable friend, Sardar Sant Singh, when he eloquently paid a tribute to Mr. Churchill's frankness in saying that the Atlantic Charter will apply to other countries but not to India; but that is not a matter on which he should be complimented and I think it was a great mistake on his part to take up that attitude. Apart from that, I have read a book on Mr. Churchill's biography and I formed the impression that it is not only now that he is hostile to India but that from his very early life when he was a military officer in India his attitude and his views with regard to India were most adverse. He has maintained that hostile attitude and I do not understand why? He himself has not said anywhere that we Indians are inferior or that we are not entitled to the same privileges and rights as are enjoyed by other countries within the Empire. Therefore, I do not know why he comes into our way, but it is clear that his statements cannot be supported by any arguments or any reasoning. The attitude of the Secretary of State towards India has so far been one of most unreasonable persistence and dogmatism. From the very beginning Mr. Amery has been singing the same song and every now and then he puts forward the view that the different Indian communities should prepare a joint demand which he says will be considered,—not that it will be accepted but considered only. The question is whether it is possible to agree upon any point formula. I say for this India is not responsible but it is a responsibility which lies upon them because from the very beginning they have been ruling India by a policy of divide and rule. By following that policy they have succeeded in estranging the feelings of the communities, by giving jobs to one community and titles to another and so on.

An Honourable Member: Are you not a Dewan Bahadur?

Mr. Lalchand Navalrai: No, I am not. My title of Diwan is a hereditary title given by my society and not by Government.

Sir, the Secretary of State said that we would put forward a joint demand and that will be considered. Since then statesmen in England and in India belonging to all parties have asked that the Secretary of State should not stand still there but should at any rate consider the demands made by all parties and find out a way. But that has not been done. What did they do in the case of the Communal Award? The

parties did not make a joint agreed demand and still the award was given. Therefore to sit stagnant and not to rally round the parties is absolutely wrong.

With regard to the Atlantic Charter it is wrong to say that it does not apply to India. It has been interpreted by every one as applying to all nations and there is no indication anywhere in it that India will be excluded. Then why should there be this subsequent interpretation by Mr. Churchill? I say it is a dishonest after-thought interpretation. After this Charter was signed the first statement that came out was the one made in the British Parliament by Major C. M. Attlee, who said that the declaration was applicable to Asiatic countries also. Now, I ask is India a nation or not? Has he taken India out of the map of Asia? Therefore, according to the first announcement that was made, in other words, the first interpretation which was put upon this Charter was expressed by Major Attlee, we find that he also said that they respect the right of all people to choose the form of Government under which they will live. The Charter itself also says so. I will read:

“(3) They respect the right of all people to choose the form of Government under which they will live.”

Now is this general, or not? The House may read it for itself and give a verdict whether it applies to India or not and whether it is not a second thought. When in other countries, even in America, it was said that this would apply to India also, then the hostile eyes of Mr. Churchill were opened and he came forward and said, “No, it applies to European countries only”. But why should it apply only to European countries? Is not India also threatened by the war? Is not India also to suffer on account of the war and was it not a critical moment for India also when this Charter was made? So why make this invidious difference which not only injures India but adds an insult to injury. I also find further that Mr. Cordell Hull, Secretary of State for Foreign Affairs, United States of America, made an announcement in the press with regard to the aforesaid declaration that its principles were universal and meant for practical application. I, therefore, say, Sir, that this principle should also apply to India, and there is absolutely no reason why it should not. Fairness requires it, justice requires it and commonsense requires it. But to exclude India and say: ‘Well, you will remain as slaves, you will remain as subordinates to other countries’ is an insult to injury. Time has come now when we must have equal rights and freedom. We have been helping in this war—at any rate, if all are not helping, some are with materials as well as men—and therefore to deny them equal rights is to deny what they are justly entitled to. Now, Sir, anybody who has read the speech of Sir George Schuster, who was once adorning the Benches here, will be convinced that he is not satisfied with the attitude of Mr. Churchill or the Secretary of State for India when he says, ‘If you want to keep India with you, you must proceed further and consider the demands that have been put forward’ and not to follow the policy of unexampled opportunism.

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. N. M. Joshi (Nominated Non-official): Sir, I rise to a point of order. This debate on an important subject has been going on for some time and the Government of India are keeping quiet. The debate really cannot take place effectively unless the spokesman of the Government of India tells the House what his attitude is to the Resolution. I would, therefore, request you, Sir, to ask the representative of the Government of India to speak immediately so that the other speakers will know what the attitude of the Government is and make their speeches accordingly.

Mr. Deputy President (Mr. Akhil Chandra Datta): I can only convey that request.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhamadan Rural): That is also the parliamentary practice as I have seen it in the House of Commons, that as soon as the Mover has finished his speech the Government place on the table what their intentions are, so that the debate can be concentrated and does not become a wandering aimless debate.

Mr. Deputy President (Mr. Akhil Chandra Datta): Apart from the practice and rule, it is certainly desirable for useful debate that the Government should express their attitude soon. But Pandit Maitra has already been called.

The Honourable Mr. M. S. Aney: May I say that immediately after Mr. Lalchand Navalrai finished, I got up?

Mr. Deputy President (Mr. Akhil Chandra Datta): It seems to be the desire of the House that Pandit Maitra should be called upon to speak after the Leader of the House.

The Honourable Mr. M. S. Aney: Sir, the question raised in this Resolution is one in which, no doubt, the people of India in general are bound to take very keen interest. The important pronouncement that has been made and goes by the name of the Atlantic Charter has attracted attention of people all over the world, and India, as one of the countries fighting along with Great Britain, was bound to feel interested in the pronouncement that was made to clear so to say, the war aims once more. Therefore, I was very anxious that this House should get an opportunity of discussing this matter and I am very glad to find that the House got an opportunity and some Members by this time have expressed their opinions.

Now, Members are anxious to know what views the Government have thereon. I believe it should not have been difficult, at least for experienced Members of this House like my friend, Mr. Joshi, to know what the attitude of the Government to anything like that would be. In the first place, there were a few questions addressed on this point and a number of supplementary questions were put. Replies were given to those questions and those replies by themselves were sufficient to give some indication of the position of the Government of India as regards this particular point. I am mentioning this fact for this reason that the House cannot say that it was

absolutely in the dark and had no inkling of the views of the Government on this point. It had something to go upon as to what were the views of the Government of India

Mr. N. M. Joshi: No views!

The Honourable Mr. M. S. Aney: I wish the Honourable Member to wait and listen to what I am saying. The Government of India may have their own views: it was expressed yesterday in reply to certain questions that we leave it to the House and to Members to draw their own inferences from the pronouncements made by them. Constituted as we are, it will not be desirable for them to comment upon or criticise in this House the pronouncement made by the Premier. In the first place, the Government of India are not a party to the Charter that was signed by President Roosevelt and Mr. Churchill. Those who signed it are the proper persons to say what was in their minds when they signed it. Others can only interpret it in the light of dictionaries and grammar and other things; but as to what was in the minds of those who put their signatures to that Charter, they are the only proper persons who can say what they exactly meant. We have got an authoritative interpretation from one of those signatories that certain clauses which appear to be somewhat more comprehensive have got a certain meaning about them. I am referring particularly to clause 3; it is this clause which seems to be the subject matter of criticism and discussion in the House. It says:

"They respect the right of all people to choose the form of government under which they will live and they wish to see sovereign right and self-government restored to those who have been forcibly deprived of them."

That is one of the clauses of which the House was anxious to know what was its precise implication, and whether it had any application to India or not. On that point the Honourable Members of this House know that Mr. Churchill himself made a statement on September 9th to this effect: referring to the Atlantic declaration in the course of the war review, he said:

"The Joint declaration does not qualify in my opinion the various statements of policy which had been made from time to time about the development of constitutional government in India, Burma or any other part of the British Empire."

Then he refers to the Declaration of August, 1940, as the one by which they stand pledged and then he goes on to say that they will make every endeavour for the fulfilment of the obligations arising from their long connection with India and their responsibility, etc. The point is this: what is it in the first place that is laid down in this clause of the so-called Atlantic Charter? Anybody who reads it will see that it is the principle of self-determination laid down in that clause. What is stated there is "they respect the right of all people to choose the form of government under which they will live and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them." Evidently the latter clause indicates that the framers of this Charter had before them those countries which have lost their independence during this war

Mr. N. M. Joshi: So have we before the war.

The Honourable Mr. M. S. Aney: I am just putting before you the clause as it stands and what was before them when they signed the Charter. Whether it was the right thing or the wrong thing is a different thing altogether. I am trying to place before you what was probably working in the minds of these two big plenipotentiaries when they met

[Mr. M. S. Aney.]

somewhere in the sea and signed this declaration. If we go by the wording of this, it appears to me that they mean to restore the rights of those who have been forcibly deprived of them. It is well-known that in this war a number of countries have lost their freedom by the aggression of Hitler or somebody else. The Atlantic Charter is a charter which was signed by them when America and England, so to say, became allies in a common cause. That being the case, my own inference is this, that they were probably referring to those countries which have lost their freedom in the course of this war. But it does not mean that the case of other countries which have lost their freedom is altogether absent from the minds of the British statesmen. Therefore, it is stated here that by this principle of self-determination or whatever is stated here it should not be understood as laying down the principle that the pledges that have been given with regard to India have disappeared or have been so modified as to have no application whatever hereafter. What is stated there is this, that this Charter should not be construed to mean that the pledges that have been made from time to time with regard to India and Burma in the form of several declarations have disappeared or they no longer stand. That fact is reiterated by the Premier.

Now, I should like to explain as to what would be the exact position assuming for the sake of argument that this Charter applies to India. Let us assume that this Charter applies to India, although Mr. Churchill's statement creates a position of ambiguity on the point as to whether that Charter applies to India or not with certain modifications in the light of the statements made before. If it is to apply, it can be used only in this sense,—that it applies to India with such modifications as are necessary in view of the pledges made before with regard to India. Suppose it applies to India,—what does it come to? The people of India are free to choose their own constitution. Now whether that right of choosing their own constitution is conceded to the people of India or not in the Declaration of August, 1940, or not is a point which we have to consider. Now, Sir, before I answer that question, I wish to say something more. The people of India, whether there was a European war or not, have made up their mind to make a supreme effort for getting their liberty and freedom in this country; also the Government of India and the people of India have evolved certain policies which they have been pursuing all these years to create certain institutions which might ultimately lead to the establishment of Dominion Status in this country. India has been making progress in this direction, and in the same direction both the Government of India and His Majesty's Government are proceeding step by step. Even if there was no European war, people thought that the particular line of progress at present followed, was so slow that it required to be accelerated. The grievances on that ground exist and they have been ventilated many a time. Even when there was no Atlantic Charter, it has been clearly stated that the August declaration is defective, although it concedes in one place the principle of self-determination. It is defective, because it is circumscribed by certain conditions. But the fight of the Indian people with the British Government is to secure some kind of declaration which will be satisfactory to the people of this country. But do you think that by merely declaring that the Atlantic Charter does apply to India and if nothing more is done, you will get what you want? That will not satisfy us. I very much wish that a less ambiguous statement had been made.

but by merely stating the fact that the Atlantic Charter does apply to India, India's cause will not and cannot progress. On the other hand, I may bring to the notice of Honourable Members of this House the remarks which Sir Sikander Hayat Khan, the Premier of the Punjab, has made about this matter. In criticising the pronouncement made by the British Premier with regard to the Atlantic Charter, in a statement Sir Sikander Hayat Khan, the Premier of the Punjab, says that that Charter, even if it applies to India, is not going to help the people of India any more than what the Satyagraha movement is going to do. Meaning thereby that even those who find fault with the statement of Mr. Churchill for having made the position ambiguous or harmful do not share in the conviction that a mere pronouncement about the application of the Atlantic Charter will really satisfy the aspirations of the people of India or will help them to go forward in reaching their political goal

Mr. Lalchand Navalrai: Can't that be regarded as a promise?

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): They will break that promise.

The Honourable Mr. M. S. Aney: So far as that promise is concerned, if I have correctly understood the observations made by some of my esteemed friends, for whom I have great respect, it comes to this. Some of them began with a denunciation of British statesmanship for its hypocrisy; some of them stated that it is a story of broken pledges. If that is the real conviction, then I believe we need not bother ourselves about getting any more promises from them. If it has any meaning, if the implication carries anything with it, it is this, that you have to stand upon something else, than a bare promise coming either from the Premier of Great Britain or from the United States of America or from any other quarter from any other part of the world. So either we should accept the promise given by a statesman of that eminence as having some meaning—and you should expect the British Government to carry it out, or we should not accept it as having no meaning at all. If you believe in the first thing, then the Atlantic Charter can be applied and can be made effective only at the end of the war. That fact must be remembered. The present Resolution makes it somewhat very difficult for anybody to follow. It says: "they must take immediate steps to give effect to the Atlantic Charter" and so on

Mr. Govind V. Deshmukh: Article No. 4 of the Charter is being given effect to before the end of the war.

The Honourable Mr. M. S. Aney: I am speaking on Article No. 3.

Mr. Govind V. Deshmukh: Sir, you were dealing with the general aspect as to whether anything can be got out of the Atlantic Charter and whether that Charter is applicable now or it will come into force after the end of the war, and I am saying that part of the Atlantic Charter

Honourable Member does not give way.

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order. The

The Honourable Mr. M. S. Aney: I am prepared to give way. I want to hear my Honourable friend.

Mr. Govind V. Deshmukh: You said that the Atlantic Charter means the Charter as a whole and that will come into force after the end of the war. I want to suggest

The Honourable Mr. M. S. Aney: I am only discussing clause 3 here, and I believe all the criticism with regard to this Atlantic Charter mainly centres round the interpretation that has been put upon clause 3. That is my main contention. I have said that it has no reference to clause 4. I will read the clause 4 for my friend's information

Mr. Govind V. Deshmukh: The general observation was that the Atlantic Charter will come into force after the end of the war.

The Honourable Mr. M. S. Aney: I am not talking of the Charter as a whole. I was concentrating my observations only on clause 3 which has got an important bearing on the political goal which is envisaged for us by the British Government. That was my point:

"They will endeavour with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of access on equal terms to trade and to the raw materials of the world which are needed for their economic prosperity."

Nobody can take any exception to that clause at all. The terms of equality in the matter of trade and other things which are promised here do certainly hold good in the case of India also, there can be no doubt about it. This does not modify in any way the pledge that has been given with regard to the pronouncement of August 1940—the pronouncement of August, 1940, does not deal with the subject which is dealt with in clause 4. Therefore, my Honourable friend need have no apprehensions at all on that point. If the charter applies to the whole world, then India is included in it because the limitation that has been suggested does not in any way apply to clause 4 of this charter. It does not apply to it at all.

I, therefore, state this that in a matter of this kind it is impossible for Honourable Members to expect that the Government of India can form or express its own conclusions on the floor of this House. All that the Government of India can be anxious for is to ascertain the views of the public on the point, and I believe the Government of India has afforded this House a proper opportunity for ventilating their views on this very important question. It shall be the duty of the Government of India to keep His Majesty's Government duly informed of the feelings and sentiments which have been expressed in this House and which have been strongly aroused by certain pronouncements. The attitude of the Government towards this Resolution would be to leave it free for the non-official Members of the House to decide their own attitude and the whole debate will be sent on to the proper authorities for keeping them duly informed of the views of this House.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Is it going to be put to the vote?

The Honourable Mr. M. S. Aney: Yes, if they want to.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Mr. Deputy President, my first reaction to this Resolution has been one of intense dissatisfaction and even of disgust. This Resolution asks for a recommendation of this House to the Government of India to transmit a request or another recommendation to the Home Government in England that the Atlantic Charter may be made applicable to India. As I stand up to speak, I find only about a quarter dozen Atlantic people in the House, I mean people who would benefit by the Atlantic Charter, and this shows the importance the Government of India also attach to this question. On an important discussion like this it is only by accident that we find the Honourable the Finance Member to whom the Atlantic Charter is applicable, sitting in his place.

The Honourable Sir Jeremy Raisman (Finance Member): The same accident as that by which you are standing in your place.

Pandit Lakshmi Kanta Maitra: I mean no reflection on you personally. It has been held that the Atlantic Charter does not apply to me, and I know that no Atlantic Charter or any charter other than the Indian Ocean Charter, a charter of bondage and humiliation is applicable to me and to my country.

Sir, a good deal of furore has been created of late on this question of applicability of the Atlantic Charter to India. I pity those of my countrymen who have pursued that path. Today I am pained to see that an esteemed friend of mine has taken it into his head to have a Resolution moved on it and a debate is being raised over it. Asking the Home Government if the Charter is applicable to India is like asking the men of Great Britain whether two and two makes four in India also if it makes four in England. It is quite as simple as that. In the body of the Charter itself there is Article 3 which ought to set all doubts at rest, as to its applicability to India, notwithstanding anything the British Government may now try to do to wriggle out of the uncomfortable position to which they had been driven by the force of circumstances. It cannot be made inapplicable to India by any stretch of imagination, by any torturing of the language. The provision is so clear and comprehensive. But nevertheless it has been subsequently declared inapplicable to India.

Now, Sir, what is the genesis of this Atlantic Charter of which we have heard so much today? We have to carry our minds back to the position of Europe immediately before the war. Vanquished and humiliated Germany was smarting under the Treaty of Versailles, but she was biding her time. She prepared herself when the so-called victorious countries, infatuated with victory and with the Treaty of Versailles had gone to sleep. When the greatest militarist of the world began to take country after country, when *coup d' état* after *coup d' état* took place without any let or hindrance and when at last came the turn of Poland, then the British militarists furiously set about thinking how to arrest the further progress of this man, Hitler.

Sir Cowasji Jehangir: Mr. Deputy President, I am sorry to interrupt. The heat of this Hall is great and could not the cooling apparatus be

[Sir Cowasji Jehangir]

worked a little? I do not see why we should not take advantage of the apparatus which is here.

Pandit Lakshmi Kanta Maitra: I do not mind the interruption, but I am sorry it has broken the thread of my argument.

Sir Cowasji Jehangir: I apologise. Now, you can take off your muffler!

Pandit Lakshmi Kanta Maitra: When Poland was threatened with invasion, promise to help her and to defend her came from the British. Three weeks demonstrated to us how they helped Poland and what fate Poland met with. The Allies were not at all serious about the war and there was absolutely no enthusiasm in the peoples. And why? Ever since the declaration of war by the British Government there had been persistent demand in England and in this country for a declaration of the war aims of the Government. Inside Parliament and outside and throughout the country there was a whirlwind campaign and people wanted to know from the warmongers or those who declared war, what it was they were fighting for. Various war aims were propounded from time to time according as it suited the purpose of persons in authority, but they satisfied none. Those who have read the reports of those days will remember that even no less a personage than George Bernard Shaw exposed the British Government in one of his finest articles as to their war aims. Sometimes it was said that it was the restoration of freedom of Poland. Again, after several other European countries had been overrun, restoration of freedom to the lost European countries was the declared aim. Later on, it was said, destruction of Hitlerism in Europe was all that they fought for. All these aims failed to enthuse the people not only in this country but in Great Britain itself. Also America which held aloof at the beginning and had been carrying on only on the basis of cash and carry, could not be persuaded to join the British as their ally, because in America itself there was a strong and powerful isolationist group that refused to take sides until there was a declaration of the war aims of the British Government. But, when in time Nazi steam roller swept over the whole of Europe, John Bull, beaten, battered and brought to bay, rushed out to grasp the hand of Uncle Sam in a corner of the Atlantic, unknown, unnoticed, unperceived by anybody, in order that they might evolve a formula by which the imagination of the peoples could be captured. Eventually they came out with a joint declaration, because that was necessary. If the trouble was great in Britain it was not plain sailing for them in the United States either. There was sabotage on a large scale. War material could not be produced in the scale it was expected to be produced. Men like Colonel Lindbergh, Henry Ford and others were against participation of America in this war because they did not believe in the war aims. So something had to be done to fire the imagination of and to enlist the genuine sympathy of the peoples of both the worlds and the result was the joint declaration of Mr. Winston Churchill and President Roosevelt now popularly called the Atlantic Charter.

When the Atlantic Charter was published, big men in England and in this country proclaimed from their housetops to Indians. Here is a Charter for you also and you are going to reap the

full benefits after this war in pursuance of this Charter. I do not remember one single journal in this country including the English journals which held any different view from that. There was almost a consensus of opinion among the public men and journals in this country that after all some great step forward had been taken by Mr. Winston Churchill and President Roosevelt and that it had finally set at rest the doubts of Indians who refused to believe in the *bona fides* of the British and Americans. Nevertheless, having regard to the past, there were yet people who refused to believe in the *bona fides* of this declaration and Vinayak Savarkar, the redoubtable President of the Hindu Mahasabha, sent a telegram to President Roosevelt enquiring if this declaration was going to be applicable to India as well. At once the bubble was pricked. If it could be made applicable to India, then the Britishers would lose all their claim to remain here as Rulers or as trustees of this country. How can Great Britain and America consent to a clarification of this position when the interests of both were unsolved and when America was prevailed upon to give war materials and all manner of things under the Lease and Lend Act. How can President Roosevelt allow that India also should be included in this when America's interests might be prejudiced by it? No. They were not going to hypothecate India's future beforehand. That implication was simple. Today we are told in this House that even if the Atlantic Charter was made applicable to India, that would have made no vital difference. With great respect to the Honourable the Leader of the House, I join issue with him on that. There is a great deal of difference from the point of view of international law between the declaration of August, 1940, and the Atlantic Declaration of 1941.

The Honourable Mr. M. S. Aney: I never said that the August Declaration of 1940 and clause 3 of the Atlantic Charter mean one and the same thing.

Pandit Lakshmi Kanta Maitra: Nor did I. I understood the Honourable the Leader of the House to say that even if the Atlantic Charter was made applicable to India, that itself would never have solved India's problem,—would not have met India's demand. My point is this. If you think that the Charter by itself does not give away India to Indians, then why should Mr. Winston Churchill be afraid to make a straightforward declaration here and now that it also applies to India? The position is this. Britain's connection with India during the last 200 years is one long unbroken record of dishonoured pledges and broken promises. Words of promise solemnly uttered to the ears of Indians have been broken to their hearts. That has been the greatest indictment of India against Great Britain. What happened during the last great European war? It was Indian soldiers who really saved Britain and France. But for the reckless courage, bravery and patriotism of Indian soldiers, the history of the last European war would have been written in a different way and the whole political map of the world would have been changed. During the last war, India's contribution in men and money was so immense that it compelled the then Secretary of State for India to make the Declaration of August, 1917, promising self-government to India. After the war, we knew what we got. This time even though the British Government told us plainly that this was not an Imperialistic war, the greatest political

[Pandit Lakshmi Kanta Maitra.]

should form a homogeneous mass. Britain would not grant India freedom unless she is a united and homogeneous mass.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has exhausted his time.

Pandit Lakshmi Kanta Maitra: In conclusion I say that it is derogatory to our national self-respect and national honour and prestige to make any request to the British Government who have declared that the Atlantic Charter is not applicable to us. Let her vindicate herself if she can before the Bar of world opinion and world conscience. For us, if we want freedom, we must stand on our own legs regardless of what a Churchill here or a Roosevelt there chooses to blurt out.

Mr. Jamnadas M. Mehta: Sir, I cannot escape the feeling that there is some degree of unreality about this debate. In the first instance, the chief culprit, the Right Honourable the Prime Minister of Great Britain, is not in the box here to answer the indictment against him. In the second place, we have the Government of India sitting here who are notorious as a subordinate branch of the Secretary of State. They admit that they are impotent to make any comment on Mr. Churchill's interpretation so far as the constitutional position of this country is concerned. Thirdly, we have rather an unpleasant spectacle of our countrymen who are promoted to the expanded Executive Council; compelled to be dumb and mute; they are in a very unenviable position. I deeply sympathise with them. Even if they want to, they cannot declare what is in their own minds. Such are trammels of office. Therefore, I was very much amused when I heard the speech of the Honourable the Leader of the House who tried to beguile a quarter of an hour of the House's time without telling us where exactly the Government of India were. The only impression he left on me was that the Government of India were in a bog, that they did not know what to do and, therefore, they should be sympathised with and not unduly criticised. That is really the impression which the Leader of the House gave to me in his speech. Being an intellectualist, he tried to read something which was not there and not to read something which was there. Somehow, he tried to make the best of a bad job. For these reasons I have a great deal of sympathy with the Government of India. I accept the promise of the Leader of the House that the one result of this debate will be that the proceedings will be communicated to the Secretary of State for India for what he might do with them. I am told that he simply throws them into his wastepaper basket which is so capacious that all this debate can go down into it without filling it at all. Anyway, what we are promised is that these proceedings will be communicated to the Secretary of State. Therefore, I shall try in the few minutes that are allotted to me to tell the House what I think on this question.

I think Mr. Churchill must be pronounced to be the most honest man. He did not want to play or to sport with the feelings of the Indian people by promising something or by leading us to believe that something was going to be given. Therefore, we must congratulate Mr. Churchill on his frankness, brutal though it is. The Charter itself is unequivocal. The reliance that has been placed on clause 3 is according to all known

rules of grammar quite justified. Article 3 although it is written in a foreign language to me, can only mean one thing; it is not capable of any other meaning. That one thing is that if the signatories to that Charter had their way in the future international relations all countries in the world will be free to live under a Government freely chosen by themselves. There is no equivocation about it. There is no doubt that it means what it says. It cannot mean anything else. Let any Professor of English in the Oxford University come to interpret it. It cannot mean anything except this that after the war is over this country will have the right to frame a constitution freely chosen by its representatives and that they will be free to live under that constitution. As the Leader of the House said, Article 3 is an unequivocal proclamation of self-determination for all races of all countries. That is borne out not by the interpretation which Mr. Attlee, the second in command to Mr. Churchill in the present Coalition Government in England has placed on it. I have got in my hand the quotation from Mr. Attlee's speech and I wish to read the relevant portion out of it. He says: "You will not find in the declaration which has been made on behalf of the Government of this country on the war any suggestion that the freedom and social security for which we fight should be denied to any of the races of mankind". This is Mr. Attlee, the second most authoritative person in the British Government today after the Prime Minister. He says that there is no reason to believe that the freedom and social security envisaged in the Atlantic Charter is to be limited to any race or country and to be denied to any of the races of mankind. After this, it was fruitless for the Leader of the House to attempt to read into that that Mr. Churchill might have meant one thing or Mr. Roosevelt might have meant another. It is the greatest violence on the English language, it is a violence on commonsense and an insult to the intelligence of anybody in this House or outside to say or to profess that Article 3 of the Atlantic Charter means anything else than complete freedom to all races and to all countries freely to choose the Government under which they are going to live.

Sardar Sant Singh: Where are the raw materials to come from?

Mr. Jamnadas M. Mehta: That is the fourth clause to which I shall come later on. In the meantime we should declare what the Government of India's duty is. Its duty is not merely to transmit these proceedings but to tell the Government in England that Mr. Churchill's attempt to modify this Charter will not be anything but violence on the English language. They must tell the Government in England as clearly as they possibly can that the interpretation of the Prime Minister is wrong. While they are powerless to do anything else they must make it clear to the Prime Minister that he was not honouring his own signature. Mr. Churchill, as the Prime Minister of England, by the interpretation that he has placed on clause 3 of this Article, has been repudiating the signature of the British Government solemnly given on a most solemn occasion. In brief, Mr. Churchill is guilty of a gross breach of the plighted word of the British people. He was there as the Prime Minister of England. He put his signature on behalf of the British Government. The British Government are the representatives of the British people. Therefore, there can be no doubt of two things: the meaning of clause 3 of the Atlantic Charter and Mr. Churchill's most, what shall I say,

[Mr. Jamnadas M. Mehta.]

imprudent repudiation, not to say anything worse, of the meaning, the plain meaning of this Atlantic Charter, clause 3. That is the position. We are thrown back to the declaration of August 1940.

Well, Sir, there seems to be some fatality with all important declarations relating to India that they seem to come only in the month of August. Mr. Montagu made his declaration in August 1917. His Excellency the Viceroy made his declaration of August 1940. While Mr. Montagu's declaration, though very limited, was at least not open to objection, Lord Linlithgow's declaration of August, 1940, on which we are thrown back by Mr. Churchill is a declaration not of freedom, but a declaration of bondage. What we wanted was freedom in our own country as other people are free in their own. The declaration of August, 1940, says, no freedom for India. Therefore it was no use Mr. Churchill telling us that we should refer for our rights not to the Atlantic Charter but to the declaration of August, 1940. The declaration of August, 1940 is a declaration of the intention of the British authorities in this country and outside to keep India in bondage as long as they can under any guise or disguise. The declaration of August, 1940, is the resurrection of the dead and exploded theory of trusteeship on which we were fed for forty years after 1857. For a number of years the British professed to be the trustees on our behalf. After the Nationalist agitation for many years that exploded theory of trusteeship was given up. It was unhappily not given up finally. It was having a rest cure and has come out again in a new form. That new form is that the British Government on account of its long connection has got certain obligations to certain interests and in the future constitution of India, it is these interests that will dominate and not the people of India. The August, 1940, declaration is the charter of bondage which gives power of veto to vested interests, to mediaeval and feudal order, to communalism to thwart the progress of the country. That is the August declaration of 1940. The August, 1940 declaration says that the long British connection with India imposes certain obligations on the Britishers. I am sorry to say to my British friends here that the declaration of August, 1940, perpetuates their hold on me and does not give me any freedom. Their position is made secure. They are being given perpetual rights of being the top dogs of this country. The Princes, about whom the less I say the better, are the second vested interests, I have only one view about the Princes. If Lord Dalhousie had finished them off in 1858 by one stroke, we would not have been in the present unhappy position as we are today. If the princely order had been abolished by Lord Dalhousie and if he had not shed our blood in their favour, we would have had a clean slate to write all over India. Today, these 670, or whatever their number be, these Princes and Rulers and Chiefs, these Princelets and Chieflets some of them not having a revenue of even Rs. 20 per annum are a real stumbling block in our progress. In Kathiawar there are Darbars who are Rulers of the sixth class and, when a Durbar is held at Rajkot by the Agent to the Governor General some of these Chiefs have not got enough money for travelling to Rajkot from their place of residence. They are called Chiefs. From their own homes they cannot afford the railway fare to go to Rajkot to attend the Darbar. Such are some of the members of the Princely order. One of them borrowed £1 from me in England in 1930 which he has not repaid.

Sir Cowasji Jehangir: Are we not all suffering from such absent mindedness?

Mr. Jamnadas M. Mehta: Yes, but the Princes should not. If this was carrying interest at the rate of six per cent., today I should be entitled to get £3 from him in spite of the rules of *damduput*. I am not in the habit of charging interest.

The Honourable Sir H. P. Mody: What did he borrow it for?

Mr. Jamnadas M. Mehta: For going to the theatre. I do not wish to name him. He holds a fairly prominent position in the Indian Princely order today. What I want to say is that this August declaration of 1940 preserves their autocratic rights over the people and their subservience to British rule. Again, by this declaration the Viceroy has given an eternal veto to the so-called minorities over the progress of this country and he has carried it out today in the expansion of the Executive Council. And what is Mr. Attlee's later statement about it? He said:

"We the Labour Party have always been conscious of the wrongs done by the white races to races with darker skins."

I will request the white races in this House to remember it. I say in all friendliness and in all humility that they should realise that they have done serious wrongs to the darker races. Let them not be a party to the perpetuation of these wrongs any further. These are the words of Mr. Attlee, not of Pandit Maitra or anyone else.

"We have been glad to see how with the passing of years the old conception of colonies as places inhabited by inferior people whose function was only to serve and produce wealth for the benefit of other people has made way for juster and nobler ideas."

I ask you whether after the interpretation of the Prime Minister of what the Atlantic Charter means Mr. Attlee has got any place in the British Government. Mr. Churchill has given an interpretation which is a slap in the face of Mr. Attlee, to the whole of the Labour Party and to the majority of the British people who, I have no doubt, share the views of Mr. Attlee. But today their wishes are repudiated by Mr. Winston Churchill in an unequivocal manner.

There are other clauses in this Charter about which there is not much to be said. One part says:

"They desire to see no territorial changes that do not accord with the freely expressed wishes of the people concerned."

But they want to maintain the territorial changes which they have made. The first clause says that their countries seek no aggrandisement, territorial or otherwise. Sir, for the English people to say that they seek no territorial aggrandisement is rather an irony. In the last war they did not want any territory, but still they got two million square miles of land which did not belong to them in 1914. Just as India is supposed to be an absent-minded possession of the British people, so also in the last war without any territorial ambitions they got two million square miles of territory which did not belong to them. And today they have got, whether they want it or not, the whole of Abyssinia and neighbouring lands without any territorial ambitions. This poor Emperor of

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Abyssinia after the Italian conquest went to England. There was not one soul to do him honour; not one Minister saw him. He was kept waiting at the doors of the League of Nations and allowed to enter with great difficulty. Therefore, I appeal to my British friends here not to read any wider into Haile Selassie's return. It is the Britishers who is there for good or for evil,—I hope it will be for good. But it is today a possession of the British and of no one else. Therefore, there is no land to win. The Britishers in their absent mindedness would have acquired more land but there is no land left to win.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Mr. Jamnadas M. Mehta: Very well, Sir; I will wind up in two minutes with your permission.

So there is no merit in Article I at all. Article II is really a corollary of Article I and has no meaning. Article III is, according to the clearest meaning of the English language, an assurance to the people of India that they would have a free Government freely chosen by them under which they should live. That is now repudiated. Article IV assures to the people of the world free access to the raw materials. If the Burma Agreement were discussed today we would have seen what raw materials will be freely accessible to the Indians. While Britain is using Indian soldiers in various theatres of war, while these soldiers are freely shedding their blood for the liberation of other countries, it is somewhat of a cruel irony that the Englishman should sit here and think that the Indian soldier who liberates other lands deserves to remain a slave. This cruel irony must appeal to the English people because essentially, whatever may be British Imperialism, it is tempered with democracy. I do not agree with those who compare Hitler with British Imperialism. For me Hitler remains an enemy of the civilisation of the world, but the Britishers should be as far away from him as they can. They are too near to him today, literally as well as metaphorically. They should be far away from him, but they are not; they are reluctant to go away from him where India is concerned. Therefore, my appeal to the British Members of this House is, lay your hands on your hearts; look at the blood of the Indians which is being shed on the fields of Syria and Iraq, Iran, Abyssinia and Tobruk to keep away the enemy; let them realise, if their tribute to the Indian soldier is honest and if there is no mental reservation, the wretched condition of the Indian people. Mr. Churchill should be told in the clearest manner possible by them even more than by us that the British name is being tarnished by his interpretation. If Hitler's word cannot be trusted according to Mr. Eden, can the word of the British Premier be trusted after his signature of the Atlantic Charter and his repudiation thereof? It cannot be.

Mr. J. D. Boyle: Sir, I should like to start, if I may, by paying a tribute to the first formal and set speech we have yet heard from our old and very honoured friend here, the present Leader of the House. I pay a tribute with certain other feelings in my heart as well because he has made my position in speaking extremely difficult. He has cut in at an early stage,

and I daresay quite rightly, and has used a great number of the arguments that I had carefully prepared myself. I must refrain, in the short time at my disposal, as I know there are other Members who are going to speak, from being led into bye-paths that have attracted so many other Members of the House. It was quite unbelievable, the number of subjects that have been debated at great length today that had little, if any, reference to the Atlantic Charter; and, as usual, a spate of wrong statements were made *en passant*. I may refer to one recent one to indicate what I mean, by saying that my Honourable friend, Mr. Jamnadas Mehta, referred in rather slighting terms to Haile Selassie who was for a considerable period a guest of His Majesty's Government and was not waiting on anybody.

Mr. Jamnadas M. Mehta: He was a guest in a private gentleman's house.

Mr. J. D. Boyle: The Honourable Member has had 20 minutes already.

This Resolution recommends that immediate steps should be taken to include India within the scope of the Atlantic Charter and the Leader of the House has already dealt with the question of the possibility of the word 'immediate'. It is obviously true that not even a Resolution of this House can produce freedom for Poland but only a successful conclusion of the war, and that, therefore, that word is inappropriate. But my object in standing up is to point out that the whole of the Resolution is inappropriate and inappropriate in the greatest degree.

The argument is that India has been specifically excluded from the purview of the Atlantic Charter. The Lord Privy Seal is quoted, and correctly, as having said that that Charter applied to all people, all races, all creeds and so forth, and the argument is that the Prime Minister subsequently and specifically excluded India from the scope of that Atlantic Charter. Now, Sir, without wishing to cover any of the points which my Honourable friend, Mr. Aney, has made, I must make this position clear. Articles 1 and 2 and 4 to 8 of the Atlantic Charter are general articles relating to labour welfare and the question of peace generally, abandoning of the use of force and so forth, and as Mr. Aney has quite rightly said the item which has created interest in India is Article 3. Now, that Article has been read and quoted several times in the course of this debate and so I won't re-read it but I would ask Honourable Members to take that particular Article and to examine it very carefully in conjunction with the similar general articles announced in August, 1940, by His Majesty's Government as to the future of India. What is quite clear is that an exactly parallel declaration to that which is contained in Article 3 of the Atlantic Charter is contained in His Majesty's Government's Declaration of 1940 as to the future of India, and, therefore, it was perfectly true, as the Secretary of State said, that there was no new principle in the Atlantic Charter in regard to its application to India. The truth really is that far from the Atlantic Charter not applying to India, India already had that exact Article given to it nearly 12 months before the same Article was given to the world in the form of the Atlantic Charter. There is no question whatsoever of whether the Charter applies to India or whether it does not apply to India. India had her Charter 12 months before the rest of the world.

I must make one brief reference to Sardar Sant Singh. He made certain observations. Among others he referred to a meeting with some lawyer friends of his in Lyallpur, and I would say that it is such meetings which

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have caused the whole of this confusion on this otherwise easy point. He gave us to understand at one stage that the British Empire was being frittered away in large quantities to America in order to purchase her support. The very smallest application of his mind to the facts and a little less application to foreign broadcasts—because, I would point out, that the first time that statement was made in India it was made from the German Broadcasting Station—would have led the Honourable Member to realize that no greater nonsense could possibly have been spoken. I do not think it is worthy of him to produce such a statement in this House, nor do I think it behoves his dignity to make such disgraceful references, as he has made, to President Roosevelt.

Sardar Sant Singh: Will you refute them with facts and figures?

Mr. J. D. Boyle: I am not giving way. Sir, that is all I have to say. I have just to repeat once more that there is no question of India being left outside the Atlantic Charter, that a Charter on identical terms was given 12 months before this Charter was produced and there is no question of India being brought in or left out.

Sir Cowasji Jehangir: Sir, I will begin by saying that every Indian must sympathise with those amongst us who have great aspirations for self-Government in their own country. This question of self-Government for India has been agitated ever since the National Congress was ten years old, and, therefore, when I heard some of my Honourable friends speak in language which must have been considered exaggerated I could understand their feelings. But whatever their sentiments may be, howsoever earnest they may be in their desire for self-government, however prepared they may be for self-sacrifice, I would beg of my own countrymen to face realities first. We can cry for the moon but we shall not get it. We have to make serious endeavours to face realities and then fight for what we want. Mere wishful thinking is not going to bring us any nearer the goal of our achievement than the sort of language that we have heard to-day.

Now, Mr. Deputy President, I will just echo one sentiment that fell from the lips of my friend, Mr. Boyle, but I will put it in a different way. I will say about the Leader of the House that although he may have changed his seat from my right to my extreme left, or shall I say been elevated from my right to my extreme left, he has lost none of his logic nor his powers of putting his point very clearly. My friends on my right—his followers of last year—may not now agree with him but I am sure they will all agree that he has lost none of his powers of exposition or his logical method of examining a point and placing it before the House for their consideration.

Qazi Mohammad Ahmad Kazmi: It was never appreciated before.

Sir Cowasji Jehangir: Now, Sir, I would like to examine this Charter a little more closely. I have always been of the belief ever since this agitation arose that it was rather a storm in a teapot. Nobody would ever agree with me nor will the large majority of my friends here. . . .

Sardar Sant Singh: Nor the country.

Sir Cowasji Jehangir: But I will try to explain shortly what I mean. The first three lines of Article III are relevant.

“They (*that is, President Roosevelt and Mr. Churchill*) respect the right of all peoples to choose the form of government under which they will live.”

When we read that—and I ask my Honourable friends here when they read that the very first day, did they believe that Mr. Churchill was giving an undertaking to India that it should have independence if it so desired? Did they come to that conclusion? I did not. Did it convey that to their minds? It did not convey that to my mind. . . .

Sardar Sant Singh: Not in that sense.

Sir Cowasji Jehangir: That is exactly what you have stated, what my Honourable friend, Mr. Jamnadas Mehta, has stated—that Mr. Churchill was guaranteeing by those three lines absolute independence for India, if India chose to take it, after the war. I cannot for one minute believe that the Prime Minister of England had anything of that sort in his mind, even if those three lines applied to India. . . .

An Honourable Member: What is your reason for not believing that?

Sir Cowasji Jehangir: Because I face realities and I have commonsense. That is why. Now, unless you believe that those three lines conveyed to you the promise that, if you chose you could have independence for India, then you believed that you were getting something by those three lines. I did not believe it, nor did the majority of my countrymen believe it. The last three lines of that article cannot apply to us and are irrelevant. A great deal has been said about Article IV. It applied to us even before the Charter—it always did apply to us. It guarantees “to further the enjoyment by all states, great or small, victor or vanquished, of access on equal terms to trade and so on. . . .”

Mr. Govind V. Deshmukh: If Article 3 of the Charter does not apply, why should Article 4 be given effect to? It is too shameful and too selfish to do so.

Sir Cowasji Jehangir: I do not say it applies; I say that it is in existence today. There is nothing new about it as far as we are concerned. If that is the position, then why this huge outcry when the Prime Minister made his statement in the House of Commons? Let us see what that statement is. Let us examine it. “The Joint Declaration does not qualify in any way the various statements of policy which have been made from time to time. . . .” I have heard it said that Mr. Churchill has declared that the Charter does not apply to India. He has not said that. He has said that the Charter does not qualify anything that has been said in the past. Now let us see what it is that it does not qualify. It has not qualified “in any way the various statements of policy which have been made from time to time about the development of constitutional government in India, Burma and other parts of the British Empire.” Then he continues:

“We have pledged by the declaration of August, 1940, to help India to obtain free and equal partnership in the British Commonwealth of Races,”

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If he had stopped there, I feel confident that the vast majority of my countrymen would have accepted that statement. But he went further, as did the statement of August, 1940. He says:

"Subject, of course,—(these are the words to which the greatest objection has been taken throughout India) to the fulfilment of the obligations arising from our long connection with India"

What does that mean? It means, to a certain extent, the protection of my friends of the European Group. Now, so far as I am concerned I am not one of those who desire to kick them out of the country. I am grateful for what little they have done for India—it may be little, it may not be much: I also state with pride that we have done them very well during their long connection with India. It has been reciprocal; it may have been more for them and less for us; but I am prepared to state that there are very few Indians in India today who, in their heart of hearts, desire to kick them out, even if we get independence. If this reservation means this, then I for one would not object to it. Let us see the next reservation which is of the greatest importance:

"and our responsibilities to its many creeds, races and interests."

If those few lines had been left out of the declaration of August, 1940, I ask my friend behind me, Colonel Rahman—I ask my friend, Mr. Laljee, I ask other Muhammadans, what they would have thought of that statement. Mr. Jinnah has already expressed his opinion, as the leader of the Muhammadans in India. How would they have accepted it? What would they have said? We know—let me not add fuel to the fire—I do not desire to make things more plain than they are today to those who can see—I have kept my ears open—but I do beg of you not to drug your consciences. Without those words, no statement made by the British Government would have been acceptable to millions and millions of our people in India. . .

Mr. Govind V. Deshmukh: Sir Sikandar Hayat Khan himself did not want those restrictions.

Sir Cowasji Jehangir: I am not going into petty quarrels. I am talking of millions of people and of those who lead them. I state that without those words millions and millions of our countrymen would have felt uneasy and unhappy. They may have been tempted to use much stronger language than we have been listening to today in this House. Let us face realities whatever they may be. I know my friend, Mr. Jamnadas Mehta, called it a communal statement. I know he said it was encouraging minorities and factions and it was helping disunity in this country. It may be so; but it is a reality. Unless you get these vast minorities, these millions of people to feel contented, to have some confidence, you are not going to help self-government in this country, and unless you make them feel—you the majority, my friend, Mr. Jamnadas Mehta, you the intelligentsia, you the Hindus who lead your countrymen. . . .

Mr. Jamnadas M. Mehta: This is Amery speaking!

Sir Cowasji Jehangir: Then Mr. Amery was right and you wrong. Unless, as I say, these minorities feel confidence in you, you will not get self-government. Therefore let us face realities. Let us not blind ourselves. I say these words were essential—not for me—I am an insignificant minority;

but they were essential to satisfy millions of people in this country, and it is up to you, the Hindu Leaders in India, those who have influence, those who have power, those whose voice counts amongst their people, to make them feel and make them realise that the minorities, of millions of people must be inspired with that confidence which is required.

An Honourable Member: Veto!

Sir Cowasji Jehangir: I do not say that the power of veto should be given. I do not say so. No. If there is sweet reasonableness on all sides, that fear of veto will disappear, that imaginary fear of veto will disappear. . .

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order: it is 4 p.m. now 4 o'clock; we must take up the Adjournment Motion.

MOTION FOR ADJOURNMENT.

DISCONTENT AMONG DETENUS AT THE DEOLI DETENTION CAMP.

Mr. N. M. Joshi (Nominated Non-Official): Mr. Deputy President, I move:

"That the Assembly do now adjourn."

Sir, when I sent notice of this adjournment motion, I had only learnt that there was grave discontent among the detenus in the detention camp at Deoli, and there was also an apprehension in my mind that this discontent might result in some serious action. But, Sir, soon afterwards, on Monday morning, I learnt from newspapers and from a *communiqué* issued by the Government of India that 208 of the detenus in the Deoli Camp had gone on hunger strike in order to secure redress of their grievances. Sir, it is on account of this hunger strike that I wish to move this adjournment motion in order that the attention of the House may be drawn to the grievances of the detenus at Deoli and in order that our discussion here may result in a satisfactory settlement of the hunger strike, so that the detenus may have their grievances redressed and we may all be free from the anxiety which that hunger strike is causing us. Sir, you will remember that in November last I moved a Resolution in this Legislature asking the Government of India to appoint a Committee to investigate the conditions under which the detenus were living in Indian prisons. That Resolution was again discussed in the month of February. Unfortunately, Sir, the Government of India did not accept my suggestion. If they had done so, perhaps this hunger strike which is facing us all today could have been avoided. In the meanwhile, the detenus in the Deoli Camp formulated the grievances under which they were suffering, and they placed these grievances before the Government of India through the Superintendent of the Detention Camp at Deoli. I think they made a representation to the Government of India either in the month of April or in the month of May.

Having heard about these grievances through the newspapers, Sir, I decided that I should pay a visit to Deoli and see with my own eyes their actual condition and also learn from the detenus themselves what their grievances were. The Government of India were very kind to give me permission to go to Deoli and spend some time in examining the

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situation there. I went there in the month of July. I am very grateful to the Government of India for having given me permission. I am very grateful to the Superintendent, Major Craster, for having given me an opportunity to see the conditions in Deoli. I had an opportunity of hearing the detenus themselves about their grievances. After having returned to Bombay, when I had time, I wrote out my impressions and suggestions regarding the conditions in Deoli and sent them to the newspapers for publicity. Sir, when the detenus had made representations to the Government of India they naturally expected that the Government of India would give prompt attention to their grievances. Unfortunately, Sir, a good deal of time has been allowed to elapse, and their grievances still remain unredressed. I am not suggesting for a moment that the Government of India have been entirely sleeping in the meanwhile. Some of their grievances were redressed to some extent, at least partially; but, Sir, the important grievances of the detenus remained unredressed, hence, the hunger strike. Now, the House will naturally like to know what the grievances of the detenus at Deoli are. Their first and most fundamental grievance is that they should be repatriated to their own provinces. They do not like to be detained at Deoli. Sir, Deoli is not exactly a health resort. We must remember that it is in Rajputana. The Government of India have kept in detention Italians and Germans in such nice places as Deolali, Ahmednagar and so on, and some of them are kept in the cool air of the Himalayas. Therefore, Sir, if the detenus from Bombay and Madras complain about the weather or climatic conditions in Deoli, we cannot blame them.

Then, Sir, the second ground on which they ask for being sent back to their own provinces is that it is difficult for their relatives and friends to go and meet them at Deoli. Deoli is very distant from Madras, even distant from Bombay, Bengal, Punjab and Peshawar and other places. Sir, it is on these two grounds they asked that they should be sent back to their own provinces. Their second grievance is that there should be no differentiation among the detenus themselves. At present the detenus are divided into two divisions,—Division A and Division B. Detenus in Division A are being given somewhat better treatment than detenus in Division B. These detenus generally belong to the rank of politicians and generally speaking belonging to one group. They have worked together, they have lived together, and they do not like that some of them should be classed as Division A detenus and others as Division B detenus. They would like to live together as equals and under the same conditions. I feel, Sir, that this grievance of theirs is a very reasonable one and should be remedied by the Government.

Then, Sir, the detenus have a third and important grievance, and that is, that as they have been put in jail by the Government of India, not because they have committed any offence, but because the Government of India consider that their freedom at this time, in the opinion of the Government of India, is against the interests of this country. Sir, these people are not tried and found guilty. Therefore, their demand is, whether there is any justification for detaining them in jail or not, Government must take upon themselves the responsibility of maintaining their families during their absence in prison.

Then, Sir, the detenus also suggest that they should be paid an adequate allowance when they are in jail. Well, Sir, this Deoli camp is not a new camp. The Government of India first established it in the year 1932 to keep there some detenus. At that time the Government of India used to pay Re. 1 per day with some other allowances per month for certain amenities. Sir, prices now are much higher than in 1932, and at present detenus in Deoli belonging to Division A are paid twelve annas a day and detenus in Division B nine annas a day. If therefore they ask that their allowance for food and other matters should be increased, they are not making a very exorbitant demand. I do not wish to go into the detailed grievances, the time at my disposal is very short. I feel, Sir, that the grievances of the detenus have remained substantially unredressed, and the detenus, most of them, have now gone on hunger strike. At least 208 of them have gone on hunger strike. I do not know what is the total strength of the detenus in Deoli, but when I visited the camp the total number of detenus was 215.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Since when have they gone on hunger-strike?

Mr. N. M. Joshi: So far as I know, the first announcement was made by the Government of India on the 26th. I do not know when the detenus actually went on strike, perhaps it was on the 22nd or 23rd. It is the duty of this Legislature to consider this subject, to examine whether the grievances of the detenus are reasonable or not, and then try to find a way to end this unhappy situation. The Government of India in their communiqué state that they have been examining the grievances of the detenus, that they have to consult the Provincial Governments, and, therefore, they may take some time before they come to conclusions. I would like the Government to realise, we all know that the wheels of the Government of India move very slow, but the minds of the detenus cannot move so slowly. They think fast. Therefore, the subject from the point of view of the detenus is of great importance, and a solution must be found very promptly. It may be said, and the Government of India have stated in their communiqué . . .

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

that there is no justification for the hunger strike as they themselves were considering the subject. But the detenus have waited for four or five months. I am not suggesting that they should not have waited a little longer, but there is a limit to the patience of people who have to suffer grievances. Then the Government of India say that as they have gone on strike no consideration can be given to their grievances during their hunger strike. I have got some experience of industrial strikes.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has only one minute more.

Mr. N. M. Joshi: The grievances are not considered till the workers go on strike. If they go on strike then the Government and the employers will say, that as they had gone on strike we cannot give any consideration to your grievances during the strike. I would suggest to

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the Government of India and to the Members of the Legislature, let them not stand on considerations of prestige. Let them remember that discipline is not best maintained by refusing to consider the grievances of people who have got grievances. Let them, therefore, give up their wrong notions of hunger strikes or any other strikes being subversive to discipline. What we have to consider is whether the grievances are real or not. If they are real, they must be removed, and I hope that the Government of India and this Legislature will consider this subject seriously and sympathetically and enable these people who have gone on hunger strike to end their strike.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. N. M. Joshi: I hope that the House will give sympathetic consideration to the proposal which I have made.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Assembly do now adjourn."

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): I have always paid the greatest attention to anything which has emanated from my Honourable friend, Mr. Joshi, and it is for this reason that I very carefully read his report on his visit to the Deoli Detenu Camp. I can assure him that I have read it with care and not without sympathy.

What are the complaints that he has made out in his report? To my mind they consisted of a series of impressions, generalisations, expressions, and in some parts depressions. Among the many points he demanded, one struck me as being most original, and I should think, very expressive, and that was, he suggested that the detenus in Deoli should be provided with a radio. I was almost tempted to ask whether he would admit the necessity of ice creams being served up hot to the detenus. As a matter of fact, I was not very impressed with the report of Mr. Joshi. He went there for a reason, to satisfy the agitation in the press and to satisfy himself. It meant a lot of trouble and inconvenience I know, and he deserves very great credit for what he did. But, after all, what was done? The prisoners made statements to him. He collected them and recorded them in a report, and submitted them to Government for redress. He complains bitterly that the detenus were kept in detention without trial. I have no concern whatever with that. That relates to the policy of the Government, and the Honourable the Home Member will no doubt reply to that. But the differentiation between A and B classes must have been done with some object. Mr. Joshi in one part of his report also advocated that socialistic literature should be supplied.

Mr. N. M. Joshi: Why not?

Lieut.-Colonel Sir Henry Gidney: Considering that those people are more or less communists in their ideas and propaganda, I was rather surprised to see such a recommendation by him. As regards the health of the prisoners, he had not much to say. He got out of it by saying,

not being a doctor he could not say much. As regards food, he had not very much to complain about. He complained that they were divided into two categories. As to why they should be divided, I shall await an answer from the Honourable the Home Member. Then he referred to the two sets of allowances, 12 annas and 8 or 9 annas per day. Deoli is, I know, far away from the Railway and I know that comforts are got with a great deal of inconvenience and trouble. There is, however one point my Honourable friend made which claims my sympathy, and that is, that Deoli is situated at a place very far removed from the home centres of these detenus, and that their families find it very difficult if they wish to visit the detenus.

An Honourable Member: Is it on a railway station?

Mr. N. M. Joshi: Sixty miles away from any railway station.

Lieut.-Colonel Sir Henry Gidney: That certainly is one of the points that deserves consideration. (But considering that Mr. Joshi went there with the consent of the Government, considering he made his report to the Government and he received an assurance that these grievances were being enquired into, I cannot see any reason, except it be to hang the sword of Damocles over the head of the Government, why the detenus should have gone on hunger-strike. It seems to be the practice, a pastime in India for any one who objects to a Government order, to go on strike and I feel the Government has at times been stampeded in bending to such gestures of discontent in jails and political prisoners in jail and have in a measure encouraged such practices. But why should Mr. Joshi bring it before this House as an adjournment motion at a time when he knew the grievances of the detenus were being looked into and I believe, they are on the point of being redressed by the Government of India? I ask why have the detenus, so soon after Mr. Joshi's visit, have gone on hunger strike, unless it be to force the hands of the Government. Mr. Joshi by this motion of adjournment, in a measure, is helping them to force the hands of Government. In my opinion this is the motive behind this adjournment motion. I sympathise in a measure with these misguided people. They are far removed from their homes and there must be discomforts and inconveniences. They must have all the amenities that it is possible to give them but I do not see why Mr. Joshi should take advantage of this House and advocate on the floor of this House a course which he had already placed before Government and which I believe Government are on the eve of redressing. I do not support this motion at all.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadan Rural): I congratulate our friend, Mr. Joshi, on being allowed to go and see for himself the condition of the detenus in Deoli. He is a man who would never judge anything without knowing the details and whatever has come out of his inspection should be taken to be true. He is one who looks at things from the real perspective and this House can rely upon his report which clearly shows item by item the grievances which these Deoli Camp detenus are suffering from. This is an old tale. Since 1915, we have been hearing of these detenus who were sent to jail without any trial, having no evidence against them, either documentary

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or eye witnesses, except evidence brought by informers paid for the service. And people who lose their liberty in this way should not be treated as common prisoners. What Mr. Joshi has asked for is pure and simple fairness and justice. Government must look to the grievances of these people with sympathy. These men belong generally to the middle class intelligentsia. They have a status of their own. They have got acquired habits of their own and they are not supplied with all the amenities of life to which they are accustomed and particularly when they are confined in a place which is far from their homes, where their own people cannot go and have an interview with them. It is, therefore, incumbent upon Government who are responsible for keeping them there to look after their comforts without which it will be impossible for them to go on from month to month, from year to year, suffering this incarceration without knowing why they are incarcerated. There are 120 communists in this Deoli camp. The British are now allies of Soviet Russia and are fighting shoulder to shoulder to protect their country against Nazism and these communists are only intellectual communists. They have only read from books what communism means. They have liked the idea of communism. It is therefore necessary that Government of India should think of releasing these 120 prisoners at once. They have no reason, no justification, to keep these communist prisoners confined at the present moment when really the Soviet Government has become the ally of the British Government. For the rest, the grievances show that they are not impossible of being redressed. They want to go back to their own provinces. It is not an unreasonable demand. They are not habituated to this sort of domicile. They want to go to their own places where they can live more comfortably and with better health. They can have their own food according to their choice, in their own districts or in their own provinces and it is not a large order to ask Government to do it in as short a time as possible. It does not take a very long time to decide whether they should be repatriated or not.

There is another grievance about the differentiation in the matter of division. Either make them class I or class II. Let there not be two divisions as has been done. They have been incarcerated on the same grounds, for the same reasons. They belong to the same class of people and there is no reason why this differentiation should be kept up. They do not want it. If they do not want it, why should Government insist on keeping up this differentiation, which can be redressed at a moment's consideration. Mr. Joshi has pleaded for family allowance for people who have been taken away from their families which depend upon these men for maintaining the families. These families have been deprived of the bread earning members or the prospective bread earning members for no cause known to them and the parents of these men do not know why their sons have been taken away. A family allowance was allowed formerly and I do not know why it should not be allowed now. It is a reasonable demand and if Government have really some sympathy with the families which have been deprived of the bread-earning members, they ought to fix up a family allowance for them. As regards the personal allowance, without paying them money you can buy them the articles which they want. If the Government cannot pay them money they can buy the things, without which these men will feel very uncomfortable.

Then, Sir, the pinpricks which these men suffer from are many and it is, therefore, natural for them to go on hunger strike to bring the matter to a head and to draw the attention of the Government and the people to have their grievances redressed. Mr. Joshi has brought up this adjournment motion only to draw the attention of the Government and the legislators to the situation that has been created by neglecting to redress the grievances of these people which have been long standing. I believe the Honourable the Home Member who is in charge of this Deoli camp will be pleased to form a committee here to go and see for themselves the real condition of these people in Deoli, so that they might justify if it is required from time to time as to be familiar with the real condition of the detenus and relate their grievances according to their notions. Government have been carrying on this system of confining the patriotic and young educated men for years without any trial and without any evidence and depriving them of their future prospects and depriving their families of the future prosperity. If Government had real evidence against them, the public could not have any grievance against the Government. But here the Government are in the wrong. They are putting innocent people in confinement whose grievances are ventilated in the newspapers by public men. It is for the Government to appease them. It is for the Government to explain the position. Now that a person like Mr. Joshi, who has been there and who has taken it upon himself to ventilate their grievances, it should be the duty of the Government to take up this matter in right earnest and try to redress their grievances without waiting for the withdrawal of the hunger strike. The hunger strike is there. We know that the Government did allow a person to die of hunger strike in the Punjab. For 64 days he remained without food and died in the jail. Now, this is a question of 200 people. It is not for the Government to sit tight and ask these detenus to go on continuing this hunger strike so that they may die in great numbers. That will be quite inhuman. If there is any human sympathy in this Government, it should not sit over this matter but should at once take steps to redress their grievances. With these words I support the motion.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I rise to support this motion. But before I give my reasons for supporting it, I would like to deal with some of the arguments advanced by Colonel Gidney against this motion. He spoke against this adjournment motion and said how silly it was of these detenus to go on hunger strike, because the matter is being inquired into. He fails to see that Mr. Joshi sent the report to which he has referred in his speech to the Government in the month of August or September. It is more than a month and a half that the Government got this report. We know that it is the habit of this Government to move slowly. Not only did this report bring these grievances to the notice of the Government, but my friend had already moved a Resolution regarding the grievances of the detenus in the last Session. Now, if the Government are still inquiring into the matter but cannot say when they will be able to come to any definite conclusion, then it is all right for my friend, Colonel Gidney, to say that the matters are being inquired into and you should rest quiet but not for those who take interest in their country. I am quite certain that when matters affecting the Indian Medical Service as a whole or his own community as a whole are being placed before the Government and if the Government or we said

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that the matter is being inquired into, he would have become wild and red with anger. He would have said: "Well, gentlemen, you do not realise under what pressure we are being worked, how we are being ground down. We need immediate redress". What was there to prevent the Government, if they so wished, to redress the grievances from the time the last Resolution was passed and the report was handed over to them? Did they make any inquiry after the last Resolution was passed to do anything? Therefore, it is the conduct of this Government which is responsible for this hunger-strike. This Government ought to be censured because it is really the cause of this hunger strike. It is all right for my friend to say that there is no cause for them to go on hunger strike.

Now, Sir, I come to another point. These detenus have been put into prison and they have been deprived of their freedom because the Government thought that they were a danger either to them or to this country or to His Majesty's Government. The Home Member will say that they were a danger to everybody. Supposing you treat them properly by giving them good food and other amenities of life. I will confine myself only to this. Supposing you treat them as nicely as you are treating the prisoners of war who were your avowed enemies and who had done overt acts and who were ready to take the life of such persons who were fighting against them, whether they belonged to the civil population or the army, can you tell me that by doing this i.e., giving them better food and other amenities the danger would be increased? Even if they are put in the same place and under the same guard, can you say that the danger will be increased? Why should they not be repatriated? Everybody knows that even in the case of the ordinary criminals it is not merely the physical amenities which count but it is the psychological effect of the treatment which tells on the person who has been deprived of his liberty. Look at it from that point of view. If the danger is not going to be increased, then why not do it, give them better treatment, remove their grievances? It may be that the Provincial Governments have made distinctions such as A, B, etc., amongst them and they may have their own reasons. But supposing you remove the distinctions, would the danger to this Government increase even when the restraints are the same, even when the persons are kept in the same place and when your powers of supervision are the same? It is very difficult to imagine that if these persons are given these amenities of life, if they are given good food and if their relatives are allowed more opportunities to see them, any more danger would arise. It is hardly reasonable for anybody to urge that these persons should not be given all these things because the danger to this Empire will increase. The question of money really ought not to count with the Government because they are spending so much money on war and when they are spending so much money to carry on a propaganda to win over the people in the country to their side. Let it not be forgotten that there is a good deal to be said in having public opinion on one's own side. The Government should look at this question from that point of view, and as a matter of fact when they have really brought into existence many resources of carrying on propaganda with that object. Well, if you wish to have public sympathy on your side, you can certainly not do anything better than giving better treatment to these persons if not release them.

You must have known about the conference in Poona and the demands made at that conference that these people should be liberated. Even if you are not prepared to go to that extent, what prevents you from giving them better treatment, if you believe in the strength of words? For instance, you say, let there be prayer on such and such a date for the success of the British Empire. You believe in prayers—in the strength of words. When a certain number of people raise their voice to do a certain thing, you believe victory will be achieved. That is your point of view. If you win the hearts of these people, they will also pray for the success of the British arms. You have got an ally, Russia, whom for reasons best known to you you once disowned. You used to say all sorts of things against Russia, against their social, economic and political doctrines. At that time the Russian Army was treated as a third rate power. But now seeing the magnificent fight they are putting up for themselves and you, you are eulogising them to the skies. When you are the ally of a country like Russia whose professed doctrine is communism, what prevents you from releasing these people who according to you profess the same principles and same doctrines. As a matter of fact I read in the newspapers that a certain sum of money had been sent as Indian Soviet Fund to the Russian Ambassador. This sum is to be presented to Russia. If you believe in having public opinion on your side if you believe in having a considerable mass of opinion on your side, if you believe that it will promote your cause, then what other way there is to win Indian opinion as well as the opinion of these people to strengthen your cause and to win your cause? If prayers, for one's welfare have good effects, then if their hearts are lacerated if you do not win their hearts, then their prayers and the result therefrom may go against you. If they harbour "grievance" against you, then their prayers will go against you. Then why follow the wrong path? I think considered from every point of view, it is desirable to meet the situation and act immediately and promptly in such a manner that detenus would get the treatment that may induce them to give up the hunger strike. Sir, I support the adjournment motion.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Non-Muhammadan Rural): Mr. President, the issue that has been raised by the motion of Mr. Joshi is a very limited one. In the previous Session we had a full discussion about the detenus. Reasons were given as to why they were detained in Deoli. It was said by the Government that they were kept in without trial because it would be dangerous to lead evidence against them and it would not be in the public interest to have them under trial. But whatever may be the crime, so far as I know no violence has been attributed to those who are detained in Deoli. It was more or less some alleged communication with Russia or a deep study of communist literature which was responsible for their detention in Deoli. As has been said by many speakers before the views of Government themselves have now changed and probably they do not consider communist literature to be as bad as they thought before because they probably think that communist literature is better than the literature of Germany and it is a literature which can absorb German literature and finish Hitlerism. As has been said before, it will be very difficult to see the justification of keeping a body of men who are versed in literature which can absorb German literature and save British literature. But anyway even that point is not before the House today. I am sorry that one of my friends, though he supported

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all the demands of the detenus, wants to press upon the House that the only reason why this demand should not be conceded is the hunger strike to which detenus have resorted.

Now, so far as I understand, Mr. Joshi put in his motion at a time when there was no hunger strike or any report of hunger strike had reached this place. There might have been one. So the House has to consider not the position of the hunger strike nor the prestige of the House nor of the Government, because certain persons who were aggrieved and wanted to get redress for their grievances have resorted to hunger strike. It is they who have suffered. Their demands have not been met. Probably few of the gentlemen on the Government Benches have got any idea of hunger strike. Probably they cannot have even a lunch strike. Even if they resort to lunch strike for one day, they will find the afternoon sitting quite tedious.

According to the Government *communiqué* itself the hunger strike has continued for the last four or five days. The punishment is only to them. If they do not want sufficiently long for this slow wheel of the Government of India to move, then they have to suffer starvation for a period of five or six days. Does that in any way come into consideration or weigh in any possible manner with any person who has got a balanced mind? My submission is this is an irrelevant consideration altogether. We have to look to the issue itself. Government say that Deoli is a far off place. Of course it is situated at a distance of 65 miles from any railway station. It is very difficult for relations and friends of detenus to reach that place. Though the allowance at that place is as much as twelve annas and eight annas, yet the price of things at that place are double the price prevailing anywhere else. When these difficulties are admitted and when it is remembered, that Provincial Governments have got accommodation for thousands of prisoners, what is the reason for these persons to be detained in Deoli? Is it not possible to repatriate them to their own places where they have greater amenities of life?

Then again the question is of keeping them in separate classes. When these persons do not themselves want to live in separate classes I should like to know the reasons why they are kept in separate classes. They themselves protest against it and I have heard,—Mr. Joshi knows better of course,—that the two classes are so distinct that one class is not allowed to communicate in any possible way with the other class.

The Honourable Sir Reginald Maxwell (Home Member): They play games together for two hours daily.

Qazi Muhammad Ahmad Kazmi: Then this repatriation, so far as I understand, is one of the chief things they are demanding, because deprivation from the society of their own people is a very great trouble and a great grievance of these gentlemen.

Then again, I have been told that Government were pleased to allow friends of the detenus to send them books and other articles, but I have only just heard that some persons wanted to send some books or some

other articles to the detenus at Deoli and after applying to the Government of India they had permission to send them but they were told that it would be within the discretion of the Superintendent of the Deoli Camp to give them to the detenus or not; and in case they are not handed over to the detenus they would be retained by the Superintendent and not returned to the sender. I do not find any justification for this strange procedure. This means that if any person sends anything he will have a fine imposed upon him, and the Superintendent will have a right to things which belong to other people. Sir, instead of importing unnecessary heat into this debate, we should consider it in the spirit in which it has been brought by Mr. Joshi. Whatever be the crimes of these gentlemen we are not asking for a trial at this stage and we may have another Resolution for that purpose. But what we want today is only a redress of their grievances which have resulted in the hunger strike from which they are suffering; and things which can possibly be given them should be given to satisfy their demands. Sir, I support the motion.

The Honourable Sir Reginald Maxwell: Sir, I will first give the House the latest information I have about the position at Deoli. I have a telegram, dated the 29th October stating that 214 prisoners are now on hunger strike. Their general health is satisfactory and none seriously ill. The hunger strike started on the 22nd October, that is, 48 socialists declared a hunger strike on the 22nd October and 160 communists on the 23rd. These are facts which were asked for during the debate.

Now, Sir, I have no doubt of the sincerity of Mr. Joshi's motion of adjournment but the House must remember that its reception of this adjournment motion will inevitably have some effect on the prisoners' attitude and the possibility of a prolonged strike. Had the allegation been that Government were neglecting the physical well-being of these prisoners, that they were suffering from lack of any necessities which persons in complete control and custody of Government were entitled to expect, then there might have been some reason for the House to censure Government for its handling of the whole affair and to demand explanations. But we shall find on going into the actual grievances of the prisoners that their demands are of a very different character. So far as demands connected with their physical well-being are concerned, these have been considered and a large number of them have been granted from time to time. It is not correct to say that these prisoners have made petitions without finding any notice taken of them. When they demanded an increase of dietary allowance it was increased, as Honourable Members know. When they asked for association with one another on the playing field that was granted,—that was in May last. Again, when they asked for an increased supply of shoes and clothing, that was sanctioned in April last. Again, mosquito nets, tooth-brushes, pillows, extra cooking utensils and one or two other improvements were given to them in May last. So it is not true to say that demands bearing on the physical well-being of these prisoners are not attended to.

Now, I will turn to the demands actually brought forward as grounds for the strike. The first demand is that they should be repatriated to their home provinces. I submit that that is not a demand for which any prisoner is entitled to go on hunger strike. That is a demand which practically amounts to saying that a prisoner can choose where he is going

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to be kept imprisoned. I cannot raise questions here as to the justification for the detention of any of these people; there is not time to go into such matters in the short space of time allotted for my reply. But we have to assume that there are reasons for keeping these persons in Government custody; and I maintain that if they are physically well looked after in that custody it is not for them to demand where they shall be kept by Government who have possession of their persons.

The next demand is that all security prisoners may be uniformly classified. Some questions were asked of me about that. I will only explain that that classification into two classes was adopted after consideration with all the representatives of the Home Departments of provinces in 1940; and it was generally agreed to have a common arrangement of that kind on its merits. It is not possible for the Central Government to suddenly alter a scheme of that kind without consulting other provinces as to whether it will fit in with their arrangements. Actually the reason adopted in our case is that among the persons detained at Deoli some are of definitely high status. They are well educated people, some with university degrees and some engaged in professional work before they were detained, whereas others range down to the lowest type of Sikh *kirti* agitator of the Punjab,—persons of the very lowest status. There is no real reason for giving to these people exactly similar treatment. That was the reason for which we adopted the classification. There are possibly other schemes which might have removed a feeling of inequality.

Another demand is that the daily allowances may be increased to Rs. 1/6/- a day from the present rates of 12 annas a day for first class and nine annas for second class prisoners. I will tell the House a little later, if there is time, how these allowances provide for their daily needs, but I will leave that for the moment. At any rate I think I should be able to satisfy the House that their physical well-being does not require a dietary allowance of Rs. 1/6/- per day per prisoner.

Then they demand a personal allowance of Rs. 32 a month each. As explained in Mr. Joshi's own report which has been published, 5 P.M. even the former Bengal detenus got only Rs. 11 a month; but these people consider themselves three times as valuable. I shall come to that question in a moment. Another demand is that all dependents of political prisoners may be granted adequate family allowance.

That is a matter on which orders have already been passed with full agreement of all provinces namely, that in necessitous cases family allowances should be granted and, in fact, they are being granted. Then the next demand is that the rule regarding prohibition of correspondence between prisoners confined in different jails should be relaxed. That is obviously a matter of Jail discipline. It does not concern their physical well-being. Another is that the censoring of letters, newspapers, etc., should be stopped. Well, the House has had an opportunity of seeing some of the correspondence which was attempted to be smuggled out of the jail. With that knowledge before them they might perhaps see the point of at least reading these prisoners' letters before they are allowed to be transmitted. Then they demand the abolition of punishment of solitary confinement in cells. In fact there have been only three cases since Deoli has been selected as a place for detention and in fact the confinement is nothing like as severe

as it is in the ordinary jail. I have seen the cells in which they are put for jail offences and they are in full sight of people walking about outside. Then they have asked that release on parole should be allowed in case of serious illness of relatives, etc. We do so. In a very recent case one gentleman named Aziz Hindi was sent all the way to Amritsar to see his sick daughter. Government offered to pay the hospital expenses and, in fact, paid.

Those are all the demands for which they are going on strike and my point in quoting them to the House is that they are not demands bearing on their physical well-being for which they might be entitled to strike. They are what I might call political demands, demands that their status should be of a different character, that they should be allowed to say where they should be confined and given freedom to communicate with the outside world—in fact they should be allowed to lay down their own terms. If Government is keeping these prisoners in fairly good conditions they are not entitled to be censured if these people go on strike for demands which are in no way necessary for their physical well-being. Now, Sir, Mr. Joshi mentioned that he went to Deoli and saw all these conditions for himself and I should say that anyone reading his report would immediately observe one thing and that is that he has not pointed out any serious ground for holding that these prisoners are not being well looked after. The suggestions which he has made cover all the demands which I have just mentioned, i.e., they are not suggestions bearing on the real needs of these prisoners in order to keep them in good health. They are matters of general treatment and of course raise the question of whether they should be confined at Deoli at all or be sent back to their provinces. Now, Government made no secret of that report. They allowed Mr. Joshi's report to go into the jail and to be seen by the prisoners themselves and before the strike started they told the prisoners that Mr. Joshi's suggestions were going to receive very careful consideration and that that consideration would only be prejudiced by any headstrong action on their part. Nevertheless, that warning had no effect. Actually I was taking up some of the suggestions made by Mr. Joshi because I welcomed what I regarded as sincere outside opinion on the general question of the treatment of these people. I was about to take up certain points with the provinces but of course from the moment this strike starts the whole thing falls to the ground. No action whatever will be taken on any suggestion bearing on their demands so long as the strike continues in being.

Now, as regards the actual conditions in Deoli, I said I would give the House a little more information about them. I am afraid I have not very much time but I will allude to what they can get out of their allowance of -/12/- annas and -/9/- annas a day. I may tell the House that their catering is done by a kitchen committee chosen from among the prisoners themselves and this Committee has been able to supply first class prisoners at annas -/12/- a day allowance with many luxuries. For instance during the month of September last alone 47 one pound tins of Polson's butter were consumed and 20 half pound tins,

- 36 tins of preserved pineapples,
- 30 tins of Sardines,
- 32 tins of green peas,
- 66½ packets of biscuits,
- 12 tins of Ovaltine,

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19 bottles of Australian honey,

16½ lbs. of cake,

and 19 tins of Lipton's tea at Rs. 1/15 a lb.

In addition, there were some twenty other delicacies in lesser quantities.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Is there no honey available in India? Why are they being supplied with Australian honey?

The Honourable Sir Reginald Maxwell: I have no time to answer these questions. Similarly from the -/12/- anna ration allowance, the Kitchen Committee were able to produce 403 apples, 24 seers of grapes, 827 bananas, 14 seers of almonds and many other fresh and dried fruit in lesser quantity. They even had poultry to eat. That is how these hunger strikers have been receiving attention.

As regards the 2nd Class prisoners, the same sort of Kitchen Committee were able to provide

34 seers of grapes

1,095 bananas

12 seers of almonds

7 seers raisins

10 fowls

6 tins of Sardines

9 seers of fish

37 lbs. tinned butter

8 packets of tea at Rs. 1/2/- a lb.

19 tins of preserved pineapples.

I have here a report actually giving all this sort of information about Deoli.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): The Honourable Member is misleading the House. May I know the number of prisoners who received this ration and the period over which it was spread?

The Honourable Sir Reginald Maxwell: I propose to make the whole of this report public and I shall have it published and distributed to the entire press of the country so that the people may know how these people have been living and to show that they have no grounds for complaining of ill-treatment. In fact the real reason of the strike is political. I think the House has read the letters of Jai Prakash Narain and it is hardly necessary to remind them of one or two things that were stated there. "Generally speaking", he says, "there is nothing much to complain of in the Deoli Camp" but "the Communist Party fellows are thinking of the strike entirely in terms of party propaganda. They were telling that they must do something to bring themselves before the public eye", and so "instructions were received from the Communist Party headquarters outside that the hunger strike should not be started till schools and colleges open and

the Central Assembly meets". He goes on in his letter: "that is, till we have the platforms ready to tom-tom their great struggle." That is an extract from his letter which was published.

I must finish now: all I can say is that these prisoners are not ill-treated: there is nothing that they are really entitled to strike for, and it is not fair that persons, regardless of their scale of living before arrest, should be given the privileges of first class prisoners at the expense of the general tax-payer when many workers in the towns and countryside are living on a far less generous scale of living and have to pay the taxes out of which these prisoners are expected to be supported. I would, therefore, ask this House not to give any support to this strike but to make it clear to these persons that by endangering their own lives they are not furthering their cause; and if the House gives such a verdict on this Adjournment Motion it will, I think, have a definite effect in discouraging these persons from putting their lives into further danger. In the meanwhile, all I need say is that they will be looked after as well as possible—I have sent for additional medical officers and compounders and I will do all I can to keep them alive; but give way to a strike of this kind, I will not.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I have heard with a degree of relief some of the statements which have been made by the Honourable the Home Member about the actual physical condition of these detenus. The House has also heard with some degree of amusement the enormous amounts of luxuries which they are supposed to consume. But I will beg of the Home Member to tell us for what period this volume of amenities was consumed.

The Honourable Sir Reginald Maxwell: In the month of September only: one month.

Mr. Jamnadas M. Mehta: In the month of September, for 30 days, 209 prisoners, if they consumed 25 tins of Polson's butter, what does it come to? 1,000 bananas he says . . .

The Honourable Sir Reginald Maxwell: In addition to their ordinary jail diet.

Mr. Jamnadas M. Mehta: Still, let us consider what it comes to. In one month if you consume even 1,500 bananas, it comes to 50 per day and the share of each of these 209 persons would come to about quarter of a banana. I do not think it is right to call this a luxury. I think this will present a very wrong picture . . .

The Honourable Sir Reginald Maxwell: What about the pineapples?

Mr. Jamnadas M. Mehta: Then we were told about certain tins of honey. If I heard the Honourable Member aright, the honey could have just made their teeth wet—but it could not have gone down their throat—the quantities that were mentioned. I am sorry to say that the Home Member introduced some very tantalising descriptions which I think might well have been spared. If you analyse the period over which these amenities were spread and the number of prisoners that were there, I think it is a cruel joke to describe them as anything of a luxury. It is the barest of bare amenities to people who are used to a better standard of living. On the

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Home Member's own admission many of them are highly educated university people, some of them are professional men; many of them are of high status; and to say that one-fourth of a banana is any luxury to them is really to practice a joke on their susceptibilities. Remember that these people are not tried or convicted. In war time society will tolerate some kind of restraint even without agreeing with Government. The people who are detained today have not been convicted of any crime; and there is an uneasy feeling in my mind that some of them, at any rate, must be absolutely innocent. To such people, to be thrown along with 209 others away from their homes, hundreds of miles away, it is no consolation that their bare physical well-being is looked after.

The fact that they are kept in confinement without conviction entitles them to some better treatment as some compensation for their not being treated according to law; and if you maintain that they should not go to their own provinces to be detained there and that the Government must have the last word on the subject, the least that the Government can do is to provide facilities to the members of their families to go and visit them at fair intervals. Mr. Joshi's complaint is not that they are kept in Deoli, but that they are kept away from their homes and no facilities are given to their wives and children to visit them at convenient intervals at government expense. I do not think that this is at all an extravagant demand, and I am very sorry that the Home Member has unduly taken fright at the strike of these people. May I know how long ago these people applied for being repatriated, before they went on hunger strike? The Home Member complained that these people cannot go on strike on the question of repatriation. I quite agree if it was made only a few days ago . . .

The Honourable Sir Reginald Maxwell: No; they were asking for it before: it has again been under consideration on Mr. Joshi's report for a few months and in the meantime they have gone on strike.

Mr. Jamnadas M. Mehta: If the demands had been purely political and had not been granted, that is another thing. But the visit of wife and children is not a political demand; I am sorry if I have not followed the Home Member aright, but Deoli, I understand is 60 miles away from the nearest railway station . . .

The Honourable Sir Reginald Maxwell: There is a bus service

Mr. Jamnadas M. Mehta: It is after all not a railway station; and in these days of petrol rationing there may not be enough buses. For these reasons there is nothing unreasonable in the demand that you should either repatriate them to their own provinces and keep them in safe custody there or to provide for the visits of their families. We are not challenging here the action of the Government in detaining them: what is said is that even after their physical well-being is provided for, the fact that they are not guilty persons but are merely detained on suspicion gives to the public always an uneasy feeling about their other requirements; and I think the Government should not take up an obstinate position. The strike may be an extreme form of protest, I do not deny it—perhaps it may have been designed to synchronise with the opening of the Legislative Assembly, but what is wrong with that? If they want their complaints to be heard, this is

the forum; and is it going to be complained on behalf of government that a strike has synchronised with the opening of the Assembly? It rather shows their belief that if they have a serious grievance this House will listen to it. What is wrong about this that the Honourable the Home Member should complain that it has synchronised with the opening of the House? It is the most appropriate thing that can have happened. If the House had not been sitting, there will be nobody to raise any cry in their favour.

Sir, we are charged with the well-being of detenu prisoners and it is our duty to discharge this function as well as we can. Therefore, it cannot be a complaint that this hunger strike has synchronised with the opening of the Assembly. Perhaps they know that Government will be open to public pressure in a House of this kind. That is not political. It is the right of the subject, it is the right of the citizen that he should be heard in a forum which is the most convenient forum of relief to him. Therefore, Sir, so far as the main grievances described by Mr. Joshi are concerned,—and with two of them at any rate I entirely agree,—I say that either you should repatriate them, or if you don't do so, then give every facility to their wives and children to visit the detenus at fair intervals. That is not being done today, and until that is done, this grievance will remain in the opinion of the public as a just and genuine one, and no amount of description of honey and bananas or tins of coffee and fish will beguile us into the belief that a detenu is a happy being. You may give me bananas as much as you like, but I would rather be out, than eat one fourth of a banana in jail, —I may not like a banana at all. Therefore, Sir, I think the Honourable the Home Member should not have imported this rather amusing caricature of their supposed comfort which works out at a very meagre proportion and which is more tantalising than real and puts a wrong colour, a wrong construction, on what is really no concession at all. For these reasons I would beg of the Honourable the Home Member not to insist on their withdrawing their hunger strike before he acts, but he should expedite his action and in the meantime try to preserve their health, life and safety as much as he can.

Mr. N. M. Joshi: Mr. President, I had stated in my speech in moving the adjournment motion that my intention was that the discussion of this subject in the Legislature would expedite the ending of the unfortunate situation. Sir, the Honourable the Home Member advised the House not to do anything by which the strike may be prolonged. Sir, it is not my intention that the strike should be prolonged. In order that the strike may not be prolonged and may end soon, I have moved my adjournment motion.

I am sorry, Sir, the Honourable the Home Member said that he will not surrender to dictation or strike. My friend, Sir Henry Gidney, said, that I moved my adjournment motion in order to force the hands of Government. Sir, I have been a Member of this Legislature for at least as long a time as my friend, Sir Henry Gidney, has been, and I know how the Legislature can force the hands of Government. I know what the present state of the Legislature is, being truncated and attenuated as it is today. When the House was full, it could not force the hands of the Government, and it cannot do so today. But my intention has been that the Government of India should, out of fairness and justice, be prompt in giving their attention to the grievances of the detenus in Deoli. I would

[Mr. N. M. Joshi.]

like the House to give their attention, and a very sympathetic attention, to the grievances of the detenus in Deoli, so that the strike may end soon.

Sir, I am not one of those people who generally try to foment strikes, much less a hunger strike. I know a strike is a method of agitation for securing redress, but a hunger strike is a method of inflicting pain upon oneself,—and I am not a believer of that method,—I would not advocate it. And if I can tell the House, knowing the people who are in Deoli, that they themselves in normal circumstances will not advocate the hunger-strike as a method of agitation for securing redress. We must remember that the detenus are living in abnormal circumstances. It is not open to them to agitate or to make speeches. It is not open to them to write pamphlets and create public opinion from the jail. They are under duress, they are in imprisonment, and in that state of imprisonment, helplessness and desperation, they have resorted to hunger-strike. Therefore, it is wrong for the Honourable the Home Member to treat the hunger-strike as a sort of threat. It is a method undertaken by people who are helpless and desperate. I would, therefore, suggest to the Honourable the Home Member not to entertain a false idea of what is subversive to discipline. If the grievances are real, let them be removed today. Let him not wait till the strike is over. If the removal of the grievances will end the strike, I am quite sure the prestige of the Government will not suffer. The prestige of the Government does not depend upon a particular hunger-strike having been successful. Is it such a weak prestige? I, therefore, hope that the Honourable the Home Member will give up the wrong idea that if he yields or surrenders and removes the grievances which are real, the prestige of the Government of India will suffer. Sir, I say the prestige of the Government will not suffer thereby unless their prestige means that even if the Government of India do a wrong thing that wrong must be maintained. No, Sir. The prestige of the Government of India depends upon the Government of India being fair and just. I would, therefore, Sir, suggest to the Honourable the Home Member to give up the wrong idea of prestige and the wrong notions of what is subversive to discipline. Let him examine these grievances properly.

Sir, I would say one word to the House, and it is this. I am very grateful to those Honourable Members who have supported my motion for adjournment, and any word of sympathy which would create a feeling that the Legislature will look after the grievances of these detenus will be helpful in the removal of their grievances, it will be of great use on this occasion.

There is one word more which I wish to say, and that is about what the Honourable the Home Member said regarding the views of Mr. Jai Prakash Narayan. I do not wish to open that subject, because I shall have to make a long speech. Only one thing I wish to make clear, and it is this, that Mr. Jai Prakash Narain is himself not living in normal circumstances. He is living an abnormal life.

An Honourable Member: He can write that letter.

Mr. N. M. Joshi: Let my friend first go there and take some experience; he will know what an unnatural life of imprisonment he is living.

Moreover, Sir, unfortunately, people holding different views having been brought together, they develop their differences. A man in abnormal circumstances makes a certain statement that communists wanted to go on hunger-strike for the purpose of propaganda or things of that sort. But they are not the statements made by a man under normal circumstances.

Then, the Honourable the Home Member quoted Mr. Jai Prakash Narain having said that there is nothing wrong in the conditions under which the detenus are living. That may be his view. There are some people who will very willingly live under whatever circumstances the Government may choose to place them. I know by my little experience. One of my younger brothers was in jail. The Superintendent asked him whether he wanted some fruit . . . My brother said, "Well, it is not for me to ask for fruits . . ." So Mr. Jai Prakash Narain out of patriotism, or out of any other motive, may have been content with the circumstances in which he is placed. But is that going to be quoted as an evidence that the conditions in Deoli camp are the best? If that is the view of the Government, I challenge them to accept my suggestion and appoint a Committee to examine the conditions under which the detenus in Deoli are kept. Let Government appoint a Committee. That is my suggestion. Let even my friend, Sir Henry Gidney, be a member of that Committee, I have no objection.

Lieut.-Colonel Sir Henry Gidney: I have been to Deoli.

Mr. N. M. Joshi: Let the conditions there be investigated by an impartial Committee. I, therefore, suggest that it was wrong for the Honourable the Home Member to quote the authority of Mr. Jai Prakash Narain.

Sir, I do not wish to continue this debate longer, but at the end I would again express the hope that this debate will persuade the Government of India to take up a reasonable, I would even say generous attitude, over this matter, and remove the grievances from which the detenus are suffering. I would also hope that the Members of the Legislature will watch over this situation sympathetically and help in the solution of this very unfortunate situation. I hope that the discussion of this adjournment motion will be helpful in ending the hunger-strike at Deoli.

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

"That the Assembly do now adjourn."

The motion was negatived.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 30th October, 1941.

LEGISLATIVE ASSEMBLY.

Thursday, 30th October, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

LISTS OF WAR REQUIREMENTS ARTICLES MANUFACTURED AND DRUGS PRODUCED IN INDIA.

52. *Sardar Sant Singh (on behalf of Mr. Lalchand Navalrai): (a) Will the Honourable Member for Supply be pleased to state if Government informed the public of this country in May 1940 that India was producing within her own borders more than 90 per cent. of her war requirements and that no fewer than 20,000 articles, required by the Defence Department, were being manufactured in India? If so, will the Honourable Member be pleased to state if any list of these articles has been published by Government? If not, will he be pleased to place on the table a brief resumé in respect of these articles?

(b) Is it a fact that the Honourable the Commerce Member made a statement in the Legislative Assembly on the 20th March, 1941, that more than 70 or 75 per cent. of the drugs required are produced in this country? If so, will the Honourable Member be pleased to state whether any consolidated list of such drugs has been published by Government? If so, in which document? If not, will Government be pleased to place on the table a concise list of the drugs, specially those that have been newly manufactured in this country after the commencement of the present war?

The Honourable Sir H. P. Mody: (a) Yes; information of the kind referred to was given out in June and September, 1940. No complete list has been published by Government but a popular list will be found in the issue of *Indian Information* of the 1st October, 1941, a copy of which is in the Library of the House. A departmental list (which cannot of course include all the 20,000 items) is being prepared and will be placed on the table in due course.

(b) Yes, on the 17th March, 1941. No consolidated list has been published, but information is released to the Press from time to time, and an article on the subject and a list of the drugs newly produced in India will be found in the issue of *Indian Information* to which I have already referred.

RAILWAY BOARD ORDERS AGAINST REDUCTION IN AN EMPLOYEE'S PAY.

53. *Sardar Sant Singh (on behalf of Mr. Lalchand Navalrai): (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that the Railway Board issued orders on the 9th April, 1941, to the State-managed Railways that, in view of the recent ruling by a law court the reduction in an employee's pay was illegal under the Payment of Wages Act? If so, will the Honourable Member please lay a copy of these orders on the table of the House?

(b) Is it a fact that in Karachi Division of the North Western Railway, all reductions were stopped with effect from 3rd February, 1941, and prior to this date, but current on this date? Was this stoppage of reductions made applicable all over the North Western Railway with effect from 3rd February, 1941? If not, why not?

(c) Does the Honourable Member propose to order a refund of deductions made on account of reductions ordered on the Railways after 3rd February, 1941, and earlier but current on this date? If not, why not?

The Honourable Sir Andrew Clow: (a) The reply to the first part is in the negative, the orders merely stated that pending further examination the penalty of reduction should be discontinued for the time being; the reply to the second part is in the negative.

(b) I am not informed of the exact date from which the orders became effective but on the Karachi Division the infliction of the penalty of reduction was discontinued earlier than on other divisions of the North Western Railway. As the judgment as a result of which the action was taken was propounded in Sind, action was taken earlier in the portion of the Railway under the jurisdiction of that court.

(c) I cannot give an undertaking in this respect; but I understand the question is being examined in its application to certain cases.

COMPLAINTS AGAINST NON-GRANT OF LEAVE PRIVILEGES DUE TO INADEQUACY OF RELIEVING STAFF ON NORTH WESTERN RAILWAY.

54. *Sardar Sant Singh (on behalf of Mr. Lalchand Navalrai): (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that it was expressed by the Railway Board in March 1930, in issuing Revised State Railway Leave Rules, that a common complaint was made in respect of leave privileges being actually withheld for want of relief and on similar grounds, and whether the Board requested the administrations to examine the adequacy of the relieving staff with a view to facilitate the grant of leave to the extent admissible under the Revised State Railway Leave Rules? Has this object been achieved?

(b) Is it a fact that even now there are general complaints on the North Western Railway regarding non-grant of even the limited leave privileges due under the Revised State Railway Leave Rules? If so, do Government propose to compensate the employees who are unable to get leave due to them, by payment of extra wages for the period of such leave due but not granted?

(c) If the reply to the second portion of part (b) be in the negative, what steps are proposed to be taken to ensure that leave due is granted to the employees and not allowed to lapse? If not, why not?

The Honourable Sir Andrew Clow: (a) The answer to the first two parts is in the affirmative. As regards the last part, information available with Government suggests that the object has to a great extent been achieved.

(b) Complaints have occasionally been made when staff could not obtain leave at particular times, and as the grant of leave must depend on the exigencies of the public service, it is not practicable to meet every one's desires in the matter of the time at which leave is wanted. But investigation has shown that staff as a rule can obtain the leave for which they are eligible; the second part, therefore, does not arise. In any case leave cannot be claimed as of right and there can be no question of compensation for leave not enjoyed.

(c) As I have indicated, no special steps are necessary; the last part does not arise.

Lieut.-Colonel Sir Henry Gidney: In view of the reply given by the Honourable Member, and in view also of the practice of all Departments to have leave reserves, has the Honourable Member assured himself that there is adequate leave reserve for subordinates on State Railways, or not?

The Honourable Sir Andrew Clow: I have not investigated the case but I have no reason to suppose that the leave reserve is inadequate.

Lieut.-Colonel Sir Henry Gidney: In view of the reply just given, is it or is it not a fact that in all departments a certain percentage of the staff is employed as leave reserve. Is that the case on the railway? If not, does the Honourable Member want the sweat, tears and blood of the subordinate staff going without leave?

The Honourable Sir Andrew Clow: It is not a question of sweat, tears or blood. In certain categories of public service, there is a leave reserve within the cadres. In consequence, when leave is given, substitutes are not appointed. In other categories there are no leave reserves. In such cases persons are appointed to officiate for others who go on leave. In a great many categories of the railway staff, there are leave reserves and the special investigation which we made on the North Western Railway showed that in respect of categories where there is a leave reserve or relieving staff are provided, no difficulty is experienced generally in the grant of leave to subordinate or inferior staff.

Lieut.-Colonel Sir Henry Gidney: I thank the Honourable Member for his reference to that specific railway, but my vision goes to the other railways also. I mean the East Indian Railway and the Great Indian Peninsula Railway, which are big State Railways. Is the Honourable Member aware of the fact that one of his predecessors in office assured this House that adequate leave reserve did exist. If so, why has that not been continued?

The Honourable Sir Andrew Clow: The Honourable Member is under an entire misapprehension. So far as I know there is no question of the system of leave reserves being discontinued, nor did I suggest it.

Lieut.-Colonel Sir Henry Gidney: I did not say you did. It was your predecessor in office. Will the Honourable Member state whether he expects these men to work without leave, with their labour increased and their pay reduced

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

Lieut.-Colonel Sir Henry Gidney: May I ask whether it is or not a practice of the railways to reduce the amenities of their men and at the same time allow them to keep working without any respite?

The Honourable Sir Andrew Clow: I am not aware of the practice to which the Honourable Member refers.

Lieut.-Colonel Sir Henry Gidney: I am sorry. I shall have to make a speech to give you all the details.

†55*—57.*

APPOINTMENT OF THE AGENT GENERAL OF INDIA TO THE UNITED STATES OF AMERICA.

58. *Mr. Govind V. Deshmukh: (a) Will the Foreign Secretary please state the functions of the Agent General, Sir Girja Shankar Bajpai, sent by India to the United States of America?

(b) Is this post temporary?

(c) What is the political status of the Agent General of India? Does this post create any change in the status and political relations of India with other countries? If so, in what way?

(d) Will the Agent General be responsible to the Secretary of State for India for his actions, or to the Government of India alone, or to both?

Mr. O. K. Caroe: (a) As representative of India in the United States of America the Agent General will co-ordinate India's part in all matters affecting the common interests of India and the United States.

(b) The appointment has, as was stated in the published announcement, been made in the special circumstances of the war. No decision has been taken as regards its term.

(c) The Agent General will be attached to His Majesty's Embassy at Washington. His appointment does not denote any constitutional change, but will enable closer and more direct contacts to be maintained between India and the United States.

(d) The Agent General will be responsible to the Government of India.

†Not included in these debates as these questions were from members of the Muslim League Party—*vide* remarks of the Honourable the President on p. 189, *ante—Ed. of D.*

Mr. Govind V. Deshmukh: In questions of dispute between the United States and India, which fall within his jurisdiction, may I know whether he will receive instructions from India or the United Kingdom?

Mr. O. K. Caroe: I have nothing to add to what I said in reply to part (d) that the Agent General will be responsible to the Government of India.

Mr. Govind V. Deshmukh: If disputes arise as regards the responsibility for his action, then will he act without receiving any instructions? If he has to receive any instructions on those points, then from whom will he receive them, the Government of India or the United Kingdom?

Mr. O. K. Caroe: He will receive his instructions from the Government of India.

Mr. Govind V. Deshmukh: Will he act on those instructions given by the Government of India and would such action be liable to be revised by the United Kingdom?

Mr. O. K. Caroe: I do not know what the Honourable Member means by 'revised by the United Kingdom'.

Sardar Sant Singh: Will he act independently of the representative of the United Kingdom?

Mr. O. K. Caroe: No. He will act in concert with His Majesty's Ambassador.

Sardar Sant Singh: In case of conflict between the representative of the United Kingdom and the representative of India on a certain point, will he be bound by the instructions of the Government of India or will he follow the United Kingdom?

Mr. O. K. Caroe: I see no reason to anticipate conflicts. The suggestion is entirely hypothetical.

Mr. Husenbhai Abdullabhai Laljee: When he is attached to the British Ambassador, will it not be concluded that he will be under the Home Government?

Mr. O. K. Caroe: I do not see that follows at all.

Mr. President (The Honourable Sir Abdur Rahim): There are some more adjournment motions in the name of Mr. Kazmi. He wants to discuss (A Voice: "He is not here"). Very well. The next one is about the hunger-strike. That has been disposed of.

STATEMENT BY THE HONOURABLE THE PRESIDENT.

NON-INCLUSION IN THE LIST OF BUSINESS OF MATTERS RECEIVED FROM THE MEMBERS OF THE MUSLIM LEAGUE PARTY DURING THE CURRENT SESSION.

Mr. President (The Honourable Sir Abdur Rahim): On the 28th October, the Leader of the Muslim League Party in the Legislative Assembly announced on behalf of his Party that the Party had decided to withdraw from the House during the present autumn Session to register their protest against certain decisions in connection with the present composition of the Executive Council and the Constitution of the Defence Council, and after making his statement he along with his Party withdrew from the House. In view of this announcement, I have directed the office not to take any action on the questions, Resolutions, Bills, adjournment motions or any other matter connected with the proceedings of the current Session of the Assembly of which notices have been received or may be received from the members of the Muslim League Party during this Session. No Resolution of a member of that Party which has secured a place in the ballot or any pending Bill which is in charge of a member of that Party or any question by a member of that Party will be included in the List of Business during this Session. If, however, the Party as a whole or any individual member of it intimates to the Secretary in writing their or his intention to attend the Session later on, this order will cease to have effect from that date so far as the Party as a whole or the individual Member is concerned as the case may be.

NOMINATION OF THE PANEL OF CHAIRMEN.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the House that under sub-rule (1) of rule 3 of the Indian Legislative Rules, I nominate Lieut.-Colonel Sir Henry Gidney, Mr. L. C. Buss and Sir Cowasji Jehangir on the Panel of Chairmen for the current Session. The name of the fourth member of the Panel will be announced later, if necessary.

NOTIFICATION UNDER THE INDIAN EMIGRATION ACT.

The Honourable Mr. M. S. Aney (Leader of the House): Sir, I lay on the table a copy of the Education, Health and Lands Department Notification No. F.-144-1/38-O. S. (C), dated the 21st July, 1941, issued under the Indian Emigration Act, 1922.

DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

NOTIFICATION.

OVERSEAS.

Simla, the 21st July, 1941.

No. F.-144-1/38-O. S. (C).—Whereas for the purpose of implementing an agreement made between the Governor General of India in Council and the Governor of Burma it is necessary to issue this notification;

NOTIFICATION UNDER THE INDIAN EMIGRATION ACT

Now, therefore, in exercise of the powers conferred by sub-section (1) 30-A of the Indian Emigration Act, 1922 (VII of 1922), the Central Government is pleased to prohibit with effect from the 21st July, 1941, all persons from departing by sea out of British India to Burma for the purpose of unskilled work unless exempted by special order of the Central Government from the provisions of this notification.

G. S. BOZMAN,

Joint Secretary to the Government of India.

STATEMENT RE SAFETY IN THE BUILDING INDUSTRY.

Mr. H. C. Prior (Labour Secretary): Sir, I lay on the table a statement indicating the action taken, and the decision reached, by the Government of India in pursuance of the Resolution adopted by the Legislative Assembly on the 25th March, 1938, regarding the Draft Convention and Recommendations of the International Labour Conference concerned safety in the building industry.

STATEMENT.

In pursuance of the Resolution adopted by the Legislative Assembly on the 25th March, 1938, concerning the Draft Convention and Recommendations of the International Labour Conference regarding safety in the building industry, the Government of India asked the Provincial Governments to consider the desirability of legislation in the light of the extent and character of the hazards involved, the possibilities of eliminating or reducing risk in construction in the manner proposed and the expense of the inspection that would be necessary for enforcement. In particular their attention was drawn to the possibility of action within municipal areas, as suggested by the Honourable Mr. Ananthasayanam Ayyangar in the course of the debate on the Resolution. All the Provincial Governments and Administrations except two are unanimously of opinion that the Draft Convention and Recommendations the implementing of which requires legislative action are unsuited to conditions in India. Even the two Governments mentioned above, while they see no objection in principle to legislation, are not in favour of any particular action within their respective jurisdictions. The main reasons put forward by Provincial Governments against legislative action are:—

- (1) that the building industry is unorganised;
 - (2) it will be difficult to enforce the legislation without an unduly large and expensive staff which will not be justified in view of the comparatively small risk to be countered;
 - (3) accidents in the building industry are comparatively rare and in most cases where they occur, they are of a nature which cannot be minimised by legislation.
- As regards the two Recommendations concerning co-operation in accident prevention and vocational education, regarding which the Provincial Governments were asked to consider the desirability of taking executive action the majority of the Provincial Governments have offered no observations. Those who have, do not consider any action to be possible or necessary.
- In the circumstances the Governor General in Council has decided to take no further action in the matter.

ELECTION OF A MEMBER ON THE STANDING COMMITTEE ON EMIGRATION.

The Honourable Mr. M. S. Aney (Member for Indians Overseas): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, one non-official member to serve on the Standing Committee on Emigration in place of myself."

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, one non-official member to serve on the Standing Committee on Emigration in place of the Honourable Mr. M. S. Aney."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I may inform Honourable Members that for the purpose of election of members to the Standing Committee on Emigration the Notice Office will be open to receive nominations up to 12 Noon on Tuesday, the 4th November, 1941, and that the election, if necessary, will, as usual, take place on Thursday, the 6th November, 1941, in the Assistant Secretary's room in the Council House, New Delhi, between the hours of 10-30 A.M. and 1 P.M. The election will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

THE CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

APPOINTMENTS TO THE SELECT COMMITTEE.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I move:

"(1) That Mr. Akhil Chandra Datta be appointed to the Select Committee on the Bill to simplify the procedure in appeals to the Federal Court in place of the Honourable Mr. M. S. Aney whose seat on the Committee has become vacant;

(2) that the Honourable Mr. M. S. Aney be re-appointed to the Committee in place of the Honourable Sir Reginald Maxwell; and

(3) that Mr. R. A. Gopaldaswami be re-appointed to the Committee."

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

"(1) That Mr. Akhil Chandra Datta be appointed to the Select Committee on the Bill to simplify the procedure in appeals to the Federal Court in place of the Honourable Mr. M. S. Aney whose seat on the Committee has become vacant;

(2) that the Honourable Mr. M. S. Aney be re-appointed to the Committee in place of the Honourable Sir Reginald Maxwell; and

(3) that Mr. R. A. Gopaldaswami be re-appointed to the Committee."

The motion was adopted.

THE RAILWAYS (LOCAL AUTHORITIES' TAXATION) BILL—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the following motion moved by the Honourable Sir Andrew Clow on Monday, the 27th October, 1941, namely:

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a province be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. T. S. Sankara Aiyar, Dr. R. D. Dalal, Mr. J. Ramsay Scott, Mr. Akhil Chandra Datta, Maulvi Abdur Rasheed Chaudhury and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, since the House adjourned, suggestions have been made

to me by Leaders of Parties in the House that they would like a larger Committee to consider this Bill. I am anxious to meet, as far as I can, the wishes of Honourable Members, and, with your permission and if Members do not object. I would like to amend my motion by adding four names to the Select Committee. The names are those of Rao Sahib Sivaraj, Mr. C. P. Lawson, Mr. Jamnadas Mehta and Mr. Gopaldaswami. I move that formally.

Mr. President (The Honourable Sir Abdur Rahim): I suppose there is no objection to this amendment being moved now.

Honourable Members: No.

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

"That in addition to the Members whose names have been already mentioned, the following names be also added as Members of the Select Committee:

'Rao Sahib N. Sivaraj, Mr. C. P. Lawson, Mr. Jamnadas M. Mehta and Mr. R. A. Gopaldaswami'."

The motion was adopted.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I find myself in a rather difficult position as regards this motion of the Honourable Sir Andrew Clow. I do not know whether to support it or to oppose it; I find that the objects and reasons and the text of the Bill are not quite in consonance with each other.

The Statement of Objects and Reasons is so tempting that I thought something good was being done for the Municipalities and that therefore the Bill would deserve a welcome. But on going through the text of the Bill, my enthusiasm has considerably cooled down, clause after clause, instead of giving real and permanent powers to the local authorities it is calculated to detract from them and to place them at the mercy of the Government of India with regard to their powers of taxation. I am sure that is not the intention of the Honourable the Mover of the Bill. I am sure it is not the intention of the Honourable the Mover that there should be a cleavage between the Statement of Objects and Reasons on the one hand and the text of the Bill on the other. I am sure he himself will admit that the Bill as it stands gives considerable room for apprehension. Clause 3 (2) of the Bill says:

"A notification issued under sub-section (1) may modify any tax in its application to any railway administration and in particular and without prejudice to the generality of the foregoing power may reduce the rate of the tax in respect of all or any part of the property of the railway administration, or may define the manner in which the tax shall be assessed on any such property or may exempt any particular property or class of property or any specified area from the whole or any portion of the tax."

Sir, the House will appreciate that these powers are so far reaching and so comprehensive in actual operation that their tendency would be not to improve the finances of the local authorities but to cripple them. I do not see any particular reason why railways should enjoy a position different from owners of private property. Why should there be a difference between the Tata Steel Company's obligations to pay local taxes and the obligations of the railways to pay those taxes?

[Mr. Jamnadas M. Mehta.]

If anything, the railways are a standing nuisance because of the smoke which they spread over the countryside, thus rendering the task of the Municipal and Health authorities of the local boards far more difficult than any other single institution. The evils of smoke dust are familiar to any sanitary authority. Therefore, if possible the obligation of the railways to pay local taxes should be larger and not smaller, because they are a distinct liability to the local authorities on account of the enormous amount of the damage to the health and sanitation of the city by coal dust which they scatter all over the place.

Then, Sir, the railway authorities are likely to create malaria and overcrowding. Malaria is such an insidious disease that it is likely that it will harbour itself in any nook and corner in many of the dark places where the railways stock their moveable property. For these reasons, namely, that the Railways have no particular reason for being exempted from obligation to pay local taxation, secondly, that they are likely to create more responsibilities for the local authorities in the matter of public health that I would request the Government not to take such abnormal authority of interfering with the powers of taxation of local authorities.

I agree with the Statement of Objects and Reasons, where the Bill seeks to give powers of taxation to local authorities over some new property of the Railways which are not subject to local taxation today. To that extent it is a welcome feature. But simply for that little additional scope of increasing the revenue, the local authorities should not be exposed to the risk of a serious depletion of their funds on the part of the railways as the Bill proposes. It not only proposes total exemption but modification and reduction. Of course, the word 'modify' may mean conceivably 'increase' also, but 'modify' might also mean the reduction of the existing revenues of local bodies.

The difficulty is further increased by the fact that this Bill is likely to affect not any district local bodies but also large Municipalities, because the small Municipalities are not able to render any service to the railways in the matter of water supply or scavenging or even in the matter of sanitation and public health. There are nearly 10,000 railway stations or a little more or less and in most of these the local authorities will hardly be able to render any municipal amenities to the railways. Therefore, this Bill will largely apply to big Municipalities of the size of Calcutta, Bombay, Ahmedabad and such other big capital cities. There the railways add to the congestion more than any other authority. They take the fullest advantage of the municipal amenities being a commercial body. It is admitted that the railways are a commercial body. If they are a commercial body then they should be treated like any other commercial body subject to all the necessary local taxation which other commercial bodies bear. In Bombay, the Municipality, I am sure, is spending large sums of money in the direction of water supply, health, sanitation, scavenging, street lighting over the extent of railways and it, therefore, stands to reason that this Municipality should be adequately compensated by powers of taxation and they should not be left to the tender mercies of the Government of India.

Lastly, Sir, this Bill vests power in the Government of India to appoint an officer who will decide what amount in lieu of taxation should be paid by the railways. I submit this form of assessing generally leads to the appointing of an executive officer. I would prefer that when there is difference of opinion between the railways and the municipal authorities, the difference should be adjudicated by a judicial authority and not by the administrative authority set up by the Government. I cannot honestly say that the local authorities' revenues will be safe if any administrative officers of the Government of India were left to judge of the amount payable by Railways. On all these grounds my difficulty increases whether to support the Bill or to oppose it. The Objects and Reasons are so very gentle in their tone and the Bill itself is so harsh in its expression that I am driven to the necessity of wondering whether I should support the Bill or not. There is an Indian proverb which says that an elephant has two sets of teeth, one set for being exhibited and the other set for biting. The elephant in this Bill has a double set of teeth. The teeth which are ornamental are in the Objects and Reasons and the teeth which can bite are in the text. Between the two our difficulty is greatly increased and

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban):
Extract all the teeth and make an end of the matter.

Mr. Jamnadas M. Mehta: I can only hope, in allowing this Bill to go to the Select Committee, that no technical objection will be taken in the Committee to the deletion of any particular clause; and in this hope I will allow the motion to go through.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban):
Sir, it is clear that a Bill is necessary in order to enable local authorities to levy taxation on railway property in cases where taxation has not been levied up to the present moment. But the question is, is this a proper and adequate Bill?

It is known to many Members of this House that a similar Bill was placed before the Legislative Assembly in 1938 and the motion for circulation was rejected by a majority of this House. Why was that circulation motion rejected? Because, as has been pointed out in the Statement of Objects and Reasons, fears were expressed that the Bill would confer an unreasonable advantage on railways at the expense of Provincial Governments and local bodies. Let us see if this Bill seeks to remove—and, if so, to what extent—those fears which were entertained in 1938. Clause 3(2) of the present Bill gives the most drastic power to the Central Government which may modify any tax or reduce the rate on any property or part of a property, or direct in what manner the tax shall be assessed, or exempt any particular property or class of property or any specified area from the whole or any portion of the tax. So long as this sub-clause exists can we say that the fears of the House have been removed? No. It appears to me that Government are seeking to take an undue and unfair advantage of the absence of a large number of elected Members of this House. Three-fourths of the elected Members of this House are absent and you thrust upon us a Bill which was rejected three years ago,—even the circulation motion was rejected and not a

[Dr. P. N. Banerjee.]

motion to refer it to Select Committee. This is extremely unfair. If you wanted a proper and adequate Bill you ought to have amended the original Bill in the proper manner.

Sir, the professed object of the Bill is to restore the position that existed before the 1st April, 1937. Did the sub-clause referred to by me exist in any of the notifications issued before 1937? No; in none of the notifications did it find a place. Therefore, the statement contained in the Statement of Objects and Reasons is in this instance a mis-statement. Further, I find that a notification was issued on the 7th January, 1901, in which it was made perfectly clear that it was not the intention of Government to evade the taxation of railway property. It was made clear that the policy of Government was not to relieve railway administrations from any liability to local taxation but to obtain control over the demands on railway administrations by municipalities and other local bodies in order to see that railway administrations were not unfairly exploited for the benefit of the local authorities. Has this provision been incorporated in this Bill? It is made perfectly clear in this notification that the object is not to relieve railway administrations, but on the other hand anyone who reads this clause 3 (2) of the Bill will find that Government are taking drastic power to exempt any railway property, and to do whatever they like, to define the manner in which taxation is to be levied, and so on. This is extremely unfair.

Then, Sir, some of the other provisions are also open to exception. In sub-clause (3) of clause 3 we find that the amount of tax payable by the railways is to be determined by an officer appointed by the Central Government; and he will, having regard to all the circumstances, from time to time determine what is fair and reasonable. Now, the phrase "officer of Government", unless it is qualified, usually means an executive officer of Government. So the Central Government which own the railways will appoint their own officer. Can he be expected to be impartial? He is likely to be a partisan. It is not laid down here that he will be a judicial officer. Even a judicial officer appointed by the Central Government will not be able to perform his duties in such a manner as to inspire full confidence in his sense of justice. Therefore, it is desirable that this matter should be decided by an impartial tribunal. Whenever there is any dispute, let the Central Government appoint one person and let the local authority appoint another person, and let the matter be referred to such a judicial tribunal. That would create confidence, and that would not be unfair to the Central Government or to the local authority. I do not want that the Railway Authority should be exploited by any local body. On the other hand, I do not also want that the local bodies should be exploited by the Central Government.

Sir, there is already a doubt in the minds of the people here that the Government are in need of money and the main object of the Bill is to help Central finances at the expense of local finances. That is the feeling which has gone abroad. In order to remove that feeling you must make such provisions in the Bill as will remove all causes of fear and apprehension.

But even that will not suffice. Even the appointment of a proper tribunal will not give satisfaction. The question is, what is to be the basis of assessment in the case of railway property? They must lay down a proper basis; otherwise even the best judge will fail to decide correctly and there will be differences in decisions; one judge will decide in one manner and another judge will decide in another manner, because there is no basis which is to guide the judges in deciding this matter. Therefore, a proper basis of assessment will have to be provided in the Bill. But no basis has been provided here. All that is said here is:

"having regard to all the circumstances of the case, from time to time determine to be fair and reasonable."

At one time, a particular judge may think that this is fair and reasonable in the circumstances, but another judge may at another time decide in a different way. This is not proper. You ought to have a proper basis of assessment.

Now, my Honourable friend may ask, where are we going to find a proper basis of assessment? I believe the Honourable the Railway Member has read the Report of the Taxation Enquiry Committee. In that Report the proper basis of assessment is given. The Taxation Enquiry Committee point out the difficulties in the existing system. They say that there are no principles to guide the officers who decide these matters and after pointing out the difficulties, they say there should be a basis which should be worked on uniform principles. This is laid down on page 331 of the Report:

- "(i) All buildings, Railway Stations, etc., should be assessed at six per cent, on the cost of building and land;
- (ii) Workshops and connected offices at five per cent, on the cost;
- (iii) Offices used for general administration purposes,—letting value;
- (iv) Residences, also letting value; and
- (v) Lands under rails and sidings, five per cent, on the actual value of the land."

Sir, this Taxation Enquiry Committee at least ought to be taken as an impartial body. It was presided over by Sir Charles Todhunter, a high Government officer at that time, who is now Private Secretary to the Maharaja of Mysore. The Committee consisted of members whose impartiality could not be questioned. Why don't you accept the basis suggested by this body? Now, if you are not satisfied with the basis laid down in this Report you may have it modified by referring this matter to another body of experts and be guided by their opinion. But, in any case, let there be a definite basis of assessment. In the absence of any definite basis in the past the officers appointed by Government have used the rule of thumb—a rough and ready method and procedure. Well, this method, I frankly admit, has worked—though not quite satisfactorily—at least tolerably well in the past. Why? Because in general the Commissioners of Divisions were given the work. They used to be appointed by the Government to deal with this matter. The Commissioners of Divisions—I am speaking of Bengal—had some experience of the work of municipal bodies, because no person could rise to the position of a Commissioner unless he had been Chairman of ten or twelve municipalities. Therefore, he had some experience, and as he was an officer of the Government he would not decide against the Government. Besides,

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having been a Chairman of Municipalities for a long time he would perhaps have some sympathy with the interests of the municipalities. That was the situation until 20 or 25 years ago. But now things have changed. The District Magistrates are no longer Chairmen of municipalities. The Commissioners do not actually possess any experience of municipal work. Therefore, being a Government officer, he naturally becomes a partisan. And, we all know, municipal bodies have now adopted a somewhat more independent attitude than before. They refuse to give addresses to the Commissioners and Magistrates and sometimes to the Governors of Provinces and even to the Governor General. Therefore, these Commissioners of Divisions always find an excuse to treat them in a manner in which they ought not to be treated. These Commissioners do not at the present moment inspire any confidence in the minds of the local bodies. The system, therefore, will have to be changed. So what we require now is to fix a proper basis, and, then if there is a dispute, to refer it to an independent tribunal. Further, there should be an appeal to the High Court. None of these provisions are to be found in this Bill.

I am sorry to find that the attitude of the bureaucratic Government is very unfriendly towards local self-government. Day before yesterday, I was surprised at the attitude taken up by the Honourable the Finance Member in this regard. Sir Jeremy Raisman has very good manners and my personal relations with him are of a very cordial character; but I must say that the attitude taken up by him on that occasion was far from what could be expected from him. If it had been some other person I would have said that it was unworthy of a man occupying the responsible position which he occupies

The Honourable Sir Jeremy Raisman (Finance Member): Sir, on a point of personal explanation: is it correct, in regard to opinions genuinely held on the merits of a measure, to import into them reflections or conclusions regarding the character or manners of a particular individual?

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member might confine himself to the measure under discussion.

Dr. P. N. Banerjea: I will merely refer to his statement with regard to the Calcutta Corporation. When it was pointed out that the Calcutta Corporation would lose to the extent of 2 3/4th crores . . .

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member should confine himself to the motion.

Dr. P. N. Banerjea: All right, Sir. I will not refer to it. But that is an instance of the unfriendly attitude of the bureaucracy towards local self-government, and I believe that is also the attitude of his neighbour, Sir Andrew Clow. There was a time when the development of local self-government was considered one of the duties of the bureaucratic Government; but now that they have ceased to be chairmen of municipalities and district boards, they are very unfriendly towards these bodies. Therefore, I would not trust any officer of Government with the task of determining what tax has to be levied on a particular piece of railway property.

I should like in this connection to refer to a cognate matter. For some time past, with reference to the property of the railways held under the jurisdiction of the Calcutta Corporation, a tendency has been observed of substituting the profits basis for the basis adopted by the corporation. The profits basis is a very complicated business

Mr. President (The Honourable Sir Abdur Rahim): Is the Calcutta Corporation concerned in this Bill?

Dr. P. N. Banerjea: Yes, the Calcutta Corporation is concerned, and the Calcutta Corporation strongly opposes certain sections of this Bill. The basis that has been urged by the Government officers who inquired into it is the profits basis. Now, the profits basis is a very intricate business and the Calcutta Corporation is unable to decide whether this profits basis is the right basis or not. As a matter of fact, the Indian railways are mostly State Railways—at least the East Indian and Eastern Bengal Railways are State Railways; and their accounts are not kept on the profits basis as in commercial railways. The Government officers say that the profits basis is accepted in England; but it is accepted there because that basis is governed by certain Acts which prevail there; besides certain safeguards are laid down. The basis is decided upon by the Railway and Canal Commissioners, not by an officer of the Executive Government. These are the differences. When it is advantageous to the Government they will brush aside all considerations and they will urge that the profits basis exists in England. In England the railways are all owned by companies, whereas in India most of the railways are owned by the Government. That is one point of distinction. Then, again, in England definite laws have been passed to guide the conduct of the officers who investigate into this matter. Further a body known as the Railway and Canal Commissioners has been established. There is no such provision here. Lastly, the Act under which the Commissioners there work insists that the proper profits basis should be worked out. Here there are no such safeguards and no such provisions. Even then they say "We are guided by the profits basis", they do not place all their papers—there are no papers really,—before the Corporation. In India the State railways do not keep their accounts on the same basis as the railways in England are compelled to do.

Therefore, on these grounds, I urge that this Bill is very defective. It has many defects. In the first place, there is no proper basis for calculation of a tax. In the second place, the drastic power given to the Central Government did not exist before. In the third place, it is provided that the Central Government will appoint an officer of its own to fix the rate or amount payable to a local body, the local body having no say in the matter. It is a one-sided arrangement. Lastly, there is no provision for appeals in this Bill. Therefore, my present attitude is that this Bill should not be referred to Select Committee. But as I said in the beginning, a Bill is needed; and if an assurance is given that all these defects will be removed at the Select Committee stage, I will not object to such reference. Otherwise, it will be my duty to object to reference to a Select Committee.

Sir, it is a very important measure, although the Bill consists only of a few sections. The provisions of the Bill can be utilised in such a manner as to stifle local self-government in this country; they may be used in such a manner that the resources of local bodies will be greatly curtailed; and a great deal of unfair treatment may be meted out to local bodies under the

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provisions of this Bill. Therefore, I say again that if assurances are given that at the Select Committee stage these four points which I have raised will be considered, the four defects which I have pointed out will be removed, then I will support reference to the Select Committee; otherwise I will oppose.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I entirely agree with the remarks that have fallen from the previous speakers, Mr. Jamnadas Mehta and Professor Banerjea. It appears that the Government have brought up this Bill with the object of helping the local bodies. At the same time it does appear that while on the one hand they want to help the local bodies, on the other hand they want to keep all powers to themselves so as to regulate how much and at what time they can give these local bodies some help. Well, Sir, the question of questions is, why are we acquiring all these Railways from the companies for the Government? The whole object is to do good for the masses of our countrymen. All the surplus that the Railways make goes to the Finance Member for other purpose than for the purpose of helping the masses. Now, Sir, which is the body which does the greatest good to the masses? I say it is the municipalities, and specially at this stage of our national existence, it is only the municipalities which are able to do some good to the masses by extending to them facilities in the way of medical relief, sanitation and education. Sir, we have given from our purse very very little of medical relief or education to the masses, and the condition in which masses are kept today is really very deplorable, further if we look to the general health of the people at large it is very poor. Now, Sir, if the real object is to help the masses of this country,—and no civilised Government will deny it,—then I ask in all fairness that when the Railways belong to the Government, why should not the Railway administrations themselves come forward and give grants to municipalities for extending primary education, for sanitation and affording medical relief, in order that there may be efficient and healthy labour, in order that the poor masses may have some enjoyment or some amenities when they are for all the time under the stress of heavy debts and taxation?

My friend, Mr. Jamnadas Mehta, has pointed out that the municipalities and specially municipalities in major cities, have a much heavier responsibility for the welfare of the citizens living in the premises or buildings in or near about the railway lines. I can tell you, Sir, that right from the Victoria Terminus Bombay up to Kurla about 7 miles we have got 8 railway lines, and throughout the monsoon we find that a lot of water naturally accumulates in the vicinity. We cannot drain it away, because there are 8 lines and a number of sidings, there is besides the Wadi Bunder, the Carnac Bunder depots with practically hundreds of sidings and railway lines. The result is that certain localities in the immediate neighbourhood of these railway lines like the Frere Road, Mandvi and Dadar are full of malaria microbes, and the Municipality has to spend lakhs of rupees in exterminating these microbes or in carrying on the malaria campaign. This trouble is directly due to the railway lines and premises being in such close proximity to places where people live. Now, Sir, when we are bound to look after the health of the masses, when we are bound to do all these things not only

of the railway people but also of the general public who patronise the railways more so when it must be remembered that it is the local traffic which pays the railways the most that is the people who live in these localities who contribute to the profits of the railways,—here comes an authority, my own Government, I mean the peoples' Government as I put it, because after all the Government of India is running at the cost of the ratepayers of all the provinces,—that authority comes and tells me—"I won't give you power to spend money for your own benefit, I shall be your own judge". Not only this, Sir, but the Government will not trust even the peoples municipalities, and they say they must have their own man. Why, I ask? Is it because the Government have got only to look to the interests of their Imperial revenues,—for what purposes these revenues are really used God alone knows. So far, Sir, from Imperial revenues we have not been able to afford any relief in the way of sanitation or education or medical relief to the masses. We have a very big budget, but we have not been able to spare anything from it for the good of the masses of people. In fact the Government of India do not spend even one per cent of the money which they get for Imperial revenues for education, sanitation or medical relief of the masses. Therefore, I say that if some more money is given to the municipalities, it won't go into the coffers of anybody, but it will be utilised for the people by municipalities, by people who are managing the affairs of their cities. Let us encourage them, let us give them more.

Dr. P. N. Banerjea: We are asking only for a fair thing.

Mr. Husenbhai Abdullabhai Laljee: I have been in the Corporation of Bombay for 25 years, and we know how we have been treated. I can say this about Bombay. We spent nearly 4 (four) crores of rupees on the triplication of the Tansa water supply when I was its President and supply ninety gallons per head daily of filtered water and when we incurred this capital expenditure, the question arose about the rate, and the railways declined to pay us the rate that was due. That is the way we were treated. Therefore, Sir, I suggest that in this matter there should be a judicial authority. The Government can easily trust a judicial authority if there is any difference of opinion. If I were in the place of my friend, Sir Andrew Clow, and if I had to show a surplus in the administration of my department, then I would naturally appoint my own officer. The very party who are concerned to see that there should be a surplus in the railway revenues should not themselves be the judges in this matter; they should agree to appoint an independent judicial authority. I do hope that the Government of India will realise that so far as clause 3(2) is concerned, they will make certain changes.

Dr. P. N. Banerjea: It should be removed altogether.

Mr. Husenbhai Abdullabhai Laljee: Or in the alternative a judicial authority should be appointed. It is impossible for anybody to believe that people interested in showing a surplus railway budget would ever think of the other side of the question. After all, as I said, where will the money go if you pay a few thousands more to municipalities? It will help the Railways in getting healthy and intelligent labour, it will also help the localities from which the labour will come to the railways. Although we are few elected Members in numbers here today I trust the Government will listen to our demand. After all, it is also a part of the duty of the Government

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of India to look after the general health, education and sanitation of the people, and they should, therefore, be very liberal in making contributions, because I repeat so far they have done very little in this respect, which is not at all creditable.

Sardar Sant Singh (West Punjab: Sikh): Sir, I wish to make a few observations on the character of the legislation this Bill seeks to provide for. There are five clauses, and clauses 3, 4 and 5 relate to the substantive part granting power to the executive Government to legislate on behalf of this House in a manner which they consider to be just, fair and equitable.

Sir, in the Objects and Reasons it is stated that this legislation has been called for in view of section 154 of the Government of India Act. While in the body of the section it is stated that all property vested in the Federation shall be exempt from all taxes imposed by, or by any authority within, a Province or Federated State, the proviso to that states that until any Federal law otherwise provides, any property so vested which was immediately before the commencement of Part III of this Act liable, or treated as liable, to any such tax, shall, so long as that tax continues, continue to be liable or to be treated as liable thereto. In conformity with this proviso we are asked to enact provisions so that local bodies may be in a position to levy taxation on property at present vested in the State-owned railways. Examining these three substantive clauses of the Bill one finds that those who are responsible for the framing of this legislation have not cared to define any principle on which they propose to act if such power is granted to them. Clause 3 says that in respect of such property a railway administration shall be liable to pay any tax in aid of the funds of any local authority, if and to such extent as the Central Government may, by notification in the official Gazette, declare it to be so liable. Under clause 4 power is asked to be given to them so that they can modify the existing liability to taxation. Clause 5 is a saving clause, and they want the railway administration to enter into an agreement with the local body.

My objection is this. This is that piece of legislation which the Chief Justice of England in his well known book, "The New Despotism" has called legislation over the head and the power of the Legislature. I will quote from that book for the purpose of concentrating the attention of our friends on the Treasury Benches, that such a piece of legislation has been seriously objected to by well known constitutional authorities. It seriously infringes the rule of law and it leaves people at the mercy of the executive. As a matter of fact, before the constitution of legislatures the power of law making vested entirely in the bureaucracy. The Legislature in India has been given restricted powers. The legislative powers under the Government of India Act, 1935, have been divided into two portions, one, those which are exercised by this House so far as the Central Legislature is concerned, and the other, which are exercised by the Governor General in his power of promulgating Ordinances. I am not now going into the question of the constitutional propriety of such a division. I am simply stating the fact and bringing to the notice of Honourable Members in this House that at such a critical time as the present, when we are called upon to concentrate all our efforts towards the successful prosecution of the war, we find that this House, the elected representatives of the people are not being taken into confidence, and most of the important legislation is being done

by way of Ordinances. At the beginning of the war I raised my voice of protest that this Legislature is being gradually ignored, not on account of certain acts of important parties in the country, but the hands of those who abstain from the present Legislature are being strengthened by the acts and conduct of the authorities themselves. The position, when analysed, of the Congress Party in this House, and now of the Muslim League Party, is, "You do not share the power with us. Therefore, we are walking away. We do not want to be in the House."

Most of the legislation is by way of Ordinances, and important principles of legislation are decided not by the vote of this House but by the exercise of the power of making Ordinances. Here is a sample of the kind of legislation which is brought before this House—this Bill itself. Probably it has nothing to do with the war, and I know it has nothing to do with the war. Legislations relating to war are kept at a safe distance from us, but even in regard to simple matters like this, what does the bureaucracy want? They want a blank cheque, without showing the amount, without showing the purpose for which it is wanted,—to be filled in by the Honourable Sir Andrew Clow, as representing not this House, owing no responsibility to this Legislature, but owing responsibility to a third power, and he wants us to give him a blank cheque to be filled by him as he likes. This method has been adversely commented on by no less an authority than the Chief Justice of the United Kingdom. In his book, "The New Despotism" he has condemned this method in no unmistakable terms. He says:

"It is one thing to confer power, subject to proper restrictions, to make regulations. It is another thing to give those regulations the force of a statute. It is one thing to make regulations which are to have no effect unless and until they are approved by Parliament. It is another thing to make regulations, behind the back of Parliament, which come into force without the assent or even the knowledge of Parliament. Again, it is strong thing to place the decision of a Minister, in a matter affecting the rights of individuals, beyond the possibility of review by the Courts of Law. And it is a strong thing to empower a Minister to modify, by his personal or departmental order, the provisions of a statute which has been enacted."

A thoughtful writer himself, he has carefully analysed the modern tendency of getting powers from the Parliament by the bureaucracy. He has enunciated nine principles which the bureaucracy wants to empower themselves with. I do not want to tire the House by going into those nine principles; but I will read only one of them, namely, No. 8, for the benefit of Honourable Members. What does the bureaucracy want? They are experts in governing, and want to keep the power of legislation as much as possible in their hands. The writer says:

"This course will prove tolerably simple if he (the bureaucrat) can: (a) get legislation passed in skeleton form; (b) fill up the gaps with his own rules, orders, and regulations; (c) make it difficult or impossible for Parliament to check the said rules, orders and regulations; (d) secure for them the force of statute; (e) make his own decision final; (f) arrange that the fact of his decision shall be conclusive proof of its legality; (g) take power to modify the provisions of statutes; and (h) prevent and avoid any sort of appeal to a Court of Law."

If these points apply to any piece of legislation, they apply to the present Bill in all its entirety. What does the Honourable Member for Communications want us to do? He wants that he shall have the power to issue a notification subjecting railway property to any amount of taxation which is equitable not in the eyes of the second party, that is the local body, but to himself who is one of the parties. May I ask the Honourable the Finance Member in his income-tax regulations to give us

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that power—to issue a notification enabling the assessee to pay what he wants to pay and not what the Honourable the Finance Member wants that he should pay? Will he give me that power?

The Honourable Sir Jeremy Raisman: Surely that would be the state of affairs if the power of assessment was entirely in the hands of the local authority concerned with its own local interest, which has no regard to the interests of India as a whole.

Sardar Sant Singh: I am very grateful for my friend's interruption. May I reply in answer to the observations which he has been pleased to make just now that the principles of assessment of property in the local territories where a particular local body exercises its powers are already fixed. They are not new and those principles are applied to other corporations as well as individuals who own property within the jurisdiction of a local body. Why this extraordinary power for the railway? You can say that those principles should be revised but under the Government of India Act you have given power to the Provincial Governments to regulate taxation. That taxation is not to be regulated anew for the property owned by Indian State Railways. Those regulations are already there. The bye-laws are already there. The rules of assessment are already fixed. Then why this exceptional treatment? Do you mean to say that this House should understand that the railway claims a superior position to other individuals and other corporations that are doing their business within the jurisdiction of those local bodies? Practically the effect of this legislation would be that the railway authorities would be made superior in all respects to other corporations and other local bodies. Local bodies will say to the railways: 'Will you pay 1£ as taxation on your property?' You will say: 'I am willing to pay 1s. You can take it or leave it'. That is what it comes to. If the railway occupies a peculiar position, we could have understood it. You could have impressed upon us that fact and we would have said that the principle on which railway property will be taxed will be this and not that which prevails in respect of other property. You could have said that the railways own much more property than any individual and, therefore, it is entitled to some sort of concession—that it will pay half or quarter and so on. I could have understood that. If you have got certain principles, you could come up to this House and ask our assent to them but you want autocratic, despotic, and Hitlerian powers to issue a notification and fix the rate and reduce it at your own sweet will. That is the power you ask for and if this House refuses to give you that power, you should not complain. That is not the sort of legislation which this House should be faced with. What is the principle underlying this Bill? Your Statement of Objects and Reasons does not give that principle. It does not define any principle except this, that you have got power to issue a notification at your own sweet will. That is no principle. I would not agree to this principle. I will, if I may, draw your attention once more to the proviso to the Government of India Act. It says:

"Provided that, until any Federal law otherwise provides, any property so vested which was immediately before the commencement of Part III of this Act liable or treated as liable to any such tax, shall, so long as that tax continues, continue to be liable, or to be treated as liable, thereto."

If my interpretation of this section is correct, and I would ask the Honourable the Law Member to correct me if I am wrong, this section does not give you the power to tax yourself in a manner which is pleasing to you. This only gives the power to this Legislature to declare that the property shall remain liable to the tax. The taxing power is given to the Provincial Legislature. You cannot say that the tax which has been levied by a Provincial Government for the benefit of a local body will be varied by this Legislature by its own legislation. That will be giving an over-riding power to this House over the head of the Provincial Legislature and that will be a discriminatory legislation. So, this Bill is open to this legal objection that this Bill claims over-riding power over the powers of the Provincial Legislature to levy taxation on subjects which are within their exclusive jurisdiction. Therefore, my submission is that this Bill giving such power is *ultra vires* of the powers of this Legislature. The section of the Government of India Act clearly lays down that you cannot vary the tax of the Provincial Government. You can only say that the railway properties shall be liable to that tax, no more and no less. Therefore, I will draw the attention of the Honourable Member in charge of the Bill and also the Honourable the Law Member to this aspect of the question too. My criticisms are two, that the character of this legislation is such that it asks for the power of legislation to be given to the bureaucracy. The second is that under the proviso to the Government of India Act no such power is given to this Legislature to vary the taxation that the Provincial Government has levied and which the Provincial Government has got the power to levy. With these observations I will resume my seat.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): It has been said very often that the railway administration is a commercial concern and I am very much surprised that in this Bill a commercial concern has been given, so to say, a one sided agreement, in which the municipalities and the local bodies have got very little say in the matter of assessment of railway properties or the properties of a commercial concern. Why this distinction has been made between a big commercial concern like the railways and a smaller industrial or commercial undertaking, I fail to understand. The result of this Bill from the commercial point of view will be that if the railways are exempted from the payment of tax for any portion of their holding or if they had to pay less than the others have to pay, then the others will have to make good the loss which will be incurred due to the exemption or the reduction of taxation to the railway administration. The other firms and residents in the locality will have to make good the loss because the municipality will increase the taxation on those people over which it has power to assess more. That will, I think, increase the hardship of the general public.

This Bill or a similar Bill, it has been stated in the Statement of Objects and Reasons, was moved for circulation in 1938 and even the circulation motion was rejected by this House. Taking advantage of the depleted strength of the opposition, a Bill has now been brought forward to pass such a measure in a very hurried fashion and refer the matter to a Select Committee and get it passed within a few days. In my opinion there must be equity and justice both for the railways and for the municipalities and the local bodies. After all, municipalities and the railways are both public concerns and they have got important officers with commonsense and they will be able to adjust a fair assessment for

[Babu Baijnath Bajoria.]

the railway property. In cases where they do not see eye to eye with one another, the matter must be referred to an impartial judicial body. Before that body the railways can put up their own case and the municipalities will also be able to state their own case. But to give a blank cheque to the railways to dictate what the assessment should be and to leave it to them as to what amount they will pay or will not pay at all, seems to me to be very unfair. With these few words I oppose the motion.

Mr. N. M. Joshi (Nominated Non-Official): Sir, 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.

The Honourable Sir Andrew Clow: Sir, when I was pressed this morning to include a certain gentleman in the Select Committee, I did not realise that his object in getting there was not constructive but destructive

Sardar Sant Singh: You have not offered anything constructive in this Bill.

The Honourable Sir Andrew Clow: and I was a little surprised at some of the arguments used by Mr. Jamnadas Mehta. Like Mr. Baijnath Bajoria he saw no difference whatsoever between the railways and a private factory. Obviously there is a very big difference. If Mr. Baijnath Bajoria is assessed to a tax, he has to put his hand in his pocket and pay, whereas if I, on behalf of the railways, am assessed, I put my hands in Mr. Baijnath Bajoria's pocket and pay. That is a vital difference and that is the whole reason underlying both the Government of India Act section and this Bill. In other words, we have here two different kinds of bodies serving the Government in different ways, the municipalities and the railways, and in this country both of them are being carried on at the expense of the taxpayers. It is a question of regulating the interests of the taxpayers in a small area against the interests of the taxpayers throughout the country. Mr. Jamnadas Mehta gave us the astonishing information that all the smoke generated by the railways was consumed within the municipalities and Mr. Husenbhai Laljee also referred to the municipalities as those bodies which were doing the greatest good to the masses. I suggest that he might look up the figures of population and see how many of the people live within municipal areas. The fact is that Mr. Jamnadas Mehta, with his fine public service that he has given in Bombay, has developed an urbanised mind which does not see anything outside municipal areas and forgets that great masses live outside their purview. These are the people who have to pay ultimately for the losses that fall upon the railways.

There was a good deal of confusion about sub-section 3(3). I am not myself a draftsman. I have consulted the draftsman but I am not going to expound on the floor of the House the meaning of every phrase in the Bill. But I think my statement in the Statement of Objects and

Reasons that we are prepared to restore the *status quo* is substantially true. If Honourable Members had only referred—and particularly Professor Banerjea—to section 135 of the Government of India Act, I think they would have seen that the Government of India have power to vary taxation as it stands. The clause to which so much exception has been taken which refers to the appointment of an officer will also be found to have been taken *verbatim* from the existing section 135.

Dr. P. N. Banerjea: But some of the other things have not been taken.

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member wishes to make any remarks, he must go back to his seat.

The Honourable Sir Andrew Clow: The underlying principle behind sub-section 3(2) is, I think, fairly clear. The railways in most cases avail themselves of the services of a municipality. In such a case it is only right that they should contribute towards the cost of those services. In other places we have railway colonies where we provide a great many of the services, but these may happen to fall within municipal limits. I think the House will agree that while we should not try to exploit the municipalities, they should not try to exploit us.

Dr. P. N. Banerjea: Who is to judge?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is not in his seat again. If he wants to say anything, he should go back to his seat.

The Honourable Sir Andrew Clow: As I listened to the speech of the Honourable Member without interrupting him, I would ask him that he might show the same courtesy towards me.

The general principle, I think, is that both the railways and the municipalities are organisations which try each in their own way to serve the public interest and we should not try to secure an unfair advantage on either side.

Dr. P. N. Banerjea: Did I suggest that?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is again interrupting.

The Honourable Sir Andrew Clow: I must appeal to you, Sir, for a little protection. The Honourable Member suggested that section 3(2) was unfair and it was something new that has been introduced. Prof. Banerjea proclaimed that I had not fully alleviated his fears, that I had admitted that certain fears had been expressed on the preceding Bill and that this Bill did not entirely remove them. I am afraid if I had to draft Bills which would alleviate or remove the fears existing in my Honourable friend's mind, it would be a very difficult task. I can only assure him that this Bill has been framed in good faith to meet what I believe to be an honest difficulty.

My Honourable friend, Babu Baijnath Bajoria, put his finger very closely on the real point at issue when he said that unless we can tax the railways to a certain extent, then of course there will be heavier taxation on the people

[Sir Andrew Clow.]

living in that Municipality. That may be regarded as a glimpse of the obvious, but of course it works the other way too. If a Municipality can, on one pretext or another, screw out of the railways a lot of money, less will have to be paid by the persons living in that particular area, and that is precisely one of the fears, for I also am not entirely free from fears, that lie at the back of my mind. But the most astonishing speech of the morning came from my Honourable friend, Sardar Sant Singh, because he seems to have misunderstood both the position under the Government of India Act and what we are attempting in this Bill. The position under the Government of India Act is that the section which he cited is practically a freezing order. It means that any tax which existing at the time the section came into force goes on in perpetuity, no other tax can be added. So that where the Municipality ceases to give service, the tax cannot be removed, and whatever services any new Municipality starts to render or goes on to render, it can never be paid anything for those services. The most curious part of his speech was the one in which he seems to regard this as bureaucratic avarice for power and me as one of those against whom Sir Gordon Hewait's strictures were directed. I can assure the House that if I had approached this subject merely from the point of view of railways and not from that of the wider interests which I think we ought to consider in this Bill, then it contains powers which I do not want at all. Nothing would suit the Railways, regarded in isolation, better than that the existing position should continue. There is no doubt whatever that the Municipalities are going to render greater service to the railways and if they can stabilise the taxation at the figure at which it stands at present, and if the Government of India had no power whatever to issue fresh notification, the railways, on their part would be entirely content.

Sardar Sant Singh: Which part of the Government has to issue notification? Is it the legislature or the executive? That is the point.

The Honourable Sir Andrew Clow: The position is we had power to issue notification up to the time the Government of India Act came into force. Since then no one has had the power at all, and nothing would suit the Railways better, as I said, regarded in isolation and ignoring all other interests, than that the position should continue, in other words, no one should have the power to change the existing position.

Sardar Sant Singh: My attack is that by the passage of this law, you want the assent of this House and the assent of this House is directed to give you power to issue notification varying the levying of the amount in whichever way you please, not what the House pleases. That is my objection.

The Honourable Sir Andrew Clow: The House cannot obviously decide in every case what a municipality is to be paid. I am sure that my Honourable friend does not advance that proposition in all seriousness. The point I am making is that so far from this being in the interests of railways anxious to exercise what my Honourable friend regards as wide power, it is a power that is going to be distinctly embarrassing from the railway point of view and in my humble opinion it is bound to cost them more. I regard it, from the railway point of view as a measure of self-abnegation and self-sacrifice.

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

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a province be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. T. S. Sankara Ayyar, Dr. R. D. Dalal, Mr. J. Ramsay Scott, Mr. Akhil Chandra Datta, Mulvi Abdur Rasheed Chaudhury, Rao Sahib N. Sivaraj, Mr. C. P. Lawson, Mr. Jamnadas M. Mehta, Mr. R. A. Gopalaswami and the Mover, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

The motion was adopted.

THE EXCESS PROFITS TAX (SECOND AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That the Bill further to amend the Excess Profits Tax Act, 1940 (*Second Amendment*), be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, and the Mover with instructions to report on or before the 5th November, 1941, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, my Honourable colleague who just sat down used a phrase which seems to me to be extraordinarily appropriate. I think he spoke of self-abnegation and self-sacrifice. I consider that the main object of this Bill might also come within that exalted phrase. The House will remember that at the time when the original Excess Profits Tax Bill was before them, an acute controversy developed over the question of the treatment of borrowed money in determining the capital of assessees. In the course of the Select Committee proceedings I had advanced to the position of being prepared to treat such borrowed money, when it consisted of advances from banks, in the same way as capital for the purpose of application of the statutory rate of profits. There was then considerable pressure that I should go further and treat all borrowed money in the same way. Well, Sir, I must admit that at that time I was impressed with the danger of abuse which such a concession might lead to. It appeared to me possible that collusive loans might be arranged, the result of which would be that there would be thrown on the Department in a large number of cases the onus of proving that the amount of capital actually employed by the assessee was excessive for the purpose of his business, and that this would lead to interminable alterations and would place the Exchequer, and the revenue in a highly vulnerable position.

Now, Sir, the discussion on that point has continued since that time and I am now prepared to advance beyond the point which I then reached and to extend this concession to all borrowed money. I still am not entirely free from some apprehensions as to the danger of this step, but I consider that on the whole it is a reasonable and justifiable concession and as it is no part of my intention to discriminate between the different agencies which function in the financing of business, and that is the form which the issue has now taken, I am prepared to make this change. The amendment therefore, has the effect of removing the existing difference between the treatment in computing capital of money borrowed from a person carrying on a *bona fide* banking business and of money borrowed otherwise. It is proposed that as from the 1st April, 1941, there shall be no deduction of borrowed money in computing capital and, consequently,—this follows as a natural corollary,—as from the same date interest or other consideration

[Sir Jeremy Raisman.]

paid for the use of borrowed money shall not be deducted in computing profits. Provision is also made to secure that where the minimum standard of Rs. 36,000 a year applies interest payable in respect of borrowed money during a chargeable accounting period shall not be disallowed; and also that where a direction has been given by a board of referees under section 6 (3) or by the Central Board of Revenue under section 26 (1), any interest on borrowed money payable in respect of a chosen standard period shall be added to the substituted standard of profits resulting from such a direction.

Another important point which this Bill deals with is the question of what are usually called wasting assets. Clause 6 recognises that in consequence of war-time requirements a business concerned with the winning of oil or other minerals may so increase its output as to bring about an exhaustion of the deposits that it is working earlier than would otherwise have been the case; and it, therefore, empowers the Central Board of Revenue, upon application made to it, to order an equitable allowance therefor in computing the profits of the chargeable accounting period. This is a matter which excited considerable discussion both in the United Kingdom and to some extent here; and the admission of the principle should, I think, be welcome to assesses who are concerned with what are known as wasting assets.

There are other clauses of this Bill,—and these no doubt led to the cries of "Question" when I talked of self-sacrifice and self-abnegation,—there are other clauses which are intended to counter operations having for their object the avoidance of Excess Profits Tax and unnecessary and extravagant expenditure the cost of which would fall to a major extent upon the revenues of the country. It is a familiar fact and it is, I am prepared to admit, one of the weaknesses and the dangers of an Excess Profits Tax that there is a temptation to an assessee when he has reached a certain stage to embark on any kind of expenditure rather than allow the profits to go to the revenue. I do not expect that the provisions which are made in this Bill will ever have to be used, but I do feel that unless you have some provision in your system of taxation, unless you have some provision which will enable you to deal with gross attempts of that kind, you are practically inviting the assessee to pursue certain devices when the state of his profits reaches a certain figure. It is admitted on all hands that this kind of danger does exist and it is known that there were abuses during and after the last war under the old Excess Profits Tax system. And my object in making provision against it is merely to show the red light to persons who would exploit this opportunity in a manner which would be entirely unfair to the general taxpayer and to the revenue.

Then, Sir, in view of the change of basis in the computation of capital and profits which it is proposed should take effect from the same date as the increase in the rate of tax; that is, as from the 1st April, 1941, it is necessary to lay down the basis on which the excess or deficiency of profits of a chargeable accounting period which commences before and ends after that date is to be computed. This is dealt with in clause 4 which, briefly, provides that a computation shall be made on the old basis for the whole period and a due proportion of the result treated as an excess or deficiency for the part of the period ending on the 31st March, 1941, while a due proportion of the result of a computation for the whole period under the new basis is to be treated as an excess or deficiency for the part of the period ending on the 1st April, 1941. I trust that my explanation of this

amendment is not of the nature of what the logician calls *obscurum per obscurius*, but I am afraid that attempts to explain some of these provisions in ordinary prose are about as fruitful as attempts to explain algebraical formulæ in ordinary English.

Then, Sir, another important point in this Bill is that which deals with the profits of business arising in Indian States. Following the proposed amendment of the Income-tax Act, clause 3 of this Bill brings the Excess Profits Tax into line by providing for the complete exclusion of such profits from the profits assessable to Excess Profits Tax. Sir, it may well be that the notes on clauses attached to the Bill may need some further explanation and clarification in matters of detail, and for this reason I commend to the House the proposal that the Bill be referred to a Select Committee.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Excess Profits Tax Act, 1940 (*Second Amendment*), be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, and the Mover with instructions to report on or before the 5th November, 1941, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, with your permission and the permission of the House, I beg leave to suggest that the name of Sir Cowasji Jehangir be added to the Select Committee.

The Honourable Sir Jeremy Raisman: I am quite prepared to accept that.

Mr. President (The Honourable Sir Abdur Rahim): Then the name of Sir Cowasji Jehangir will be added.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Sir, it is not usual for me to speak on a motion to send a Bill to a Select Committee, but I desire to do so on this occasion because there are two or three points in this Bill of a very unusual character. My Honourable friend, the Finance Member, tried to take the credit for a remark made by Sir Andrew Clow about self-sacrifice. I may tell him that during the few years we have been together in this Assembly I have not seen much spirit of that self-sacrifice coming from my Honourable friend. It may have come from the Honourable the Railway Member on more than one occasion,—I am not aware of it,—but I certainly have not seen it in the Honourable the Finance Member. In this Bill he may be rectifying one or two injustices that he may have done. It is by no means so innocent a Bill as he tried to make out.

Now, Sir, he has been kind enough, at the instance of Sir Henry Gidney, to include me on the Select Committee. I should have thought that in a House of this character the name of the elected representative of Bombay might have struck him in the first instance.

The Honourable Sir Jeremy Raisman: Sir, I must point out that the names for the Select Committee were produced under the ordinary procedure by which names are usually produced.

Sir Cowasji Jehangir: He seems to forget that Members who do not belong to any Party are also included and they are included at the instance of the Finance Member or any Member in charge of a Bill; and I should have thought that, leaving aside ordinary courtesy, in order to do justice to a very important part of India which pays this tax, he would have the fairness to include the name of the elected representative Member from that province. I have nothing further to say in that matter.

The Honourable Sir Jeremy Raisman: Sir, I must again point out that there is a regular procedure whereby names for Select Committees are obtained by the Government Whip; and, as far as I am aware, the ordinary procedure was followed and a list of names was handed to me at the last moment.

Sir Cowasji Jehangir: All I can say is, Sir, that I realize that my Honourable friend did not mean to do it, but I put it down to a lack of experience. I have been in the House much longer than the Honourable Member and I find that it is a lack of experience.

Now, coming to the Bill itself, there are two clauses which are of vital importance and which affect all excess profits tax-payers throughout India. I will first refer to Clause 5 of the Bill and I trust, Mr. President, that you and the Honourable the Finance Member and the House will excuse me if I have to go into a little detail because these are not simple questions. They require a little elucidation to be able to be understood. Clause 5 of the Bill attempts to add another section to the Act—Section 10A. Section 10 of the Act gives the officers of Government in this Department the right to point out any fictitious or artificial transactions that the assessee may have gone in for and then set aside that transaction with regard to the accounts so far as the Excess Profits Tax is involved. When this Section was before the Select Committee it was pointed out to Government that this Section in itself went further than the corresponding Section in England. There were protests from the commercial community in India with regard to Section 10. I will again repeat what Section 10 is: It enables the officers of Government in the Department to find out fictitious or artificial transactions which may have been made by the assessee in order to reduce his income. Nobody can object to it. We are all in favour but I again repeat that when this Section in the Act was originally in the Bill and before the Select Committee, it was pointed out that it went further than the corresponding Section in England. Not satisfied with that, my Honourable friend, so self-sacrificing as he desires us to believe, brings in a clause in the Bill which provides another Section. He calls it 10A and I am going to read out this proposed 10A to the House for them to understand it clearly:

“Where the Excess Profits Tax Officer is of opinion that the purpose, or one of the purposes, for which any transaction or transactions was or were effected (whether before or after the passing of the Excess Profits Tax (Second Amendment) Act, 1941)”

—i.e., to give it retrospective effect—

“was the avoidance or reduction of liability to excess profits tax, he may, with the previous approval of the Inspecting Assistant Commissioner, make such adjustments as respects liability to excess profits tax as he considers appropriate so as to counter-act the avoidance or reduction of liability to excess profits tax which would otherwise be effected by the transaction or transactions”, etc., etc.

Now this is a Clause which gives power to the officers of the Department to interfere, without rhyme or reason, it may be, with the accounts of a company on the allegation that a certain transaction, which is *bona fide* and honest and allowed by the law, should not have been effected because it had the effect of reducing the income of that company. Now, Sir, such wide powers to officers of Government are unprecedented. No such powers are given in the Excess Profits Tax Act in England, so far as I know.

Mr. C. W. Ayers (Government of India: Nominated Official): Yes, such powers were given in 1939.

Sir Cowasji Jehangir: I doubt it. It gives powers to officers of Government of extraordinarily wide nature and I strongly object to give such wide powers to officers of Government in such an important matter. It has been held by the High Court in England—I have got the judgment—that any assessee can make such changes or take such action within the four corners of the law whereby he can reduce his taxation. Suppose, now, a company finds it necessary to take a certain action for its benefit or for the benefit of the shareholders, which may cost some money and thereby reduce the profits. Any officer of this Department can turn round and say, “You should not have done it, it is not in our interest, you have decreased your profit by ten thousand rupees because you did that”, and I have to prove that it was in the interest of my company that that expenditure was incurred. Is that not going much too far? Now, Sir, we will be told that we can appeal. We will be told that the officers of Government all over India—I am not talking of those who sit on the Benches here; they are on the top of the tree, they do not know what is going on—are absolutely just, absolutely fair and no injustice will be done. We have been told that dozens of times. When I was green and young I believed in it. I am beginning to doubt it now not because the officers want to be hard or unfair. They are afraid of the top. They are afraid of being accused of being lenient and, therefore, they go to the other extreme. The screw is being put from the top: “get more money out of the assessee.” I do not blame the poor officials of Government. They do not want to get into trouble, they want to keep their jobs like everybody else, but the result is they are much stricter than they ought to be. Sometimes they are stricter than their conscience permits them to be. The result is that clauses of this sort effect the greatest injustice on the assessee. I know it is not possible to get men of the calibre of my friend, Mr. Ayers, to serve all over India, nor can we get Mr. Sheehy to serve in all the departments under his own department. I would be quite satisfied if Mr. Ayers and Mr. Sheehy were permanently in Bombay to hear my appeal and the appeals of assesseees: I will not say a word, I will let the whole of this Bill be passed. But I know that is not so and I do blame the top for putting pressure upon these officers . . .

The Honourable Mr. M. S. Aney (Leader of the House): Who is at the top?

Sir Cowasji Jehangir: My Honourable friend, the Finance Member: who else is at the top? In fact all of you, the whole of the Government. Of course, they may have their own apprehensions that the officers may not be doing their work well; they look at the returns—just as I did when I

[Sir Cowasji Jehangir.]

was in a similar position, to see whether the revenue was much less in any year and if so why, and then ask for explanations. If I did not think them satisfactory of course I put on the screw—may be quite unfairly—and that is what my Honourable friend, the Finance Member, and his two satellites behind him are doing, with the result that we the assesseees are suffering on account of clauses of this sort in the Bill. It is such clauses as these that I strongly object to. By all means protect your interests. I am all for protecting your interests, but I am strongly against your having powers which may be badly misused; and we have experience now.

I shall now come to clause 7 of the Bill. There is only one portion to which I would like to draw attention. It is the addition of a rule; I will read that rule and you will then clearly understand what they desire to do. Rule 12 (1) it is going to be and it says:

"In computing the profits of any chargeable accounting period no deduction shall be allowed in respect of expenses in excess of the amount which the Excess Profits Tax Officer considers reasonable and necessary having regard to the requirements of the business and, in the case of directors' fees or other payments for services, to the actual services rendered by the person concerned."

Now, what does that mean? If I have got a very hardworking servant and I desire to give him a substantial increase in salary, my Honourable friend will turn round and say "You did this on account of your very high profits and therefore we will disallow it." If I choose to give a handsome bonus at the end of the year to my hardworked servant during these hard and critical times—and remember most of them are working for Government—this clause gives a right to Government to say "You should not have given that bonus, now pay out of your net profits." That is to say, the company would then have to pay this bonus out of the 20 per cent. profits that they will keep for themselves, about 80 per cent. going to Government. It will not be treated as an expense. When I was discussing this question I was given an instance of how it could be done unfairly. For instance, if the manager of a company or agent or managing director is unscrupulous, he will employ his brother-in-law on a salary of Rs. 5000 a month and he will pay that 5000 to his brother-in-law but by arrangement put it in his own pocket. He may do that, if he is thoroughly unscrupulous and dishonest, but you have a remedy still in the Act. Let us now

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member can resume his speech after Lunch.

The Honourable Mr. M. S. Aney: Sir, we have decided to allot Tuesday next for the discussion of Sir Abdul Halim Ghuznavi's Resolution on the Burma Agreement.

There will be very little new business available for the two other official days next week and I think that it would meet the convenience of the House if any business on the current agenda which may not be completed today were left over for next week so as to leave tomorrow free for the meeting of Select Committees. I would, therefore, request you, Sir, to cancel the meeting fixed for tomorrow.

Mr. President (The Honourable Sir Abdur Rahim): I suppose that will meet the convenience of the House?

Honourable Members: Yes.

Mr. President (The Honourable Sir Abdur Rahim): Very well; I order accordingly.

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 Cowasji Jehangir: Sir, when the House rose for Lunch, I was dealing with clause 7 of the Bill, and I believe I did read the proposed rule 12 to the House, and I gave the House my idea of what this rule was intended to effect. I also gave an instance to the House where, in ordinary parlance, hankey-pankey of the worst order could be played. But, in my humble opinion, the rule goes much too far and can be taken advantage of by the Department and I feel will be taken advantage of. Now, Sir, I would like to read the Objects and Reasons for having introduced this rule into the Bill.

Clause 7 (b). "This clause is designed to prevent the dissipation of excess profits by expenditure that has no relation to the requirements of the business, the major part of the cost of which might be met out of reduced taxation. In order, however, that this power of disallowance should not be exercised without the fullest consideration, it is provided that the authority of the Commissioner of Excess Profits Tax is to be a condition precedent to its exercise, and further the assessee is given the right of appeal to the Appellate Tribunal in the case of any disallowance under this provision". This clearly shows that in the mind of the Government there is an apprehension that the assessee will do something which will fall under section 10 of the Act. You have already got section 10 of the Act which prevents you from allowing the assessee to take advantage of any fictitious or artificial transaction. Therefore, your objects and reasons clearly show that you want to prevent artificial or fictitious transactions. But you have already got the power for it. What is the object now of having this new power? I contend that section 10 covers the ground, and if you have any apprehensions with regard to the conduct of assesseees, section 10 is sufficient and strong enough to meet the case. Sir, this new rule will hamper the discretion of the management of business houses; they will be nervous about providing certain amenities that they otherwise would, simply fearing that they might be sat on when the time comes a year hence, and the expenditure would not be allowed as expenditure legitimately incurred. You will be doing a great deal of injustice to a great number of business houses who will not be able to provide amenities to their employees. I place this case before the Government for their consideration.

Now, Sir, with regard to both these clauses, if the assessee does spend more money than he ought to have spent, Government must realise that a part of the money is theirs and a part of the money is the assessee's who is not going to throw it away deliberately. I contend that such bonuses, such increases in wages as may be considered legitimate should not come out of

[Sir Cowasji Jehangir.]

the 20 per cent. but they should come out of the whole 100 per cent., and then divide it into 80 per cent. and 20 per cent. What you are forcing industries and business houses to do is to give such bonuses and increases out of their balance of the 20 per cent. That is grossly unfair, and I would urge that this House as a whole should take really some interest in this matter when the Bill comes before them again and try and reflect on whose shoulders these burdens will be ultimately placed. When they come to realise that, I think they will come to the conclusion that neither of these two clauses as they stand today, I mean such portions of them as I have referred to, should be in the Bill. If the ingenuity of our friends of the Treasury Benches can find some means to meet the objections, I have no objection myself. I have no objection to their being satisfied that there shall be nothing done by the assessee which will deliberately dissipate the profits. I am as keen as they are that Government should get their legitimate dues; but at the same time I am also anxious that Government should not place heavy burdens on the assessee which by this Bill they propose to do.

Mr. Deputy President, these piecemeal legislations, which we are told are so innocent, have sometimes been found to be most dangerous to both sides, and I would urge, now that they have joint responsibility in Government, that clauses of the Bill such as these should have the approval and backing of the Government as a whole. Perhaps it has been done. I am not aware of it

The Honourable Sir Jeremy Raisman: I must point out to the Honourable Member that legislation that is brought forward in this House has always received the approval of Government.

Sir Cowasji Jehangir: I am very glad to hear it, and I trust it will be a reality in the future. I have nothing more to say.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, the Honourable the Finance Member said that by this Bill he was giving away something and was applying the principle of self-sacrifice. I have my doubts about it. Of course, this Bill is good from the assessee's point of view in some directions. It is at the same time equally bad in other directions. First, as regards the income from the States, I spoke on this aspect of the Bill at some length the other day in my speech on the Income-tax (Amendment) Bill. Today I can only say this much that by introducing this amendment Government is not giving away anything, but is preserving a lot of money or saving the drainage which otherwise would have taken place to them if this amendment had not been introduced. Otherwise, the Indian States would have taken a big slice of their income, because

Sir Cowasji Jehangir: May I interrupt the Honourable Member for a minute? Does he believe that the Honourable the Finance Member is a philanthropist?

Babu Baijnath Bajoria: Because, Sir, there would have been considerable drain on the receipts from excess profits if the Indian States had taken their share of the income-tax on income earned by their subjects in British India. What I mean is, if taxation on accrual basis and double income-tax

relief provisions were retained as between the Indian States income and British Indian income, then it will be the Government of India who would have to suffer considerably. So, they have saved themselves full sixteen annas by this amendment, but so far as the assessee is concerned, they are given relief only partially. You have kept the rate at which assessment is to be made on the total income which will be earned by the assessee both in British India and in the Indian States. As I am on the Select Committee of both these Bills, I will explain this further in the Committee. I hope that I shall be able to convince the Honourable the Finance Member about further improvement that has to be made before this clause can be acceptable to us or the Marwari community who are greatly affected by its provisions. Lest I should be mistaken, it is not only the Marwari community that is affected, but there are other important trading communities on the Bombay side, such as Cutchis, Guzeratis, who are also greatly affected by its provisions.

As regards the question of allowing interest on borrowed capital other than from banks I am glad that at last Government have seen their mistake. When we on this side of the House appealed and pressed and urged with all the emphasis that we could command at that time, that it was very unfair on the part of the Government to treat Bank's money as if their rupee was made of gold, whereas the rupee advanced by a private merchant was made of copper. They did not listen to us, but now that a similar amendment has been made in the United Kingdom the Government have come forward with this. Better late than never. We are glad that they have seen their mistake and they have tried to rectify the mistake. But here I would like to draw the attention of the Government to the fact that the date from which they are going to give effect to this concession is from the 1st April, 1941. I do not understand why, when they have realised that a mistake was made, they do not give effect to it from the beginning of this Act, that is, from September, 1939. After all, I think only a very few cases,—as far as my knowledge goes, I may be mistaken—have been decided. Government could have given retrospective effect from the very beginning of the Act, or in any case from the 1st April, 1940, because the assessment for the chargeable accounting period 1940-41 has not been done. If there is any objection to doing any of these two things, I should like to hear from the Honourable the Finance Member.

As regards clause 5, I entirely agree with what has fallen from the lips of the great Baronet from Bombay. He has put the case very strongly and I cannot do better than what he has done. The sum and substance of this clause is that it is in the discretion of the Excess Profits Officer to disregard or not to take into account any transaction in which loss has been incurred, by saying, "You have done this only with a view to reduce liability". It is very easy to be wise after the event. The Excess Profits Tax officer sitting in his chair in his room could easily say, "Why have you incurred this loss? You should not have done this, you should not have done that. You have reduced the profit." But those who are in business—it is for them to decide, to do business in the manner they think best. Business is, after all, not like earning fat salaries where there is sure profit. In business there may be big profit, and there may also be big loss. So, this arbitrary power proposed to be given to the Excess Profits Tax Officer is not acceptable to us. Section 10 as it stands today is also objectionable. It gives the right to the Excess Profits Tax Officer to deal with fictitious or artificial transactions. Who is to judge, who is to decide whether these

[Babu Baijnath Bajoria.]

Transactions are artificial or fictitious? It is the Excess Profits Tax Officer. He has already that wide power,—these are the very words in the clause now proposed: “any transaction which has for its purpose the avoidance of Excess Profits Tax”. He may say, “This transaction I won’t allow, because the profits will be reduced. I cannot count it as a loss. I must have my full pound of flesh on the profit which you have made. I ignore the loss which I consider you have incurred on transactions which should not have been entered into.” This I do not think is fair and equitable. Then again, there is clause 7 (b). The Statement of Objects and Reasons says:

“This clause is designed to prevent the dissipation of excess profits by expenditure that has no relation to the requirements of the business.”

Who is to judge what expenditure is required for the conduct and management of the business? Is it the Government, is it the Excess Profits Tax Officer, or—I do not mean any disrespect to the Honourable Members on the Treasury Bench who are sitting there, I think that even the Finance Member or Mr. Sheehy cannot be a judge of what expenditure should be incurred for the conduct and management of any particular business. It is for the person who conducts the business to decide what expenditure is to be incurred. It is easy to give god-fatherly advice. They take upon themselves, so to say, the duty of guardianship and advise, “Oh, this expenditure should not be incurred”, but it has to be borne in mind that the accounts will come to them after all this expenditure has been incurred. What they will do is they will not allow it for the purpose of computation of Excess Profits Tax. I think this is a matter in which the Government should not interfere. Sir Cowasji Jehangir has very rightly pointed out that Government have even taken exception to bonuses or increase of salary or commission to be paid to employees of the firm. It will be readily admitted that where any company or any firm has made large profits or greater profits than it did in previous years, it was due to the exertion of these very employees, and it is only fair and proper that these firms and companies should adequately remunerate their staff for the excess profits which they have made.

Mr. N. M. Joshi (Nominated Non-official): Remember this always.

Babu Baijnath Bajoria: Mr. Joshi thinks that he is the only friend of labour. We claim that the Indian businessmen and the industrialists are the greatest friends of labour, and but for us, but for the industrialists, Mr. Joshi would not have existed here at all.

Sir, I do not think that the Government should interfere in the internal management of the business and they should not step in and say that you should not incur this expenditure or that expenditure. If the transaction is a fictitious or an artificial one, they have already got the powers under section 10. You should not debar a company from giving any increased salary or bonus or commission to their employees or from managing their affairs in the way they think best. Any intervention on the part of Government is not at all desirable. With these few remarks, I support the motion for reference to Select Committee.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): I am one of those who believe that income-tax is the most

equitable burden which a citizen should bear and that those whose backs are broad should be made to pay to the tax-payer back a part of what they have earned. Besides, being a direct tax, it is the easiest to collect. For these reasons I am generally disinclined to listen to the grouse of the industrialists when they oppose any measure of income-tax or super-tax or excess profits tax and I would not have minded if a further burden was placed where that burden was capable of resting; as a result of income-tax it is possible to render some service to the masses who deserve consideration at the hands of the State and I would not have intervened in this debate but for the several apprehensions to which Sir Cowasji Jehangir gave expression this afternoon and I do so with the intention of finding out how far the fears are justified. One objection which he raised and with which everybody will have some sympathy is that this legislation is to be retrospective in effect. I think it is not possible to always avoid even retrospective legislation but Government should be very careful in interfering by *ex post facto* legislation in matters which were perfectly valid under law before and if there is any fear, as voiced by my friend, Sir Cowasji Jehangir, that there is going to be likelihood of illegalising what was legal before and thereby of reflecting on the honour and integrity of any firm or company or business man then it would require serious consideration and I would urge that every honest man must be protected against such possibility. The general rule of law is ‘Better that a thousand guilty men should escape than that one honest man should be punished’. Sir Cowasji Jehangir said further that if this Bill is passed into law, it would be impossible to compensate valuable services rendered by the staff and even to pay bonuses.

Sir Cowasji Jehangir: I did not say “it would be impossible”. I said ‘it might be difficult, might be challenged’.

Mr. Jamnadas M. Mehta: Yes, it might be difficult to pay bonus to the staff or also to compensate or remunerate honest hard work done to a firm. I am sure Government do not contemplate any such thing and, therefore, if there is any loophole in the clause, it should be remedied. Clause 5, as it stands, is capable of that interpretation and if this applies to limited companies and it is going to give these wide powers to the income-tax authorities, many serious possibilities would arise. Up till now, whatever my friend, Mr. Bajoria, may say, the Indian industrialist is in the middle ages so far as the well-being of his workers is concerned. He has not accepted willingly any legislation forced upon him to improve the condition of the workers and while I agree that Mr. Joshi would not have been here but for industrialism, I feel Mr. Bajoria would not have been here but for the workers who make him big.

Sir Cowasji Jehangir: You would have been here, either as labour or capital.

Mr. Jamnadas M. Mehta: Yes, in either case, on my own merits. Today, Sir what is the position. Let us review labour legislation for the last ten years and I do not exclude even the Government from that.

The Honourable Sir Jeremy Raisman: I trust that the Honourable Member will not embark upon that review in connection with this Bill.

Mr. Jamnadas M. Mehta: I am saying in a general way that in the last ten years Government and private employers, except the Tatas, have not easily agreed to improvement in labour conditions. And, if the wording of clause 5 remains as it is, it will provide an excuse to the employers for staying still and place in the hands of the income-tax authorities powers of the widest character. Suppose a sugar factory were going to build houses for its workers and that they had a plan of spending five lakhs on building houses for its employees. There is nothing to prevent the income-tax authorities from saying that your workers were all right last year and that this five lakhs is being spent for the purpose of avoiding the payment of Excess Profits Tax. I am sure that is not the intention but there is the possibility. The law gives them the power. I shall point out that the law as is proposed to be enacted will place in the hands of the income-tax authorities the power to ban any scheme of amelioration of the condition of the workers on the ground that it is intended to evade the payment of the excess profits tax. There is still going to be a large volume of social legislation. . . .

Sir Cowasji Jehangir: May I point out that it is not allowed even now. It comes out of capital. I wish you would move an amendment that it should come out of revenue.

Mr. Jamnadas M. Mehta: My friend will bear with me for a minute. This is not the only illustration, I will give another.

The sugar factories today are paying a very small *modicum* for the price of sugarcane per ton. Supposing a sugar capitalist 3 P.M. wanted to increase it by two annas per ton, it might make a great inroad on the expenditure side of that sugar factory, and the total wage Bill might increase by two lakhs of rupees. It will be possible and permissible for the income-tax authorities, under this Bill, to say that you are deliberately trying to evade the payment of the excess profits tax and therefore, you have shown this generosity. I do not mind if the specific exemption is given to such items under this Bill explicitly. But I will not leave it to the discretion of the authorities themselves, because, while there is no doubt that a great deal of attempt to evade the payment of income-tax does exist, there is a great deal of suspicion also in the minds of the income-tax authorities and sometimes they run amok. I do not want to mention any particular case but those who are coming from Bombay know of a muddle that has been created by the income-tax authorities in Bombay during the last two years. When that muddle will end, God alone knows. If in the meantime, as a result of the over-zeal of the income-tax authorities, the parties concerned are unable to carry on their business, the income-tax authorities themselves suffer because the profits that might have been taxable do not materialise. For all these reasons I suggest that so far as the Government want to reach the evader, they have got my hundred per cent support. So far as they want to catch the man who is adopting dubious methods, they have my hundred per cent support. But in the pursuit of such individuals they shall not be allowed to use their discretion uncontrolled by any authority to suppress or to prevent any attempt at legitimate remuneration or amelioration of those who are as much wings of industry as

the employers. That is all I wish to submit and I hope the Select Committee will keep this aspect of the case in mind and, having done so, will go ahead with their legislation. Sir, I support the motion.

Mr. Husenbhai Abdullahhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I have very little to add after listening to the reasonings of Sir Cowasji Jehangir and Mr. Jamnadas Mehta, but I would like to point out to the Honourable the Finance Member that it is inconceivable to think that his officers although competent are experts in every line. He has given them powers to judge what people do in various lines of business but does he expect that all his officers are so very competent as to judge the management of all the industries as also to judge the management accounts of all kinds of trade and commerce and their dealing in commercial and business circles. If they cannot be so competent then is it proper and right that these powers should be given to them. The only safe thing that he could do and he ought to do is whether the payment that has been made is an honest and *bona fide* payment. If he is sure that in a transaction that has been brought in losses are shown of a party who is connected directly or indirectly with the assessee, then he is right in hauling him up. But if a payment is made to a rank outsider or if a correct voucher has been produced that a man has been really paid, do you for a moment then believe that it is not correct to allow such payments. Surely, if there are transactions which appear doubtful or wherein you find that there is some dishonesty, then do apply your best test. In such cases by all means inflict some penalty. If there is a fraud or a cheat with the intention of hiding the profit which indirectly comes back to the assessee, then you have every right to penalise them. Furthermore, we have got a very good example before us of the experience of Income-Tax Officials. The Finance Member has found it out after some time that moneys that the business people use in this country does not come only from the banks but really very little in fact comes from the banks. If the Finance Department with the whole of the Income-tax Department did not get this very very essential fact of the finances of the trade and commerce and of the business firms, is it possible that their experts would be able to know all about all kinds of trade and commerce and of all the various kinds of industries. Therefore, I say it again that we ought not at the present moment to do a thing which would be unfair and inequitable by entrusting officers with such duties and powers.

Then, with regard to the expenditure, a lot has been said. There, again, you can apply the test. Even in the case of *chawls* for labour we usually put them down in the capital account and only the depreciation and the interest is added to the expenditure side. But if the *chawls* are in an insanitary condition and new sanitary appliances are put in, surely you will never say that it is an extraordinary expenditure and that it has been incurred unnecessarily out of the profits because necessity demanded it, but due to shortage in the capital they were not provided for before. Who is going to be the expert to judge all this? There, again, the test is, that you must find out whether the payment for the same has been made and that too to a *bona fide* contractor or a businessman from whom materials had been bought and that the money has not gone directly or indirectly to the assessee. That is the only test. Why don't you apply these tests and be equitable?

[Mr. Husenbhai A. Laljee.]

Now, Sir, with regard to the Indian States, my friend, Mr. Bajoria, referred to Cutchies. I happen to come from Cutch but for years now I am a British subject so has been my family for a good many years. But here is a very important question to which I wish to draw the attention of the Honourable the Finance Member. There are not many States in India where the income-tax is charged and there are many many Indian States where it is not likely that the income-tax would be put. Now, how are you going to assess an income of the assessee from there? You are certainly entitled, you can rightly claim to assess them on the income made in British India. With regard to the income made outside, as Mr. Jamnadas Mehta said yesterday there are Chiefs who would number something like 7,000. In their case, where are you to get anything like the returns from there? Are you going to hold up all your assessments? How is it possible? Kindly consult your Political Department and find out how many States are there in India and how many of them have got the income-tax. Even those States who have now introduced the income-tax, such as, Bikanir, have done it on the advice of some eminent lawyer who must have helped the Government of India also in framing the Income-tax Act. But how are you going to work it? Supposing I have got a house in Samagoga in Cutch. Now, in the Cutch State there is no income-tax and I know that you will not get a reply from that State for three years. Besides, the population of Samagoga is only of 200 persons and the chief of that place Samagoga is not under Cutch. There is no policeman and there is no light on the roads. In fact, there are no roads. Am I to get you assessment report of my income from there? And if I do not do so, are you going to haul me up? How are you going to do all that? Therefore, what is fair is that you have to get really what you can get out of business in British India and from the people in British India. People do not keep nor have not got large sums of money in the Indian States. I will admit the fact that there was a time when the incidence of income-tax was going up, there were some clever businessmen who changed the mode of accounts and put some money to the credit of their offices which were in the Indian States. But those very States where these ingenious people had their offices have now themselves introduced the income-tax. I am sure my friend, Mr. Bajoria, or any big businessman has not much to do in Bikanir or Jaipur, much less in far away Cutch, but you take it from me that businessmen would anyday like to be assessed and dealt with in the British India rather than in the Indian States. That fear has again disappeared to a great extent. Therefore, it is but fair that you will not make the capital shy from British India. It is only with capital that commerce and industry will thrive. It is only with capital that commercial centres in India have thrived. It is very seldom that commerce and industry and trade in India has been helped by Indian or European banks. If you read carefully the report of the Indian Banking Enquiry Committee and of the various Committees which the Government of India set up since 1924, you will find that hardly one per cent of the Indian business is being financed by Indian Banks. Indian Banks have become much more careful because of the fact they have got to compete with Exchange Banks who will very seldom deal with inland trade. These are the points which the Honourable the Finance Member has to consider. Please do not allow capital to be shy from British

India. Capital if it comes into British India will give employment to your people and create prosperity in the country. In these circumstances, I do hope that the Honourable the Finance Member will consider these points at the Select Committee meetings and that we shall have a Bill which will give us much more satisfaction than the previous one.

The Honourable Sir Jeremy Raisman: Sir, I am sorry that my Honourable friend, Sir Cowasji Jehangir, finds my record to be so consistently stony-hearted that I never concede anything. But I cannot understand why in the circumstances he proceeds to make impassioned appeals which presumably are directed to some quality in me which might respond. He does not seem to think it is a waste of time either to get up in this House and to labour his point for some time or in the course of Select Committee proceedings to take up quite a considerable amount of time in endeavouring to extract something from me.

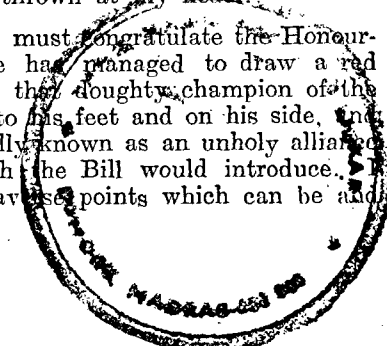
Sir Cowasji Jehangir: May I point out, Sir, that when I was addressing the House I was explaining the position to the House and not only to the Honourable Member. I was explaining matters to the Members of the Select Committee of which he happens to be one, and it must be realised that both the Select Committee and this House are his and my masters.

The Honourable Sir Jeremy Raisman: I entirely agree. I have known cases where his and my masters were not in the least interested in the long and impassioned orations which nevertheless went on. I can only assume that the Honourable Member's inward convictions differ somewhat from his outward expressions. If he is prepared to give me up entirely as a bad job and never address any further appeals to me that will be "O. K. with me" to use an American expression.

Sir Cowasji Jehangir: I can assure the Honourable Member that that will not be so.

The Honourable Sir Jeremy Raisman: He referred then to piecemeal legislation. Well, Sir, I think he will remember that at the time when the original Bill was brought forward, it was one of his points as well as of some of the other Members that this legislation was a slavish imitation of the British Act and that it was brought forward hurriedly and prematurely and that once it reached the Statute-book, all kinds of undesirable consequences might follow, unless I was prepared to adjust it from time to time and make amendments as found necessary. I agreed that this legislation should be constantly subject to review and I undertook in response to what I understood to be the universal desire of this House to be prepared to amend the Excess Profits Tax Act as often as was found necessary. I may say, therefore, that I am a little aggrieved at the expression piecemeal legislation being thrown at my head.

Now, Sir, there is one thing on which I must congratulate the Honourable Member, Sir Cowasji Jehangir. He has managed to draw a red herring across the trail which has brought that doughty champion of the workers' interests, Mr. Jamnadas Mehta, to his feet and on his side, and he has succeeded in effecting what is usually known as an unholy alliance on the subject of the new Rule 12 which the Bill would introduce. I put it to the House, I do not wish to traverse points which can be and



[Sir Jeremy Raisman.]

which no doubt will be argued in the Select Committee. But on Sir Cowasji Jehangir's own admission, we have a position in which the capitalist, the businessman or the company is making profits of which nearly eighty per cent., by the law of this country, is due to the exchequer and his own interest is of the order of 20 per cent. or a little more. At the present moment, there is nothing in the Act to give the 80 per cent. shareholders in the profits any say in the way those profits are disposed of. I do not go so far as to claim that we should join in the management of every business which is liable to excess profits tax. I agree with my Honourable friend, Mr. Husenbhai Abdullabhai Laljee, that we have not got the staff nor the knowledge to do that. But we have the knowledge and it is our duty to scrutinise the accounts and look out for what I may call "funny business". We know that of the 100 per cent. of the profits, something approaching four-fifths is our share and I think it is at least necessary to warn the assessee that if he takes chances and that if he indulges in gross abuses of his position of trust, because that is what he is in respect of our 80 per cent., he may find that his cleverness has landed him where he did not mean to and that the trick he has played is in fact at his own expense.

I want to assure Mr. Jamnadas Mehta that Government have no intention whatever of interfering with or suggesting for a moment that the reasonable and indeed the generous treatment of labour by employers would not meet with their approval. On the contrary, I myself believe that when excess profits are being made, there is no reason why everybody who contributes to the making of them (and thereby usually to the war effort) should not receive his fair share. But what we are thinking of is something entirely outside the realm of even debatably legitimate increases of pay or even of legitimate bonuses. I would say that it would be quite impossible, it would be quite out of the question for any officer of my Department to raise a query in regard to the type of increase in wages which is normally the subject of negotiation between the employers and the employed and in fact, I would go so far as to say that if the employer raises in regard to a discussion of that kind the question as to whether that increase would be disallowed by the Department, that argument could be dispelled immediately by a reference to the Commissioner. What I have in mind is cases where entirely unjustifiable and on the face of them absurd types of expenditure are indulged in by the assessee merely in order to make away with the profit. These will not merely be artificial or fictitious transactions, that is transactions which might appear to dispose of part of the property or create legal interests which would have the effect of reducing the liability. Those are things which have no reality. These artificial transactions merely exist on paper; but the payments I am thinking of may be real ones. I will take Sir Cowasji Jehangir's own case where he said that a man might put his brother-in-law in the business and give him five lakhs a year and then take it back, as he said. It does not matter if he does not take it back. If the brother-in-law is not worth five lakhs a year and he suddenly appears on the pay-bill at five lakhs a year, he may get his five lakhs and it may be a real payment, but I consider that the general taxpayer of this country, who is represented to the extent of nearly four-fifth of these profits, is entitled to have somebody to ask on his behalf what is the justification for these five lakhs.

Sir Cowasji Jehangir: May I ask the Honourable Member to consult the Law Member whether such a case would not fall within the meaning of "fictitious" in clause 10?

The Honourable Sir Jeremy Raisman: With due respect to my Honourable colleague, the Law Member, I find it unnecessary to consult him on the question whether an actual payment of five lakhs, about which there is no dispute that it has taken place, is an artificial or fictitious transaction. Once the money has actually passed and has gone to the brother-in-law, it is a real thing. But the position merely is that the assessee would rather that his brother-in-law had five lakhs than that I had four, which might be quite an understandable position. Well, Sir, I do not wish to labour this point. It seems to me that it is quite clear and it is a point which has been recognised; and Sir Cowasji Jehangir was entirely wrong in suggesting that provisions of this kind do not exist elsewhere. They are provisions which have been found to be necessary. Also, in regard to the point taken by Mr. Jamnadas Mehta that 10A appears to have retrospective effect, I would point out that that is not so. The effect of 10A would only be felt in assessments which take place after the passing of this measure. But since all income-tax legislation relates to the profits of a year which may have gone, we are saying now that a certain type of artificial or fictitious transaction, no matter when it happened, will be liable to be disallowed. That is not retrospective.

Babu Baijnath Bajoria talked of the change in respect of borrowed money as if it was a mistake. I wish to assure him that there is no question of any mistake and that, therefore, there is no question of making this effective from the date of the beginning of the excess profits tax. It is definitely a change of policy and, as I indicated, I am not entirely free from misgivings even at this time. But I have agreed to make this provision and it will take effect as from the beginning of the current financial year, that being the date from which the enhanced rate of excess profits tax would take effect. The two are in that way linked.

I have only one concluding remark to make and that is in regard to my Honourable friend, Mr. Husenbhai Laljee's continuous references to capital. Capital is so frequently represented as a shy and timorous virgin to whom nothing rude should be said, that it is somewhat difficult to recognise in that appealing and panic-stricken figure the individuality which my Honourable friends, Mr. Joshi and Mr. Jamnadas Mehta are wont to arraign as a rapacious and self-seeking monster. I do not myself pretend to know which of these pictures is more correct, but I can assure Mr. Husenbhai Laljee that we have no intention of scaring away this timorous damsel from her legitimate activities in British India.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill further to amend the Excess Profits Tax Act, 1940, (Second Amendment) be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, Sir Cowasji Jehangir, and the Mover, with instructions to report on or before the 5th November, 1941, 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 MADRAS PORT TRUST (AMENDMENT) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I move:

"That the Bill to alter the constitution of the Board of Trustees of the Port of Madras be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir Frederick James, Mr. E. L. C. Gwilt, Raja T. Manavedan, Rao Sahib N. Sivaraj, Mr. Jamnadas M. Mehta, Mr. Amarendra Nath Chattopadhyaya, Khan Bahadur Sir Abdul Hamid, Mr. Muhammad Muazzam Sahib Bahadur, Mr. T. S. Sankara Aiyar and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

I do not propose to take the time of the House by discussing the opinions we have received. I have no doubt that these have been studied by Honourable Members and will be carefully considered by the Select Committee. I do not think it would be helpful if I entered into a discussion of the merits of various claims that have been put forward here. The Select Committee is obviously in a better position to assess these in the first instance.

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

"That the Bill to alter the constitution of the Board of Trustees of the Port of Madras be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir Frederick James, Mr. E. L. C. Gwilt, Raja T. Manavedan, Rao Sahib N. Sivaraj, Mr. Jamnadas M. Mehta, Mr. Amarendra Nath Chattopadhyaya, Khan Bahadur Sir Abdul Hamid, Mr. Muhammad Muazzam Sahib Bahadur, Mr. T. S. Sankara Aiyar and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, before the Bill goes to the Select Committee I have got two points to place before the House. The first is that the vicious principle of sending to the Port Trusts representatives on the basis of race is being perpetuated in this Bill. Time there was when the Indian commercial community was not properly organised, when there was no representative seeking place on the Port Trusts or other bodies of a like character, and the European members practically monopolised all the seats in the name of the Bombay Chamber of Commerce, the Madras Chamber of Commerce and the Calcutta Chamber of Commerce. Since then we have travelled considerably and I do not see that now at any rate there is any justification for giving representation to commercial bodies on the ground of their race. I do not mind the election of six European members to the Madras Port Trust from a joint electorate, but to say that out of eight or nine men for commercial representation four shall be Europeans is a thing which is an anachronism in the year 1941; and it is simply a continuation of the old and exploded system of racial predominance in India.

My Honourable European friends will appreciate that it will be more desirable for them to be representatives of the combined commercial interests of India as a whole than that they should continue to function as representatives of European trade as if it were something in contradiction or cleavage with the Indian trade. That is a most unhealthy thing to perpetuate now, and this division of Indian and European commercial interests ought to disappear once and for all. I am particularly anxious that the elimination of racial representation should not deprive my European friends of their representation. I won't mind in a joint electorate of

commercial bodies to get representation reserved for them if they like but they should be representatives of commercial interests jointly represented by a common franchise in the common electorate. In 1941 this attitude of my European friends in seeking representation to an Indian Port Trust management as Europeans is most unedifying. It appears to make them still stand out for racial domination and the sooner this unhealthy sign of racial difference in India disappears the better for all concerned. I would, therefore, suggest that there should be a joint electorate of all commercial bodies from which both Indians and Europeans might get representation and if there is any danger of Europeans not getting representation, which is absolutely imaginary, then I am prepared even to reserve a few seats for them, leaving them to seek further election through a joint electorate. But a separate electorate for European commerce and a separate electorate for Indian trade, keeping up perpetually before us the idea that in this country the European is the top-dog, is a thing which I absolutely dis-countenance.

The second point which I wish to urge is that in this Bill no notice is taken of the Andhra Chamber of Commerce. The Madras Presidency consists of three provinces: the Tamilian, the Malabarian and the Andhra. I have received complaints from the Andhra province that in the Madras Presidency the Tamilians are getting things their own way and Andhra is being treated as a step-child and out of 15 members not one member is likely to be a member from the Andhra Chamber of Commerce. If that complaint is true then a representation for the Andhra Chamber of Commerce, if it is a commercial body of sufficient weight and importance, is necessary. I would, therefore, urge upon the Government not to forget their representation in trying to divide the representation between Europeans and Tamilians. I do not say that the exclusion of any section is the object of the Bill, but complaints have been received and I would certainly desire that no such complaint or lack of representation for commercial bodies should remain to mar the importance of the Bill. For the rest, I shall certainly discuss other points in the Select Committee. In Bombay there are often stories of quarrels between the European and the Indian Members in the Port Trust, quarrels which sometimes reach the scale of a public scandal. In order to avoid that, this separate representation should be absolutely abandoned and a joint electorate, both for European and Indian commercial interests, with reservation of a reasonable number of seats for our European friends, would be a desirable substitute.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): I am glad that this Bill provides for more adequate representation of Indian commercial interests on the Madras Port Trust and it also gives representation to other interests as it should be. My intention in taking part in this debate is to draw the attention of the Honourable the Communications Member that it is high time that a similar Bill is brought for the Calcutta Port Trust. Calcutta Port Trust, as it is constituted at the present moment has also got a die-hard constitution. It has got predominantly European interest there and the Indian commercial interests' representation is very small and quite inadequate, to the great share in the export and import trade of Calcutta which the Indian community has got there. I would, therefore, urge, Sir, to the Government of India that they should, at a very early opportunity, bring forward a Bill to re-constitute the Board of

[Babu Baijnath Bajoria.]

Trustees of the Port of Calcutta and to see that the Indian commercial interests there are adequately represented, and here they must also bear in mind that there are several Indian Chambers of Commerce who want representation.

The Honourable Sir Andrew Clow: I suggest that this is hardly in order. We are discussing about the constitution of the Board of Trustees of the Port of Madras whereas the Honourable Member is drifting to the Port of Calcutta.

Babu Baijnath Bajoria: I won't be very long, but this is the only opportunity, when we are re-constituting the Board of one Port, to remind the Honourable Member to do something for the Port from which I come.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): That you have done.

Babu Baijnath Bajoria: I think, Sir, that the Honourable the Communications Member must know that there is a demand for it, because otherwise he will say that there is no demand and nobody is asking for it. That is why I want to impress upon him that the people of Calcutta—the Indian commercial people of Calcutta—are very anxious that the constitution of the Board of Trustees in Calcutta should also be re-constituted on a fair and equitable basis on which European interests must have their due representation and the Indian interests must also have theirs.

The Honourable Mr. M. S. Aney (Leader of the House): Do you oppose this Bill because the Calcutta Port Trust Bill is not being introduced?

Babu Baijnath Bajoria: I am not opposing. I welcome it.

Mr. N. M. Joshi (Nominated Non-Official): When the motion was made for circulating the Bill, I suggested that the representation provided for labour should not be by nomination by the Central Government as is suggested in this Bill but should be by some method of election by the Registered Trade Unions in the Madras City. I hope, Sir, that the Select Committee will accept my suggestion. If they don't accept this suggestion, they are not believers in democracy. I would also suggest to them as an alternative that they should at least provide that the nomination of labour representative should be made in consultation with the Registered Trade Unions in the Madras City. I hope the Select Committee will accept my this suggestion.

Sir F. E. James (Madras; European): Sir, my Honourable friend, Mr. Jamnadas Mehta, has suggested that the representation of commercial bodies on the Madras Port Trust is on the basis of race. He is really mistaken in that assumption. In the debate in this House on the same subject last March I did call the attention of the Honourable the Communications Member to a reference in his own Statement of Objects and Reasons—he seems to be very unfortunate in his Statements because I believe another of his Statements has been already criticised today—I pointed out that it was not so much an adjustment between Indian and

European commerce as an adjustment between the bodies which should be represented on each Port Trust. In his reply he admitted that, generally speaking, the basis of representation on Port Trusts should be the direct interest in the export and import trade of the Port, which would mean, broadly, the volume of trade done by the interests concerned in the Port, quite irrespective of race. It is perfectly true that the Madras Chamber of Commerce and the Madras Trades Association are predominantly European in their membership; but there is no racial basis for their membership qualifications. As a matter of fact there is not the slightest reason why the Madras Chamber of Commerce should not be represented on the Port Trust by an Indian member of that Chamber, and it is a matter of history that the Madras Trades Association has been represented by one of its Indian members.

The point that particularly interests me in this Bill is a fairly narrow one, and that is, that in the re-adjustment of seats between these various bodies the Madras Trades Association goes out altogether after a continued representations on the Port Trust of some 57 years. One would have thought that, in a House which respects tradition so strongly as this House does, that that by itself would have been some reason why the Association should have been allowed to continue to have its representation on the Port Trust. I do feel very strongly that there is a case for the retention of representation by this body. I will not go into figures as to volume of trade—I shall place those figures before the Select Committee for them to judge. I should like to make it perfectly clear that when we suggest that the Trades Association should continue to have representation; we do not grudge the additional representation that is given to some other bodies like the South Indian Chamber of Commerce. I know it is argued that these bodies should be Indianised at all costs. I do not really accept that argument, because as I say, representation on these Trusts should be based upon the direct participation in the actual work of the Port by the members of the bodies which are represented, whether they are Indians or Europeans. But even assuming that it is the object of the Honourable Member to Indianise at all costs, then I suggest that that is no reason for doing an injustice to a body which has held representation for so many years and held it not on any communal basis—there are Indian members on this body today—but because of the interest which it holds in correct and proper administration of the port. Sir, there is no sanctity in the actual maximum at present prescribed or proposed to be prescribed in the Act for the composition of the Madras Port Trust. There is, I understand, the present suggested maximum of 15 members. I am quite aware that in pressing for the continued representation of the Trades Association that I might, if that maximum were held, be doing an injustice to other interests. I do not want to do that. There is no reason why the numbers of the Port Trust should not be increased by one or two to allow for the continued representation of the Association, and, if it is really thought advisable by the Select Committee, to allow one of the other bodies to be represented on it, as my friend, Mr. Jamnadas Mehta, has suggested.

One of the difficulties of course is the question of expense. I did mention this on the last occasion this matter was before the House. The fee for attending the meetings of this body is Rs. 30, and of course the result of attaching a fee to attendance is that there has been a remarkable

[Sir F. E. James.]

regularity and assiduity in the attendance at the meetings of the Port Trust by the members thereof. Therefore, if I suggest that there should be an increase in the numbers, I also suggest at the same time that the fees should be abolished. A great deal of the controversies which have been there in the past would pass away if fees were abolished. But I am quite prepared, as Mr. Joshi's friends are to be represented on that body, to admit the existence of a very much reduced fee. I am quite sure that if that fee is reduced, the regularity and assiduity of the attendance of members would also be reduced, so that the administration of the Port would not be embarrassed by a small increase in the number of Trustees.

I believe that the suggestion I am making in regard to the Madras Trades Association has the good-will of all the bodies which are now represented on the Port Trust in South India. They are, of course, naturally concerned lest by giving a seat for the Trades Association they do not lose one themselves. I quite agree, and I hope in the Select Committee I shall be able to convince the Honourable Member and my colleagues that there is a reasonable case for the retention of the Madras Trades Association on the Port Trust. If I feel that they will support me in that, I shall not be backward in helping them to secure what they feel just to their interests as well.

Mr. Husenbhai Abdullahhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I quite agree with the views that have been expressed by my friend, Mr. Jamnadas Mehta. I am very sorry I cannot entirely agree with the views of my friend, Sir James. It is all very well to say that these are different bodies and that there is no communal feeling or bias. That might have been many many years before; but the very fact that there does exist at every important city in India two Chambers of Commerce—Indian as well as European—call it Bengal or European, Bombay or European, Madras or European and the fact that they have come into existence for the last 25 years with all important commercial interests therein, are the facts as clear as the existence of the Muslim League and the Congress. To say now and at this stage that so far as the Madras Chamber is concerned it is not a European body because a few Indians are there and to say again that in Bombay the Bombay Chamber is not a European body is really too late. The Indian Merchants Chamber of Bombay has 400 members as against about 80 members in the Bombay Chamber of Commerce and they act as two clear compartments separate and distinct. It is also a fact which we as businessmen must admit that so far as the membership of the one or the other is concerned, I having been the President of the Indian Merchants Chamber, hardly found a single English firm or European firm making an application to become a member of that body, and *vis-a-vis* is the case with the European Chamber. I have also very strongly felt, Sir, that there are practically now very very few Indian businessmen or firms in the Bengal Chamber of Commerce, —I have been a member of that body,—and this body has been in existence for over last fifty years. Therefore, the fact is that there are two distinct bodies more or less run on communal lines. I would go further and say,—and it really pains me much to say it,—they are what may be called European and Asiatic bodies and—not bodies of Britishers and Indians. We feel that we ought to work together, our friends ought to co-operate freely and frankly with us, but it is regrettable they will care more for a

German or a South African Boer than for an Indian. Personally, I feel more bitter for a welcome in India of a South African than to a German firm. It cannot be denied that there is now a clear and complete distinction and there are two distinct bodies on communal lines, and the best thing is, as my friend, Mr. Jamnadas, said, we have to be more practicable, more businesslike. Let my European friends become more businesslike now, let them create mere businesslike spirit between India and Britain. Let them for the time being at least during the time of this great war remove that discrimination. Make a mixed electorate of Indian merchants and British merchants. But if my friends will insist and say still and even now that their Chambers and our Chambers are different and there should be separate representation for each, that our interests and their interests are separate, then as my friend, Mr. Jamnadas, has said, the Indian businessmen must have a better and stronger representation than Europeans as such.

Then, Sir, reference was made by my friend, Sir Frederick James, to the volume of business or to the direct participation in the use of the Port. That does not appeal to a businessman at all. Because a European firm is mentioned in the custom entry as importer it does not mean that he is the real importer. There were more than a dozen German firms agents in Bombay and other cities who were really indenting agents. My friend, Mr. Bajoria, goes to their office, gives an order for, say, ten lakhs of rupees worth of piecegoods. That indenting firm will order out the goods for Mr. Bajoria. When the documents are received, they are passed on to Mr. Bajoria who will pay for these goods, clear them from the docks, pay the Port Trust dock fees, custom dues and then store the goods in his godown. So the indenting firm is not actually the importer. Von Muller or somebody who was the indenter cannot be said to be importer and the volume of business that has been entered in his name cannot be that of European. If you honestly and sincerely point out all the figures relating to goods imported and paid for by British firms and European firms and also goods imported for and on behalf of Indian firms and for which the Indian firms have paid Port Trust, the correct position will be seen.

Sir F. E. James: I can give my friend those facts and figures for the Madras Port Trust, but I refrain from doing so because they would destroy his arguments.

Mr. Husenbhai Abdullahhai Laljee: Today it is Madras, tomorrow it is Bombay. The fact is I am the real importer, I am the real exporter and the Port Trust belongs to me. Now, take the case of Indian States. Take the Bhavnagar State, Okha, Baroda or Jamnagar State. They have Port Trusts but there are none but Indians on their bodies but real parties who pay the Port dues are Indians.

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

Therefore, the best thing is to have a mixed electorate, and there should be a common feeling that we are all businessmen and act as such which will be really to the advantage of both the manufacturers and labourers of both India and Great Britain. It is this good feeling we should create and I have always pleaded for it.

The Honourable Sir Andrew Clow: Sir, I have very little to say. I think most of the points that have been raised will be better considered

[Sir Andrew Clow.]

in the Select Committee. I am sorry my friend, Mr. Jamnadas Mehta, introduced the racial issue. No one would be better pleased than I if we had a single Chamber representative of all interests, of all communities and races. I feel it is very unfortunate that the division of these interests, which in nearly every phase of life are identical, has proceeded on those lines. I do not attempt to assign the blame; I do not know who is to blame. But legislating as we do today, we have got to recognise that they exist, and the obvious objection to Mr. Jamnadas Mehta's suggestion of some complicated system of election by individuals is that Chambers and organizations are the proper bodies, and not individuals, to be represented in associations like the Port Trust. I hope the Select Committee will agree to keep the figures of the Port Trust small. It was suggested by Sir Frederick James that we need not be afraid of larger numbers because if we add to the numbers there will be absentees. I would rather see a small Port Trust, the members of which were assiduous in their duties, than a large one the members of which, owing to the absence of a substantial fee, are generally absent.

There is one other change which, with your permission, Sir, I would like to make. I have been able to persuade my Honourable colleague on my right, who is very well acquainted with the Port and with Madras, to assist me in the Select Committee, and I would like to substitute the name of Diwan Bahadur Sir Ramaswamy Mudaliar for Mr. T. S. Sankara Aiyar.

Mr. President (The Honourable Sir Abdur Rahim): Is it the pleasure of the House that the name of Diwan Bahadur Sir Ramaswamy Mudaliar be substituted for the name of Mr. Sankara Aiyar?

Several Honourable Members: Yes.

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

"That the Bill to alter the constitution of the Board of Trustees of the Port of Madras be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir Frederick James, Mr. E. L. C. Gwilt, Raja T. Manavedan, Rao Sahib N. Sivaraj, Mr. Jamnadas M. Mehta, Mr. Amarendra Nath Chattopadhyaya, Khan Bahadur Sir Abdul Hamid, Mr. Muhammad Muazzam Sahib Bahadur, Diwan Bahadur Sir A. Ramaswamy Mudaliar and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): Sir, I beg to move:

"That the Bill further to amend the Code of Criminal Procedure, 1898, be taken into consideration."

Sir, this is a very innocent Bill, and it is designed to provide for an efficient method of securing the attendance of an accused
4 P.M. in British Indian Courts who may be, at the time in India, but outside British India, and *vice versa*. The position

up to recently was that warrants and summonses used to go to courts outside British India and used to be executed by them. Similarly warrants and summonses issued by Courts in centrally administered areas, etc. which were outside British India, used to be executed in British India. But recently a decision of the Sind Court laid down that this procedure was absolutely irregular and without jurisdiction, and the only way in which it could be effected was under the Extradition Act. That decision seems to have been followed by another High Court,—the High Court of Patna. Under those circumstances, it became necessary that some more efficient and expeditious method must be found out instead of having recourse to Extradition Act which the House knows is a very cumbersome procedure. That is the reason why this Bill has been brought before the House. You will find from the Statement of Objects and Reasons that it will be necessary for correlative notifications to be issued under the Foreign Jurisdiction Order in Council, 1902, the Indian (Foreign Jurisdiction) Order in Council, 1937, and some other relevant provisions of law in order to give effect to the object we have in view. Sir, I move.

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

"That the Bill further to amend the Code of Criminal Procedure, 1898, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Sultan Ahmad: Sir, I beg to move:

"That the Bill be passed."

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

"That the Bill be passed."

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): I beg to move:

"That the Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment), be taken into consideration."

The Statement of Objects and Reasons, so far as this Bill is concerned, will show the necessity of this Bill. There are two provisions of law which have to be considered in this connection. Sub-section (1) of section 162 of the Code of Criminal Procedure provides that any statement made during investigation in a criminal case to a police officer, if the statement had been recorded in writing, cannot be evidence except in circumstances which are mentioned in the section. The other section which is relevant is section 27 of the Evidence Act which provides that confessions and statements made to a police officer which may lead to the discovery of any fact may be admitted in evidence. Up till recently it was the settled law in the whole of India that section 162 of the Criminal Procedure Code did not affect section 27 of the Evidence Act, but recently the Privy Council in a

[Sir Sultan Ahmad.]

case which went to their Lordships from Patna threw a certain amount of doubt on that point, and, in fact, suggested the possibility of the repeal of section 27 of the Evidence Act by section 162 of the Criminal Procedure Code. After that, the matter was discussed in various Courts in India. A full Bench of the Lahore High Court and another full Bench of the Allahabad High Court held that section 27 of the Evidence Act stood repealed. On the other hand, the Madras High Court, the Patna High Court and the Nagpur High Court held that the two sections were independent of each other just as it was held to be the settled law before. After the decisions of the Lahore High Court and the Allahabad High Court, Acts were passed in the Punjab and in the United Provinces, by which they restored what was the settled law before the Privy Council decision. It is now felt that there should be uniformity of legislation on this point throughout India and, that is why this Bill has been introduced in this House. Sir, I move:

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

"That the Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment), be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Sultan Ahmad: Sir, I beg to move:

"That the Bill be passed".

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

"That the Bill be passed."

The motion was adopted.

THE FACTORIES (AMENDMENT) BILL.

Mr. H. C. Prior (Labour Secretary): Sir, I move:

"That the Bill further to amend the Factories Act, 1934, be taken into consideration."

This is a very short Bill to amend section 5 of the Factories Act. That section is a permissive section. It gives the provinces power by notification to declare any place wherein a manufacturing process is carried on, whether with or without power, and in which on any one day in the preceding twelve months ten or more persons are employed, to be a factory. Almost all the provinces have made very good use of this permissive power that has been given to them. At the time the Whitley Commission came to India, I think they had notified only some 190 factories under this section, whereas the latest figures we have got show that they have notified nearly 2,000. I have not got the figures of factories which have people working in them, less than 20 and more than 20, and use power, or the number of factories which have more than 20 working in them and use no power. But the number that is notified is very considerable and the provinces may find it too much for

them to deal with more with their present staff of inspectors. In administering the present section provinces have found that certain difficulties have arisen, and it is to meet those difficulties that this Bill has been introduced. The difficulties are that, if they choose to notify a certain class of factories, if at that time any individual factory has more than ten working in it, that factory is notified, but if on a subsequent date some other factory goes up, say, from 8 workers to 10 workers, then they have to issue another notification to bring that factory within the scope of the section. Similarly, if once they have notified any particular class of factories, and one factory employs less than ten persons for a period of one year or more, then that factory goes out of the scope of the notification, and if it increases the number of its workers again, another notification has to be issued to bring it within the scope of the notification. That causes a certain amount of difficulty to Provincial Governments and it is to deal with those difficulties that this Bill has been introduced. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Factories Act, 1934, be taken into consideration."

Mr. N. M. Joshi (Nominated Non-Official): I would like to offer a few remarks at this stage of the consideration of this Bill. There is nothing in this Bill that I should oppose. However, the remarks which I want to make concern the general efforts of the Government of India for ameliorating the conditions of the working classes by improving labour legislation.

For some time the Government of India in my judgment are content by undertaking measures of very small importance. They have not undertaken any measure of major importance for a long time. The Government of India maintain a fairly well staffed Labour Department and I am prepared to admit the Labour Department consists of very able men. Unfortunately, these able men lack something. I do not know what they lack but they lack something and for a long time they have not brought forward any measure of major importance. They have got ability. I have absolutely no doubt about it. I have no doubt that if they mean to, they can undertake measures of greater importance but some how they do not do it. I really do not understand why. I would, therefore, like this Legislature to remind the Labour Department that they are a department of a great Government. They themselves are a great department and the department is staffed by great men. Therefore people are justified in expecting them to do work of some importance and not be content merely with bringing forward legislation to deal with notifications and matters of procedure. Leaving aside their general activities for labour legislation, taking the Factory Act itself which requires amendments and improvements in many ways and nothing is being undertaken by Government. I leave aside the Factory Act as a whole. I take up the question with which they are dealing in this Bill, namely, the definition of a Factory. The present definition of a factory is any place where 20 or more persons are working and power is used and manufacturing processes are going on. The Factory Act gives power to the Local Governments to apply the Factory Act to places

[Mr. N. M. Joshi.]

where manufacturing processes are going on and where ten or more persons are employed and whether power is employed or not is not a matter of consideration. Here we are dealing with the question of the definition of a factory—what should be considered a factory. The original definition was passed I think in the year 1922 and that is nearly 20 years ago. The Provincial Governments have been given power to extend the definition. They had these powers for twenty years. The Honourable Member in charge of the Bill said that the Provincial Governments are making good use. I am not satisfied with the progress that the Provincial Governments have made in the last 20 years. I am not saying that they have not used their power at all. They have used their power to some extent but not sufficiently. I would have therefore liked the Government to undertake the amendment of the substantive section and apply the provisions of the Factory Act to all factories which at least work with power and which employ ten or more persons. An improvement of that kind would not have been a very great reform but it would have been some substantial reform. I would, therefore, suggest to the Government of India to employ the great department which they maintain, to employ the energy of the very able men which that department includes on a more substantial work than the work on which they are at present employed. Sir, I have sent a small amendment to this Bill which will rectify the hesitant attitude which the Government of India is taking and enable them to take a little stronger step. I hope, Sir, when my amendment comes up for discussion, the Government of India will take some courage in their hands and accept it. I have nothing to object to this motion which is before the House.

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

“That the Bill further to amend the Factories Act, 1934, 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. N. M. Joshi: Sir, I move:

“That in clause 2 of the Bill, for the proposed new sub-section (1) of section 5, the following be substituted:

“(1) The Provincial Government shall, by notification in the official Gazette, within six months from the passing of this Act, declare that all the provisions of this Act applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on with the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding’;

“(2) The Provincial Government may, by notification in the official Gazette, declare that all or any of the provisions of this Act, applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on without the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding’.”

In spite of the long wording of this amendment I assure the House that the amendment is a very simple one. It provides that any place where manufacturing processes are going on, where power is used and where ten or more persons are employed should be notified as a factory.

This introduces a change in the Factory Act. As I have said, at present, the definition of factory is any place where 20 or more persons are employed, where manufacturing processes are going on. I am suggesting that instead of 20, the figure 10 should be substituted. The original definition was approved and passed by the Legislature nearly 20 years ago. The time has come when we should take a progressive step and I hope the Government will have sufficient progressive spirit and courage to take that step and if they are unwilling I would suggest to the Members of the Legislature that they should take courage in their own hands and pass my amendment. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

“That in clause 2 of the Bill, for the proposed new sub-section (1) of section 5, the following be substituted:

“(1) The Provincial Government shall, by notification in the official Gazette, within six months from the passing of this Act, declare that all the provisions of this Act applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on with the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding’;

“(2) The Provincial Government may, by notification in the official Gazette, declare that all or any of the provisions of this Act, applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on without the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding’.”

Rao Sahib N. Sivaraj (Nominated Non-Official): On a point of order, Sir, I think the amendment moved by Mr. Joshi is beyond the scope of the Bill. The Bill, as I see it, merely seeks to alter certain procedure in the issue of notifications with regard to declaring certain places coming under the Factories Act. But my friend's amendment seeks to alter the function of the factory itself.

Mr. N. M. Joshi: The Honourable Member hardly, if I may say so, understands the scope of this Bill. This Bill

Mr. President (The Honourable Sir Abdur Rahim): Is the Honourable Member making a speech in reply?

Mr. N. M. Joshi: I am replying to the point of order.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot make another speech.

Mr. N. M. Joshi: If you rule it out of order, I shall not speak at all.

Mr. President (The Honourable Sir Abdur Rahim): Mr. Prior.

Mr. H. C. Prior: Sir, if I may go back for a moment to the speech made by my Honourable friend, Mr. Joshi, before he moved his amendment, I must thank him for the kind words he said about the Officers of this Department and I can assure him that we shall try to find out what that ‘something’ is which prevents us from going as fast as he

[Mr. H. C. Prior.]

wants. But I am afraid he will find that that 'something' is still lacking today, because I am not able to meet everything that he wants today, and I am afraid I must oppose his amendment. He asks us, in effect, to take away the permissive nature of this section and to force all Provinces to treat as factories those institutions in which more than ten persons are employed and power is used. The change is not revolutionary because I am glad to say that a large number of provinces are already notifying such factories as factories and they are doing so whenever they find that they are in a position to do so. The question as to when they notify depends very largely on the fact whether they have the necessary staff to inspect. I have here in front of me a report from one province which says that, unfortunately, they are unable to notify any further factories because they have not got the staff to inspect them. Does the House want us now to force these Provinces to notify factories which they cannot properly inspect? And if they utilise their inspecting staff for inspecting these factories, then they may be forced to neglect the larger factories which they are at present able to inspect competently. I do not think that would be a step in advance. It would be, in effect, a retrograde step. Provinces are doing their best to notify under the provisions of this section. They have to satisfy their own Legislatures in getting the necessary inspecting staff. It is for them rather than for us to say how far they can go. We give them the power. Let us leave them to exercise that power when they find it advisable to do so.

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

"That in clause 2 of the Bill, for the proposed new sub-section (1) of section 5, the following be substituted:

(1) The Provincial Government shall, by notification in the official Gazette, within six months from the passing of this Act, declare that all the provisions of this Act applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on with the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding';

(2) The Provincial Government may, by notification in the official Gazette, declare that all or any of the provisions of this Act, applicable to factories shall apply to any place wherein a manufacturing process is being carried on or is ordinarily carried on without the use of power whenever ten or more workers are working therein or have worked therein on any one day of the twelve months immediately preceding'."

The motion was negatived.

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

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. H. C. Prior: Sir, I move:

"That the Bill be passed."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill be passed."

Mr. N. M. Joshi: Sir, I want to make only a few remarks. The Honourable Member in charge of this Bill, in replying to my very modest and small amendment, stated that I am trying to compel the Local Governments to do something which he is not prepared to compel them to do and which they may not be willing to undertake themselves. He pointed out that if my amendment is accepted, the Local Governments will have to appoint a little larger inspecting staff than they have at present. It is quite possible that if my amendment had been accepted, a factory Inspector or two in each province may have to be appointed. But I pointed out one thing and the Honourable Member agreed with me that the change which I am suggesting is not a revolutionary one. It is a modest change and the Honourable Member himself will agree that it is a change which is overdue. Therefore, it is not right for the Government of India to plead that if they accept a small amendment of this kind, there will be any compulsion on the Provincial Governments.

Let us understand the relations between the Provincial Governments and the Central Government. The constitution has given concurrent power both to the Provincial Legislatures and the Central Legislature to legislate on labour matters. The object was that where a Provincial Government required a lead from the Central Government, the Central Government should be able to give that lead. Where it is necessary for the Provincial Governments to give a little push and a lead to the Central Government, they should be able to do so. With that object the concurrent power of legislation has been given. Unfortunately, what we are finding now is that the object of the constitution has been frustrated by both the Provincial Governments and the Central Government, lacking initiative and courage and being more or less reactionary. The Provincial Governments take advantage of the inaction of the Central Government. They say it is the business of the Central Government to legislate because it is a matter of all-India importance. The Central Government comes forward and says: "Well, it is the business of the Provincial Governments; we are, after all, a co-ordinating body. We are a Government, but we do not feel equal to the use of the powers which the constitution has given to us." Both the Governments, therefore, are helping each other to prevent action. This is not the situation which the Legislature should tolerate to continue. Whatever may be the fate of the amendment which I had suggested, the Legislature and the Government of India will realise their duty towards the working classes of this country and move a little faster than they are going today.

Sir, I have nothing more to add except to express my hope again that the Government of India will act with greater courage than they have done so far.

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

"That the Bill be passed."

The motion was adopted.

RESOLUTION *RE* AMENDMENT OF THE AUDITOR'S CERTIFICATES RULES.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I move:

"That this Assembly recommends to the Governor General in Council to amend the Auditor's Certificates Rules, 1932. in such manner as to admit of the enrolment

[Sir A. Ramaswami Mudaliar.]

on the Register of Accountants of a restricted certificate holder who does not possess the normal qualifications for enrolment but satisfied the Central Government that he is a fit person to be enrolled."

Sir, in the year 1932, the Auditor's Certificates Rules were passed by the Government of India, following the amendment of the Companies Act. Before these Rules were passed, there were three sets of Auditors who were entitled to practise: Members of certain Accountancy Bodies in the United Kingdom like the Chartered Accountants and the Incorporated Accountants; holders of unrestricted certificates from the local Provincial Governments entitling them to act as Auditors throughout British India. Such persons possessed Accountancy qualifications having received practical and theoretical training under the Regulations for the award of the Government Diploma in Accountancy. These Regulations had the approval of the Government of India and a diploma was awarded by the Accountancy Diploma Board in Bombay. Any holder of these diplomas could apply to the local Government for the grant to him of an Auditor's Certificate entitling him to practise throughout British India. There is a third class of practitioners, called the holders of restricted Certificates from the Local Governments entitling them to act as Auditors within the limits of a particular Province. Such persons do not possess any diploma, but by reason of long practical experience, they were permitted by Local Governments to practise within the limits of a particular Province.

Well, Sir, on the passing of the Accountancy Rules, only the first two classes of persons were admitted to practise throughout British India. The restricted certificate holders could only practise with the permission of the Local Government within a particular area or within the Province. When this Amending Bill was before the House, my Honourable friend, Mr. Vidya Sagar Pandya, who was then the representative of the commercial interests in Madras, moved an amendment that these restricted certificate holders also should have the right, if they were considered proper and fit by their experience and their amount of practice which they enjoyed by their general linguistic qualifications, particularly in English, that they should have the right to practise throughout British India even as the other set of Accountants who had passed their examinations. At that time the Commerce Member was advised by an Accountancy Board or Panel which was nominated by the Government of India, because there was no question of election, the Accountancy Board at that time advised against giving these restricted Certificate holders the right to practise throughout British India. Following that advice, Sir George Rainy said that he was not prepared to allow the restricted Certificate holders the privilege of practising throughout British India. The Government of India framed certain rules. I may say that the rules framed even now by the Government of India allow restricted Certificate holders the power to practise throughout British India. There is no amendment of the Act required, perhaps a little change in the rules is all that is required for the purpose. Therefore, there was really no necessity for the Government to come before the House and ask the House for the approval of this course of action. But I felt that in view of the last decision of the Legislature which turned down Mr. Vidya Sagar Pandya's amendment, it was only fair that this House should have a voice in any change that is proposed to be made, if it is within the rule making powers of the Government of India. The Commerce Department examined this question, and I have come forward to ask this House

to approve of this change for two reasons. The total number of persons at that time who were having these restricted certificates were 51, and, at the present time, they are 48, owing to casualties. There is no possibility of this number being increased in any way. They are a group of persons who are dwindling in number and no additional person can from any source be added to that particular number whatsoever.

Now, Sir, as the House is aware, the power of electing to this Accountancy Board was given a couple of years ago and the present Accountancy Board is predominantly an elected body with a very small element of nominated Members, nominated by the Government to represent present interests which are not already adequately represented through the door of election. Last year, in December, this Board met, as indeed it does once a year, and a Resolution was unanimously adopted that this small group of restricted certificate holders should be given the privilege of practising on the same basis as others. The Mover of that Resolution commended it to the acceptance of that body on the following grounds. He proposed that deserving restricted certificate holders in actual practice should be permitted to get themselves enrolled on the Register of Accountants. He said that some of them had long experience and were doing work far more ably than many of the Registered Accountants. They had been responsible for the training of many of the Registered Accountants, and, in his opinion, they could be brought into the register without detracting from the efficiency and prestige of the profession and their number would be about 50—actually it is 48 now—and that many of them were having very good practice and would welcome an opportunity to extend it. He further said that to find out deserving persons, the Government might devise their own methods and prescribe their own standards of judgment. He did not want to bring in people whose practice was not sufficient or who would not prove to be an ornament to the profession. This recommendation was unanimously accepted by the Board.

Apart from many representations that were made individually by restricted Certificate holders, the Government had before them the Resolution of a body which was constituted to safeguard the interests of Accountants as such and when this body recommended that this small group of people should also be brought in, the Government felt that it was time to re-examine the question and, in the re-examination of that question, they felt that the Legislature should also be associated in view of past history. It is in these circumstances that I move this Resolution. I may say that following the suggestions of the Mover of the Resolution himself it is intended to scrutinise these 48 people who are restricted Certificate holders, and all of them will not automatically come in for that exemption. It is not possible, for instance, to enrol, on the regular Register of Accountants, a person whose knowledge of English is so inadequate that he cannot discharge his duties with reference to the Indian Companies Act in British India. Some of them have been approved as Certificate holders by Local Governments because of their peculiar linguistic qualifications, such as Gujarati or Malayalam. These persons are certainly not fit to be made regular Accountants to practise all over British India. The quantum of their practice may also have to be taken into consideration as indeed the recommendation of the Board to the Government indicates. It is under these circumstances that the phrase

LEGISLATIVE ASSEMBLY.

Tuesday, 4th November, 1941.

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

MEMBERS SWORN:

Sri Addepally Satyanarayana Moorthy, M.L.A. (East Godavari and West Godavari *cum* Kistna: Non-Muhammadan Rural);
Mr. Rajmal Lakhichand, M.L.A. (Bombay Central Division: Non-Muhammadan Rural); and
Sir Vitthal Narayan Chandavarkar, M.L.A. (Bombay Millowners' Association: Indian Commerce).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

†59*—64*.

TALKING POINTS ON INDIA PREPARED BY THE RIGHT HONOURABLE MR. DUFF COOPER.

65. *Mr. Lalchand Navalrai: (a) Will the Honourable the Home Member be pleased to state if his attention has been drawn to an editorial in the *Sind Observer* of Sunday, the 22nd June, 1941, under the caption "Miss Mayos of Information Ministry" and did the Honourable Member already know of the matter contained in the editorial? If so, when? And what steps did the Government of India take? If none, why not?

(b) Is it a fact that certain talking points, which are supposed to be a sort of compendium depicting the evils of Indians, were prepared in London for the purpose of sending to talkers to proclaim them in America?

(c) Is it a fact that the talking points, among other things, stated that India has immensely benefited under British rule, that its sorrows and miseries, where they existed, are self-inflicted? Is it a fact that a few weeks ago Mr. Sorensen, a Labour Member of the Parliament, raised this question of talking points in the House of Commons?

(d) Is it a fact that the Right Honourable Mr. Amery replied that though they were prepared by the Right Honourable Mr. Duff Cooper, a member of the British Cabinet and placed in the hands of the speakers, they were not shown to Mr. Amery?

(e) Will Government be pleased to state when Mr. Amery came to know of these talking points having been prepared, and what immediate steps he took to prevent their dissemination?

†For these questions and answers, see pages 333-36 of these Debates.

[Sir A. Ramaswami Mudaliar.]

of such persons as the Government of India may deem fit has been introduced in the Resolution. I ask the approval of the House of the course that we propose to take in this matter.

Mr. President (The Honourable Sir Abdur Rahim): Resolution moved:

"That this Assembly recommends to the Governor General in Council to amend the Auditor's Certificates Rules, 1932, in such manner as to admit of the enrolment on the Register of Accountants of a restricted certificate holder who does not possess the normal qualifications for enrolment but satisfies the Central Government that he is a fit person to be enrolled."

Sir F. E. James (Madras: European): May I ask my Honourable friend, when he referred to the Central Government now seeking to decide whether these persons are fit to be enrolled or not, if he would indicate in very general terms the machinery which is to be adopted to test their fitness: Will it be a Committee of the Accountancy Board or will it be a purely departmental examination?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Frankly, we have not yet considered that question. We wanted to get the approval of the Legislature first to the course that we propose to take before we went into details. My Honourable friend knows that the Chairman of the Accountancy Board is the Secretary of the Commerce Department, and there is also a trained Accountant appointed by the Government as Secretary of this Board. In any case the Chairman of the Board will have the final power with reference to the selection of these persons. Whether we shall interpose a sub-committee of the Accountancy Board or any other agency before the recommendations of that body are scrutinized by the Chairman is a matter that still awaits the consideration of the Government.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Do I understand that some tests will be imposed other than the language tests?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Yes, Sir; the quantum of practice, as I said, is a very important test.

Dr. P. N. Banerjea: And the total number will perhaps not exceed 30?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Forty-eight is the maximum. The total number will be something below that. Probably it may not exceed 30.

Sir Cowasji Jehangir: Sir, I submit that these men are a body of old practitioners, some of them with a very large practice indeed and some of them with a considerable reputation, who were unable to get on to the list on account of their age and nothing else. It is these men who require relief and no examination is required. I think a statement placed before the Honourable Member giving the name, the number of years' practice, the amount of practice, their standing in the places in which they live, etc., would be sufficient for the Honourable Member to find out those who deserve to be included. I trust there will be no such

examination or careful scrutiny as is suggested. These are old men with a long practice and considerable reputation. Some of them, of course, will not be included, and the Honourable Member can find that out by glancing at the list.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: There is no question of any examination at all. I can give that assurance.

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

"That this Assembly recommends to the Governor General in Council to amend the Auditor's Certificates Rules, 1932, in such manner as to admit of the enrolment on the Register of Accountants of a restricted certificate holder who does not possess the normal qualifications for enrolment but satisfies the Central Government that he is a fit person to be enrolled."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 4th November, 1941.

(f) Will the Honourable Member be pleased to state the full contents of these talking points?

(g) Was it permissible to Mr. Duff Cooper to prepare such talking points for being proclaimed even as his personal views? If so, under what rule or authority? If not, what steps did the India Office, which was responsible for the safeguarding of the good name and honour of India, take against the author? If none, why not?

(h) Was the Ministry of Information authorised to issue the talking points as the personal views of Mr. Duff Cooper without the consultation of the Secretary of State for India?

(i) Did the Government of India make any reference to the Secretary of State for India objecting to the proclamation of the talking points? If so, when and with what results?

(j) Is it a fact that the *New Statesman* wrote that the compilation was full of half-truths and glaring omissions and should be suppressed with apologies to the intelligentsia of this nation? If so, were they suppressed, or were any apologies tendered?

The Honourable Sir Reginald Maxwell: (a) to (j). I have seen the editorial in the *Sind Observer* regarding the publication—Talking Points on India. I would refer the Honourable Member to the replies given by me on the 14th March, 1941, to Dr. P. N. Banerjea's question No. 334 and his supplementary question on the subject. I have nothing to add except that this publication came to the notice of the India Office about the middle of February, 1941, and was completely withdrawn by the Ministry of Information at the beginning of March, 1941.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether Mr. Duff Cooper had authority from the Secretary of State to give that talk?

The Honourable Sir Reginald Maxwell: It is not a question of Mr. Duff Cooper. It is a question of the action of some subordinate official in the Ministry of Information.

Mr. Lalchand Navalrai: May I understand that the answer to this question, No. (d), is in the negative, that is to say, Mr. Duff Cooper had nothing to do with it?

The Honourable Sir Reginald Maxwell: I have not the slightest doubt that Mr. Duff Cooper never saw it at all.

Mr. Lalchand Navalrai: May I know who was responsible for it?

The Honourable Sir Reginald Maxwell: I said some subordinate official in the Ministry of Information.

Mr. Lalchand Navalrai: Then, what has been done to him for taking the liberty of maligning India?

The Honourable Sir Reginald Maxwell: That has nothing to do with the Government of India.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether the Government of India have nothing to do if India is maligned outside?

The Honourable Sir Reginald Maxwell: The India Office looks after the interests of the Government of India in England.

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

Mr. Lalchand Navalrai: No, Sir. I have to put one or two more questions. Is it not in the interest of the Government of India to vouchsafe the interests of India and to see that no one maligns India in any way?

The Honourable Sir Reginald Maxwell: Yes, Sir. The Government of India had already, as I explained in my replies to Dr. Banerjea, taken the necessary action by making enquiries from the India Office and the result was that the offending document was withdrawn some time before I answered Dr. Banerjea's question at the last Session.

Pandit Lakshmi Kanta Maitra: Did the Honourable Member represent to the Home Government that there was great resentment among Indians in regard to this question?

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

The Honourable Sir Reginald Maxwell: I did not hear the Honourable Member's question.

EXPANSION OF THE INDIAN AIR FORCE.

66. *Mr. Lalchand Navalrai: Will the Defence Secretary make a full statement on the expansion of the Indian Air Force in India stating:

- (a) how far the plans made by Government to expand the Indian Air Force have been carried out;
- (b) how many squadrons of Indian Air Force have been made ready up to now;
- (c) whether Government announced in June 1940, that the Indian Air Force was to be increased from one squadron to four in two years; if so, whether this was done; if not, why not;
- (d) how far Indianisation of the Air Force has been brought into effect in India;
- (e) how many Indian pilots have been trained since the commencement of the war, and how many of them have been employed in the Indian Air defence and how many are under training; and

(f) what arrangements Government have made for air-raid precautions throughout India, and what financial help they have given to each Province in India; whether it is a fact that Provinces stand in need of more financial help; if so, which Provinces have asked for such help and how much has been given to them?

Sir Gurunath Bewoor: (a), (b) and (c). As stated by the Honourable Member, it was announced by His Excellency the Commander-in-Chief on 31st May, 1940, that the Indian Air Force was to be increased from one squadron to four. This expansion is making satisfactory progress and three of the four squadrons have been formed, though they are not yet up to full strength nor is their training completed. The Honourable the Finance Member announced in this House on November 5th, 1940, that Coast Defence flights of the Indian Air Force Volunteer Reserve were already operating. I am now able to announce that these flights are soon to be increased in number and each flight is to be expanded to form a squadron. When this is complete the Indian Air Force will have ten squadrons as compared with one at the time of the outbreak of War.

I must, however, remind the House that it will be some time before these new squadrons are completely up to strength. An Air Force is not made up merely of pilots and aircraft. A very large ground organisation is also required, and for one pilot in the air there has to be maintained a very large number of men on the ground. These men must have technical training which they cannot get quickly. The system in peace is to train an apprentice for two to three years before he becomes an aircraftsman and it then takes a further one year before he becomes qualified for promotion to leading aircraftsman. We have now speeded this up as much as is possible without endangering the lives of our pilots, and we now accept a mechanic after six months training; but it takes considerably longer before he can become a Non-Commissioned Officer or is fit for one of the higher trade groups. A school for technical training has been formed, and its output is now 600 men per annum. But the great bar to swift expansion continues to be the lack of experienced Non-Commissioned Officers. There has also been great difficulty in getting aircraft; but in that respect, prospects are now very much brighter.

Some idea of the expansion already achieved may be judged from the fact that there are now about 20 times the number of officers and seven times the number of airmen in the Indian Air Force as compared with those at the outbreak of War. This number is going to increase considerably when the full expansion to ten squadrons has been achieved.

(d) The Indian Air Force is entirely Indian. There are some British instructors at present, but they are merely attached temporarily to the Indian Air Force.

(e) I am unable to give the exact figures of the number of Indian pilots trained or under training as it is considered not in the public interest to do so but I may say that all the Indian pilots who have completed their training since the outbreak of war have been employed in the Indian Air Force and a large number are now under training.

(f) I lay a statement on the table.

Statement.

Air Raid Precautions Organisations have been set up in the Provinces involving the following arrangements, items viii to xviii of which being still under active planning:

Air Raid Precautions organisation in the Provinces involves the following:

- (i) a warning system and control arrangements.
- (ii) an air raid warden staff to provide general guidance and control of the civilian population.
- (iii) fire-fighting arrangements (including provision for incendiary bomb control) and supplementary equipment.
- (iv) first-aid and other medical arrangements.
- (v) provision of shelters.
- (vi) anti-gas arrangements.
- (vii) lighting restrictions.
- (viii) maintenance of vital services.
- (ix) disposal of unexploded bombs.
- (x) (a) maintenance of communications and essential services, e.g., repairs to roads, sewers, watermains, electric cables.
(b) provision of aids to movement in darkened streets.
- (xi) evacuation, both local, i.e., of heavily bombed areas and wide-spread e.g., owing to panic.
- (xii) clearance of debris.
- (xiii) salvage.
- (xiv) repair of slightly damaged buildings and determining priority of supply of materials for such repair.
- (xv) extensive demolitions and demolitions involving use of explosives.
- (xvi) civilian war deaths organization and recording and notification of casualties.
- (xvii) care of persons rendered homeless by air attack.
- (xviii) regional plans in connection with food, fuel, sanitation, etc.

Since the necessity of these measures arose as a result of the war and as it was essential that the success of the country's effort to meet the emergency should not be prejudiced by the inability of the Provinces to find necessary funds, the Government of India at first undertook to finance the burden and reimburse Provincial Governments for expenditure on Air Raid Precautions incurred on the advice or with the approval of the Central Government. The expenditure in the Provinces became latterly so large as to represent an embarrassing burden to Central Finances. The original decision that the Centre should solely bear Air Raid Precautions expenditure in the Provinces has had to be revised and the Provinces were approached and asked to share the burden with the Centre in the following manner. All Non-recurring expenditure which is either sanctioned by the Centre after 1st July, 1941, or which though sanctioned prior to that date carries with it a stipulation to this effect and all approved recurring expenditure incurred after 1st July 1941 will be pooled. The Central Government will in the case of each Province bear 50 per cent. of the first crore of pooled expenditure and 75 per cent. of the expenditure incurred beyond the first crore. The rest will be borne by the Provincial Government concerned. Recoveries will be shared between the Central and the Provincial Governments in the same proportion in which expenditure on the particular item in question has been met. In the case of Provinces which find it difficult to find immediate ways and means to meet their share of the expenditure the Central Government has also agreed to make necessary advances and interest-free loans repayable in not more than five years. It has been laid down however that no expenditure measure in a Province will qualify for an advance or be regarded as pooled expenditure unless it receives the prior or subsequent approval of the Government of India.

All the Provinces have accepted this financial arrangement. Actual expenditures in the Provinces in the years 1939-40 and 1940-41 are as follows:

							Rs.
1939-1940	...	...	...	...	...	...	97,260
1940-1941	...	...	...	...	...	...	8,17,385

The position with regard to expenditure in 1941-1942 is likely to be as shown below :

	Recurring in 1941-42 and subsequent years.	Non-recurring.
	Rs.	Rs.
Expenditure in the Pro- vinces. (Centre's share)	23,71,000	1,71,95,000
Expenditure at Centre.	5,40,000	3,10,000
	<u>29,11,000</u>	<u>1,75,05,000</u>

As is evident Air Raid Precautions is an expanding organisation and the arrangements have to be modified and expanded from time to time in accordance with the dictates of the international situation and the tactics of the enemy. It is impossible to give any approximation of the total expenditure that may ultimately be involved in the measures.

Mr. Lalchand Navalrai: May I know from the Honourable Member if the Government of India in the Defence Department are ready in the Air Force and other arms to oppose the enemy if it comes into India now?

Sir Gurunath Bewoor: That, Sir, does not, I think, arise out of this question.

Sardar Sant Singh: With reference to the reply to part (a) of the question, may I know, Sir, how many aeroplanes are there in a squadron, because you stated that by the 31st of May four squadrons were employed by the Government of India. Will the Honourable Member please tell us how many trained pilots and how many aeroplanes are there?

Sir Gurunath Bewoor: I do not think I can give exact figures.

Sardar Sant Singh: Is it a fact that there are only 48 in numbers?

(No reply.)

POWERS AND FUNCTIONS OF THE NATIONAL DEFENCE COUNCIL.

67. ***Mr. Lalchand Navalrai:** (a) Will the Honourable the Home Member be pleased to state the powers and functions of the newly created National Defence Council?

(b) Are the matters brought before the National Defence Council, submitted to a vote of the members of the Council, and are their recommendations by the majority of votes accepted? If not, what weight is given to their advice, and what is the remedy in case of non-acceptance of the advice of the majority?

(c) Has the Central Legislature any authority, or power, over the acts and doings of the National Defence Council? If so, which? If not, why not?

(d) Is the Council set up by the British Government, or His Excellency the Viceroy, or the Government of India, and under what authority or statute has it been set up?

The Honourable Mr. M. S. Aney: (a) and (d). The National Defence Council has been set up by His Excellency the Viceroy, with the approval of His Majesty's Government. The Council is an advisory body, and it

has such powers and functions as are necessary for or incidental to securing the purpose for which it has been established, which is, the association of Indian non-official opinion as fully as possible with the prosecution of the War. It receives from the Governor General and his advisers information on all important aspects of the war position and India's war effort and it gives them the benefit of its own suggestions and advice on these matters.

(b) The reply to the first part of the question is in the negative; the other parts do not therefore arise.

(c) No. I am not aware of any provision of law which confers on the Central Legislature any executive authority or power of the nature referred to.

Mr. Lalchand Navalrai: May I know, if the majority of the opinion or the advice given is not accepted, what is the consequence?

The Honourable Mr. M. S. Aney: There is no question of accepting or rejecting the advice. Advice given by everybody is duly noted and considered by the authority concerned.

MEASURES FOR THE DEFENCE AND SAFETY OF INDIA.

68. ***Mr. Lalchand Navalrai:** Has the attention of the Defence Secretary been drawn to the statement by the Right Honourable Mr. Amery, the Secretary of State for India, made during the debate on India and Burma estimates in the House of Commons on 1st August, 1941, to the effect that India is at war and the menace may well draw close to the frontiers, both east and west, within the next few months? If so, what is the present position of India in connection with the war, and what further stronger measures have the Government of India taken to provide against that impending danger?

Sir Gurunath Bewoor: Government have seen the statement referred to by the Honourable Member. They are fully alive to the danger which threatens India and have taken and are continuing to take all possible measures for the defence of India, but it is obviously undesirable in the public interest to announce the details of such measures.

Maulvi Abdur Rasheed Chaudhury: May I know, Sir, if the measures taken are sufficient for the defence of the country?

Sir Gurunath Bewoor: I have stated that we are continuing to take all possible measures for the defence of the country.

Maulvi Abdur Rasheed Chaudhury: I want to know whether the measures already taken are quite sufficient for the defence of the country?

Sir Gurunath Bewoor: That is a matter of opinion.

Sardar Sant Singh: In view of the fact that some of these answers cannot be given in public in the public interest, may I know if the Honourable Member proposes to request the Honourable the Leader of the House to call a secret Session of this House, so that we may be in a position to know where we stand in regard to the defence of our country?

Sir Gurunath Bewoor: No, Sir.

Pandit Lakshmi Kanta Maitra: May I know if these measures taken for the defence of India are also taken under the Defence of India Act?

Sir Gurunath Bewoor: They are under the usual activities of the Defence Department.

Sardar Sant Singh: May I know why the Defence Department does not propose to call a secret Session of this House?

Sir Gurunath Bewoor: Because, that is a matter for the Leader of the House.

Sardar Sant Singh: Why should not the Defence Department ask the Leader of the House to take this House into his confidence?

(No reply.)

DOUBLE CENSORSHIP OVER CINEMA FILMS FOR ADULT AND FOR UNIVERSAL EXHIBITION.

69. ***Mr. Govind V. Deshmukh:** Is the Honourable the Home Member aware that a group of talented American research workers have come to the conclusion that exhibition of films depicting crime and love scenes have an evil influence on children? Do Government propose to introduce a system of two censor certificates—for adult and for universal exhibition—to prevent child delinquency? If not, why not?

The Honourable Sir Reginald Maxwell: The question has not been re-examined since the report of the Indian Cinematograph Committee. If the Honourable Member will furnish me with a copy of the document to which he alludes, I will see whether there is a case for consulting the Provinces again on the subject.

Mr. Govind V. Deshmukh: Do the Government of India consider that the system of issuing two licenses—one for adult and the other for universal exhibition—would not prevent child delinquency?

The Honourable Sir Reginald Maxwell: As the Honourable Member knows, the opinion of the Indian Cinematograph Committee was not very definite on that subject. They were inclined to favour a system of two licenses, but they doubted whether it would have the advantages claimed for it. On further examination and consultation with Provincial Governments, the Government of India then came to the conclusion that such a system would not be likely to be effective, because if the distinction between the two kinds of licenses were sufficiently explicit, then it would draw attention to the fact that certain films were of a suggestive character and if it were not explicit the system would not serve the purposes for which it was intended. Therefore, the question was dropped at that time, but if the Honourable Member can give me grounds for taking up the question I am quite willing to do so.

Mr. Govind V. Deshmukh: Is the system of issuing two licenses prevalent in England?

The Honourable Sir Reginald Maxwell: Some such system exists, but I cannot say exactly what it is.

SHOWING IN INDIA OF THE FILMS OF THE FILMS DIVISION OF THE BRITISH MINISTRY IN INDIAN LANGUAGES.

70. ***Mr. Govind V. Deshmukh:** Will the Honourable the Home Member please state whether Government propose to get copies of the films of the films division of the British Ministry and dub them with Indian languages to make the country sufficiently war minded?

The Honourable Sir Reginald Maxwell: Films are obtained from the Ministry of Information regularly and distributed in English. Selected ones are also dubbed in Indian languages, but it will be realised that a certain number of War films depend for their effect upon the dialect or expressions used by the characters in them and may not therefore be suitable for re-production in other languages. Of the films so far received, "British Navy", "Drums in the Desert", "Raising Air Fighters", "Fighter Pilots" and "Lofoten Islands" have been dubbed in Hindustani, Bengali, Tamil and Telugu.

MONOPOLY TO MR. C. B. NEWBURY FOR DISTRIBUTION OF NEWS REELS.

71. ***Mr. Govind V. Deshmukh:** Will the Honourable the Home Member please state if a monopoly has been given to Mr. C. B. Newbury of the 20th Century Fox Corporation to dub and distribute the news reels? If so, what are the conditions of the contract?

The Honourable Sir Reginald Maxwell: No monopoly of the right to produce or dub news reels has been given to the Twentieth Century Fox Corporation or to anybody else. Twentieth Century Fox Corporation itself brings out British Movietone News Reels in English and prepares and distributes Indian language versions of them.

REQUISITIONING UNDER THE DEFENCE OF INDIA RULES RESIDENTIAL HOUSES IN REMOUNT DEPOT, SAHARANPUR.

72. ***Qazi Muhammad Ahmad Kazmi:** (a) Will the Defence Secretary please state the purpose and the use for which the six residential houses in Remount Depot, Saharanpur, have been requisitioned under rule 76 of the Defence of India Rules?

(b) Is it or is it not a fact that those requisitioned houses are *kutchas* and *pucca* built and they cannot serve any military purpose, whatsoever?

(c) Is it or is it not a fact that notices of 24 hours to vacate those houses were given to the owners, and that those houses ever since their requisition are lying vacant and have not been utilised for any military purpose whatsoever? Will Government be pleased to state what urgency or necessity arose for having those houses vacated at a short notice of 24 hours?

(d) Is it or is it not a fact that there has been existing a dispute between the owners of those houses and the Officer Commanding, Remount Depot, Saharanpur, since 1937?

+Answer to this question laid on the table, the questioner being absent.

(e) Is it or is it not a fact that for the last four years the Officer Commanding, Remount Depot, Saharanpur, had cut off all sanitary arrangements and also closed the road leading to these houses for all sorts of conveyances for bringing their foodstuff, etc.?

(f) Do Government want to acquire those houses compulsorily? If so, for what purpose?

(g) Is it or is it not a fact that these houses have been in existence for over a century and Government never required or used them for any military or Government purpose before?

(h) Have Government considered the futility of spending so much money on the acquisition of those houses, which are not required at all for any military purpose?

(i) In case they are required temporarily, have Government considered the advisability of taking them on rent for the duration of the war?

Sir Gurunath Bewoor: (a), (b) and (f). The houses have been requisitioned and are being permanently acquired for military purposes. Two partly *pucca* and partly *kutch*a are required for office, residential and stores accommodation, the remainder which are *kutch*a and in a ruinous condition and thus a source of danger to quarters of military personnel in the vicinity are intended to be pulled down.

(c) Government understand that a notice was issued on 18th June, 1941, by the Collector, Saharanpur, requisitioning the houses with immediate effect. Some of the houses were, however, taken over from the owners on 1st July and the remainder on 4th July. Those fit for occupation are occupied.

(d) No.

(e) The fact is not as stated by the Honourable Member. Government are not responsible for the sanitary arrangements of private houses in Remount Depots. Vehicles drawn by privately owned horses are not allowed to enter Remount Depots owing to the danger of spreading equine diseases.

(g) With regard to the first part of the question, Government have no information. With regard to the second part, the reply is in the affirmative.

(h) and (i). Do not arise in view of the reply to parts (a), (b) and (f).

PERSONS EXTERNEED FROM HONGKONG AND INTERNED IN THE PUNJAB.

73. ***Sardar Sant Singh:** Will the Honourable the Home Member please state:

(a) whether it is a fact that about 30 persons—25 belonging to the Hongkong British Police—were externed from Hongkong at the beginning of this year and brought to the Punjab where they were interned for sometime;

(b) whether it is a fact that six persons have been detained in jails under rule 26 of the Defence of India Rules;

(c) whether Government contemplate detaining them indefinitely, or order their release as there is no charge against them;

(d) how they are being treated in jail; and

(e) whether Government intend to give them B Class in jail; if not, why not?

The Honourable Sir Reginald Maxwell: (a) Some 50 persons, including 32 persons formerly serving in the Hongkong Police force have been deported from Hongkong to India, on account of attempts by them to spread disaffection among Indian Troops and the Police Force in Hongkong.

(b) On arrival six of these persons were detained under rule 26 of the Defence of India Rules under the orders of the Central Government, but of these, one has since been released unconditionally, and four have been restricted to their respective villages. The sixth is also shortly to be released.

(c), (d) and (e). Do not arise.

Sardar Sant Singh: May I know, Sir, if these persons were externed from Hongkong after intimating to them of any definite charges against them?

The Honourable Sir Reginald Maxwell: It was not a case of formal charge. They were deported because they were acting in the opinion of the Hongkong Government in a manner prejudicial to public safety and the defence of Hongkong.

Sardar Sant Singh: May I know if any charge was made against them before they were deported, or action was taken against them only on these technical terms used in the Defence of India Act without their being informed of any definite charge against them?

The Honourable Sir Reginald Maxwell: The Defence of India Act is not in force in Hongkong.

(Mr. President then called out Mr. Kazmi's name to put his question in the second round, but the Honourable Member was absent.)

TRANSFERRED STARRED QUESTIONS AND ANSWERS.†

REFORMS COMMISSIONER'S VISITS TO PROVINCES FOR COLLECTING PUBLIC OPINION ON MODIFICATIONS IN THE PRESENT CONSTITUTION OF INDIA.

59. ***Mr. Govind V. Deshmukh:** Will the Honourable the Leader of the House please state:

(a) if the Reforms Commissioner visited several Provinces in India and interviewed persons with a view to collect information for introducing modifications in the present constitution of India, or frame a new constitution;

†The meeting of the Assembly that was to be held on the 31st October, 1941, having been cancelled, the answers to starred questions for that day were, in pursuance of convention, laid on the table of the House today. *Ed. of D.*

- (b) if any instructions were received from the Secretary of State, or given by the Governor General, or the Government of India, to pursue any particular line along which opinion was to be gathered;
- (c) if it is correct to state that the Reforms Commissioner's main concern in these visits to the Provinces was to gather public opinion on the two items "Irremovable Executive" and "Functional Franchise"; and
- (d) if the Reforms Commissioner is going to publish any report on the public opinion collected by him in these visits to the Provinces?

The Honourable Mr. M. S. Aney: 1. I think it will be most convenient if I answer these two questions (Nos. 59 and 60) together. The business of the Reforms Commissioner is to engage in purely factual and objective study of every aspect of the constitutional problem so far as practicable so that when the moment arrives for those to whom will fall the task of framing the new Constitution to undertake their labours, as much preliminary work of a fact-finding and objective nature as possible may have been done in the interests of reducing delay in the implementing of the policy of His Majesty's Government. With that object in view Mr. Hodson has made and will continue to make visits to the provinces.

2. I am unable to make any statement as to the nature of the Reforms Commissioner's discussions. As I have already explained, his business is to engage in purely factual and objective study.

REFORMS COMMISSIONER'S VISITS TO PROVINCES FOR COLLECTING PUBLIC OPINION ON MODIFICATIONS IN THE PRESENT CONSTITUTION OF INDIA.

†60. ***Mr. Govind V. Deshmukh:** Will the Honourable the Leader of the House please state:

- (a) the Provinces in British India visited by the Reforms Commissioner since June 1941;
- (b) the nature of the work done by him on his visits to these Provinces;
- (c) the amount spent by him in visiting these Provinces; and
- (d) if any report of his work done since June 1941 will be issued; if so, when?

DETENTION OF MR. R. K. SIDHWA BY THE MEDICAL OFFICER AT MANDAPAM CAMP EN ROUTE TO COLOMBO FOR ATTENDING THE CONFERENCE OF ALL-INDIA BURMAH AND CEYLON MAYORS.

61. ***Mr. Lalchand Navalrai:** (a) Will the Secretary for Education, Health and Lands be pleased to state if it is a fact that a conference of All-India Burmah and Ceylon Mayors was held at Colombo on the 19th and 20th August, 1941?

(b) Is it a fact that all Mayors from India and an *ex-Mayor* of Karachi, Mr. R. K. Sidhwa, M.L.A., who was the founder of this conference, were invited by the Mayor of Colombo?

†For answer to this question, see answer to question No. 59.

(c) Is it a fact that the Quarantine Headquarters authorities at Mandapam Camp were apprised by the Mayor of Colombo of the proposed visit of the Delegates and asked to give them all facilities?

(d) Is it a fact that Mr. M. H. Gazder, the Mayor of Karachi, who was travelling in upper class and his servant who was travelling in third class, were allowed to proceed further at Mandapam Camp by the quarantine authorities?

(e) Is it a fact that Mr. R. K. Sidhwa, M.L.A. (*ex-Mayor* of Karachi), with his two daughters who were travelling in the third class, were detained by the Medical Officer at Mandapam Camp?

(f) Is it a fact that Mr. R. K. Sidhwa, M.L.A., produced vaccination certificates signed by the Health Officer, Karachi Municipal Corporation, to the effect that his two daughters and himself were duly vaccinated only a fortnight ago before proceeding to Colombo just as Mr. Gazder produced?

(g) Will the Education Secretary please state the reasons why Mr. R. K. Sidhwa, M.L.A., and his two daughters were detained and the Mayor of Karachi and his servant were allowed to proceed further to Colombo?

(h) Will the Honourable Member please state why discriminating treatment was meted out by the Medical Officer at Mandapam Camp?

The Honourable Mr. M. S. Aney: (a) Government have seen a report in the press to that effect.

(b) to (f). Government have no information.

(g) and (h). The Government of India will invite the attention of the Ceylon Government responsible for the quarantine arrangements at Mandapam to the regrettable incident referred to in the question and try to ascertain the grounds on which Mr. Sidhwa and his two daughters were detained at Mandapam. The Government of India in the meanwhile desire to draw the attention of the Honourable Member to the fact that under the Ceylon Quarantine Regulations, third class passengers are generally detained for 24 hours for disinfection, vaccination and observation. Upper class passengers are also examined but if they satisfy certain conditions regarding vaccination, freedom from contact with or exposure to infection from plague, cholera, etc., they are given a health certificate and allowed to proceed. Servants of such persons are also passed at the discretion of the Medical Officer on the guarantee of their employers.

DETENTION OF MR. R. K. SIDHWA BY THE MEDICAL OFFICER AT MANDAPAM CAMP EN ROUTE TO COLOMBO FOR ATTENDING THE CONFERENCE OF ALL-INDIA BURMAH AND CEYLON MAYORS.

62. ***Mr. Lalchand Navalrai:** (a) Will the Education Secretary please state whether it is a fact that in the Mandapam Camp Mr. R. K. Sidhwa, M.L.A., *ex-Mayor* of Karachi, and his two daughters, who were going to Ceylon, were not provided with proper facilities excepting a room in which they were asked to stay?

(b) Is it a fact that, at the Mandapam Camp Railway Station, Mr. R. K. Sidhwa drew the attention of the Medical Officer repeatedly to the fact that he was on his way to Colombo to attend the conference of Mayors as a guest of the Worshipful Mayor of Colombo and that he was not going to Ceylon for any business or service?

(c) Is it a fact that the Medical Officer at Mandapam Camp admitted that, but refused to accede to the request to allow Mr. Sidhwa and his two daughters to proceed further?

(d) Is it a fact that Mandapam Camp is situated on Indian soil?

(e) Will the Honourable Member please state why this insult is being hurled by foreigners on Indian soil?

(f) In what way do Government propose to take up this matter with the Government of Ceylon for the insult that was hurled on Mr. R. K. Sidhwa, M.L.A., by the conduct of Ceylon Government?

(g) Are Government prepared to take up this matter with the Government of Ceylon with a view to seeing that such humiliation is removed and Indians visiting Ceylon are not treated, as it is now being done at Mandapam Camp?

(h) What steps do Government of India intend to take for the removal of the Mandapam Camp?

The Honourable Mr. M. S. Aney: (a) to (c). Government have no information.

(d) Yes.

(e) to (g). I regret I am not clear what the Honourable Member means and what action he wishes the Government to take. Government has already stated in reply to his last question what they propose to do.

(h) As at present advised, Government do not consider the proposed action necessary in the interests of immigrants to Ceylon.

†63*.

ABOLITION OF THE CIVIL SIDE OF THE INDIAN MEDICAL SERVICE.

64. ***Mr. Govind V. Deshmukh:** Will the Education Secretary please state if the civil side of the Indian Medical Service has now been abolished? If not, why not?

The Honourable Mr. N. B. Sarker: No. The reasons for the continuance of the Civil Branch of the Indian Medical Service are set out in the first four paragraphs of the Press Communiqué issued in 1937 regarding the re-organisation of the Indian Medical Service under the new constitution and Part I-B of the Defence Department Resolution No. 205, dated the 25th March, 1937, attached thereto. Copies of the Communiqué and of the Resolution have been placed in the Library of the House.

†This question was not called by the Chair, as it was from a Member of the Muslim League Party.—Ed. of D.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred questions Nos. 408, 409 and 410 asked by Mr. Muhammad Azhar Ali on the 17th March, 1941.

INFERIOR QUALITY OF MATERIALS USED IN CERTAIN BUILDING CONSTRUCTIONS AT JIWANI AERODROME.

No. 408. (a) Certain works executed by the Central Public Works Department at Jiwani for the Air Ministry of His Majesty's Government and the British Overseas Airways Corporation, at the instance of the Civil Aviation Directorate of the Government of India.

(b) As the works have not been satisfactorily completed by the contractor, these have not been accepted by the Central Public Works Department. The question of their approval and taking over by the Civil Aviation Department does not therefore arise.

(c) Though the construction of the roofs is defective, they cannot be said to be coming down.

(d) The Central Public Works Department had a sample of the cement concrete blocks tested by the Government Test House, Alipore. The quantitative analysis has revealed that the proportion of cement in the mixture is very nearly correct. But the quality of cement concrete was not found up to the mark and the work had therefore to be rejected.

(e) No.

(f) Does not arise.

(g) The specified thicknesses of the roofs for the various buildings range between 4 to 7 inches. As a result of the investigations carried out by the Central Public Works Department, it has been found that some of the roofs have not been built according to the specified thickness.

(h) As soon as the defects became known the running payments to the contractor concerned were stopped and he was asked to make good all the deficiencies.

INFERIOR QUALITY OF MATERIALS USED IN CERTAIN BUILDING CONSTRUCTIONS AT JIWANI AERODROME.

No. 409. (a) and (c). The mortar and the plaster used in the construction of the buildings was found to be of inferior quality in places. It is hoped that the defect will be rectified at the contractor's expense.

(b) Yes.

(d) In the early stages of the work Rai Bahadur Narian Das was the Executive Engineer in charge and thereafter Mr. A. M. M. D'Mellow took over from him.

(e) The enquiries regarding the officers and the staff responsible for the unsatisfactory work are in progress.

(f) It is hoped that there will be no loss to Government as the defects are being removed at the cost of the contractor concerned, or by departmental action after deduction of the cost from his security deposit if possible.

INFERIOR QUALITY OF MATERIALS USED IN CERTAIN BUILDING CONSTRUCTIONS AT JIWANI AERODROME.

No. 410. (a) Under the terms of his contract the contractor is responsible to make good all unsound and imperfect work and to reconstruct all work at his own expense if the imperfections are detected within three months of the date of the grant of the final certificate of the completion of the work. In this case the final certificate has not yet been given.

(b) The fact that the defects are to be remedied at the cost of the contractor does not absolve the Central Public Works Department staff of their responsibilities. The matter is therefore under investigation at present.

Information promised in reply to unstarred question No. 142 asked by Mr. Govind V. Deshmukh on the 17th March, 1941.

"PUBLIC EDUCATIONAL TRUST LIMITED", SIMLA.

(a) The Public Educational Trust Limited, Simla, was registered in the Punjab under the Indian Companies Act, 1913, on the 22nd February 1938. Mr. B. N. Khanna, Principal of the Simla Public School and College was one of the promoters of the Company.

(b) No grant appears to have ever been paid to the School by the Education Department, Punjab.

(c) The first statement of capital of the Company prepared up to the 15th August 1939, which was filed under section 32 of the Indian Companies Act, 1913, shows that the full share value had been called up by the Company before this date. The liquidator has intimated that the calls were made in March, June and August, 1939.

(d) The details of the expenditure are given in the first balance sheet of the Company prepared up to the 31st March 1939, a copy of which is enclosed.

(e) The Company went into liquidation on the 17th December, 1939, that is, after 4 months of the date of the last call.

(f) The question of any action by Government to safeguard the interests of the share-holders on the general public does not arise as the Company is in voluntary liquidation.

PUBLIC EDUCATIONAL TRUST LIMITED.
SIMLA PUBLIC SCHOOL AND COLLEGE, SIMLA AND NEW DELHI.
Balance Sheet as at 31st March, 1939.

Balance Sheet as at 31st March, 1955.

STATEMENTS LAID ON THE TABLE

Capital and Liabilities.		Rs. A. P.		Rs. A. P.		Property and Assets.		Rs. A. P.	
<i>Authorise Capital—</i>						<i>Furniture and Fittings at cost</i>		3,580 13 9	
1,000 shares of Rs. 100 each		..		1,00,000 0 0		<i>Less depreciation written off</i>		715 0 0	
<i>Subscribed and Paid up—</i>								2,865 13 9	
110 shares each share was paid to the extent of Rs. 50		..		5,500 0 0		<i>Science Apparatus at cost</i>		1,051 1 6	
						<i>Less depreciation written off</i>		157 8 0	
								893 9 8	
<i>Less application money on one share in arrear</i>		5				<i>Library Books at cost</i>		1,181 4 6	
<i>Less allotment money in arrear</i>		150				<i>Less depreciation written off</i>		236 0 0	
<i>Less First Call money in arrear</i>		1,075				<i>Preliminary Expenses—</i>		268 9 3	
						Total expenditure		88 9 3	
						<i>Less written off</i>			
								180 0 0	
<i>Calls received in advance</i>				1,230 0 0		<i>Book Debts—</i>			
<i>Liabilities—</i>				1,250 0 0		Entry Fee		24 4 0	
For Supplies		2,414 4 0				Sundries		321 5 0	
For Expenses		4,685 14 6						345 9 0	
For other Finance		75 0 0				<i>Advances Telephone rent prepaid.</i>		34 13 0	
						<i>Electricity deposits</i>		70 0 0	
						<i>Cash in hand and at Bank—</i>			
						Cash in hand		112 0 6	
						Cash at Banks on current accounts		207 2 1	
<i>Sundries</i>				7,175 2 6		<i>Income and Expenditure Account—</i>		319 2 7	
<i>Fees received in advance</i>				266 4 1		Deficit as per Simla Income and Expenditure Account		6,332 5 9	
				27 0 0		Deficit as per New Delhi Branch Income and Expenditure Account		1,001 12 6	
								7,334 2 3	
<i>NOTE.—There is a contingent liability of Rs. 63-2-0 for furniture and Rs. 3-1-0 for hire of furniture.</i>						TOTAL		12,988 6 7	
<i>* Rs. 275 are due from Directors.</i>								12,988 6 7	

PUBLIC EDUCATIONAL TRUST LIMITED.

SIMLA PUBLIC SCHOOL AND COLLEGE, NEW DELHI.

Income and Expenditure Account for the period from 12th October, 1938 to 31st March, 1939.

Expenditure.		Income.	
	Rs. A. P.	Rs. A. P.	Rs. A. P.
To Establishment	2,273 0 0	By Tuition Fees	2,266 9 0
" Rent	876 0 0	" Admission Fees	148 0 0
" Advertising	64 2 6	" Stationery	7 3 0
" Contingencies	65 2 6	" Milk	6 3 6
" Postage and Telegrams	22 7 0		
" Conveyance	19 8 0		
" Bank Charges	4 2 0		
" Games	3 6 0		
	<u>3,327 12 0</u>		<u>2,427 15 6</u>
" Depreciation on Furniture at 28 per cent.	102 0 0	" Deficit for the period carried to Balance Sheet	1,001 12 6
TOTAL	<u>3,429 12 0</u>	TOTAL	<u>3,429 12 0</u>

KASHMERE GATE,

DELHI;

The 25th July, 1939.

(Sd.) S. VAIDYANATH AIYAR,

Registered Accountant Auditor.

PUBLIC EDUCATIONAL TRUST LIMITED.

SIMLA PUBLIC SCHOOL AND COLLEGE, SIMLA.

Income and Expenditure Account for the period from 1st December, 1937 to 31st March, 1939.

Income and Expenditure Account for the period from 1st December, 1937 to 31st March, 1939.			
Expenditure.		Income.	
	Rs. A. P.		Rs. A. P.
To Establishment	15,482 0 6	By Tuition Fees	16,169 6 0
" Rent	4,032 0 0	" Admission Fees	1,895 0 0
" Travelling Expenses	426 13 0	" Science Fees	272 0 0
" Stationery	418 0 0	" Library Fees	587 8 0
" Printing	576 14 6	" Games Fees	501 8 0
" Postage and Telegram	121 7 6	" Examination Fees	183 8 0
" Electricity and Water	225 11 0	" Local Fees	56 0 0
" Library Expenses	103 3 9	" Fines	1 11 0
" Games	111 10 3	" Certificate Fees	1 0 0
" Hobbies	122 14 3	" Rent Recovered	570 10 0
" Repairs	185 7 3	" Board House	4,437 5 0
" Telephone	189 9 0	" Deficit for the period carried to Balance Sheet	6,332 5 9
" Hire of Furniture	54 4 0		
" Advertisement	87 0 0		
" Scout Expenses	6 0 0		
" Bank Charges	16 2 0		
" General Charges	946 13 0		
	23,105 14 0		
" Managing Director's remuneration	1,950 0 0		
" Boarding House—			
Rent	1,775 8 0		
Expenses	2,900 6 6		
	4,675 14 6		
" Preliminary Expenses written off	88 9 3		
" Expenses in connection with the increase in capital	181 0 0		
" Depreciation—			
Science Apparatus at 15 per cent.	157 8 0		
Library Books at 20 per cent.	236 0 0		
Furniture and fixture at 20 per cent.	613 0 0		
	1,006 8 0		
TOTAL	31,007 13 9	TOTAL	31,007 13 9

KASHMERE GATE,

DELHI;

The 25th July, 1939.

(Sd.) S. VAIDYANATH AIYAR,

Registered Accountant Auditor.

Information promised in reply to starred question No. 511 asked by Qazi Muhammad Ahmad Kazmi on the 27th March, 1941.

CERTAIN INCOME-TAX OFFICERS STOPPED AS THE SECOND EFFICIENCY BAR IN THE UNITED PROVINCES.

(a) Three. The procedure prescribed in sub-paragraph 6(i) of paragraph 30 of the Income-tax Office Manual is obligatory in the case of Subordinate Services only and was not followed in any of these cases.

(b) The Government do not consider it necessary to undertake examination of such cases at headquarters as suggested or to withdraw or restrict the powers given to the punishing authority in the matter of imposition of penalties since it is open to the aggrieved party to appeal to the Governor General in Council in such cases.

(c) No, as it was not necessary.

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

(e) Section 241(2) and (3) of the Government of India Act, 1935 under which Provincial Governments or Governors have no control over officers serving in connection with the affairs of the Central Government.

Information promised in reply to part (f) of starred question No. 526 asked by Maulvi Muhammad Abdul Ghani (on behalf of Maulana Zafar Ali Khan) on the 28th March, 1941.

MUSLIMS APPOINTED TO CERTAIN POSTS IN THE DELHI TELEGRAPH ENGINEERING DIVISION.

(f) The answer is in the affirmative except that only one non-matriculate was retained. The reason was that his work was regarded as better while those discharged were the most junior among the temporary operators. The retention of a non-matriculate when men who had passed the matriculation examination were available was an irregularity. The attention of the officer concerned has been drawn to the matter and the non-matriculate in question is no longer employed.

Information promised in reply to unstarred question No. 18 asked by Pandit Lakshmi Kanta Maitra on the 27th October, 1941.

STATIONS ON CERTAIN RAILWAYS WHERE REFRESHMENT ROOMS OF MUSLIMS ARE CATERED BY HINDU CONTRACTORS.

Great Indian Peninsula Railway-Badnera and Murtazapur.

MOTIONS FOR ADJOURNMENT.

STATEMENT OF SIR SHANMUKHAM CHETTY ON POST-WAR RECONSTRUCTION.

Mr. President (The Honourable Sir Abdur Rahim): The first notice of an adjournment motion is in the name of Mr. Govind V. Deshmukh who wishes that the business of the Assembly be adjourned for the purpose of discussing a definite matter of urgent public importance, namely:

"The statement dated October 20th, 1941 of Sir Shanmukham Chetty, who represented India at the International Labour Office Conference at New York at which pleas were advanced for post-war reconstruction based on the Atlantic Charter

suggesting that the I. L. O. should examine the possibility of preserving the regional effort, Eastern Group Supply Conference, to meet Asiatic requirements and conditions, wherein he failed to point out to the I. L. O. Conference that economic security for India and other nations taking part in the Conference would be meaningless without securing from His Majesty's Government an immediate assurance of its political independence within two or three years after the war."

Obviously, it is out of order.

FAILURE OF THE GOVERNMENT OF INDIA TO INSTRUCT SIR SHANMUKHAM CHETTY re THE GRANT TO INDIA OF THE STATUS OF A SELF-GOVERNING DOMINION.

Mr. President (The Honourable Sir Abdur Rahim): The next one is also from Mr. Deshmukh. He wants that the business of the Assembly be adjourned for the purpose of discussing a definite matter of urgent public importance, namely:

"The failure of the Government of India to instruct Sir Shanmukham Chetty, who represented India at the International Labour Office Conference at New York and made a speech on October 30, 1941, to inform it (i.e., I. L. O. Conference) that economic security based on the Atlantic Charter, for India and the nations taking part in it would be meaningless unless and until it brought moral pressure on His Majesty's Government to secure an immediate assurance to grant India the status of a self-governing Dominion within two or three years after the war."

This is also out of order.

ASSURANCE TO GRANT INDIA THE STATUS OF A SELF-GOVERNING DOMINION.

Mr. President (The Honourable Sir Abdur Rahim): The third one is also from Mr. Deshmukh, who wants that the business of the Assembly be adjourned for the purpose of discussing a definite matter of urgent public importance, namely:

"The urgent necessity of instructing India's representatives, Sir Shanmukham Chetty and Mr. H. S. Malik, who are taking part in the International Labour Office Conference to inform it (i.e., I. L. O. Conference) that economic security based on the Atlantic Charter, for India and the nations taking part in it would be meaningless unless and until it brought moral pressure on His Majesty's Government to secure an immediate assurance to grant India the status of a self-governing Dominion within two or three years after the war."

This is also, I think, out of order.

PLACING OF THE S. S. "AKBAR" AT THE CALCUTTA PORT TO CARRY HAJ PILGRIMS.

Mr. President (The Honourable Sir Abdur Rahim): The next one is in the name of Sir Abdul Halim Ghuznavi who wishes to move the adjournment of the business of the House for the purpose of discussing a definite matter of urgent public importance, namely:

"That instead of placing a boat of the type of the S.S. "Rezwan" or the S.S. "Rahmani", an ill-equipped boat, namely, the S.S. "Akbar" has been placed at the Calcutta Port to carry the Haj pilgrims which is too small to accommodate the large number of pilgrims who are pouring in to avail of the sailing from Calcutta."

What is the accommodation on this boat?

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): 1,100.

Mr. President (The Honourable Sir Abdur Rahim): And what is the number of the pilgrims wanting to embark?

Sir Abdul Halim Ghuznavi: 1,400.

Mr. President (The Honourable Sir Abdur Rahim): Is there any objection?

The Honourable Mr. M. S. Aney: There is no objection to the motion.

Mr. President (The Honourable Sir Abdur Rahim): Then the motion will be taken up at 4 O'clock, unless the agenda is finished earlier.

Sir Abdul Halim Ghuznavi: What about my other adjournment motion?

Mr. President (The Honourable Sir Abdur Rahim): That will come on the next day.

NOTIFICATIONS AMENDING CERTAIN MOTOR VEHICLES RULES.

The Honourable Mr. M. S. Aney (Leader of the House): Sir, I lay on the table a copy each of:

- (1) Notification, No. F. 12 (3)/41-General, dated the 22nd April, 1941, issued by the Chief Commissioner of Delhi, amending the Delhi Motor Vehicles Rules, 1940;
- (2) Notification, No. F. 12 (3)/II/41-General, dated the 14th June, 1941, issued by the Chief Commissioner, Delhi, amending the Delhi Motor Vehicles Rules, 1940;
- (3) Notification, No. 1179/35-40-M. V., dated the 7th June, 1941, issued by the Chief Commissioner of British Baluchistan, amending the British Baluchistan Motor Vehicles Rules, 1940; and
- (4) Notification, No. 245-C./W. F. III/40-(2), dated the 26th July, 1941, issued by the Chief Commissioner, Ajmer-Merwara, amending the Ajmer-Merwara Motor Vehicles Rules, 1940.

OFFICE OF THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 22nd April 1941.

No. F. 12 (3)/41-General.—In exercise of the powers conferred by section 68 of the Motor Vehicles Act, 1939, read with the Notification of the Government of India in the Department of Communications, No. R. 60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following amendment in the Delhi Motor Vehicles Rules 1940, the same having been previously published with his notification No. F. 12 (3)/41-General, dated the 23rd January 1941:

Amendment.

- I. The existing rule 4.1 shall be re-numbered as sub-rule (1) of rule 4.1.
- II. After sub-rule (1) of rule 4.1 the following sub-rule shall be inserted, namely,—
- (2) A non-official member of the Provincial Transport Authority shall be entitled to receive a fee of eight rupees for every day on which he attends a meeting of the Authority, and any such member performing any journey under the orders of the

Chairman in connection with the business of the Authority, other than a journey to attend a meeting of the Authority, shall be entitled to receive travelling and halting allowances at the scale and on the conditions admissible to a Central Government servant of the First Grade, the halting allowance for this purpose being taken as eight rupees a day."

A. V. ASKWITH,
Chief Commissioner, Delhi

THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 14th June 1941.

No. F. 12 (3)-II/41-General.—In exercise of the powers conferred by sections 21 and 41 of the Motor Vehicles Act, 1939, read with the notification of the Government of India in the Department of Communications, No. R. 60, dated the 28th June 1939, the Chief Commissioner is pleased to make the following rules, the same having been previously published with his notification No. F. 12 (3)-II/41-General, dated the 23rd April 1941:—

Rules.

1. Notwithstanding anything contained in the Delhi Motor Vehicles Rules, 1940, no fee shall be charged for the issue or alteration of certificates of registration relating to motor vehicles which are the property of personnel of the Nepalese Contingent in India or for the examination or inspection of such motor vehicles.
2. If any member of the Nepalese Contingent in India shall have paid or shall hereafter pay a fee for the issue or renewal of a license to drive a motor vehicle or for undergoing a test of competency to drive the fee shall on his application be refunded to him.

A. V. ASKWITH,
Chief Commissioner, Delhi.

THE CHIEF COMMISSIONER OF BRITISH BALUCHISTAN.

NOTIFICATION.

Quetta, the 7th June 1941.

No. 1179/35-40/M. V.—In exercise of the powers conferred by Section 21 of the Motor Vehicles Act, 1939 (VI of 1939) the Chief Commissioner of British Baluchistan is pleased to direct that the following amendments shall be made to the British Baluchistan Motor Vehicles Rules, 1940, published in the Notification No. 347/M. V., dated the 1st April 1940, printed at pages 841 to 982 of the Gazette of India, Part II-A, dated the 27th April 1940:

In the First Schedule of the said Rules substitute the following:

- (a) for the heading "Hill Roads" the heading "Roads in British Baluchistan";
- (b) after the said heading as so substituted and the entries thereunder the following headings and entries be inserted:

Roads in the Tribal Areas of Baluchistan.

1. Saidak to Kachaw.
2. Smallan to Dalkuna.
3. Kachaw to Robat.
4. Smallan to Aiaratsari.
5. Murgha Kibzai to Musakhel.
6. Mekhtar to Kingri.
7. Hosri to Barkhan.
8. Kapip to Dhanasar.

[Mr. M. S. Aney.]

9. Fort Sandeman to Shengar.
10. Fort Sandeman to Mughalkot.
11. Mani Kawa to Ahmedi Darga.
12. Nisai to Murgha Faqirzai.
13. Fort Sandeman to Gul Kachh.
14. Gawal Haiderzai to Marakalai.
15. Fort Sandeman to Babar.
16. Lakaband to Gurlana.
17. Fort Sandeman to Shaighalu.

"Roads in the Leased Areas of Baluchistan"

1. Quetta to mile 25, 1.7 furlong on Quetta-Ziarat Road.
2. Kolepur to Rindli.
3. Zawarkar to Main Quetta-Ziarat Road near Sarantangi.

By order,

(Sd.) R. A. C. HILL,
*Secretary to the Agent to the Governor
 General and Chief Commissioner in
 Baluchistan in the Police Department.*

THE CHIEF COMMISSIONER, AJMER-MERWARA.

NOTIFICATION.

Camp Ajmer, the 26th July, 1941.

No. 245-C/W. F. 111/40-(2).—The Chief Commissioner is pleased to make the following amendment in the Ajmer-Merwara Motor Vehicles Rules, 1940, published with his Notification No. 1141/34-W./38-III, dated the 12th June, 1940, the amendment having been previously published in this Administration's notification No. 137-C./111-W/40, dated the 7th February, 1941:

In rule 6-1 (a) of Chapter VI-Control of Traffic—for the words "eight tons" in line 4 substitute the words "five tons" and for the words "five tons" in lines 5 and 6 substitute the words "three tons".

By Order,

T. B. CREAGH COEN,
*Secretary to the Chief Commissioner,
 Ajmer-Merwara.*

THE CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I present the Report of the Select Committee on the Bill to simplify the procedure in appeals to the Federal Court.

THE PROFESSIONS TAX LIMITATION BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Sir F. E. James (Madras: European): Sir, I present the Report of the Select Committee on the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings or employments.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I present the Report of the Select Committee on the Bill further to amend the Indian Income-tax Act, 1922.

PRESENTATION OF THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I present the Report* of the Public Accounts Committee on the accounts of 1939-40, Volume I—Report.

THE INDO-BURMA IMMIGRATION AGREEMENT AND THE JOINT REPORT OF THE INDO-CEYLON DELEGATION.

The Honourable Mr. M. S. Aney (Leader of the House): Sir, I lay on the table a copy each of:

- (i) the Indo-Burma Immigration Agreement; and
- (ii) the Joint Report by the Delegations from India and Ceylon on their recent discussions in Colombo.

JOINT STATEMENT BY THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF BURMA.

In two Reports issued at the end of 1938 and early in 1939, the Riot Inquiry Committee, under the Chairmanship of the Hon'ble Mr. Justice Braund, drew particular attention to the existence of a serious apprehension in the minds of many Burmans that Indian immigration was largely responsible for unemployment or under-employment among the indigenous population of Burma. The Committee recommended that, in the interests of both countries, some public examination of the grounds for the existing apprehension in Burman minds should be undertaken urgently.

2. Accordingly the Government of Burma in a Resolution, dated the 15th July 1939, after consultation with the Government of India, appointed the Hon'ble Mr. James Baxter to examine the question of Indian immigration into Burma, with the assistance of two Assessors, U Tin Tut, I.C.S., and Mr. Ratilal Desai, M.A. Mr. Baxter presented his Report to the Government of Burma in October 1940. His recommendations were carefully examined by both Governments and it was agreed without commitment on either side that these recommendations formed a suitable basis for negotiation. The Government of Burma, therefore invited the Government of India to send a delegation to Burma and the invitation was gladly accepted.

*Not included in these Debates, but a copy has been placed in the Library of the House.—Ed. of D.

[Mr. M. S. Aney.]

3. As a result of the conversations the two Governments have agreed upon certain measures which in their view are calculated both to remove from Burman minds any reasonable apprehension that Burma may be subjected to undue economic competition by reason of Indian immigration and at the same time to secure for the Indian community settled and resident in Burma recognition of their legitimate rights.

4. The text of the agreement is attached to this statement. The agreement is based upon two main principles, firstly, that Burma has, subject to the provisions of the Government of Burma Act, 1935, the right to determine the composition of her own population, and secondly, that Indians who have wholly identified themselves with the interests of Burma should enjoy the same rights as members of the permanent population.

5. It is obvious that in the peculiar circumstances of the two countries, their geographical proximity, their cultural and economic ties and their long political association, the problems arising from regulation of immigration are of special complexity and delicacy. Both Governments have approached these problems in a spirit of cordiality and mutual understanding and are agreed that in giving administrative effect to the measures now proposed the closest co-operation will be required in the same spirit of mutual adjustment and identity of purpose which characterised the negotiations. It is their earnest desire that the agreement now achieved will serve to remove any causes for misapprehension which may have arisen either between the two countries or between the two communities in Burma and may furnish a lasting foundation for the development in the future of the firmest ties of friendship and goodwill.

AGREEMENT.

Definitions.

1. In this agreement, unless there is anything repugnant in the subject or context,—

(a) "dependant" means a person who is wholly and directly dependent for maintenance and support on a person who holds or is about to be granted a permit under the provisions of this Agreement and is related to such person as being—

(i) his wife, or

(ii) his or his wife's parent, or

(iii) his or his wife's daughter, or grand-daughter who is either unmarried or a widow or is divorced, or

(iv) his or his wife's son or grandson who is under the age of 18 years or, being over that age, is permanently disabled and incapable of supporting himself;

(b) "Indian" means a British subject domiciled in India or the subject of an Indian State;

(c) "work", "skilled work" and "unskilled work" have the meanings assigned to them in section 2 of the Indian Emigration Act, 1922.

Operation of Order in Council.

2. The Government of Burma agree that the notice given by them to terminate the operation of the Government of Burma (Immigration) Order, 1937, with effect from the 1st April, 1942, will be treated as withdrawn, and that notice to terminate the same will not be given before the 1st October, 1945.

Date of Operation of Measure of Control.

3. Indian immigration into Burma will, with effect from the 1st October 1941, be subject to regulations and restrictions, in the manner hereinafter explained.

Passports.

4. No Indian may enter Burma without a valid Indian passport containing his photograph and other particulars sufficient to establish his identity.

Passport Visas and Immigration Passports.

5. No Indian may enter Burma without a passport visa issued by or on behalf of the Government of Burma or an immigration permit issued by or under authority of the Government of Burma.

Passport Visas.

6. (1) The Government of India, or officers employed by them, may issue, on behalf of the Government of Burma and subject to terms and conditions imposed by the Government of Burma, visas on passports granted to Indians desiring to enter Burma as visitors or as students in educational institutions.

(2) A visa on an Indian visitor's passport will be valid for three months but this period may be extended by or under the authority of the Government of Burma up to a total stay in Burma of twelve months.

(3) A fee of Rs. 20 will be charged for visitors' visas but no fee will be charged for extensions.

(4) A student's visa will be valid for a stated period not exceeding five years.

(5) No fee will be charged for a student's visa.

Immigration Permits.

7. (1) Save as otherwise provided by the terms of this agreement, no Indian may enter Burma without one of the following classes of permits :—

(i) "A" permits, which will entitle the holder to remain in Burma for an indefinite period and to accept employment therein. No bar will be placed on the acquisition of a Burma domicile by holders of "A" permits :

(ii) "B" permits, which will entitle the holder to reside in Burma for a specified period and to accept employment therein. "B" permits being for limited periods, will not allow the holders to acquire a Burma domicile. They will be issued for a maximum period of three years and may be extended at the discretion of the Government of Burma for further periods which, with the original period, may not exceed a total of nine years. The holder of a "B" permit may apply for an "A" permit on the same terms as an original applicant for an "A" permit.

(2) The issue of immigration permits will be subject to the terms and conditions set out in this Agreement and also to such other terms and conditions as the Government of Burma may prescribe after consulting the Government of India; provided that any other terms and conditions so prescribed shall not be inconsistent with the objects of this agreement. The acceptance of these terms and conditions shall be a condition for the entry of the immigrants into Burma.

Restrictions on the numbers of permits and visas.

8. (1) The number of "A" permits to be issued will be at the discretion of the Government of Burma and they will be issued only to persons whom the Government of Burma consider to be of sufficient financial standing or possessed of an assured income in Burma of sufficient amount and to be persons who are likely to be suitable for permanent residence in Burma.

(2) "B" permits will be issued within such limits as may be prescribed in any year or other period by the Government of Burma after considering the advice of an Immigration Board.

(3) The Government of Burma reserve power to impose limits on the number of students and visitors' visas to be issued by the Government of India on their behalf.

Dependants of immigrants with "A" permits or "B" permits.

9. (1) Applicants for "A" or "B" permits will be required to declare particulars of dependants whom they intend to bring to Burma either with them or at some future date.

Declared dependants.

(2) Should the applicant receive his permit, dependants declared under sub-clause (1) will be granted on application by the former the same class of permit as the applicant.

Undeclared dependants.

(3) Other dependants of the applicant may also, on application by him and at the discretion of the Government of Burma, be granted the same class of permit.

Limit of validity of dependants' permits.

(4) The period of validity of a permit granted to a dependant will not extend beyond the period of validity of the permit held by the person on whom they are dependant.

[Mr. M. S. Aney.]

Land Frontier Migration.

10. The two Governments will co-operate in devising and effecting measures to deal with and to control immigration across the land frontier between the two countries. It is understood that this will require consultation by the Government of India with the Provincial Governments concerned.

Immigration Board.

11. The Government of Burma will institute at an early date an Immigration Board to examine the relevant data and to tender advice to the Government of Burma generally on matters of policy relating to Indian immigration into Burma and in particular on the fixing of quotas for the grant of permits. The Board will be of mixed racial composition and Burmans, Indians and Europeans will be represented on it.

Penalties for unlawful entry or unlawful residence in Burma.

12. The penalties imposable under Burma legislation shall not exceed imprisonment for six months or a fine of Rs. 1,000, or both on persons convicted before a Magistrate of an infringement of the immigration rules or of a breach of the conditions of a permit, or of making a false statement in order to obtain a permit or other privilege relating to entry to or residence in Burma or to secure registration as a privileged immigrant.

Literacy Test.

13. The Government of Burma may impose a literacy test on applicants for "A" permits :

Provided that such a test shall not be made in Burmese or in any other language indigenous to Burma.

Marriages or cohabitation between Indian male immigrants and women belonging to the indigenous races of Burma.

14. Marriage or cohabitation with a woman belonging to the indigenous races of Burma established to the satisfaction of the Government of Burma may be made a condition for the cancellation of a permit or visa granted to a male Indian immigrant :

Provided that exceptions will be made of marriages entered into with the sanction of the Government of Burma and that such sanction will be given if the immigrant makes, before the proposed marriage, provision which is sufficient in the opinion of the Government of Burma for the permanent maintenance of the woman he desires to marry.

Fees for permits.

15. The following scale of fees will be charged for immigration permits :—

"A" permits.—Rs. 500.

"B" permits.—For unskilled labourers, an entrance fee or a visa fee, of Rs. 12 plus a residential fee of Rs. 5 for every year or part of a year for which the permit will be valid. For other "B" permits, an entrance fee or a visa fee of Rs. 30 and a residential fee of Rs. 20 for every year or part of a year for which the permit is valid. Arrangements will be made to enable immigrants to pay the residential fee in yearly instalments if they so desire.

Dependants.—Half the rate per dependant of the fees payable by the immigrant himself.

Collection from Employers of visa or entrance fees for "B" permits.

16. The Government of Burma accept the principle that the incidence of entrance or visa fees and of the stamp duty charged in respect of "B" permit holders should fall on the employer and undertake to collect such fees from the employer or prospective employer in cases where a permit is issued at his instance.

Deposits.

17. Before entry into Burma a deposit of Rs. 20 will be made to the Government of Burma by persons who are granted "B" permits and by their dependants to cover the cost of repatriating them. Repatriation will be, at the choice of the repatriated Indian, to the ports of (a) Calcutta, (b) Chittagong, (c) Madras, (d) Vizagapatam, and (e) Gopalpur. The deposit will be refunded if the person concerned leave Burma of his own accord or obtains an "A" permit.

Stamp Duty.

18. Applications for all classes of permits under the immigration control arrangements shall be subject to stamp duty under the ordinary law of Burma.

PROVISION RELATING TO INDIANS ALREADY IN BURMA.

Indians who are born and bred in Burma and who have made Burma their permanent home.

19. The Government of Burma recognise that Indians who are born and bred in Burma, have made Burma their permanent home and regard their future and the future of their families as bound up with its interests are entitled to be regarded as having established a claim if they wish to make it, to a Burma domicile and therefore to the benefit of section 144 of the Government of Burma Act, 1935.

Acquisition of Burma domicile by Indians in Burma.

20. No restriction will be placed on the acquisition of a Burma domicile under due process of law by Indians lawfully residing in Burma excepting those who by the terms and conditions of a permit which entitles them to reside in Burma are not given the right of residence beyond a specified period.

Privileged Immigrants.

21. Indians who prove a total residence in Burma of seven calendar years between the 15th July 1932 and the 15th July 1941 will be termed "privileged immigrants".

Such privileged immigrants shall have the right to further residence and to the acceptance of further employment in Burma without limit of time but they will lose their status as privileged immigrants should they be absent from Burma for a continuous period exceeding one year after the 15th July 1941.

A privileged immigrant, so long as he retains his status, will be given the right of free-re-entry into Burma on his return after an absence of less than twelve months.

Dependants of Privileged Immigrants.

22. The following classes of dependants of a privileged immigrant will be given "A" permits free of charge for entry into Burma :—

- (i) One wife if there is no other wife residing in Burma.
- (ii) His sons below the age of 18 by the wife who is granted an "A" permit under this clause or by a wife residing with him in Burma.
- (iii) His unmarried daughters by the wife who is granted an "A" permit under this clause or by a wife residing with him in Burma.

Indians who are already in Burma but have not qualified as privileged immigrants.

23. Other Indians who are in Burma on the 15th July 1941 will be entitled to remain in Burma indefinitely and to accept work for an indefinite period and will retain their privileges under section 44 of the Government of Burma Act, 1935.

Should an Indian of this class leave Burma for any period, his claim to re-entry will be dealt with in the same manner as an application for entry by a new Indian immigrant and if re-admitted into Burma, such person will be treated as new Indian immigrant with the exception that he will have a preferential claim to a "B" permit over new Indian immigrants.

Transitory Provisions.

24. During the transition period pending the constitution of an Immigration Board and the consideration by the Government of Burma of proposals to be made by the Board for the quotas for permits to be issued to Indian immigrants, the Government of India will prohibit the emigration to Burma of Indians for the purpose of unskilled work from the 21st July 1941 with the exception of seasonal labourers who may, at the instance of the Government of Burma, be granted passports up to numbers agreed upon between the two Governments.

Registration of Indians in Burma.

25. The Government of Burma will institute at an early date a system of registering Indians in Burma.

[Mr. M. S. Aney.]

GENERAL

Power of Exemption.

26. The Government of Burma may exempt any person from any or all the conditions and restrictions that may be imposed under this Agreement.

Co-operation between the two Governments.

27. The two Governments will act in close co-operation to achieve the objects of the Agreement and will freely consult each other on points of difficulty that may arise.

In particular the Government of Burma will grant the Government of India an opportunity of commenting on proposals to fix quotas and on the recommendations of the Immigration Board on which such proposals are based.

JOINT REPORT BY THE DELEGATIONS FROM INDIA AND CEYLON.

The discussions between Delegations from the Government of India and the Government of Ceylon, which terminated unsuccessfully in Delhi in November 1940, were renewed at the invitation of the Government of Ceylon at Colombo in September 1941. The resumed conversations were directed towards particular subjects upon which disagreement had arisen between the two countries. It was clearly understood that concurrence of views expressed during the conversations upon individual points should not be construed as effective agreement unless agreement were reached over the whole field of discussion. Exhaustive consideration of the following subjects:—

- I. Immigration and re-entry,
- II. Quotas,
- III. Franchise,
- IV. Registration,
- V. Status, and
- VI. General provisions.

resulted in the agreement set out below.

PART I.—IMMIGRATION AND RE-ENTRY.

SECTION A.—*New entrants; i.e., persons entering Ceylon from India for the first time after the date when the Immigration Ordinance comes into force.*

The discussion proceeded mainly on the basis of the draft Immigration Ordinance published in Ceylon on February 26, 1941. The Indian Delegation put forward the following proposals:—

- (1) That permits should take the form of an endorsement on a passport;
- (2) That the Minister should be advised by an Immigration Board, on which Indians should be represented;
- (3) Any proposals for the imposition of quotas (whether in the form of labour schedules or internal quotas) together with the advice of the Immigration Board, should be referred to the Government of India for comment;
- (4) That there should be no discretion regarding the entry of wives and minor children of persons to whom entry may in future be permitted;
- (5) That discretion to refuse entry should be limited in the case of persons to be employed in positions of confidence or for specialised work;
- (6) That fees chargeable for endorsements should be as low as possible, regard being had to the cost of administration.

Subject to the drafting of a suitable formula for persons covered by (5) above, the Ceylon Delegation felt there should be no difficulty in meeting the Indian Delegation's wishes on the points raised.

SECTION B.—*Re-entry of Indians who are not new entrants.*

(1) Undesirables, destitutes and persons prohibited by existing law from entering Ceylon or liable to deportation thereunder to have no right of re-entry;

(2) Persons repatriated to India in accordance with existing law or existing administrative arrangements to be subject to the provisions of the Immigration Ordinance;

(3) In the event of the Ceylon Government undertaking to provide at their own expense facilities for repatriation to India, persons so repatriated to have no right to re-enter Ceylon save in accordance with the provisions of the Immigration Ordinance, provided that repatriation (a) is voluntary, (b) involves monetary compensation in excess of a passage to India, (c) is accepted by the repatriate on the explicit understanding that he will be subject to the provisions of the Immigration Ordinance;

(4) Persons possessing a domicile of origin or a domicile of choice or a certificate of permanent settlement shall have the right to re-enter Ceylon, provided however that the holder of a certificate of permanent settlement shall not be granted a return endorsement valid for a period exceeding twelve months;

(5) Assisted unskilled labourers with less than five years residence in Ceylon on the date of the agreement to be subject to the provisions of the Immigration Ordinance;

(6) Unassisted unskilled labourers with less than five years residence in Ceylon on the date of agreement to have the right to re-enter Ceylon only if returning to employment under the same employer or to guaranteed employment of the same class;

(7) Persons not included in (4), (5) or (6) above with three years residence or more in Ceylon on the date of the agreement shall have the right to re-enter Ceylon and to seek employment;

(8) Persons not included in (5) or (6) above with less than three years residence in Ceylon on the date of the agreement shall have the right to re-enter Ceylon only if returning to the same means of livelihood or, if employed, to any employment under the same employer;

(9) Wives and minor children may not be refused permission to enter or re-enter Ceylon for the purpose of joining the husband or father as the case may be;

(10) Persons seeking to re-enter Ceylon other than in virtue of the preceding paragraphs to be subject to the provisions of the Immigration Ordinance;

(11) A right of re-entry in virtue of any of the preceding paragraphs, except in respect of persons possessing a domicile of origin or a domicile of choice, will be lost after a continuous absence from Ceylon of more than twelve months.

PART II.—QUOTAS.

(1) Indians possessing a domicile of origin or a domicile of choice or a certificate of permanent settlement or having been resident in Ceylon for seven years or more on the date of agreement to be exempt from the operation of any quota legislation;

(2) Any Indian resident in Ceylon for three years or more but less than seven years on the date of the agreement to be exempt from the operation of so much of any quota legislation as applies to the same class of employment as that in which he is employed at the time the legislation comes into force. If such person completes seven years residence in Ceylon, he shall thereafter be exempt from the operation of any quota legislation.

(3) Any Indian resident in Ceylon on the date of the agreement to be exempt from the operation of so much of any quota legislation as applies to any employment in the service of the person who is his employer when the legislation comes into force;

(4) Indians resident in Ceylon for less than three years on the date of the agreement shall qualify only for the exemption conferred in paragraph (3), provided that any such Indian who may, consistently with the terms of this agreement, subsequently qualify under paragraph (1), shall be entitled to the exemption conferred by that paragraph.

[Mr. M. S. Aney.]

PART III.—FRANCHISE.

The State Council (Elections) Order in Council to be amended so as to provide as follows:—

SECTION A.—Indians entering Ceylon for the first time after the date when the Immigration Ordinance comes into force.

(1) A class entrants to be entitled to be registered on satisfying the literacy and property qualification and, after five years residence, on establishing a domicile of choice to the satisfaction of a Court;

(2) B class entrants to be entitled to be registered only on satisfying the literacy and property qualification.

SECTION B.—Indians resident in Ceylon prior to the date when the Immigration Ordinance comes into force.

(1) Birth in Ceylon of parents either or both of whom were born in Ceylon to be sufficient proof for registration as possessing a domicile of origin, birth outside Ceylon during the temporary absence of the mother to be deemed birth in Ceylon;

(2) Registration as possessing a domicile of choice to be made only on production to the Registering Officer of proof that the person to be registered has satisfied a Court that, after having had five years residence in Ceylon he has acquired a domicile of choice in Ceylon according to the rules of English Law regarding the acquisition of a domicile of choice. (Administrative arrangements to be made to facilitate the establishment of such domicile as cheaply and readily as possible);

(3) Qualifications to obtain a certificate of permanent settlement:—

(a) a declaration that the applicant has an intention to remain in Ceylon indefinitely;

(b) proof of means of livelihood;

(c) if married, proof that his wife and minor unmarried children, if any, ordinarily reside with him; provided that no Indian who at the date of the agreement is registered as a voter, but whose wife by any personal law or custom is either precluded from joining or justified in refusing to join her husband in Ceylon, shall be treated as disqualified for the franchise by reason only of the fact that he is married and his wife does not ordinarily reside with him;

(d) the prescribed period of residence prior to application to be seven years for persons who are married at the date of the application and ten years for other persons, provided that such period of residence shall have been completed within four years from the date of the agreement;

(e) continuous absence of more than one year prior to application to constitute a break in any qualifying period of residence and, after registration as a voter, to involve removal from the register;

[The provisions in the State Council (Elections) Order in Council, both as to appeals to the Governor and as to disentitlement to special privileges, not to be changed it being understood as regards the latter, that

(i) the position of the Agent of the Government of India,
(ii) the existing arrangements regarding repatriation, remain unaffected.]

(4) Provision to be made for the grant of a certificate of permanent settlement to the child of a holder of a certificate of permanent settlement and for his registration as a voter by virtue of such certificate, subject to the following conditions:—

(a) he shall have been born and bred in Ceylon, or, if born outside Ceylon, shall have accompanied his father to Ceylon or joined his father in Ceylon before attaining the age of fourteen and shall, during minority or the period of minority since his first entry into Ceylon, have been resident in Ceylon, provided that temporary absences due to the causes mentioned in Part VI, paragraph (4) shall not constitute a break in residence;

(b) he shall be resident in Ceylon on the date of his application for the certificate;

(c) such application shall be made within three years after attaining majority;

(d) he shall declare his intention to remain in Ceylon indefinitely;

(e) he shall, on making the application, prove that he has a means of livelihood in Ceylon and if married, has his wife and minor children if any, ordinarily resident with him.

PART IV.—REGISTRATION.

It is agreed that to give effect to the provisions of the agreement in regard to the right to enter and re-enter and liability to immunity from the operation of internal quota legislation, as also to maintain accurate records of immigrants and to compile labour schedules, registration is necessary. It should be either voluntary or, if compulsory, applicable to all residents in Ceylon.

PART V.—STATUS.

(1) It is agreed that, as regards future legislation other than the legislation necessary to give effect to the agreement, there shall be no differentiation in treatment between Indians who possess a Ceylon domicile of origin or choice or a certificate of permanent settlement and other members of the permanent population.

(2) It is agreed that, as regards future legislation other than legislation necessary to give effect to the agreement, there shall be no differentiation of treatment between other members of the permanent population and any Indian who is the child of a holder of a certificate of permanent settlement (a) during minority or, (b) after attaining majority, if he is ordinarily resident in Ceylon and has identified himself with the permanent population of Ceylon.

(3) It is agreed that, as regards existing legislation, no amendment need be undertaken to modify any provisions which, in terms or in operation, are discriminatory.

(4) It is agreed that Indians, other than those possessing a domicile of origin, (a) should not claim the right to appointment to Ceylon Government service or under quasi-Government bodies, provided however, that Indians already serving under Government or quasi-Government bodies will be entitled to continue in such service without discrimination, and (b) should not participate in the benefits of the Land Development Ordinance.

PART VI.—GENERAL PROVISIONS.

(1) Wherever domicile of choice is referred to herein, it means a domicile of choice established in accordance with the procedure prescribed in Part III, Section B, paragraph (2).

(2) Wherever domicile of origin is referred to herein, it means a domicile of origin established according to the rules of English law except in the case provided in Part III, Section B, paragraph (1).

(3) Wherever a period of residence is prescribed herein, the period shall be computed in accordance with the following provisions:—

(a) as regards period of residence prior to the date of the agreement, the prescribed period shall be exclusive of an aggregate allowance for temporary absence at the rate of five months for every year of the period prescribed*;

(b) as regards a period of residence after the date of the agreement, the prescribed period shall be inclusive of an aggregate allowance for temporary absences at the rate of one and a half months for every year prescribed;

(c) any continuous period of temporary absence shall not exceed one year;

(d) any continuous period of absence exceeding one year shall constitute a break in the period of residence in Ceylon;

* Explanatory Note.—If the prescribed period of residence is X the period within which the prescribed period can be completed is $\frac{12X}{7}$.

[Mr. M. S. Aney.]

(e) any period of absence shall not be deemed to be exceeded if return to Ceylon is prevented by illness, accident, emergency or other similar cause.

(4) Any person not entitled to a return endorsement valid for a period exceeding one year who desires to leave Ceylon for purposes of education or health for a period exceeding one year shall, on establishing to the satisfaction of the prescribed authority the purpose of his absence, be entitled to a return endorsement for the requisite period, and continuous absence for more than one year in conformity with such purpose shall not be deemed to be a continuous period of absence for more than one year.

(5) It is agreed that any unforeseen case or any case of hardship which may be revealed in the operation of the agreement will be made the subject of consultation between the two Governments and will be decided in accordance with the spirit and intention of this agreement.

Agreement between the two Delegations having been reached on all the subjects discussed, this joint report is now submitted by them to their respective Governments. The Delegates wish to record that the conversations took place in an atmosphere of complete candour, cordiality and goodwill.

(Sd.) D. S. SENANAYAKE.

(Sd.) G. C. S. COREA.

(Sd.) ROBERT H. DRAYTON.

(Sd.) G. S. BAJPAL.

(Sd.) MIRZA M. ISMAIL.

(Sd.) T. G. RUTHERFORD.

(Sd.) T. R. VENKATARAMA SASTRI.

COLOMBO;

Dated the 21st September, 1941.

RESOLUTION RE THE INDO-BURMA IMMIGRATION AGREEMENT.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhamnadan Rural): Sir, I beg to move:

"That the adjourned debate on the following Resolution moved by me on the 29th October, 1941, be resumed, namely:

"That this Assembly being of the opinion that the Indo-Burma Immigration Agreement should not have been concluded without consulting the Legislature and public opinion in India and being further of the opinion that the said agreement ignores the fundamental rights of Indians settled in or having connections with Burma, violates the assurances and pledges given at the time of the passage of the Government of Burma Act in regard to the right of free entry of Indians into Burma and is discriminatory and humiliating in its provisions and detrimental to the interests of India, recommends to the Governor General in Council not to implement the agreement as it stands and to revise it satisfactorily in consultation with the interests concerned."

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

"That the adjourned debate on the following Resolution moved by me on the 29th October, 1941, be resumed, namely:

"That this Assembly being of the opinion that the Indo-Burma Immigration Agreement should not have been concluded without consulting the Legislature and public opinion in India and being further of the opinion that the said agreement ignores the fundamental rights of Indians settled in or having connections with Burma, violates the assurances and pledges given at the time of the passage of the Government of Burma Act in regard to the right of free entry of Indians into Burma and is discriminatory and humiliating in its provisions and detrimental to the interests of

India, recommends to the Governor General in Council not to implement the agreement as it stands and to revise it satisfactorily in consultation with the interests concerned."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): The discussion on the Resolution will continue. Sir Abdul Halim Ghuznavi.

The Honourable Mr. M. S. Aney (Leader of the House): If persons who have tabled any amendments are also allowed now to move them, a general discussion can then go on on the Resolution and the amendment as well.

Mr. President (The Honourable Sir Abdur Rahim): Very well. There are several amendments proposed to the Resolution which has just been moved. The first amendment is in the name of Mr. Akhil Chandra Datta.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Sir, I beg to move:

"That at the end of the Resolution the following be added:

"That this Assembly further recommends to the Governor General in Council that in the event of the Government of Burma not agreeing to a revision of the Indo-Burma Immigration Agreement so as to ensure the right of free entry to all Indians except surplus unskilled labour to the satisfaction of Indian opinion, the Government of India should give immediate notice of the termination of the Trade Agreement concluded last February in order to safeguard the fundamental rights of Indians residing in or having connections with Burma."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That at the end of the Resolution the following be added:

"That this Assembly further recommends to the Governor General in Council that in the event of the Government of Burma not agreeing to a revision of the Indo-Burma Immigration Agreement so as to ensure the right of free entry to all Indians except surplus unskilled labour to the satisfaction of Indian opinion, the Government of India should give immediate notice of the termination of the Trade Agreement concluded last February in order to safeguard the fundamental rights of Indians residing in or having connections with Burma."

Mr. President (The Honourable Sir Abdur Rahim): The next amendment is in the name of Lieut.-Colonel Sir Henry Gidney.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Mr. President, with your permission, and that of the House, I do not propose to move my first amendment. With your permission, I propose to substitute it with the amendment of which I gave notice yesterday at two o'clock. I beg to move:

"That for the original Resolution the following be substituted:

"That this Assembly being of the opinion that the provisions of the Indo-Burma Immigration Agreement are a violation of the assurances given in Parliament with regard to the status of Indians in Burma and their right of entry into Burma after its separation from India, inasmuch as they render nugatory the protection which Parliament undoubtedly undertook to give in these matters in Part V of the Government of Burma Act and the Instrument of Instructions to the Governor of Burma, recommends to the Governor General in Council to request the Secretary of State not to implement the Agreement by Order in Council unless and until satisfactory

[Lieut.-Col. Sir Henry Gidney.]

modifications are secured which will carry out, to the full, the Parliamentary assurances and remove such provisions as are discriminatory and humiliating to the people of India."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That for the original Resolution the following be substituted:

"That this Assembly being of the opinion that the provisions of the Indo-Burma Immigration Agreement are a violation of the assurances given in Parliament with regard to the status of Indians in Burma and their right of entry into Burma after its separation from India, inasmuch as they render nugatory the protection which Parliament undoubtedly undertook to give in these matters in Part V of the Government of Burma Act and the Instrument of Instructions to the Governor of Burma, recommends to the Governor General in Council to request the Secretary of State not to implement the Agreement by Order in Council unless and until satisfactory modifications are secured which will carry out, to the full, the Parliamentary assurances and remove such provisions as are discriminatory and humiliating to the people of India."

Now, Sir Abdul Halim Ghuznavi will make his speech.

Sir Abdul Halim Ghuznavi: Mr. President, I am discussing today a Resolution on a matter of vital importance, namely, the Indo-Burma Immigration Agreement. Sir, during my membership of this Honourable House for the last 17 years I have not come across a Resolution of such importance as the one which is under discussion now.

The story of separation of Burma from India is a very sad one. India did not want separation, Burma did not want separation, but the separation was wanted by our Britisher friends for their own exploitation. That is the story of the separation of Burma from India.

Sir, the Agreement which is under discussion here today has been condemned from one end of India to the other. Assurances and pledges had been given repeatedly from the year 1931 to 12th June, 1941, that there shall be free entry of Indians into Burma. Those assurances, those pledges that had been given to India by His Majesty's Ministers, by the Government of India, and by other responsible officers, have been thrown away to the gutters. The result is this humiliating document which we are discussing today. It touches only the Indians. His Majesty's British subjects have free entry, but His Majesty's Indian subjects are being debarred from that right of free entry.

Before I proceed to give the dates of those assurances and pledges, I desire to quote a few sentences from what has been uttered by Mahatma Gandhi, and Mr. Jinnah, the President of the All-India Muslim League. Let me tell the House that the trick of setting one against the other, of dividing and ruling is out of place in this instance. India is united, there is no question of Hindu-Muslim dissension. We demand, united India demands, that this Agreement must be thrown into the gutters, and nothing short of it will satisfy the Indian demand. Mahatma Gandhi in a very lucid note has condemned this document. He described this as:

"An unhappy agreement, panicky and penal, sprung upon an unsuspecting public, the agreement is an insult to the whole nation."

Mr. M. A. Jinnah, the President of the All-India Muslim League, has condemned this Agreement and urged upon the Governor General and the Secretary of State for India not to ratify the Agreement and thus remove

the serious discontent which it has caused in all Indian trading circles and the offence it has given to the self-respect of the peoples of India.

Mr. Satyamurti, in one sentence, has described his view. He said, "The soul of India is in revolt." Is that the agreement which, Mr. President, we are discussing today?

In 1931, the Burma Sub-Committee, called Sub-Committee No. 4, which was appointed by the Round Table Conference and of which I was a member, expressed as follows:

"The Sub-Committee also specially stress the importance of there being no discrimination as regards Indians entering Burma."

That was the first recommendation of the Burma Sub-Committee—namely, that there shall be no discrimination as regards Indians entering Burma. From then onwards, assurance after assurance was given, pledge after pledge was given. Those pledges and assurances were given by the same gentleman, I mean, Sir Girja Shankar Bajpai. On the 12th June, he gave the assurance that nothing harmful will be done. And behold! The moment he arrives in Burma he sets at naught all the assurances and pledges, and signs, seals and delivers this rotten and most humiliating document that India has ever seen.

Then, Sir, when this Burma Bill was under the consideration of the House of Commons, we were apprehensive that something might be done to injure India's interest as against Britishers there and Earl Winterton moved an amendment in the House of Commons:

"That nothing in this sub-section shall affect any restriction lawfully imposed on the right of entry into Burma of such Indian subjects of His Majesty domiciled in British India as enter Burma whether by previous engagement or otherwise, to perform unskilled labour for hire in Burma."

He wanted to make it abundantly clear that excepting for unskilled labour no restriction should be placed on Indians entering Burma but that amendment had to be withdrawn and why? Because of an assurance given by Sir Thomas Inskip on behalf of His Majesty's Government. He said that there was no reason for any apprehension as they did not desire to restrict anything else except unskilled labour, and therefore he asked the Honourable the Mover of that amendment to withdraw that amendment. Sir Thomas Inskip said in April 1935: "Nobody wants to discriminate between British subjects domiciled in India or Indian States subjects when they go to Burma any more than one wants to discriminate between British when they go to British India". What a solid assurance! On that assurance that amendment was withdrawn and he further said that section 44(3) may not be abused and to that end there will be an instruction in the Instrument of Instructions. He repeated also on the floor of the House "that there shall be inserted in the Instrument of Instructions a direction to reserve any Bills which contained racial discrimination and to reserve also Bills which contained restrictions upon professional or business men, who, while India and Burma have been united, have carried on business in either country". These were the assurances given when the Government of Burma Act was passed. But Mr. Butler went further when the Instrument of Instructions was being discussed. This was in November 1936. He assured the House that:

"They had to give the right of restriction in regard to unskilled labour only (Bear in mind that Mr. Butler gave the assurance that they had to give the right

[Sir Abdul Halim Ghuznavi.]

of restriction in regard to unskilled labour only) while at the same time they did not want to stop the free entry of Indians in general."

The Government of India had no business to enter into any agreement when they knew perfectly well that these were the assurances given to India by His Majesty's Ministers before the Bill was passed and before Burma was separated from India. The intention of Parliament was abundantly clear from the speeches made by Earl Winterton, Sir Thomas Inskip and Mr. Butler, that there shall be no restriction whatsoever on Indians entering Burma, except those under the category of unskilled labour. Now, as late as February of this year, what did the Honourable the Prime Minister of Burma, The Honourable Mr. U Saw, say, when he visited my country, India? He came here during the Indo-Burma trade talk. He gave this assurance in India that "Some kind of regulation of immigration of Indian unskilled labour seems necessary". "I can assure India", he said, "however, that whatever be our decision regarding immigration of Indians, there would be no discrimination against Indians and as far as Indians already settled and resident in Burma are concerned, they will be entitled to every right and privilege enjoyed by the sons of soil". I ask, Sir, was that assurance given effect to when this document was signed? That was the assurance given in February by the Prime Minister of Burma and then behold! What happens next?

Then comes the 10th of June this year when the Government of India announced the personnel of the delegation to visit Burma. What did the Government of India do in that connection? They appointed one official delegate, Sir Girja Shankar Bajpai, and with him accompanied one European adviser. There was however no Indian adviser. Sir Girja Shankar goes to Burma and let me read the statement that he made before he left Calcutta for Burma. Consider what he said in Calcutta and what he did after he arrived in Burma. He said on the 12th of June 1941 in Calcutta, "That the present negotiations were more or less of an explanatory nature and it was their aim to secure as complete an exchange of views as possible on the many complicated questions connected with Indian immigration into Burma". He was not in a position (bear in mind) to say whether the present negotiations would result in an immediate agreement between the two countries, but it was an accomplished fact within a week of his arrival in Burma.

As regards entering into an immediate agreement between the two countries. He said it would depend on the questions raised, the terms offered by Burma and the spirit of accommodation and understanding displayed by the Burma Government. In any case the Government of India's object was to secure on the question of Indian immigration to Burma an agreement that would satisfy generally Indian opinion in this country. Has that satisfied the general opinion of this country? The country from one end to the other has denounced this agreement. He had no authority to enter into that agreement without consulting this Legislature, without consulting the Indian opinion and without consulting the Indian Chambers of Commerce. He went there to explore the avenues and it was his duty to come back and to report to his Government and to the representatives of the people who sit in this House. He had no business to sign it there. It was on the 12th of June that he made that statement.

I will now take you round to that wonderful statement which he made as soon as he landed on the soil of Burma. This is what he said:

"The Government which I have the honour to represent today has only one desire—the desire to ascertain and comprehend the difficulties that immigration from India may be creating for you, and to help you to the best of their ability to solve them."

So, he had gone there with one desire, namely, to assist Burma how to stop the immigration from India. That he has done to his complete satisfaction. He has solved Burma's difficulty. In contrast to this, mark the words of the delegate who went from China for the same purpose, namely, immigration from China to Burma. He did not go there to solve Burma's difficulty: he went there to solve China's difficulty. He went there to look after the interests of the Chinese and not those of the Burmans. Soon after Sir Girja Shankar Bajpai returned to India, the Burma Government began this talk with the Chinese Government. On 20th September, 1941, Dr. Tu Yuen Tan made the following statement:

"The National Government is keenly interested in the welfare of the Chinese abroad, and so while taking into full consideration the views and aims of the Burmese Government and the people, we have to protect the legitimate rights and interests as well as maintain the status of the Chinese residents in Burma in accordance with the Treaty obligations between Great Britain and China."

That was the statement the delegate from China made. But the delegate from India had gone there with the sole object of solving Burma's difficulty which were worrying the Government of India.

When the Baxter Committee was appointed, it was appointed purely to find out the ways and means as to what was to be done about the unskilled labour. This Committee was appointed on the 15th July, 1939. It was a fact-finding Committee. The terms of reference of this Committee were "whether in the light of the statistics obtained and other relevant factors, a system of equating the supply of Indian unskilled labour to Burma requirements is needed". Mark these words because so much has been said about this Committee. The Committee was further asked to collect statistical data with regard to the Indians in general and also the extent of the employment and unemployment in Burma. After that Committee was appointed, the Federation of the Indian Chambers of Commerce felt rather nervous at the wide scope of the terms of reference. They then addressed a communication to the Government of India in which they pointed out that both the Royal Commission on Labour in India and the Braund Riots Inquiry Committee had, however, the immigration of unskilled labour in their mind. They requested the Government of India to represent to the Burma Government to restrict the scope of the Baxter Inquiry to the problem of Indians with regard to unskilled labour only. Now, look at the funny reply which the Government of India gave which can be used both ways. The Government of India said:

"They had already reserved to themselves the right to consider, criticise or resist any proposal that may be formulated on the basis of the Commission's findings."

This did not allay the apprehensions of Indians and they were still under the impression that something very serious might be done. Then, what happened was that the Prime Minister, who came here to negotiate the Indo-Burma trade agreement, made a statement and then Sir Girja Shankar Bajpai gave us an assurance also. I cannot find his statement

[Sir Abdul Halim Ghuznavi.]

just now but he said something to the following effect. If Indians would make some sort of gesture in this trade agreement to Burma, that would solve the problem of immigration. With these assurances, with these pledges, he had gone to Burma and within a week of his stay in Burma, he had finished this agreement without consulting any Indian opinion whatsoever.

Now, Sir, what is the position today? There is united demand and I once more repeat, and let the Treasury Benches bear this in mind that there is no Hindu-Muslim question; we all unanimously demand that the Government should approach the Secretary of State and tell him that India will not accept this agreement and he dare not implement that before giving one more chance to India to express her opinion and they can then decide the fate of India. Is it too much for me to appeal to Burma Government and to the Burmese people? Is it not a fact that the present position of Burma is entirely due to the help of Indians? Have not Indians sunk tons of money in that country to make that country what it is today? Have not Indians helped them materially, in every way, in every aspect of their life? I appeal to Burma to be reasonable. Do they not allow Englishmen without restrictions and why should they place restrictions on their Indian brethren? Sir, Burma was a part of India only the other day. Those black sheep who agreed to the separation of Burma will yet realise today or tomorrow that the separation from India has done them no good, on the other hand it has harmed the Burmese. I, therefore, ask the Treasury Benches to take account of these pledges, the dates which I have given from 1931 up to 12th June 1941 and examine the case in the light of these pledges and assurances given in Parliament and on the floor of the House here.

The Resolution says that the agreement has been concluded without consulting the Legislature and public opinion in India. That is a fact. It needs no argument. No one in India was consulted when Sir Girja Shankar Bajpai entered into this agreement. The said agreement also ignores the fundamental rights of Indians settled in or having connections with Burma. Not only does the Agreement ignore our fundamental rights, but it also contains shameful clauses such as matrimonial rights and so on. I am myself ashamed to read those clauses. Sir, I move.

Mr. Akhil Chandra Datta: Sir, before I speak in support of my motion I want to have some information from the Honourable the Leader of the House on these points. What is the genesis and the history of this agreement? Who moved in the first instance? Who took the initiative in this matter? When was that done, and what was the nature of the restriction that was proposed in the first instance? Is it a fact that the only restriction that was proposed by the Burma Government was the restriction of unskilled labour? I want information on these points if the Honourable the Leader of the House can give.

The Honourable Mr. M. S. Aney: I will make some of these points clear in my speech, but I can now assure the Honourable Member so much that the demand for having an Agreement was initiated by Burma Government.

Mr. Akhil Chandra Datta: Speaking on this Agreement, the Honourable the Mover of the Resolution has told the House how this Agreement has been denounced by the whole country. The country unanimously with one voice denounced it. There is absolutely no difference of opinion. All classes and all interests concerned have denounced it, capital has denounced it, labour has denounced it, Europeans have denounced it, but I do not know what they will do today. The Europeans in this country in unmistakeable language have denounced the Agreement. Indians have of course denounced it. Provincial legislatures have denounced it. Provincial Governments have denounced it. That being the position the Agreement is unacceptable to India, unacceptable as regards its fundamental basis, unacceptable as regards its detailed provisions. What is the problem that this Agreement seeks to solve? The problem is the alleged penetration and unfair competition of Indian labour in Burma. I would emphasise the word Indian labour. It is never the case of anybody that there was any unfair competition with regard to any other matter except the competition of labour. As I was saying, the question is the alleged problem of penetration. But is there really a problem of unfair penetration and unfair competition? On this point, there was a Committee appointed by the Government of Burma themselves. Let us see for one moment what are the findings of that Committee? That Committee is called the fact finding committee, to collect statistics on this point. I shall read two or three findings of that Committee. As we know there was no Indian on that Committee and Indian interests were not represented. One finding is this. Mr. Baxter, the Chairman of the Committee, at the very commencement of the report remarks:

"Migration from India to Burma is no new thing. It has been going on as far back as Burmese history can be traced through its chronicles and legendary lore."

Then it is said on a most important point:

"There is no evidence of any kind to suggest that Indians have displaced Burmans from any employment which they had previously obtained."

Another equally important finding is:

"Indian labour in the past has been supplementary rather than alternative to Burmese labour."

There is thus no question of competition, fair or unfair. Then, a still more important finding of Mr. Baxter is this:

"There is, in fact, no parallel in the modern world to present position of Burma vis-a-vis the problem of immigration from India. In this country for generations Burmans and Indians have grown side by side, joint contributors to a progressive economic development."

I lay emphasis on this sentence that for generations Indians and Burmans have grown side by side and jointly contributed to a progressive economic development. Then the finding is:

"On the whole the volume of immigration from India adjust itself to the conditions of economic prosperity in Burma."

Not only this; Mr. Baxter sounds a note of warning. He anticipates there might be some restrictions proposed and therefore he gives this warning:

"I venture to call attention to an aspect of the immigration problem which is frequently neglected. General discussion too often limits itself to that simple and negative word 'restriction', overlooking the probability that hasty and ill-judged action in this way may lead to economic maladjustment far more serious than the evils which they are intended to remedy. Such a negative view is often based upon a

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superficial and pessimistic view of the possibilities for the future development of Burma. There is a wide field, on the other hand, for fruitful positive action by the opening up of additional avenues of employment for the people of the country."

Therefore, I say without further elaboration, that the alleged problem is a fictitious problem. There is no penetration or competition of which Burma can complain. In fact it must be admitted by all that Indian talent, Indian capital and Indian labour have contributed to the economic development of Burma. I may even say that India has made Burma what she is today. The contribution by India is not merely a temporary contribution. It has been found that the contribution is a lasting contribution which will bear fruit for a long time. Apart from this direct contribution by India to the development of Burma we know that, as a matter of fact, we Indians have had to finance their deficits for years, and even today Indians have to bear a share of the defence expenditure of Burma. Administratively Burma was a part of India only the other day. So that, there is no reason, there is no ground, there is no justification for the drastic restrictions that have been accepted by the Government of India in this Agreement. The immigration problem of Burma was a question that was discussed at the time of the separation of Burma. It was discussed threadbare when the Government of Burma Act was passed in 1935. At that time the right of free entry of Indians into Burma was never disputed and assurances were given which I need not repeat because they have been placed before the House by the previous speaker. The only restriction that was proposed at that time was on unskilled manual labour, and nothing beyond that. If you look at clause (h) of section 36 (1) of the Government of Burma Act, the intention of that Act will be clear. The intention of the Act will also be clear from section 44 (3) of the Act. The amendment that was proposed by Earl Winterton, the reason why it was not accepted, the assurances that were given as regards the right of free entry of Indians into Burma in order to preclude all possible restriction in future, the provisions in the Instrument of Instructions, etc.—all these prove conclusively that the immigration problem was not only discussed but decided once for all. I do not understand how this question can be reopened now. Who is competent to reopen this question? I am not arguing in a court of law or discussing whether the Instrument of Instructions coupled with the section of the Act are sufficient to establish the right of free entry. I am not going to enter into any legal quibbling. I say that at all events these assurances and pledges were given on the floor of the House of Commons and the House of Lords by responsible Ministers who were in charge of the Government of Burma Bill. They amount to a gentleman's agreement. I shall not discuss the question whether it is legally binding or not. I shall concede for the sake of argument that it is a gentleman's agreement, and I do not know if it is open to any gentleman to give the go-by to that agreement. After all, who are the parties to this Agreement? The Government of India and the Government of Burma. Is it open to these Governments to brush aside all these assurances given by British Ministers on the floor of the House of Commons and the House of Lords? I say it is disloyal of the Governments of India and Burma not to give full effect to those assurances given when the Act was passed and the protection that was given in the Act in unmistakable language. I hope, Sir, that Burma Government will try to maintain the mutual goodwill, mutual trust, mutual co-operation, mutual

accommodation—it is essential not only for India but also for Burma—and we do hope that Burma will be reasonable. But supposing, unfortunately for India, Burma insists on a pound of flesh and refuses to revise the Agreement then the question is: is India so absolutely helpless that it cannot have any voice in the Agreement at all. In that event I do hope that our Government will not give way. In my amendment I do recommend to the Government of India that they should give a notice to terminate the Trade Agreement which was concluded in February last. Just one word more and I shall have finished.

Fortunately for us the Overseas Portfolio is now in the hands of the Honourable Mr. Aney whose courage and independence have all my life been the object of great admiration and regard. Fortunately or unfortunately for us I do not know, he has been kidnapped from our Benches to the Treasury Benches, but I do hope—in fact I do believe—that although his body is on the Treasury Benches his spirit and his soul is on these Benches. India has been betrayed and sacrificed in this Agreement. It is for Mr. Aney to undo the mischief.

Lieut.-Colonel Sir Henry Gidney: Sir, before I deal with my amendment I would ask the House, when discussing this very important matter, to try, as far as possible, not to be provocative or irritative in their remarks when dealing with the country that has insulted us, for after all, Sir, "two wrongs don't make a right" though—"Two can play at the same game". That it is an insult to India none will deny, and that feeling is felt by all communities without exception. It includes members of the Domiciled European and Anglo-Indian community, for after all what is the definition in this Agreement of the word "Indian"? It is defined as "British subject domiciled in India". It excludes Britishers, all foreigners and even Negroes and others who are not domiciled in India. Sir, there can be no doubt in the Treasury minds and of the whole House that this is a one-sided Agreement, and that it was executed under most extraordinary and abnormal circumstances and environments. I shall not enter into any details, for you must all know the background and other matters germane to this obnoxious agreement. I fully realize and appreciate the psychological aspect of this matter and its percussions and repercussions on both India and Burma—but as I am no jurist so I shall not deal with the legal aspects of it—but I desire to state, without fear of contradiction, that the signing of this Agreement was certainly, to say the least, an error of judgment. It was a disservice to India though I might readily admit that the great Indian colleague of ours who did sign it had no intention in his heart to hurt or insult us. But, Sir, on such matters one must leave sentiments aside and face facts as they are found in the agreement. What are the facts, Sir? I shall not take up the time of this House with the recital of those facts—they are to be found in the Agreement—except to repeat that it is a most objectionable and humiliating agreement. The regrettable part of it is, that there is a feeling in my mind and the minds of many others that the Deputation which went to Burma was stampeded into signing an Agreement, and in doing so it sold the honour, the soul and dignity of India to a country whose very prosperity and position of today is so largely dependent on what India has done for it. I am taking a national view. And it is for this reason I am moving my amendment, Sir, not only for India and Burma but the British Commonwealth of Nations,

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and particularly the Secretary of State for Burma and India (an office which is held, as Dr. Jekyl and Mr. Hyde, by one person—Mr. Amery) to know that, if this is the attitude of Burma, if this is the aftermath of the separation of Burma from India, if this is to be the policy of an obstinate Burmese Government, who, it is an open secret, more than once held the revolver at the head of the Indian delegation, and if Burma, as its Prime Minister said in England refuses any modifications, or, as we see in the press today, states that this is very satisfactory and he hopes soon to have an Order-in-Council passed, and again, if Burma desires to remain an integral part of the British Commonwealth of Nations—it would really become—not a British “Commonwealth” but a British “Common-rut” of Nations.

Sir, what was the Prime Minister's attitude: ‘take it or leave it’. If you refuse it, I will go to my legislature and have orders passed that its provisions become operative. It was the attitude of a bully, not only taking advantage of the world war which we with the British Empire are facing together, especially in the Far-East—but with a blank mind of ingratitude as to what he and his country owe to this country and blind to the fact that, should his country be invaded, India would have to defend it. With this knowledge it was difficult for anybody in this House not to be moved with a sense of intense indignation, revolt and with feelings of humiliation and insult at the Agreement which has been concluded. In doing so, one has to think of that great Indian, our worthy colleague, Sir Girja Shankar Bajpai, who is not present here today, and, therefore, unable to defend himself. I know, according to the frontispiece of my Honourable friend, Mr. Satyamurti's book it is said among other matters: “an undeserved slur both on India and Burma”. Sir, no one in India has been given authority to talk about Burma, nor do they merit anyone's sympathy or blessing. The voice of Burma is to be found in the terms of the Agreement which is an insult to India—not to Burma. But, Sir, if ill-becomes any Indian whoever he be to charge our Honourable colleague, who is not here, with ugly motives. On the contrary, he is due our gratitude for the great work he has done for Indians overseas—in Africa and elsewhere.

Sir Abdul Halim Ghuznavi: You are defending him.

Lieut.-Colonel Sir Henry Gidney: Yes. I am, for he is not here to refute what Sir Abdul has said against him. Will the Honourable Member please remain silent and not interrupt. I demand from him the silence I gave him when he harangued this House.

We cannot blame Sir Girja Shankar Bajpai personally. He is but a servant of Government and he carries out orders. Some in this House would like to say: “He should have closed up his book and come back to India”. To them I would say “Reverse your position and place yourself in Sir Girja Shanker's place”. What would you have done in those circumstances, faced as he was with such violent circumstances, dealing as he was with an impulsive nation as the Burmans are, and faced as he was with the fear of a collapse of the negotiations and the chaos that would have resulted, had the Prime Minister, thereupon, taken the matter before the Burman Legislature as he threatens he will do and received the necessary legislation as he assuredly would have? Had this crises happened

what would we have said? What would Sir A. H. Ghuznavi have said? Would he have blessed or cursed Sir Girja Shankar?—I do not say that this is an extenuation of the signatories to the Agreement, but it is a view that I take in the defence of an Honourable colleague of ours, who is now doing higher services and cannot personally defend himself. Let us be a little more tolerant in our outlook and, while I repeat that the Agreement was an insult, it was the policy, and not the person, which was at fault. The services rendered by Sir Girja Shanker need no repetition by me. These are writ large in the history of India for the past 25 years. The history of this Legislative Assembly scintillates with the work he has done for our country. I hold no brief for the Government, but I ask the House to realise the circumstances of this matter.

Before Sir Girja Shanker Bajpai left this country, I am told he consulted the Standing Emigration Committee. When he was in Burma he had frequent and free interchange of thoughts and discussions with the *ad hoc* committee, and, before he arrived at any compromise, he had the consent of this *ad hoc* committee. At least that is what I understand. But I want to know, did the Government of India instruct him to make this compromise? I join my friend, Mr. Datta, in asking the Government to tell us frankly, but please do not place the brand of Cain on our colleague—Sir Girja Shankar Bajpai. Let us be fair, if not charitable; generous if not appreciative of our great colleague and his great services to India and Indians.

It is unnecessary to enter into the objectionable clauses of this Agreement. No subject has been so thoroughly dealt with, so thoroughly ventilated and so unanimously resented as has been this Agreement and within such a short time. The terms are before us. But why has there been this secrecy? Why have we not been informed by the Government of India about this before? I beg of the Government to desist from this policy of secrecy. We know that you work and try to do your best for us, but, surely, we, as a Legislature, are entitled, equally as is the House of Commons and other Colonial Legislatures, if not to your secrets in open at least in a secret session. You must trust us if you invite us and want us to become your accessories as Members of this Assembly; otherwise we are nothing but tools and automatons to listen to what you tell us and then only after it has been done.

Sir, no nation with any self-respect would accept this Agreement. Even Mr. Baxter is against it; and one almost feels tempted to ask where would Burma have been had it not been for the great services rendered even by the unskilled Indian labourer? The trend of Burman thought has always been against India, but one hardly thought that the Burmans wanted to cut their own throats and ruin their future and threaten the peace of the Far-East by such drastic restrictions in the matter of the entry of Indians into their country. This ill-feeling started with the demand for the separation of Burma and it was followed by widespread riots. I do not suggest that the Burmese Government was responsible for those unfortunate clashes. Then came the Baxter Report which, however, failed to give a lever to implement the wish of the Burman. It is little wonder, therefore, that the Baxter Report did not see the light of day till after the Government of India had been inveigled into initialling the Agreement. That is my chief complaint against this Agreement. We

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have not been taken into the confidence of the Government and I do beg and hope that the Government will not repeat this error. But, whatever be the agreement finally arrived at by the Secretary of State, I do desire to state on the floor of this House, before it becomes a *fait accompli*, that this House will be given the fullest opportunity of discussing and examining what the terms are going to be.

Although Burma faces a crisis on its Eastern Border, it forgets that it will have to look to India for its defence, unless of course it turns fifth-columnist of which no one here has any fears, and I feel from what one knows of the unfortunate impulsive nature of the Burmans, it is difficult to expect them, in their present frame of mind and, particularly, after the recent utterances of the Prime Minister in England, that he would refuse to accept any modification of the Agreement—it is difficult to expect them to accept any modification or to take a long and calm view of his matter. They seem imbued with one idea, one obsession, jealousy of India and the desire to exclude Indians from Burma, except unskilled labourers to do the scavenging of the Burmese streets which the Burman declines to do himself and it seems as if the Burman is prepared to go any extremes in this desire.

With such a mentality it is difficult to argue, except to express our resentment and disdainfully refuse acceptance of this Agreement. I would go further and say that, in these days, when friends and enemies change positions and places at times within twenty-four hours, one cannot depend too much on the steadfastness of any people. I shall say no more on this, Sir, but I am entitled to think and think and think again, and I would tell this House again that we are living in a world of sudden changes and happenings and the friends of today are our greatest enemies tomorrow. The Nazi intellect for creating Quislings in the most unsuspected parts of the world is too well known for us to take any risks, especially in a country so near the Axis partner in the Far-East. Even as a profound believer in the ability of the British Empire to achieve ultimate victory, we must admit that Great Britain has failed in detecting and preventing the growth of fifth columnists of the Axis partners in other countries, however far removed they may be. Not for a moment do I suggest that Burma, much less the Burmese Government, are fifth columnists, though it is known that Japan has her supporters there. But as I said, the world today is a world of sudden happenings. The demand for an agreement, coming at this stage, especially in the face of the findings of Mr. Baxter, indicates that Burma has taken an unfair advantage of the present world war and Far-East situation. I refer to this aspect to emphasise that the Secretary of State ought not to take for granted that, because Sir Girja Shanker Bajpai concluded and signed an agreement on behalf of the Government of India, therefore the requirements of section 138 have been fulfilled, and acted thereon.

This analysis as outlined by me will, I hope, show to the Secretary of State the difficulties which faced the Government of India and its Members, the unsympathetic and hostile spirit in which the Burmese Deputation evidently conceived the demand for an agreement. Sir, it is an insult to India to place no restrictions on its unskilled labour and restrict the entrance of others. I ask why should this country be a source of recruitment for labourers to do the scavenging of the streets of Burma which the

Burmans refuse to do and think below their dignity? Why should India have to do this dirty work? I am glad to know that the Government of India have issued a recent order prohibiting this, and I hope it will teach the Burman a salutary lesson.

But the most disgraceful clause, which I even do not like to mention, is the one mentioned by Sir Abdul Halim Ghuznavi, and it is the marriage clause. It is with great hesitation that one even refers to it. Nothing can be more humiliating to a nation like India with its wonderful traditions of culture, centuries and centuries before even western nations became civilised. India has got those traditions and India has got a pride which very few nations have; and to insult us by refusing this marriage with another country is, I consider, more than an insult; it is disgraceful and unmoral. A Negro, a Maori, a Singalese, a Malayan and even a Britisher can go to Burma and marry *ad libitum*: only Indians are excepted. We should fling this insult back at the face of Burma.

Speaking not only as the Leader of my Party, but as a son of India and a national who gives place to no one in this House or in India in my national claims and wants. I wish to express on behalf of my Party the unanimous opinion of extreme and bitter resentment and humiliation and insult at this Agreement. India should be given a free entry into Burma as in the past. She has merited it in more than one way. It is, however, some satisfaction to me to know that the signing of the Agreement by the Governments of India and Burma is not the finale of this matter and that it must receive the approval of the Secretaries of State for India and Burma (unfortunately they are vested in one person now) before His Majesty passes the Order-in-Council

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must now conclude.

Lieut.-Colonel Sir Henry Gidney: I am finishing, Sir. I submit that there is no doubt in the minds of any one in this House, as has already been expressed, of its refusal to accept this Agreement. In moving my amendment, therefore, I ask His Excellency the Governor General, through the Leader of the House and the Treasury Benches to convey to the Secretary of State for India that it represents the considered and agreed opinion of this House of all classes and creeds in India and Indians resident in Burma. Sir, I have been unable to incorporate one or two additions in my amendment as required by Sir A. H. Ghuznavi. I am sorry, but I feel sure, if he were in his seat, he would agree with me in my amendment and, therefore, I hope this Honourable House will accept my amendment and I place it before the House for its consideration and for its acceptance.

Mr. T. Chapman-Mortimer (Bengal: European): Sir, as I understand this Resolution, it raises two main issues. The first issue is that of the Agreement itself and its terms; the second issue is the terms of the Resolution which, I suggest, is rather a different thing. In regard to the Agreement, that has been widely criticised, violently criticised, by Indians of all sections and classes all over the country. It has also been criticised in the Bengal Legislature, where a European spokesman criticised certain aspects of the Agreement: he did not criticise the whole Agreement as the Deputy Leader of the House suggested; he criticised only

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certain aspects of it. There are Europeans everywhere,—and we in this Group are among them,—who also recognise that Indians have a case, and a very strong case, in making out their objections against this Agreement. At the same time, Sir, we on these Benches by a considerable majority find ourselves unable to support the Resolution now before the House

Sir Abdul Halim Ghuznavi: You are unable to support the Resolution or the amendment?

Mr. T. Chapman-Mortimer: Both. May I deal first with the Agreement? What we should prefer would be that the Governor-General in Council should request the Secretary of State not to implement that Agreement by Order in Council unless and until, in consultation with the two Governments concerned, he has been able to secure such modifications as will make the Agreement more acceptable to the people of this country and which will also carry out in full the assurances that Parliament has given. The legal position, as we see it, is simply this. Any agreement come to between India and Burma must be implemented by an Order in Council. That lays a heavy responsibility on the Secretary of State who in these matters is bound by the Government of India Act and by the Government of Burma Act. But, Sir, I would remind this House that, granted that the Secretary of State has these heavy responsibilities, that does not mean that the Government of India can shirk *theirs*. This is an agreement between the Government of India and the Government of Burma, and while in the last resort the Secretary of State, owing his responsibility to Parliament, must exercise his powers under the Government of India Act and the Government of Burma Act, that does not mean that those responsible in India for the Government of this country and for the execution of this agreement, and those in Burma similarly placed can evade *their* responsibility. They too have important duties. It is, therefore, as we see it, their bounden duty to narrow the points of differences between the Government of India and the Government of Burma to the smallest possible minimum; it is their bounden duty also to try to reach an agreement which will be satisfactory to both parties,—and of course that means satisfactory to the peoples of both these two countries

An Honourable Member: You admit that?

Mr. T. Chapman-Mortimer: They are responsible to Parliament for the people of this country. They have also to take into account the views of the people of this country.

Sardar Sant Singh (West Punjab: Sikh): Do they?

Mr. T. Chapman-Mortimer: Certainly.

Now, Sir, if it is their clear duty to reduce the points of difference to the smallest possible minimum; then to that extent, they make the dual position of the Secretary of State for India in his capacity as Secretary of

State for Burma a very much easier task than would otherwise be the case.

Having said that, I should like to say a few words about the Agreement itself and its terms. There are features in this Agreement that we, in common with Members in all parts of the House, consider thoroughly objectionable. In particular, we have misgivings about the restrictions sought to be imposed on non-unskilled labour, and also in regard to the nature of the restrictions sought to be imposed. Sir Henry Gidney has just given us in the last few sentences of his speech one other feature that is certainly objectionable in the eyes of many people,—I refer to the marriage clause, to which naturally many people take strong exception. In our view restriction of movement between subjects in this great Empire of ours as between one unit and another should be reduced to the absolute minimum, compatible with the integrity of the units in the Empire. But, Sir, there are certain provisions in the Government of Burma Act which allow the Government of Burma to impose certain restrictions on immigration. India in the same position would similarly desire to regulate unskilled labour. Now, there is a very important distinction between unskilled labour and skilled labour, and the reason briefly is this. In the case of unskilled labour, it is absolutely obvious to all of us that these thousands of coolies who are recruited annually to cross the seas and leave their own home country must be protected, and, therefore, regulations regarding their emigration have to be imposed. Under the agreement these regulations would be brought in by the Government of Burma in consultation with the Government of India who are responsible for the welfare of these thousands, lakhs if I may say so, of coolies, who are immigrants into Burma from India. The difficulty of the negotiations in regard to non-unskilled labour and the imposition that is sought to be imposed—the difficulty that is facing the Government of India is this,—that whereas they can do something to safeguard the interests of India in dealing with the Government of Burma over the question of recruitment of coolie labour for Burma, they are not in that same position in other respects, that is to say, in regard to non-unskilled labour. It is for that reason that when Sir Girja Shankar Bajpai went to Burma to discuss this Agreement he was at a disadvantage in bargaining with the Burma Government.

Now, Sir, I was very glad to hear what Sir Henry Gidney said about the work of Sir Girja Shankar Bajpai. He did, in my opinion, a great piece of work for this country, notwithstanding that many of the things to which he was forced to agree were objectionable to many in this House and also to people elsewhere. He had to face this situation.—“What can I persuade the Burmese Government to accept?” And it is no use in an agreement of this kind thinking that because one party wants a certain feature, the other party must agree and accept that feature. That is not “an agreement” at all. That would be a case of India dictating to Burma, and that is a position which the Burmese people and the Burmese Government are not prepared to accept. It is, therefore, useless, to my mind, to attack Sir Girja Shankar Bajpai or his successor the Honourable Mr. Aney or the Government of India on an issue of this kind. They have to do the best they can in the circumstances that face them, and, in our view, we consider that it would be very much better to have some agreement than no agreement at all,—in fact it is not only

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better, but in my own view, it is absolutely urgent in the interests of India that there should be an agreement regulating immigration into Burma. For these reasons, Sir, though we are critical of many aspects and features, we are opposed by a majority in this Group to the Resolution now before the House and also to the amendment standing in the name of my Honourable friend, Sir Henry Gidney. Sir, I oppose.

Dr. Rajah Sir S. R. M. Annamalai Chettiar (Nominated Non-Official): Sir, what we have to remember is that this Agreement has pleased no one in the country,—there may be exceptions. The Agreement denies to Indians the treatment which Burma willingly gives the nationals of other countries. Indian interests have not received the consideration that they deserved. Indians have invested enormously in Burma. Valuable rights have been acquired by Indians as a result of their substantial contribution towards the trade, agriculture and industry of Burma. Sir, it is only bare justice that these should be respected. Sir Girja Shankar Bajpai, if only he had known how this Agreement lays the axe at the foundations of Indian business in Burma, would not have so light-heartedly concluded this Agreement. The initial mistake was in the failure to associate with the Delegation non-official Indians having knowledge of Burma and her problems. Sir Girja Shankar said that he was going to Burma for exploratory talks, but he returned with a concluded Agreement. Where was the necessity for this secrecy? The Indian public, or at least the affected interests had a right to be heard on a matter which vitally concerned them.

Sir, I have tried to look at the Agreement from more than one point of view, but I am unable to say one word in its defence. It is a complete misfit and an ill-conditioned baby which Sir Girja Shankar Bajpai has left on my Honourable friend, Mr. Aney's doorsteps.

This Agreement is opposed to the assurances given to the Burma Indian Delegation which went to England in 1935 at the time of the passing of the Government of Burma Act. I had the privilege of serving on the Delegation. The Delegation interviewed the Secretary of State for India and the Under Secretary. We brought up the question of Indian immigration into Burma. Both the Secretary of State and the Under Secretary of State told us that some check on the entry of unskilled labour was necessary but that no check would ever be placed on the entry of other Indians. This assurance was repeated by the Attorney General, Sir Thomas Inskip, in the House of Commons. It was repeated again in 1936 by Mr. Butler, the Under Secretary. We thought that there was no cause for alarm. All these assurances, so publicly made and so authoritatively given, have simply been ignored and treated as though they were never made. If these assurances had been kept in mind, this Agreement would not have been concluded.

Again, Sir, the services rendered by Indians to Burma have not been taken into consideration either. Indians have brought prosperity to Burma, but under the Agreement, they are regarded as trespassers who walked in without permission and who, therefore, should be prosecuted.

Sir, for a long time past the relationship of Indians in Burma with the Burmese has been marked by great cordiality and friendliness. An

occasional riot here and a disturbance there cannot alter the fact that, generally speaking, the relations between the two countries have been characterised by the greatest cordiality. One can assert that this age-long cordiality is still existing and I am sure that the vast majority of the Burma population, while naturally welcoming measures intended to better their economic condition, will not willingly agree to impose such humiliating restrictions as are mentioned in the Agreement. Therefore, Sir, it is up to all of us to see that the cordial relations which prevail between Burma and India should be maintained and strengthened. But to go and place vexatious and improper restrictions upon Indians entering Burma is not the way to do it.

Sir, this Agreement should be considerably modified if it is to prove acceptable to the Indian public. Some of the discriminatory clauses like that outrageous clause,—clause 14—which imposes unheard-of penalties, must go. The permit system and the fee imposition must go. The nine year limit to a man's stay in Burma is most unfair and illogical. It comes to this. A man goes and takes up a job or profession or business in Burma, say, when he is 25 or 30 years of age. At the end of nine years he has to pack up his trunks and take the boat to India just when he has acquired experience and his business begins to prosper. He cannot go to Burma again. That is the agreement presented to the country! After having spent the best part of his life in Burma, he is to look to other countries for earning his livelihood. The business he established will disappear and the property he acquired must take care of itself. That is the position. This and such other restrictions must go.

Sir, it is said that if you do not accept this Agreement, legislation on the lines of the Agreement will be passed in Burma. I do not think it at all likely that legislation on these lines will be introduced in the Burmese Legislature and allowed to pass. The Governor of Burma will not, he ought not to, give his sanction for such legislation to be introduced. The Secretary of State cannot shut his eyes to the assurances given in 1935 and these assurances come to this. They mean that, Act or no Act, it was never Government's intention to restrict the free entry of Indians other than unskilled labour, that that intention was publicly declared and that in the purely executive matter of giving sanction and consent those assurances will be fully respected. That, Sir to my mind will be the only course open to the Government. In this view, I am clear in my mind that legislation on the lines of the agreement is out of the question but suppose, after all, the impossible happens and such legislation is introduced and passed, it will not be worse than this agreement. But I have faith in the Burmese. They will not, if they consider the matter carefully, impose unfair restrictions upon Indians. They will certainly not hurt and humiliate Indians. If they let us down, if the Governor of Burma lets us down, if our own Government of India let us down, if the Secretary of State and the British Parliament should let us down, then we will have time to revise our views. I do not, in the least, believe that the contingency will arise.

Sir, I shall not go into the details of the Agreement. They have been discussed in full. The Agreement is unacceptable and humiliating. It should be recast. The one thing and the most important thing is that the Government of India should be firm and protect the just rights of Indians.

[Dr. Rajah Sir S. R. M. Annamalai Chettiar.]

I would implore them and the Secretary of State to take note of the feelings in the country and to tackle the question with courage and wisdom which we have a right to expect at their hands.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): I beg permission to move an amendment to Sir Henry Gidney's amendment and I submit . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot move an amendment now.

Mr. Jamnadas M. Mehta: I am not moving an amendment. I beg permission to move an amendment to an amendment, with your permission.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot do that. He might have sent in his own amendment in time.

Mr. Jamnadas M. Mehta: Thank you, Sir. Then, I shall exercise my right of speaking on the proposition and the amendment.

This Agreement has been subjected to threadbare criticism both inside and outside the House and it is unnecessary, therefore, to go at any great length into its provisions. More rather has to be said about the manner in which it was brought about, the implications of some of the more important terms of the agreement and the singularly ill-chosen occasion on which an agreement like this is thrust on this country. I shall take the last first. I say, Sir, this is a singularly ill-chosen occasion. On the one side we are hearing of a new world construction after the war. We are hearing of Atlantic Charters, in which the raw materials of the world will be open to all countries on equal terms. We are hearing of a re-orientation of the Commonwealth which will be a bulwark of democracy. This is a time when the Empire or the Commonwealth is fighting for its life. This is to my mind, therefore, a most deplorable and ill-chosen occasion for one of the wings of that Commonwealth to have asked for and another to have submitted to an Agreement of this character. Not only this Agreement breaks the promises which have been made to the Indians, it adds insult to injury; there is nothing new in the promises and pledges that have been given to this country ever since the British came here but the promises are more distinguished for their breach than for their observance. If all the promises were collected together they will fill the walls of this Council House; but you will find that not one will be discovered to have been observed and I am reminded of the statement of a Britisher who said: 'Having conquered India by breaking the Ten Commandments, it is impossible to hold it by the principles of the Sermon on the Mount'. Therefore, having taken India by breaking all the Ten Commandments, the British exploiter is living up to his reputation in not caring for the Sermon on the Mount in regard to the actual conditions under which India remains a part of the British Commonwealth. Therefore, it is no use quoting Mr. Macdonald. It is no use quoting Sir Thomas.

Inskip or Mr. Butler or Mr. Anybody. I am asked to read the proceedings of the Round Table Conference. I am asked to read the proceedings of the House of Commons. Have I not read enough of the proceedings in the past? The words of the Sovereign have been thrown in the waste paper basket. The British Imperialist and the British industrialist does not care one brass button for the destiny of the Empire or the Commonwealth. He wishes to make hay while the sun shines and to leave this Commonwealth to its fortune when the sun does not shine.

In Burma, there is Mr. U Saw. Whether I Saw or not does not matter. It is U Saw who matters. In Kenya, it is the Highlander. In Zanzibar, it is the clove merchant. In Ceylon, it is the Burgher. This country of 400 millions which can conquer the whole world, if necessary, with a national Government, is to be insulted. I do not want personally to insult anybody but I do consider them to be jackals before the Indian lion who are insulting and oppressing my country. It is the spinelessness of the Indian Government; it is their backlessness, their bonelessness, their spiritlessness, their worthlessness which could subject them to an agreement of this kind. What is this agreement? It is an agreement of exploitation; it is an agreement of expropriation (bless the word); it is an agreement of expropriation to the extent of destruction of the established interests of this country in Burma. It is an expropriation under the very auspices of the Government of this country. Where am I to go to complain when this Government itself becomes a party to the expropriation of the nationals settled in Burma? When the watch-dog himself devours the sheep entrusted to his care, the flock has to thank itself. But this watch-dog, this Government of India, has allowed the fox to devour the sheep, merely looking on being a party to it. That is in a nutshell this agreement.

What is the fate of the eleven lakhs of Indians under this agreement? I refer to the Government of Burma Act. Sir, under that Act, the people of this country are entitled under section 44 to live in Burma, to reside in Burma, to travel in Burma without any disability, without any liability and without any condition. They are at liberty to reside, to travel, to hold property, to dispose of property, to buy property and to carry on business, trade, occupation and any profession that they may wish. That is section 44 of the Government of Burma Act. Let anybody read section 44 of the Government of Burma Act and he will find that the Indians are entitled to settle, to travel and to do their business in Burma on the same terms as any person domiciled in the United Kingdom. There is a proviso to this section which is otherwise co-terminous with the rights of the Britisher. That proviso says that some restriction may be placed on the residents of British India and of Indian States. Now, what the framers of this Agreement have done is to ignore the provisions of section 44 and to rely on its proviso as the main condition in the legislation. That is precisely where they are wrong. I won't say more. They have not been wrong by mistake but they have been wrong by choice, and what was merely a proviso has become the main provision of this Agreement.

Mr. President (The Honourable Sir Abdur Rahim): Is the Honourable Member likely to finish his speech now, or will he like to finish it after Lunch?

Mr. Jamnadas M. Mehta: I will take some time more, Sir, and it may be convenient to adjourn the House now.

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. Jamnadas M. Mehta: Sir, now I will refer to the manner in which this Agreement was brought about. The House will remember that in February last the Indo-Burma Agreement was hustled on the plea that if once the trade agreement was entered into it will facilitate the settlement of the immigration of Indians into Burma. Many of us were doubtful, but when two Honourable Members of the Executive Council, both Indians, agreed, perhaps the country was not quite in a mood to oppose that point of view. What do we find now. The trade agreement having been accomplished, Indians are left high and dry in the matter of their rights in Burma. Those rights can be divided into the rights of those Indians who are there and the rights of Indians who might come afresh. Both these are placed at a serious disadvantage in this agreement. Those who are to enter Burma for the first time have restrictions imposed upon them which are of a very drastic character. First of all they have to take visas from the Government of Burma, although they might have an Indian passport. In the case of students, they can live only for five years and no more. As visitors they can live for three months and for a maximum period of one year and no more. As regards those who wish to enter Burma for a longer stay, they will have to take permits A or B. Permits A and B are also hedged round with conditions which are very restrictive and definitely humiliating. The number of those who will get permit A and permit B will be decided by the Government of Burma, and the conditions laid down are so humiliating that it may not be possible for a large number of Indians to apply for permit A or permit B under such conditions. Then, as regards fees charged permit A will require you to pay Rs. 500; that simply shows the mercenary motive behind. As regards permit B it is even worse than permit A, although we are told that both the holders of permit A and permit B can, under certain conditions, apply for a permanent domicile later on. But as the number of these people will be necessarily limited, and as the conditions on which they are to enter are very onerous, it will be impossible for any large number of Indians to enter Burma afresh.

Then, Sir, as for Indians who are in Burma today, they are divided into three categories. Those who have made Burma their own either by birth or by adoption and who have been born and brought up there and who have decided to make Burma their home for the future, they will be entitled to obtain Burma domicile in certain conditions. Then those who may have favoured immigrant privilege, they will have to show certain amount of period of stay prior to July, 1941, and then only they will be allowed to stay indefinitely and to apply for Burma domicile. Those who are today in Burma may stay there indefinitely, but they have no right as such to obtain any domicile. One governing condition about all these whether they are already born and brought up in Burma, or whether they are living

there for a period of seven years or nine years preceding a certain date or they may stay indefinitely, one governing condition is that every one of them before he can settle in Burma free from any trammels about entry and re-entry will have to lose his Indian domicile. This is a most impossible condition. That no Indian can now enter and re-enter Burma as a matter of right without losing his Indian citizenship is an impossible condition.

But that is in a nutshell the Indo-Burma Agreement. Indians as such have no right. They may become Burmese and then they may under certain conditions remain. If they do not want to take Burmese domicile then they will be at the mercy of the Burmese Government. In spite of every assurance of public faith, the plighted word of the British Parliament, the plighted word of the British statesmen, the plighted word of the Sovereign notwithstanding, the Indian will be an enemy alien in Burma under this Agreement.

Sir, I do not know whether there is in England a Burke or Sheridan now. Those days of Burke and Sheridan when the Britisher was left with a conscience seem to have gone. If there was a Burke or a Sheridan, he would have impeached the Government and would have vindicated the right of British citizenship for Indians solemnly assured by the sovereign. Here is so far as the City of Bombay is concerned, a solemn promise given in the year 1669 when Bombay City was taken over from the Portuguese when the sovereign of that day said:

"All and every the persons being our subjects which do or shall inhabit within the said port and island, and every of their children and posterity which shall happen to be born within the precincts and limit thereof, shall have and enjoy all liberties, franchises, immunities, capacities and abilities of free denizens and natural subjects within any of our Dominions to all intents and purposes as if they had been abiding and born within this our Kingdom of England."

Sir, this is the sovereign's promise given in 1669, that any citizen born in Bombay wherever he goes in the Empire shall be entitled to all privileges as if he was born in the United Kingdom. These are the words of the sovereign of England, and here are the inheritors of that tradition, the Government of England and the Government of India, the Britishers in Burma and the Britishers who are our fellow-citizens in this country. What have they got to say to us? If there was a Burke he would have impeached the Government of India for signing this Agreement. But we are thrown on evil times when the word and the deed do not walk in the same footsteps.

When the Government of India as I said negotiated a trade agreement, we were promised that the immigration problem would be settled more easily if the trade agreement was first entered into. That was actually entered into. Then we were told that the Government of India were sending an official delegation on an exploratory mission and prior to that there was what is called the Baxter Commission. The report of that Baxter Commission is entirely against every section, every article and every clause of this agreement. The Baxter Commission findings of fact are categorical that the Indians in Burma are not making any economic penetration, that their number is not in excess of requirements, that they are not becoming a substitute for Burmese labour and that immigration of Indians into Burma is corresponding to the prosperity and economic development of Burma. These are the findings of Mr. Baxter. These findings are all against the Agreement and still this Agreement has been entered into, although when

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the Government of India sent their delegation, the delegation was supposed to be exploratory. Then when the Indians living in Burma expected to be consulted, an *ad hoc* committee was created; the Baxter report was fully not shown to them, the terms of the Agreement were not all shown to them and they were coerced.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is passed.

Mr. Jamnadas M. Mehta: Sir, with your permission, I desire to speak for a few minutes more.

Mr. Deputy President (Mr. Akhil Chandra Datta): Very well, the Honourable Member can have three minutes more.

Mr. Jamnadas M. Mehta: The Baxter Report found everything in favour of India. It established the justice of the rights of Indians; as a matter of fact these rights are guaranteed by law. Still the Government of India's Delegation without consulting the Indians there entered into an Agreement and coerced them to accept it by saying that in the international situation today the Government would like to honour the susceptibilities of Burmans more, a curious ground. The international condition is of course of a most desperate and serious character. I am out to destroy Hitler if I can. I am an anti-Fascist and I am pledged to the defence of this country and to support the war effort of this Government towards the destruction of Hitler and Hitlerism. But who are my comrades in arms? When I am looking round who are up with me in this fight against Fascism? I put it to the Britishers in this House that they cannot become fifth columnists that the Britishers in Burma cannot become fifth columnists in this titanic struggle for the life and safety of the Commonwealth and the State. I say in all humility that if they are really in earnest that Hitler shall be defeated they should abandon Hitlerian methods themselves. The Burma Agreement is a method which is worthy only of Hitler and not of the British Commonwealth. It is an agreement to expropriate Indians from Burma with the connivance, instigation and open toleration by the Britisher in Burma. Wherever I look I find that the hidden hand is that of the British exploiter. I am sorry to say that both in Burma and in Ceylon and to a larger extent in Kenya and Zanzibar, not to say of other places, behind this humiliation of Indians is the hidden hand of the Britisher,—not the British taxpayer, not the British masses but the British exploiter, the British imperialist and the British industrialist. I ask them in all humility to halt. Indians have for a hundred years developed Burma; they have established rights there; they have been more near to the Burmans than you can be. But still they make rules against Indians for such a simple thing as marriage, and irregular cohabitation with a Burmese woman "to the satisfaction of the Burmese Government". God knows what it means. To this I object as an Indian. It is an attack on my self-respect and it will give rise to blackmailing of the worst character against the Indian. To say that any irregular conduct on the part of a single Indian, will expose me and four hundred millions of my people to the stigma of a morally depraved person, is an insult beyond toleration.

I ask, Government, therefore, on all these grounds, fundamental rights, legal rights, constitutional rights, human rights, and above all, the safety of the Commonwealth, to scrap this Agreement, to fight for the unrestricted free entry, re-entry, double entry of the people of India into Burma, entry at all times without restriction. And I hope Government will give an undertaking that any fresh agreement shall not be ratified until it is submitted for the consideration of this country and, particularly, of this House, and that until it is approved by this House the new agreement shall not be accepted on behalf of the Government of India. If that is done, then only will the Indian people be satisfied. Without that we will regard the agreement as an insult to this country, as an expropriation of Indians in Burma, and the country will not touch it with a pair of tongs. Sir, I oppose the Agreement and support the Resolution and the amendment.

Mr. G. S. Bozman (Government of India: Nominated Official): Sir, if I intervene at this particular stage in the debate it is because I think Honourable Members would like to have some information, mainly relating to facts alone, concerning the circumstances under which this Agreement was concluded. As Members are aware, I accompanied the delegation from India to Burma in an advisory capacity. I was present at all the conversations which took place between the two delegations and I have been intimately concerned with all correspondence and the criticisms which have taken place since; and in the speeches which have been made today in the House there has been evidence, I think, of misapprehension with regard to particular points. I shall do my best to clear up those misapprehensions.

First, I think I should refer to the origin of the negotiations. As Members are aware, immigration into Burma from India is at present governed by an Order in Council. An Order in Council was made at the same time that the Government of Burma Act was passed, and it was to remain in force for a period of three years or until 12 months from the giving of notice by the Governor of Burma to the Governor General of India, whichever period was longer. The Government of Burma gave notice of termination of the Order in Council on the 1st April of this year. Therefore, the Order in Council would cease to operate as from the 1st April next year. At the same time they suggested to us that instead of their proceeding to legislation in Burma we might, as contemplated in the Government of Burma Act, come to an agreement; and they said to us that in their view the recommendations made by Mr. Baxter offered a basis for negotiation. But they made it clear at the same time that by making this statement to us they did not consider themselves committed to any particular item in those recommendations. This was the position when we first consulted the Standing Emigration Committee. The recommendations of Mr. Baxter were placed before them and they advised us to accept the offer of the Government of Burma to send a delegation to Rangoon and enter into negotiations to secure an agreement.

From that point I go on to the next misapprehension which has been frequently expressed in the House, namely, that the delegation went for the purpose of exploring whether an agreement was possible. Reference has been made to a newspaper report from Calcutta of an interview Sir Girja Shankar Bajpai gave there. I can only assure the House that whatever the newspaper reporter may have said, Sir Girja Shankar was at no

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time under any illusions as to his authority or the limits of his authority, and I should refer Honourable Members to the communique, which I think the House will agree is of more authority than a newspaper report from Calcutta, which says:

"As a result of preliminary discussions, both Governments are of the opinion that a stage has been reached where personal negotiations offer a reasonable prospect of success."

Whether that can be interpreted to mean that the delegation was due to go to Rangoon for the purpose of exploring the ground only, I leave it to the House to decide.

Sir Abdul Halim Ghuznavi: Will you please read the reference again?

Mr. G. S. Bozman: What was said in the press communique, dated 10th June, two days before the report in the press, is:

"The Government of India and the Government of Burma are anxious if possible to reach an agreed solution of the various problems relating to Indian immigration into Burma."

As a result of preliminary discussions, both Governments are of the opinion that a stage has been reached where personal negotiations offer a reasonable prospect of success."

I can only suggest that that should carry more authority so far as the Government of India are concerned than what was reported in the newspaper. Then the next stage is reached when we are told that the basis on which we negotiated, *viz.*, Mr. Baxter's recommendations, were to the effect virtually that no control of immigration into Burma was necessary, that Indian immigration adjusted itself to the needs of the time, that Burmans had no ground of complaint against either the Indian population in Burma or the coming of more Indians into Burma and that in any case Mr. Baxter was dealing only with unskilled labour. Well, I can only suggest to the House that a full perusal of Mr. Baxter's report will upset that conclusion entirely. Mr. Baxter's conclusions do not relate, except so far as the port of Rangoon is concerned, to unskilled labour only.

Lieut.-Colonel Sir Henry Gidney: Where is Baxter's Report?

Mr. G. S. Bozman: Baxter's Report is on the table in front of me.

Mr. Eusenbhai Abdullabhai Laljee (Bombay Central Division: Muhamadan Rural): We haven't got it.

Sir Abdul Halim Ghuznavi: When was it circulated to the House?

Mr. G. S. Bozman: I should like, if I may, to read one quotation from Baxter's Report, as we have already read one or two quotations:

"The evidence which has been presented to me in the course of this enquiry reveals the existence of comparatively large number of elements in the 'mental climate' of Burma which have favoured the growth of opposition to the immigrant Indian."

"Even more important, however, for the encouragement of anti-Indian feeling has been the anomalous position of the population of Rangoon, the capital city of Burma, and its adjacent districts. The growth of national feeling in any country tends to

reach its highest peak and its most articulate expression in the life of the capital city, which is at the same time the headquarters of the administration as well as the centre of the largest and most influential commercial firms. Rangoon is itself largely an Indian town, as much as 53 per cent of its population being of Indian origin at the time of the 1931 Census".

"At the present time the only overt demand for the control and restriction of Indian immigration has been aimed at the limitation of the employment of Indian unskilled labour, though it would not, on that account, be correct to suppose that there is no sentiment in favour of the restriction of other categories of Indian immigrants such as those engaged in semi-skilled and clerical occupations. I have been impressed from time to time by the fact that there is amongst Burmans, particularly those of the younger generation, a deeprooted sense of frustration. . . ."

Now, Sir, whatever the terms of reference to Mr. Baxter may have been and whatever may have been the intention in the statements made in Parliament, the delegation when it reached Rangoon, was faced not by Parliament but by the Government of Burma, and the Government of Burma fortified by certain recommendations made by Mr. Baxter. My point with regard to that is this: that though the House may consider it their duty to place before the Secretary of State the considerations which have already been argued with regard to the assurances or so-called assurances given in Parliament, the delegation in Rangoon—and I may say that the delegation in Rangoon had previously read the speeches in Parliament—the delegation in Rangoon was faced with an autonomous Government of Burma making certain requests. Members will probably suggest that, taking that position as I have stated it, it was still open to the Government of India delegation to say 'no' to Burma and refuse to come to an agreement. That was certainly the position. But on that point I should like to clear up another misapprehension which has been stressed more than once in previous speeches. It has been said that we took no account of Indian opinion, either in India or in Burma. I have already explained to the House that before going to Rangoon we consulted the Standing Emigration Committee with regard to the basis of our negotiations. It has been stated that we consulted an *ad hoc* Committee of Indians in Rangoon. The *ad hoc* Committee—I think there were eleven members of it—was specifically constituted by Indians in Burma in order to assist the Government of India delegation in its negotiations with the Government of Burma and I should like to say here that suggestions that the *ad hoc* Committee were not admitted to the secrets of how the negotiations were proceeding are incorrect. There were two or three points—one of them possibly a point of major importance upon which their opinion was not taken. The point which I am referring to was a point which arose at the very last stage in the negotiations, but all other major points included in the Agreement were, to my knowledge, placed before the *ad hoc* Committee and, so far as the time permitted, discussed with them. And when I say "so far as the time permitted" I think I should add that I have no doubt that the Indian delegation spent more time with the Indian *ad hoc* Committee than they did with the Government of Burma delegation.

Then, with regard to Indian opinion in India: Members know that on our return a meeting of the Standing Emigration Committee was called and they were consulted on the terms of the Agreement. I am only trying at this moment to clear up a point of fact and I am not asking Members to draw any conclusions or implications from what I have to say.

Lieut.-Colonel Sir Henry Gidney: The Agreement had been signed then.

Mr. G. S. Bozman: The Agreement had not been signed in Rangoon. That was another point to which I was about to come. At the termination of the negotiations in Rangoon, it was obvious that if the two Governments were to agree upon the conclusions which had been reached, something had to be put down on paper. Thereupon, a draft was drawn up by two members—one adviser from our delegation and one member from the Government of Burma delegation—and that draft was initialled in Rangoon as representing a fair picture of the conclusions that had been reached. It was made clear at the time that the Government of India could not sign the Agreement in Rangoon and Sir Girja Shanker Bajpai specifically stated that he must consult the Standing Emigration Committee when he got back to India and also he must consult certain other avenues of opinion, with regard in particular to the Marriage Clause. I should like to state here also that with regard to the Marriage Clause,—objections to which have been very freely voiced, objections with which no doubt all of us have a great deal of sympathy—that the Marriage Clause was specifically discussed with the Indian Committee in Rangoon. We were also asked whether it was a fact that the Government of India delegate had been instructed before he went to Rangoon to arrive at some compromise. I should like to make it quite clear that no such instructions were issued to the Government of India delegate. The Government of India delegate was at liberty to use his own discretion as to the stage to which he should take the negotiations and as I have already explained he used that discretion in this sense; he said “I can sign no agreement without consulting first the Standing Emigration Committee of the legislature and secondly my own Government.”

Lieut.-Colonel Sir Henry Gidney: Does the Honourable Member mean 3 P.M. to imply that the delegation did not have any communication from the Governor General to compromise at all costs or on the best terms possible?

Mr. G. S. Bozman: He had no such instructions.

Then I want to make one point more and one point only; and this is not a question of fact. An appeal has been made on the basis that cordial relations have always existed between Indians and Burmans in Burma and that anything that the Government of Burma may do to impose restrictions upon Indians either in Burma or going into Burma in future, must embitter those relations. That appeal is, if I may say so, well conceived. But I think it is an appeal which should also be made to India. Let us agree with the Honourable Member that Burmans and Indians in India wish to be friends and have wished to be friends for many years. Let us agree that the Burma Government by imposing, let us say, harsh restrictions is going to endanger the friendliness which has existed. Let us also agree that hard words in India against Burmans or against the Government of Burma will equally endanger that friendliness and, may I add, will equally make it more difficult in any negotiations that may be taken up hereafter to secure modifications to meet India's just and necessary requirements.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, my Honourable friend, the Secretary to the Overseas Department, has sought to remove certain misapprehensions which have prevailed in this House, and he has mentioned certain points with regard to these misapprehensions that have existed. I will take some of the statements made by him.

In the first place, he says that the Baxter recommendations are different from what they have been stated to be in this House. May I ask why the whole of the Baxter Report was not published? Why was it kept a close secret? Is there any reply? No. If the Baxter Report is kept a close secret, people are entitled to know portions and use those portions to the exclusion of other portions.

Another point is that the Indian Delegation did not go on an exploratory mission. But this was published in the newspapers. How did the newspapers come across this news if the news was not given to them by some persons in authority? It is not said that they manufactured this news. Did not the Delegation use the expression that they were going there to exchange views? If the mere exchange of views was their object,—their sole object,—as it was described, then did not the Delegation put the Indians in Burma and the Indians in India on the wrong track as to their real object?

Next, my friend says that the Delegation was faced with an autonomous government,—the autonomous government of Burma; and in the face of that autonomous government they were compelled to yield! They had not the courage to fight this autonomous government. That does not speak well of this Delegation. If this Delegation consisted of persons who had no courage in them, why did they not take with them some non-officials,—some elected Members of this House and some members representing the commercial community? My friend is unable to deny that the thing was hatched in secret. It has been said again and again that the whole of the negotiations were conducted with the greatest secrecy. Why was there so much secrecy? The Delegation ought to have known the feeling of the country on this vital question.

Further, my Honourable friend says that it was not their object to embitter the relations between these two countries. Who wants that the relations should be embittered? But is it the only way to avoid embittering relations to yield all along the line? Certainly not. The Delegation have bungled all along the line and now they have come before us and say that they have done the right thing. We cannot take them at their word

The Honourable Mr. M. S. Aney: I am afraid the Secretary did not say that. He only explained the circumstances under which it was done. He neither said it was the right thing nor it was the wrong thing.

Dr. P. N. Banerjea: I am glad to be corrected by the Honourable the Leader of the House. Mr. Bozman merely mentioned certain facts, but the conclusion which may be drawn from them is that in their view what they did was the right thing. Is that not correct? Am I not entitled to draw that conclusion?

Mr. G. S. Bozman: The Honourable Member is entitled to draw any conclusions, Sir.

Dr. P. N. Banerjee: It is not denied that the negotiations were conducted in a great hurry. For what period of time did the Delegation stay in Burma? Why was this thing done in such an indecent hurry? Is any explanation forthcoming? After Sir Girja Bajpai had made up his mind to leave India, why did he not leave the matter in the hands of his successor? Who compelled him to bring about this so-called agreement within such a short period? I do not blame Sir Girja Bajpai personally. We hold the view that he was acting under instructions, although my Honourable friend, Mr. Bozman, says that he had no instructions from the Government of India. Now, it is known to everybody that a thing which is done in a hurry is never done well. He should not have conducted the negotiations with such undue haste.

Sir, the Delegation ought to have known that great economic and political interests were at stake; they ought to have known that over 200 crores of capital had been invested in Burma; they ought to have known that Indian labour had contributed very largely to the prosperity of that country, and their stake was very great indeed. But more than that, the delegation ought to have known that their decision involved the honour and self-respect of India.

Now, Sir, what are the terms of this so-called Agreement? My friends who preceded me have dilated on these points so exhaustively that I do not think I need go into the matter in any great detail. But I will say this without fear of contradiction that the terms are humiliating to India, and they are such as involve a great deal of hardship, economic as well as political, on the people of this country. I will go further and say that the recommendations of the Delegation run counter to the pledges and the assurances that were given at the Round Table Conference and in the Parliament by eminent British statesmen.

Sir, things being what they are, can we say that this so-called Agreement is an agreement at all? Nothing of the kind. To every agreement there are two parties. And who are the parties to this Agreement? Is India a party? Were the people of India consulted beforehand? No. And after the conclusion of the so-called Agreement, were the people of India taken into confidence? No. Therefore, it is no agreement at all. It is a mere scrap of paper.

Sir, my friend has referred to the relations between India and Burma. The relations between India and Burma were cordial for a long time past; and not only that, Burma received her religion and culture from India. When Burma was annexed to India, the Indian National Congress opposed this step. The Indian National Congress said that it was wrong on the part of the Government of India to annex Burma,—and how was it annexed? It was annexed with the help of Indian soldiers, and Indian money was spent in annexing Burma. The British Government did not bear the cost of the Burmese wars. All these Burmese wars, as we all know, added considerably to the public debt of the country. But after the annexation of Burma relations continued to be cordial between the two countries for a long time. Then came the question of separation. When this question came, the majority of the Burman people did not want separation. Of course, India had no say in the matter. The Indians said, and quite rightly too, that it was a matter for Burma to decide. Indians did not want to thrust their opinion on the Burmese on this question, and

the Burmans decided not to separate from India. But in the teeth of the decision of the Burmans, as recorded at the polls, Burma was separated from India,—in whose interests? Undoubtedly, in the interests of the British capitalist, the British industrialist and the British Imperialist. That is the situation.

Now, we do not want to have any bitter feelings between the two countries. We want cordiality to prevail between India and Burma. It is our earnest desire that the mutual relations between the two countries should be as friendly as possible. But how can such cordial relations be secured? This can be secured only on the basis of justice to both the parties. Unless justice is accepted as the watchword to guide the relations of the two countries, there can be no friendly relations. The Government of India are aware that a chorus of condemnation and protest has been voiced against this so-called Agreement throughout the length and breadth of India. From Bengal, from Bombay and from Madras has gone forth the word of condemnation and repudiation. Every Chamber of Commerce, every political association, even some of the Legislatures, have protested against this so-called Agreement.

The duty of the Government of India is, therefore, clear. The Government of India can have no hesitation in this matter. The Government of India know that India is no party to this agreement, and India can never be a party to this agreement. This agreement, as it stands, is unacceptable to the people of India. Therefore, it is the duty of the Government of India to approach the Secretary of State and tell him that unless the so-called Agreement is substantially modified in favour of India, unless the self-respect and honour of India are adequately safeguarded, and unless the economic interests of India are protected, this so-called Agreement cannot be acceptable to this House or to the people outside this House. Now, I shall say

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Dr. P. N. Banerjee: I shall say only a word about the amendment, Sir. I understand that the amendment moved by Sir Henry Gidney is an agreed amendment. This amendment was agreed to at a meeting which was attended by the Leaders of the different Parties. The European Group was represented there by two of its members, and these two members of the European Group accepted this amendment. Now, is it right on the part of my Honourable friend, Mr. Chapman Mortimer to come forward and say that the European Group by a majority

Mr. T. Chapman-Mortimer: On a point of explanation, Sir. All that was agreed to was that they would recommend it for our consideration. The Group on consideration turned it down.

Lieut.-Colonel Sir Henry Gidney: On a point of explanation, Sir. That is not correct. I was present at that meeting, and you, Sir, were also present there, and you know that the Agreement was provisional only with you and Sir Abdul Halim Ghuznavi. The others accepted it, in fact they drafted the Agreement.

Dr. P. N. Banerjee: Is it right, then, on the part of my friend to throw overboard his Leader? This is a most extraordinary procedure. I have never heard of such unparliamentary procedure before in this House. Sir.

[Dr. P. N. Banerjee.]

this amendment perhaps does not go far enough; still as it is an agreed amendment, we should all stand by it. It is the duty of the House to take the word of the Leader of the European Group, and not the word of another Member, as the word of the Party.

Sir, with these words, I commend this amendment to the House, and I hope that the Government will make it clear to the Secretary of State that this so-called Agreement is not acceptable to the House and that, unless it is substantially modified, there will be grave discontent in this country.

Sir F. E. James (Madras European): I regret that there should be any note of dissension in this House with regard to the discussion which is now before us. I did entertain the hope that we should be able to agree to a certain motion unanimously without any reservation and that the discussion on the floor of the House would relate to the Agreement itself and be completely free from any references of an offensive nature either to the Secretary of State or to the Government of India, or to the Government and people of Burma. I have been disappointed in both regards and I particularly regret the speech delivered by my Honourable friend, Mr. Jamnadas Mehta, who, as a responsible leader in public life, ought to know better than to fling venomous and insulting accusations not only at the people of his own country in this House but also at the Government and people of Burma. That is not, if I may say so, a helpful attitude, and perhaps one of these days when my Honourable friend is in a position of authority and has to negotiate with other countries, he will find that it is not the best means of approaching his task.

Reference has been made to the amendment of my Honourable friend, Sir Henry Gidney. That amendment was drafted and considered at a meeting of Party Leaders on Sunday. I have no official position in my Group or at that meeting, but I was invited by the courtesy of the Leader of the House, because, the proposal that we should endeavour to arrive at a unanimous resolution originated with myself. All that was agreed to at that meeting was that the Leaders who were there would recommend to their respective Parties the acceptance of this amendment. They had no mandate from their Parties; they could not have any mandate from their Parties under the circumstances. Therefore, my Leader could only say that he would place this amendment with his recommendation before the members of my Party

Lieut.-Colonel Sir Henry Gidney: He agreed to it.

Sir F. E. James: and that was done this morning. My Party by a majority declined to agree either to this amendment or to the original Resolution.

Lieut.-Colonel Sir Henry Gidney: Why not put in another amendment?

Sir F. E. James: I may at once say that I am not one of that majority. I think, and I feel this sincerely, that if I were to withhold my support to the amendment, it would be neither in the interests of my community

nor in the interests of India, and I do not believe that it would be consistent with the policy which this Group has followed during these years in regard to the position of Indians overseas.

Now, when you are attempting to get a resolution by Agreement, you cannot insist upon your point of view being incorporated in the actual wording of the Agreement. What is really important is the tenor of the resolution, the underlying spirit of it; and with the underlying spirit of the amendment of my Honourable friend, Sir Henry Gidney, I am in entire agreement.

What does the amendment say? It expresses widespread disapproval of the terms of the Agreement. That is merely stating a fact. Secondly, it recognises that it is now for the Secretary of State for India and for Burma to implement the terms of the Agreement by an Order in Council. That, again, is merely a statement of fact. That being so, the responsibility of the Secretary of State for both Burma and India, and, through him, of Parliament, is attracted to a consideration of this problem. Certain articles in the Agreement—I shall refer to one specifically—have caused the greatest misgivings in this country for one reason or another. It surely cannot be objected to by anybody in this House or in Burma, if those who feel strongly on these matters now go to the Secretary of State and say, "In view of our opinion, we trust that you will not implement this Agreement unless and until satisfactory modifications are secured which will carry out what we believe were fairly firm assurances given in Parliament from time to time before the Government of Burma Act was passed." I am sure that nobody in Burma would object to that procedure being adopted.

Now as far as we are concerned in this Party, we have always advocated the greatest possible freedom from restriction between countries within the Empire, and, particularly, between this group of countries, which is a sort of geographical federation,—India, Burma and Ceylon. Surely these countries need one another; they will need one another still more in the near future; and, therefore, there should be as little restriction upon going to and fro within that area as possible. The amendment refers to certain assurances which were alleged to be given in Parliament with regard to the powers of the Government of Burma of the future. However critically those statements may be examined, there is not the slightest doubt in my mind that there was great ambiguity on the subject. Certainly, responsible Ministers of the Crown did give to those of us who were in London at that time—and I was there—the impression that the Government of Burma would not be given the power in future to place restrictions upon non-unskilled labour. But, unfortunately, the Government of Burma Act is there, and the provisions of section 44 would seem to give the Government of Burma the fullest powers in regard to immigration. Therefore, when you are judging the Agreement, it is no use considering what assurances were given. You have to consider the actual background against which the Agreement was concluded. One of the important elements of that background was the provision in the Government of Burma Act, which the best legal authorities seem to interpret as giving the fullest powers to the Government of Burma in the matter of immigration, whether of unskilled or of non-unskilled persons.

Thus this amendment which now goes to the Secretary of State with this opinion—for after all, the responsibility is now on him—implies, as far as I am concerned, and I believe as far as those Members of this House who

[Sir F. E. James.]

are free from prejudice are concerned, no criticism of the work of Sir Girja Shankar Bajpai. I am not revealing any secret when I say that the members of the Standing Emigration Committee,—a committee which is representative of both Houses of this Legislature—unanimously placed on record, after their examination of the Indo-Burma Agreement, a resolution paying the highest possible tribute to the services rendered by Sir Girja Shankar Bajpai to the cause of Indians overseas over a period of years.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Who are the members of that Committee representing this House?

Sir F. E. James: Mr. Aney is one. I am another. As for the lesser lights I cannot recollect their names. My Honourable friend, Mr. Sivaraj is one. If Sir Cowasji Jehangir is so anxious, perhaps if he goes to the Library of the House, he will find the list. Or I will give him a list afterwards. If he is suggesting that the committee is not representative of this House or of the Council of State then I deny the suggestion.

Sir G. S. Bajpai is in a very difficult position. He has not been able to defend himself, not because he had no defence but because, owing to the nature of the correspondence which was then in progress between the Government of India and His Majesty's Government, he could not divulge to the public what he knew and what he shared with the members of the Standing Emigration Committee. May I here say that the members of the Standing Emigration Committee have also been placed in an extremely embarrassing position, and I hope that steps will be taken to alter the procedure which is followed with regard to the proceedings of that Committee in the future. The proceedings of our Committee meetings are confidential. We represent this and the other House. We meet and discuss these very important matters relating to Indians overseas. We tender advice to the Government of India and yet when these matters come before this House, Honourable Members are not able to know what advice we tender. That places us in an extremely embarrassing position.

If the Members of this House had been able to study these proceedings, perhaps a much more realistic view would have been taken of the Agreement than has been taken up to date. I hope, therefore, the Honourable the Leader of the House, who is now in charge of the Overseas Department of the Government of India, will consider modifying the procedure which has been followed up to date. We are muzzled, and I make bold to say that if the Members had not been muzzled, they might have been able to answer many of the criticisms that have been made during all these past months. I have made no secret of the fact that I have disliked the vehemence and the direction of much of the criticisms that have been made.

Now, Sir, I very much hope that as a result of the representations which are now to be made to the Secretary of State some modification of the Agreement can be arranged with the Government of Burma. Let not my friends misunderstand the attitude of the Government of Burma in reaching this Agreement. There has been too little reference to the actual terms of the Agreement itself and there has been no reference to the joint statement issued by the Government of India and the Government of

Burma at the time of the publication of the Agreement. This is one of the statements which was made:

"As a result of the conversations, the two Governments have agreed upon certain measures which in their view are calculated both to remove from Burman minds any reasonable apprehension that Burma may be subjected to undue economic competition by reason of Indian immigration and at the same time to secure for the Indian community settled and resident in Burma recognition of their legitimate rights."

Now, the feeling in this country is that, as a matter of fact, certain provisions of this Agreement, notably Article VII, do not secure for the Indian community settled and resident in Burma, or for India itself, a proper recognition of her and their legitimate rights. That is a perfectly legitimate criticism to offer and that is the criticism that we now place before the Secretary of State, with the request that he will give due consideration to it and use his great influence with the Government and people of Burma to incline them to consider modifications of these particular provisions. Why should we assume for a moment that the Government of Burma will not be willing to regard these matters in a reasonable light, provided they are put forward in a reasonable way and not against a background of venom such as was evidenced in the speech of my Honourable friend, Mr. Jamnadas Mehta. I would call the attention of the House to paragraph 5 of the same joint statement. It says:

"Both Governments have approached these problems in a spirit of cordiality and mutual understanding and are agreed that in giving administrative effect to the measures now proposed the closest co-operation will be required in the same spirit of mutual adjustment and identity of purpose which characterised the negotiations."

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Sir F. E. James: There is no reason to suppose that that spirit has suddenly disappeared from the minds either of the Government or of the people of Burma. I look at this Agreement from this point of view. If this Agreement applied to my community, would I accept it? My answer is—there are features in this Agreement which I should not wish to accept as far as my own community is concerned. That is why I ask the House to pass the amendment unanimously. It places the feeling of the people of this country before the Secretary of State and asks him to refrain from implementing the Agreement until he has striven his utmost to bring about those modifications which will make it more satisfactory to the people of this country.

Sir Vithal Narayan Chandavarkar (Bombay Millowners Association: Indian Commerce): The House may think I am a little too forward in venturing to speak in this august Assembly on the very day I have taken my seat. But my apology for speaking today is that I was very much pained by the speech of my Honourable friend, Mr. Chapman-Mortimer. Only a month or two ago, I was present at a Rotary Lunch in Bombay when Sir Frederick James made a speech on a subject which he called "I look forward". The speech was very interesting and very thought-provoking. After the speech some of my extremely political-minded persons asked me whether I believed in or accepted what Sir Frederick James had said at that meeting. I replied that I felt inclined to accept and to believe in what Sir Frederick had said, because, in spite of all that had happened in the past, I was rather anxious to look forward than

[Sir V. N. Chandavarkar.]
to look backward in my political or commercial outlook. My friends told me that I was a confirmed optimist asked: Can you expect anything in the future from your British friends having regard to their past actions? We discussed at some length the charge, very often made against the Britisher, by a large number of people, of breach of faith. I said that I took a long view in these matters and referred to one of the most outstanding events in the history of England the grant of self-government to South Africa in 1907. When Mr. Chapman-Mortimer spoke I felt whether there was anything for us to look forward to. Perhaps my inclination to look forward to is due not only to my upbringing but, also due to my connection spreading over 13 or 14 years with the Millowners' Association, the constituency which I have the honour to represent, where we have no distinction between Europeans and Indians. I may remember that whenever we have had to fight on what I may call the Lancashire front our European friends, I am sure my Honourable friend, the Supply Member, will bear me out in this, have been as pro-Indian if not more pro-Indian in their attitude than any of us. Having been brought up in such an atmosphere, I look at this question from a very long and large point of view. I am not anxious to go into the details. The only test is whether this Agreement is in the interests of India. It is certainly not in the interests of India. I would like to tell my European friends that it is not only not in the interest of India but also not in the interests of the British Commonwealth of Nations. I am not going to charge anybody with breach of faith. I am not going to criticise Sir Girja Shankar Bajpai or the Government of India, because after all we must remember what Lord Curzon told Mr. Montagu, that the Government of India was a subordinate Government.

In spite of the Act of 1935, much as the Government of India would like to fight for us, I am afraid their freedom of action is very much restricted and they cannot give free scope to their own feelings and convictions. From that point of view I do sympathise with the Government of India, but we have to look at this question from the point of view of the future of our own country. The school of thought to which I belong still thinks, in spite of the many disappointments in the past that we have a future within the British connection. I ask my European friends whether they believe in a future for us in the British connection. If they believe in a future for us within the British Commonwealth of Nations, then I want to remind them of the words which were used by Booth-Tucker of the Salvation Army. When he came to Bombay he said that the only way one can be associated intimately with a nation is by trying to get within the skin of that nation. I would like to ask my European friends, if they were the representatives of the people of India, whether they would have entered into an agreement of this nature.

Now, I will ask them another question. There is a feeling in the country—I will not say whether it is right or wrong—that today there is no need for importing skilled labour in India. We have today in India a large number of young Indians who have been to European and American Universities and have come back with exceptional qualifications as skilled technicians either as chemists or chemical engineers or physicists or electrical engineers. Now, suppose an autonomous Indian Government within the British Commonwealth of Nations were to say that

if any skilled Britisher is to be imported, he must come with A certificate or B certificate and if all sorts of restrictions were attempted to be imposed on the Europeans coming to India, how will they feel about it? There is only one law from the moral point of view which is applicable to everybody whether he belongs to the European Commonwealth of Nations or the Asiatic Commonwealth of Nations and that law is that every nation, as was referred to by the previous speakers, has a soul, and if that soul is lost, then there is nothing worth fighting for. And we, in India to whatever school of thought we may belong, and it is not necessary for me to conceal the name of the party or the school of thought to which I belong because my party is eminently inclined to be friendly with the British, are struggling hard to save the soul for our country. If that soul is saved, then the soul of the British Commonwealth of Nations will also be saved. If, as a result of the speeches in this House an impression is created that there is a difference of opinion in this House which encourages the Secretary of State to implement the Agreement by issuing an Order-in-Council, then the growing lack of faith in the British statesmanship will grow stronger and I am afraid agreements of this character whether they are with Ceylon or Burma will undermine the very fundamental basis of the British connection with India, which will be a tragedy, nay, a great calamity.

Mr. Husenbhai Abdullahhai Laljee: Sir, I have very little to add with regard to the details after what has been said by my friends, Sir Abdul Halim Ghuznavi and others. I only wish to point out one or two important things definitely. If you consider this Agreement and how it was brought about and what is the feeling in the country about it, we can come to only one conclusion, namely, so far as this country is concerned there seems to be very little democracy practised which is preached all round now. From one end of the country to the other, there is strong opposition to this Agreement which the Government have entered into and which call themselves responsible, and having entered into it I am sorry to observe they will not at once agree with the people's voice which is unanimous, to radically modify or drop it.

Sardar Sant Singh: This Government is not responsible.

Mr. Husenbhai Abdullahhai Laljee: As my friend says, although this Government pretend to be a responsible Government, they are not acting as such. There is a feeling that it is not His Excellency the Viceroy alone who has got the right of veto, but that this veto exists and is exercised not only by the Executive Councillors but it exists and is exercised even by the Collector and even by the Members of the European Group. Sir, it is on very exceptional occasions that H. E. the Governors-General in the Dominions are expected to exercise their veto, but it has become very common in this country that even a Collector or my friends belonging to the European Group do exercise it in practice, that is, they want Government to exercise it. In fact, we businessmen know it very well and it cannot be denied that throughout the Colonies and in the running of the British Government in most places the real voice is that of the businessman. You find this spirit existing here even today.

At this stage of the British Empire there are British businessmen in this country who can stand up and say: "We do not want to bow to

[Mr. Husenbhai A. Laljee.]

the wish of the people." How can they dare say that? Is it with such motive that they want us to fight against those who flout the opinion of the people? No, Sir. It is this class of people who, in the words of H. E. the Viceroy, want to reap the harvest without putting their shoulder to the plough. H. E. the Viceroy also said that there are these people who for their own interests would not mind dividing the Empire. At this time my countrymen are out to shed their blood voluntarily and give all they have. Whatever the European people may consider, the facts are that we are making sacrifices and have been co-operating with them. In doing this we have only one objective and that is mine and their defence our self-respect and our self-regard. Sir, I ask in all fairness whether there is anybody in the whole structure of the Government of India except the M. L. A.'s and the M. C. S.'s, who are elected by the people, who is serving the country without getting a farthing? Still, what do we find? We find we are insulted, we are neglected at every stage and that the vote of this House, the opinion of the elected representative of the people, is often not cared for nor taken worth anything. Not only that, even the nominated Municipality of New Delhi treats the M.L.A.'s worse than it can treat anybody else and you will be shocked when I will place before you some day a recent instance. Under these circumstances it is deplorable to admit the position we are now placed in or reduced to nothing even when we are carrying on a great war for the existence of Empire and freedom to all.

I now come to the matter before the House. I would like to tell my Honourable friends on the Treasury Benches that we present here are out to co-operate with the Government but please be bold and do not do any such thing for which not only yourself but later on, as the times are changing, your children may be ashamed of your acts.

So far as the Indo-Burma Agreement is concerned, which has been signed by an Indian Executive Councillor and which has been held by the country to be against the interests and honour of the country, I am sure lots of people in the country, I mean public opinion, will be saying not only against Sir Girja Shankar Bajpai but also against many of those who were connected with it. You are able, Sirs, to maintain very well yourself; you are high enough in the estimation of your people; therefore do not please be a party to any such agreements or arrangements. Let those who want to do it carry it out and we shall know, the public will know their position and judge them. If you want our co-operation, you will have to abide by the laws which are laid down in all the civilised countries, in these days, and hereafter, and I have every faith in your judgment as I am one who is ready to co-operate on equal terms as I believe you all are and have joined the Government in these trying times in the interest of the country.

Now, Sir, we were told that according to the Order in Council, after three years, a notice was given. When was it given? I presume it was given in March, 1941.

Mr. G. S. Bozman: Just before the beginning of April.

Mr. Husenbhai Abdullabhai Laljee: My point is that before this House adjourned after the Budget Session this notice was given. This House

was sitting and the people's representatives were here and yet the Government did not care to inform this House or consult this House. This is an important point. Why did not the Government of India consult this House? On such an important question relating to Indians, we were kept back. Another important point is that the Baxter Report was there. Was it placed before the Standing Emigration Committee before Sir Girja Shankar Bajpai left or after he came? What was the real position in Burma? I shall be only too glad to correct myself, if what I conclude is correct.

Sir Cowasji Jehangir: That point must be made clear first.

The Honourable Mr. M. S. Aney: Please repeat your point.

Mr. Husenbhai Abdullabhai Laljee: Was the Baxter Report fully placed before the Emigration Committee when this question of Burma was being discussed and considered by that body?

Mr. G. S. Bozman: The recommendations in the Baxter Report were placed before the Standing Emigration Committee.

The Honourable Mr. M. S. Aney: The report itself was not placed, but only five or six of the recommendations were placed.

Mr. Husenbhai Abdullabhai Laljee: Why was it not fully placed? That is the very important point, what was the objective in keeping it back?

The Honourable Mr. M. S. Aney: The whole report was not placed.

Mr. Husenbhai Abdullabhai Laljee: Here, Sir, I like to stand by my Emigration Committee, howsoever constituted and elected then because it has been elected by the House. I want to see whether there is any justification for the insinuation that has been made that they, the committee, agreed with all the knowledge and facts before them. If they had agreed, then I am sorry. Even then I will say we, the whole House, will have to correct their mistake. Sir, we were further told that so far as the *ad hoc* committee is concerned in Burma, if I am correct in understanding, most of the questions were referred to them except the marriage question.

Mr. G. S. Bozman: The marriage question was referred to them.

Mr. Husenbhai Abdullabhai Laljee: Most of the questions were referred to them. That is what the Honourable Member said.

Mr. G. S. Bozman: The Honourable Member is misquoting me.

Mr. Husenbhai Abdullabhai Laljee: Then may I know what were the recommendations which were placed before the *ad hoc* committee.

The Honourable Mr. M. S. Aney: All except one.

Mr. Husenbhai Abdullabhai Laljee: Whatever it is, I have got in my hand a telegram despatched on 26th July by the President of the *ad hoc*.

[Mr. Husenbhai A. Laljee.]

committee, Rangoon, to the Honourable Member in charge of Education, Health and Lands. The report was published on 22nd and this telegram was sent on 26th July. It runs thus:

"Re. immigration agreement published on 22nd July, several terms came as surprise, some entirely new. Burma Indians staggered. Various terms objectionable, such as literacy test, likely to be abused and so on".

Was such a telegram received in the Department of Education, Health and Lands?

Mr. G. S. Bozman: Yes.

Mr. Husenbhai Abdullahhai Laljee: Does it not make it clear that the *ad hoc* committee was not fully consulted? This statement was not only sent by telegram but it was made before the Standing Emigration Committee as I find from the record of 7th October. There again the question was put to them. They say:

"The opinion of the sub-committee was only taken on such terms of the Agreement as was considered necessary."

The Honourable Mr. M. S. Aney: By whom was the opinion of the Committee taken?

Mr. Husenbhai Abdullahhai Laljee: By Sir Girja Shankar Bajpai in Rangoon, and on matters he considered necessary.

The Honourable Mr. M. S. Aney: Did they refer to the Standing Emigration Committee?

Mr. Husenbhai Abdullahhai Laljee: They gave evidence before the Standing Emigration Committee on 7th October and at that time they were asked, the delegation from Burma was asked and they said so. I am giving this in support of the telegram which I just now read. The *ad hoc* committee was examined before the Emigration Committee, and they said they were not consulted on all terms. They said the opinion of the sub-committee was only taken on such of the terms of the agreement as was considered necessary by Sir Girja Shankar and those with him.

Sir F. E. James: That was disproved.

Mr. Husenbhai Abdullahhai Laljee: Whatever it is, we can draw now clearly our own inference from that. Remember it is not that all of a sudden a big change has come round. Sudden changes cannot come at once from one end of the country to another. Leaving aside how the change has come about may I ask is there any Indian who can say that this Agreement can be considered to be fair, equitable, honourable and respectable, even now as it is? How can it be? Well, Sir, we remember well the causes that let Great Britain to go to war against Transvaal and Orange Free State. May I ask whether Transvaal then did attempt to treat the honour and interests of Englishmen in any way like this? War was declared. Great Britain fought it out for years and that with the help of Indian army and resources as well. This is the history. Even now we find in this country people who live solely by exploitation, if I

may say so, and nothing else like our European friends who come and say to us or act as if, they do not care for this or that or the honour of our country. It may be said that because of the fact that Burma is so close to Japan we have had to agree to all this. Why? You go forward for the protection of Belgium's honour and freedom which never declared war against Germany, but you want me to swallow all my principles because you want to conciliate Burma for your purposes and keep them safe and your interest therein from attack from Japan and incidentally now you will say for my safety and that of the Empire. Is that honest logic? Why should we do it. You also want that we should fight for the freedom and honour of every people, Belgium, Norway, Denmark and what not although none of them declared war against Germany. Germany came upon them and we are now told it is our bounden duty to save them. It has been again and again also said that we have had to agree to these terms because otherwise Burma had sympathy with Japan. But I do not believe that Burmese have sympathy with the Japanese. If at all that was a ground even then there was no justification for this agreement. You want to make all sorts of concessions to all people and find excuse and defend this agreement, but we shall not agree now; if it came to, we are able to stand against Burma, and others.

I, therefore, support the amendment and I do hope that this House will pass this amendment unanimously as is the desire of the people so that we will have an opportunity to see whether the Secretary of State will carry out the unanimous wishes of the people. In fact, Sir, the Secretary of State has said over and over again that if Hindus and Muslims agree, they will give us Dominion Status. Let us see how that great principle in this case where the Hindus and Muslims agree, in fact everybody agrees is carried out, that is, whether our wishes will be carried out, and if he does I shall be happy and trust him believing that the times are really changing with regard to this country.

(It being Four of the Clock.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The House will now take up the Adjournment Motion. Sir Abdul Halim Ghuznavi.

MOTION FOR ADJOURNMENT.

PLACING OF THE S.S. "AKBAR" AT THE CALCUTTA PORT TO CARRY HAJ PILGRIMS

Sir Abdul Halim Ghuznavi (Dacca *cum* Mymensingh: Muhammadan Rural): Sir, I move::

"That the House do now adjourn"

In the notice that I gave I stated that I desire to discuss the placing of an ill-equipped boat, namely, the S.S. "Akbar" instead of S.S. "Rezwan" or the S.S. "Rahmani" at the Calcutta Port to carry the Haj pilgrims, which is too small to accommodate the large number of pilgrims who are pouring in to avail of the sailing from Calcutta. The position is that the Government of India have definitely decided that they will not allot to the Port of Calcutta more than one sailing, and in order that all the pilgrims

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could embark they agreed also that a definitely bigger ship would be placed at the port of Calcutta. I will read out to you what happened at a meeting held at the end of July or some time in August between the Government of India and the Scindia Steam Navigation Company. I am reading an extract from the minutes which were sent to Mr. Shanti Kumar by Mr. Master of an interview which Mr. Master had with the Honourable the Commerce Member and the Honourable Member for Education, Health and Lands on the 21st August, 1941, at Simla. That is the time when they fixed the Ports for the sailings of different ships:

"The Honourable the Commerce Member then remarked that he would like to make one point clear. The carrying capacity of the Scindia Company's boats was smaller than the carrying capacity of the Moghul Line. It was their intention that there should be one sailing from Calcutta. As Scindia's boats would carry about 800 and odd pilgrims as against 1600 pilgrims by the boat of the Moghul Line, he would suggest that that sailing should be given to the Moghul Line without disturbing the arrangements of the alternate sailings."

There you find that the Honourable the Commerce Member suggested to Scindia to accept his suggestion that they would abandon alternate sailing from Calcutta because there was only one sailing from Calcutta and a ship which could carry 1,600 pilgrims would be available. Then Sir Girja Shankar Bajpai also asked Mr. Master:

"To consider the question from the viewpoint of the pilgrims and not to insist on the Calcutta sailing being confined to the Scindia Line."

Mr. Master stated that he appreciated the viewpoint urged by the two Honourable Members and remarked that:

"in case there was going to be only one sailing at Calcutta and if the number of pilgrims offering were 1,400 to 1,500, it was but fair that that sailing should go to the Moghul Line, as his ship would not be able to lift so many pilgrims."

So they agreed that we should get a boat of the Moghul Line which could carry at least 1,600 pilgrims. And to my utter surprise I got a letter from the Chief Executive Officer of the Haj Committee of which I am the Chairman that they are placing a smaller boat and that a number of Hajees are going away to Bombay and not staying in Calcutta because a smaller boat has been placed. Sir, for years together this Moghul Line which is run by Turner Morrison or B. I. S. N. have been determined to close down the Port of Calcutta and they succeeded. After a great fight for years my brother the late Nawab Bahadur Alhadj Sir Abdul Karim Ghuznavi could make the Government of India agree to reopen the Port. Even then trouble would have arisen had not Scindia come to the rescue and placed boat after boat. Now they want to displease these pilgrims in Calcutta and they want this Port to be closed.

An Honourable Member: Who are "they"?

Sir Abdul Halim Ghuznavi: I refer to Turner Morrison and the Moghul Line.

Their intention is that after the war is over they will be able to show Government that the number of pilgrims from Calcutta was so small that that Port should be closed down. Sir, this is an arrangement between the Government of India and the Moghul Line and I ask the Government of India to exert their influence with the Moghul Line to place a bigger boat in Calcutta.

There is one other point that I want to refer to. Since I came in possession of this information I requested the Honourable Member for Overseas to look into the matter and he very kindly gave me a reply in which he said:

"In continuation of my letter of the 28th of October, I have looked into the matter of sailings for the next Haj. I think Mr. Rahim will very likely have spoken to you informally on the subject. You will understand that as things are at present, the matter of arranging individual sailings is largely out of our hands and must conform to the requirements of the Shipping Controller."

The opinion given here is absolutely incorrect. The Moghul Line ships are absolutely free and there is no control over them. Why cannot they place a better boat than they intend to do? Sir, I move.

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

"That the House do now adjourn."

The Honourable Mr. M. S. Aney (Member for Indians Overseas): Sir, my Honourable friend has moved his motion mainly with a view to bring to the notice of this House that a bigger boat is not kept ready for sailing with the Haj pilgrims at the Calcutta Port, and he considered S.S. "Akbar" as not a big boat at all. I think I can answer his objection by reading out the information which I have got about S.S. "Akbar". The Honourable Member referred to some undertaking given by my predecessor that a bigger boat of the Moghul Line would be kept for the sailing of the Haj pilgrims at the Port of Calcutta.

Sir Abdul Halim Ghuznavi: May I interrupt? A bigger boat which could carry over 1,400 pilgrims.

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

The Honourable Mr. M. S. Aney: I will read out the information I have got about S.S. "Akbar". My friend said some time before that it was a boat with a capacity for 1,100 pilgrims only. My information here is that it has a tonnage of 4,043 and a carrying capacity of 1,349 pilgrims. I leave the House to judge whether a difference of 50 is such a big difference that it should be treated as a smaller boat.

He then made a reference to S.S. "Islami". It is at present not on service for Haj pilgrims at all, but has been requisitioned for some other purpose. So that is not available. The other boats of the Moghul Line which have a capacity of 1,400 or more are two,—the S.S. "Rezwani" and the S.S. "Rahmani". They are for the service of Haj pilgrims in some other Port. That being the case, the only available bigger boat for the use of the pilgrims is "Akbar" in the Calcutta Port. So, I do not think my Honourable friend is right in accusing us of not having fulfilled the undertaking that was given to him.

In regard to the Honourable Member's point that the Haj traffic should not be diverted to some other Ports, I can say this much on the information that has been supplied to me that, from the number of pilgrims intending to embark from the Calcutta Port, it does not appear that the boat "Akbar" is not in a position to carry the passengers that will embark from

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that port. That is the information which I have got today. The fact that certain pilgrim passengers who had arrived at Calcutta and had then gone to Bombay, does not mean that they did not want to board the "Akbar", but because Bombay is the usual place for a great number of Haj pilgrims to go, as there are better facilities of *mussafar khana* and *sarais* etc., at Bombay and some of the pilgrims therefore like to go there. I, therefore, only want to say this much that the boat 'Akbar' has got a capacity of 1,349 and, so far as our present information goes, this is enough to carry the passengers who intend to embark from the Calcutta port for Haj pilgrimage. I, therefore, think that my Honourable friend will be well advised in withdrawing his motion if he thinks it proper to do so; otherwise I will have to oppose it. It would have been a proper thing to put a question in reply to which I would have supplied him with all the information. Anyhow the motion is there and, if he does not withdraw it, I shall oppose it.

Sir Abdul Halim Ghuznavi: I have to withdraw this because I know I cannot carry this through. The Honourable Member need not take shelter under his privileged position. Sir, what my Honourable friend said was this. He said that the capacity of "Akbar" was, 1,349 and he also mentioned here that according to the information which the Honourable Member has received of the number of Hajis, he is satisfied that "Akbar" would be able to carry them. What a colossal ignorance! How can we get the number of Hajis today. The number of Hajis will only be known 15 days later. How do you know the number of Hajis who intend to sail today? You cannot tell the number of Hajis that would be coming. We know last year the number was only 1,400 and your "Akbar" could not carry them and many had to go to Bombay.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): To correct an impression which my friend has created, the agents of Companies certainly have sources of information to find out how many prospective Hajis there are and a business-like Company makes it a point—whether it is Scindia or Mughal, to find out beforehand the likely number that will be available and they do not wait like a railway train to find the passengers who are on the platform when the engine is put on.

Sir Abdul Halim Ghuznavi: Sir, that is exactly what I wanted to make out. The agents who give the information go about and say "do not go to the port of Calcutta but go to Bombay" and, therefore, they dissuade pilgrims from embarking from Calcutta.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): I think they go to Bombay because it is a better City.

Sir Abdul Halim Ghuznavi: Sir, I will withdraw this motion if the Honourable Member will give me one assurance.

Mr. President (The Honourable Sir Abdur Rahim): It cannot be conditional.

Sir Abdul Halim Ghuznavi: Sir, I want an assurance from the Honourable Member

The Honourable Mr. M. S. Aney: Not on the floor of the House. You can speak to me privately.

Sir Abdul Halim Ghuznavi: I want that assurance on the floor of the House in order that it may be recorded. It is that no boat with less than a carrying capacity of 1,400 or 1,500, or either of the two, if there is one sailing, should be allotted to Hajis.

The Honourable Mr. M. S. Aney (Member for Indians Overseas): We shall consider the matter.

Sir Abdul Halim Ghuznavi: Sir, I beg to withdraw my Motion.

The motion was, by leave of the Assembly, withdrawn.

RESOLUTION *RE* THE INDO-BURMA IMMIGRATION AGREEMENT—*contd.*

Mr. Husenbhai Abdullahhai Laljee: Sir, It was pointed out to the House that

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has spoken for 15 minutes.

Mr. Husenbhai Abdullahhai Laljee: Just one minute, Sir. I have not finished. I was only pointing out to the House that it is essential that when the Agreement has to be modified and the fresh agreement made, if there be any, must be brought before this House and if no modifications are agreed to then the agreement ought not to remain at all. Well, Sir, this is all about the agreement but one thing more I want to say: that is having been a party to an informal agreement between the Leader of the House and the Opposition Leaders it was but due on the part of my European friends to abide by it more so when the country wanted it. It is only very very rarely that we have from the Treasury Benches this procedure, which is adopted so very often in England, where invariably the opposition are consulted on important matters, and, when all the leaders are consulted, then on that opinion of the leaders, it is well-known even great wars are declared and even great strategic and important movements are done. I hope the Englishmen in this House certainly know this procedure and principle that is being followed often in the House of Parliament, and let us trust they will behave in this country as they do in their country if really they have any regard towards the feelings and interests of this country which has been supporting them.

Mr. Ananga Mohan Dam (Surma Valley *cum* Shillong: Non-Muhammadan): The conclusion of the Indo-Burma Immigration Agreement has created a great stir and indignation throughout the length and breadth of the country. Everybody who is anybody in the country has condemned it in unmistakable terms. India and Burma were united for centuries by religious, cultural and economic ties. This Agreement is going to put an end to all these sweet relations. I have been to Burma and have seen

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that the Bengali Brahmans who went to Burma centuries ago are still conducting the rites and rituals of the royal family—such is the tie with Bengal. Not only that, no ceremony is performed until and unless a Pauna Brahman comes and takes part in it. I must tell this Honourable House that this Agreement has been called by the officials as a diplomatic victory while it actually exposes in a singular manner an imbecile capitulation at the hands of the Burmese politicians. To call this an 'Agreement' would be a travesty of language, for a rightly constituted body of accredited representatives could never have agreed upon such harmful and highly derogatory terms. Far from there being a mutual agreement between the two peoples of India and Burma, the present Agreement has been a victory of the Burmese politicians over the Indian officials.

As a co-sharer of a common heritage of Indian culture we strongly do wish our Burmese brethren to prosper and flourish and see their rising nationalism duly reconciled. Unfortunately, without a correct perspective, the Indian Delegation erred on the side of over-emphasizing the susceptibilities of the Burmans. Being obsessed by the threats of Burma riots and unnerved by the critical international situation in the East, they gave away to complete capitulation. Burma was placated too much, whereas the facts that defence of Burma was a responsibility with India and that the Indian War effort was in no way less vital, were lost sight of. While appreciating the psychology working in the mind of the Delegation we cannot but feel that maladjustment and estrangement of economic and social relation between Burma and India is fraught with great danger at this juncture.

Pleas will be trotted out referring to abnormal situations and emergencies but the very manner of conducting the whole affairs has been under the deep suspicion of the public. There was certainly no justification for withholding the Baxter Report from publication for nine months when this report was said to form the basis for the negotiation of an Agreement. And very surprisingly the work of the Delegation, supposed to be of an exploratory nature, turned into a sudden final settlement and the public were faced abruptly with a *fait accompli*.

No non-political advisory body accompanied the Delegation and could share the responsibility of a decision having far reaching effect all round. And even the *ad hoc* committee constituted by the Indians in Burma was not prepared for a final work like this present Agreement and was not perhaps even supplied with the Baxter report.

That, in fact, the problem of unfair competition stifling the growth of Burmans was not existent is evinced from what Mr. Baxter holds:

"Indian labour in the past has been supplementary rather than alternative to Burmese labour."

"There is no evidence of any kind to suggest that Indians have displaced Burmans from employment which they have previously obtained."

And, undoubtedly, conclusion of the Delegation has been vitiated by such idea of 'Restriction' and has evidently given rise to serious maladjustment to be followed by baneful after-effects specially where ban on labourers was not put with a long notice.

During the passage of the Government of Burma Act assurances were given by Sir Thomas Inskip and Mr. Butler that free entry of Indians, in

general, was not intended to be stopped. So it was incumbent upon the Government of India to fight for seeing those undertakings implemented. Further, the rights guaranteed to Joint Stock Companies, ships and Aircraft registered in British India are not subject to Section 44 of the Government of Burma Act empowering the Government to restrict the right of entry of Indians into that country. Any restrictions as to this is *ultra vires* of the Government of Burma Act. In short it might be said that the provisions of the Agreement will have ruinous effect among the Indian businessmen established in Burma and the poor labour in Madras Orissa and Bengal, suddenly required to stop the immigration, will have to face starvation. It deserves to be noted that the provisions of the Agreement will discourage definitely Indian Capital and labour and will cause, ultimately, a shrinkage in employment amongst the Burmans for whose benefit these terms were imposed.

The economic disturbance that will obviously ensue due to this discriminating and flagrant provisions will be embarrassing in the political sphere, specially more so, where joint war effort is indispensable to both the people of India and Burma at this critical moment. With these words, I support the amendment.

Some 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.

The Honourable Mr. M. S. Aney: Sir, the debate on this question has practically followed the lines of criticism which the Government of India had received on this Agreement from many public bodies and institutions interested in the question of Indians overseas. The Government of India are aware that the Agreement has aroused very strong feeling and that Indian public opinion insists that it requires to be modified before it can be acceptable to the people of India.

I believe that in approaching a question of this kind, the emigration of Indians into Burma, we shall have to bear in mind certain important considerations and principles. First, the Agreement should be calculated to remove from Burman minds any reasonable apprehension that Burma may be subjected to undue economic competition by reason of Indian immigration. Secondly, it should also serve to secure for the Indian community settled and resident in Burma recognition of their legitimate rights.

The criticism so far made in this country is to the effect that this Agreement has failed to secure for the Indians resident in Burma the recognition of their legitimate rights.

Honourable Members can easily appreciate the difficult nature of the negotiations which the two Governments have had to carry on with a view to reach a solution that shall harmonise the two somewhat conflicting but not altogether irreconcilable points of view, namely, that of the Burmans on the one side, and of the Indians resident in Burma as well as India on the other. I deliberately add that the Indians residing in India are also as vitally concerned in the proper solution of the problem as the Indians in Burma. The Indian people have a right to insist that the Government

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of India must jealously guard, not only the interests of the Indians resident and settled in Burma or any other part of the British Empire, but they shall stand uncompromisingly to uphold the honour of the Indian nation in making settlements with the governments of those countries in the interests of the Indians resident there. It is in safeguarding the honour of the Indian nation that the Government of India have to fight against discriminatory conditions in any agreement or legislation which the Colonies or such other countries might propose to bring.

The Overseas Department of the Government of India can, I believe, claim with some degree of truth and justice that it has endeavoured to discharge these onerous duties in close co-operation with the leaders of public opinion in India for all these years. Whatever differences the political parties may have with the Government of India in other matters, on problems affecting Indians overseas both of them have the same approach, and both of them have worked with the same purpose in view of the last so many years. The Government of India have always carried with them the support of public opinion in their attempt to safeguard the interests of Indians abroad and Indians have generally found in the Government of India champions to espouse the cause of their countrymen overseas and protect the honour of this country in distant lands across the seas. The Government of India will, in the future also, as in the past, follow the same noble tradition and maintain the same regard for close co-operation with the leaders of public opinion for the efficient discharge of their duties and fulfilment of their obligations in this matter. On a careful examination of the various representations, the Government of India have seen that there was considerable force in the criticism that certain clauses in the Indo-Burma Agreement have given reasonable grounds to the people who apprehend that the legitimate rights of the Indians settled and resident in Burma have not been duly protected, and in some respects the Agreement can be reasonably open to the criticism that it is discriminatory against the Indians.

The most important point urged against the Agreement is that it permits the imposition of restrictions on the immigration of every Indian into Burma, while the Parliament wanted this right of the Government of Burma to be exercised only for the regulation of immigration of unskilled labour from India. In this connection reference has been made to the pronouncements made by the Ministers of the Crown when the Government of Burma Bill was under discussion in the House of Commons. The attention of the Government of India is also invited in this connection to Article 20 of the Instrument of Instructions. It is urged that the Ministerial pronouncements made in explanation of clause 44 of the Government of Burma Act do indicate that Parliament desired the exercise of the powers given to the Burma Government in the matter of regulation and control of immigration mainly to regulate the immigration of unskilled labour from India. There may or may not be a legal bar for them to legislate. But there can be little room for doubt as regards the spirit in which the Ministers desired the powers to be exercised and the provisions of the Government of Burma Act to be administered by the Government of Burma.

I understand that those who object on the above ground maintain that the scope of the present Agreement must be confined to the immigration of unskilled labour only.

The other important objection which, I think, deserves to be particularly noticed is that the rights of the Indians already settled in Burma have not been duly protected. In addition to considerations of geographical proximity, cultural affinity and economic ties, the very fact that Burma was conquered by the British Government with the help of the Indians, subsequently annexed it to India as a province and administered as an integral part of British India has created a situation with regard to Indians settled there which no Legislature or Government can ignore without doing serious injustice to them.

I may concede that the British Government was perhaps right in separating Burma from British India by the Government of Burma Act, 1935, in response to the public opinion of the Burmese people. None in this House can deny the right of the people of Burma to decide on the issue of separation in the manner they thought fit. But in effecting separation neither they nor the British Government could have been in equity justified in not recognising and preserving in tact the rights of the Indians settled in Burma before the new order came into existence. Those Indians do not become foreigners or aliens by the mere fact that Burma is now made a separate country. Those Indians already settled there are an integral part of the population of Burma and are entitled to the same treatment in regard to going out from and coming into Burma as the Burmans themselves may have under the general laws of Burma. Any clause of any law or condition of any Agreement which distinguishes their position from the rest of the Burmans is an act of unjustifiable discrimination.

It is urged with great force by some that the provisions 19 and 20 enabling certain Indians to establish their claim to and acquire Burma domicile are based on the assumption that the Indians already settled in Burma on or before the date of the Indo-Burma Agreement have no status as the citizens of Burma and that they can, on fulfilment of certain conditions, get it if they so choose. It means, according to them, that the Agreement is given a retrospective effect inasmuch as it affects the rights of citizenship of those who were in Burma and had already enjoyed the status of the citizen of Burma, without being required to go through any process of law to acquire domicile. Similarly the clause relating to the 'privileged immigrants' is another attempt to create a class for a favoured treatment as against the large number of the Indians who will not be coming under that class and who will be styled as unprivileged immigrants. Even the privileged immigrants have a very precarious status. They are liable to lose it by absence from Burma for more than 12 months. It is clear from the representations received, that this condition is resented most bitterly. In the case of the so-called unprivileged immigrants already settled in Burma they lose their right to re-entry and they will be treated as new entrants or immigrants. This restriction virtually amounts to a confinement of this large class of Indians permanently to Burma without interruption for any interval. He has no liberty of movement even on any reasonable condition except on the penalty of losing his right to enter Burma and earn his livelihood there. There is no provision made enabling him to get the status of a privileged immigrant at any time in future. This class is most unjustly treated in the Agreement.

The right of an autonomous State to determine the Composition of her population recognised by the Imperial Conferences does not in any way

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conflict with the contentions of the Indian residents for recognition as Burmans. The Government of India's attention has also been categorically drawn to Article 14 of the Agreement which prohibits an Indian from marrying or cohabiting with a Burmese woman. The protest is based on the ground that of all the alien population, Indians have been singled out for this ban on marriage. It is discriminatory and derogatory to the honour of the Indians.

The definition of dependants in the Agreement has also been objected to as it does not take into account a large class of relatives who owing to the joint family system prevailing among the Hindus and certain classes of non-Hindus also have to depend on the manager of the family for their maintenance. The scale of fees prescribed for A and B permits is considered as too high and not merely raised to get the fund required to defray the administrative expenses for regulation of immigration into Burma.

There is a point which relates to those who are called upon to take B permits. The permit can be renewed only for 9 years. All those who are engaged in trade and business contend that this condition will virtually render it impossible for them to get persons from India to go to Burma to work there in various capacities. The class of persons who are thus imported from India is indispensable for the success of any business. No Indian can spend the nine years of his life in the prime of youth in Burma only to find that he is not admitted to any job in his country of origin later on account of his age and other difficulties. The condition will have very adverse effect on the existing business interests of the Indians in Burma. It is asserted that it has already made its evil effects felt. There are objections even to clauses relating to registration and literacy-test.

Thus, I have summarised before this House the various objections raised against this Agreement by Members who have taken part in this debate as well as by institutions who have submitted their representations. Besides this, I have tried to summarise the principal objections raised on merits against this Agreement in this statement. I am also aware of the objections to the manner in which this Agreement was concluded. Non-association of non-official Indians with the Indian Delegation, non-consultation with Provincial Governments who were concerned in the problem of immigration into Burma and non-publication of the joint report before it was made final are some of the important defects pointed out in the various representations submitted to the Government of India.

While I do not want to say anything to minimise the importance of the objections, I may be permitted to say that the Government of India Delegation had consultations with the Standing Emigration Committee before the commencement and after the completion of the negotiations with the Government of Burma. The Standing Emigration Committee is a joint committee of the two Houses. Similarly, in Burma the Indian Delegation was in constant touch with an *ad hoc* committee of the Indians resident in Burma and had the benefit of their advice while the negotiations were going on. It is true that the Provincial Governments as such were not officially consulted. The Government of India are fully aware of the strong feeling of the Indians against this Agreement. Soon after public opinion began to assert itself against this Agreement, they have invited the attention of the Secretary of State to it and urged that the Agreement will

have to be revised on certain important points or some method will have to be devised to meet the objections and make it acceptable to the people of India.

The question has been engaging the attention of the Secretary of State. The Government of India have also urged on the Secretary of State that he should postpone the promulgation of the Order in Council till suitable modifications or adjustments are effected by the mutual consent of the two Governments in the terms of the Agreement so as to make it unobjectionable and acceptable to the Indian people.

The Government of India hope that the Government of Burma will be willing to extend its co-operation to the Government of India to remove the points of difficulty which have arisen and which have seriously jeopardised the chances of its acceptance by the Indian public without modification of some of its terms. There is an obligation both on the Government of India and the Government of Burma to mutually consult each other under clause 27 for solving the difficulties that may arise. Our difficulties are real; there may be similar difficulties for the Government of Burma also which it shall be our duty to consider and solve. The only way to solve them is for the two Governments to meet together and exchange views with a determination to accommodate each other without sacrifice of principle or breach of the pledges given by the Ministers. If the two meet in this spirit and come to a solution, the Agreement may with the suggested modifications be promulgated as an Order in Council. The Government of India has been working to achieve this end and expect that the people of India will co-operate with them in their attempt to get the necessary adjustments. I hope that the two sister countries which have so many ties to bind them together, cultural, religious and even political, will certainly not fail to come to an amicable understanding with regard to this agreement honourable to the people of India and the people of Burma. I am an optimist. I think that our efforts will not be fruitless, but if it be found that our reasonable demands are not at all considered by the Government of Burma,—which I do not think will happen—I can, in that extreme case, approach the House if it be in Session, or the Standing Emigration Committee to take advice for the step which should be taken. It serves no useful purpose to speak of it or even to think of it today. The nature of the step will be largely governed by the considerations of the international situation which, as Honourable Members know, has been changing rapidly every day.

One thing more and I will conclude. The Government of India shall not fail in their primary duty to the people of India in dealing with the problems relating to their brothers and sisters overseas under any circumstances.

Sir, the Government of India have seen the Resolution as well as the amendment, and have decided to leave the question for decision to the House. The Government Members will remain indifferent if it comes to voting at all. But the Government assure the House that they will send the decision as well as the proceedings of this House to the Secretary of State with such recommendations as they think necessary to serve the purpose which they have in mind, with a view to bringing about the necessary modifications to meet the requirements of the Indian people and make the agreement acceptable.

Sir Cowasji Jehangir: What is the attitude of the Government of India?

The Honourable Mr. M. S. Aney: The Government of India will represent the views of the House to the Secretary of State with such recommendations as are necessary to persuade the Government of Burma to make the necessary modifications in the Agreement.

Sir Abdul Halim Ghuznavi: Will the Government Members vote?

The Honourable Mr. M. S. Aney: They will not vote. They will remain neutral.

Sir Abdul Halim Ghuznavi: What about us?

The Honourable Mr. M. S. Aney: You can vote as you like.

Sir Abdul Halim Ghuznavi: When I heard my Honourable friend, Mr. Chapman-Mortimer, with crocodile tears in his eyes, accusing us that we should not have criticised the Honourable Member who has executed this Agreement, I could understand him because he has made it abundantly clear in his speech that as far as his Party is concerned they are satisfied with this Agreement.

Mr. T. Chapman-Mortimer: No one has said that.

Sir Abdul Halim Ghuznavi: No one has said in so many words. But every Member has said in his heart of hearts that they care a tuppence regarding this Agreement.

Members of the European Group: No, no.

Sir Abdul Halim Ghuznavi: That is my reading, it may not be your reading.

Mr. J. D. Boyle (Bombay: European): How do you read anybody else's heart?

Sir Abdul Halim Ghuznavi: Because I am an astrologer! I have not yet been able to understand my Honourable friend, Sir Henry Gidney, who also shed crocodile tears. I want to know from him whether he shed his tears as an Anglo-Indian or as an Indian.

Lieut.-Colonel Sir Henry Gidney: I have very bad eyes, but I do not shed any crocodile tears.

Sir Abdul Halim Ghuznavi: The case which was made out by Mr. Bozman has supported my Resolution. What did he say? He said that Sir Girja Shankar Bajpai had the fullest authority to do whatever he liked in Burma. Then what we thought was not correct; he did that solely on his own responsibility. That puts the case worse.

Lieut.-Colonel Sir Henry Gidney: You are shedding cobra tears!

Sir Abdul Halim Ghuznavi: My Honourable friend, Mr. Bozman, was making a serious charge that the newspapers fabricated a statement—the statement which Sir Girja Shankar Bajpai gave to the Associated Press in Calcutta.

Mr. G. S. Bozman: I made no such charge.

Sir Abdul Halim Ghuznavi: He said, "Don't read statements which appear in the press, the press says many things." That is to say, the statement that appeared in the press was not correct or was not sent or was not made by Sir Girja Shankar Bajpai. Surely, the allegation that the statement which appeared in the press was not made by Sir Girja Shankar is not correct. But, Sir, my Honourable friend, had to defend Sir Girja Shankar Bajpai and had to say that he did not make that statement. He had no alternative because, what Sir Girja Shankar had said there, he did just the contrary in Burma. Therefore, he had to disown the statement which he had made in Calcutta.

Lieut.-Colonel Sir Henry Gidney: Then you think he is a liar?

Sir Abdul Halim Ghuznavi: My Honourable friends of the European Group reminded us that if we did not agree to this Agreement, the Government of Burma has power to legislate. No.

Mr. T. Chapman-Mortimer: Yes.

Sir Abdul Halim Ghuznavi: The Government of Burma have not the power to legislate, there is a safeguard, and I will read that out to the House. That safeguard would protect us. They dare not go to the Burma Assembly with such a Bill. Mr. Butler assured the House of Commons:

"I think the fear that has been felt on this score by Indians who wish to enter Burma may be quietened in view of the contents of paragraph 20 of the Instrument of Instructions."

That paragraph 20 is the safeguard. Sir Thomas Inskip said:

"Apart from that, there is the provision in paragraph 20 of the Instrument that the Governor, before exercising his discretionary power of leave to introduce, shall consult the Governor General of India."

He cannot admit that Bill including this Agreement, before he consults the Governor General of India, and the Governor General of India would protect the Indians:

"That is not an inconsiderable safeguard. Then there is the provision under section 36, sub-section (1) of the Act which provides that no measure affecting immigration into Burma shall be introduced without the previous sanction of the Governor."

There is another safeguard. The Governor dare not give the sanction without consulting the Governor General. It goes further. The Governor is to act in his discretion and that means direct responsibility to the Secretary of State and to Parliament. Those safeguards taken together really affect the purpose which is behind the amendment moved by the noble Lord, Lord Winterton, the Member for Horsham, so as to give protection for undesirable immigrants. Sir, I close my speech in this debate in the

[Sir Abdul Halim Ghuznavi.]

hope that the Honourable Members sitting on the Treasury Benches of the Expanded Council which now contains a larger number of Indians than Europeans, will take into serious consideration the feeling prevailing in the minds of Indians from one end of India to the other that this Agreement is a humiliating agreement. I trust they will do all in their power to see that this Agreement is drastically altered or a fresh negotiation opened. I hope I have not appealed in vain. I trust and hope that the members of the expanded Executive Council will take into consideration the seriousness of the situation that is staring in the face of Indians.

Mr. Akhil Chandra Datta: May I remind the Honourable the Leader of the House that I have not received the promised reply to my question, namely, whether the Government of Burma, when they moved in the first instance, proposed restriction only with regard to unskilled labour?

The Honourable Mr. M. S. Aney: There are two things which I want to bring to the notice of the House in this connection. The Government of Burma wanted the Government of India to issue a statement or rather to make an announcement to the effect that there is need for regulating immigration of unskilled labour. That was under the consideration of the Government of India at that time and later on that was dropped. So far as the present Agreement is concerned, when they renewed their invitation, they only wanted to proceed on the basis of the recommendations of the Baxter Committee about which we have had a good deal of discussion here. Whether the recommendation of the Baxter Committee is restricted to the scope of unskilled labour or not is a point which I leave to the Members to decide. In the second reference that they made and the invitation which they sent to the Government of India for the sake of negotiating an agreement there was no restriction put by them as regards this matter.

Secondly, I forgot to make another request. I wanted to appeal to my Honourable friend, Mr. Akhil Chandra Datta, pointing out the advisability of withdrawing his amendment in view of the fact that it is premature to take that amendment into consideration at this particular time.

Mr. President (The Honourable Sir Abdur Rahim): I shall first put the amendment moved by Sir Henry Gidney. If that is carried, then I shall put the amendment of Mr. Akhil Chandra Datta. Then his amendment would be that it should be added not to the Resolution but to the amendment of Sir Henry Gidney.

The Chair will now put the amendment moved by Sir Henry Gidney. The question is:

"That for the original Resolution the following be substituted:

"That this Assembly being of the opinion that the provisions of the Indo-Burma Immigration Agreement are a violation of the assurances given in Parliament with regard to the status of Indians in Burma and their right of entry into Burma after its separation from India, inasmuch as they render nugatory the protection which Parliament undoubtedly undertook to give in these matters in Part V of the Government of Burma Act and the Instrument of Instructions to the Governor of Burma, recommends to the Governor General in Council to request the Secretary of State

not to implement the Agreement by Order in Council unless and until satisfactory modifications are secured which will carry out, to the full, the Parliamentary assurances and remove such provisions as are discriminatory and humiliating to the people of India."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): Now, I shall put the amendment moved by Mr. Akhil Chandra Datta:

"That at the end of the amendment which has been accepted by the House, the following be added:

"That this Assembly further recommends to the Governor General in Council that in the event of the Government of Burma not agreeing to a revision of the Indo-Burma Immigration Agreement so as to ensure the right of free entry to all Indians except surplus unskilled labour to the satisfaction of Indian opinion, the Government of India should give immediate notice of the termination of the Trade Agreement concluded last February in order to safeguard the fundamental rights of Indians residing in or having connections with Burma."

Mr. Akhil Chandra Datta: In view of the observations made by the Leader of the House that he will consider the position, I beg leave of the House to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 5th November, 1941.

LEGISLATIVE ASSEMBLY.

Wednesday, 5th November, 1941.

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

(Mr. President called upon Qazi Muhammad Ahmad Kazmi to put his question No. 74, which he did. The Honourable Sir Andrew Clow was not in his seat.)

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, the Honourable Member (Sir Andrew Clow) is in the Select Committee and will be coming soon.

(In the meantime, the Honourable Sir Andrew Clow occupied his seat.)

The Honourable Sir Andrew Clow: Sir, I must tender my apologies for not being in my place. I was detained in a Select Committee of this House.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

TRANSFER OF POSTMEN AND PACKERS FROM THE LUCKNOW HEAD POST OFFICE TO OUTSTATIONS.

74. ***Qazi Muhammad Ahmad Kazmi:** (a) Has the attention of the Honourable the Communications Member been drawn to the news which appeared in the *National Herald*, dated the 16th July, 1941, morning edition, regarding the transfer of several postmen of the Lucknow Head Post Office, including that of the General Secretary of the Union, from Lucknow to outstations? If so, will Government please state the rule or rules of the Posts and Telegraphs Manual under which these transfers of postmen and packers have been ordered?

(b) How many postmen and packers have so far been transferred?

(c) Have they been transferred as a measure of punishment for certain acts of omission or commission on their part? If so, what are these? If not, why have they been transferred?

(d) What offices, if any, were held by each one of them in the Union of Lucknow Postmen?

(e) Is it or is it not a fact that as a rule, office-bearers of Unions should not be transferred, as otherwise the Unions cannot function?

(f) Is it or is it not a fact that all the postmen transferred are prominent members of the Lucknow Postmen's Union?

(g) Is it or is it not a fact that the character rolls and personal files of almost all these postmen and packers transferred are "good", while none of the postmen with "bad character rolls" are being removed?

(h) Have Government considered the advisability of ordering the transfers from Lucknow of postmen with "bad character rolls and personal files" and the cancellation of the transfers of those postmen and packers who have a good record?

The Honourable Sir Andrew Clow: (a) Yes. Under Rule 37 of the Post and Telegraph Manual, Volume IV, all officials of the Department are liable to be transferred in the interests of public service. That rule lays down, however, that postmen should not, except for very special reasons, be transferred from one district to another.

(b) One Sorting Postman, seven Postmen and one Packer.

(c) They were transferred in the interests of discipline of the service.

(d) and (f). One was General Secretary, two Joint Secretaries, one Assistant Secretary, one Treasurer and two were members of the Executive Committee.

(e) The Honourable Member is referred to a concession which used to be shown to Secretaries and Assistant Secretaries of Unions in the first year of their office. No such convention exists now.

(g) and (h). The transfers were made in the interests of discipline and not on the basis of personal records. The question of cancellation of the transfers does not arise.

Qazi Muhammad Ahmad Kazmi: May I ask if this question of discipline arose in connection with the activities of the Postal Union?

The Honourable Sir Andrew Clow: No, Sir, it did not arise in that connection. There was rather an unsatisfactory state of affairs in the office concerned.

Qazi Muhammad Ahmad Kazmi: Will the Honourable Member please inform us how it was that in the whole of the Executive Committee it was only the Secretary and the Assistant Secretary of the Union whose work was found to be unsatisfactory in office and of no others?

The Honourable Sir Andrew Clow: It is not a case of the work having been found unsatisfactory so much as the affairs of the office which were not running smoothly. There is no punishment involved.

Sardar Sant Singh: May I ask if the Honourable Member has considered whether in this particular case it is not a matter of coincidence that all the members of the Executive Committee of the Union should have been transferred on account of public interest?

The Honourable Sir Andrew Clow: I am willing to admit that there is a possibility that these members had been acting in conjunction.

Qazi Muhammad Ahmad Kazmi: Will the Honourable Member please explain what he means by the word 'discipline'? Does he mean by 'discipline' any wrong done by them or any other unsatisfactory work or any other thing done by them in connection with the Union?

The Honourable Sir Andrew Clow: There is a very large dictionary in the Library and I would refer the Honourable Member to it.

Sardar Sant Singh: Has the Honourable Member made any inquiries that they are not being victimised on account of their activities as members of the Union?

The Honourable Sir Andrew Clow: I do not regard a transfer as a form of victimisation.

Mr. N. M. Joshi: May I ask whether the Honourable Member will inquire whether these transfers of postmen are due to a lot of rivalry between the two Unions? One of the Unions is of the Postmasters, Inspectors and others and these men may be members of a Union of Postmen. I am asking whether a rivalry between the two Unions may not be responsible for the transfers of men who belonged to the Postmen's Union?

The Honourable Sir Andrew Clow: I have studied the papers and I do not think that is the case. I do not think there is a rivalry between two Unions of that character.

Qazi Muhammad Ahmad Kazmi: Will the Honourable Member be pleased to make further inquiries in the matter?

The Honourable Sir Andrew Clow: No; I have studied all the papers.

Sardar Sant Singh: Has the attention of the Honourable Member been drawn to the various Presidential addresses delivered in the Provincial Union Conference including my own in which a complaint has been made that the Union officials are transferred not in the public interest but because they are members of the Union?

The Honourable Sir Andrew Clow: I have seen a statement to that effect. I can only say that this is not one of those cases in which such things have occurred.

Mr. Lalchand Navalrai: Will the Honourable Member give instructions that these office bearers whose work has been interfered with should not ordinarily be transferred?

The Honourable Sir Andrew Clow: I do not think I can lay down any invariable rule.

POLICY CONCERNING GRANT OF DEARNESS AND WAR ALLOWANCE TO POSTAL EMPLOYEES.

75. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Communications Member please state what the policy of the Government of India is with regard to the grant of dearness and war allowance to members of the postal department?

(b) Why has it been linked with Provincial Governments, particularly when the Provincial Governments are not following a uniform policy with regard to their employees?

(c) Is it or is it not a fact that the Government of India are not following a uniform policy in regard to the postal employees like the railway employees? If so, what is the reason for it?

(d) Have Government considered the advisability of formulating a uniform policy?

(e) Has any dearness allowance been granted to the postal employees of the United Provinces following the decision of the United Provinces Government to grant such an allowance to its employees? If not, why not?

The Honourable Sir Andrew Clow: (a) The Government of India decided after full consideration to apply to the low paid officials of the Posts and Telegraphs Department the schemes for dearness allowance on the terms and conditions sanctioned by Provincial Governments for their own staff. It is not intended to sanction any war allowance in addition.

(b) Because the conditions of employment and the economic considerations applying to employees of the Posts and Telegraphs Department are, generally speaking, similar to those applying to Provincial Government servants.

(c) The reply to the first part is in the affirmative. The pay and allowances of the Posts and Telegraphs staff have never been fixed with reference to those of Railway officials who stand in a class by themselves.

(d) The decision of Government was reached after a full consideration of the matter.

(e) Yes.

Mr. N. M. Joshi: May I ask whether the Government of India follow the practice of the Local Governments in other matters regarding the condition of their employees? If they do not follow the Local Governments in other matters, why should they insist upon following the Local Governments in this matter?

The Honourable Sir Andrew Clow: That is rather a general question. I do not know what matters the Honourable Member is referring to.

Mr. N. M. Joshi: May I ask whether the Honourable Member is aware that in Bombay the inferior servants get pensions at a much more generous rate than the pension paid by the Government of India to their inferior servants living in Bombay?

The Honourable Sir Andrew Clow: That question should be addressed to the Honourable the Finance Member.

OPENING OF THE RAILWAY MAIL SERVICE OFFICE AT KARACHI CITY.

76. *Mr. Lalchand Navalrai: Will the Honourable the Communications Member be pleased to state whether his attention has been drawn to the representation of the Karachi Indian Merchants' Association to the Director

General of Posts and Telegraphs which appeared in the *Sind Observer*, dated the 10th September, 1941, in regard to the opening of the Railway Mail Service Office at Karachi City, and state what action has been taken in the matter?

The Honourable Sir Andrew Clow: Yes. The matter is under correspondence with the Director of Posts and Telegraphs, Sind and Baluchistan Circle, Karachi and is receiving his attention.

BOOKLET "REJOINDER" ISSUED BY THE INDIAN POSTS AND TELEGRAPH UNION KARACHI.

77. *Mr. Lalchand Navalrai: (a) Is the Honourable Member for Communications aware that a printed booklet under the title "Rejoinder" was issued by the Indian Posts and Telegraphs Union, Karachi, on the 1st September, 1941?

(b) Is he aware that the booklet is full of vile allegations against the Government of India, the Director General of Posts and Telegraphs, and several other postal officials serving at Karachi?

(c) Is he aware that Mr. A. K. Brohi, Secretary of the Indian Posts and Telegraphs Union, Karachi, under whose signature the "Rejoinder" was issued, has stated that he has nothing to do with this publication and that it was issued by the members of the Managing Committee of the Indian Posts and Telegraphs Union, Karachi, without his knowledge?

(d) Is he aware that the members of the Managing Committee of the Indian Posts and Telegraphs Union, Karachi, are all Government servants serving in the office of the Director of Posts and Telegraphs, Karachi, and also in the Karachi General Post Office?

(e) Is he aware that some of these Government servants had formally issued some other printed leaflets against the Registrar of Co-operative Societies, Sind, an Indian Civil Service Officer of the Sind Government, and also against an outside public body?

(f) Is he prepared to consider the desirability of taking action against those who are found responsible for the issue of the highly objectionable publication such as the "Rejoinder" which has been issued under forged signature?

The Honourable Sir Andrew Clow: (a) to (e). No.

(f) The Director of Posts and Telegraphs will be asked for information; the nature of the action, if any, to be taken must depend on the character of the information received.

Mr. Lalchand Navalrai: Has the Honourable Member not known up till now as to who was the author of this "Rejoinder"?

The Honourable Sir Andrew Clow: I have no information here. As I stated in answer to part (f), the Director General, Posts and Telegraphs, is being asked for certain information.

Mr. Lalchand Navalrai: Did not the Director General, Posts and Telegraphs, receive any notice of this "Rejoinder" before and take any action?

The Honourable Sir Andrew Clow: That I cannot say. I do not know whether his attention was drawn to it before.

Mr. Lalchand Navalrai: Will the Honourable Member inquire about that also? When such a thing has happened within the jurisdiction of the Director General, Posts and Telegraphs, he should be asked whether he took any immediate action in order to see that such a thing does not happen again?

The Honourable Sir Andrew Clow: This was not a thing which was assued to the Director himself and it may not have come to his notice. When he supplies the information, he will tell us what action he took.

Mr. Lalchand Navalrai: The Honourable Member should understand that it is at Karachi and he is also living at Karachi and therefore it is very likely. Will the Honourable Member kindly enquire and find out whether he really had come to know and he took no action?

The Honourable Sir Andrew Clow: It certainly must have come to be known by now because as I said enquiries are being made from him.

NON-OBSERVANCE OF THE RULE AND INSTRUCTIONS *re* FORWARDING OF APPEALS IN SIND AND BALUCHISTAN POSTAL CIRCLE.

78. *Mr. Lalchand Navalrai: (a) Will the Honourable the Communications Member be pleased to state whether it is a fact that under rule 112 of the Posts and Telegraphs Manual, Volume II and the Director General, Posts and Telegraphs Instructions, the forwarding authority (*i.e.*, the punishing authority) has only to forward the appeal and he is not allowed to express any opinion, nor make any recommendation for rejection of appeal and thereby prejudicing the case of the appellant?

(b) Will the Honourable Member be pleased to state whether these rules are observed in the Sind and Baluchistan Circle?

(c) Will the Honourable Member be pleased to state the number of appeals actually received by the Director of Posts and Telegraphs, Sind and Baluchistan Circle, Karachi, during the last two years and the number of appeals rejected?

(d) Will the Honourable Member be pleased to state the number of appeals which were received by the appellate authority from the punishing authorities, in which the provisions of rule 112 of the Posts and Telegraphs Manual, Volume II and the Director General's Instructions, were violated?

(e) Will the Honourable Member be pleased to state whether it is a fact that the Director of Posts and Telegraphs, Karachi, rejected appeals which were forwarded to him by the punishing authorities with the opinions and recommendations for rejection?

(f) Will the Honourable Member be pleased to state whether his attention has been drawn to an article under the heading "Situation remains unchanged" which appeared in the *Postal Sentinel* of Karachi, September 1941, issue, page 10?

(g) Does the Honourable Member propose to take suitable steps for violating the well-defined and mandatory provisions of the rules of the department?

The Honourable Sir Andrew Clow: (a) The rule requires that the forwarding officer should transmit the appeal with a report giving the appellant's name, designation, etc., a statement of the facts of the case and a copy of the charge sheet, the defence, the punishment order and the appellant's service record. It does not require that he should express any opinion or make any recommendation and does not prohibit him from doing so. But the Director-General in a circular issued last year asked that forwarding authorities should confine themselves to the items laid down in the rule.

(b) I have no reason for believing that the rule is not observed.

(c) Information is being collected and will be laid on the table in due course.

(d) The Director of Posts and Telegraphs will be asked how many cases of this character have occurred since the issue of the Director General's circular.

(e) Information is being collected; but I would observe that the fact that such a recommendation was made would not in itself constitute any ground for allowing an appeal.

(f) Yes.

(g) I have no reason for thinking that the rule is not observed, and I am prepared to leave to the Director-General the enforcement of his circular.

Mr. Lalchand Navalrai: Has the Honourable Member any information whether the rule has been violated or not?

The Honourable Sir Andrew Clow: No case has come to my notice.

Mr. Lalchand Navalrai: After notice of this question was given, did not the Honourable Member make enquiries whether injustice is being done?

The Honourable Sir Andrew Clow: I have said in reply to one part of the question that information is being collected.

SHORT NOTICE QUESTION AND ANSWER.

HUNGER-STRIKE IN THE DEOLI-DETENTION CAMP.

Mr. N. M. Joshi: Will the Honourable the Home Member be pleased to make a statement about the hunger-strike in the Deoli Detention Camp, giving information regarding:

(a) the health of the detenus on hunger-strike;

(b) the efforts made by Government to bring about a settlement, and

(c) the steps taken by Government to keep the families of the detenus on hunger-strike informed regarding their condition?

The Honourable Sir Reginald Maxwell: (a) and (c). I have little to add to the communiqué on this subject which issued yesterday. The Superintendent reported on November the third that the health of the

hunger-strikers was satisfactory except for one man who was reported to be seriously ill. I have no further information regarding this prisoner or his identity. I have received numerous telegrams making enquiries regarding the health of individual prisoners at Deoli and take this opportunity to make it clear that little purpose is served by such telegrams, since the Government of India have no detailed information regarding the health of individuals. The Superintendent has, however, been instructed to report to the Government of India the names of any individuals who may become seriously ill and at the same time to inform their relatives by telegram. Under this arrangement those who have relations among the Security prisoners may assume, in the absence of a telegram from the Superintendent, that their health gives no cause for anxiety. I may add that arrangements have been made for eight additional doctors and a number of additional compounders to be sent to Deoli and they have probably all arrived there already. Certain Provincial Governments have also been asked to provide further medical assistance as required.

(b) Government took every possible step to persuade the Security prisoners not to embark on a hunger-strike and informed them that their demands were being carefully considered and that any attempt to force the issue on their part would serve no useful purpose and might prejudice the consideration of their demands. Their refusal to accept this advice has made it extremely difficult to make further efforts to induce them to abandon the strike; but I understand that the Honourable Member is himself prepared to visit Deoli and I can only express the hope that, if he does so, he will be successful in convincing the Security prisoners that a hunger-strike is not the best way of helping his efforts on their behalf.

Sardar Sant Singh: May I enquire from the Honourable Member whether he will instruct the Superintendent of the Deoli camp jail to send replies to any wire enquiring about the health of any particular prisoner by any relative? I understood the Honourable Member to say that in case of serious illness of some prisoner, his relatives will be informed. May I ask the Honourable Member to instruct the Superintendent to kindly send a reply to a wire enquiring about the health of any Security prisoner from any relative?

The Honourable Sir Reginald Maxwell: I am afraid I could not undertake to give such instructions. As I have already explained to the House the authorities there have their hands very full and they have to look after a large number of prisoners who are on hunger-strike and therefore this arrangement has been made by which the absence of any information may be taken by their relatives to mean that there is nothing seriously wrong with any prisoner. It should be sufficient to allay their anxiety to know that if any prisoner becomes seriously ill, they will be informed by telegram.

Mr. Lalchand Navalrai: May I know if the relatives of these detenues will be allowed to remain there and attend to the comforts of the prisoners and otherwise help them in the jail?

The Honourable Sir Reginald Maxwell: No, Sir. We could not allow the relatives to interfere with the treatment of these prisoners in jail.

Mr. Lalchand Navalrai: If the relatives are allowed, they will be able to nurse these prisoners and on account of the sympathy which will be evinced by their relatives, there will be comfort and it will add to the welfare of the prisoners? Will the Honourable Member give such orders?

The Honourable Sir Reginald Maxwell: No, Sir, I am afraid we could not undertake to help the relatives of 225 prisoners by permitting them to assist in looking after them in jail. It will be an impossible situation and it will only interfere with the arrangement made by us with regard to medical help for the prisoners.

Mr. Govind V. Deshmukh: In view of the fact that medical opinion is not always infallible, will the Honourable Member say whether if any reply telegram is sent by the relatives of the detenues, they will be informed about the health of these detenues?

The Honourable Sir Reginald Maxwell: I cannot undertake to send 225 telegrams a day.

Qazi Muhammad Ahmad Kazmi: Have the Government sent any nurses to the jail?

The Honourable Sir Reginald Maxwell: No, Sir, not so far as I am aware.

UNSTARRED QUESTIONS AND ANSWERS.

POSTAL EMPLOYEES JOINING SERVICE BEFORE THE 15TH JULY, 1931, DEPRIVED OF THE OLD SCALE OF PAY.

25. Bhai Parma Nand: (a) Will the Honourable Member for Communications please state whether it is a fact that employees who joined the Postal Department before the 15th July, 1931 (*vide* No. 3, of Government of India, Finance Department, Notification No. 3235/5/33, dated the 6th December, 1934) are entitled to the old grade of pay, *viz.*, Rs. 35-5-135?

(b) Is it a fact that there are cases in which a person having joined the Department before the date of the Notification referred to above is deprived of this right?

The Honourable Sir Andrew Clow: (a) Yes, provided the rules contained in Notification No. S.-235/5/33, dated the 6th December, 1934, as subsequently amended by Finance Department Notification No. D./2057-P. T./39, dated 31st May, 1939, are satisfied.

(b) Government are not aware of any persons who satisfy the conditions being excluded.

APPRENTICE PERMANENT WAY INSPECTORS ON NORTH WESTERN RAILWAY DEPRIVED OF RENT-FREE QUARTERS.

26. Mr. Lalchand Navalrai: Will the Honourable Member for Railways be pleased to state:

(a) whether it is a fact that the Apprentice Permanent Way Inspectors on the North Western Railway appointed prior to 1st

August, 1928, were entitled to rent-free quarters, if available, as per terms of the service agreements executed by them at the time of their appointment;

- (b) whether it is a fact that, on their confirmation, no fresh agreements were executed by them;
- (c) whether it is a fact that these Inspectors continued to enjoy the privilege of rent-free quarters till 1937 or thereabouts, when it was withdrawn from such Inspectors, who, though appointed prior to 1st August, 1928, were confirmed after that date; if so, why;
- (d) whether it is a fact that the withdrawal of the privilege referred to in parts (a) and (c) above, is said to be due to the fact that these Inspectors were only entitled to rent-free quarters if available and, as such, they do not carry the concession on their confirmation in posts carrying the concession of rent-free quarters or rent in lieu thereof;
- (e) if the reply to part (d) above be in the affirmative, whether it is a fact that the members of inferior and labour service recruited prior to 1st August, 1928, though entitled to rent-free quarters (if available) and no rent allowance in lieu thereof, retain the concession of rent-free quarters on their promotion to subordinate service, *vide* General Manager, North Western Railway, Lahore, Circular Letter No. 540-E/O/VII, dated October 1940; if so, why the Inspectors are dealt with differently;
- (f) whether it is a fact that the apprentices appointed prior to the 15th July, 1931, were allowed to retain old scales of pay, in spite of the introduction of revised scales of pay with effect from the 15th July, 1931, though they were only apprentices; if so, why all privileges of Assistant Permanent Way Inspectors appointed before 1st August, 1928, are not being allowed to them; and
- (g) whether it is a fact that Assistant Permanent Way Inspectors subscribed to the Provident Fund from the very day of their appointment as such, while other apprentices are allowed to subscribe to P. I. Fund only when they are confirmed; if so, whether the Honourable Member proposes to allow these Inspectors to carry the concession of rent-free quarters; if not, why not?

The Honourable Sir Andrew Clow: I am obtaining information from the North Western Railway Administration and reply will be laid on the table in due course.

SUSPENSIONS OF RAILWAY EMPLOYEES AND THE WORKING OF THE PAYMENT OF WAGES ACT.

27. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether suspension of employees drawing less than Rs. 200 per mensem continue to be made on the Railways, even after the coming into force of the Payment of Wages Act?

(b) If the reply to part (a) above be in the affirmative, does it also happen that such suspended persons are given less than their usual wages for the period of suspension? If so, under what clause of section 7 (2) of the Payment of Wages Act are such deductions made?

The Honourable Sir Andrew Clow: (a) The answer is in the affirmative.

(b) The answer to the first part is in the affirmative. As regards the second part, the payment made to a person during a period for which his employment is suspended is a subsistence allowance and not wages, and appears to be outside the scope of the Payment of Wages Act.

WITHDRAWAL OF COMPENSATORY ALLOWANCE FROM POSTAL STAFF AT KARACHI.

28. Mr. Lalchand Navalrai: (a) Will the Honourable the Communications Member be pleased to state if he has seen the editorial note on page 1 of the *Postal Sentinel* of Karachi, September 1941 issue, regarding withdrawal of compensatory allowance from the postal staff at Karachi?

(b) Is it a fact that the cost of living at Karachi is much higher as compared with other places?

(c) Is it a fact that the scale of pay in the selection grade is the same at Karachi as at other places in Sind?

(d) Is it a fact that before the withdrawal of the compensatory allowance, the selection grade officials serving at Karachi were allowed Rs. 15 as compensatory allowance?

(e) Are Government aware that due to the withdrawal of the compensatory allowance, the staff at Karachi find themselves in a pitiable condition?

(f) Is it a fact that the staff at Karachi represented to the authorities for the restoration of the compensatory allowance?

(g) Is the Honourable Member prepared to look into the condition of the staff at Karachi and consider the question of restoring the compensatory allowance to the staff?

The Honourable Sir Andrew Clow: (a) Yes.

(b) It is probably higher than at some other places.

(c) and (d). Yes.

(e) No.

(f) Yes.

(g) The matter has been considered as recently as February 1941, when Government decided that the grant of such allowances was not justified as the scales of pay compared favourably with the remuneration accorded to staff of similar status in other Departments in the locality.

EMPLOYMENT OF A NON-HINDU FOR CATERING BY BALLABHDAS ESHWARDAS, CATERING CONTRACTORS, ON EAST INDIAN AND NORTH WESTERN RAILWAYS.

29. Dr. P. N. Banerjee: (a) Will the Honourable Member for Railways please state whether it is a fact that Ballabhdas Eshwardas have been given the contracts by the East Indian and North Western Railways for catering for the Hindu travelling public? If not, what is the real fact?

(b) Is it a fact that the North Western Railway gave the contract on the understanding that they will keep in service one of the ex-employees of the Railway on its recommendation? If not, what is the real fact?

(c) Is it a fact that in fulfilment of the contract, they have kept in service an ex-employee of the Railway who is a non-Hindu, and who has now been succeeded by another ex-employee of the Railway who is also a non-Hindu? If not, what is the real fact and how are Hindu religious sentiments safe in the hands of non-Hindus?

(d) Is it a fact that a similar undertaking also exists with the East Indian Railway, in respect of the employment of a non-Hindu?

(e) Do Government now propose either to cancel the contracts and remove Ballabhdas Eshwardas from the list of approved contractors, or to see that they do not employ in their service any non-Hindu for catering for the Hindu travelling public? If not, why not?

The Honourable Sir Andrew Clow: (a) This firm holds a contract at one station on the North Western Railway and similar contracts at several stations on the East Indian Railway.

(b) and (c). I understand there was no such condition in the contract but that the firm appointed an ex-railway employee as their manager and subsequently succeeded him by another ex-employee, also a non-Hindu. The functions of the manager are supervisory and all work done in connection with the actual catering is in the hands of Hindus.

(d) No information of any undertaking of the nature mentioned on the East Indian Railway has come to the notice of Government.

(e) No; because Government see no need for this action.

DATES AND PROCEDURE FOR TERMINATION OF CATERING CONTRACTS HELD BY BALLABHDAS ESHWARDAS.

30. Dr. P. N. Banerjea: Will the Honourable Member for Railways please state:

- (a) the dates on which the different agreements between Ballabhdas Eshwardas and the Governor General for India in Council are to be terminated;
- (b) the procedure to be adopted by the East Indian, Great Indian Peninsula and North Western Railways, for terminating and for the renewal of those agreements; and
- (c) whether Government propose to advertise in the newspapers the conditions on which those agreements shall be executed and also inviting applications for the execution of those agreements; if not, why not?

The Honourable Sir Andrew Clow: (a) I understand that no dates for automatic termination have been fixed.

(b) The procedure for termination and renewal of these agreements is governed by the conditions in the contracts. The Central Advisory Council for Railways has recommended that ordinarily contractors who have rendered and are rendering approved service should not be replaced, and normally no question of termination will arise unless the contractor's

work has been found unsatisfactory or he has failed to meet his financial obligations to the Administration.

(c) No. The contracts are placed not by Government but by the Railway Administration or its officers and as, in selecting new contractors, the choice is ordinarily limited to professional caterers resident in the area concerned, advertisement in the newspapers would in many cases be of little assistance.

CATERING CONTRACTS POLICY ON NORTH WESTERN AND EAST INDIAN RAILWAYS.

31. Dr. P. N. Banerjea: Will the Honourable Member for Railways please state the policy of the North Western Railway and of the East Indian Railway for giving the catering contracts at Stations to one individual person or firm?

The Honourable Sir Andrew Clow: There is no uniform rule applicable to all stations but both Railways are guided by the principles recommended by the Central Advisory Council for Railways which have been approved by Government. The attention of the Honourable Member is invited particularly to the proceedings of the meeting held on the 18th March 1940.

SOURCE FOR PREPARATION OF NORTH WESTERN RAILWAY BUDGETS CONSEQUENT ON STOPPAGE OF PUBLICATION OF ESTABLISHMENT ROLLS.

32. Dr. P. N. Banerjea: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 108, asked on the 10th March, 1941, viz., "The North Western Railway have stopped publication of Establishment Rolls in 1931", and state the source from which the Railway prepares the budgets, year by year?

The Honourable Sir Andrew Clow: The preparation of the annual budget does not depend on the publication of Establishment Rolls: it is carried out in the light of the facts available regarding previous expenditure, works in progress, staff pay bills, traffic and other factors. The relevant facts form the basis of estimates by the Heads of Departments. The final budget is based on a review of these estimates.

MOTION FOR ADJOURNMENT.

STATEMENT MADE IN THE SUNDAY NEWS OF THE UNITED STATES OF AMERICA REGARDING THE HOLY PROPHET OF ISLAM.

Mr. President (The Honourable Sir Abdur Rahim): Notice of motion for adjournment has been received from Sir Abdul Halim Ghuznavi. He wishes to "make a motion for an adjournment of the business of the Assembly for the purposes of discussing a definite matter of urgent public importance, namely, the failure of the Government of India to lodge an effective protest against the statement made in the *Sunday News* of the United States of America to the effect that 'the character of the blood-thirsty monster Hitler is to be compared not to Napoleon but to Mohammed

as the latter wanted to subject mankind to the domination of a few individuals and Hitler desires to do the same', thereby offering a deliberate and gross insult to the memory of the Holy Prophet of Islam, the purest human being that ever lived, bringing the Holy Faith of Islam into contempt and wounding the dearest and most sacred sentiments of millions of Muslims".

This motion requires the consent of the Governor General which I am informed has been granted. Is there any objection?

Mr. O. K. Caroe (Secretary, External Affairs Department): No, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The motion will be taken up for discussion at four of the clock today, but if the business set down for today is finished earlier, this motion for adjournment will be taken up then.

ELECTION OF A MEMBER TO THE STANDING COMMITTEE ON EMIGRATION.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that up to 12 Noon on Tuesday, the 4th November, 1941, the time fixed for receiving nominations for the election of a Member to the Standing Committee on Emigration only one nomination was received. As there is only one vacancy I declare Mr. Ananga Mohan Dam to be duly elected.

ELECTION OF MEMBERS TO THE DEFENCE CONSULTATIVE COMMITTEE.

Mr. President (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that the following Members have been elected to serve on the Defence Consultative Committee:

Lieut.-Colonel M. A. Rahman,

Mr. Jamnadas M. Mehta,

Mr. Govind V. Deshmukh,

Mr. L. C. Buss,

Mr. Husenbhai Abdullabhai Laljee, and

Lieut.-Colonel Sir Henry Gidney.

COMMITTEE ON PETITIONS.

Mr. President (The Honourable Sir Abdur Rahim): I have also to announce that under sub-order (1) of Standing Order 80 of the Legislative Assembly Standing Orders the following Honourable Members will form the Committee on Petitions, namely:

Sardar Sant Singh,

Mr. L. C. Buss,

Sir Abdul Halim Ghuznavi, and

Mr. N. M. Joshi.

According to the provision of the same Standing Order the Deputy President will be the Chairman of the Committee.

THE MADRAS PORT TRUST (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I present the Report of the Select Committee on the Bill to alter the constitution of the Board of Trustees of the Port of Madras.

THE ALIGARH MUSLIM UNIVERSITY (AMENDMENT) BILL.

The Honourable Mr. N. R. Sarker (Member for Education, Health and Lands): Sir, I beg to move for leave to introduce a Bill further to amend the Aligarh Muslim University Act, 1920, 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 Aligarh Muslim University Act, 1920, for a certain purpose."

The motion was adopted.

The Honourable Mr. N. R. Sarker: Sir, I introduce the Bill.

THE MINES MATERNITY BENEFIT BILL.

Mr. H. C. Prior (Labour Secretary): Sir, I move:

"That the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration."

I do not think there is anybody in this House who will object to the principle behind this Bill, and I hope that the Labour Department will not be accused by my Honourable friend, Mr. Joshi, on this occasion, of only dealing with minor points with regard to labour legislation, because I think it is a matter of very great importance that the maternity legislation which has already been extended to factories by most provinces should be extended by the Central Government to mines. There may be a feeling that there is likely to be little use for this Bill and that with the exclusion of women from underground work in mines in 1937 there are now very few women still employed in mines. But that is not really the case. There are still some fifty thousand women employed in mines of whom twenty-three thousand are in coal mines and the rest, i.e., 27,000, are in other mines. The matter of extending maternity benefit to them was considered by the Whitley Commission and at that time there was a feeling that possibly the number of cases in which the maternity benefit would be required would be so small that it would be perfectly unnecessary to extend the legislation to mines. But since then I think the position has to some extent altered. At that time there was a habit, particularly in the coal fields, of women returning to the villages for the purposes of confinement; but now owing, I am glad to say, to the improvement of

[Mr. H. C. Prior.]

maternity welfare work in the coalfields, that habit has to some extent been reduced; and a number of women now remain in the coal fields and will undoubtedly benefit by any maternity benefits that are given to them. The International Labour Convention provides that the benefit must be sufficient for the full and healthy maintenance of the mother and the child; and that is the reason why Government in this Bill have included a statutory provision of eight annas a day for benefit because they feel it is necessary that even if women are paid a sum considerably less than that, the sum to be paid to them as maternity benefit must be sufficient for the full and healthy maintenance of the mother and the child. And I hope that every one in this House will agree with this principle.

Sir, I do not think I need say anything more on the principle underlying this Bill. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration."

Sardar Sant Singh (West Punjab : Sikh) : Sir, this is a welcome measure and fills up a gap which was necessary to be filled in in the interest of the health of the women labourers. If there is any criticism to offer, it is that it has been delayed more than it ought to have been. In this connection, one point which I want to be cleared further is whether this Bill includes cases of those women who are confined on account of premature miscarriage or abortion, because this Bill does not contain any reference to that state of physical health. As to the conditions relating to the notice of the delivery and the examination, if there is any dispute between the manager and the giver of the notice, that is provided for very well. But if a woman is suddenly taken ill and is confined, it is not provided whether any benefit will be conferred as contemplated in this legislation. I should like the Honourable Member to kindly let this House know whether such cases will be cared for or not.

The second point which, in this general discussion, I want to bring to the notice of the Honourable Member is about the various notices of amendment that have been given by my Honourable friend, Mr. Joshi. I think the Honourable Member knows the custom of this country under which women are kept in bed for 40 days after confinement and they are not allowed to come out in the open within that period. My friend, Mr. Sivaraj, shakes his head; I do not know about Madras, but I know this custom prevails in the Punjab and I believe also in the Central Provinces. My Honourable friend, Mr. Deshmukh, agrees with me and says that there is a ceremony performed after 40 days after which only women are allowed to come out. The amendments given notice of by my Honourable friend, Mr. Joshi, contemplate that a similar period should elapse before they return to their work. I hope the Honourable Member will consider the custom in the country when dealing with these amendments.

Mr. N. M. Joshi (Nominated Non-Official): Sir, the Honourable the Mover said in his speech that at least in this matter I shall not regard the Government of India as dealing with a minor subject. Sir, the subject-matter of this Bill is one of importance; I have no doubt that the payment of maternity benefit is a matter of very great importance. But

it is my unfortunate duty to say that the action taken by the Government of India is not adequate even as regards their treatment of the subject of payment of maternity benefit to industrial workers. This Bill deals with the payment of maternity benefit to women working in mines. But in India there are still women working in factories in some provinces who do not get maternity benefit, e.g., the Punjab and Bihar,—I do not know about Orissa. If the Government of India have to deal with this subject they should have brought forward a Bill which would also apply to women working in factories.

Then, Sir, besides factories and mines there are other industries which may not be as well organized as these industries but still in which women are working in large numbers and the Government of India should have brought forward some measure by which women working in those industries would get the benefit of maternity benefit legislation. Take for instance women working on plantations in Madras. In Madras women working in factories get the advantage of maternity benefit but women working on plantations in Madras do not get the benefit of any such legislation. I would, therefore, suggest to the Government of India that instead of dealing with this matter in this half-hearted manner they should deal with it in a more thorough manner. However, Sir, as the Bill has come before the Legislature, I do not oppose it.

Then, Sir, my Honourable friend, Sardar Sant Singh, pointed out a custom in this country that a woman who is confined should not go out for 40 days. I entirely agree with him and I think the Legislature must deal with these difficulties and it is for that reason that I have suggested a number of amendments to modify the scheme of the Government of India so that women should get maternity benefit not for one month before child-birth and one month after but for six weeks before and six weeks after in which case 40 days difficulty will be removed. There are other reasons too why maternity benefit should be paid for six weeks and not only for one month but I shall deal with that subject later on. Sir, I support the motion that the Bill be taken into consideration.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I also wish to say a few words on this Bill before it is considered clause by clause. I think it is a move in the right direction and the amendments which have been suggested only go to improve it further. A reference was made by my Honourable friend, Sardar Sant Singh, to a custom in his part of India which, I am glad to say, prevails also in my part and I will explain the schedule of that custom. After a confinement, women cannot touch any water up to 21 days which is open to the rest of the family lest they might catch cold. Between 21 days and 40 days they cannot work for domestic purposes; they must completely rest, although they can touch water but otherwise they must rest completely. Between 40 days and 60 days they are still not allowed to do any serious hard work. Therefore, as a matter of fact the custom in my part of the country is that a woman who has been delivered of a child is for two months to be considered as a person whose health requires careful and delicate attention. This Bill, therefore, proceeds in the right direction and the amendments which we have tabled are also worthy of acceptance by Government.

There is one thing to which I would invite attention. When an illiterate woman goes on authorised leave for confinement, the assistance

[Mr. Jamnadas M. Mehta.]

which she gets is very primitive and might be harmful. We know it too well; The Bombay Municipality provides free maternity homes for the poor and I think this Bill would have done better if it had imposed on the employers themselves the obligation to provide maternity facilities instead of giving eight annas only, and I hope employers will become enlightened enough not merely to allow this Bill to pass as a move in the right direction but to provide their women employees with modern improved medical aid before and after confinement which will prevent them from falling into the hands of illiterate, and unqualified *Dais* who spoil their health more than they improve it. The death rate among the infants will then be reduced. The death rate among these women themselves will also be reduced if they are given more modern treatment during confinement and before confinement than merely a maternity benefit of eight annas. There is in Bombay a very well-known gentleman, Sir Mangaldas Mehta, who has devoted practically a lifetime and with high medical qualifications to the service of women and children and he tells us very often both in the Corporation and outside that antenatal treatment of women is more helpful than anything that you may do later on; I hope this relief by Government will pave the way to the employers giving these women the kind of assistance contemplated by Sir Mangaldas Mehta, viz., antenatal and postnatal treatment.

Mr. C. C. Miller (Bengal: European): On behalf of the European Group in this House and all the Europeans of the business community I rise to support this Bill. The principles of the Bill are that a woman who is an established employee of a mines management should, at the time of giving birth, not be subject to worries and anxieties on the question of possible loss of employment and possible loss of salary. With these principles we entirely agree and we give our whole-hearted support.

Mr. H. C. Prior: Sir, I thank all those Honourable Members who have spoken in support of the principles of the Bill and I will try to deal with some of the points which were raised by them. First of all, my Honourable friend, Sardar Sant Singh, raised the question of whether the benefit would be paid in the case of premature delivery. So far as I understand the scope of the Bill, it provides for a notice to be given either orally or in writing by the expectant mother to say that she expects to be confined within a period of one month. In that case she can absent herself from work. The Bill also provides under section 5 that where any woman is confined she can then draw benefit for the four weeks before and the four weeks after. This should meet the point raised by my Honourable friend.

The second point which he raised was in connection with the period for which benefit should be given after delivery and he referred to custom of the country, which was also referred to by Mr. Jamnadas Mehta, that a woman is not allowed to leave her bed for a period of 40 days after delivery. With that point, I think, it will be more convenient to deal when my Honourable friend, Mr. Joshi, moves his amendments, and I should prefer to leave it at that for the time being.

Mr. Joshi referred to the absence in certain provinces of legislation dealing with maternity benefits in factories. He was right, I think, in saying

that there is no such legislation in the Punjab, in Bihar or in Orissa; and I feel sure that the Governments of those provinces, when they see his remarks, will consider whether it is necessary for them to reconsider again the advisability of introducing maternity benefit legislation in regard to factories in those provinces

Mr. N. M. Joshi: What will the Government of India do?

Mr. H. C. Prior: The Government of India will also watch the matter and if they find it necessary to take action, will, in due course, take such action

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official) I do not quite follow the Honourable Member there.

Mr. H. C. Prior: I was asked what the Central Government will do; and I said that they will watch the matter and if they find it necessary to take action they will do so.

Lieut.-Colonel Sir Henry Gidney: Individual cases or collectively?

Mr. H. C. Prior: It will possibly be difficult to take action in individual cases; and the Central Government may, if they find it necessary, have to produce some form of a collective Act which may have effect in those provinces in which legislation has not been undertaken.

Then, there was the point raised by Mr. Jamnadas Mehta that we would have been better advised not to provide maternity benefit but to impose on employers the obligation to provide qualified assistance. Though we recognise the great need for qualified assistance in these matters, we feel that it is necessary to provide in the first instance for benefit and to do what we can and the provinces can to increase the qualified assistance, and I think the present position regarding qualified assistance does show that considerable progress has been made in the last few years; and an amendment which Mr. Joshi will move subsequently will, I think, also give me an opportunity of dealing a little bit more in detail with the point that has been raised. At the present moment, all I can is that we consider that maternity benefit is a better proposition than compulsory provision for qualified assistance.

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

"That the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

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

"That clause 3 stand part of the Bill."

Mr. N. M. Joshi: Sir, I move:

"That in clause 3 of the Bill, for the word 'four' the word 'six' be substituted."

[Mr. N. M. Joshi.]

This clause makes it illegal for an employer to employ a woman in a mine within four weeks from her delivery. My amendment is that this period of four weeks should be increased to six weeks. In the first place I feel that a woman will not be capable of doing her regular work long before the short period of a month. That period should be increased. My Honourable friend, Sardar Sant Singh, has already told us about the custom in his part of the country; I think the custom is a good custom. This custom may be confined to India. But the idea that the period of six weeks is necessary in order to enable the woman to recoup her health is not confined only to India. The period of six weeks is considered to be the right period by international opinion on this subject. This subject of the period was considered along with the question of maternity benefit in an international conference held at Washington more than twenty years ago, and even at that time it was considered that a woman should have complete rest for six weeks before and six weeks after confinement, and during that period the woman should receive maternity benefit also and her employment should be made illegal.

I do not know why the Government of India should have selected the period of one month, except for the reason that some of the Provincial Governments in India have fixed that period of one month. If you ask me why the Local Governments have fixed that period, I do not know, except perhaps that the Provincial Governments and sometimes the Government of India too make it their special business to show to the world that India is a backward country. Otherwise I cannot see any other reason. If women are given maternity benefit for six weeks before and after, it is not going to put a very great burden upon the employer. The burden is extremely small and, therefore, ordinarily, you expect the Provincial Governments and the Government of India to follow the international convention. But they in their wisdom—I mean the Provincial Governments—thought it should be one month; and when the Government of India is going to take up that question, it seemed to me that they wanted to follow the Provincial Governments. I feel that they should have followed the international convention instead of the provincial convention

Lieut.-Colonel Sir Henry Gidney: Where was it passed?

Mr. N. M. Joshi: At Washington, twenty years ago; and many countries have ratified that convention, so that the practice prevails in many countries. I would like the Government of India in this matter to take courage in both hands. The burden on the industry is extremely small. I am quite sure the Honourable the Mover of the Bill will agree with me that the burden of increasing the period from one month to six weeks will be negligible, infinitesimally small; and, therefore, there is no reason why we should not follow the international practice. Sir, there is only one reason which seems to me to have induced the Government to put down one month. I have made some mention of it in my speech on another Bill during this Session. The Government of India and the Provincial Governments are a sort of trade union to prevent any progressive action being taken. If the Provincial Governments take a sort of less progressive attitude, the Government of India feel that it

will be wrong for them to take a progressive attitude and they go on being trade union reactionaries. I would like the Government of India to give up this attitude. Trade unionism is a good thing but not for doing wrong things. If you have a trade union for doing a good thing, then it is good. But if you form a trade union for doing unprogressive things, I think it is a wrong thing altogether. The Government of India should take steps to show that they are progressive and that they are going to be in line with the international world. If they do so, they will be inducing the Local Governments to come in line with the international world. Unfortunately, what is happening is that both the Provincial Governments and the Government of India vie with each other to pull down each other, instead of having a sort of rivalry to push each other forward. I would suggest to the Government of India to accept my amendment and come into line with the international world. I have no doubt in my mind that the Honourable Member will agree with me that the burden will be extremely small and will not be felt by anybody. It is also necessary to give some respect to the customs of the country which have been referred to by my friend, Sardar Sant Singh. I hope, Sir, the Government of India will accept my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 3 of the Bill, for the word 'four' the word 'six' be substituted."

Lieut.-Colonel Sir Henry Gidney: Sir, speaking on behalf of my Party, I feel we should congratulate Mr. Joshi on this great victory of his,—at least I hope so, and for which he has fought so strenuously. Ever since I have known him in the House since its inception he has devoted his time to the improvement and amelioration of the recognised hardships of men and women labourers, and this Bill is a much needed reform. The clause Mr. Joshi is speaking on with his amendment to it is one that has my sympathy, and I give it my support. Sir, the question of increasing the period of rest after labour from four to six weeks has much to commend itself to our attention. It is for building up with adequate rest the constitution of a woman after she has delivered of a child, which, is one of the most dangerous times for a woman. But there is a part of this Bill which has not been touched on by Mr. Joshi, and which as a medical man, I feel I must bring to his notice and to the notice of the Honourable Member who, I was very pleased to see, is very sympathetic towards this Bill. It is this. Whilst we are legislating for the protection of women who are normally pregnant and give birth to a child, we do not seem to have given any attention to that unfortunate woman who may, for occupational or other reasons have a premature labour or abortion. That woman is entitled to more care and protection and rest than one who has delivered a fully developed child. After all, the development of a fully developed child is a natural thing, and nature asserts itself very rapidly. In my practice of many years, it is not often that one has to keep the woman in bed for six weeks. It is generally a case of 2½ to 3½ weeks, in fact sometimes earlier; but to shorten this rest is fraught with danger and may sow the seeds of lifelong trouble.

But, Sir, as we advance in civilization and education, so our reactions to these things increase, and with the educated and the more civilized

[Lieut.-Col. Sir Henry Gidney.]

and the more sensitised women, these reactions to child birth are greater and more rest seems necessary. Whereas with the labouring classes their domestic life does not allow rest for six weeks. We have only to remember the African women who at times go to the fields for work as usual, give birth to a child, swing the kiddie over on their back and attend to their usual occupation. But here we have a clause which seeks to increase the period of rest from four to six weeks. In most cases such an extension of rest from four to six weeks is necessary—it is exaggerating the situation and I do not recommend it professionally, but if religious or caste laws demand it—then give it. I am not here to oppose this amendment, but I am here to say to Government that if they agree with Mr. Joshi in that the liability of the employer will not be increased and the burden will not be made heavier, I will certainly support it and support it with this proviso, that Government should give attention to the condition of those unfortunate women who, in dangerous callings in life, mainly, have had abortion or premature labour, because I feel that it is that class of woman who should be given greater attention than the woman who has given birth to a normal developed child. Sir, I support this amendment with this reservation.

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : Sir, after what my friend, Sir Henry Gidney, has said, I think he feels that women after child birth should be given rest for 3½ weeks. But then that may be with regard to Anglo-Indian women

Lieut.-Colonel Sir Henry Gidney : I think that remark is most objectionable. I take strong exception to it. Why should the Honourable Member bring the question of Anglo-Indian women into this discussion?

Mr. Lalchand Navalrai : I did not mean anything thereby.

Lieut.-Colonel Sir Henry Gidney : Don't say it then.

Mr. Lalchand Navalrai : What I say is that my friend means rest should be given for 3½ weeks after child birth, and, perhaps, he means it for Anglo-Indian women.

Lieut.-Colonel Sir Henry Gidney : I take objection to it.

Mr. President (The Honourable Sir Abdur Rahim) : What is the point that the Honourable Member is objecting to?

Mr. Lalchand Navalrai : I said he might be thinking of having treated certain Anglo-Indian women and from that he quotes his experience.

Lieut.-Colonel Sir Henry Gidney : No, Sir. May I rise to a point of explanation? What he said was,—the Reporter will support me or not,—“What Colonel Gidney talked about” 3½ weeks rest may be for Anglo-Indian women. My friend has no business to talk about them.

Mr. President (The Honourable Sir Abdur Rahim) : As objection has been taken to an expression like that, I think the Honourable Member should withdraw it.

Mr. Lalchand Navalrai : No insult was intended. I only wished to bring to the notice of the House

Lieut.-Colonel Sir Henry Gidney : Then withdraw it.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member should withdraw it.

Mr. Lalchand Navalrai : Yes, I withdraw it. I only said that it might be his experience.

Now, Sir, it has been brought to the notice of the House the custom which exists in the Central Provinces, the Punjab and the United Provinces, and even in Sind rest for 40 days has to be observed before a woman is allowed to work. It is called *Chali ho*, which means that the woman must remain indoors and not work for 40 days. Therefore, I feel that when we are enacting this measure, salutary as it is, we should not do things partially, but we should follow the practice that has existed in India for a long time. Now, clause 3 says that the period of rest should be four weeks following the day from which a woman has given birth to a child. Now, this kind of rest is specially necessary for women who are working in mines because it will enable them time to recoup their health and strength. In mines the work is very hard, and in order that a woman after child birth and sufficient rest may be able to work better, it is necessary that she should be given more time to recoup herself. Sir, I support the suggestion to extend the period from four to six weeks.

Maulvi Abdur Rasheed Chaudhury (Assam : Muhammadan) : Sir, in supporting this amendment I should say that the period of rest required after child birth in many of our factories in Assam is 45 days. Our managers don't give any work to women under these circumstances for at least a week before delivery and also for another 30 or 40 days after delivery. I would have liked it if the amendment were such as to cover about a week before delivery and about five weeks after delivery, because that would have been in accordance with the practice in factories in our province. However, as the amendment is not of that nature, I support it as it is, because in practice no work is given to women after child birth for five or six weeks in Assam. Sir, I support this amendment.

Mr. H. C. Prior : While I quite agree with Mr. Joshi that at Washington in 1919 the International Labour Office passed a convention dealing with this subject and in that convention they suggested that the period after child-birth during which women should not be employed should be six weeks, I think that he is perhaps over-optimistic as to how many nations have actually ratified that convention as the passing of a convention does not necessarily mean its general ratification. I have here certain statements, and actually some sixteen nations in all have ratified that convention. They include Argentina, Brazil, Bulgaria, Chile, Columbia, Cuba, Germany, Greece, Hungary, Luxemburg, Nicaragua, Rumania, Spain, Uruguay and Yugo-Slavia. They have fully ratified the convention. I have here—I can read if Honourable Members would like to listen, but I feel they would not,—statements from all the nations showing to what extent this six weeks period has been followed in other countries. There are, I may say, a very considerable number of countries

[Mr. H. C. Prior.]

that have introduced maternity legislation, who have not in this matter gone so far as the Government of India propose to do but have reduced the period even below the four weeks which we propose. I do not want to rely on the trade unionism between the Government of India and the Provincial Governments to which Mr. Joshi has rather picturesquely referred. I deny that such trade unionism exists. We are not here to play one off against the other, but I do think that the Government of India would take on themselves a very serious responsibility if in introducing this Bill and taking a first step in regard to mines they went further than the provinces have already gone in regard to factories.

Mr. N. M. Joshi: What else than trade unionism?

Mr. H. C. Prior: I do not think that is trade unionism. We have to feel our way somewhat carefully. We know, I think, that if we in following the provinces are accused of trade unionism, the trade unionists themselves would at once come back on us, and if we increase the period to six weeks they would go in for an increase in the Factories Act, and we have to consider whether such increase in the Factories Act is justifiable or not.

At this point I think I ought to go into the history of how this Bill has been arrived at. I did not mention it in my opening speech because I think it is fairly well-known to most Members of this House. We have had this Bill under consideration for a very long time. We have consulted employers' representatives, and employees' representatives. We have consulted Provincial Governments and we have considered the matter at a Conference of Labour Ministers of the various provinces, and we are satisfied that the Bill as it has been introduced is materially the best Bill that we can produce at the present time. A good deal of mention has been made of various customs relating to the periods during which women remain in bed after confinement. I am afraid I am no expert on that. But I think it is necessary for the House to remember what type of women are ordinarily employed in mines. You have to remember that, if this amendment is accepted, you entirely forbid the employment of a woman for a period of six weeks after confinement. She is not allowed to, she is not given any option,—you take that option entirely away from her. Are you certain with regard to the various classes of women who are employed in mines throughout India it is justifiable to deprive them of the right to work and ask them to be content with eight annas a day? I do not know whether this House would be justified in taking a decision of that nature without further enquiry than we have had time to make since the amendment was introduced.

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

"That in clause 3 of the Bill, for the word 'four' the word 'six' be substituted."

The motion was negatived.

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

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

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

"That clause 4 stand part of the Bill."

Mr. N. M. Joshi: I beg to move:

"That in sub-clause (2) of clause 4 of the Bill, for the word 'four' the word 'six' be substituted."

Mr. President (The Honourable Sir Abdur Rahim): It is quite the same thing.

Mr. N. M. Joshi: This Bill proposes that before confinement a woman can take rest for four weeks. I propose that she should have rest and authorised leave of absence for six weeks. (After a pause) I have moved a wrong amendment. I should have moved No. 3. I beg to move:

"That in sub-clause (1) of clause 4 of the Bill, for the words 'one month', wherever they occur, the words 'six weeks' be substituted."

Mr. President (The Honourable Sir Abdur Rahim): Even then is it not the same question?

Mr. N. M. Joshi: That clause dealt with making the employment of women after confinement illegal. This clause deals with permission to remain absent six weeks before confinement.

Mr. President (The Honourable Sir Abdur Rahim): If you wish to press the matter, you can. Perhaps there is some difference between the two amendments.

Mr. N. M. Joshi: I am not going to make a long speech. I shall simply touch on one or two points raised in the discussion. My Honourable friend, Sir Henry Gidney, referred to the fact that we are not dealing with absence caused after abortion. I think that the Government of India should consider this question seriously and bring forward an amendment in the other House when the Bill goes there for consideration.

Mr. President (The Honourable Sir Abdur Rahim): That is another matter.

Mr. N. M. Joshi: Yes, that is a different matter altogether.

As regards this amendment I cannot say I have got much hope that the Government of India would do the right thing. They somehow feel that they would be taking a very great responsibility if they fixed a different period from the period fixed by Local Governments. I would like the Honourable Member to tell me one thing. How is this vicious circle to be broken. The Government of India tell us that certain reactionary or less progressive practices are being followed by the Provincial Government and, therefore, they cannot go further. The Provincial Government may say that the Central Government have legislated and fixed one month and, therefore, they cannot take any step forward. Ministers from the different provinces do come to Delhi to hold conferences on labour matters. They came here twice up to this time and I find that no concerted action has taken place up to this time. I quite realise that in India we have different provinces and we have a Central Government. But, unfortunately, that

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Central Government is not a Government which has confidence in itself. It always feels that the Central Government can only go as far as the provinces can push them.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is repeating his arguments.

Mr. N. M. Joshi: My point is that we do not make any progress on account of this difficulty. Each Provincial Government and the Central Government are pulling each other backwards and the only thing now to do is to take concerted action forward. Unfortunately they refuse to co-operate with each other and take concerted action. It is quite possible that they can move forward if they will take concerted action together but they refuse to do it. They met for two years successively. The provincial representatives came here and met each other and had some entertainment but no action has yet resulted. I would, therefore, suggest to the Government of India and to the Local Governments

The Honourable Mr. M. S. Aney (Leader of the House): You complain that there was no concerted action. But was there concerted opinion?

Mr. N. M. Joshi: That is my complaint and the Leader of the House has given expression to that complaint. There is a regular conspiracy between the Provincial Governments and the Central Government not to take any action. I, therefore, suggest to the Legislative Assembly which is my court of appeal, that they should take courage in their hands and support my amendment. Let us go to the lobby and show to the Government that at least a good number of members of the Assembly consider that this conspiracy is a very wrong conspiracy and must be ended.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved: "That in sub-clause (1) of clause 4 of the Bill, for the words 'one month', wherever they occur, the words 'six weeks' be substituted."

Lieut.-Colonel Sir Henry Gidney: As a medical man I am very tolerant and very sympathetic towards these necessary ameliorations to the labourers, man or woman, that Mr. Joshi desires and I am mindful of the statement made by the Honourable Member regarding the various countries that follow the International Law; but he might have cut short that list of countries and said 'progressive or the new Germany' with its new Kulture. Sir it is strange but true that the German culture is spelt with a K—Kulture—and not with a C—Culture—and why? Because England possesses control of all the C's (seas). Let me be more serious—here we have an amendment moved by my friend, Mr. Joshi, which has my sympathy, but I wonder if the practical and materialistic aspects of this question have ever struck him. By this amendment he seeks to give these women six weeks absence from work and relief from work before and after the birth of a child—six weeks non-co-operation if I may say so. That means to say that that woman, who may be half the bread winner of the house, is deprived of three months of pay.

Mr. N. M. Joshi: No, Sir, she should be paid.

Lieut.-Colonel Sir Henry Gidney: You cannot get Factories, Firms, Mills, etc. to give an employee twelve months pay for nine months work, except as is given to school teachers. Remember these super and other taxes firms have to pay their shareholders, they have to maintain their companies at a high cost today. Let us be tolerant and sympathetic but do not let us overstep the line, and, in our magnanimity, indulge in extravagances. Six weeks before is rather a tall order. As a medical man I have had to deal with hundreds of factories in Eastern Bengal and I can assure this Honourable House that I have not known of an Indian woman wanting leave of absence for as many as six weeks before and after labour. Further: In the second proviso of this clause it is stated:

"Provided that the manager may, on undertaking to defray the cost of such examination, require the woman to be examined by a qualified medical practitioner or midwife, and, if the woman refuses to submit to such examination, etc., etc."

There is just one little point on which I should like to remark and I think it is germane to the issue before the House. The position is this. If a factory or a mill or a business concern employs a doctor, a midwife or a lady doctor, I think their employees should make use of such free skilled medical advice and relief and not encourage resort to unskilled quacks, especially the unqualified septic *dhai*. If this is not insisted on the firm would have to pay for the medical attendance of an outside doctor as is so frequently resorted to by railways and other big employers of labour and which is never done.

Mr. H. C. Prior: I am glad that I have got Mr. Joshi away from trade unionism into conspiracy but I deny even conspiracy. There is no conspiracy between the Central Government and the Provincial Government in this matter and I think that if Mr. Joshi studies the various Acts that have been passed dealing with labour matters in the Central Legislature in recent years he will find reason to feel that his accusation against us is really incorrect. We all of us progress. Mr. Joshi himself as a member of the Whitley Commission was quite satisfied with four weeks before and four weeks after. That is ten years ago.

Mr. N. M. Joshi: I have progressed. You have not. That is the trouble.

Mr. H. C. Prior: He was himself a party to a report in which there is a recommendation that the legislation was not yet necessary in the case of mines. Well, Sir, we have progressed in that we are now extending this legislation to mines and who knows we may at a later stage progress to the extent of accepting six weeks instead of four weeks. For the present, after the careful consideration which we have given to this Bill, we think that we must stick to the period of four weeks.

The Honourable Mr. M. S. Aney: While reading this proviso, it strikes me that a manager is given the right of asking a woman to submit herself to an examination by a medical practitioner or midwife and if she refuses, the manager may refuse permission. Now, I want to know whether a woman would not be justified in refusing to submit herself to an examination if the medical practitioner be not a woman but a man. Instructions will have to be issued under this Act to see that the Manager insists upon

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a medical examination only by a midwife or woman doctor. Otherwise there will be difficulty.

Mr. H. C. Prior: I noticed myself the point which has been raised by the Honourable the Leader of the House and we will consider the matter with a view to producing an amendment in the Council of State.

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

"That in sub-clause (1) of clause 4 of the Bill, for the words 'one month', wherever they occur, the words 'six weeks' be substituted."

The motion was negatived.

Mr. N. M. Joshi: Sir, I do not want to move No. 4.

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

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

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

"That clause 5 stand part of the Bill."

Mr. N. M. Joshi: Sir, I move:

"That in clause 5 of the Bill, for the word 'nine' the word 'six' be substituted."

This clause among other things provides that a woman in order to be eligible for maternity benefit must work in a mine for nine months. I am proposing that a woman should become eligible for maternity benefit even if she works for six months. I think six months period is quite sufficient and we need not insist upon a woman working in that mine for nine months. The amendment is a very simple one and I hope the Government will accept it.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 5 of the Bill, for the word 'nine' the word 'six' be substituted."

Mr. N. M. Joshi: Sir, I should have said one word more. This period of six months has been fixed in the Maternity Benefit legislation of the United Provinces. That was done during the Congress Government and I would suggest that the Government of India should not lag behind the Congress Government.

Mr. C. C. Miller: Sir, I am sorry to oppose the amendment moved by my Honourable friend, Mr. Joshi. I find that his arguments for the six months period are unimpressive whereas there is the excellent argument for the nine months period, which, incidentally, is also the period of employment in the recently passed Bengal Maternity Act.

Mr. N. M. Joshi: Follow the United Provinces Act.

Mr. C. C. Miller: I will follow the Bengal Act. The reason simply is that nine months is a period of employment and it is hardly fair to expect an employer to employ a woman who may shortly be going to have a child and who is employed simply for the purpose of obtaining the maternity benefit. I think that is the whole reason of the nine months period and for that reason I must oppose the amendment.

Lieut.-Colonel Sir Henry Gidney: Sir, again the spirit of tolerance pervades me. We have been asked that we should choose between the Acts of the United Provinces and Bengal. It is an old saying: "What Bengal thinks today, India does tomorrow." May I say: "What Fazlul Haq says today, the Muslim League does not do tomorrow....."

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better leave out the names.

Lieut.-Colonel Sir Henry Gidney: But let us take the practical and material view of this Bill. Mr. Joshi's amendment indicates that a woman who is *enceinte* must be allowed absence from work for six weeks before her child is born with an allowance of eight annas a day. Now, Sir, I do think that is carrying it a little too far. I did not know that Mr. Joshi had such sympathy for these people, but I can quite realise how saturated he must be with a spirit of charity. Whilst I agree that anything we can do for these women labourers we should do for the benefit, but let this be done within reasonable and practical limits.

Mr. H. C. Prior: Sir, though I recognise the force of the arguments produced by Mr. Miller, I still think that it is rather unlikely that a woman in order to get four weeks benefit before and after confinement, would deliberately come and work for a period of six months in a mine. I think we are all rather concerned with the difficulty that a woman may have to prove her continuous employment for a period of nine months. In good concerns undoubtedly she may be able to do so. In less good concerns, she may find more difficulty. In concerns which do not keep up their books properly, she may find it very difficult to dispute an entry in those books which shows that seven months ago she was absent for some four or five days. The period of nine months was the one which, after consideration, we thought was a satisfactory period, but on consideration of the amendment now brought forward by Mr. Joshi we are inclined to agree that six months may prove to be the better. We are, therefore, prepared to accept his amendment.

Mr. J. D. Boyle (Bombay: European): May I ask a question, Sir? Is it the opinion of the Government that it will be easier for a woman to prove her case after six months than after nine months? That three months will make all the difference.

Mr. H. C. Prior: I do not say that it will make all the difference but it will make some difference and we hope will make a very considerable amount.

Lieut.-Colonel Sir Henry Gidney: May I ask a question? Has the Honourable Member considered the cases in which there has been a miscalculation of the date of labour? That often happens. You cannot tell with any degree of certainty when labour is to take place. What is going to happen then? Are you going to continue your benefit *ad infinitum* hoping for the day?

Mr. H. C. Prior: We cannot in every case be certain of the period of employment. We have to do the best we can with the evidence that is before us.

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

"That in clause 5 of the Bill, for the word 'nine' the word 'six' be substituted."

The motion was adopted.

Mr. N. M. Joshi: Sir, I move:

"That in clause 5 of the Bill, after the words 'eight annas a day' the words 'or at the rate of average daily wage on total wages earned during a period of three months immediately preceding the date on which she gives notice under section 4(1), whichever is greater' be inserted."

Sir, the Bill provides that the amount of maternity benefit should be eight annas a day. Sir, I am proposing that in the case of a mining woman whose average earnings for the month is more than eight annas a day, she should get her average wage of maternity benefit and it should not be reduced to eight annas in such a case. Sir, the number of women employed in mines and whose average wages will go beyond eight annas a day will be extremely small. Therefore from that point of view there need be no objection. The Honourable Member who moved this Bill agreed that the allowances paid to women for helping them during the period of confinement should be adequate and I am only suggesting therefore that those women who are getting more than eight annas a day should get their full wage and not eight annas which in their case will mean reduced allowance. I have already said that my amendment will apply to a very small number of women and, therefore, there should be no opposition to it. There is good reason why it should be approved because we are all agreed that the allowances paid to women should be adequate for their maintenance. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 5 of the Bill, after the words 'eight annas a day' the words 'or at the rate of average daily wage on total wages earned during a period of three months immediately preceding the date on which she gives notice under section 4(1), whichever is greater' be inserted."

Lieut.-Colonel Sir Henry Gidney: Sir, I have only one observation to make, it might be constructive or it might be destructive as far as this amendment is concerned. It is this. My Honourable friend, Mr. Joshi, wants this House to decide on his amendment that a woman should be given eight annas a day or the average of her wages whichever is greater. Suppose a woman is earning wages which works out to ten annas or twelve annas or more a day, or say her daily wage is less than eight annas per diem.

Mr. N. M. Joshi: She should be given the higher average, because my amendment is 'whichever is greater'.

Lieut.-Colonel Sir Henry Gidney: You want to have the greater one. Government of India always give the "Lesser". Who is going to suffer thereby. The employer. Have we any reason or justice to ask him to pay this woman more than what she earns?

Mr. N. M. Joshi: No, not more than what she earns.

Lieut.-Colonel Sir Henry Gidney: You read your amendment. You urge whichever is greater. Supposing a woman earns Rs. 20 a month and her daily average will be more than eight annas. You also expect the employer to give her eight annas a day even if her daily wage is less than eight annas per day.

Mr. N. M. Joshi: Yes, Sir.

Lieut.-Colonel Sir Henry Gidney: Sir, I cannot support this amendment.

Mr. H. C. Prior: Sir, I thoroughly agree with my Honourable friend, Mr. Joshi, that what we have got to do is to give maternity benefit sufficient for the full and healthy maintenance of the mother and the child, but I cannot agree with him that it makes any difference or that we should have to give a larger sum in order to satisfy that criterion if the particular wage-earner was drawing a larger sum in wages before that. The amount that is sufficient for the full and healthy maintenance of the mother and child remains the same whatever the wages drawn by the woman before confinement. Sir, we have fixed the rate at eight annas because we thought that this is the sum that satisfies the obligation of the International Labour Convention. The sum is, we believe, larger than that drawn by a large number of women working in mines, but it is a sum which satisfies our obligation and that is why we have proposed it. To ask an employer to pay anything more would be going beyond the convention and doing something which in our opinion would be unnecessary.

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

"That in clause 5 of the Bill, after the words 'eight annas a day' the words 'or at the rate of average daily wage on total wages earned during a period of three months immediately preceding the date on which she gives notice under section 4(1), whichever is greater' be inserted."

The motion was negatived.

Mr. N. M. Joshi: Sir, I move:

"That in the *Explanation* to clause 5 of the Bill, after the words 'periods of' the words 'casual absence or' be inserted."

Sir, in this clause there is the word 'continuously' which is a very mischievous word. Sir, in order that a woman should become eligible for maternity benefit, she has to show that she has been continuously employed in a mine for six months. Sir, ordinarily, the number of women employed in mines who generally come from village round about the mines

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have to remain absent on many occasions, and this 'continuous' employment will be a great obstacle in the way of a woman getting maternity benefit. Sir, if this word 'continuously' is very strictly interpreted, then, in my humble judgment no woman will become eligible for the benefit. But the Government of India have introduced an Explanation to this Clause, interpreting the word 'continuously'. The purpose of that explanation is to lay down that "Periods of authorised absence on account of illness or leave shall count as employment in determining whether employment has been continuous". If a woman is absent on authorised leave or on account of illness, then only her absence will not be regarded as break in her employment. There are cases in which a woman may have to remain absent and may not be able to take leave or the employer may not agree to make her absence an authorised absence. Sir, under the Government of India rules, employees of the Government of India get leave called 'casual leave'. I am not suggesting that they always take that casual leave without anybody's permission, but sometimes they take casual leave. I am suggesting that these women employed on mines should have some casual leave. That is if they take leave for a short period, a few times during the period, that absence should be excused and it should not be regarded as a break in the continuous service. I hope the Government of India would accept my suggestion.

Mr. H. C. Prior: Sir, I should like to speak just at once after that motion, because we would be prepared to accept this amendment if, with your permission, Sir, Mr. Joshi was allowed to alter the wording of this amendment to read: "For the words 'casual absence or', the words 'casual absence as defined by rules made under section 15 or'."

Mr. N. M. Joshi: I have no objection to move the amendment in the form in which the Government would accept.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already made his speech. He can accept the words.

Mr. N. M. Joshi: I am quite prepared to accept the amendment in the form suggested by the Government.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That in the *Explanation* to clause 5 of the Bill, after the words 'periods of' the words 'casual absence as defined by the rules made under section 15 or' be inserted."

Mr. J. D. Boyle: Sir, Mr. Joshi's amendment as it was originally moved was totally unacceptable. I take it that the object of the amendment now moved by Mr. Joshi is to give Government time to consider this matter more carefully before a proper rule is framed. My object in speaking now is to remind Government of one matter. They apparently are taking Mr. Joshi's word as the gospel on the subject of labour legislation. He feels difficulty as regards the case of the woman who may be employed by what may be described as the dishonest employer; that is to say, the employer will penalise her and exclude her from the benefit of this maternity benefit because she has been absent either for a few days or even for

one day and, therefore, interrupted her continuous employment. I can quite see that there is a case to be made out for that and to be safeguarded against. But I hope Government in framing their rule will also take into consideration the exact reverse of that. In determining "casual absence" they have to remember that it may very well be that a woman who is only employed for a few days will claim the benefits under this Bill and that has to be safeguarded against just as much as against the dishonest employer.

Mr. H. C. Prior: Sir, I agree with all that Mr. Boyle has said and we will take steps to consider not only the case of what he called the dishonest employer but also the case of the dishonest employee. And before we frame these rules,—which, I frankly admit, may create a certain amount of difficulty in framing,—we will consult persons interested so as to arrive at satisfactory rules to deal with the matter. I think the difficulty which has been brought out by Mr. Joshi is a real difficulty. Attention has been called to it not only by Mr. Joshi but by the Bombay Textile Inquiry Committee. And had we had our attention called to that important item in the report, we would have included provisions of that kind in our Bill as originally framed.

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

"That in the *Explanation* to clause 5 of the Bill, after the words 'periods of' the words 'casual absence as defined by the rules made under section 15 or' be inserted."

The motion was adopted.

Mr. N. M. Joshi: Sir, I move:

"That in the *Explanation* to clause 5 of the Bill, after the word 'leave' the words 'or absence due to playing off or lockout or strike' be inserted."

Sir, I am being encouraged by the assistance given by the Government of India in passing the last amendment and in moving this amendment I rely upon getting the same assistance from them. My amendment suggests that if a woman working in a mine is absent on account of a lockout declared by the employer, that at least should not be regarded as absence or break in the continuous service. What can the poor woman do when the employer locks her out? Then, Sir, these industrial workers in most industries have sometimes to go on strikes; otherwise the employers make no improvement and there is no progress. This absence on account of a strike should also not be considered as a break.

Thirdly, I am referring to the practice of what is called "playing off" in some industries. I am not really aware of the word which is used in mines, but in the Bombay textile industry the word used is "playing off", which means that when the employer finds that he has not got sufficient orders for goods he keeps the factory closed and does not pay the employees any compensation for their being unemployed. I have already said that I am not really aware of the practice in mines but if there is any practice on the part of the employer to keep the mine closed on account of there not being sufficient orders for coal, the absence of the woman in that event should not be regarded as a break in service.

The Honourable Mr. M. S. Aney: Where shall we find the meaning of the phrase "playing off"?

Mr. N. M. Joshi: It will be found in some reports of inquiry committees. I have taken this phrase from some of the reports. For instance, there is the report of the inquiry committee in Bombay over which Justice Fawcett presided and there has recently been the report of the committee over which Justice Divetia presided. Both these reports contain this phrase "playing off" and I have explained the meaning of it.

Sir, the Honourable the Mover has said that as regards casual absence his attention was not drawn to the report of the Textile Inquiry Committee. I am again drawing his attention to that report in order to induce him to give support to my amendment. The amendment which I suggest has the support of the report of that inquiry committee. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in the *Explanation* to clause 5 of the Bill, after the word 'leave' the words 'or absence due to playing off or lockout or strike' be inserted."

Lieut.-Colonel Sir Henry Gidney: Sir, I am one who believes that a strike strikes the strikers the hardest, and in this amendment Mr. Joshi attempts to persuade this House to so alter the wording of this Explanation as to incorporate in it benefits to be given to those who are indulging in "playing off",—people whom he asks Government to play with,—lockouts or strikes. Sir, I am not one who favours a strike. I admit that Government are often stampeded into compromises with strikers. But strikes are today encapsulated with legislation which prevent them from receiving any benefits during the strike periods except of course legal strikes. And I see no reason why these employees should be safeguarded to this extent that they should be given a payment or wage whilst they are "playing off" or on strikes. The employee is a free agent. He is not bound down to any employer's terms and the employee can work or not work. In these circumstances I do think Mr. Joshi is stretching his demands a bit too far when he asks us to accept this amendment. I ask him not to introduce these protective clauses which are nothing else but an encouragement to lockouts and strikes.

Mr. J. D. Boyle: Sir, I presume the amendment refers to legal strikes and illegal lockouts, because I would strongly deprecate payments being continued during illegal strikes and legal lockouts.

Mr. N. M. Joshi: I am prepared to accept an amendment that the word "legal" should be inserted before the word "strike" if the Honourable Member will support me.

Sir Vithal Narayan Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, I think this question should be considered carefully by Government and this House before accepting Mr. Joshi's amendment. I am speaking from my experience of Bombay. As a result of the recent enactment of the Trade Disputes Act, we have got precise definitions of legal lockouts and legal strikes. If the principle underlying Mr. Joshi's

amendment is accepted, period of absence as a result of an illegal strike or a legal lockout will not be considered as authorised period of absence and, I hope, the Government will consider this point. As regards "playing off", we should be very careful because there should be a definition of "playing off". I am very glad my Honourable friend, Mr. Joshi, is trying to give recognition to the practice of "playing off" because his followers and friends in Bombay refused to agree to incorporate in the Standing Orders an order recognising the practice of "playing off" and it was only recently as a result of a decision of the Industrial Court that the practice of "playing off" has been recognised. I, therefore, suggest that before any legislation is undertaken the definition of "playing off" should be incorporated in the Bill or should be provided for in the rules. Employers have to "play off" workmen when as a result of shortage of orders or back processes machines have to be kept idle for short periods. The practice in Bombay is that when women are kept out as a result of "playing off" they are considered to be within the employment of the employer and the period is taken into account as a legitimate period of absence for the purposes of the benefits under the Maternity Act.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Does Mr. Joshi now admit "playing off"?

Mr. N. M. Joshi: What has that to do with me? I have moved my amendment.

Mr. H. C. Prior: I am afraid that in this case we cannot meet Mr. Joshi's wishes and we are not prepared to accept that amendment. We have already a provision in the Act, under Section 10, that if a woman claims that her maternity benefit is improperly withheld she can apply to the Chief Inspector or the Inspector of Mines. He will no doubt take into consideration a matter such as "playing off". As regards strikes, various points have been raised by Honourable Members in this House regarding the differentiation between legal and illegal strikes and I think that the question of whether maternity benefit in such cases should be withheld or not is one which must be left for consideration in the individual circumstances arising from each individual strike.

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

"That in the *Explanation* to clause 5 of the Bill, after the word 'leave' the words 'or absence due to "playing off" or lockout or legal strike' be inserted."

The motion was negatived.

Sardar Sant Singh: Sir, I want to say a word about clause 5 as amended. I understood the Honourable Member to mean that the case of premature delivery is covered by this clause. I think I heard you right, Sir. I have studied this clause once more as I wanted to be sure, Sir, whether it is included or not. The clause reads:

"Every woman employed in a mine who has been continuously employed in that mine or in mines belonging to the owner of that mine for a period of not less than nine months preceding the date of her delivery shall, if she complies with the conditions imposed by this Act, be entitled to"

Now, this condition—if she complies with the condition imposed by this Act—to my mind covers the case mentioned in clause 4 above, and

[Sardar Sant Singh.]

as such it deals only with those cases where delivery is not premature. I would like the Honourable Member in charge of the Bill to let us know if really the wordings of the clause as they are will cover such cases or not, and if they do not cover—as in my opinion they do not—then he will give an assurance that the clause will be suitably amended in the open House to cover such cases.

Mr. H. C. Prior: If the woman expects to be delivered within one month then there is a provision under clause 4 to give a notice. If, however, she has a premature delivery at a time in which she did not anticipate that this premature delivery would occur within a month then there can be no obligation on her to give notice. That appears to be the intention which is conveyed by the provisions in the Act. If she is prematurely delivered then section 5 comes in and she is entitled to benefit provided she did not anticipate that she would be delivered within one month, but if she did anticipate she has to give a notice.

Sardar Sant Singh: Then will she be entitled to the benefit of four weeks after the delivery? That is a doubtful point.

Mr. H. C. Prior: I can give an assurance that I will have the point examined to see whether the existing provision does or does not cover such cases.

Mr. President (The Honourable Sir Abdur Rahim): 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. N. M. Joshi: Sir, I move:

"That after clause 5 of the Bill, the following new clause be inserted and the subsequent clauses be re-numbered accordingly:

'6. A woman worker who avails herself of the services of a qualified midwife or a trained woman health-visitor at the time of her confinement, shall be entitled to the bonus of rupees five in addition to such other maternity benefit to which she may be entitled'."

Sir, this amendment speaks for itself. It is intended that if a woman avails herself of the services of a qualified midwife or a trained woman health visitor, she should get a bonus of Rs. 5. Sir, this provision has been taken by me from the United Provinces Maternity Act and I have no doubt that it will meet with the approval of the House and even of my Honourable friend, Sir Henry Gidney.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That after clause 5 of the Bill, the following new clause be inserted and the subsequent clauses be re-numbered accordingly:

'6. A woman worker who avails herself of the services of a qualified midwife or a trained woman health-visitor at the time of her confinement, shall be entitled to the bonus of rupees five in addition to such other maternity benefit to which she may be entitled'."

Lieut.-Colonel Sir Henry Gidney: There is only one question which I should like to ask Mr. Joshi before I decide whether to support this amendment or not, and it is this. In the event of a woman employee belonging to a firm or factory who have a qualified medical-man and a qualified *Dai*, would he insist on her getting Rs. 5 as an additional amount, besides the expenditure of the firm in maintaining a doctor whose services she can obtain free of charge?

Mr. N. M. Joshi: Sir, the woman will have certain legal rights to get Rs. 5 in case she avails herself of the services of a qualified midwife or a qualified health visitor. If in addition to this legal right she gets from the employers services of a qualified midwife or a qualified health visitor, she will certainly welcome that assistance from the employers, but, Sir, I cannot approve of the idea of her losing the benefit

Mr. J. D. Boyle: Why does she want two midwives and two doctors?

Mr. N. M. Joshi: of Rs. 5.

Mr. President (The Honourable Sir Abdur Rahim): Will the Honourable Member just answer the question? The Honourable Member cannot make a second speech.

Mr. N. M. Joshi: Sir, I am not making a speech, and I do not accept his suggestion.

Mr. H. C. Prior: Sir, while I recognise the force of Mr. Joshi's argument, as I think it is intended to encourage a woman worker to make more use of qualified midwives and trained health visitors, I am afraid I cannot accept the amendment as it stands for two reasons: first, that there is no definition of qualified midwife or trained woman health visitor; and second, that in any case the payment of five rupees may be very much too much. The services of a qualified midwife or trained health visitor may be given free of cost or may amount to a very small sum indeed, and there is no reason to put on the employer an obligation to pay a sum more than the woman herself has to pay.

I see, however, that my Honourable friend, Sir George Spence, has tabled a further amendment dealing with this point and I would suggest that my Honourable friend, Mr. Joshi, may consider withdrawing his amendment with a view to the consideration of the amendment to be moved by Sir George Spence.

Mr. N. M. Joshi: In view of the fact that an amendment, which is likely to pass, is going to be moved, I am prepared to ask the leave of the House to withdraw my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable Member the leave of the Assembly to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

[Mr. N. M. Joshi.]

midwife or visitor and they will lose the benefit. Moreover, I am not one of those who believe in what I may call, paternal government of the employer. The employer should take work from his employees and pay them; but I do not believe in the employer providing houses, in providing nurses and trained doctors and also providing vegetable markets and everything. I would like the employers not to take upon themselves these paternal duties; they should content themselves by paying the wages and by making payments in accordance with the laws of the country. That should be the relationship between an employer and the employed. I am, therefore, against the principle of this amendment; I feel that this amendment will prevent women from getting the benefit of the amendment proposed by Sir George Spence.

Mr. J. D. Boyle: Mr. President, I think we have heard a most astounding statement from my friend, Mr. Joshi, a statement which could hardly have been made by him outside the Assembly Chamber. What, in fact, he says is, if an employer employs a labourer, he should pay him as little as possible under the letter of the law, and then have no further interest in him,—he need make no attempt whatsoever to improve his condition

Mr. N. M. Joshi: Let Government do it.

Mr. J. D. Boyle: I am not giving way.

Now, Sir, Mr. Joshi referred to the prejudice that would exist against women going to a qualified midwife provided by the employer. Now, Sir, there are two points about it. First of all, there is the prejudice against going to a doctor and against using modern forms of medicine; it is not against actually going to a particular doctor or another, in particular the prejudice is not against any particular midwife. The only prejudice which exists against a particular doctor is, quite naturally, in a large factory, against the firm's doctor, because in that case the firm is asking the doctor to see whether that man is fit for returning for employment within a certain time or not, and, therefore, the man does not naturally want to go to that doctor but would prefer to go to his own doctor because the doctor he is paying for is likely to grant him a few more extra holidays. It is an entirely different thing from the question of prejudice that is mentioned here.

As to the question of prejudice generally, I think my friend, Mr. Joshi, will agree that you cannot legislate for prejudices, and I think he will also agree that the particular prejudice against western medicines or modern forms of hygiene is rapidly disappearing, and, therefore, we should not legislate on those lines; we should try and break down those prejudices.

Lieut.-Colonel Sir Henry Gidney: Sir, I was rather astounded to hear the statement just made by my friend, Mr. Joshi. Again, talking as a medical man I am surprised to think that a man like Mr. Joshi should make such a request to this House. I should have thought that he would be one with us with India's maternity and infantile mortality at such

high levels in advocating the services of skilled midwives. Trained midwives, may I tell him from my professional experience, are quite different from the dirty *Dais* who use their dirty fingers when labour cases are conducted, and from which women in many cases have died of infection. Five rupees is a small amount and rupees three is ridiculous for the conduction of a labour. Firms provide qualified midwives and I ask why should her services be rejected to satisfy a prejudice as Mr. Joshi wants this House to believe? Why do you suggest that a woman will refuse to be attended by a doctor simply because he is employed by the firm? I think we should encourage labourers, men and women, employed in factories, to avail themselves of skilled and qualified medical aid, and not encourage in anyway the services of untrained *Dais*,—that death bed of India.

Mr. H. C. Prior: Sir, I am quite prepared to accept the general lines of the amendment moved by Mr. Miller. The object for which we have moved our amendment is to encourage among women employed in mines the use of qualified midwives and trained health visitors and it would seem that Mr. Miller's amendment will have that result and will do nothing to prevent that result being achieved. Where the Mines Manager has provided a qualified midwife,—that is what the Government wants,—Mr. Miller by his amendment wants that full use should be made of that midwife by the women employed in mines. I cannot understand, I am afraid, the prejudice referred to by Mr. Joshi and I do not think that Government legislation should be framed with the intention of encouraging that prejudice. We have a certain object, and that is, of encouraging women workers to use qualified midwives. The proviso moved will assist rather than hinder that object, and, therefore, we have no objection to the form of the proviso. It may perhaps be found necessary on a technical examination of the proviso to make certain verbal alterations before it is finally adopted, but we will do that before the matter is considered in another place and for the purposes of this House, we are prepared to accept it.

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.

Sir Vithal Narayan Chandavarkar: Sir, the only object of my intervention in this debate is to deal with the reference made by Mr. Joshi to a doctor employed by a Mill in Bombay. I do not know to which mill my Honourable friend referred, but I take it that he meant that when the doctor to whom Mr. Joshi referred went inside the mill—very few workmen went to him for free advice, and that a large number of workmen from the same mill went to his private dispensary outside and took medicine from him and paid for it. Perhaps the explanation is that the doctor who must be in receipt of a fixed allowance from the mill wanted to make more money and therefore, he discouraged the workmen from going to him while he was on mill business during the mill hours, and made them go to his private dispensary and got more money out of them. I do not want to

[Sir V. N. Chandavarkar.]

make that charge at all, but if Mr. Joshi is going to make a charge against the employers that, when they spend money on medical relief, they do so merely with the object of observing the requirements of the Factories Act or any other enactment of Government and not with a desire to give real medical relief, then I submit that I am entitled to retaliate and make a charge against the doctor Mr. Joshi had in mind that he wanted to get money out of the workmen.

Mr. N. M. Joshi: Why penalise doctors?

Sir Vithal Narayan Chandavarkar: But I would like to make it clear to this House, speaking from very intimate knowledge in my capacity as the Chairman of the Association which I have the honour to represent, that the medical relief which is given by the mills is being given sincerely with a desire to give relief to the employees and I may mention that we have gone out of our way to issue instructions to the mills that in arranging for the visits of doctors the convenience of the employees should also be taken into account and they should not be guided merely by the convenience of the doctors. I would like to make this clear as those Members of the House who do not know what is happening in Bombay may go away with the impression that the mills who give medical relief simply indulge in a make-belief and are not giving any real relief to the employees who are in their employment.

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

"That the following proviso be added at the end of sub-clause (1) of the proposed new Clause 6:

'Provided that the obligation to pay this benefit shall not arise in the case of an employer who provides free services of a qualified midwife or other trained person in accordance with the arrangements approved by the Central Government'."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): Then I shall put the amendment of Sir George Spence with this proviso added. The question is:

"That after clause 5 of the Bill, the following new clause be inserted and the subsequent clauses be re-numbered and the references to sections corrected accordingly:

'6. (1) The Central Government may by rules made under section 15 provide that a woman, entitled to maternity benefit under this Act shall, if at the time of her delivery she utilized the services of a qualified midwife or other trained person, receive in addition to the maternity benefit due to her a bonus not exceeding in amount three rupees.

Provided that the obligation to pay this benefit shall not arise in the case of an employer who provides free services of a qualified midwife or other trained person in accordance with the arrangements approved by the Central Government.

(2) Such rules may further provide for the determination by the Provincial Government of the amount of the bonus, and of the qualifications which shall be possessed by qualified midwives and other trained persons for the purposes of this section'."

The motion was adopted.

New clause 6 was added to the Bill.

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

"That original clause 6 stand part of the Bill."

Mr. C. C. Miller: I move.

"That to clause 6 of the Bill, the following proviso be added:

'Provided that a woman giving notice under section 4 or section 6 may therein nominate a person for the purposes of sub-section (2) of section 8'."

I do not think that any one will quarrel with this amendment which is moved merely to simplify the process of paying out such money as may be due to a woman who has died. Under the Bill there are contingencies in which a woman may die with money due to her, and as it stands, that money would be paid to her legal representative. This might involve considerable delay in determining who was the legal representative, and the object of this amendment and amendment No. 14 is to give to a woman the right to nominate the person to whom such balance, if any, shall be paid. This provision is included in the Bengal Maternity Benefits Bill, and I think that it is a very good thing to have such a provision in this Bill. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That to clause 6 of the Bill, the following proviso be added:

'Provided that a woman giving notice under section 4 or section 6 may therein nominate a person for the purposes of sub-section (2) of section 8'."

Mr. H. C. Prior: I support the amendment.

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

"That to clause 6 of the Bill, the following proviso be added:

'Provided that a woman giving notice under section 4 or section 6 may therein nominate a person for the purposes of sub-section (2) of section 8'."

The motion was adopted.

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

"That clause 6, as amended, stand part of the Bill."

The motion was adopted.

Clause 6, as amended, was added to the Bill.

Clause 7 was added to the Bill.

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

"That clause 8 stand part of the Bill."

Mr. C. C. Miller: Sir, I move:

"That in sub-clause (2) of clause 8 of the Bill, after the word 'living', occurring in the twelfth line, the following words be added:

'to the person nominated by her under the Proviso to section 6 or if she has made no such nomination'."

That is merely the second part of the amendment which I have just moved.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (2) of clause 8 of the Bill, after the word 'living', occurring in the twelfth line, the following words be added:

'to the person nominated by her under the Proviso to section 6 or if she has made no such nomination'."

Mr. H. C. Prior: I support the amendment.

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

"That in sub-clause (2) of clause 8 of the Bill, after the word 'living', occurring in the twelfth line, the following words be added:

'to the person nominated by her under the Proviso to section 6 or if she has made no such nomination'."

The motion was adopted.

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

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Clauses 9 and 10 were added to the Bill.

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

"That clause 11, stand part of the Bill."

Mr. N. M. Joshi: Sir, I move:

"That in clause 11 of the Bill, the words 'who does any work for which she receives payment in cash or kind after she has been permitted under sub-section (1) of section 4 to absent herself from work or' be omitted."

Section 11 makes it illegal or an offence for a woman to work and receive payment either in the mine or outside the mine if she takes advantage of the benefits of this maternity benefit Bill. So far as the latter part of clause 11 is concerned, I am not opposing it—that a woman who receives maternity benefit or remains absent as provided for in this Bill should not work in any mine but this clause 11 goes much further. It prohibits her working outside the mine in her village and receive any small payments. Sir, we must remember that to create a new offence is a very serious thing and we cannot expect women, especially women working in mines to possess such a thorough knowledge of the law that if the poor woman in her village receives a pice or two from somebody for helping that person she commits an offence and is liable to a fine besides being liable to be deprived of the maternity benefit. I feel that this is going too far. So far as I know, I do not find any precedents for the provision which the Government of India have made and even if there are any precedents I feel that it is a wrong precedent. We are trying to pass this Bill in order that it should benefit the mining community and by creating this offence we shall merely be creating a weapon by which the poor woman will be unnecessarily harassed. I do not think it will benefit anybody but it may create only a fear in the minds of the mining women regarding this legislation. I hope the Government of India will accept my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 11 of the Bill, the words 'who does any work for which she receives payment in cash or kind after she has been permitted under sub-section (1) of section 4 to absent herself from work or' be omitted."

Mr. H. C. Prior: Sir, one of the objects of this Bill is to ensure that if a woman desires not to work for a period of four weeks, before confinement, she may give notice and obtain a maternity benefit. In return for that, we do not think it is unreasonable that the woman should be required not to work elsewhere and receive payment. She will receive full maternity benefit under the terms of the Bill and that benefit is sufficient for the maintenance of the woman and the child. If she chooses to take advantage of that, she should not have the option of working elsewhere. As regards the illustration which Mr. Joshi has given of a poor woman in her village who gets a pice or two for doing a small piece of work, that is very unlikely to come to our notice and if it does come to our notice, it is most unlikely that the Chief Inspector, whose sanction has to be obtained before any prosecution under this Act is allowed, would take cognisance of that fact and order a prosecution. It would be very difficult in legislation of this sort to lay down that a woman might do work in her house or cottage industry or anything of that nature. The principle behind the Act is that if the woman chooses to receive benefit under the terms of the Act, that imposes an obligation on her not to work for payment elsewhere.

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

"That in clause 11 of the Bill, the words 'who does any work for which she receives payment in cash or kind after she has been permitted under sub-section (1) of section 4 to absent herself from work or' be omitted."

The motion was negatived.

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

"That clause 11 stand part of the Bill."

The motion was adopted.

Clause 11 was added to the Bill.

Clauses 12, 13, 14, 15, 16 and 17 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. H. C. Prior: I move:

"That the Bill, as amended, be passed."

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

"That the Bill, as amended, be passed."

The motion was adopted.

MOTION FOR ADJOURNMENT.

STATEMENT MADE IN THE *Sunday News* OF THE UNITED STATES OF AMERICA
REGARDING THE HOLY PROPHET OF ISLAM.

Mr. President (The Honourable Sir Abdur Rahim): Adjournment motion. Sir Abdul Halim Ghuznavi.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Mr. President: I beg leave to make a motion for the adjournment of the business of the Assembly for the purpose of discussing a definite matter of urgent public importance, namely, the failure of the Government of India to lodge an effective protest against the statement made in the *Sunday News* of the United States of America to the effect that the character of the blood-thirsty monster Hitler is to be compared not to Napoleon but to Mohammad, as the latter wanted to subject mankind to the domination of a few individuals and Hitler desires to do the same, thereby offering a deliberate and gross insult to the memory of the Holy Prophet of Islam, the purest human being that ever lived, bringing the Holy Faith of Islam into contempt and wounding the dearest and most sacred sentiments of millions of Muslims.

Sir, the issue of *Din Dunya*, a Muslim Newspaper in Urdu of Delhi, dated the 2nd November, 1941, in column 3 on page 4, says that the *Sunday News* of the United States of America has published an article under the heading "Hitler and Muhammad".

In the course of this article it is stated that the character of the blood-thirsty monster, Hitler, is to be compared not to Napoleon but to Muhammad, who also wanted to subject mankind to the rule and domination of a few individuals. Hitler wants to do the same. This, Sir, is most heart-rending and the tragedy is enhanced by the fact that this kind of attack against the Holy Prophet of Islam should have found expression in an organ of the press of a country the Government of which has declared its firm intention and policy to give every possible support to those who are engaged in the struggle to destroy Hitler and the Nazis. It has been often repeated that in fighting Hitler we are fighting against every kind of unspeakable evil. If that is so, then the *Sunday News* of America has attributed every kind of unspeakable evil to the Holy Prophet of Islam. If Hitler had intended to do the most devastating damage to the cause of the Allies, he could not have done better than by getting something of this kind published in an American journal. It is a thousand pities that at a moment when the sympathies of the Islamic world are wholly on the side of the democracies the feelings and sentiments of the Muslim world should have been so cruelly wounded by this organ of American opinion. It may be said that such a folly on the part of an American journal should not be taken notice of and should be ignored. But may I point out that the mischief has already been done. Wide publicity has already been given to these statements made in the *Sunday News*; not only the *Din Dunya* of Delhi but also the *Inquilab* of Lahore and other Northern India Muslim papers have expressed strong indignation and resentment against these statements, and this has caused an upheaval of feelings amongst the Muslims of this country. The Government of India do not appear to have done anything to allay this indignation and resentment. Let me warn the Government of India that in the eyes of a Muslim nothing whatever, not even the defeat of Hitler and the Nazis, can have any weight as compared with the honour of the Holy Prophet of Islam and the respect due to his high character. Not all the efforts of the enemies of Great Britain can have so detrimental an effect upon the attitude of Muslims towards the war as this specimen from a journal which is published in a country which is a professed friend of Great Britain. The least that was to be expected from the Government of India, in their own interest,

even if they have no regard for the feelings and sentiments of millions of Muslims in this country was that they should have lodged an effective protest with the Government of the United States against this dastardly attack upon the character and honour of the Holy Prophet of Islam and to have insisted that the *Sunday News* should publish the fullest apology and should make the most unqualified amends for its misbehaviour. I, on behalf of the Muslims of this country, lodge the most indignant and the strongest protest not only against the conduct of the *Sunday News* but also against the indifference of the Government of India towards the cruel injury done to the dearest and the most sacred sentiments of hundreds of millions of Muslims throughout the world.

Sir, at this time when the war is going on it was the duty, if I may say so, of the Government of India to at once take notice of this foolish article which appeared in the *Sunday News* in the United States of America to annoy the Muslims. The Muslim world is with the Allies and I give this warning that the Muslims throughout the world will not stand for a minute any insult to their Holy Prophet. They would give their life, if it comes to that, in order to preserve the honour and dignity of their Holy Prophet. If the Government of India have not taken any step so far, I ask them here and now to at once take that step and to lodge a protest to the Government of the United States of America that they may call upon that newspaper to offer an unqualified apology for its misbehaviour and withdraw the article which it has published. When that unqualified apology is tendered by that paper, it should be broadcast throughout the Muslim world so that they may know that the Government of India and His Majesty's Government have taken steps towards that action.

Sir, I am sorry that the members of my community are absent today. The Benches before me are all empty—I refer to the Muslim League. It was their duty, at all events when they read the notice that appeared in the newspapers yesterday that the motion was to be made to this effect, to have been present in the House when this motion was being made and they should have taken part. Sir, I move the adjournment of the House.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Assembly do adjourn."

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, this is a statement of the late Lord Lothian which has been published in the *Sunday News* of the United States of America. It is a very delicate matter to criticise a person in his absence and it is still more delicate to criticise a person who is dead. We always naturally feel a sort of sympathy for those who have left this world. Whatever may be their condition in the next world and, however happily they may be living there, no traveller from that world comes back to tell us what they are doing. That is the reason why we, the living people, always have a sympathy with the people who are deceased. We naturally show our sympathy towards the deceased, but when they leave behind a legacy of bad name, we cannot forgive them altogether.

Lord Lothian is a known personality in this part of the world. He was the Chairman of the Lothian Committee and as such he travelled immensely in this country and mixed with all classes of people. He was the British Ambassador in America and, as everybody

[Maulvi Abdur Rasheed Chaudhury.]

knows, he was the Viceroy-designate of this country. So, Sir, he must have very high qualification for which he was fitted to occupy such high offices. Sir, Shakespeare said, "the evil that men do liveth after them, but the good is oft interred with their bones". Whatever good qualifications they have, according to Shakespeare, are interred with their bones and only evil remains. I did not believe myself first when I came here that a statesman like Lord Lothian could have mentioned this while he was alive. But when I found that the *Sunday News* published this statement in America and the Government of the United States did not take any steps to withdraw that statement, when I found that even the Viceroy allowed this motion to be discussed in this House, I reluctantly came to the conclusion that perhaps such a statement was made by Lord Lothian. Sir, in a matter like this United States of America being a highly civilised nation ought to have taken steps to have that statement withdrawn at once without being reminded of that by other governments and especially by the Muslims. But they did not do it. There must be a great many readers of the *Sunday News* in England and other places. No steps were taken by the Government of Great Britain nor by the Government of this country to have that statement withdrawn. This is, Sir, why we have come here to criticise that statement of Lord Lothian.

Mr. O. K. Caroe (Secretary External Affairs Department): May I ask the Honourable Member if he is suggesting that the late Lord Lothian made this statement. I could not hear what the Honourable Member was saying. Does he suggest that Lord Lothian made this statement?

Mr. President (The Honourable Sir Abdur Rahim): In the notice of adjournment motion given by Sir Abdul Halim Ghuznavi, there is no mention of Lord Lothian at all. Did this appear in the *Sunday News*?

Maulvi Abdur Rasheed Chaudhury: I do not know, Sir, but it is said so in the newspaper.

Mr. O. K. Caroe: The Honourable Member referred to the name of Lord Lothian half a dozen times.

Mr. President (The Honourable Sir Abdur Rahim): In what paper did this appear? Did it appear in the *Sunday News*?

Maulvi Abdur Rasheed Chaudhury: The vernacular paper in Delhi, *Din Dunya* has published that the *Sunday News* says so.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable Member himself seen it?

Maulvi Abdur Rasheed Chaudhury: Yes, I have seen it and that is why I am stating it.

Mr. O. K. Caroe: Lord Lothian died about a year ago and I cannot understand what the Honourable Member is talking about or mentioning.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member Sir Abdul Halim Ghuznavi has not referred to this in his motion for adjournment.

Sir Abdul Halim Ghuznavi: I have read the paper myself. The paper alleges that the statement they are printing came from Lord Lothian which I never believed. So, I never mentioned this. Perhaps it is their own imagination to create bad feeling that they have put in the name of Lord Lothian. But so far as I am concerned, I do not believe he could have made this statement.

Mr. President (The Honourable Sir Abdur Rahim): Did the *Sunday News* mention the name of Lord Lothian?

Sir Abdul Halim Ghuznavi: This paper *Din Dunya* of Delhi says that *Sunday News* alleged that Lord Lothian made this statement.

Mr. President (The Honourable Sir Abdur Rahim): Lord Lothian's name is highly respected by many people in this country including Muslims and it is impossible to believe that he could have made such a statement.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan): Do not mention the name of Lord Lothian.

Maulvi Abdur Rasheed Chaudhury: The *Sunday News* evidently has done the mischief by publishing a statement of this nature, and compared the Holy Prophet to that blood-thirsty monster, Hitler. Now, Sir, it is a well known fact that the founder of Islam was an ideal man. He propagated ideal rules and regulations and lofty ideals for the benefit of all mankind. He had supernatural powers, I should say. He was an ideal human being, purest, simplest and noblest. He cannot be compared to any mortal in this age. Look at the Prophet who in the course of one year stopped drinking in the Muslim world which the Americans and the Britishers failed to achieve in several years even after spending millions of money. Can the Prophet be compared to any mortal in this age? I do not believe so. His character and his teachings are not only ideal to his followers but also they are ideals for all mankind in general. He was never blood-thirsty. He never liked to shed blood of others. He was not a monster as the paper wants to characterise the Prophet. It is a sin to utter these words against a man who is held so high in the estimation of a large portion of mankind. To compare him with any human being in this age is, I believe, not only disgraceful but I should say mean. If such a statement was made in the presence of people of any other country, how would that statement have been received?

We read in today's paper that even the British Ambassador in the United States was pelted with rotten eggs and other things at Detroit by women while they called him a war-monger. By no stretch of imagination can such epithets be applied to the Prophet of Islam. It only reminds people of the proverb that "fools rush in where angels fear to tread". No sane people, no sane paper, no paper with any ideals would have dared to publish a statement like this except in America. We have got admiration for the American people because they have done wonders in the last 150

[Maulvi Abdur Rasheed Chaudhury.]

years of their independence. But when we find that the American Government tolerated a statement like this we cannot but despise that Government. Had this country been free, had there been power in Islam, at once there would have been retaliation. But we have lost that power and so we have come here to ask the Government of India to come to our rescue and to ask the Government of the United States to withdraw this statement in the *Sunday News*, Sir, I support the motion.

Mr. O. K. Caroe: Sir, I feel that this adjournment motion should really have been addressed to the management of this paper of which we do not know very much and not to Government or this House. We are told that there has been publication in a Delhi journal called *Din Dunya* reproducing something in a paper known as the *Sunday News* of the United States of America. I am credibly informed that there are scores of papers called the *Sunday News* published in the United States of America, in almost every town, on Sunday there is a paper called the *Sunday News*. I do not know which paper has published or is alleged to have published this article in such extremely bad taste, if indeed it was published. We have not seen the paper itself and we do not know which of the many papers called the *Sunday News* it was. I am informed,—I am not an expert on the American press,—that the best known *Sunday News* is the *Sunday News* of New York which is one of the leading papers of what is known as the tabloid press. The tabloid press of America is admittedly devoted entirely to sensation and to publishing in either gilded or rather highly coloured form in small doses various items of news or sensation. It is difficult for Government to undertake to convey any protests when there can be no certainty, as far as I can see, whether the article was in fact ever published. If we were to submit even a record of this debate through official channels to the Government of the United States they would at least wish to know the exact paper in which this article appeared. We have not even been informed of the date of the publication.

Sir Abdul Halim Ghuznavi: It was published on the 27th April, 1941.

Mr. O. K. Caroe: That was some time ago. It apparently has been culled from this article in a paper last April by the *Din Dunya* and such publicity. . . .

Sir Abdul Halim Ghuznavi: Will the Honourable Member take action if I give him a copy of the *Sunday News*?

Mr. O. K. Caroe: Such publicity as has been given has been given by this adjournment motion. Government have been blamed by the Honourable the Mover for taking no action; but the first that Government got to know of the alleged article was the adjournment motion itself and the notice in the papers that it had been tabled.

Apart from that, let me state at once my own conviction that any right thinking person would condemn sayings or writings of this kind directed to the central figure of any faith. There can be no doubt about that. But I feel that to give publicity to defamatory or even blasphemous articles of that kind is not to do anybody any great service. It partakes of a kind of

advertisement; and is it desirable to affect to treat a publication in a paper which is not seriously devoted to high thought of any kind as serious thinking? Would it not be more dignified to treat such articles with silence, the silence that they deserve? The central figures of all world faiths are better served in such a case by some form of silence; they stand, secure and serene, above the arena. But, of course, if it is the sense of the House that the record of this debate, short as it has been, should go forth, subject always to what I have said as to uncertainty about the publication itself, I suggest that the proper course would be to send the record to Sir Girja Shankar Bajpai who now represents the interests of India in the United States. And if that is the sense of the House I will have no objection to taking that course and I hope the Honourable the Mover of the motion will withdraw it on that understanding.

Sir Abdul Halim Ghuznavi: Sir, my Honourable friend said that by bringing in this adjournment motion I have given more publicity to this matter, as if there was otherwise no publicity at all.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, if the Honourable Member is not withdrawing I wish to speak. So he should not be allowed to give his reply at this stage.

Mr. President (The Honourable Sir Abdur Rahim): He has got the right of reply.

Mr. Jamnadas M. Mehta: But if he is not withdrawing, I have a right to speak.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member may leave that to the Chair.

Sir Abdul Halim Ghuznavi: The Government of India say that but for my motion there was no publicity. The difficulty is that the Government of India are both deaf and blind. They do not hear and they do not see. Hundreds of papers have already published this. I only took the *Din-Dunya* because otherwise, Mr. President, you would not have admitted my motion. My knowledge came from the *Din-Dunya* of the 2nd November, but I can produce at least fifty newspapers in India which have published this. Is not that sufficient publicity? Imagine what the Muslim feeling is; still the Honourable Member says that I have done the mischief.

Sir, the Honourable Member has given an undertaking that he will forward the proceedings of this Debate to Sir Girja Shankar Bajpai. I ask one thing more. If I produce a copy of the *Sunday News* will he take action?

Qazi Mohammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Yes, yes, he will forward it.

An Honourable Member: What kind of action?

Mr. O. K. Caroe: If the Honourable the Mover of this Adjournment Motion would provide the material on which his motion is based, the

[Mr. O. K. Caroe.]

material of course could go forward and it would then show that there was some substance for the Adjournment Motion.

Sir Abdul Halim Ghuznavi: In view of the statement made by my Honourable friend, I beg leave of this House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

THE EXCESS PROFITS TAX (SECOND AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I present the report of the Select Committee on the Bill further to amend the Excess Profits Tax Act, 1940.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): When is it coming before the House.

(No reply.)

The Honourable Mr. M. S. Aney (Leader of the House): As there is no work for us to transact in the House tomorrow, I request the President to cancel the meeting for tomorrow.

Sardar Sant Singh (West Punjab: Sikh): May I suggest, Sir, that we expect a statement on the war condition? Will the Honourable the Leader of the House suggest it to the Defence Secretary to give a statement in a secret Session of the House tomorrow.

Honourable Members: No, no.

Mr. President (The Honourable Sir Abdur Rahim): The House will not sit tomorrow but will sit day after tomorrow.

The Assembly then adjourned till Eleven of the Clock on Friday, the 7th November, 1941.

LEGISLATIVE ASSEMBLY.

Friday, 7th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

†79*—82*.

LACK OF SUITABLE WAITING ROOMS IN THE INCOME-TAX OFFICES IN SIND AND BALUCHISTAN ASSESSMENT RANGE.

†83. ***Mr. Lalchand Navalrai:** (a) Will the Honourable the Finance Member be pleased to state if any suitable waiting rooms have been provided by Government in each of the Income-tax offices in the Sind and Baluchistan range for the assesseees and their representatives for waiting until their business is done?

(b) If there are no waiting rooms in any of the offices, do Government propose to provide the same at an early date? If not, why not?

The Honourable Sir Jeremy Raisman: (a) Generally speaking, Yes.

(b) The question of providing a proper waiting room where one does not exist, and of improving existing arrangements at certain places is under consideration.

COMPLAINTS MADE BY THE HINDU DEPUTATIONIST TO THE CONTROLLER OF BROADCASTING AT LUCKNOW.

84. ***Mr. Govind V. Deshmukh:** Will the Honourable Member representing the Information and Broadcasting Department please state:

(a) if a deputation consisting of prominent Hindus waited on the Controller of Broadcasting at Lucknow during the last six or seven months; and

(b) the complaints made by the deputationists and promises, if any, given by the Controller of Broadcasting to them?

The Honourable Sir Andrew Clow: (a) No; not during the last six or seven months.

†For these questions and answers, see pages 472-75 of these Debates.

‡Answer to this question laid on the table, the questioner being absent.

(b) Does not arise.

Mr. Govind V. Deshmukh: May I know if there was any deputation—may not be within the last six or seven months—but roughly during this period?

The Honourable Sir Andrew Clow: No. I think the Controller received a deputation in Lucknow about a year ago; But I am not prepared to say that it consisted of prominent Hindus.

Mr. Govind V. Deshmukh: I learn from the Honourable Member that they were not prominent Indians?

The Honourable Sir Andrew Clow: I said I was not prepared to say whether they were prominent or not. I do not know the names.

Mr. Govind V. Deshmukh: The period is not a matter of importance, but I want to know whether the deputation made any complaints and ventilated any grievances: if so, what were the complaints?

The Honourable Sir Andrew Clow: They raised a number of points. They talked about the fees paid and the language used and the number of items broadcast and matters of that kind.

Mr. Govind V. Deshmukh: Were any of those questions looked into and grievances removed? If so, what?

The Honourable Sir Andrew Clow: I think the Controller explained the position to the deputation and set out the general policy pursued by the department.

BROADCASTING OF HINDU RELIGIOUS PROGRAMMES BY MUSLIM ANNOUNCERS AND ARTISTS.

85. *Mr. Govind V. Deshmukh: Will the Honourable Member representing the Information and Broadcasting Department please state:

(a) if Hindu religious programmes were broadcast through Muslim announcers and artists, and if he is aware that this method of broadcasting is resented by Hindus; and

(b) if any Muslim religious programmes were broadcast through Hindu announcers and artists; if not, why not?

The Honourable Sir Andrew Clow: (a) and (b). As a general rule talks, recitations from the scriptures and devotional music are broadcast by persons belonging to the community concerned. In plays, features, group singings, etc., on religious occasions, artists belonging to the other community have, however, also taken part, the choice of artists being governed mainly by programme requirements and the merits of the artists. Announcements are made by the announcer on duty, irrespective of his religion. This applies to Hindu as well as Muslim religious programmes.

Government are not aware of any resentment on the part of Hindus on this account. On the other hand, I understand that certain broadcasts

by Muslim artists on Hindu religious occasions have been much appreciated by the Hindus.

COMPLAINTS AS REGARDS THE HINDI LANGUAGE USED BY THE ALL-INDIA RADIO.

86. *Mr. Govind V. Deshmukh: Will the Honourable Member representing the Information and Broadcasting Department please state:

(a) if he is aware that the Central India Hindu Sahitya Sammelan held at Mhow on 13th October, 1941, presided over by Pandit Suraj Narain Vyas, has strongly condemned the so-called Hindi language used by the All-India Radio; and

(b) what measures are proposed to be adopted to remove the complaint as regards the Hindi language used by the All-India Radio?

The Honourable Sir Andrew Clow: (a) Yes.

(b) All-India Radio is constantly engaged in an endeavour to simplify the language of its Hindustani broadcasts in the light of experience and well-informed criticism.

Mr. Govind V. Deshmukh: In view of almost annually recurring complaints regarding this language used for broadcasting Hindi, may I know if Government will consider the feasibility of having basic Hindi, as they have a basic English now?

The Honourable Sir Andrew Clow: They are making some endeavours, I understand, not for basic Hindustani, but a sort of standard Hindustani for their own work.

PROPORTION OF HINDUS AND MUSLIMS IN THE INDIAN ARMY AND NAVY AND RECRUITMENT FROM THE PROVINCES.

87. *Mr. Govind V. Deshmukh: (a) Will the Defence Secretary please state the proportion of Hindus, as well as of Muslims, to the total strength in the Army now?

(b) What is the proportion of Hindus, as well as of Muslims, to the total strength in the Navy now?

(c) What is the response of the non-listed classes to recruitment in the Army as well as in the Navy?

(d) What is the number of persons recruited for the Army as well as for the Navy, since September 1940 to September 1941 from the following Provinces:

(i) Bengal, (ii) United Provinces, (iii) Bihar, (iv) Central Provinces and Berar, (v) Orissa, and (vi) Madras?

(e) Out of these recruits, how many are combatants and how many are non-combatants?

Sir Gurunath Bewoor: (a) Hindus 52 per cent.; Muslims 35 per cent.

(b) Hindus 12 per cent., Muslims 53 per cent.

(c) No distinction of class is observed in recruiting for the Navy. As regards the Army, many classes who were not represented, or who were poorly represented, in the Army in peace have responded very satisfactorily.

(d) and (e). I regret I cannot supply the information as it is not in the public interest to do so.

Sardar Sant Singh: May I know the percentage of the Sikhs in the Army?

Sir Gurnath Bewoor: 12 per cent., Sir.

Sardar Sant Singh: May I know the percentages of the various communities to the total population of India?

Sir Gurnath Bewoor: I am sorry; I shall want notice.

Mr. Govind V. Deshmukh: I do not want the total strength of the whole army—it may not be in the public interest to give it out; but so far as these different provinces are concerned, I want to know the figures for one year. The public are certainly entitled to know this so that it might stimulate the war effort in provinces in which there was no response formerly.

Sir Gurnath Bewoor: Government still think that it would not be in the public interest to give the numbers of persons recruited; but I may tell the Honourable Member that all provinces have responded satisfactorily according to their population.

Lieut.-Colonel M. A. Rahman: May I know if the percentage of the various classes depends on the men who present themselves for recruitment?

Sir Gurnath Bewoor: Naturally.

MUSLIM EMPLOYEES' ALLEGATIONS OF HARASSMENT, MALTREATMENT, ETC., AGAINST THE EXECUTIVE OFFICERS OF THE AGRA CANTONMENT BOARD.

88. *Qazi Muhammad Ahmad Kazmi: (a) Will the Defence Secretary please state whether it is or it is not a fact that in Agra Cantonment all the Executive Officers since 1930, have been Sikh gentlemen, with the exception of one who was there for two years only?

(b) If the answer to part (a) be in the affirmative, what is the reason for it?

(c) Is it or is it not a fact that the Muslim employees of the Board are being harassed and being treated unfairly by the Executive Officers due to communalism?

(d) Is it or is it not a fact that the representatives of the Muslims of Agra Cantonment made certain allegations against Captain Rachpal Singh to the Inspecting Officer, Eastern Command, when he came on tour in December 1940?

(e) Was any enquiry made in connection with these allegations? Were they found to be true or false, and if found to be true, what action has been taken in respect of them?

Sir Gurnath Bewoor: Sir, with your permission, I would like to reply to questions 88 and 89 together.

I am collecting the information and will lay it on the table in due course.

MUSLIM EMPLOYEES' ALLEGATIONS OF HARASSMENT, MALTREATMENT, ETC., AGAINST THE EXECUTIVE OFFICERS OF THE AGRA CANTONMENT BOARD.

89. *Qazi Muhammad Ahmad Kazmi: (a) Will the Defence Secretary please state whether it is or it is not a fact that on transfer, Captain Rachpal Singh, Executive Officer, Agra Cantonment, has been succeeded by another Sikh Executive Officer, who is much junior to others in his service, and had been working in smaller Cantonments of much less importance?

(b) Is it or is it not a fact that the new Executive Officer has publicly declared that he has come there under instructions to carry out the policy of Captain Rachpal Singh and to turn out from service some Muslim members of the outdoor staff of the Cantonment Board?

(c) If the answer to part (b) be in the affirmative, have any such instructions been given to him? If so, by whom?

(d) Is it or is it not a fact that accelerated promotion has been given to a Sikh official of the staff at the cost of other senior officials in promoting him from Tax Section to the English Section of the Office?

(e) Is it or is it not a fact that this Sikh official is, to all intents and purposes, working as a private secretary to the present Sikh Executive Officer and has been put in charge of all communications from and to the office by the removal of the telephone to his table from the room of the Head Clerk?

(f) If the answer to the above parts or some of them be in the affirmative, what action do Government propose to take against the said Executive Officer?

MUSLIM EMPLOYEES' ALLEGATIONS OF HARASSMENT, MALTREATMENT, ETC., AGAINST THE EXECUTIVE OFFICERS OF THE AGRA CANTONMENT BOARD.

90. *Qazi Muhammad Ahmad Kazmi: (a) Will the Defence Secretary please state whether it is or it is not a fact that Pirthipal Singh, Executive Officer of Agra Cantonment Board, openly took part in the recent election of the Hindu members of the Board and declared that he had asked them to form a 'Control Board' to return some members unopposed?

(b) Is it or is it not a fact that the nomination papers of nine candidates filed for the election were declared invalid by the City Magistrate, who was appointed to scrutinize the nomination papers?

(c) Is it or is it not a fact that after appeals had been filed by the candidates, the Executive Officer openly stated that he was dictating

†For answer to this question, see answer to question No. 88.

certain terms to the Hindu candidates and had asked them to select only four members from amongst them and to place the resignations of others in his hands and he will get the appeals decided in their favour?

(d) Is it or is it not a fact that all the nine nomination papers were admitted by the President of the Cantonment Board on grounds other than legal, while he concurred with the legal interpretation of the City Magistrate?

(e) Is it or is it not a fact that the decision of the President was given in the presence of and in collaboration with the Executive Officer?

(f) Is it or is it not a fact that in consequence and due to the pressure of the Executive Officer, only four members of his choice were selected and were put in as members?

(g) If the answer to all or some parts above be in the affirmative, what action do Government propose to take against the Executive Officer for his acts in connection with the said election?

Sir Gurunath Bewoor: Sir, there is no executive officer of the Agra Cantonment Board of the name of Prithipal Singh. The Honourable Member is presumably referring to Mr. Prailad Singh who took over charge at Agra on the 7th April, 1941.

On this presumption, the reply is as follows:

(a), (c), (e) and (f). No, the statements made in these parts are not facts.

(b) and (d). Twenty nomination papers were declared invalid by the Nomination Officer, viz., the City Magistrate. His decision was revised and they were admitted by the President of the Board under rule 29 of the United Provinces Cantonment Electoral Rules.

(g) Does not arise.

Qazi Muhammad Ahmad Kazmi: Is there any question of the Control Board having been formed by this gentleman?

Sir Gurunath Bewoor: No. I have replied in the negative.

INADEQUATE EQUIPMENT OF THE INDIAN ARMY.

91. ***Sardar Sant Singh:** (a) Will the Defence Secretary please state whether it is a fact that (i) only a few minor weapons of modern warfare are produced in India and the chief essential weapons, such as big tanks, motor vehicles, planes, etc., are not produced here, (ii) there is no adequate equipment for the Indian army, (iii) Britain itself cannot spare enough equipment for the Indian army, and (iv) the Indian army raised during these two years is not sufficiently trained to stand German onslaughts?

(b) Has the attention of Government been drawn to the speech of Lord Croft, Under Secretary of State for war, substance of which is reported in the press, e.g., *The Tribune* of Lahore, dated 19th October, 1941, page 1? Is it a fact, in the light of this speech, that it is chiefly the Indian army which is to be used to "hold the line to the East?"

which, as stated in one of the Right Honourable Mr. Churchill's speeches, extends from the "Caspian Sea to Egypt"? Will it be used without full equipment if Germans soon create the Caucasus front?

Sir Gurunath Bewoor: (a) (i) No, very many items of modern equipment are produced in India.

(ii) The Indian Army was short of equipment at the outbreak of war but is being equipped as rapidly as possible.

(iii) Britain is sparing equipment as rapidly as she can with due regard to the strategical position throughout the world.

(iv) Most emphatically No. The Indian soldiers overseas are fully trained and have shown the excellence of their training on the battle-field.

(b) The answer to the first part is in the affirmative and to the second and third parts in the negative.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House whether locomotives are being supplied for defence purposes, i.e., military lines of communications?

Sir Gurunath Bewoor: That is rather a large question—whether they are being supplied, and up to what place, from where, etc. I am afraid I shall require notice of that question.

Lieut.-Colonel M. A. Rahman: What about aeroplanes? We were informed that one aeroplane was manufactured last year. Has there been any increase on that one?

The Honourable Sir Jeremy Raisman: I may say that the oft-repeated statement that one aeroplane was manufactured last year is a gross travesty of a sentence in my budget speech.

Lieut.-Colonel Sir Henry Gidney: Does that mean it was built in India or was merely assembled, because the announcement was made in the public press some months ago with a great flare of trumpets?

The Honourable Sir Jeremy Raisman: I think everybody, who is familiar with this question, is aware that there was never any question of anything more than assembling. We know that engines cannot be manufactured in India.

PERCENTAGE OF AND CASUALTIES IN THE INDIAN ARMY IN THE AFRICAN, SYRIAN, IRAQI AND IRANIAN CAMPAIGNS.

92. ***Sardar Sant Singh:** Will the Defence Secretary please state the percentage of the Indian army as compared with the British, Australian, New Zealand, and African armies, respectively, in the African, Syrian, Iraqi, and Iranian campaigns and what was the percentage of casualties among each?

Sir Gurunath Bewoor: Government have no information as to the exact percentages of troops which took part in these campaigns; but it has already been announced in the Press that the total of Indian casualties in

the Middle East Command so far is slightly over 7,000, while that for the Australian Imperial Forces is over 13,000 and for the United Kingdom Forces over 29,000.

EQUALIZATION OF THE STATUS, PRIVILEGES, ETC., OF BRITISH AND INDIAN OFFICERS AND SOLDIERS.

93. *Sardar Sant Singh: Will the Defence Secretary please state whether Government intend to equalize the status, salary, allowances, pension, and other privileges of Indian officers and soldiers with those of the British?

Sir Gurunath Bewoor: No.

Sardar Sant Singh: May I know the reasons, why, in view of the praises conferred on the Indian troops' bravery, Government do not consider the desirability of equalising the status of the Indian troops, Indian officers and soldiers, to that of the British?

Sir Gurunath Bewoor: There have been numerous questions put in this House before, on this subject. The Honourable Member did not put this question with the usual addition of "if not, why not", and so I am not prepared to give any reasons.

Sardar Sant Singh: May I know, Sir, if Government are considering the desirability of raising the status of Indian soldiers in view of the praises conferred upon their bravery in the various theatres of war?

Sir Gurunath Bewoor: So far as their status is concerned, there is no question of any difference, but if my Honourable friend is talking of salaries, allowances and pensions, the reasons for the difference have been stated in this House before in connection with a number of debates, and I do not think I can add anything useful to them.

Sardar Sant Singh: But that was before the war and before these praises were conferred upon the Indian troops for their bravery. But may I know, in view of the bravery displayed by Indian troops in the field, if the Government is not prepared to raise their salaries, allowances and pensions to the same level as those of the British soldiers; if not, why not?

Sir Gurunath Bewoor: The Honourable Member is arguing, but I don't think it follows necessarily.

Sardar Sant Singh: I am asking why, if the

Mr. President (The Honourable Sir Abdur Rahim): The question has been asked before many a time. He cannot discuss it here again.

NECESSITY OF MAINTAINING THE INDIAN ARMY WELL-EQUIPPED AND AT ADEQUATE STRENGTH FOR MEETING INTERNAL DISORDERS AND EXTERNAL AGGRESSION.

94. *Sardar Sant Singh: Will the Defence Secretary please state whether Government are aware of the necessity of keeping a well-equipped

Indian army of adequate strength in India to meet all possible apprehensions of internal disorders and external aggression from the West, North, and the East?

Sir Gurunath Bewoor: Yes.

Sir F. E. James: Is the Honourable Member satisfied that the forces which are being sent overseas from this country are being sent over adequately equipped and with the supplies necessary to enable them to meet the conditions of modern warfare?

Sir Gurunath Bewoor: The Indian army is adequately equipped for the tasks it has to perform.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House whether, in the present increased Indian army there is an adequate supply of artillery for the internal defence of the country?

Sir Gurunath Bewoor: I must ask for notice of the question.

95*—98*. Mr. Jamnadas M. Mehta: Sir, I do not ask any of the questions† standing in my name.

Mr. President (The Honourable Sir Abdur Rahim): You are not asking any of the questions† standing in your name?

Mr. Jamnadas M. Mehta: No, Sir.

DEPORTATION, ARREST AND DETENTION OF SARDAR AJAIB SINGH OF THE HONGKONG BRITISH POLICE.

99. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state whether it is a fact that Sardar Ajaib Singh son of S. Kishan Singh of Ludhiana, and a member of the Hongkong British Police was deported from Hongkong to India under the Defence regulations?

(b) Is it a fact that, on his arrival at Calcutta, he was again arrested under the Defence of India Rules and has since been detained in jail as a security prisoner?

(c) Is it a fact that he has lost considerable weight since his arrest?

(d) How is he being treated, whether as a better class or only as a C class prisoner?

(e) Are Government prepared to consider this case and, in view of his social status, education and failing health, award him B class while he is confined in Jail?

(f) Are Government also prepared to sanction a reasonable allowance for his wife and children?

The Honourable Sir Reginald Maxwell: (a) It is a fact that Sardar Ajaib Singh, an ex-member of the Hongkong Police Force, was deported from Hongkong after he had deserted from the force and had indulged in propaganda aimed at undermining the loyalty of other members of the force.

(b) Yes.

(c) and (d). I have no information as he is detained under the orders of the Punjab Government.

(e) and (f). These are matters for the Punjab Government to decide.

Sardar Sant Singh: May I know, Sir, in view of the reply which the Honourable Member gave the other day to my question that the Defence of India Act does not apply to Hongkong, under what rule Sardar Ajaib Singh was deported from Hongkong?

The Honourable Sir Reginald Maxwell: I suppose they have a Defence Act of their own which gives them similar powers.

Sardar Sant Singh: May I know why he was arrested under the Defence of India Rules when he committed no offence in India after his arrival from Hongkong?

The Honourable Sir Reginald Maxwell: Because of his record, and the reasons for which he was externed, which made it necessary to protect ourselves against similar acts being committed here.

Sardar Sant Singh: Is it not fair that he should have been given a chance of what is called *locus poenitentiae*?

The Honourable Sir Reginald Maxwell: It was also important he should not be given a chance of doing here what he did in Hongkong.

(The Honourable the President called out Mr. Lalchand Navalrai to put his question, but the Honourable Member was absent and the question was not put even in the second round.)

TRANSFERRED STARRED QUESTIONS AND ANSWERS.†

DEMAND FOR DECLARATION ON INDIA'S POLITICAL STATUS AFTER THE WAR.

79. ***Mr. Govind V. Deshmukh:** Will the Honourable the Leader of the House please state:

(a) if Government are aware of the demand for an immediate declaration fixing a brief and reasonable time limit when, after the conclusion of the war, India will enjoy the same measure of freedom as will be enjoyed by Britain and the Dominions as voiced at the Non-Party Leader's Conference held at Poona in the last week of July 1941, and by the Premier of the Punjab in his interviews, with reference to Mr. Churchill's statement that the Atlantic Charter is inapplicable to India, to the Associated Press of India on the 1st October at Simla, and at Lahore on 3rd October, 1941;

(b) if the demand referred to above has been brought to the notice of the Secretary of State for India; and

†The meeting of the Assembly, that was to be held on the 6th November, 1941, having been cancelled, the answers to starred questions for that day were, in pursuance of convention, laid on the table of the House today.—Ed. of D.

(c) the reply, if any, received from the Secretary of State for India with reference to this demand of immediate declaration specified in part (a) of this question?

The Honourable Mr. M. S. Aney: Please see my reply to the Honourable Member's question No. 28 put on the 28th October.

MALAYA GOVERNMENT'S BILL FOR UTILISING THE INDIAN IMMIGRATION FUND FOR IMPORTATION OF JAVANESE LABOUR.

80. ***Mr. Govind V. Deshmukh:** (a) Will the Honourable Member for Indians Overseas please state if the Government of Malaya have brought in a Bill for utilising the Indian Immigration Fund to finance the recruitment and transport of Javanese to Malaya?

(b) What was the origin of the Indian Immigration Fund?

(c) Are Government prepared to take immediate steps to see that the fund is utilised for the purpose for which it was started?

(d) What has led now to the importation of Java labour in Malaya, and on what terms are they now imported from Java, a Dutch possession? Did the Indians in Malaya refuse to work on these terms?

(e) Is the importation of Javanese labour the result of a scheme agreed to between Britain, the Netherlands Indies, and Australia to oust Indians from Malaya?

(f) What steps are Government going to take to guard the interests of the Indians in Malaya?

The Honourable Mr. M. S. Aney: (a) Yes.

(b) The Fund was constituted by the Malayan Governments in 1907, mainly to avoid the possibility of one employer unfairly obtaining the services of labourers for whose recruitment another employer had paid.

(c) The Fund is controlled by the Malayan Governments, not by the Government of India. Government have, however, under consideration the question of making certain representations to the Malayan Governments.

(d) The Malayan Governments are free to recruit labour where they think fit. The precise terms on which Javanese are recruited are not known, but Government are satisfied that they have no effect upon the terms offered to Indian labourers.

(e) Government have no reason to believe so.

(f) Government have all matters affecting the interests of Indians in Malaya constantly under consideration.

DEPORTATION, ARREST AND DETENTION OF SARDAR AJAIB SINGH OF THE HONGKONG BRITISH POLICE.

81. ***Sardar Sant Singh:** (a) Will the Honourable Member for Indians Overseas please state whether it is a fact that Sardar Ajaib Singh son of S. Kishan Singh of Ludhiana, and a member of the Hongkong British Police was deported from Hongkong to India under the Defence regulations?

(b) Is it a fact that, on his arrival at Calcutta, he was again arrested under the Defence of India Rules and has since been detained in jail as a security prisoner?

(c) Is it a fact that he has lost considerable weight since his arrest?

(d) How is he being treated, whether as a better class or only as a C class prisoner?

(e) Are Government prepared to consider this case and, in view of his social status, education and failing health, award him B class while he is confined in Jail?

(f) Are Government also prepared to sanction a reasonable allowance for his wife and children?

The Honourable Mr. M. S. Aney: The question should have been addressed to the Honourable Member in charge of the Home Department.

CO-ORDINATION BETWEEN WAR AND PEACE TIME INDUSTRIES.

82. *Mr. Lalchand Navalrai: (a) Has the attention of the Honourable the Commerce Member been drawn to the statement of Sir Muhammad Zafrullah Khan in his broadcast speech on Wednesday, the 16th July, 1941, to the effect that co-ordination between war and peace time production must be taken on hand now and simultaneously and not be left for the future? If so, will Government be pleased to make a full statement as to which industries, particularly major ones they have established, which have chances of survival after the war and which are of great importance to the country?

(b) Will the Honourable Member also be pleased to state which of such industries Government propose to start further and when?

(c) Is it a fact that the Board of Scientific and Industrial Research has recently declared that a list of schemes has been drawn up, which might result in the future in the establishment on a commercial scale of new industries? If so, how many schemes have been drawn up, and which are they?

(d) Will Government be pleased to state the terms on which industrialists would be given the right to make commercial use of researches made by the Board and the names of any to which Government have granted the rights of the use of the researches made by the Board?

(e) Is the programme of research, in which the Board of Scientific and Industrial Research are now engaged, confined mainly or largely to the war time industries, or is it of a permanent character?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) I have not read the statement attributed to Sir Muhammad Zafrullah Khan but I am prepared to take it from the Honourable Member the correctness of the statement attributed to him. The entire problem of war and peace time production will, it is expected, engage the attention of the various Reconstruction Committees that have been recently constituted by the Government of India. It is premature to make any definite statement in regard to the concluding part of the Honourable Member's question.

(b) I would refer the Honourable Member to the concluding part of my reply to (a) above.

(c) I am not aware that the Board of Scientific and Industrial Research has drawn a list of schemes as suggested by the Honourable Member.

(d) The terms to be offered to industrialists depends on the nature of the researches that are to be made available for industrial development. The Government of India are guided by the advice of the Industrial Research Utilisation Committee that consists of the leading industrialists in this country in regard to the terms on which any particular research should be given for industrial development to any particular industrialist. A statement of the researches so far given out for industrial development is laid on the table.

(e) The programme of Research conducted under the auspices of the Board of Scientific and Industrial Research comprises not merely the problems of war time industries but also the problems of long term interest to Indian industries.

Statement showing the researches so far given out for industrial development

1. Laminated Paper Fibre Board.
2. Manufacture of Solid Fuel.
3. Steam Proof Plastic Powder Composition.
4. Luminous Pigments and Paints.
5. Anti-Gas Cloth.
6. Bhilawan Enamels and allied products.
7. Oil Silk.
8. Substitute for Glass.
9. Waterproof paint for Indianite roofing slabs.

UNSTARRED QUESTION AND ANSWER.

RETURNS OF INCOME, ETC., IN RESPECT OF THE INCOME-TAX OFFICES IN THE SIND AND BALUCHISTAN ASSESSMENT RANGE.

33. Mr. Lalchand Navalrai: Will the Honourable the Finance Member be pleased to place on the table a statement showing the following information in respect of each Income-tax Office situated in the Sind and the Baluchistan assessment range for the years 1939-40 and 1940-41, respectively:

- (a) how many returns of income were furnished within time in pursuance of the public notice issued under section 22 (1);
- (b) how many of the assesseees did not furnish the same within time, and how many of them were penalised under section 28 and to what extent;
- (c) in how many cases notices were issued under clause 2 of section 22, and in how many cases penalty was imposed for not furnishing the returns so required and to what extent;
- (d) whether it is a fact that the Income-tax Officers in almost all cases issue notices under clause 4 of section 22 and clause 2 of section 23 of the Income-tax Act; if not, in how many cases they were issued;

- (e) in how many instances out of the total number of assessed cases, action has been taken under clause 1 of section 23; and
- (f) in how many cases out of the total number of cases dealt with in each office, provisions of section 37 of the Income-tax Act were exercised?

The Honourable Sir Jeremy Raisman: I have called for the information from the Commissioner of Income-tax and a statement will be laid on the table of the House in due course.

THE RAILWAYS (LOCAL AUTHORITIES' TAXATION) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I present the Report of the Select Committee on the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province.

THE CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadian Urban): Sir, I beg to move:

"That the Bill to simplify the procedure in appeals to the Federal Court, as reported by the Select Committee, be taken into consideration."

Sir, this Bill is a non-controversial measure, its sole object being to expedite the administration of justice in this country. At the present moment, a great deal of delay takes place in bringing appeals from the High Courts to the Federal Court, and this is due to the insertion of section 111A and Rule 17 of Order XLV in the Civil Procedure Code. Now, this addition, Sir, was made by the Adaptation of Laws Order in Council in 1937, and the effect of these additions is that the provisions which used to govern and which still govern the presentation of appeals to the Privy Council have been made applicable to appeals presented to the Federal Court. Now, Sir, the Privy Council is situated at a distance of six thousand miles from India, whereas the Federal Court is situated within the borders of the country. Besides it should be remembered that when these provisions were first made, about a century ago, communications were very difficult between India and England. Therefore, it was found very necessary at that time to have a considerable spade work done in India before the appeals were presented to the Privy Council. In that respect, the situation is very different today. The longest time that is taken for bringing an appeal from any of the High Courts is 48 hours. Therefore, it is not necessary to retain any longer the dilatory and cumbrous procedure which is laid down in section 111A and Rule 17 of Order XLV of the Civil Procedure Code.

Sir, when I moved the second Reading of this Bill, I asked the question whether the adaptation made in 1937 was *ultra vires* or not. I will not enter into that argument once again, but I would once more express my own conviction that that adaptation is *ultra vires*. But leaving aside that question, we should have to consider the desirability or otherwise of

this adaptation. Now, Sir, many of us know that some time ago Sir Maurice Gwyer, the Chief Justice of the Federal Court, observed that the Federal Court should be in a position to control from first to last the conduct of appeals which may be brought before it. Another Judge of the same Court, the late Sir Muhammad Sulaiman, also said that to us it was not necessary to make the whole of Order XLV applicable to appeals from the High Courts to the Federal Court even when no constitutional issue is involved. The first thing which is needed now is to do away with this dilatory and cumbrous procedure, but how can that be done? It can be done by omitting from the Civil Procedure Code section 111A and Rule 17 of Order XLV. This is sought to be done by clause 2 of this Bill which is before us in an amended form. But this will not suffice. It will be necessary to invest the Federal Court with power to regulate the procedure of the High Court after the certificate has been given. The giving of the certificate should be the last thing that is to be done by the High Court. The jurisdiction of the High Court ends with the giving of the certificate and the jurisdiction of the Federal Court begins straight-away. But at the present time the powers which have been given by the Government of India Act do not seem adequate for the Federal Court to exercise this jurisdiction, and clause 3 of this Bill is intended to give the Federal Court that power. As soon as this power is given, the Federal Court will be able to regulate the procedure after the certificate is given. In this connection I wish to tell the House that this particular clause was inserted by the Select Committee, and to that extent it was an improvement on the original Bill. My thanks are due to the Honourable the Law Member for the assistance which he gave in improving this Bill and for the speedy manner in which this Bill has been brought before this Assembly.

Sir, I believe, if this Bill is passed into law, it will save a great deal of time, trouble and expense of the litigants, and, not only of the litigants, but also of the Courts as well as of the Provincial and Central Governments. I am sure, therefore, that this Assembly will accept my motion.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to simplify the procedure in appeals to the Federal Court, as reported by the Select Committee, be taken into consideration."

The Honourable Sir Sultan Ahmed (Law Member): The Bill, as was introduced here and sent to the Select Committee, contained a lacuna which I am glad to say has now been removed. The Bill undoubtedly simplifies the procedure for appeals to the Federal Court and restores to it the power to regulate its own procedure and practice. The House will remember that in the original Bill there was no provision like clause 3, and it is the introduction of this clause which makes the Bill self-contained and effective. I have absolutely no doubt that this is a rightly conceived measure, and the Bill, as it has emerged from the Select Committee, is bound to be very useful to the litigants. I, therefore, support the motion.

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

"That the Bill to simplify the procedure in appeals to the Federal Court, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

[Mr. President.]

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Dr. P. N. Banerjea: I move:

"That the Bill, as reported by the Select Committee, be passed."

I have no words to add, but I hope that this will confer a benefit on the general public of this country.

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

"That the Bill, as reported by the Select Committee, be passed."

The motion was adopted.

THE PROFESSIONS TAX LIMITATION BILL.

Sir F. E. James (Madras: European): I beg to move:

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings, or employment, as reported by the Select Committee, be taken into consideration."

I am glad to be able to report that the Select Committee on this Bill is completely unanimous,—so unanimous in fact that in the first reprint of this report the Department found it unnecessary to print even the names of the Members. No distinction was necessary because we were of one mind in regard to the Bill.

There are two main changes. One is, there was some dubiety about certain words in clause 2 of the Bill, and that has been removed. The words "duties, cesses or fees" which were in the original clause have been deleted. Secondly, those Provincial Governments which had raised objections to the Bill had based those objections upon the supposition that the Bill as originally drafted affected certain taxation under local Acts from which local bodies in those provinces derived certain revenues. Now, in the schedule to the Bill there is a list of taxes which are specifically excluded from the operation of clause 2, and all the objections which had been raised by the Provincial Governments have now been met. I would refer particularly to the exemption of the taxes on professions, trades and callings levied under the Calcutta Municipal Act of 1923 and the Bengal Municipal Act of 1932. Those have now been excluded and, therefore, the objections from my Honourable friends, Dr. Banerjea, Mr. Chattopadhyaya and others have been met in full. Sir, in view of the unanimous nature of the report I hope that the House will now accept it.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings, or employment, as reported by the Select Committee, be taken into consideration."

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I rise to speak on this Bill, not merely to confirm my support to this Bill which has already received my signature as a member of the Select Committee, but to congratulate Sir F. E. James on the passage of this Bill after a long period of waiting. If any one has shown tenacity and pertinacity, it has been my friend, Sir F. E. James, and I think his Province owes

him a deep debt of gratitude. But the most delightful part of it was the accommodating way in which the Mover of the Bill met the objections of Bengal in particular and other Provinces also objected to parts of his Bill. It gives me great pleasure, Sir, to know that this is one of the few Bills that has been presented to this House without a single note of dissent. In fact, as Sir F. E. James said the first reprint of the report did not even have the signatures of the Select Committee. Sir! I give the Bill my entire support on behalf of my Party and I do hope that it will bring relief to a deserving class of men who feel that they do suffer under its present day operation. Sir, I support the Bill.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadian Urban): Sir, I congratulate my Honourable friend, Sir F. E. James, on the sweet reasonableness and the spirit of accommodation which he has shown in regard to this Bill. The original Bill contained some serious defects, but I am glad to be able to say that the Select Committee, at the instance of Sir F. E. James, have removed those defects. When I pointed out to this House that uniformity in a matter of this kind was undesirable, and that it would be difficult for some of the local bodies to adjust their finances, Sir F. E. James immediately agreed with me and gave an assurance on the floor of the House that those provisions of the Bill would be removed. I am glad he has kept his word. His whole object, as he pointed out the other day, is to help the middle class. I have the fullest sympathy with that object. The middle class, at least a section of it, is very poor, although their style of living is somewhat expensive. Therefore, this class deserves the sympathy of all the Members of this House, and, to that extent, my friend has rendered a service to that class, but I hope and trust that this Bill will not be utilised in adding to the burdens of the poorest classes. It is not its object. It is not the object of the Mover of the Bill, and I hope that it will not be utilised for that purpose. I give my support to the Bill.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadian Rural): Sir, I do not congratulate until I feel sure that we have got a gift. No doubt the report of the Select Committee exempts from the operation of the Bill, three provinces, Bengal, the United Provinces and the Central Provinces. I am not sure that it exempts all the municipalities therein, although I would like to be assured that all the municipalities in these three provinces will be free to impose professional taxes beyond Rs. 50 if they thought it necessary. But out of eleven provinces, only three provinces are benefited. I know by reason of the recent amendment of the Government of India Act those municipalities which were not imposing any professional tax are barred from imposing any such tax beyond Rs. 50 hereafter; but I do not know whether in the case of the Punjab, Bihar, Orissa, Assam, Madras and Bombay and the North-West Frontier Provinces the recent Parliamentary amendment of the Government of India Act debars all these provinces from imposing any professional tax beyond Rs. 50. If it does, then the Bill is shorn of most of its objections. Will Sir F. E. James or Prof. Banerjea kindly enlighten the House on that point, whether as a result of this Bill, municipalities which were imposing this tax beyond Rs. 50 and which were, therefore, not coming within the mischief of the recent Parliamentary amendment of their powers, whether those municipalities will remain free or not. Whether their freedom to impose professional tax beyond

[Mr. Jamnadas M. Mehta.]

Rs. 50 is being curtailed by that passing of this Bill or is being maintained, I do not know. I congratulate the three provinces which have escaped but those who may not yet be as free as they are may have a grudge. May I know from the Honourable the Mover of this Bill whether there are any who are not benefited.

Sir F. E. James: As far as I understand, the position is this—Those provinces which have not in existence at the moment taxes on professions, trades and callings under local enactments, exceeding Rs. 50 cannot in any case now impose such taxes, so that this Bill does not affect the position of those provinces. The only provinces where the position might be affected are those which did raise objections but in respect of which exemption has now been specifically made in the Schedule.

Mr. Jamnadas M. Mehta: Then in that case, I take it that the provinces which I have mentioned are no longer free to impose any taxation beyond Rs. 50 by way of professional tax?

Sir F. E. James: That would be the position in any case.

Mr. Jamnadas M. Mehta: That means that it is the Parliamentary amendment and not Sir F. E. James who has deprived them of it.

An Honourable Member: That is so.

Mr. Jamnadas M. Mehta: Then in that case all I can say is that I have not much objection left, which I originally had to this Bill and I will not stand in the way of its enactment.

The Honourable Sir Jeremy Raisman (Finance Member): I rise only to indicate that the influence of Government has been exercised in order to meet the legitimate objections which certain Governments raised to the enactment of this Bill. At a previous stage I indicated my view that provided time was given the municipalities which were adversely affected by this Bill should be able to adjust their schemes of taxation and my friend, Professor Banerjea, thought that that indicated a somewhat unfeeling attitude on my part. Well, Sir, in the course of the Select Committee, I wish to make it clear that I myself, on behalf of Government, was prepared to go further and to endeavour to exclude from the mischief of this Bill cases in which the Provincial Governments after their survey of the existing taxes had felt that damage would be done and we are anxious that the local bodies should not be subjected to any disadvantage.

My Honourable friend who is in charge of this Bill has already explained to Mr. Jamnadas Mehta that in the case of the provinces which are not mentioned in the Schedule it is fair to conclude that the Bill takes nothing away which has not already been taken away by the Government of India Act as it now stands. I think it is generally agreed that considering the somewhat widespread possibilities of a measure of this kind, a very safe and innocuous course has been steered and the main object has been achieved with the minimum of damage. Sir, I support the Bill.

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

"That the Bill to limit to a maximum of Rs. 50 per annum the amount payable in respect of any person by way of tax on professions, trades, callings, or employment, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): The House will now consider the Bill clause by clause.

Clauses 2 and 3 were added to the Bill.

The Schedule was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Sir F. E. James: Sir, I move:

"That the Bill, as reported by the Select Committee, be passed."

In doing so, I should like to thank Honourable Members for the favourable reception they have given to the Bill and for the extremely useful criticisms they have offered in the earlier stages of its passage. I think the House is entitled to share any credit which has been placed on my shoulders. I should also like to thank the Honourable the Finance Member for his interest in this matter from the beginning, and also for his very helpful advice throughout.

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

"That the Bill, as reported by the Select Committee, be passed."

The motion was adopted.

THE SPECIAL MARRIAGE (AMENDMENT) BILL.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Sir, I move:

"That the Bill further to amend the Special Marriage Act, 1872, for certain purposes be circulated for the purpose of eliciting opinion thereon by the 31st January, 1942."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Special Marriage Act, 1872, for certain purposes be circulated for the purpose of eliciting opinion thereon by the 31st January, 1942."

Dr. G. V. Deshmukh: Sir, I do not want to take very much time of the House. First of all, I should like to point to the House as to what the Bill really is. The Bill really is that those Hindus who have been married according to the mode of the Hindu Law should have the choice of having that marriage registered if they so choose to do. The reason for it is this. After all, like every society, the Hindu society is a changing society in spite of whatever opinion the stable element of the society may hold. Any person who has had a look at the Hindu religious law has to admit that, after all, the laws of the Hindu society are not what

[Dr. G. V. Deshmukh.]

they were three thousand years ago and, therefore, it is unreasonable, I think, to say, as they obstinately say, that there should be no change in the Hindu Law. Secondly, modern times are not like the old times. In modern times we come in contact with different kinds of civilization and, therefore, the ideas of social justice and otherwise, which are prevalent in other countries, have found a way in this country. Therefore, according to the ideas of the modern times, the Hindu society will necessarily have to move. Now, Sir, all that I want to urge is this, that this problem of modification of Hindu Law is before the Hindu society and will have to be before the Hindu society.

Now, the problem is how to absorb and assimilate the ideas of social justice which are prevalent in modern times. I think the laws with regard to marriage that are prevalent in the Hindu society are very unfair to the women, and it is from that point of view that I have brought forward this Bill. As you know, Sir, whenever any change is proposed or suggested, there are different elements of the society which are opposed to it. First of all, there is the so-called orthodox or the religious or the Sanatanist section. They say they will have nothing to do with my Bill; they do not want any change at all. They think that this world is ruled by extra-mundane powers and the law that was given to the Hindus was by some Divine power, although they can see today that no Divine power enforces or exercises the law that was given to the Hindus. Even these very persons, if they have to enforce this old Hindu Law, have to go to the law courts. Therefore, my proposition is this. Wherever they have to take the sanction of law, the legal courts and the State machinery, it entitles the State or the society to see that just law is enforced. It is not right for any Government or any State to exercise all the power and majesty of the law in favour of laws which evidently are inequitable and which are not just. Therefore, to the point that is made by these persons that their laws are divine and, therefore, they should not be interfered with, my answer is this. When you think that your Divine Laws are infringed, why do you run up to the State? Depend on the Divine Power. On the other hand, you go to the courts to invoke the provisions of the modern machinery of law to keep up your Divine Law. I do not think that is fair and right. I think it is the duty of the State to see that the laws which are invoked or which are appealed to by persons are fair and just. And it is from that point of view that I urge that it is the duty of the Law Member and the Government to see that these laws are fair and just according to the modern ideas of equity and justice. This is the first section. I understand them. This section opposes everything *in toto*. Then there is the second section which does not want to take up this obstinate or unreasonable attitude. But then they have a clever way of attacking it. If you suggest something, then they will say, this is partial reform. If on the other hand you suggest something radical, they say, how can it be? This will uproot the whole Hindu society. That is they want it both ways. If you suggest an improvement here or an improvement there, in the big structure of Hindu society, to get rid of the evils of Hindu society, their argument is that this Bill as it is drafted does not go far. This will not help. If on the other hand you suggest something radical, then the very same Professors, the same lawyers and the same Pandits will come forward and

say, what is this? This suggestion is to uproot the whole Hindu society and, therefore, that is the kind of opposition which anybody who has a wish to leave the world a little better than he found it, has to encounter. In other words, you have to meet religious objection as well as what you may say very extra ultra intelligent opposition.

After a little experience of Hindu society and of the opposition, all that I have tried to do is to avoid religious questions altogether. In this Bill all that I say is this, whoever is married according to Hindu Law—Hindu marriage is a sacrament and, therefore, they are married according to their religious sentiments—I do not want to interfere with it. What I say is this. I respect that sentiment. At the present moment the position is this. There has been a good deal of study of Hindu Law both by interested and non-interested parties. The meaning of the laws cannot be interpreted in the same way as they were interpreted a long time ago. Formerly, a few Pandits collected together and they interpreted the law according to their own interests. With the diffusion of education among persons in *shastras* and looking to the interests of their own society and trying to improve that society, even according to the old laws, they found that the interpretations put by the Pandits were wrong, that the interpretations were not correct, and, therefore, even from the point of view, you may call this a revival of the old principle in Hinduism, or if that does not meet the case, then I have no objection to say that even if these new ideas have to be brought into the society, so much the better for the society.

The Honourable Sir Sultan Ahmad (Law Member): I do not want to interrupt the Honourable Member, but I want to make it perfectly clear that at this stage we have absolutely no objection to the circulation of the Bill, and, therefore, the speech which my Honourable friend is delivering might be more usefully made at a later stage. At present it seems to be unnecessary.

Dr. G. V. Deshmukh: I accept the Honourable Member's suggestion. I am very happy to learn that the Government are very sympathetic so far as the motion for circulation is concerned. My point in elaborating this subject was that it might help to get you proper public opinion and this would be a great help to the outside public. However, with that assurance, I will be brief and shall bring my speech to a close in two or three minutes.

What I say is this. The object of my Bill is that I want to avoid altogether the religious aspect of the question. Even today, you will find that there are many marriages which are first registered—I am speaking only of Hindu society—and then afterwards, on account of the prevailing sentiments, they go and have the marriage celebrated according to the Vedic rites. All that my point of view is this. That being the feeling, we have to take account of the sentiments in the Hindu society and at the same time, we want to give them all the advantages of modern ideas of social justice with respect to marriage laws. That being my intention, I expect that there will not be any kind of religious objection to it, but that it will be accepted later on when it comes. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): The motion has already been put to the House. Now, other Honourable Members might take part. Babu Baijnath Bajoria.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I will be brief and sweet. In the first place, true to my prediction, my Honourable friend, Dr. Deshmukh, divorced the Assembly after the marriage business was finished the other day; he has come again today when marriage business is being discussed in this Assembly. Sir, it is quite true that this Bill, as has been said by Dr. Deshmukh himself, has nothing to do with religious sentiments. I quite agree with that; because this Bill, as well as the parent Act, the Special Marriage Act, is quite an irreligious measure. The Special Marriage Act was conceived by those people who had nothing to do with religious matters or who had no faith in the form of marriage being a sacrament as laid down in the *Shastras*....It is also meant for the benefit of those irreligious people who have got no belief whatsoever in Hindu *Shastras* or in the Hindu form of marriage. Sir, as far as this Bill is concerned, I at once say that so far as the Sanatanists or the orthodox section of Hindus are concerned, they have got no connection, because the Sanatanists or the orthodox section of Hindus would never look at this form of marriage at all. They also do not believe that any marriage performed according to this Act or according to the amended Bill of my Honourable friend will be considered to be a marriage according to Hindu ideas.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): What about inheritance?

Babu Baijnath Bajoria: I do not want to go into all those questions in detail at the present stage. I will say now only something about general principles of this Special Marriage Act and about this Bill which is proposed to be circulated for eliciting public opinion. Sir, as I already said, the very conception of this Act is irreligious. Indeed it was enacted before, only to give a room or rather an advantage to those people who do not want to marry according to the true form of Hindu law or according to Hindu religion. But, Sir, I take exception to one or two words which fell from the lips of my Honourable friend, Dr. Deshmukh. He said that the old laws of marriage were laid down by a few Pandits in their own interests.

Dr. G. V. Deshmukh: I did not say so about marriage laws. I was only referring to how they were interpreted by the Pandits.

Babu Baijnath Bajoria: If I understand my Honourable friend aright, he has got nothing to say against the laws themselves but only against the interpretation which was given to those laws by the Pandits. There I will say that if Dr. Deshmukh himself will take the trouble of reading those laws and understanding them from one who knows those laws and *Shastras*, then he will see whether the interpretation put upon the laws were correct or not.

Dr. G. V. Deshmukh: I am in a position to teach these Pandits.

Babu Baijnath Bajoria: A little knowledge is a dangerous thing.

Sir, I say, this Special Marriage Act has the effect of disintegrating Hindu society, and any special privileges which may further be given under this Act will go against the Hindus in general. As a matter of fact, I would be very pleased if this Special Marriage Act were repealed altogether, because, then, the Hindus will have only one form of marriage left to them, and that is strictly according to Hindu ideas and Hindu religion. Sir, I understand Government are not opposing this circulation motion, but I take it that that does not mean that Government are at all sympathetic towards this Bill. I hope their mind is absolutely open, and they will be guided by the opinions which will be received.

Sir, I have nothing more to say about this Bill at the present stage. I hope it will meet the same fate as the other misconceived Bills which came from my Honourable friend, Dr. Deshmukh.

Sardar Sant Singh (West Punjab: Sikh): Sir, I congratulate my Honourable friend, Dr. Deshmukh, on the zeal which he shows in matters of social legislation. It is not without a good deal of inconvenience and expense that he ran up from Bombay to Delhi in order to pilot this Bill. But there are certain facts about this Bill which put me on guard. I am afraid by introducing this Bill he wants to encourage those marriages which in England are known as Gretna Green marriages. Sir Henry Gidney will correct me if I am wrong.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I am not familiar with what is allowed or happens at Gretna Green or Turnam Green, a suburb of London, not Scotland.

Sardar Sant Singh: According to this Bill, what I am afraid is that an enterprising unmarried young lady of about 18 who wants to marry somebody may run away with him from a mofussil town to Bombay, live quietly there for 14 days and then the two can get themselves registered as a married couple without reference to the parents or to those who are interested in their marriage. And this aspect of the case makes me doubt whether it is consistent with what my Honourable friend calls modern ideas of social justice.

Dr. G. V. Deshmukh: Sir, my Honourable friend evidently has not read the Bill. This is for married people and not for unmarried people. If those who are already married want to register, they will do so. So that the evil that my Honourable friend is thinking of is never going to arise. It is more likely to arise in the present situation than if the Bill is passed.

Sardar Sant Singh: Sir, I am glad my Honourable friend has corrected me. But I do not agree with him when he says that modern ideas of social justice will be complied with if this Bill is passed. So far as I know the Anglo-Hindu law,—I do not pretend to have knowledge of Hindu *Shastras*, as Mr. Bajoria has,—there are eight forms of marriage given in Maine's Hindu Law; and not a single aspect of society remains in which one or the other form of marriage as given in Maine's Hindu

[Sardar Sant Singh.]

Law is not covered. The position at present is that there are certain difficulties in the Courts of law as to the proof of marriage. There are certain difficulties in adducing evidence, but in most cases no such question arises; and in matters of inheritance or succession, etc., some doubts are raised as to the marriage of individuals. To me, Sir, no change is called for in the present social order. With due respect to my Honourable friend, I am not convinced that modern society has advanced to a degree where this Bill is called for. I do not, therefore, support this Bill.

Sir Vithal Narayan Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, my Honourable friend, Mr. Bajoria's speech compels me to intervene in this debate because I do not think he was fair to the people who were responsible for the Act III of 1872. Perhaps he does not know that that Act was the result of a demand made by some of the greatest religious leaders of Bengal, the leaders of the Brahmosamaj. It was essentially an Act which was brought about by the insistent demand of the Brahmos who believed in essential principles of Hinduism but who were not prepared to observe all the religious ceremonies insisted upon by orthodox Hinduism. I was myself married under the Act III of 1872. I decline to admit that I do not believe in religion and I think it is very wrong and unfair on the part of anybody who is opposed to such legislation to say that such legislation is against religion or is going to make people irreligious. They should consider the question on merits. The question, however, is not free from difficulties and I think Dr. Deshmukh has not visualised all the difficulties when he wants the Act to be amended as he suggests. He says the Act applies to married people, but what about children who were born before registration? What about inheritance rights? We have been advised in Bombay that children born as a result of marriage under Act III of 1872 are still governed by Hindu Law; but that Bombay view, I am told, is not accepted in other provinces. The question is not free from doubt. It is true people who marry according to Gour's Marriage Act get the benefit of the Succession Act, but those of us who are married under the old Act are not sure of the position of our children as regards succession rights whether they are still governed by the customary Hindu Law to which we are subject or by the Indian Succession Act, I do not know if my Honourable friend, Dr. Deshmukh, has applied his mind to this aspect of the question. I gather that the Honourable the Law Member is prepared to circulate the Bill for opinion. If he applies his mind to all the problems I have referred to perhaps some *via media* may be found. I believe some years ago as a result of the efforts of the late Sir Sankaran Nair an Act was passed whereby Nairs who were already married were given the option of getting their marriages registered under what, I believe, was called the Nair Special Marriage Act. I am not opposing Dr. Deshmukh's motion but I do think that people who are speaking in favour or against should not go into the question of whether such legislation is against religion or in favour of religion, because that is not the point at issue. Any legislation which brings society in a line with modern ideas should be welcome, and it is only from that point of view, I submit, such questions should be considered on the floor of this House.

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

"That the Bill further to amend the Special Marriage Act, 1872, for certain purposes be circulated for the purpose of eliciting opinion thereon by the 31st January, 1942."

The motion was adopted.

THE KAZIS BILL.

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

"That the Bill to provide for the appointment of persons to the office of Kazi and for performing and keeping a record of marriages amongst Muslims be circulated for the purpose of eliciting opinion thereon by the 15th February, 1942."

This is only a circulation motion, and my reasons for the Bill are given in the Statement of Objects and Reasons. I understand Government are in favour of circulation, and so I need say nothing more about it now. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved.

"That the Bill to provide for the appointment of persons to the office of Kazi and for performing and keeping a record of marriages amongst Muslims be circulated for the purpose of eliciting opinion thereon by the 15th February, 1942."

The Honourable Sir Sultan Ahmad (Law Member): We support this motion for circulation. We have no objection.

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

"That the Bill to provide for the appointment of persons to the office of Kazi and for performing and keeping a record of marriages amongst Muslims be circulated for the purpose of eliciting opinion thereon by the 15th February, 1942."

The motion was adopted.

THE RECIPROCITY BILL.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I move:

"That the Bill to make provisions in regard to entry, residence, the acquisition, holding or disposal of property, franchise, the holding of public office, or the carrying on of any occupation, trade, business or profession in British India by persons domiciled in the British Possessions on a basis of reciprocity be circulated for the purpose of eliciting opinion thereon."

Sir, I would be very brief in my observations. Questions about the treatment of Indians overseas have been discussed on the floor of this Assembly as well as the other House almost every year or every Session. and the public has expressed its feelings in this matter from the platform and in this House by passing unanimous resolutions. Out of the several grievances one which I have mentioned in the Statement of Objects and Reasons is the Asiatic (Transvaal) Land and Trading Act. That was also referred to in one of the discussions here, and when one of the resolutions was being discussed on the floor of the House, Sir Jagdish Prasad, *Ex-Executive Councillor* said that all they could do was to negotiate with

[Mr. Govind V. Deshmukh.]

the Colonies and they could not do more than that. They were helpless. Of course, he incidentally referred, while discussing the resolution, that although help from provinces such as Madras and other provinces which were enjoying Provincial autonomy and which were interested in the welfare of the people who went from there was considerable, yet in addition he certainly wanted some sort of sanction and there was, at that time, no sanction. Even Sir Raza Ali, *ex* Agent general in South Africa, was in favour of some sort of retaliatory or reciprocal treatment being awarded to the Colonies who treated Indians in a very unsatisfactory way. Let me tell you one or two instances about the entry of Indians into Colonies. Mrs. Subbarayan, who is a Member of this House, when she was returning from England at the Time of the last war was not allowed to land in South Africa. She had a small child and she wanted some milk for the baby. She could not get on the shore. This morning I have learnt from a Mohamedan gentleman who is a member of the Fiji Assembly that while returning from Fiji to India one had to land at the port of Newzealand—Auckland, I think. His wife and son were to come to India. He had engaged a first class passage to Sydney and from Sydney was to travel by Air to Calcutta. At the port in Newzealand they wanted to get ashore but none of them were allowed to get down and land on the shore. It was with great difficulty that somebody took the guarantee about the conduct of this lady and then they were allowed to get ashore. As a matter of fact the gentleman wished to give me more details about this incident, this morning, but as I thought that this Bill would be taken up sometime later in the day I asked him to tell me more about it after Lunch. So much regarding entry even in case of educated ladies who travelled over the continent and in times of war when we are helping them to win it.

As regards other things, we have seen that we are not getting treatment which a self-respecting nation ought to get and which free nations or nations possessing Dominions get. Therefore, in order to raise ourselves to the Status of the Dominions who are self-governnig and to possess the same laws as regards entry or giving occupations, or carrying on business, trades, etc., I have brought this Bill, and wish to provide the Government with the sanctions so that they should not merely carry on negotiations—diplomatic or otherwise—but they should have some sort of authority to enforce better rights for the Indians, to which they can refer. As a matter of fact, this House should have taken a step of this character long ago because nothing has resulted from carrying on diplomatic negotiations. The Government of India have said times out of number that we are doing our level best and we cannot do anything more except carrying on negotiations. It has also been said that if we take any retaliatory measure, considering from the point of view of persons who stand to gain and persons who stand to lose, there is a majority of Indians going from here who stand to lose. There is one argument against that, that our treatment has been worse after waiting for years. We have waited and waited; waited year in and year out because this consideration was put before us that if you take some retaliatory measures things will worsen; we will suffer. But having acted on this assurance of the Government, has treatment of the Indians overseas improved in any way? Certainly not. Even other Colonies are following the examples of Kenya and Transvaal. British possessions, like Burma, are also putting on us all those restrictions

akin to the Colonies and which are embodied in the Indo-Burina Agreement. The Government of India as a subordinate Government is impotent. When they appeal to the Secretary of State; all he can do is to speak to the Colonial Government. Nobody can do anything. As a matter of fact they give a challenge to His Majesty's Government and to the Government of India: "Please do not interfere; if you do, such and such a thing will happen".

Well, Sir, under these circumstances when inspite of the reasonable attitude which we adopt the position is getting worse and worse, what alternative is left to us except to enact such a measure? This will enable us to raise our head before the world and say "if you treat us well, we will treat you well, but if you give us humiliating treatment or harm our interests a similar treatment will be meted out to you. Only the other day I put a question on the floor of the House about giving jobs to Australians in the Army. Have any Indians been given jobs in Australia? No. We have not the power. Remember how Australia treats India. Well, I submit we are going really too far in ingratiating ourselves into their favour. They will not change their attitude towards us unless we get our status raised to that of Dominion, unless we can carry on negotiations independently without referring to the Secretary of State for India or to the Colonial Secretary; and enforce our demands on our own strength. It is, therefore, very desirable that measure of this kind may be passed. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to make provisions in regard to entry, residence, the acquisition, holding or disposal of property, franchise, the holding of public office, or the carrying on of any occupation, trade, business or profession in British India by persons domiciled in the British Possessions on a basis of reciprocity be circulated for the purpose of eliciting opinion thereon."

Mr. G. S. Bozman (Govt. of India: Nominated Official): Sir, I have been asked by the Honourable Member in charge of this Department to apologise to the Mover of this motion and to the House for not being in his seat at this time. He has an urgent appointment elsewhere on matters connected with Indians overseas. Sir, Government are not opposing this motion for circulation.

Mr. Govind V. Deshmukh: I very much appreciate this.

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

"That the Bill to make provisions in regard to entry, residence, the acquisition, holding or disposal of property, franchise, the holding of public office, or the carrying on of any occupation, trade, business or profession in British India by persons domiciled in the British Possessions on a basis of reciprocity be circulated for the purpose of eliciting opinion thereon."

The motion was adopted.

THE MUSLIM PERSONAL LAW (SHARIAT) APPLICATION (AMENDMENT) BILL.

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

"That the Bill to amend the Muslim Personal Law (Shariat) Application Act, 1937, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir George Spence, Mr. Muhammad Muazzam Sahib Bahadur, Khan Bahadur

[Qazi Muhammad Ahmad Kazmi.]

Sir Abdul Hamid, Mr. J. D. Boyle, Maulvi Abdur Rasheed Chaudhury, Shams-ul-ulema Kamaluddin Ahmad, Mr. Govind V. Deshmukh and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

In moving this motion, I am departing from the convention of the Government of India—and I find that there is an amendment in the name of Mr. Muazzam Sahib Bahadur that instead of referring the Bill to the Select Committee directly it must be circulated for eliciting opinion. I understand that the amendment may not be moved and, therefore, I will just make my submission as to the reason why I am making this proposal against the convention.

The *Shariat* Act was introduced in this House to overcome the difficulty that was found in some of the Local Acts of British India that the custom was to override the Muslim personal law. For example, we have got section 5 of the Punjab Laws Act. That section provided :

"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—

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....."

So the rule of decision shall be custom. Muhammadans wanted that it must be the Muslim personal law; and for that purpose the *Shariat* Act was introduced in this House. Ultimately, there was a compromise and by that compromise it was settled that we cannot override custom in all cases but may be allowed to retain it in some cases and abolish it in others; and that is why the present *Shariat* Act was split up into two sections. Section 2 provided that in cases covered by that section it will always be governed by the Muslim personal law; and section 3 provided that in cases of adoption, wills and legacies it will also apply if a person goes before the prescribed authority and makes a declaration that he wants to be governed by that provision of Muslim law. So sections 2 and 3 really were in the original Act one and the same, but this distinction was brought about and sections 2 and 3 enacted because it was thought at that time that in cases of intestate succession and other questions, such as dissolution of marriage, marriage, gift, trust, and guardianship, etc., whether a man makes a declaration to the effect that he wants to be governed by Muslim personal law or not, he will always be governed by Muslim personal law; but in cases of adoption, wills and legacies he would not be governed unless he goes before the prescribed authority and makes a declaration that he wants to be governed by Muslim personal law; and the two sections came into force. Unfortunately at the time when this section 3 was being drafted, the words that were put in it were not in accordance with the intention of the Legislature. The words are:

"Any person who satisfies the prescribed authority that he is a Muslim, that he is competent to contract within the meaning of section 11 of the Indian Contract Act, 1872, and 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."

Unfortunately, instead of using the words "the benefit of this section" the words "benefit of this Act" were put in; "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".

So, what was meant was that if he wanted to take advantage of this section then he could make a declaration before the competent authority and this Act would further apply to wills, legacies and adoption. On account of this word "Act" here, when he went before courts of law, some of them said that this Act does not apply to anybody unless he has made a declaration; and so they have taken away the effect of section 2 absolutely. That was never the intention of the legislature as is apparent from the Act itself. So my submission is that this was a question which could very easily be settled before the House itself, but to be on safe side I propose that it may be referred to Select Committee.

The other point that I have suggested is that item 3 of section 6 of the Act be deleted. By this section 6 were repealed all enactments which preferred custom to Muslim personal law. But this item 3 is itself an enactment which prefers Muslim personal law to custom. As a matter of fact we have brought this law in consonance with the provisions of item No. 3 and so it need not be repealed at all and that is why I have suggested that instead of including it in the Act it may be omitted as item 3 from section 6 of the original Act. With these words, I move my motion.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved :

"That the Bill to amend the Muslim Personal Law (*Shariat*) Application Act, 1937, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Sir George Spence, Mr. Muhammad Muazzam Sahib Bahadur, Khan Bahadur Sir Abdul Hamid, Mr. J. D. Boyle, Maulvi Abdur Rasheed Chaudhury, Shams-ul-ulema Kamaluddin Ahmad, Mr. Govind V. Deshmukh and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be four."

Mr. Muhammad Muazzam Sahib Bahadur (Nominated Non-Official): Sir, I move :

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st March, 1942."

I should not have troubled to make this motion but for the fact that my friend in his Statement of Objects and Reasons speaks of section 2 of this Act XXVI of 1937 as entirely independent of section 3 of that Act. My own view is that the two are inter-dependent. What section 2 lays down is this :

"Notwithstanding any custom or usage to the contrary, in all questions (save questions relating to agricultural land) regarding intestate succession, special property of females, including personal property inherited or obtained under contract or gift, or any other provision of Personal Law, marriage, dissolution of marriage, including *talaq*, *ila*, *zihar*, *lian*, *khula* and *mubaraat*, maintenance dower, guardianship, gifts trusts and trust properties, and wakfs (other than charities and charitable institutions and charitable and religious endowments) the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law (*Shariat*)."

Now, Section 3 says that a person who is a Muslim and who is competent to contract and is a resident of British India, may, by declaration in

[Mr. Muhammad Muazzam Sahib Bahadur.]

the prescribed form and filed before the prescribed authority, declare that he desires to obtain the benefits 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 matter enumerated therein, adoption, wills and legacies were also specified. What my friend really wants is to amend the provisions of section 3. His difficulty seems to be that in a certain case a District Judge refused to admit an application filed by a Muslim married woman under section 5 which says that the District Judge may dissolve a marriage, on a petition made to him on any ground recognised by the Muslim Personal law. I really thought that this right of Muslim married women existed irrespective of this enactment.

I do, however, think it is a misfit so far as this enactment is concerned. In the Statement of Objects and Reasons the Honourable Member says that "the two sections, section 2 and section 3 are independent". No declaration before the prescribed authority is required for the applicability of either section 2 or section 3. So far as section 5 is concerned, I admit it is all right, but as regards section 2, my own idea is that this section applies to cases where the parties want to get rid of such customs and usages as have the force of law, and want to adopt the Muslim Personal Law, the *Shariat*. Persons who want to achieve this object have to go before an authority as provided by section 3. Then they will be guided on questions of inheritance succession by the Muslim Personal Law. So far as section 3 is concerned, I admit that Section 3 enlarges the operation of Section by providing for cases of adoption, wills and legacies, but one must make a declaration if he wants to avail himself of the benefit of this Act. I really don't see how the object for which my friend has brought in this amending Bill would be gained by changing the words "this Act" into "the provisions of this section".

So far as the other matter is concerned, the amendment relating to section 5, it is quite all right, but curiously enough I find in the course of the debate on this subject in 1937, my Honourable friend was the very person who introduced this change,—my friend himself was responsible for it,—and today he wants to correct it. So far as that is concerned, I am quite in agreement with him. We are all agreed that it should be deleted, but as regards his statement in para. 1 of the Objects and Reasons, I think my friend is under a misapprehension as to the applicability of section 2 or to treat section 2 as entirely independent of section 3. I really think that those two are inter-related.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is discussing the clauses at length. He should confine himself to his motion.

Mr. Muhammad Muazzam Sahib Bahadur: I suggest that the Bill should be circulated for the purposes of eliciting public opinion thereon by the 1st March, 1942, so that it may go before a Select Committee. The Muslim Members are very few in this House at the moment, and so this is a matter which should go before a Select Committee when other Muslim Members are also present. That is why I have tabled this amendment for circulation. I am not opposed to the Bill before us, but I want it to be circulated for eliciting opinions on it so that it may go before a Select Committee when all the other Muslim Members also may be present.

THE MUSLIM PERSONAL LAW (*shariat*) APPLICATION (AMENDMENT) BILL 493

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st March, 1942."

The Honourable Sir Sultan Ahmad (Law Member): Sir, my original reaction to this Bill was that it should be sent for circulation for eliciting public opinion, and that has now been confirmed by the amendment which has been proposed by the last speaker. Sir, we know that the most important section of the Mussulmans in this House, is not here, and remembering the discussion that we had in 1937 over the main Bill of Mr. Kazimi which is now sought to be amended, I feel that we must not take any action which is not supported by a large number of Muslim Members of this House. Now that the amendment has been moved, it appears that the few Muslims who are left here are also not quite agreed upon the course that has been suggested by the Mover. Under those circumstances, we will be taking a grave responsibility by accepting the motion for the Bill to go to a Select Committee at this stage. I, therefore, support the amendment. It would be in the fitness of things that those who are really affected by the amendment of the original Act should be consulted and should have a chance of saying what they have to say. The matter can come up at the next Budget session and there should be

Qazi Muhammad Ahmad Kazmi: 1st of March will be too late.

The Honourable Sir Sultan Ahmad: I cannot help it. If there is a difference of opinion among the few Muslim Members who are present here, Government are not prepared to take any responsibility whatsoever. I, therefore, support the motion for circulation, not on the grounds urged by the Mover of the amendment, but on the ground that the House is so thin of Muslim Members that we do not like to take the responsibility.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I rise to support the motion moved by my friend, Mr. Kazmi. From the speech he delivered it is quite clear that he wishes to correct a small mistake that has apparently crept in. I do not think the Honourable the Law Member will dispute it. I quite agree that we should have the opinion of a large number of Muslim Members, but they are absent today. If the point is merely to correct a small mistake, and if the Honourable the Law Member thinks that it needs correction or clarification, and when the spirit of the whole thing is not going to be touched or altered, I don't see why we should delay the matter on the ground that a large number of Muslim Members are absent. Sir, I may say that a large number of people of my community have almost been ruined by lawyers in Bombay or by the different interpretations given by the proceedings in the High Court. With all due respect for the legal profession, I must say that our experience of law courts has been very bitter, and many families have been ruined on account of lawyers and wrong interpretations put on the provisions of the law. So

[Mr. Husenbhai A. Laljee.]

if the spirit of the law is not going to be changed, if the original intention of this measure is not going to be altered, I am sure, the Honourable the Law Member will not allow this delay,—because the mistake that has crept in has been admitted, and it must be rectified, otherwise it is being interpreted by legal luminaries in different ways. I, therefore, do appeal to the Honourable the Law Member,—I do agree with him that we ought to meet the sentimental point of view, and the Muslim League Members are absent here, but if it is only, as I say, a little correction that has to be made, which will clear away the doubt in the legal mind, then I submit that it is due to the public from the Government who are responsible for all legislations, whether moved by individual Members or by the Government themselves. Sir, I hope that the Honourable the Law Member will make it clear whether the spirit or the intention or the object is being interfered with by this amendment, or that it is only a correction or a clarification of a fact so that, as my Honourable friend, Mr. Kazmi, has pointed out, it will save Muslims from being ruined in the courts of law.

Qazi Muhammad Ahmad Kazmi: I would have been very pleased if the Honourable the Law Member had given his own interpretation of the section as it stands, but instead of doing that, he is going to leave it to be decided by the Honourable Members of this House who happen to be present after so many others had left. I would have bowed to his ruling if he had said that the interpretation which I had put upon the Act was not a correct one. But the Government want to adopt a very non-committal attitude, instead of saying whether what I was saying was correct or what my learned friend was saying was correct. My Honourable friend has said, because there is a dispute between the two, therefore let the matter be postponed. May I ask how many Bills are going to be postponed in this House because of the absence of some Honourable Members from this House? Do they not consider the Congress to be a very representative body, representing a very large section of the country? Have the Government been postponing Bills because they affected Indians considerably? There have been a number of Bills passed, but I have never heard this plea that because some Members are absent, therefore, the Bill must be postponed. So far as that argument is concerned, I absolutely fail to see the relevancy of that reason or the significance of that argument. I am prepared to withdraw if the Government stick to the logical consequence of its plea and postpone all the Bills till the next Session, till the Muslim League decides to come in.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Till all the minorities come together!

Qazi Muhammad Ahmad Kazmi: If the Government are going to pin their faith in the real representation of Indians in this House and their representatives being present, I have absolutely no hesitation in withdrawing this motion or agreeing to the amendment that has been moved. But if the Government are not going to adopt that principle in other cases but only for this particular Bill, I would submit, kindly exert your brains and do not go before the public for eliciting opinion on a matter on which no opinion can be obtained. I know that in the case of social Bills

Government prefer circulation for eliciting public opinion, but if this Bill is circulated for public opinion, people will say, "What nonsense this man is talking. The thing is clear by itself". I would not go into intricacies or put forth arguments which will make the thing more confused, but may I ask the Honourable the Law Member, when you make two sections do you mean to make them dependent upon each other or you want to have two independent ideas in the two sections? If section 2 and section 3 are to be governed by the provisions of section 3, then kindly let me know what rule of legislation is there that you must split up the same idea in two sections so that the provisions of section 3 would apply to section 2 also? My submission is that the proposition is so clear that it does not require any eliciting of public opinion. Strangely enough, just as I was under the impression that Government . . .

Mr. President (The Honourable Sir Abdur Rahim): Today being Friday, the House has to adjourn earlier. I have to adjourn now. The Honourable Member can continue his speech after Lunch.

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.

Qazi Muhammad Ahmad Kazmi: When we adjourn for Lunch, I was making my submission as to the reasons why clause 3 was separated from clause 2 and that they were independent clauses. In the interval I had the opportunity of looking at the debates at that time and I may very briefly bring to the notice of the House that in the Shariat Act, as introduced in the Assembly and as reported by the Select Committee there was no provision for any authority before which a declaration was to be made. I have got the report of the Select Committee with me and I would only read the relevant portion. Section 2 as reported by the Select Committee stands as follows:

"Notwithstanding any custom, usage or law to the contrary, in all questions regarding succession (*save as regards agricultural land*), special property of females, including personal property inherited or obtained under contract or gift or of any other provision of Personal Law, marriage, dissolution of marriage, including *talaq, ila, zihar, lian, khula* and *mubaraat*, maintenance, dower, (*and then comes an important word*) *adoption*, guardianship, (*then come the other important words*) *wills, legacies, gifts, trusts and trust properties, and wakfs (other than charities and charitable institutions and charitable and religious endowments)*, the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law (*Shariat*)".

That was the only section that was reported on by the Select Committee and that section 2 contains the words, adoption, wills and legacies.

Now, when the Bill came for consideration before the House, Mr. Jinnah took objection to the inclusion of the words, wills, adoption and legacies in this section and he said that in these cases it is necessary that we should persuade the Muslims to make a declaration if they want to be governed in these matters by the Muslim Personal Law. In such cases they would be entitled to make a declaration and they must be saved. It was only to save them that these three words were taken

[Qazi Muhammad Ahmad Kazmi.]

away from clause 2 and a separate clause 3 was put in. I may briefly put before the House the speech of Mr. Jinnah himself. The first amendment of Mr. Jinnah was this. He said:

"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."

This was the only speech he made then and then another amendment was moved by him and, fortunately, in this case, he made a speech which may make the significance of the deletion of these words in clause 2 clear. He said:

"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."

Then Sir Muhammad Yamin Khan asked Mr. Jinnah:

"Who agreed?"

Mr. M. A. Jinnah: 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. . . . 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 on another amendment about Cutchi Memons, I think I may inform the House—and 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 method, and if any Mussulman 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."

So, he said that just at that stage the matter must be left to the option of the individual Mussulmans to make a declaration and then it would apply. Now, the words of the amendment were taken from the Cutchi Memons Act itself and because there was only one section in the Cutchi Memons Act, the word 'Act' was properly used there and it was unfortunately copied in this section also. The Cutchi Memon Act is Act XLVI of 1920: There is only one operative section there:

"Any Cutchi Memon who has attained the age of majority, and is resident in 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", etc., etc. (*These are the words that have been incorporated in section 3.*) "and thereafter the declarant and all his minor children and their descendants shall in matters of succession and inheritance be governed by the Muhammadan law."

Now, unfortunately, the words were taken from this Act for that amendment and it was not considered that in the present Shariat Act we

had conceded that with the exception of legacies and wills and adoption, in all other matters every Muhammadan will be governed by the Muslim Personal Law. In these matters we leave the option to every individual Mussulman to make a declaration before the prescribed authority and after the declaration has been made, in every matter, he will be governed by the Muslim Personal Law. That was the only amendment and it was based on the Cutchi Memons Act and now you will be astonished to find that even the Cutchi Memons Act has been repealed. And it has been substituted by another Act, Act X of 1938. It says:

"2. Subject to the provisions of section 3, all Cutchi Memons shall, in matters of succession and inheritance, be governed by the Muhammadan Law."

3. Nothing in this Act shall affect any right or liability acquired or incurred before its commencement, or any legal proceeding or remedy in respect of any such right or liability; and any such legal proceeding or remedy may be continued or enforced as if this Act had not been passed."

Anything that has been acquired before the commencement of this Act would remain, but in future even the Cutchi Memons in matters of inheritance and legacies will be governed by pure Muslim Personal Law. So, as a matter of fact, the ground on which Mr. Jinnah at that time proposed this amendment and provided this exception in favour of legacies and adoptions was on the basis of the Cutchi Memons Act. That Act has since been repealed. Now, it was not necessary for me to come before this House and say: "Please delete clause 3 and include adoption, wills and legacies in clause 2 itself." But I am not going so far. It is not fair for the Government to say: "Let us consult Muslim public opinion." There is absolutely no question of consulting Muslim public opinion on this matter because in the provision that we made we meant that that declaration would apply only to adoptions, wills and legacies of Musalmans. Personally, I think it will be an insult to the intelligence of this House if we are not able to find out as to how the mistake was committed and how that mistake crept in. It was we who are guilty of having made that mistake and now we want to go before the public and ask them what they think about it. If you want that sort of opinion, you are perfectly at liberty to do it. The House wanted to legislate in one particular way but instead of the word 'section' they wrote the word 'Act', and now you want to ask the public what they think about it. But, personally, I would oppose any motion for circulation. It is for the House to exert its brains and come to a particular decision and find out whether the submissions that I have made are correct or not. I would very much like to hear the views of the Honourable Members on the Government Benches on the point at issue and not on the fact that because a certain mistake was made, the Bill must be referred to elicit public opinion on it. There is no dearth of people who know the law on the Government Benches. They have only to look at the point and then come to a decision. I have tried my best to persuade them to do this by putting forward so many arguments and I will be very much pleased to hear any arguments to the contrary.

Mr. Muhammad Muazzam Sahib Bahadur: Sir, I think it will satisfy my Honourable friend if we change the 1st March, 1942, to the 1st February, 1942.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st of February, 1942."

The motion was adopted.

Dr. G. V. Deshmukh: Sir, as Items Nos. 18* and 20† have been considered by the Hindu Law Society, I do not want to move them.

THE BUDDHA GAYA TEMPLE BILL.

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Sir, I move for leave to introduce a Bill to make provision for the restoration of the Buddha Gaya Temple and its premises to Buddhists and for the better management of the same.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill to make provision for the restoration of the Buddha Gaya Temple and its premises to Buddhists and for the better management of the same."

The motion was adopted.

Dr. G. V. Deshmukh: Sir, I introduce the Bill.

THE FEDERAL COURT (SUPPLEMENTAL POWERS) BILL.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I move for leave to introduce a Bill to confer supplemental powers on the Federal Court.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill to confer supplemental powers on the Federal Court."

The motion was adopted.

Dr. P. N. Banerjea: Sir, I introduce the Bill.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

(AMENDMENT OF SECTIONS 162, 488 AND 496.)

Qazi Muhammad Ahmad Kazmi (Meerut Division Muhammadan Rural): Sir, I move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898, for certain purposes (*Amendment of sections 162, 488 and 496*).

*18. Dr. G. V. Deshmukh to move for leave to introduce a Bill to amend the Hindu Women's Rights to Property Act, 1937.

†20. Dr. G. V. Deshmukh to move for leave to introduce a Bill to amend the Hindu Law relating to property inherited by a Hindu widow from her husband known as "Hindu Women's Estate".

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill further to amend the Code of Criminal Procedure, 1898 for certain purposes (*Amendment of sections 162, 488 and 496*)."

The motion was adopted.

Qazi Muhammad Ahmad Kazmi: Sir, I introduce the Bill.

THE INDIAN PENAL CODE (AMENDMENT) BILL.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, I move for leave to introduce a Bill further to amend the Indian Penal Code for a certain purpose.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be given to introduce a Bill further to amend the Indian Penal Code for a certain purpose."

The motion was adopted.

Qazi Muhammad Ahmad Kazmi: Sir, I introduce the Bill.

The Assembly then adjourned till Eleven of the Clock on Monday, the 10th November, 1941.

LEGISLATIVE ASSEMBLY.

Monday, 10th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

TERMINATION OF THE CONTRACT OF THE BENGAL AND NORTH WESTERN RAILWAY.

100. ***Shams-ul-Ulema Kamaluddin Ahmed** (on behalf of Qazi-Midham-mad Ahmad Kazmi): (a) Will the Honourable the Railway Member please state whether or not Government are aware that there is a general public complaint regarding the Bengal and North Western Railway for want of providing of barest amenities for the passengers, and for the lot of the employees regarding their pay, prospects and privileges, and the big dividends from 17 to 18 per cent. being paid by the Railway to the shareholders?

(b) Are they or are they not aware that a continuous agitation has been going on to this effect for the last four or five years?

(c) Is it or is it not a fact that the contract of the Company is to expire on the 31st December, 1942, and a notice of purchase is to be given to the Railway by 31st December, 1941 according to the terms of the contract, in case Government intend to purchase the concern? If not, what are the correct dates?

(d) Have Government come to any decision regarding the purchase of the concern? If not, by what time are they likely to come to a decision in this respect?

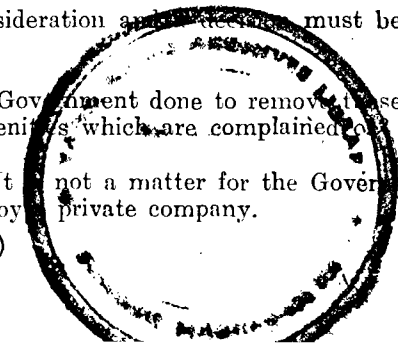
The Honourable Sir Andrew Clow: (a) and (b). Some complaints have come to the notice of Government. I would not describe them as constituting continuous agitation.

(c) The contract is terminable with effect from 31st December, 1942, by one year's notice.

(d) The question is under active consideration and a decision must be taken before the end of this year.

Mr. Lalchand Navalrai: What have Government done to remove these inconveniences about the absence of amenities which are complained of?

The Honourable Sir Andrew Clow: It is not a matter for the Government. At present it is a railway owned by a private company.



Mr. Lalchand Navalrai: I believe there is some control exercised by the Railway Board over the company-managed railways also. Therefore, I am asking whether the Honourable Member will at least enquire into these inconveniences and do something to remedy them?

The Honourable Sir Andrew Clow: There is control by the Government for the purpose of securing the safety of passengers, and that we are exercising.

Mr. Lalchand Navalrai: Safety of passengers also includes inconveniences such as the trains not running in time and so on. Will the Honourable Member at least send this question and answer to them so that they may do something?

The Honourable Sir Andrew Clow: I imagine, Sir, that complaints have come to their notice.

Lieut.-Colonel Sir Henry Gidney: Did I correctly hear the Honourable Member to say that the question is under active consideration?

The Honourable Sir Andrew Clow: Yes, Sir.

Lieut.-Colonel Sir Henry Gidney: Then, may I ask the Honourable Member what he actually means by "active consideration" and are there any matters which receive the "passive consideration" of Government?

The Honourable Sir Andrew Clow: By active consideration is meant that it is under consideration at this moment.

TERMINATION OF THE CONTRACT OF THE SHAHDARA-SAHARANPUR LIGHT RAILWAY.

101. ***Shams-ul-Ulema Kamaluddin Ahmed** (on behalf of Qazi Muhammad Ahmad Kazmi): Will the Honourable the Railway Member please state:

- (a) whether or not Government are aware of the large number of complaints regarding the Shahdara-Saharanpur Light Railway from the point of view of passengers, *e.g.*, narrow seats, want of latrines in carriages, slow speed due to light rails on the track, lack of necessary number of engines and rolling stock, undue stoppages at some stations, and others;
- (b) whether Government are aware of the complaints of the staff of lack of prospects, especially want of graded scales of pay, and promotion in the Locomotive Department;
- (c) whether the contract of the Railway terminated this year; if not, when it is likely to terminate;
- (d) if the answer to part (c) be in the affirmative, whether a new contract has been entered into; if so, when and for what period;
- (e) whether Government have considered the advisability of purchasing this Railway; if so, when they propose to purchase it;

- (f) the approximate amount that Government will have to pay for the purchase of this line and what are the likely profits;
- (g) whether Central Government will be entitled to purchase this line, or the Government of the United Provinces; if the latter, whether the Central Government will be prepared to finance it; and
- (h) with whom the initiative lies for the purchase of this line, with the Central Government or the Government of the United Provinces?

The Honourable Sir Andrew Clow: (a) Government are aware that there have been some complaints.

(b) No.

(c) and (d). No. The option to terminate the contract was not exercised this year. The next option will fall in 1948. No new contract has been entered into. The existing contract, unless determined, continues automatically.

(e) The question of purchasing the railway was considered last year but it was not considered advisable to exercise the option on financial and administrative grounds.

(f) I cannot say definitely what the purchase price would be in 1948, but if there was no large capital expenditure in the interval, it might be about two-thirds of a crore. It is impossible to forecast the net profits to be secured by purchase on that date, and if Government had to incur appreciable expenditure on the provision of amenities and improving the prospects of the staff, it is not certain that there would be any.

(g) The Central Government will be entitled to purchase the line. The question in the latter part does not, therefore, arise.

(h) With the Central Government.

Mr. Lalchand Navalrai: What did the Railway Board do when they got these complaints which are mentioned in part (a)?

The Honourable Sir Andrew Clow: I do not think the Honourable Member who drafted this question was necessarily referring to complaints addressed to Government.

Mr. Lalchand Navalrai: When these matters have come to the notice of the Government what do they propose to do now?

The Honourable Sir Andrew Clow: It is a line not merely managed but owned by a company and it is not Government's intention to interfere in this matter.

Mr. Lalchand Navalrai: May I take it that in the case of company-managed railways, the Railway Board or the Government will do nothing in the matter?

The Honourable Sir Andrew Clow: It is not merely company-managed; it is a company-owned railway.

Mr. Lalchand Navalrai: What is the position of the Railway Board or the Government with regard to a company-owned railway?

The Honourable Sir Andrew Clow: The position is that the Government have certain responsibilities in the matter of safety of passengers, and others which they enforce.

Mr. Lalchand Navalrai: What have the Government done when complaints about safety of passengers come in?

The Honourable Sir Andrew Clow: I have seen no complaints of any negligence in the matter of safety.

Mr. Lalchand Navalrai: Then what were the complaints about?

The Honourable Sir Andrew Clow: I think they are indicated in part (a) of the question.

CLASSIFICATION OF CERTAIN SUBORDINATE SERVANTS AS INFERIOR SERVANTS ON THE NORTH WESTERN RAILWAY UNDER THE REVISED RULES.

102. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that in the Supplementary Rule 2 (13) the definition of the term 'Inferior servant' includes any kind of service specially classified as such by the Governor General in Council and any other kind of service on pay not exceeding Rs. 10? If so, why was the limit of pay raised to Rs. 30 in case of railway employees under Rule 2202 (12), Chapter XXII of the State Railway Establishment Code, Volume II?

(b) Is it a fact that the limit of Rs. 30 referred to in the second portion of part (a) has also been made applicable to the old employees on the North Western Railway, such as, Clerk Markers, and Fireman, who were considered as subordinate servants for all purposes but under the revised rules are now classed as inferior servants? If so, why?

(c) Does the Honourable Member propose to allow employees to retain their old service conditions and apply revised rules to new entrants? If not, why not?

The Honourable Sir Andrew Clow: (a) The answer to the first part is in the affirmative as far as rules applicable to Government servants other than railway servants are concerned. As regards the second part, the revision was made to bring the definition into conformity with another definition that had been issued in respect of other matters.

(b) The answer to the first part is in the affirmative; as regards the second part the orders did not provide for any exceptions.

(c) On reconsideration orders are being issued for the classification that existed prior to 27th May, 1936, to be retained as a concession personal to the staff concerned.

Mr. Lalchand Navalrai: What were the reasons for raising the pay from Rs. 10 to Rs. 30 as mentioned now?

The Honourable Sir Andrew Clow: I have given this in reply to part (a).

NORTH WESTERN RAILWAY NOTIFICATION ADVERTISING RECRUITMENT TO POSTS OF GUARDS, CLASS I, GRADE I.

103. *Mr. Lalchand Navalrai: (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that the qualifications for recruitment to the post of Guards class I, grade I, on the North Western Railway, were laid down *vide* paragraph 3 of the North Western Railway Notification No. 132, which appears on page 342 of the *North Western Railway Gazette*, No. 16, dated 8th August, 1941, as F.A. or F.Sc.?

(b) Is it a fact that F.A. or F.Sc. in Sind is recognised as First Year Arts or Science?

(c) Is it a fact that owing to this advertisement, all applications from Sindhi candidates were rejected?

(d) How many selections for the post of class I, grade I Guards have been held on the North Western Railway since 1st January, 1939, and how many candidates from Karachi Division were sent up at the Headquarters office for final selection?

(e) How many of such candidates were Sindhis, for each Selection Board separately? And how many applications were rejected at these Boards in the preliminary selection for want of Intermediate Arts or Science qualifications, which is known in the Punjab as F.A. or F.Sc.?

(f) What steps do Government propose to take to clarify the advertisement and remove the wrong done to the Sindhi candidates? If not, why not?

The Honourable Sir Andrew Clow: (a) The answer is in the affirmative.

(b) I understand that students in Sind who have passed the examination at the end of their first year at college often describe themselves as F.Y.A. or F.Y.Sc. It does not appear that the terms F.A. or F.Sc. are understood in the manner suggested by the Honourable Member.

(c) No; applications received by the Divisional Superintendent, Karachi, from those who had passed the Intermediate Examination, which corresponds to F.A. or F.Sc., were not rejected.

(d) As regards the first part, Guards have been selected for appointment on four occasions since 1st January, 1939. Five candidates were sent up by the Karachi Division to Headquarters.

(e) As regards the first part, I understand that none of them was a Sindhi, but that recruitment is not made on a territorial basis. As regards the second part, 14 candidates on the first occasion and three on the last occasion were rejected for not possessing the prescribed educational qualifications; I have no information concerning the other two selections.

(f) I have no reason for believing that any wrong has been done to Sindhi candidates. In view, however, of the possibility of misunderstanding which the Honourable Member has pointed out, future advertisements will specify the Intermediate Arts or Science Examination as equivalent to F.A. or F.Sc.

Mr. Lalchand Navalrai: Are F.A., and F.Sc., equivalent to Intermediate in Science or Arts of the Punjab? In Sind also they call them F.A. and F.Sc.?

The Honourable Sir Andrew Clow: My understanding is that Intermediate in Arts or Science does correspond to F.A. or F.Sc.

STEPS FOR FULL EXPLOITATION OF THE RESOURCES IN THE MADRAS PRESIDENCY FOR SUPPLY OF WAR MATERIALS.

104. *Sir F. E. James: Will the Honourable the Supply Member be pleased to state:

- (a) if his attention has been called to the report of the Director of Industries of the Madras Government for the year 1940-41 in which it is stated that, apart from textiles, timber and tiles, the orders received for materials and stores for military purposes were limited and sources of supply remained untapped;
- (b) what steps have been taken, or are under contemplation, to exploit to the fullest extent the available resources in the Presidency; and
- (c) of the 164 crores of rupees orders placed in India by the Department of Supply during the first two years of the war, what proportion was placed in Madras, Travancore, Cochin and Mysore?

The Honourable Sir H. P. Mody: (a) Yes.

(b) In meeting war demands, the Supply Department are utilising the resources of the Madras Province in ever increasing degree. The orders placed in the Province include, to name only a few of the important items, textiles, timber and tiles, Engineering stores, munitions components, scientific instruments, acids and chemicals, leather and leather manufactures and foodstuffs. New capacity is being constantly discovered and every encouragement and assistance is being given in expanding existing production. Since 1st April, 1940, the number of firms registered by the Purchase Branch of the Supply Department has increased from 208 to 293 in the Madras Province.

(c) The value of the orders placed on the South India Circle (which comprises the Madras Province and the Indian States of Travancore, Cochin and Mysore) during the first two years of the War is about Rs. 10 crores.

Sir F. E. James: Did the Honourable Member himself go down to Madras to make personal inquiries?

The Honourable Sir H. P. Mody: No, Sir.

Sir F. E. James: Will he consider the advisability of going down there to see for himself whether the resources in South India which are enormous have yet been touched by the department over which he presides with so much dignity?

The Honourable Sir H. P. Mody: Sir, I admit my education has been incomplete, but I hope to pay a very early visit to Madras to find out for myself whether all those enormous resources which my Honourable friend has referred to exist actually or merely in his imagination.

DEPLETION IN THE STRENGTH OF THE TRAFFIC SECTION OF THE POSTS AND TELEGRAPHS DEPARTMENT.

105. *Lieut.-Colonel Sir Henry Gidney: (a) Will the Honourable Member for Communications please state whether it is a fact that the Traffic Section of the Posts and Telegraphs Department is below strength?

(b) How many of the retired Telegraphists, Telegraph Masters and Superintendents of the Telegraph Traffic Service, have been reappointed since September 1939, and what are their respective salaries?

(c) How many Telegraphists, Telegraph Masters and Superintendents, Telegraph Traffic, have been granted extensions of service during the same period?

The Honourable Sir Andrew Clow: (a) Yes, at present, in relation to the abnormal rise in traffic caused by present war conditions, but suitable measures have been taken to augment the staff wherever necessary.

(b) and (c). Information is being collected and will be laid on the table of the House in due course.

Lieut.-Colonel Sir Henry Gidney: Sir, I regret the Honourable Member has not been able to obtain the information yet, but I should like the Honourable Member to tell the House whether in the matter of recruitment of these dug-outs—to give them that name, for want of a better term,—it is the policy of Government that these men should be engaged on salaries which are absolutely out of proportion to the salaries that are given to dug-outs in other services, that is, the minimum that is given to these men who have been dug out and brought back to service; and (b) whether it is the policy of Government in recruiting these men to allow men who are waiting for promotion to be superseded or kept behind by extensions given to the senior men on the eve of retirement aged 55 years and who have had their day?

The Honourable Mr. M. S. Aney: Sir, on a point of order, can one Honourable Member put more than one supplementary question at a time?

Mr. President (The Honourable Sir Abdur Rahim): Only one supplementary question should be put at a time, but if the Honourable Member is able to reply to both the questions that have been put, he can do so.

The Honourable Sir Andrew Clow: I am not sure that I remember them perfectly but I think the answers are that it depends to some extent on circumstances. We have a habit of offering employment, which is mainly intermittent employment, to telegraphists who have retired and taken their pensions. That is not rewarded by salary but by a daily payment for the work done. On the other hand the present circumstances have necessitated and are likely to necessitate the grant of extensions to

experienced men who have reached an age at which they would otherwise retire. That is a feature which I think is common to all the technical services, and I am sure the Honourable Member will realise that as the war goes on we would be unwise, in some services, in losing the advantage of experience.

STEPS FOR ENSURING STEADY FLOW OF TRAINED TELEGRAPHISTS FOR CIVIL AND MILITARY PURPOSES.

106. *Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member for Communications please state whether Government propose to take steps to ensure a steady flow of trained telegraphists for both civil and military purposes and, if so, will he please state the special steps that Government intend taking in this direction during the period of emergency, especially if there is a shortage of personnel in the Traffic Branch?

The Honourable Sir Andrew Clow: Under normal conditions a steady flow of trained telegraphists for civil purposes is assured. To meet the present emergency additional telegraphists are being recruited, and other special steps have been taken such as acceleration of the telegraphists' training, grant of extensions of service to telegraphists who are due to retire but remain efficient, and employment of non-departmental telegraphists.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House whether Government are prepared to abolish examinations for entrance into the telegraphists cadre of this service and demand an educational qualification instead? I am asking this not in the interest of my community but for the sake of Indians who are prepared to serve and have to pass a competitive test.

The Honourable Sir Andrew Clow: I am not sure that that arises, but in any case I see no reason to change the present procedure.

Lieut.-Colonel Sir Henry Gidney: I am talking of the present emergency. I am aware that there is a serious dearth and the Department is out more for retrenchment and economy than for giving service, and that two crores were lost last year. But is the Honourable Member prepared to consider this proposal of having a standard of education instead of an examination?

The Honourable Sir Andrew Clow: No, Sir, I must deny that the Posts and Telegraphs Department is not out for service; and I am not clear that the suggestion made by the Honourable Member would meet the difficulty.

RESTRICTION ON RAILWAY WORKSHOP APPRENTICES AS REGARDS APPLYING FOR SERVICE IN HIS MAJESTY'S FORCES.

107. *Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member for Railways please state:

- (a) whether an apprentice mechanic who had not completed his training is entitled to terminate his agreement with the Administration in accordance with the provisions of the agreement at the present time;

- (b) whether the National Technical Personnel Ordinance is applicable to apprentices now working in the various Workshops of Indian State Railways;
- (c) whether he is aware of the fact that there have been cases where apprentices who had volunteered for service in the war in other units have been granted permission to terminate their agreement; and
- (d) whether there is any restriction now on the liberty of the individual applying for any particular service or unit of His Majesty's forces while he is an apprentice in a railway workshop?

The Honourable Sir Andrew Clow: (a) Yes.

(b) The National Services (Technical Personnel) Ordinance is not applicable to apprentices in State Railway Workshops.

(c) I have no information, but am prepared to take the Honourable Member's word for it.

(d) None that I am aware of; but I am prepared to consider the question of whether restrictions should be imposed.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member, in his reply to part (d), has made, more or less, a positive statement than a reply to my question. I did not ask him to consider whether restrictions should be imposed. I should like the Honourable Member to inform this House whether he is prepared to make inquiries at all railway workshops asking how many apprentices have been refused permission to join the army, considering that they are not employees of the railway and under what authority or Ordinance?

The Honourable Sir Andrew Clow: As far as I understand the position, I do not see any point in making an inquiry because I believe it is open at present to an apprentice to leave his employment if he so chooses. I have stated, in view of the possible difficulty which appears to arise out of the Honourable Member's suggestion, that I am prepared to consider the possibility of imposing restrictions.

RESTRICTION ON RAILWAY WORKSHOP APPRENTICES AS REGARDS APPLYING FOR SERVICE IN HIS MAJESTY'S FORCES.

108. *Lieut.-Colonel Sir Henry Gidney: (a) Will the Honourable the Railway Member please state whether Government are aware that apprentices in railway workshops find it very difficult to secure permission from their employers to apply for service in the army on the ground that they would be of much more national use on the railway than in any other position?

(b) Do Government propose (i) to reconsider their attitude in this matter, particularly in view of the fact that apprentices are not regular employees of the Railway and Railway Administrations do not guarantee employment at the conclusion of their agreement, and (ii) to permit apprentices to apply for any branch of His Majesty's forces for which they may be considered suitable without having to obtain permits from the National Service Labour Tribunals?

The Honourable Sir Andrew Clow: (a) Government have no information, but it is not unlikely that in view of their activities in connection with munitions production Railways do not look with favour on apprentices leaving them.

(b) (i). Government have issued no instructions in the matter.

(ii) The permission of National Service Labour Tribunals is not necessary for the apprentices to terminate their apprenticeships.

Lieut.-Colonel Sir Henry Gidney: But will the Honourable Member make sure that the Railway Administrations do not demand these permits from these apprentices? I say with great responsibility that these men are prevented by these railways from applying without these permits from the National Service Labour Tribunals. It is wrong to do that, and I should like the Honourable Member to consider this matter.

The Honourable Sir Andrew Clow: I must differ entirely from the Honourable Member. I appreciate as much as he does the anxiety of young men to get as near to the front line as possible; but I am sure that as a Commissioned Officer himself he will realise that the recruit is not always in the best position to judge what position he will take up in battle.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member state whether an officer on the railway is a better man to judge a lad than the lad's patriotism and keenness for service for King and country?

The Honourable Sir Andrew Clow: I think Government who are able to take account of both railway and defence needs are certainly in a better position to judge.

APPOINTMENT OF OFFICERS IN THE CONTRACTS DIRECTORATE AND THE INDIAN STORES DEPARTMENT FROM INDUSTRIAL AND COMMERCIAL CONCERNS.

109. *Sardar Sant Singh: (a) Will the Honourable the Supply Member be pleased to state if it is a fact that officers are being appointed in the Contracts Directorate and the Indian Stores Department from persons who are in the service of industrialists who are contractors to Government and that such persons are appointed for the duration of the war?

(b) Will he be pleased to lay on the table a list of officers who have been appointed from industrial concerns which have been given contracts for supplies in connection with the war?

(c) Will he state what action has been taken to see that the gentlemen so recruited do not patronise their own former masters?

(d) Is it a fact that canvas water-proofing and gas-proofing of cloth have been the monopoly of certain European firms, mostly of Calcutta? Why have not attempts been made to encourage the Indian industry in this line in other parts of India?

(e) Which are the supplies that have been marked for entrusting to European firms only, or, in the alternative, which are the supplies that have been up to now given to Europeans only, or for which Europeans only hold contracts?

(f) Is it a fact that in the case of officers appointed in the Contracts Directorate from industrial and commercial firms and associations, there is

any understanding that these persons will be taken back by those concerns as soon as they are relieved of their Directorate jobs?

(g) Is there any European firm which is carrying on water-proofing and like work at Bombay which is financed by Government and if so, what are the particular work, the name and the amount advanced?

The Honourable Sir H. P. Mody: The question deals with various issues which have nothing to do with one another, but I propose to give a detailed reply to all the points that have been raised.

(a) From the 1st of August, 1941, the Contracts Directorate and the Indian Stores Department have been placed in abeyance, and all recruitment is now made to the Purchase Branch of the Supply Department. Government have set up a Selection Committee presided over by the Chief Administrative Officer of the Purchase Branch who advertises every vacancy of Purchase and Assistant Purchase Officers. The selection is made by Government on the recommendations of the Committee. As it is desirable that purchase officers should have some commercial experience, it is but natural that candidates from commercial houses should also find a place in the selection. Their selection is made purely on merit and no consideration is given to the fact whether the candidates do or do not belong to any firms holding contracts from Government. The posts created for work are ordinarily sanctioned for the duration of the war but the candidates appointed thereto can be discharged at any time.

(b) As over a hundred officers have been recruited for the purchase work since the outbreak of the war, it is not possible, without involving a great deal of labour, to prepare a complete list of such of them as are connected with business concerns which have been given contracts for war supplies. I place, however, on the table of the House a statement giving the particulars of the persons appointed to the Purchase Branch after the 1st of August, 1941.

(c) Government have prescribed definite purchase procedure. They have also set up administrative and financial control over their transactions. They are satisfied that the procedure at present in existence is suitable and prevents any partiality being shown to individual firms.

(d) It is wholly incorrect to say that water-proofing of canvas and gas-proofing of cloth are the monopolies of certain European firms. So far as anti-gas fabric is concerned, only one European firm is engaged on this work as against 13 Indian firms who are at present manufacturing or proofing the material or are interesting themselves actively in the work. I am sure the Honourable Member will be glad to know that the bulk experiments in this highly technical process were successfully carried out by an Indian firm. Five European and three Indian firms are engaged on proofing of canvas and five Indian and one European firms are being encouraged to undertake water-proofing.

(e) No such discrimination is made. There may be certain articles which are obtainable from European firms only and similarly there are a number of articles which are obtainable from Indian firms only.

(f) The Honourable Member is probably referring to the provisions of the National Service (European British Service) Act under which personnel whose services are requisitioned for work in connection with the war

are allowed a lien on their original employments. The Act, however, is applicable to Europeans only.

(g) The answer is in the negative.

Statement showing the previous employment of officer of the Supply Department (Purchase Branch) who joined since 1st August, 1941.

Serial No.	Name.	Designation.	Date of joining.	Previous appointment.
1	2	3	4	5
1	Mr. K. G. Morshed, I.C.S.	Chief Controller of Purchase(S).	5-8-41	Secretary to the Government of Bengal.
2	„ K. J. Nicolson	Chief Controller of Purchase(M).	2-8-41	Senior Partner of Gladstone Wyllie and Co.
3	„ M. A. A. Khan	Assistant Purchase Officer (Engineering).	21-8-41	Workshop and Stores Supervisor, The Deccan Marble and Mining Co., Ltd., Hyderabad, Deccan.
4	„ Jishnu Lal	Senior Purchase Officer.	18-8-41	Managing Director, Jai Lakshmi Sugar Co., Ltd., Doiwala.
5	„ P. Venkata Rao.	Assistant Purchase Officer (Engineering).	18-9-41	Unemployed when appointed. Assistant Engineer, Siemens (India) Ltd., Bombay from 1st September 1934 to 30th April 1941.
6	„ P. T. Sipahimalani.	Assistant Purchase Officer (Engineering).	18-10-41	Assistant Inspector, Enemy Trading Customs House, Karachi.
7	„ M. B. Mande	Assistant Purchase Officer (Textiles).	..	Textiles Expert to the Government of C. P. and Berar, Nagpur.
8	„ T. Maloney	Director of Purchase (Cotton Textiles).	3-10-41	Secretary, Bombay Mill-owners' Association.
9	2nd Lt. N. S. Gidwani, I.A.O.C.	Attached Officer	6-8-41	Appraiser, His Majesty's Customs, Karachi.
10	2/Lt. B. C. Majumdar, I.A.O.C.	Do.	16-8-41	Personal Assistant to Deputy Chief Engineer, Bengal Nagpur Railway.
11	2/Lt. E. R. Hutchinson, I.A.O.C.	Do.	3-11-41	With Messrs. Evans Son Lescher & Webb, Limited, Calcutta.
12	Mr. I. S. Ghulati	Assistant Purchase Officer.	26-9-41	With Messrs. Callender Cable & Construction Co. Limited, Calcutta.
13	„ I. B. Bose	Do.	4-9-41	Messrs. Martin & Co., Calcutta.
14	„ Nasir Ahmed	Do.	28-8-41	Offg. Marketing Officer, Office of the A. M. A.
15	„ S. P. Chatterji	Do.	12-9-41	Messrs. The Britannia Building & Iron Co. Limited, Calcutta.
16	„ A. K. Som	Do.	..	Messrs. the Braithwaite Burn & Jessop Construction Co. Limited, Calcutta.
17	Major F. P. M. O'Sullivan, R.I.A.S.C.	Senior Purchase Officer.	22-9-41	Transferred from Kohat Military District.

Sardar Sant Singh: As regards the answer to part (a) of my question, may I know whether it is a fact or not that before the 1st of August, 1941, some industrialists were taken as from contractors to Government and that they have been patronizing their own firms?

The Honourable Sir H. P. Mody: I have already answered my Honourable friend that without a great deal of trouble that information cannot be gathered. I am placing on the table of the House a statement showing the position as from the 1st of August.

Mr. Lalchand Navalrai: Is it not objectionable from that point of view that these industrialists who belong to the concerns of the contractors may be partial to them? Is not the Government going to see that they are not taken and some other people are recruited?

The Honourable Sir H. P. Mody: As it is, it is extremely difficult to get suitable men from commercial houses and if we lay a ban altogether upon getting men from commercial organizations with which the Supply Department may have dealings, I am afraid that we would not be able to recruit suitable men at all.

Mr. Lalchand Navalrai: Is it not the duty of Government to watch and see that they are not partial?

The Honourable Sir H. P. Mody: Very careful watch is being kept. We are awake all the time.

Babu Baijnath Bajoria: Is it not a fact that persons who have been taken from industrialists were mostly Europeans from European firms and not from Indian firms? If so, why?

The Honourable Sir H. P. Mody: That would depend entirely upon the willingness or otherwise of European and Indian firms to make available to the Supply Department the men in responsible positions in their organization.

Babu Baijnath Bajoria: Is it a fact or not that Europeans only have been taken?

The Honourable Sir H. P. Mody: That can be determined from the statement which I am placing on the table of the House.

Babu Baijnath Bajoria: But this is a very straight question and you can give a straight answer.

Sardar Sant Singh: Yes, give a straight answer.

The Honourable Sir H. P. Mody: My answer is as straight as the question. The question is not very straight. If the suggestion is that Europeans are being preferred, I say emphatically 'no'. Every effort is being made to recruit suitable Indians. The difficulty sometimes is to get suitable Indians in responsible positions made available from Indian commercial houses. I am prepared to accept from any of my Honourable friends a list of suitable Indians who they think would serve the Supply Department in responsible positions, and I am prepared to look into that list very carefully.

The Honourable Sir Andrew Clow: (a) A number of non-Sindhis obtain appointments on the Karachi Division of the North Western Railway; I believe they come mainly from the Punjab.

(b) I have no information regarding the first two parts of the question but am prepared to accept the Honourable Member's statements. As regards the last part, recruitment is not made on a territorial basis and the representation that any particular area secures depends on the personal claims of the candidates who present themselves.

(c) Government do not propose to make any alterations in the existing system which has proved convenient in practice and is equitable.

RESTRICTION ON GRANTING OF TRAVELLING ALLOWANCE TO A RAILWAY EMPLOYEE APPEARING FOR DEPARTMENTAL EXAMINATION ON NORTH WESTERN RAILWAY.

35. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether a railway employee appearing for a departmental examination is entitled to travelling allowance for journey from his headquarters to the place of the examination and back?

(b) Is it a fact that the North Western Railway administration does not allow such travelling allowance, unless the time spent on journey on either side exceeds eight hours? If so, will the Honourable Member please quote the relevant paragraph of the State Railway Establishment Code, under which this power of prescribing time spent on journey is delegated to the North Western Railway administration?

(c) Will travelling allowance be due, if the total time spent in journey both ways on the same day exceeds eight hours? If not, why not?

The Honourable Sir Andrew Clow: (a) Yes, subject to the conditions laid down in paragraphs 310, 311 and 313 of the State Railway Establishment Code, Volume I.

(b) and (c). I am not aware of the practice but no delegation of powers has been made or is necessary, as the limit of time is laid down in paragraph 203 of the State Railway Establishment Code.

RESTRICTION ON GRANTING OF FULL GRATUITY TO A DISCHARGED RAILWAY EMPLOYEE.

36. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state the circumstances under which the railway administration can refuse payment of gratuity to an employee, when he has rendered the necessary period of qualifying service under the rules?

(b) Is it a fact that some four or five years ago, there was no restriction on the grant of full gratuity, even if an employee was discharged from service? Is it a fact that the Railway Board issued some instructions to the effect that the discharged employees need not be given full gratuity? If so, will the Honourable Member please place a copy of these orders on the table of the House?

(c) Is discharge of an employee on the Railways ordered without assigning reasons? If so what is the justification for mere discharge depriving the employee concerned of gratuity when he has rendered service for the period qualifying for such a grant?

(d) Do Government propose to amend the rules to provide for deprivation of the grant of gratuity only when an employee is dismissed? If not, why not?

The Honourable Sir Andrew Clow: (a) A gratuity or what is now termed special contribution to the Railway Provident Fund, in the case of those railway employees who subscribe to that fund, is granted at the discretion of Government as a reward for good, efficient and faithful service to a permanent non-pensionable railway servant, and the payment of the gratuity or special contribution can be reduced or refused altogether when the service rendered by the employee has not reached the requisite standard of good, efficient and faithful.

(b) The answer to the first part of the question is in the negative. As regards the second part of the question, I would inform the Honourable Member that instructions explanatory of the rules were issued in 1940. They did not introduce any new rule. As they are not intended for general publication, a copy cannot be placed on the table.

(c) Instructions have been laid down in paragraphs 1707 to 1711 of the State Railway Establishment Code, Volume I, regarding the procedure to be observed before a railway employee can be removed from service. The General Manager or the Head of a department may, however, in exceptional circumstances remove a non-gazetted railway servant without assigning reasons. In such a case, the gratuity or special contribution may be withheld in full, or in part, if the condition referred to in the reply to part (a) is not satisfied.

(d) Government see no reason for a relaxation of the existing rules.

PAY, SENIORITY, ETC., OF A RAILWAY EMPLOYEE REDUCED IN GRADE ON SUBSEQUENT RE-PROMOTION TO HIS FORMER POST.

37. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that under the Railway Board letter No. E-40-AT-8, dated the 9th April, 1941, the punishment of reduction in pay or grade is considered illegal unless the employee is first discharged and then reappointed in the lower scale?

(b) Is it a fact that under the old rules in force on the North Western Railway prior to the issue of the Railway Board's letter referred to in part (a) above, an employee reduced permanently to a lower grade or post, on re-promotion to his former post carried the concession of his former pay in that post? What will now be the pay and place on the seniority list of such a person dealt with under part (a) on his re-promotion to his former post?

(c) Do Government propose to clarify these points and circulate them to the Railway staff? If not, why not?

The Honourable Sir Andrew Clow: (a) The answer is in the negative; but the orders did state that it is open to an administration to remove a railway servant from service and re-employ him in a lower post if it so desired.

(b) Government have no information regarding the first part, as regards the second part Government have not considered the question concerning pay. Seniority is a matter within the competence of the railway administration to decide.

(c) Government do not propose to take any action until an occasion for it arises.

POLICY re CORRECTION OF THE RECORDED WRONG AGE OF NON-GAZETTED RAILWAY EMPLOYEES.

38. Lieut.-Colonel Sir Henry Gidney: (a) Will the Honourable the Railway Member please state whether the policy enunciated by the Chief Commissioner for Railways in the Council of State on the 26th April, 1934, in regard to the correction of the recorded wrong age of non-gazetted employees of the Railway has been modified in any way?

(b) If the answer to part (a) be in the affirmative, will Government please state the reasons why Government decided to change the policy?

(c) Will Government please place on the table of the House a copy of the present orders on the subject? If not, why not?

The Honourable Sir Andrew Clow: (a) Yes.

(b) Government see no reason why an employee should not be held to the age he declared at the time he entered service unless it is discovered that he had falsely stated his age to secure an advantage otherwise inadmissible or, in the case of illiterate staff, that there has been a clerical error.

(c) The current orders of Government are contained in paragraph 144 of the State Railway Establishment Code, Volume I, as amended by correction slip N2 copies of which are in the Library of the House.

RULES OF PROCEDURE ON EAST INDIAN RAILWAY re CORRECTION OF THE RECORDED WRONG AGE OF NON-GAZETTED STAFF.

39. Lieut.-Colonel Sir Henry Gidney: Will the Honourable the Railway Member please state whether it is a fact that according to the orders now in force on the East Indian Railway in the matter of the correction of the recorded wrong age of non-gazetted staff, different rules of procedure govern (i) those who were in service prior to the date of the said order, and (ii) those who joined the Railway subsequent to that date?

The Honourable Sir Andrew Clow: I understand that in the orders issued on the 14th February, 1939, the East Indian Railway did make the distinction referred to by the Honourable Member, but the Railway Board issued instructions in August 1940 that all cases that came up for decision thereafter should be dealt with in accordance with the latest orders on the subject.

RULES AUTHORIZING STATE RAILWAYS TO REJECT MEDICAL RECOMMENDATIONS FOR LEAVE FROM DOCTORS OTHER THAN RAILWAY MEDICAL AUTHORITIES.

40. Qazi Muhammad Ahmad Kazmi: Will the Honourable Member for Railways please state the particulars of the rules made under section 47 of the Indian Railways Act, IX of 1890, authorizing the Eastern Bengal, the East Indian, the Great Indian Peninsula and the North Western Railways Administrations not to accept medical recommendations for leave made by the Civil Surgeons, or by the Medical Officers in charge of Civil Hospitals and dispensaries, or by registered medical practitioners other than Railway medical authorities? If not, why not?

The Honourable Sir Andrew Clow: The rules governing the acceptance of medical certificates for the grant of leave are not made under section 47 of the Indian Railways Act, IX of 1890, but by virtue of the powers conferred by section 241(2) of the Government of India Act, 1935. These rules, which permit of the acceptance of certificates issued by registered medical practitioners other than railway doctors in certain circumstances, will be found in Appendix VI of the State Railway Establishment Code, Volume I, a copy of which is in the Library of the House.

PROVISIONS AUTHORIZING WITHHOLDING OF PASSES TO RETIRED RAILWAY SERVANTS.

41. Qazi Muhammad Ahmad Kazmi: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 111, asked on the 20th November 1940, viz., "Under certain circumstances the passes granted to retired Railway servants may be withheld"; and state the particulars of the provisions of the Government of India Act, or of the Indian Railways Act, IX of 1890, or of the Rules made thereunder, or of the Despatch to and from the Secretary of State for India in Council, or of the Pass Rules, authorizing to withhold under certain circumstances the passes granted to retired Railway servants? If there is no such provision, what are the reasons for such practice and do Government now propose to cancel the orders of withholding passes? If not, why not?

The Honourable Sir Andrew Clow: There appears to be no necessity for any special authority to withhold what is in the nature of a gift. Government do not propose to interfere with the present practice, as circumstances may warrant the use of the power in question.

DISTINCTION AS REGARDS THE DATE OF PAYMENT OF RAILWAY DUES WHEN PAID BY A CHEQUE AND WHEN PAID BY A POSTAL MONEY ORDER.

42. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Railway Member please state whether it is or it is not a fact that when payment is made of the Government dues by means of a cheque, payment is deemed to be made on the date when the cover containing it is put into the post, according to paragraph 1439, if it fulfils the provision of paragraph 1407 of the State Railway General Code?

(b) Is it or is it not a fact that when such money is sent by Postal money order, then in spite of the compliance with the conditions laid down in paragraph 1407, the date of posting is not considered to be the date of payment?

(c) If the answer to part (b) be in the affirmative, have Government considered the advisability of making the necessary changes in the rules to place postal money order on the same level as cheques on banks? If not, why not?

The Honourable Sir Andrew Clow: (a) Yes, if the provisions in the present revised paragraph 1438 of the State Railway General Code are fulfilled. This paragraph now contains the relevant rule and not paragraph 1439 which has been cancelled.

(b) No.

(c) Does not arise.

REPORTS OF FOOD INSPECTORS ON THE CATERING CONTRACTS OF BALLABHDAS ESHWARDAS.

43. Qazi Muhammad Ahmad Kazmi: Will the Honourable Member for Railways please refer to the reply given to part (d) of starred question No. 13, asked on the 11th February, 1941, viz. "The Inspectors make the reports direct to the Administration", and lay on the table of the House the reports made during the years 1937-38, 1938-39, 1939-40 and 1940-41 on the catering contracts of Ballabhdas Eshwardas, and if no reports were made, state the reasons therefor?

The Honourable Sir Andrew Clow: The duties of inspecting catering arrangements devolve on many railway officials, each of whom makes his report to the Administration in the prescribed form or in a separate note. Government are not prepared to direct the Administration to collect the information from all sources, as this would entail considerable time and labour and these reports are prepared for departmental and not for public use.

NON-EXHIBITION OF COMPLAINT BOOKS AND OTHER COMPLAINTS AGAINST BALLABHDAS ESHWARDAS, CATERING CONTRACTORS.

44. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways please refer to the reply given to part (c) of starred question No. 14, asked on the 11th February 1941, viz. "The Divisional Superintendents within whose competence the matter lies are at all times prepared to receive complaints from passengers", and state the particulars of the procedure prescribed for the maintenance of the records of the complaints received both by post and by the entries in the Complaint Books provided for the purpose?

(b) Is it a fact that separate books are maintained by Ballabhdas Eshwardas for recording adverse reports and for recording appreciations? If not, what are the reasons for not exhibiting the complaint books in the refreshment rooms at Delhi, Cawnpore, Allahabad, Patna and so on, catered by Ballabhdas Eshwardas?

(c) Will the Honourable Member please lay on the table of the House a list of the nature of complaints received against Ballabhdas Eshwardas's contracts on the East Indian and North Western Railways together with the action taken thereon during the years 1937 to 31st October, 1941? If not, why not?

The Honourable Sir Andrew Clow: (a) I presume the procedure conforms with the ordinary practice followed in railway offices, i.e., records are presumably maintained by the Divisional Offices in separate files for each station.

(b) Government have no information regarding the upkeep of such separate books and are not aware that the complaint books are not exhibited in the refreshment rooms at the stations mentioned.

(c) I am not prepared to ask the East Indian Railway Administration to collect the information required. As regards the complaints against the contractors' work on the North Western Railway, I would refer the Honourable Member to the information laid on the table of the House on 27th October, 1941, in reply to part (f) of Pandit N. K. Das's unstarred question No. 58 of 25th February, 1941.

DESIRABILITY OF PROHIBITING CATERING CONTRACTORS FROM SELLING ARTICLES FOR WHICH NO RATE IS FIXED.

45. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways please refer to the reply given to starred question No. 126, asked on the 25th February 1941, viz. "and against the sale of which there is no prohibition by the terms of the agreement", and state the particulars of the terms of the agreement with Messrs. Ballabhdas Eshwardas on the East Indian Railway prohibiting the sale of articles not mentioned therein, and if the articles are not mentioned in the terms of agreements, what are the reasons therefor?

(b) Is it or is it not a fact that the terms of the agreement do not prohibit the sale of many kinds of food, cooked or uncooked, and for which no rates are fixed in the tariff? If not, what are the facts?

(c) Do Government now propose to prohibit the contractors from selling articles for which no rate is prescribed? If not, why not?

The Honourable Sir Andrew Clow: (a) Vending without a license is prohibited and the agreements between the East Indian Railway and the firm mentioned limit the sale, by license, to edibles and certain other types of articles normally in demand by the travelling public. It is unnecessary in the circumstances to detail articles which may not be offered for sale.

(b) It is a fact.

(c) No, as Government see no reason for doing so.

AUTHORISING STATION MASTERS ON DUTY TO FIX RATES FOR ARTICLES SUPPLIED TO PASSENGERS NOT INCLUDED IN THE TARIFF LIST.

46. Qazi Muhammad Ahmad Kazmi: Will the Honourable Member for Railways please state the reasons for not authorising the station masters on duty to fix the rates chargeable for articles supplied on the special request of a passenger for which rates are not prescribed in the tariff?

The Honourable Sir Andrew Clow: Government see no advantage in doing so. The contractors are not obliged to supply such articles and station masters are not specially equipped to arbitrate in such matters.

MOTION FOR ADJOURNMENT.

CLOSING OF MARKETS TO PROTEST AGAINST METHODS OF ASSESSING INCOME-TAX IN CALCUTTA.

Mr. President (The Honourable Sir Abdur Rahim): I have received a notice of adjournment motion; it is in the name of Sardar Sant Singh. He wants to discuss the grave situation in Calcutta leading to the closing of markets to protest against methods of assessing income-tax and racial discrimination in application thereof. I would like to know exactly what is the nature of the assessment that is complained of, and why it has led to the closing of markets?

Sardar Sant Singh (West Punjab: Sikh): In Calcutta, as it was published in the *Hindustan Times*, exception was taken to the methods adopted by the Income-tax authorities in assessing the income-tax of commercial concerns; and many Indian concerns—including Muslims and others dealing with various commodities—have closed their markets as a protest

Mr. President (The Honourable Sir Abdur Rahim): Is it shops that have been closed?

Sardar Sant Singh: The markets have been entirely closed for one day as a protest against those methods and the complaint, as it is voiced in the press, is that there has been racial discrimination in the adoption of these methods, as well as hardships, and the local authorities who are in charge of the income-tax there are not given a free hand but received instructions over and above those which are already contained in the rules and regulations. I do not know how far that is correct, but

Mr. President (The Honourable Sir Abdur Rahim): What is the paper?

Sardar Sant Singh: The *Hindustan Times*, Monday, November 10, 1941.

The Honourable Sir Jeremy Raisman (Finance Member): As far as I understand, it is a question of expression of dissatisfaction with assessments which are made in the ordinary course of law under the provisions of the Act and for which remedies are provided by that law. There is an appeal in these cases and there is access to the High Court on questions of law.

Sardar Sant Singh: May I say, Sir, that my question does not deal with the question that the tax should not be levied or should not be realized in accordance with the law.

Mr. President (The Honourable Sir Abdur Rahim): Supposing there has been any discrimination, that is a matter also which can be set right by the Courts of Appeal or by the High Court.

Sardar Sant Singh: My adjournment motion deals with the question of Government harassing Indian firms outside the scope of the law.

Mr. President (The Honourable Sir Abdur Rahim): Even that is a matter which can be considered by a Court of Appeal.

Sardar Sant Singh: No, Sir. It would be considered

Mr. President (The Honourable Sir Abdur Rahim): Why not? Certainly.

Sardar Sant Singh: The trouble has arisen in Calcutta on account of the methods adopted, which are not quite in accordance with the provisions of the Income-tax Act.

Mr. President (The Honourable Sir Abdur Rahim): I hold that the motion is out of order. If there has been anything wrong in the assessment, there are remedies provided in the Income-tax Act itself, and this is not the forum where a question like this can be properly discussed.

STATEMENT LAID ON THE TABLE.

CASES IN WHICH THE LOWEST TENDERS HAVE NOT BEEN ACCEPTED BY THE HIGH COMMISSIONER FOR INDIA.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I lay on the table a statement furnished by the High Commissioner for India, showing all cases in which the lowest tenders have not been accepted by him in purchasing stores for the Government of India, during the half year ended the 31st December, 1940.

High Commissioner for India
India Store Department.

Abstract of cases in which tenders for stores demanded by the Central Government, other than the lowest complying with the technical description of the goods demanded, were accepted on the grounds of superior quality, superior trustworthiness of the firm tendering, greater facility of inspection, quicker delivery, etc.

HALF YEAR ENDING 31ST DECEMBER 1940.

HIGH COMMISSIONER

INDIA STORE

ABSTRACT OF CASES in which tenders for stores demanded by the Central of the goods demanded were accepted on the grounds of superior inspection, quicker

HALF YEAR ENDING

Stores ordered.	Contract Number.	Name of contractor.	Amount of contract.
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PART A.—Cases in which lower foreign tenders, including British tenders

Nil.

PART B.—Cases in which the discrimination

Brass and Copper tubing and Wire.	Z. 1565/13457/2-7-40.	Chas. Clifford & Son, Ltd.	£. s. d. 245 11 1 (British.)
Vices, bench, 4½", No. 64	Z. 1694/1630/10-7-40.	C. & J. Hampton, Ltd.	95 18 10 (British.)
Gauges, Matrix Slip 1 set.	Z. 2288/2405/6-8-40.	Pitter Gauge & Precision Tool Co., Ltd.	47 5 0 (British.)
Lathes, capstan 5½" centre with motors and starters, No. 2.	Z. 3074/12097/2-10-40	Alfred Herbert, Ltd.	905 12 8 (British.)
Pliers, Sidecutting 7", No. 502.	Z. 3451/4298/20-11-40	George Plumptre & Co.	30 6 0 (British.)
Snap fasteners (complete) 6,000 Gross.	Z. 3592/53001/4-12-40	Newey Bros., Ltd.	2,512 10 0 (British.)
Vices hand 4", No. 329.	Z. 3645/2785/10-12-40	Buck & Hickman, Ltd.	115 3 0 (British.)

PART C.—Cases in which the discrimination

Nil.

PART D.—Cases in which lower British tenders

Nil.

FOR INDIA.

DEPARTMENT.

Government, other than the lowest complying with the technical description quality, superior trustworthiness of the firm tendering, greater facility of delivery, etc.

31ST DECEMBER 1940.

Lowest tender not accepted.	Reason for acceptance.
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foreign made goods, have been set aside wholly or partially in favour of British

Nil.

is between British firms only.

£. s. d. 243 7 0 (British.)	The lowest tenderer required 46-50 weeks to complete delivery. As the tubing and wire were urgently required, the order was placed with the next lowest tenderer who offered delivery in 16-20 weeks.
95 1 3 (British.)	The lowest tenderer required 16/18 weeks for delivery and the price quoted was subject to a variation clause. As the vices were urgently required the order was placed with the next lowest tenderer who offered delivery in 6/8 weeks and quoted a firm price.
37 10 0 (British.)	Supply was very urgently required. Of the two tenders received, the lower could not undertake any time for delivery.
813 18 0 (British.)	The lower tenderer required 66 weeks for delivery, and as the lathes were urgently wanted in India their tender was passed over in favour of that of Alfred Herbert Ltd., who offered to deliver the lathes in 3 months and their equipment 3 months later.
30 5 0 (British.)	The lowest tenderer required 6/8 months for delivery. As the pliers were urgently required the order was placed with the next lowest tenderer who offered delivery in 3 weeks.
2,437 10 0 (British.)	Two tenders were received. The lower offered delivery at the rate of 250 gross per week commencing in 12 weeks, the other at the rate of 500 to 800 gross per week commencing in 10/14 days. With the approval of the Government of India, Supply Department the latter was accepted.
44 13 6 (British.)	The lowest tenderer offered delivery in 45 weeks without guarantee. As the vices were urgently required for Defence Services their tender was passed over in favour of that of Messrs. Buck and Hickman who undertook delivery in 4 to 5 weeks.

is between foreign firms only.

Nil.

have been set aside in favour of foreign tenders.

Nil.

STATEMENTS LAID ON THE TABLE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I lay on the table a copy* of—

- (1) Central Government Appropriation Accounts, Civil, 1939-40, and Audit Report, 1941.
- (2) Central Government Commercial Appendix to the Appropriation Accounts (Civil), 1939-40 and Audit Report, 1941.
- (3) Central Government Appropriation Accounts, Posts and Telegraphs, 1939-40, and Audit Report, 1940.
- (4) Central Government Appropriation Accounts of the Defence Services for the year 1939-40.
- (5) Audit Report—Defence Services 1941.
- (6) Central Government Commercial Appendix to the Appropriation Accounts of the Defence Services for the year 1939-40 and the Audit Report thereon.
- (7) Appropriation Accounts of Railways in India for 1939-40, Part I—Review.
- (8) Appropriation Accounts of Railways in India for 1939-40 Part II—Detailed Appropriation Accounts.
- (9) Railway Audit Report, 1941.
- (10) Capital Statements, Balance Sheets and Profit and Loss Accounts of State Railways in India, including the Balance Sheet and the Profit and Loss Account of Tatanagar Workshops, 1939-40.
- (11) Balance Sheets of Railway Collieries and Statements of all-in-cost of coal for 1939-40.

THE TRADE MARKS (AMENDMENT) BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I beg to move for leave to introduce a Bill to amend the Trade Marks Act, 1940.

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

“That leave be granted to introduce a Bill to amend the Trade Marks Act, 1940.”

The motion was adopted.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I introduce the Bill.

*Not included in these debates, but copies have been placed in the Library of House—*Ed. of D.*

THE INDIAN COMPANIES (AMENDMENT) BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Companies Act, 1913.

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

“That leave be granted to introduce a Bill further to amend the Indian Companies Act, 1913.”

The motion was adopted.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I introduce the Bill.

THE MOTOR VEHICLES (AMENDMENT) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I move for leave to introduce a Bill further to amend the Motor Vehicles Act, 1939.

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

“That leave be granted to introduce a Bill further to amend the Motor Vehicles Act, 1939.”

The motion was adopted.

The Honourable Sir Andrew Clow: Sir, I introduce the Bill.

THE ALIGARH MUSLIM UNIVERSITY (AMENDMENT) BILL.

The Honourable Mr. N. R. Sarker (Member for Education, Health and Lands): Sir, I beg to move:

“That the Bill further to amend the Aligarh Muslim University Act, 1920, for a certain purpose, be taken into consideration.”

This is a very simple measure, and the purpose, for which it has been introduced, has been stated in the Statement of Objects and Reasons. It is to admit to its privileges a Degree College for women which it is proposed to organize in the Aligarh Muslim University and to confer degrees on students passing the degree examination from that college. The need for such an amending Bill will be evident on a consideration of one or two provisions of the present Aligarh Muslim University Act. Section 12A provides that in order to admit to its privilege, only intermediate colleges can be taken: degree college cannot be taken to its privilege; and section 5 (3) (a) provides that, in order to confer degrees, the students must have pursued studies in the University. It is not admissible to confer a degree if the training is received outside the University. In order to rectify those two defects, this Bill has been brought in.

There is a women's intermediate college which has been recognised by the Aligarh University, and they have also started organizing the degree

[Mr. N. R. Sarker.]

classes; but unless the Act is so amended as to admit to its privileges the degree college, the degree college students cannot get degrees after passing examinations out of that college, subject, of course, to the rules and regulations of the University and the approval of the Central Government. In order to rectify those two defects, this Bill is being proposed.

Mr. President (The Honourable Sir Abdur Rahim) : Motion moved :

"That the Bill further to amend the Aligarh Muslim University Act, 1920, for a certain purpose, be taken into consideration."

Dr. P. N. Banerjea (Calcutta Suburbs : Non-Muhammadan Urban) : Sir, I do not oppose the motion which has been moved by my Honourable friend, but I wish to know whether or not the amendment proposed by him will change the character of the Aligarh Muslim University. That University, so far as I know, is a teaching university and not an affiliating university. Will this change convert it into an affiliating university? That is the point on which I should like to be enlightened by my Honourable friend.

The Honourable Mr. N. R. Sarker : Sir, this is so; but that principle has been accepted when amending the Muslim University Act in 1931, because intermediate colleges, even outside the University, are being affiliated to the University; it has power to affiliate intermediate colleges. In order to remove that, I am introducing this Bill so that degree colleges also may be affiliated to this University, and the necessity is that most of the students should follow lectures in these colleges as it is not possible for them to attend classes in the Muslim University. That will affect it. Its nature will be slightly changed, but it will be confined to the Aligarh district; but that principle was accepted by the Legislature in 1931.

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

"That the Bill further to amend the Aligarh Muslim University Act, 1920, for a certain purpose, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Mr. N. R. Sarker : Sir, I beg to move :

"That the Bill be passed."

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

"That the Bill be passed."

The motion was adopted.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member) : Sir, I move :

"That the Bill further to amend the Indian Income-tax Act, 1922, as reported by the Select Committee, be taken into consideration."

It will be seen that the Report of the Select Committee deals with only one or two points and I do not think that there is much with which I need detain the House. The main changes recommended by the Select Committee are, first, in regard to the date on which the amendments shall come into effect, and in this respect the amendment regarding income arising in States and the amendments connected therewith will take effect, to put it simply, for assessments in the next financial year. That is because a considerable number of the assessments for the current year have already been made, and it would not be possible to make an equitable universal change from any earlier date.

The next point with which the Report of the Select Committee deals is the matter of income which having arisen in an Indian State and having been taken into account for the purposes of the rate of tax in one year subsequently comes into British India in a following year and thereby becomes directly liable to tax. The Select Committee has adopted an amendment which will prevent the hardship whereby such income might have sent up the rate of tax in two different assessments. The amendment provides in effect that once income of that kind has been taken into consideration for determining the rate of tax, then if in a subsequent year it is remitted into British India, the rate of tax shall not be determined with reference to that remittance, but with reference to the total income either in British India or in the State in that year. The other changes made in the Select Committee's Report are unimportant. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Motion moved :

"That the Bill further to amend the Indian Income-tax Act, 1922, as reported by the Select Committee, be taken into consideration."

Dr. P. N. Banerjea (Calcutta Suburbs : Non-Muhammadan Urban) : Sir, the Bill, as it has emerged from the Select Committee, is some improvement on the original Bill. But I am sorry to have to say that this improvement is a very slight one; it is very inadequate.

Sir, there are three important features in this Bill. Of these, I will refer only to two, and these are, first, the basis of assessment, and, secondly, the vesting of extraordinary power in the hands of the executive. Now, as regards the first point, namely, the basis of assessment, I wish to remind the House that until the year 1939, income which accrued in an Indian State was taxed in British India on the basis of remittance. In 1939, this basis was changed, and income accruing in an Indian State began to be taxed on an accrual basis, and not on a remittance basis. That is the situation which exists at present. Difficulties soon arose, and the Indian States gave a great compliment to the Government of India by imitating their own methods. Imitation is a form of compliment. And what did the Indian States do? They also adopted the accrual basis. The result was that not only were the assessee greatly harassed and greatly oppressed, but the revenues of the Government also tended to be affected. The Government of India came to their senses as a result of this imitation or the paying of a compliment, and in this Bill the Government propose to adopt the remittance basis, but only partially,—not to the full extent.

The proposal in the original Bill was to adopt the remittance basis so far as the payment of the tax was concerned; but so far as the fixing of the rate of tax was concerned, the accrual basis was continued. Now, this

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involved a great deal of complexity and hardship. Two processes were involved, and two periods of time were also involved,—one was the process of the assessment of the accrued income, and another was the process of the assessment of the remitted income, and these two processes would have to be gone through perhaps not during the same year, but during different years. This was a great difficulty, and the Select Committee considered the matter. It gave some relief by providing that, if the accrual and the actual assessment fell in different years, then there would be no double assessment. The Select Committee have inserted a long sub-clause which is to be found on page 3 and which consists of two parts. This long and cumbrous sub-clause is very difficult for any one to decipher, and I do not know how it can be worked in practice. But I admit that it seeks to give some amount of relief; still the complexity remains. You have here the remittance basis for one purpose, and the accrual basis for another purpose. In other words, the basis is an admixture,—it is an admixture of two things. Is it desirable to have such an admixture? It is likely to give rise to other complexities and other difficulties. Besides, is it fair? If you are to tax on a remittance basis, why should you take into account the income which accrues in an Indian State for the purpose of fixing the rate of tax? The Honourable the Finance Member did not touch this point in the first speech made by him, nor has he said a single word about this matter now. He evidently wants to evade this question which is rather an awkward one

The Honourable Sir Jeremy Raisman: On the contrary I shall deal with it.

Dr. P. N. Banerjee: Yes, you will deal with it. I thank you. I shall not have an opportunity to reply to you just now, but on a subsequent occasion I shall give a reply.

So, that is the basis consisting of the admixture of the two principles which have been taken into account. I will not read the whole of the Select Committee's report, but I will place before this House only the purport of the thing,—the change which has been made in clause 10. It is said here :

"The new sub-section which we now propose should be added to section 17 provides relief from the hardship which would be incurred if income accruing in an Indian State and once taken into account for rate purposes in the year of accrual were again to be taken into account for rate purposes in the year of remittance into British India. The effect of the new sub-section is to secure that it shall not be taken into account for rate purposes in the year of remittance so long as it does not exceed in amount the British Indian income of that year. If it does exceed the British Indian income in that year, the rate of tax will be the rate applicable to the amount of the income accrued outside British India on the supposition—*mark you, not on the fact but on the supposition*—that it represented the total income of the assessee."

You do not depend on facts, you depend on suppositions! I frankly admit that by this provision relief is given, but it is a small relief and does not really go far enough. What you should do would be to adopt a fair, equitable and straightforward basis of assessment.

Now I come to the question, what will be the effect of this,—what will be the reaction in the Indian States of the passing of this measure? Will they not again give you another compliment, will they not again imitate your method? They may do just as you are doing. This point was raised in the Select Committee—I am not going into the secrets of the Select

Committee, but I will refer to what is down in the actual Report. Some Members asked a question of the Honourable the Finance Member—this was a question with regard to the production of the books of account. The books of account relating to all the affairs of a company, in British India as well as in the Indian States, have to be produced before the British Indian Income-tax Officer, and the same books will also have to be produced before the Indian States Income-tax Officer. That gives rise to a great deal of difficulty, and this question was raised at the Select Committee stage. The Honourable the Finance Member expressed the confident belief that the States would ordinarily accept the British Indian determination of the amount of income arising in British India. Such confident belief his predecessor also had. He was absolutely sure that, when the accrual basis was adopted, the Indian States would not grumble, and they would not pay the Government back in their own coin. My Honourable friend says, "I have confidence". It remains to be seen how far this confident belief will be realised in actual practice.

In this connection, I wish to refer to the conference which was held between the representatives of the Government of India and the representatives of the Indian States. Will the Finance Member place before us the proceedings of this conference? That would allay our apprehension to some extent. I read in this morning's newspapers that the Indian States' representatives who are here just at the present moment will soon discuss the income-tax question. I do not know what their attitude will be, but it is possible that the confident belief which the Honourable the Finance Member has will not be realised. The Indian States have begun to assert themselves, and it is quite possible that having asserted themselves once and gained their point to some extent, they will assert themselves again. In order to avoid all these complications, you have to adopt a fair, equitable and straightforward basis of assessment.

Before I pass on to the second important point, I will say only a few words,—I will not discuss this point. It is not a matter of very great importance, I will refer to an assurance which has been given by the Honourable the Finance Member. This assurance is with regard to the Hindu undivided families. The Honourable the Finance Member, in reply to a query about the enjoyment by Hindu undivided families of the rights accorded to British subjects, stated that there was no likelihood of any change in the present practice of treating Hindu undivided families as if they were individual persons in deciding such questions. I hope the assurance given by him will be honoured in the observance not only by the Finance Member himself but by all his successors in office.

Coming to the second principal feature of this Bill, I desire to tell this House that the object of clause 24 (a) is to vest extraordinary powers in the Collector,—an executive officer of the Government. The section which exists at present contains certain restrictions on the exercise of authority by the Collector. But the Honourable the Finance Member is not satisfied with this and he wants to give the Collector extraordinary authority. Now, Sir, I should like to read the Note of Dissent, but I shall not do so. I will give only the purport of the Note of Dissent which has been written by two members of the Select Committee. They say :

"We are strongly opposed to the proposed amendment made by this Clause. The Collector has already got ample powers, and such unfettered powers sought to be

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conferred on the Collector are likely to be exercised to the prejudice of the assessee. Cases are not uncommon where the Collector has sold, for recovery of land revenue, valuable properties for a song without timely and proper notice being given to the defaulting party."

This brings me to the abuse of power by the executive authority. A few minutes ago my Honourable friend, Sardar Sant Singh, wanted to move an adjournment motion on the situation which has been created by the arbitrary exercise of power by some persons in authority. We have heard complaints from different parts of India,—Bombay, Bengal, the United Provinces—to the effect that the Income-tax Officers exercise their powers in such a way that it is impossible to get any justice. They hold up the papers for such a long time that business almost comes to a standstill. If it had not been so, how is it that the commercial community in Calcutta have called for a strike for one day—the entire commercial community, not one particular body,—not one particular establishment but the entire commercial establishment of Calcutta. Sir, I may point out to this House that a joint meeting of the representatives of the Calcutta Gunny Trades Association, the Jute Balers Association, East India Jute Association, Calcutta, Hessian Exchange, Swadeshi Piecegoods Association, Indian Produce Association, Marwari Association, Marwari Chamber of Commerce, Muslim Chamber of Commerce, Bengal National Chamber of Commerce and the Indian Chamber of Commerce, Calcutta, was held on Thursday last, at which the following resolutions were unanimously passed

Mr. President (The Honourable Sir Abdur Rahim): That has got nothing to do with this Bill.

Dr. P. N. Banerjea: I want to show how officers exercise their powers arbitrarily.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can state that complaints have been made about the action of executive officers but he cannot go into details about them.

Dr. P. N. Banerjea: I will not go into details. I will only place before the House what they say. They say that they view with serious concern the high-handed manner in which an income-tax assessment has been recently made by the Central Income-tax Department in Calcutta which has caused great alarm to assesseees. They are firmly of the opinion that, if further assessments in this arbitrary manner are made, the interests of Indian assesseees would be unduly jeopardised; and they further say that not only would the interests of individual assesseees be affected but the whole of the trade and commerce of the country would be brought to a standstill.

Now, Sir, I may refer to the case of a person whose name is perhaps well known to the Government as well as to the Members of this House,—Sitla Pershad. This man for two years oppressed all assesseees so much that his name became a by-word of oppression and, ultimately, after two years

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought not to discuss particular officers.

Dr. P. N. Banerjea: I will only mention this, that even the Government found out their mistake and compelled this man to go on long leave and he is now at Hardwar trying to wipe off his sins in the holy waters of the Ganges.

The Honourable Sir Jeremy Raisman: I must protest against the criticism of any individual officer by name. Officers of Government have no opportunity, ordinarily, of standing up in this House and defending themselves and I think it is very unfair that sweeping remarks should be made in that way.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not deal with individual cases.

Mr. P. N. Banerjea: May I ask whether or not it is a fact that this officer has been compelled to go on long leave?

Mr. J. F. Sheehy (Government of India: Nominated Official): That is not correct.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better go on with the Bill.

Dr. P. N. Banerjea: Now, what is the object of this method of assessment and this sort of oppression? It is to get money. As a Member of the Assembly it is my duty to assist the Government to get as much resource for carrying on the administration as are possible by fair and legitimate means. But I will not agree to the adoption of unfair means. You cannot take money by hook or crook, by illegitimate means.

The Report of the Select Committee is not very satisfactory. It gives some little satisfaction, but it is very unsatisfactory in those respects which I have mentioned. Therefore, this House will do well to deal with this matter as carefully as possible.

Mr. T. Chapman-Mortimer (Bengal: European): Mr. President, after listening to the speech which the House has just heard, I almost began to wonder whether popular opinion about this Bill was correct! A few days ago we had a brief debate. We also had the views of various Members on receiving the views of their constituents, and the general consensus of opinion among the commercial community throughout India was that this was an extremely good Bill—not merely "giving" a little thing to the taxpayers but making very considerable concessions.

Sir Gomasji Jehangir (Bombay City: Non-Muhammadan Urban): What are those concessions?

Mr. Huseinbhai Abdullahhai Laljee (Bombay Central Division: Muhammadan Rural): Will you quote some?

Mr. T. Chapman-Mortimer: To listen to the speech I have just heard made me wonder why it was that there had been this sudden change. For myself I believe that the previous opinion, that is to say, what we had heard here of the views of the public and our own views—the views

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of those of us who had given thought to this matter—these, I believe, to be the correct opinions and not this new opinion that has been suddenly sprung upon us today. The reason why, I believe, I am correct in thinking so is that in three major ways this Bill is favourable to the assessee. First of all, it removes a number of ambiguities in the law and defects in the Income Tax Act as amended in 1939. In the second place, it confers definite benefits on, and gives very large concessions to, persons who have income in Indian States as well as in British India.

An Honourable Member: Benefits to whom?

Mr. T. Chapman-Mortimer: A very substantial modification of the Act has been introduced. In the third place, it fortifies the Government of India against a possible loss of revenue to certain Indian States—revenue to which in my opinion these States are not entitled. Therefore, for these three main reasons, we in the European Group support and welcome this Bill.

Now, Sir, I should like to deal very briefly with one or two of the clauses of the Bill as amended. In clause 1 an amendment was introduced by the Select Committee which clarifies the respective dates on which the various clauses will come into force. This does justice to those who have already paid their tax for the current year of assessment, in relation to those who have not, by making a provision that certain sections will not come into force until the 1942-43 assessment. It, therefore, clarifies the position, avoids the re-opening of assessments and avoids the making of new returns.

Now, I come to the somewhat contentious clauses 8, 10 and 30. I regret to say I cannot understand at all why my Honourable colleague from Bengal should have adopted the line that he has today. In the Select Committee a most important amendment was introduced into clause 10 to prevent harassment and trouble for these assesseees who derive income from the Indian States. The point has been fully and very clearly explained by the Honourable Member in charge of the Bill and there is no need for me to repeat what he has said. It is most definitely a concession and comes on top of the concession they were already given over assesseees who have income elsewhere than the Indian States,—that is to say, outside British India,—but who do not share the very considerable benefit that is going to these assesseees. Yet in regard to clause 10 of the Bill, I see that my Honourable friend, Mr. Bajoria, has tabled an amendment to modify that clause! Clause 14 clarifies a somewhat intricate point and makes it now quite clear who shall benefit by the provisions in the relative sub-section of section 25 of the Act. Clause 17 has been amended so as to give to the assessee the same right as is given to the Income-tax Commissioner. That was an amendment secured in the Select Committee and I think it is a definite improvement to the Bill. I have not much to say about clause 18 except that it will be widely welcomed by assesseees throughout India. It deals with the powers of revision of the Commissioner.

We have just heard a long tale of the wickedness of the income-tax officials throughout India and the way in which they harass

Dr. P. N. Banerjea: And oppress.

Mr. T. Chapman-Mortimer: and “oppress”. I do not agree with that at all. It has not been my experience.

Dr. P. N. Banerjea: Because you are not harassed and oppressed.

Mr. T. Chapman-Mortimer: I also know many Indians who are not harassed and oppressed. There are of course certain persons who are harassed and “oppressed” and, in my opinion, in nearly every case they are probably very rightly harassed. They are persons who try to evade paying the tax that they should pay.

Mr. Husenbhai Abdullahai Laljee: How do you justify oppression to be right?

Mr. T. Chapman-Mortimer: They are certainly rightly harassed. If the intention of the law is that ten rich men should pay the same tax and one man out of these ten does not pay his tax, all that I can say is that the sooner he is made to pay the better!

Now, in regard to clause 24, that is really one that you have to consider when you discuss this question of the alleged oppression and alleged harassment of assesseees. I believe that if the amendment now proposed to be made through this Bill had been carried through before, at the time of the 1939 Act, some of the alleged harassment and the alleged oppression would not have been necessary, because the Government would then have had the power, and their officers would have had the power, to take action in a much more prompt way than they can do now. The result of their lack of that power in the past has been that an unscrupulous person—this one out of ten men to whom I have referred—takes advantage of the law, wriggles and evades and refuses to pay, because he knows that if he goes on long enough, Government have to resort to lengthy legal measures in order to deal with him. Such people are always, like an optimist, hoping for the best and also hoping that even if they are caught evading a tax, somehow or other some little amount of tax they should pay will not have to be paid. Therefore, I fully support clause 24 about which we have just heard so much.

Sir, I believe this to be a Bill which is really going to help by far the greater number of assesseees and those whom it may not seem to help are probably persons who do not deserve very much help or sympathy from this House.

Sir, I support the Bill.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, the Bill, as it has emerged from the Select Committee, is no doubt greatly improved as compared to what it was when it was originally introduced. This Bill, on the whole, is a good Bill for the assesseees. I made that clear in my first speech when the Bill was referred to the Select Committee and I repeat it now. But the Bill is not without its bad features. I know Mr. Chapman-Mortimer does not agree with me in that respect. Still, there is a good deal of opinion that the powers that are at the present moment in the hands of the Income-tax Department are not used as they should have been used. I have, therefore, tabled two amendments and I hope the House will give them due consideration when they are moved.

[Babu Baijnath Bajoria.]

Mr. Chapman-Mortimer has said a good deal that this Bill has given a lot of concessions to the assessee who have got income both in Indian States and in British India. I will tell the House what this Bill has done. So far as the financial relief is concerned, it has given none to such persons. The only thing which it has done is that it has given them a protection against harassment by the Indian State Rulers. To that extent, we are very much obliged and grateful to the Government. We have not got any financial relief from clauses 8 and 10 (b) to which my Honourable friend, Mr. Chapman-Mortimer, was referring. As a matter of fact, these clauses give the Government much more relief—I will say hundred times more relief—than to the assessee. But for these clauses, the revenue of the Government from income-tax from people who come from Indian States would have been greatly reduced. The Indian States would have taken a big slice of their income. Therefore, I welcome this clause because the Indian States will not be able to get the money to which they are not entitled. But I do think that the Government of India should have gone a step further as has been proposed by my amendment. When they have got so much out of these clauses, they should have given some financial relief to the assessee also. I will explain in detail what I mean.

At the present moment, what the Government has proposed to do is that if the income of a person A in British India is Rs. 50,000 and if his income in an Indian State is Rs. 5,000, then in the year of accrual they will charge him on the income of Rs. 50,000 at the rate applicable to Rs. 55,000. I am glad that they have provided by the addition of sub-clause (4) in clause 10 (b) that when the remittance is received in later years, they will be charged tax on the total income of that year in British India together with remittances from Indian States at the rate applicable to the higher of the two incomes. But it does not solve the problem completely. They want to calculate the rate at the time of the accrual on the joint income in the Indian State and in British India and to charge on the joint income at the rate applicable to the greater of the two incomes in the year of remittance. This is a complicated and an undesirable proposal. My proposal is very simple. After all the Government had agreed that the accrual basis will be given up as regards income in Indian States is concerned; that is exactly what they propose to do under clause 8 of the Bill. I would say they must not bring in the question of rate also in assessing the income of the assessee in British India. They should only charge on the income arising in British India as well as any other foreign income excepting income in Indian States at the rate applicable to those incomes. Then, when the money is brought in or remitted from the Indian State, they can charge for the whole income at the rate applicable to that whole income. This is very simple and very fair. I do not think Government stand to lose much money on this. Whereas this will save the assessee any amount of harassment and it will also give them small financial relief.

After all, what the Government propose to do according to the Bill as it is placed before the House now, is that they will charge on the income of Rs. 50,000 at the rate applicable to Rs. 55,000. What I want is that they should charge only at the rate applicable to Rs. 50,000; and that when Rs. 5,000 is brought in or remitted to British India in later years, then according to the remittance basis, they can charge in that year, on the income which accrues to the assessee in that year in British India together with the amount which is remitted from the Indian State in that year at

the rate applicable to the total income. I do not see what objection Government can have to this proposal of mine, which is very fair and simple. Apart from the small benefit which the assessee will get as regards the rate which will be applicable in the year of accrual, it will also avoid the harassment of the assessee in the Indian States, and the Indian States will not be able to get undue advantage of the income of the assessee in British India. Admittedly the income of the assessee is much higher in British India than in the Indian States. The Indian States are expected to make their Income-tax laws reciprocal to the laws obtaining in British India. If clause 10 (b) is allowed to remain in its present form, then on an income of Rs. 5,000 which arises in Indian State, the latter will be within their rights to charge the assessee the rate applicable to Rs. 55,000 on that income of Rs. 5,000. Is that just and fair? They should charge on the income of Rs. 5,000 at the rate applicable to Rs. 5,000. If they charge at the rate applicable to Rs. 55,000 they will take a major share or practically the whole of the income of Rs. 5,000 which accrued in the Indian State.

Further, if the rate question is separated altogether, then the question of accounts books will also be separated and the harassment on this score will be done away with. At present the income-tax authorities in British India will have to go through and scrutinise the books of accounts relating to income both in British India and in the Indian State, so that they can ascertain the rate applicable to the total income. The Indian States authorities will also see the books of accounts relating to income in the Indian States. I am glad that at my instance the Government of India have agreed that the Indian States will not call for books of accounts relating to income in British India. I hope they will see that they do not allow the Indian States to call for those books. If the rate question is separated, the British Indian Government will also be saved the trouble of seeing the account books of income in Indian States. The books from Indian States will have to be brought down to British India, so far away as Calcutta and Bombay and other cities and they will again have to be sent back to the Indian States. There might be difficulty, the assessment might be in the course of progress at both the places and some of the books might be required at both the places and it would not be possible for the assessee to comply. For these reasons I think the Government should simplify this matter and agree that they will assess the income in British India at the rate applicable to British India and would not complicate matters by increasing the rate to that applicable to the income both in Indian State and in British India.

There is another point and that is about clause 24 (a) which deals with the Collector's powers. I have appended a Minute of Dissent showing clearly what I wanted. Sir, it is not that we do not want to give powers to the Government so that they might recover the dues which are justly due to them. What we object to is that we do not want such arbitrary powers in the hands of the Government so that they may be fools or instruments of harassment and oppression for the assessee. Sir, after all, what is my suggestion? What have the Government provided in this Bill? They say that after the case has been decided and the demand is finally settled, then the Collector shall be given power to sell immovable property or the assets of the debtors as if it were arrears of land revenue.

[Babu Baijnath Bajoria.]

This will mean that we will be placing powers in the hands of the Collector to sell property in a summary fashion.

The Honourable Sir Jeremy Raisman: He has that power now.

Babu Baijnath Bajoria: At the present moment the power he has got is only with respect to moveable property, and that is why they have added this clause to this Bill. In this clause they want wider powers so that the Collector may recover these dues in a summary fashion. The Chambers of Commerce in Calcutta, Bombay and other places have most violently opposed this clause. What I suggest is a *via media* between the two, between the present powers which the Collector has got and the powers which are sought to be taken by the provisions of this Bill.

Mr. President (The Honourable Sir Abdur Rahim): I find the Honourable Member has tabled an amendment to that effect. So he can deal with this point then.

Babu Baijnath Bajoria: I wanted to speak briefly on it so that Honourable Members may know why I tabled it. My only point is that the assessment demand may be treated as a decree of the High Court and the Collector may go to the Court and have execution proceedings started exactly as a decree of the Court. In that case the property will be valued, time will be given to the assessee and then it will be advertised and it will take its own course as a Court's decree. I do not want to deal in detail with the harassments through which the assessee has to pass. Something has been said already by Dr. Banerjee. But I have received, and I hope the Finance Member and the Central Board of Revenue have also received, a long telegram today from Dr. Narendra Nath Law, the President of the joint representative meeting which was held in Calcutta to protest against the arbitrary methods which are employed by the Income-tax Department.

Mr. President (The Honourable Sir Abdur Rahim) Those cases are not before the House.

Babu Baijnath Bajoria: I am not referring to any case. I think this is the only opportunity, when we are discussing the Income-tax and Excess Profits Tax Bills, to say something to enlighten the Finance Member . . .

Mr. President (The Honourable Sir Abdur Rahim): This is not the time for a general discussion of policy. The Honourable Member must apply himself to the Bill which is before the House now.

Babu Baijnath Bajoria: Very well, Sir: I will not go into those matters and I myself feel embarrassed because if I say much about it I might be harassed myself!

As regards the Collector's powers, Indian opinion is opposed to such powers being given to the Collector and I think the ends of justice and the requirements of Government will be met if they accept my amendment.

Sir, I agree to the motion moved by my Honourable friend, the Finance Member. This Bill has got very much to commend itself to the House because it gives relief to the assessee in several ways. But at the same time there are some provisions which neutralise the benefits which are proposed to be given. If you have decided that the assessee needs some relief, give them that relief with grace and not in such a way as to take away with one hand what you give with the other.

Sir Vithal Narayan Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, I am sorry I was not in the House when this Bill was referred to the Select Committee; and in speaking today I am not going to make any general remarks but I wish to place before the House and through the House before the Finance Member certain aspects regarding double taxation within British India and the Indian States. I have had considerable experience of such form of taxation for the last 16 or 17 years. I am not going into the question whether the income-tax authorities in British India or in the Indian States are in the habit of harassing people. I take it that they are doing their duty and we have to meet them and to face them. I welcome this Bill in a not very enthusiastic manner because it does not give us all that we want; but I do welcome it to the extent that it does show a very keen and sincere desire on the part of Government to respond to public opinion and to the representations made by commercial bodies from time to time.

Now I will come to the main question about double taxation between Indian States and British India. The main object of the Bill, as stated by the Finance Member, was

"to make such changes in respect of the liability to tax of income arising in Indian States to residents in British India as will secure a satisfactory and equitable basis for reciprocal double income-tax relief arrangements with the States."

I speak from personal experience that very often our troubles do not end with legislation but begin with legislation, for the simple reason that there are two independent authorities who interpret acts in their own way and try to extend their own jurisdiction. When I go for satisfaction of my claims to the authorities of the State in which my mills are located they refer me to the British authorities in Bombay. When I go to the latter they say they can do nothing, that they act on their interpretation and that they are carrying out the orders of the Central Board of Revenue and that it is for me to fight the matter out in the Indian State where my mills are located. If I wanted I could easily have avoided payment of the British Indian income-tax by holding the Board meetings of my Companies in the State and controlling the business from there and keeping a small office for correspondence in Bombay, as is done, I am told, by some concerns. But we have not done that and we have tried to meet this taxation in a fair and equitable manner. The Honourable the Finance Member should not think that his task is ended and that our troubles are over by an enactment of this kind. The real trouble will start when this section is enacted. I submit that Government, the Central Board of Revenue and the various States authorities should sit together and provide a machinery for adjusting their mutual differences of opinion, so that the assessee is left free to mind more important matters of running the business.

[Sir V. N. Chandavarkar.]

Sir, I have got a very good authority here in a report prepared by Mr. Mitchell B. Carroll on the Methods of Allocating Taxable Income prepared under the auspices of the League of Nations; and when I read this I was glad to find an echo of what I have been feeling all these years whenever I have had to face the income-tax authorities either in the State where my mills are located or in Bombay. This is what he says:

"Cases arise where the tax-payer has tried meticulously to allot profits in a fair way between the various establishments, but the authorities of the several countries are of a different opinion as to their share of the taxable income. It may happen that one country to which the taxpayer has thrown a large share of his profits will assess tax thereon, and then another country in which little profit is shown will increase the assessment and thereby subject a part of the profit to double taxation. The natural tendency of each tax administration is to view the local establishment as exercising the most important influence in the production of profits and therefore ascribe to it a commensurate share of the income. When all the assessments are added together, the enterprise finds that it has paid taxes on much more than 100 per cent. of its net income. Incidentally, it has had to argue with the authorities of each country in regard to the amount of profit allocable thereto, and possibly has had to produce copies or extracts of its head-office accounts in order that the authorities of each country may examine the local accounts in the light thereof. This all requires expenditure of time and money on the part of the taxpayer as well as that of the tax-collector."

Sir, I wish to draw the attention of the Honourable the Finance Member and the Board of Revenue to this aspect of the question, and if they could devise any machinery by which the British authorities and the Indian State authorities could come to some understanding as to how they should adjust their mutual differences, then real relief will be given to the assessee. Now, in the Select Committee's Report, confident belief is expressed that the Indian States will not ask for the production of books. Now I know of a case where the British Income-tax authorities called upon a Commission Agent in an Indian State to bring his books all the way from his headquarters to Bombay, because a small share of his business had been transacted in Bombay. He was asked to produce his books in spite of the fact that he had submitted audited statement of accounts. He had to send his Auditor all the way from his headquarters to the Income-tax authorities in Bombay who ultimately, was able to persuade the Income-tax authorities to accept the audited accounts. I know that, if properly approached, in more cases than one—and that has been my experience—Income-tax authorities are quite reasonable, but it does mean, Sir, a considerable amount of waste of time on the part of the executives of commercial concerns when they have to devote their own time and attention in trying to reconcile the view-points of the different Income-tax authorities. If the Finance Member and the Board of Revenue are able to devise some means by which this trouble can be avoided, I am sure, we shall feel that we are getting a real relief.

As regards other amendments, I do not propose to say anything at this stage. If I have anything further to say, I shall do so later.

Sir Cowasji Jehangir: Sir, I do not propose to speak on the general principles of this Bill because, after all, I consider the Bill a fairly simple one, and the points that are controversial are not of extraordinary importance. But with regard to this double Income-tax relief, I may point out that this Bill gives relief to an assessee who has an income in an Indian State only and when he does not bring that income to British India. If he

brings it to British India then it makes no difference between the Act as it stands and the Act as it will be when this Bill is passed. Therefore, those who can afford to keep their money in an Indian State will get relief from British Indian taxation so long as they keep it there. When they bring it to India—two years income or three years income at a time or every year—they will have to pay income-tax

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): But it will mean higher rate.

Sir Cowasji Jehangir: I am not talking of the higher rate. The principle is that when money is brought to British India from Indian State it will be taxed. If you don't bring the money into British India it will not be taxed. That is the principle, and, therefore, for those persons or companies or firms who have investments in Indian States and who have to bring their income to British India every year, I am afraid this Bill is not going to be of any assistance.

Now, Sir, with regard to the trouble of getting refunds. I must say that I have great sympathy with what my Honourable friend from the Millowners' Association has said. We do have great trouble in getting refunds. Take Burma and India. It is not a pleasant experience. We pay double income-tax and it takes months and years to get a refund. What will be the trouble to those who have investments in Indian States to get refunds, I do not know.

An Honourable Member: There is no complaint.

Sir Cowasji Jehangir: I am told they very often cannot get it at all. I am informed by my friends who have investments in Indian States—luckily I have no experience because I have none myself—that that part of the refund which has to come from the Indian States takes a long time coming and may never come at all. Well, I do think, Sir, that so far as Indian States are concerned, if these facts are correct—if the assessee has trouble in getting a refund, that is to say, when he brings his money to India,—Government should help him and see that he does get a refund according to the proportion laid down in the Act. And if the Indian States play the game to investors in their States and give the refund promptly as British Government would do, I think they would be doing a great service. It becomes very important on account of this amendment, because some of the assessee may not bring their income back immediately but by force of circumstances may have to bring a few years income at a time in which case a refund would be claimed and then it is rather awkward and inconvenient when you meet with unheard of obstacles from the other side in getting a refund. I would bring that point to the attention of the Government Benches because I have heard several complaints. I have heard complaints from some of my friends—a very serious charge—that they will never get their refund, it will never come. In that case, I think, something might be done by the British Government.

The Honourable Sir Jeremy Raisman: Sir, I deliberately made a short speech on the motion for consideration, because I assumed that Members who were moving amendments would bring their points forward at the stage when they move the amendment and that I would not anticipate what I would have to say later on. I see my friend, Dr. Banerjea, suspects me of trying to evade some issue or other, but since the point with which he was dealing is the subject of an amendment by Mr. Bajoria, I was saving my remarks on that subject for that stage and I still think, Sir, that I had better deal with that point when Mr. Bajoria moves his motion. The same applies to Mr. Bajoria's remarks on the subject of the powers of the Collector to realize outstandings of tax. That also I would prefer to deal with at the stage when he moves his amendment.

As regards the observations made by Sir Narayan Chandavarkar and Sir Cowasji Jehangir, I can assure them that we are fully conscious of the difficulties and hardships to which assesseees might be subject, who find themselves liable to tax in our jurisdiction and also in the Indian States. But nothing that we are doing here, of course, will affect that position. You cannot take away from a State its right to levy taxation which is within its powers of jurisdiction. The moment that is admitted then all these difficulties may arise. All I can say is that our influence is constantly exercised in the direction of trying to get a simple and businesslike basis and to prevent the assessee from being subjected to undue inconvenience and harassment. I cannot obviously go into detailed questions of our relations with Indian States; but I can assure the Honourable Member that I am informed that even individual cases are pursued by us and that we do our best so far as is possible and we are continuing to devote our attention to the question of putting these troublesome and complicated matters on a satisfactory basis; and, of course, one of the main amendments in this Bill is directed to that same object.

I know, that my friend, Mr. Bajoria, thinks that if I had gone further it would have simplified the position very greatly and that without our losing a lot of revenue the assesseees might have been saved from the possibility of considerable inconvenience on the other side. But I am not sure whether he is correct. After all, although I contemplate that we should decline to enter into double income-tax relief arrangements with States which trench on our jurisdiction and on our fiscal rights to an unwarrantable extent, and to a greater extent than our system of taxation trenches on theirs, I do not know whether it is possible to demand that every clause of their legislation should correspond to ours; and does Mr. Bajoria think that I should be on very good ground in saying in the case of an assessee who had, say, a lakh of income in British India and two thousand rupees in an Indian State, in insisting that his income in the State must be assessed as if his total income were 2,000 and not a lakh? After all there is a point of principle involved. If a man has half a lakh income in British India and half a lakh in a State, then he is a man who should be subjected to the rate of taxation which a man who has a total income of a lakh of rupees is subjected to. That is a question of principle. I do not know how my friend, Professor Banerjea, who is considered an authority on economic and fiscal matters, could bring himself to stigmatise as unfair and inequitable and even lacking in straightforwardness the basis which we have adopted which says that that man, if he has an income

in British India and an income in the States should be taxed on his income in British India at the rate applicable to his total income in both places . . .

Sir Cowasji Jehangir: Where is he resident?

The Honourable Sir Jeremy Raisman: He may be resident in both places but he is resident in British India also

Sir Cowasji Jehangir: He pays his tax in both places.

The Honourable Sir Jeremy Raisman: But why is he less able to pay tax at our rate on a lakh of rupees? To take a simple case, suppose for the sake of argument that the rate in the State is the same as the rate in British India. Then I consider that the final position should be that that man pays tax on one lakh of rupees, half of which would come to us and half would go to the State. If his income is 50,000 in British India and 50,000 in the State, then his final position should be, not that he pays double the tax on 50,000, but that he pays tax on one lakh of rupees. I would like Professor Banerjea to explain to me how, in accordance with any kind of fiscal principle, he can stigmatise that as being unfair or inequitable or not straightforward

Dr. P. N. Banerjea: I will give a reply later on

Sir Cowasji Jehangir: Are you talking of the rate or of the amount?

The Honourable Sir Jeremy Raisman: I am talking of the rate. I can see some force in Mr. Bajoria's argument that if we adopt this basis and if we take cognisance at all of the man's income in the State then we may be said to be giving a handle to the Indian States for taking cognisance of the man's income in British India. There is some force in that; but what I say to Mr. Bajoria is that in any case you could not expect the States to deal with a man purely on the basis of a comparatively small income within their jurisdiction, if he were known to be a man of considerable resources

Sir Cowasji Jehangir: Would it not depend entirely on his residence? He must be either a British Indian subject or an Indian State subject. That point will depend upon that.

The Honourable Sir Jeremy Raisman: It is possible in any case for both jurisdictions to hold that he is resident there: each may hold that he is a resident in their State. If I hold that he is a resident in British India, that does not preclude a State from coming to the conclusion that he is also resident in that State; and as a matter of fact it has, I believe, been held in Courts of law that a person can be resident in more than one jurisdiction.

I do not want to anticipate Mr. Bajoria's amendment, but it is because there is a principle involved, which I consider to be sound, namely, that the man should pay tax according to his total income, that the fractions of tax, so to speak, which he pays in each place should still be in accordance with his total income—that principle I regard as important, and it is because I am convinced that Mr. Bajoria's amendment would not save the

[Sir Jeremy Raisman.]

assessee from the harassments which he suggests that I am not prepared to go to the point which he put forward. But I do think that the provision as it now stands in the Bill is a reasonable one and that the Bill has emerged from Select Committee in a satisfactory form.

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

"That the Bill further to amend the Indian Income-tax Act, 1922, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Clauses 2, 3, 4, 5, 6, 7, 8 and 9 were added to the Bill.

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

"That clause 10 stand part of the Bill."

Babu Baijnath Bajoria: Sir, I move:

"That sub-clause (b) of clause 10 of the Bill be omitted."

This sub-clause deals with the question of the rate which will be applicable to the assessment of an assessee who has got income both in an Indian State as well as in British India. I have heard with great attention the stand which the Honourable the Finance Member took in regard to the question of principle. I also wish to take my stand on the same principle. By this Bill the Government of India have already given up the principle of accrual basis, and so what I want is that the *status quo* which existed before the amendment of the Incometax Bill was passed in 1939 should be restored

Sir Cowasji Jehangir: You should first explain what is the effect of your amendment.

Babu Baijnath Bajoria: Very well, I shall do so. Sir, the effect of my amendment is this, that an assessee who has an income in an Indian State as also in British India will be assessed in British India at the rate applicable to the income accruing in British India. I quite agree with the Honourable the Finance Member that he cannot force the Indian States to have a law similar to that which exists in British India in regard to income-tax matters. We confidently believe, in the Honourable the Finance Member's own words, the Indian States will not go beyond the income-tax laws of British India, because if they do so, the Government of India have also got the power indirectly to curb their attempts to get more revenue illegitimately. They can refuse to give them the benefit of the double income-tax relief provisions. My point is, when you tax only the income accruing in British India and not the income arising in an Indian State, you should not ascertain the income of the assessee in the Indian State and should save him from the harassment of asking him to produce his books for Indian States income and getting them scrutinised. My friend says that if an assessee has got a total income of a lakh of rupees in British India and an Indian State, he should pay income-tax at the rate applicable to the whole income of a lakh of rupees. What I say is, he will pay at that rate if and when he brings his income accruing in an Indian State to British India. Then you can tax him for the income which he derives in British India together with the remittances which he receives from outside British India including the Indian States. Sir, here

I do not think I am departing from the principle which the Honourable the Finance Member has enunciated.

Then, Sir, my friend has admitted that my amendment will give relief to the assessee to some extent and, thereby, a very considerable amount of revenue will not be lost to the treasury. If my amendment is accepted, the position will become quite clear. The British Indian Government shall have to deal with the books of accounts of assessee in British India and tax them on that income. The Indian States will tax the assessee on the income which they derive in their States according to the rate applicable to that income in their States. The question of double relief will only come in when that money is brought into British India. Even then I am very much doubtful if the Indian States,—we all know what they are,—will grant the assessee refund of half the income-tax paid on remittances, and it will be very difficult to get refunds from these Indian States. But the position in the Bill as it stands is still worse. I think, Sir, in all fairness the Government of India should accept my amendment, and I would also request Sir Vithal Chandavarkar who has come to this House and who is an asset to us, to appreciate the difficulties which he mentioned in his speech,—and those difficulties will also be removed if my amendment is accepted. The Indian States people will not be able to harass him in respect of his income in Bombay

Sir Vithal Narayan Chandavarkar: I did not say that the Indian States I referred to harassed me.

Babu Baijnath Bajoria: Sir, I would ask the Honourable the Finance Member to consider my amendment more seriously bearing in mind the principles which are involved in it, because if my amendment is accepted, it will give some financial relief to the assessee, and it will also relieve them from needless harassment. I hope, Sir, the Honourable the Finance Member will accept my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That sub-clause (b) of clause 10 of the Bill be omitted."

Dr. P. N. Banerjea: Sir, I find that my friend, the Finance Member, is a double-faced man. He says in the beginning that he wants a simple, businesslike basis, but afterwards he says, "what is there in having one basis for the taxation of income and another basis for the rate of tax"? He does not find any incongruity. Does it become very simple when you adopt the remittance basis and again complicate it by adopting the accrual basis for the fixation of the rate? Does it become very simple, I again ask? Does it become very businesslike either? Sir, my friend speaks of doing things in a businesslike manner. Is this very businesslike? An assessee is asked to produce his books in India and again in the Indian States. Is that very businesslike? In British India his books may be held up for a number of months

An Honourable Member: For years.

Dr. P. N. Banerjea: Yes, for years, and, then, afterwards, his books may be required in an Indian State.

[Dr. P. N. Banerjee.]

Then, again, as regards the principle that an assessee who had an income of a lakh of rupees in British India and Rs. 2,000 in an Indian State, my friend said that what should be done is the rate should be increased. But do you increase your revenue by the backdoor, instead of by the front door? That is why I say that it is not a straightforward method of assessment.

Again, Sir, various difficulties have been pointed out by my friend, Sir Vithal Chandavarkar, who has businesses in British India as well as in an Indian State,—the Mysore State. He knows where the shoe pinches. But our Finance Member in one breath says—‘I want a simple and businesslike basis’, and in another breath he wants to deny that very basis. He further complicates the matter by saying that the person may be resident in both jurisdictions. When the present Act was passed in 1939, elaborate precautions were taken by the then Finance Member and the two gentlemen who had been brought out all the way from England, to define resident, non-resident, ordinarily resident, extraordinarily resident, and so on and so forth. Now, my Honourable friend says that a person can be resident in two jurisdictions. That further complicates the matter. In order to avoid this complication, I ask you to adopt one method of assessment, either the accrual method or the remittance method. Don’t complicate, don’t have an admixture of the two methods, which will only create greater complexity. The more complicated the law the greater is the opportunity for administering this law in a manner which may be oppressive to the assessee,—and not only that, but which may be unproductive of revenue to the Government. If you adopt the simple and businesslike standard, then you will derive a greater amount of revenue and you will prevent harassment to the assessees. What happens at the present moment is that a great portion of the revenue is filched away between the assessee and the Government. The Government do not benefit, but the assessee loses. Therefore, I use the words, “fair, equitable and straightforward”. My Honourable friend is not satisfied with these words which I have used. Will he substitute better words and give satisfaction?

The income-tax law at the present moment is so complicated that people say that it is enacted for the benefit of the income-tax lawyers and for the benefit of other persons who act as middlemen. I will not go further but you can understand what I mean. I do not want the State to be deprived of its legitimate revenue, but the State has no business to earn its revenue by hook or crook,—by means fair or foul. Therefore, I appeal to the Honourable the Finance Member to adopt a basis which is not only fair, equitable and straightforward but is also understandable—a basis which would be clearly understood by the assessee himself and by those persons who administer the law. Income-tax Officers very often find it extremely difficult to understand the provisions. The time has come when the income-tax law should be simplified and not made more complicated, as is sought to be made by the Honourable the Finance Member in this Bill.

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 Vithal Narayan Chandavarkar: Grateful as I am to Mr. Bajoria for the compliment he paid me, I find it rather difficult to support his amendment. Not that I have no sympathy with it, for this amendment seems to be a very simple solution of the problem which we have to face. But simple as it may look, it might create difficulties in the way of granting relief as regards double taxation. Moreover, I believe the principle accepted by the Government of India is also followed by some of the States, because I know that in the Mysore State in case of debentures floated in the State and on which interest is payable in the State, British residents who are the owners of debentures when they apply for refund, have to disclose the whole of their income both in Mysore State and in British India and this whole income is taken into account to arrive at the rate at which refund can be granted. Therefore, this is a matter which cannot be dealt with by one sided legislation. If a new principle is to be followed it must be followed in the whole country as a result of negotiation and understanding between the Indian Government and the States. Otherwise the poor assessee might get into trouble with regard to any relief he might expect as regards double taxation. I do not think Mr. Bajoria was fair to me when he said that I complained of harassment in the Mysore State. I never made any complaint either about harassment in the Mysore State or in British India.

Babu Baijnath Bajoria: I did not say about harassment in Mysore State.

Sir Vithal Narayan Chandavarkar: I have had to face income-tax authorities for the last 17 or 18 years both in British India and in Mysore. I have got used to face them and perhaps, I even enjoy facing them. The point at issue is whether one sided legislation on the lines suggested by Mr. Bajoria will be helpful to the assessee. If you want to give relief to the assessee on the present basis, the only way suggested is that suggested by the Select Committee.

Babu Baijnath Bajoria: How is it one sided?

Sir Vithal Narayan Chandavarkar: Because Indian States must also accept the principle underlying your amendment. Let it be understood distinctly that as far as legislation of this kind is concerned, the Indian States are autonomous sovereign bodies. The Government of India can only deal with them through political action and come to a private and friendly understanding. They cannot legislate to regulate taxation in the Mysore State or any other State. The British Government can only negotiate with the States Governments and arrive at an understanding. You cannot say that because the British Government will accept a certain basis, Indian States will also accept the same basis. If a new principle has to be accepted it must be on the basis of an agreement between the Indian Government and the various States which have got income-tax within their territories.

Sir Cowasji Jehangir: I agree with my friend, Sir Vithal Chandavarkar, that the matter is not so simple as it appears. To understand it, one must understand the position in British India today. Under the Income-tax Act as it stands, an assessee resident in British India has to pay income-tax on his world income. It does not matter where that income accrues. He will have to pay at the rate of the whole of his income. That is the

[Sir Cowasji Jehangir.]

position in India today. So far as I understand, most Indian States who have got Income-tax Acts are trying to follow on the same lines. Let us examine what is the position of an assessee who is not resident in British India. He may have an income in British India. He may have an income outside British India. He then pays income-tax only on that portion of his income which accrues in India. The Indian British Government are not concerned with the amount of his income in other parts.

The Honourable Sir Jeremy Raisman: May I correct my Honourable friend? For the purposes of the rate of tax, they are concerned.

Sir Cowasji Jehangir: That is not the position. Under the present Act as it stands. . .

Mr. J. F. Sheehy: World income is taken into account for the purpose of the rate of tax. See section 17 (1).

Sir Cowasji Jehangir: I missed that fact. Then for the purpose of the rate of assessment, you take his world income. Suppose there is an Englishman resident in England. He has an enormous income there. He may have an income of a thousand pounds in India. You assess that thousand pounds at the rate of his whole world income.

The Honourable Sir Jeremy Raisman: That is so.

Sir Cowasji Jehangir: If that is the position, then the whole matter does change. Then what you do is that you simply exempt incomes in Indian States from income-tax which is not brought into British India but you charge the income-tax on his British Indian income at the rate of the whole income. You want to continue the practice that is at present prevailing. The principle is there in the Income-tax Act today.

Mr. J. F. Sheehy: For non-residents.

Sir Cowasji Jehangir: Yes. Of course, for residents, there is no question about it, because he pays income tax on the whole income. I am talking of the present position. Not only the income-tax but also the super-tax he pays on the whole of his income. You do exempt these assessee by this amendment, in the case of their incomes in Indian States if it is not brought into India. Of course, we know that it is not a great favour conferred upon the assessee. There is a very good reason which we all support for your bringing in this amendment but when it is called a great concession. . . .

The Honourable Sir Jeremy Raisman: I never said so.

Sir Cowasji Jehangir: You did not but my Honourable friend, Mr. Chapman-Mortimer, who knows less about it than you do called it a very great concession. There are assessee who do not very often leave their incomes in the States. If they did leave their incomes, those States would get their income-tax. Now, what my Honourable friend wants is that the rate that should be charged on incomes accruing in British India should not be more than what would be the rate on the amount of income in

British India. I know that it will cause considerable complications but when you give up your tax on such incomes, it does seem rather curious that you still want the rate that applies as if this amendment had never been passed. That is the position. If you do one, you might as well do the other. Now, one of the principal reasons that have been given is that in the Indian States they may charge income-tax at the rate for the full income. Now, my main point is this that having introduced in India a principle to which we never agreed, that world income should be taxed, I do not think there should be any other principle adopted in the Indian States. The main factor will be where he is resident. If under your law as it stands today a man is resident in an Indian State, that Indian State may have the right to tax his world income. But if he is resident, according to your law, in British India, I think it is wrong for an Indian State to tax him on his world income. They should only tax him on the income that accrues in the Indian State. But if they make any other law in an Indian State, I think my Honourable friend is powerful enough to stop it. You ask for nothing more in an Indian State than the Act that prevails in British India. I could not follow my friend, Sri Vithal Chandavarkar, when he said that a resident in British India is made to pay a rate in Mysore on his world income in getting refund.

Sir Vithal Narayan Chandavarkar: An application for a refund of income-tax received in the Mysore State is taken into account to arrive at a rate at which refund should be allowed.

Sir Cowasji Jehangir: That is according to the Finance Member adopting the same principle that prevails in India today.

The Honourable Sir Jeremy Raisman: Yes.

Sir Cowasji Jehangir: Therefore, you cannot complain. Of course, you can complain very seriously if a man has a very small income in an Indian State but he happens to be a resident in British India and, according to your law, he is made to pay the income-tax in that Indian State on his world income. There, I think, you have a very good ground to protest and I, personally, cannot see why you should not protest and stop it. I understood that there was some fear of Indian States charging British India residents who may have a small property in an Indian State full income-tax on their world income, which is quite contrary to the principles of your Act. I am talking of the Indian States Act. I understand that there is some chance of an Indian State having such legislation, and the fear of that makes you resist the amendment moved by my Honourable friend. Now, I cannot realise how it is possible for an Indian State to legislate to that effect. If he is resident, according to your own definition of residence, in an Indian State, then surely the Indian State has a right to claim income-tax on his world income. But there are very few persons who are residents in an Indian State; they are generally residents in British India. And if the Indian State tries to get income-tax on the whole of his British Indian income, then I think you have a very strong case to protest and I do not see why it should be tolerated. They may be Indian States, but there are also other independent countries with whom negotiations have to be carried on when they have legislation which you feel is not quite fair.

[Sir Cowasji Jehangir.]

As a matter of fact, this Income-tax Bill is brought in on account of legislation in Indian States. But the other proposition is going much too far and to sit down coolly and to allow it if it is to be, is not a correct attitude notwithstanding the fact that the Indian States are independent. I would strongly urge that no Indian State should be allowed to have any Income-tax Act which is more stringent than our Income-tax Act. Of course, if they have an Income-tax Act like the Indian Income-tax Act and administer it fairly, then we have not got anything to complain about. In that case, the Honourable the Finance Member may see the consequences it may have on his revenue and take such measures as he thinks best and he ought to have the support of this House. That is exactly why we are supporting the Bill. We are giving him those measures so that the British Indian income-tax shall not be reduced more than is absolutely necessary. But the proposition which I place before the Honourable the Government Benches is a different one, not to allow them to go much further.

Mr. Husenbhai Abdullahhai Laljee: Sir, I rise to support the amendment that has been moved by my friend, Mr. Bajoria. I admit that the provision at present made is in the interests of the assessee. But we also know that when we tried to assess an income accrued in the Indian States, we did not know that the Indian States would also bring in Bills for this sort of legislation and would take the same action that we are taking. Having realised that, I think it is but fair that we ought to drop that idea. In all fairness, we ought to rely upon what is now considered by Government to be really the best way, namely, remittance basis. My friend the Finance Member tried his level best to explain to us the position and we do agree that the procedure that he has adopted or wishes to adopt may be of some advantage to the assessee. But we also know it very well that there are many Indian States which are out to have an Income-tax Bill on the same lines as ours or perhaps a little more stricter. I do not agree with my friend, Sir Cowasji Jehangir, that we have any power. Of course, we have political power. But as we are constituted today, we ought to have more real powers which we can exercise ourselves. Look at the real working of the whole show. We are going for a thing which is absolutely speculative. We are going to try for a year or so to assess our assessee on some speculative basis. We are going to watch as to what happens in the future. Why should we, then, make a speculation at this stage. Let us wait a little more. What are you going to lose, after all? Here an attempt is made that so far as the income that is accrued in an Indian State is concerned, our Income-tax Department will, I think, rely on the facts placed before them by the assessee. Sure enough, the Government cannot insist that the assessee should bring income-tax returns or certificates from Indian States. As I pointed out in the very beginning during the first reading of the Bill, there are a number of small States in which there is nothing like income-tax, nor can they afford to have anything like income-tax. That fact is much more known to the Government than to anybody else. Therefore they have to give the go-by to that aspect of the question, they cannot rely upon the return that an assessee can bring from an Indian State. If at all, they have to rely only upon the assessee's statement. Look at that. On that account, we have got to go further more into another speculation. Thank God we are not asked to pay income-tax on every income in State but we are asked to pay

higher rate taking every income and putting all together, we are asked to pay at the rate on the gross. Here again, the Government want to have for a temporary period, for a short period, a little better rate, hoping that till the time when the Indian States bring their own Act into force, they will get tax on the gross income and that will bring them some more revenue. On the other hand, again, they say we want to be just. I am very glad that ought to be the real honest spirit. It is very seldom that we find the Honourable the Finance Member to be so very fair, so far as income-tax is concerned. He says, I will not charge you more when the actual money is brought into the country, but even then what he means is he will charge the assessee at a rate which would be that if his income in British India is less and the remittance that he gets from the Indian States big, at that time, he will assess the rate on the bigger of the two amounts. Again, a further speculation comes in, by which, I do not know whether he will really get adequate benefit to the exchequer. In the first place, he thinks that because of war time, probably there is glut of money and he will be able to get income-tax on the accrual income and at the time of depression when the money will come into the country, at that time probably the remittance that will come will not be so great, it will be such as would not make him lose on what he does at present. But this is all speculation again dependent upon the fact that the Indian States will bring in Bills or will bring some device, or some ways and means by which the assessee there will be able to bring money into British India.

Well, Sir, I do not see why for a short period this is being done. Furthermore the great fear that is lurking in the minds of the people of British India is that once the books of accounts of British India are called for in Indian States, then it is very difficult for them to get them back within a certain period by which they would have again to file their returns in British India. I can assure the Honourable the Finance Member that there have been many many instances in which the machinery is absolutely lacking in the Indian States. There may be one or two honourable exceptions, but in a large number of Indian States, there is no machinery whatsoever to look into the books of accounts. Far less is there any idea of what the income-tax is. The only result would be that the British Indian assessee would be asked to pay a certain amount or keep the books there pending for years and years. I do feel, being aware of the position in the Indian States, being aware of the fact that certain Indian States are going to have legislation in this respect, being also aware of the fact that a large number of Indian States have no such machinery, in view of the fact that even now what is intended by this Bill is only to levy a rate on accrual basis, not the actual income-tax, and in view of the further speculation that when the remittance actually happens to come, he will charge the maximum rate of the two incomes, I do feel that all this for a period of one year is not fair. In fact, while for bringing in this Bill, we are obliged to him, but he has admitted the fact that so far as taxing the accrual income in the Indian State is concerned, it is not an advisable thing. Therefore he has tried to remedy the wrong that has been done. I do hope that in that spirit, if the Government will take it, they will admit that to avoid all this trouble, all this unnecessary going into this Act, they can omit clause 10. In fact it will make it different. It will create a lot of trouble. Unnecessarily you will have trouble of a kind, in which the Indian States will be encouraged to have all sorts of legislation, not only with regard to income-tax but also later on more and more

[Mr. Husenbhai A. Laljee.]

will come. Up to now it has been the practice that in British India, even the subjects of Indian States have been treated on an equal footing. There has been no difference between a British Indian assessee and an Indian State assessee. There has been no sort of exploitation of the one or the other. The prosperity of the one is the prosperity of the other and the two are interdependent upon each other. I do hope that under these circumstances, the Honourable the Finance Member will consider still seriously the position.

The Honourable Sir Jeremy Raisman: Sir, I have listened with unusual interest to the speeches that have been made on this particular amendment and I must admit that I find myself completely unmoved and in fact, I feel that many of the arguments which Honourable Members have attempted to adduce in support of their case have worked exactly the other way. I am confirmed in my impression that this is an ill-conceived move on the part of my Honourable friend, Babu Baijnath Bajoria, that it is undesirable and that it is really in my opinion not very good tactics. I have already indicated that it is not very easy in dealing with a matter which involves the relations of British India and the Indian States to speak with great detail or precision. But my Honourable friend, Sir Vithal Narayan Chandavarkar, touched on an aspect of the matter based on his own experience which I trust will not be lost on this House. We have to remember that although we are sitting as the legislature of British India, there is another point of view concerned in these cases. As I have stated in the Statement of Objects and Reasons, one of the main intentions of this measure was to make such changes in respect of the liability to tax of income arising in Indian States to residents in British India as will secure a satisfactory and equitable basis for reciprocal double income-tax relief arrangements with the States. Well, that has got to be on a satisfactory, reasonable and equitable basis not only from our point of view but from the point of view of the other party.

Now, Sir, my Honourable friend, Sir Cowasji Jehangir, dealt with a case where income is being taxed in the State and he took the case, first of a person resident in the State in which case he thought that the State was entitled to tax the whole of his world income, and, secondly, he took the case of a person not resident in the State where he thought . .

Sir Cowasji Jehangir: I mean resident according to your definition, not according to the definition of the State.

The Honourable Sir Jeremy Raisman: In the case of a person not resident he seemed to think that I could take up a very strong attitude if any attempt is made to take into account the income in British India even for purposes of rate.

I must point out that section 17(1) of our own Act which was brought to his notice during the course of his remarks, if adopted by
3 P.M. a State, as it naturally would be by a State which was adopting our Act in toto, specifically entitles the State, even in the case of a person not resident in the State but resident in British India, to take account of an individual's income in British India. Will Mr. Bajoria kindly tell me how I can go to the State and say that I cannot accept that and if they start to take account of the income in British India I

will not play? And when we are discussing what can be done *vis-a-vis* the States and other countries and so on, you have to remember that if negotiations break down the victim is the assessee. He remains liable to taxation in both countries; he is ground between the upper and the nether millstone. So that unless you have a basis which is likely to prove acceptable, it recoils on your own head. You must remember that; you must remember that in your desire to avoid liability in the other place you may create a state of affairs in which there will not be a satisfactory basis for double relief at all.

Mr. Husenbhai Abdullabhai Laljee: You know the administration of Indian States.

The Honourable Sir Jeremy Raisman: We know there are many difficulties and imperfections both in our own systems of administration and those possibly in other places. But what I am drawing attention to is a very severely practical consideration. You can take a horse to the water but you cannot make him drink. And again, another trite proverb,--it takes two to make a bargain. And although if you are on strong ground of equity you can exercise your influence, you must have a basis which the other side also recognises to be reasonable and fair if you are to press your point.

Sir, there has been a good deal more discussion on this amendment than I anticipated and I do not think there is anything more that I can add. But I just want to answer a point taken by Dr. Banerjea who seemed to think that there was something not quite straightforward or unduly complicated in the idea that a man's income may be one thing for purposes of rate and another thing for purposes of taxation. I would like to point out to Dr. Banerjea that in a very large percentage of assessments the total income for the purpose of determining the rate to be applied is a different thing from the income to which that rate is applied in order to yield the quantum of tax and there is no abnormal complication in that feature. Sir, I oppose the amendment.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That sub-clause (b) of clause 10 of the Bill be omitted."

The motion was negatived.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

Clauses 11 and 12 were added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 13 stand part of the Bill."

Babu Baijnath Bajoria: Sir, I should like to say something about sub-clause (d) of clause 13. As regards the change proposed I have no objection but it is connected with section 23 (5) (b). I want some clarification from the Finance Member. The first thing is that supposing a person has incurred a personal loss of Rs. 10,000 in a year and he has

[Babu Baijnath Bajoria.]

got a partnership profit of Rs. 5,000 from an unregistered firm, what will be the amount which he will be allowed to carry forward? Will he be allowed to carry forward Rs. 10,000 which was his personal loss or whether that Rs. 5,000 which was his share of the profit in an unregistered firm will be deducted while allowing the carry-forward of Rs. 10,000; that is, whether he will be allowed to carry forward the loss of Rs. 10,000 or Rs. 10,000 minus Rs. 5,000?

Again, Sir, this clause says that if a person dies or retires from an unregistered firm the firm will not get the benefit of carrying forward the loss amounting to his share. It is quite just that others who follow the retiring partner should not get the benefit of carrying forward the loss which was suffered by another person. But cases may arise in which that person who was a partner in the unregistered firm retires from that firm but he has got his own personal business or business in partnership in another firm. He must be allowed to set-off that loss against the profit which he may have made in his personal capacity or in the capacity of a partner in any other firm, unregistered or registered. Otherwise this loss lapses. Government get the benefit of that loss entirely. They do not allow it to be carried forward; they do not allow it to be set off against another profit and assess the other profit which accrues to a person in full and do not allow that particular person to get the benefit of the deduction of the loss which may be incurred in this unregistered firm. I have not tabled an amendment because I think Government can do this by necessary instructions to the Department. I have no objection to this clause but it is another section which will have to be amended and I have no power to move an amendment to that section. As a matter of fact, this question of registration of firms brings me to point out something to the Honourable the Finance Member. In England there is no such thing as a registered firm or an unregistered firm. This artificial distinction has been made in India with a view to make higher assessments in the case of unregistered firms.

The Honourable Sir Jeremy Raisman: They can register. It is not at our option that they are unregistered; it is at their option. So it cannot be said that it is to enable us to make higher assessments.

Babu Baijnath Bajoria: There may be circumstances in which registration might not have been made and they should not take undue advantage of this. After all, in India, everybody is not fully conversant with all the provisions of this Income-tax Act and in many cases Indian firms do not care to register their firms. However, I cannot, in this speech, make the Honourable the Finance Member agree to keep the registered and unregistered firms in the same category. What I was trying to get at was that there should not be the distinction which I have just mentioned. The Government should not try to get undue advantage out of it. Another thing is that even if the firm is registered according to the Indian Partnership Act and a declaration has been filed to that effect with the Registrar of Partnership Firms, it is open to the Income-tax Department to say that 'you are not a registered firm'. They cancel registration. They do not allow registration. They will say, it is a Hindu undivided family or it is an unregistered firm. Next year they will cancel the registration. I do not want to go into great details but one point which I would like to mention is the imposition of a tax of 32 lakhs

of rupees about which many Honourable Members including the Honourable the Finance Member have received telegrams. This has been done by this very process—by cancelling the registration which that firm was enjoying for several years.

Sir Cowasji Jehangir: By cancelling the registration?

Babu Baijnath Bajoria: Yes, it is a fact. The registration has been cancelled.

An Honourable Member: By whom?

Babu Baijnath Bajoria: By the Income-tax Officer.

The Honourable Sir Jeremy Raisman: I must object to features of this particular assessment being mentioned unless the Honourable Member is prepared to hear some other unpleasant features of the same assessment mentioned.

Babu Baijnath Bajoria: I am not going into the matter in any further detail. As a matter of fact I will be very pleased if the Honourable the Finance Member will agree to see some Members of the House so that we may discuss the whole matter. If the firm is in the wrong, they must suffer, but they must not be squeezed and extorted which is the feeling in general in Calcutta at the present moment. I promise I will not go further but I am saying that this question of registration is also not so simple as the Honourable the Finance Member thinks when he stood up and said "why don't you register?" Even if they are registered he would not accept it as a registered firm. These are the points to which I would like to draw the attention of the Finance Member. If the firm is a registered one they should accept it as such unless and until they have sufficient grounds to prove that there is something very wrong with it. But the point is that when they grant registration, then the revenues go down and that is why they do not accept registration without very great hesitation. About this particular clause, I would like to know what is the correct interpretation of section 24(1).

The Honourable Sir Jeremy Raisman: I am afraid the Honourable Member has defeated his own purpose by making a rather long and irrelevant speech on this item. The result is that the questions which would in any case be somewhat difficult for Members to understand on the floor of the House have become over-laid with a mass of somewhat irrelevant comment, and I am not in a position to give the Honourable Member an answer to his question. Of course, if he desires to have a precise answer as to our interpretation of the law applicable to particular circumstances, then if he will send an exact statement of the point to me I shall furnish him with a considered answer.

Mr. Husenbhai Abdullabhai Laljee: May I request that with a view to helping further discussion a definite reply may be given. We want to know if a man loses Rs. 10,000 in a business and he has a partnership profit of Rs. 5,000 in an unregistered firm, will he be allowed to carry forward that Rs. 10,000 or 10,000 minus 5,000?

Mr. J. F. Sheehy: I think the answer is Rs. 10,000, but I am not too sure about it.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 13 stand part of the Bill."

The motion was adopted.

Clause 13 was added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): Is there any question about clauses 14 to 23? (No reply was given.) The question is:

"That Clauses 14 to 23 stand part of the Bill."

The motion was adopted.

Clauses 14 to 23 were added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 24 stand part of the Bill."

Babu Baijnath Bajoria: Sir, I move:

"That for sub-clause (a) of clause 24 of the Bill the following be substituted:

'(a) For the existing proviso to sub-section (2) the following proviso, shall be substituted, namely:

Provided that without prejudice to any other powers of the Collector in this behalf, he shall, for the purpose of recovering the said amount, be deemed to be a judgment creditor of the assessee for the said amount and be entitled to apply for execution under the Code of Civil Procedure, 1908, to a Civil Court within whose jurisdiction the said amount became payable, as if the said amount was due under a decree passed by such Civil Court against the assessee'."

Sir, at present the proviso in section 46 sub-section (2) reads thus:

"Provided that without prejudice to any other powers of the Collector in this behalf, he shall, for the purpose of recovering the said amount, have in respect of the attachment and sale of debts due to the assessee the powers which under the Code of Civil Procedure, 1908, a Civil Court has in respect of the attachment and sale of debts due to a judgment-debtor for the purpose of the recovery of an amount due under a decree."

By the proposed amendment in the Bill it is intended to delete the words "in respect of the attachment and sale of debts due to the assessee" and also to delete "in respect of the attachment and sale of debts due to a judgment debtor". Sir, the whole idea is this. At the present moment the Collector has power, for the purpose of recovering the amount, to proceed according to the Code of Civil Procedure, 1908, only in respect of debts which may be due to the assessee. By including these words he shall get the power to proceed according to the Code of Civil Procedure, 1908, in respect of everything which the assessee may have got. It includes sale of his immoveable properties; it includes as a matter of fact anything which he may have. I feel that these powers should not be given to the Collector. I feel that the ends of justice will be met if the Collector has got the power to treat the amount of demand as if it were a decree of a Civil Court, and then he could go to a Civil Court and have execution proceedings started as if it were a decree of that Court. There are very grave objections to the Collector having such wide powers. Firstly, questions of law may come in in the case of immoveable properties. The assessee may have immoveable properties with charges and obligations thereon of the co-parceners and widows, or with private religious

trust upon it. A question may arise in the course of execution proceedings by the Collector which may involve the determination of serious and complicated civil rights and obligations which can only be determined by competent Civil Courts. It is important, therefore, that the Collector of a district or the certified officer to whom the powers of the Collector may be delegated, may be quite innocent of the civil law or the administration thereof. They should not be entrusted with such summary powers which cannot be properly exercised by them. I think that it encroaches upon the civil rights of the parties who are not assessee at all. There are numerous things which may arise in the case of the sale of immoveable property. First, there is the question of title . . .

The Honourable Sir Jeremy Raisman: May I ask the Honourable Member a question, which will perhaps clear my mind? Is he under the impression that the Collector under the existing provision has not got the power of sale of immoveable property? Is that his impression? Because if so, I am advised that he is entirely wrong. He has got such powers . . .

Babu Baijnath Bajoria: What is the implication of this amendment?

The Honourable Sir Jeremy Raisman: I will deal with that; but since the Honourable Member is basing so much of his case on the question of immoveable property, I feel I must put him right on that point at once.

Babu Baijnath Bajoria: We are told here that these powers are absolutely necessary so that the Collector may recover dues from the assessee: powers which he has not got at present. If these words do not mean anything, then why should you make this provision in the Bill?

The Honourable Sir Jeremy Raisman: I will explain it.

Babu Baijnath Bajoria: May I have the views of the Finance Member and then it will be better for me to reply to his objections? Otherwise I think I shall have to go on in the light in which I understand the thing. What I understand is that the Collector is being empowered under these provisions to sell property in summary fashion. We know that in the case of arrears of land revenue the properties are sold by the Collector without proper valuation being made by experts. They are not properly advertised and properties valued at a lakh of rupees are known to have been sold even for a few thousand rupees. These are my objections. The same thing will happen in the case of income-tax demand, which I do not like. I would like that the Civil Court must know exactly what the rights of the assessee are in those properties. They must be valued properly and then time will be given to the assessee and execution proceedings will proceed as if it were the dues of a judgment creditor. I think, if I am correct, the Government should not have any grievance whatsoever but should readily accept my amendment. My amendment does not in any way interfere with the recovery of the dues. It only asks that the Collector should go to the Court and have the execution proceedings carried through the Court instead of doing it himself. This is in substance the effect of my amendment, and I cannot understand what objections Government can have to this amendment of mine.

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

"That for sub-clause (a) of clause 24 of the Bill the following be substituted:

'(a) For the existing proviso to sub-section (2) the following proviso shall be substituted, namely:

Provided that without prejudice to any other powers of the Collector in this behalf, he shall, for the purpose of recovering the said amount, be deemed to be a judgment creditor of the assessee for the said amount and be entitled to apply for execution under the Code of Civil Procedure, 1908, to a Civil Court within whose jurisdiction the said amount became payable, as if the said amount was due under a decree passed by such Civil Court against the assessee."

Mr. Lalchand Navalrai: Sir, I would very much like that the powers should not be in the hands of the Collector at all, and, from that point of view, I would support the amendment. But there are some difficulties. If the powers are not given to the Collector, and attachment and sale is made through the Civil Court the whole thing will be constitutional and legal, and not in a summary fashion. But, according to Order 21, rule 54 of the Civil Procedure Code, where proclamations are issued, then certain other preliminaries have to be gone through, and then when the time comes for sale, everything is done judicially; and if the Collector is given power to recover the money through the Civil Court, it will be much better. But my difficulty is this. I find that the amendment is with regard to the proviso only. There ought to have been an amendment to sub-section (2) itself. I shall read that sub-section and then show that it may be construed that the Collector has got all the powers to recover the amount by sale of immoveable property or debt or anything. The sub-section reads:

"An income-tax officer may forward to the collector a certificate under this section specifying the amount of arrears due from the assessee and the collector on receipt of such certificate shall proceed to recover from such assessee the amount specified therein as if it were an arrear of land revenue."

If the interpretation of this sub-section is that, when the Collector gets the certificate, he has got the power to recover as if it were an arrear of land revenue, it is not mentioned here that it is restricted to movable property only. Of course, there is some doubt about it, but as the words read, it will cover even immovable property and debts and all. But this amendment now sought to be made to the proviso to sub-section (2) would, in my opinion, be inconsistent with the proviso too. Because if we read the proviso as amended, it comes to this:

"Provided that without prejudice to any other powers of the Collector in this behalf, he shall, for the purpose of recovering this amount, have the powers which, under the Code of Civil Procedure, 1908, a Civil Court has for the purpose of recovery of an amount due under a decree."

Formerly this proviso was restricted to attachment and sale in respect of debts, but now it is going to be applied to income-tax recovery also. But then I understand it is inconsistent with the powers of the Collector for recovering income-tax as land revenue, because arrears of land revenue are recovered in a summary manner

The Honourable Sir Jeremy Raisman: Yes, it is in some provinces; the Honourable Member is quite right, but there are provinces where these . . .

Mr. Lalchand Navalrai: But then this will apply to all, and, therefore, it will be inconsistent. It is as plain as anything. If the Collector has got powers, summary powers, to recover arrears of land revenue under the Land Revenue Code, he will have similar powers in this case also when it is now provided that he can recover income-tax

Sir Cowasji Jehangir: Provided that such section shall not apply to such persons.

Mr. Lalchand Navalrai: My point is, under the powers given to the Collector under clause 2, he can recover income-tax as arrears of land revenue. It would be under the summary powers, and not even under the judicial powers, but under the executive powers vested in him under the Land Revenue Code. If this amendment is made, he will exercise his powers as if it is a decree by a Civil Court. Therefore, this supersedes the question of the recovery under the Land Revenue Code

Sir Cowasji Jehangir: The words are "provided that without prejudice to any other powers of the Collector in this behalf".

Mr. Lalchand Navalrai: Quite right, but that is a proviso to clause 2, and there the powers are under the Land Revenue Code.

Sir Cowasji Jehangir: The words are "Provided that without prejudice to any other powers of the Collector in this behalf". The other powers . . .

Mr. Lalchand Navalrai: He may have some other powers

Sir Cowasji Jehangir: The powers are given under clause 2 without prejudice to other powers.

Mr. Lalchand Navalrai: If you add this proviso, then it supersedes the powers under the Land Revenue Code, and that, I submit, is quite inconsistent with the amendment that is going to be made here. I have already said that I should much like that the Collector should have no powers of recovery, because we know in practice what they do. They recover this amount not judicially, nor in a constitutional manner, but they, in the capacity of executive officers, send round their Muktears or Tahsildars who in turn go round and ask the people to pay down the amount. If it is not paid, the consequences are serious. The amount is paid under a threat, it is paid under harassment, it is paid under maltreatment. Therefore, to take away these powers from the Collector would be perfectly correct. Sir, the Income-tax Act itself is a very complicated piece of machinery, and it is causing great harassment and trouble to the people, and if this additional power is also given to Collectors, then it would mean adding insult to injury. I, therefore, submit that the powers of the Collector should be taken away.

Dr. P. N. Banerjee: Sir, this morning I spoke at some length about the additional powers which were to be vested in executive officers. I expressed the view that such powers are likely to be misused, and I cited some instances in which the powers led to oppression and harassment of people. I don't wish to repeat what I said then, but I should like to invite the attention of the Honourable the Finance Member to the Notes on

[Dr. P. N. Banerjea.]

Clauses attached to the Statement of Objects and Reasons. When my friend, Mr. Bajoria, was speaking, he intervened with the remark that no additional powers are being given

The Honourable Sir Jeremy Raisman: I beg your pardon. That was not what I said.

Dr. P. N. Banerjea: He is sometimes very inaudible. However, I did not catch his exact words, but I should like to point out that on page 3 of Notes on Clauses the following occurs:

"It has been found in practice that the Collector's powers of recovery of income-tax demands is inadequate."

I don't care for the grammar,—the Finance Member is not expected to be a good grammarian

The Honourable Sir Jeremy Raisman: The printer's devil is responsible.

Dr. P. N. Banerjea: Apart from grammar, his view is that the Collector's powers are inadequate, and he goes on further to say this:

"It is, therefore, proposed to make this amendment, the effect of which would be that the Collector would have for the purpose of recovering the tax the powers which under the Civil Procedure Code a Civil Court has for the purpose of recovery of an amount due under the Income-tax Act."

Now, Sir, the Civil Court's powers are to be vested in the Collector. I take strong exception to it. I have already said that the executive officers very often misuse their powers, and if we accept this provision as it stands, it will lead to a great deal of harassment and oppression. I support the amendment which has been moved by my friend, Mr. Bajoria.

The Honourable Sir Jeremy Raisman: Sir, my friend, Mr. Lalchand Navalrai, apparently thought that nobody should have powers of recovery of income-tax at all. He objected to the Collector having powers to collect income-tax, and I gathered that he would be prepared to support the amendment if it succeeded effectively in withdrawing the existing powers which the Collector has. The position is really quite simple. The amendment which is included in the Bill has arisen from actual practice. The legal position is that income-tax can be recovered in the same manner as an arrear of land-revenue, and in a large majority of cases those powers are quite sufficient. In fact, I am glad to say that the vast majority of assesses pay up their tax without giving us too much trouble when the tax has been finally assessed; but there are cases,—and these are usually the cases of wealthy assesses who have at their disposal a large array of legal talent—cases where such assesses have discovered that although the Collector has very drastic powers, much more drastic powers than those which we are now seeking to include,—there are certain powers which he has not got in particular provinces where the land revenue system differs from others. Now, these clever gentlemen discovered that, if you do certain things with your money,—although, if you were an ordinary individual, you could be sold out, including your immovable property, at once, as Mr. Lalchand Navalrai rightly said, by a summary procedure—your immovable property could be sold out in order to realise the tax, yet it was discovered once by a clever tax-dodger that your debts for instance.

Dr. P. N. Banerjea: On a point of information, Sir. Is the tax-dodger a gentleman?

The Honourable Sir Jeremy Raisman: Well, I leave it to my Honourable friend to decide. The extraordinary thing is, whereas in my conception a certain type of tax-dodger is definitely not a gentleman, and, in fact, is a type of individual whom you would expect the majority of respectable people to have nothing to do with,—yet you find that a lot of estimable gentlemen come forward to protest, when he is dealt with according to his deserts. That is the extraordinary thing. Some of the most heated arguments which I have had on the subject of income-tax are in relation to cases where I am amazed to find that the sympathies of so-called respectable citizens are enlisted, not on the side of revenue and of the general taxpayer, but on the side of the "non-gentleman" who is trying to evade payment of his just dues. However, what I was pointing out was that we have discovered in practice that these cunning individuals find that by disposing of their assets in a certain way in relation to the land revenue system obtaining in a particular province they may actually put themselves beyond the scope of the Collector's powers as defined in the Act.

Sir Cowasji Jehangir: How can he do it?

The Honourable Sir Jeremy Raisman: Well, there was one stage at which we discovered that, whereas we could sell out the poor fellow who had a bit of land and so on, we could not deal with a man who had a debt due to him and took care not to realise it. We could not attach his debt.

Sir Cowasji Jehangir: We are not talking of a debt. We are talking of land revenue. Take Bombay, for instance.

The Honourable Sir Jeremy Raisman: In a particular province, although the Collector had powers to sell out almost completely, he did not have power—I think it was Bombay—to realise the debts due to that individual in satisfaction of the demand.

Sir Cowasji Jehangir: There is the proviso.

The Honourable Sir Jeremy Raisman: At that stage the existing proviso was put into the Act. We now find that there are other incidental matters in which a man from whom tax is due can take shelter from the powers included in the use of this particular formula. We are not really asking for more drastic powers to be given to the collector. He already possesses under the provisions of the Act much more drastic powers than those which we are now seeking to ensure that he shall have in all provinces. We are attempting to stop up a loophole, of which, as I say, certain types of evaders of the revenue have taken advantage. I do think that this House should not assist such people and that it should give to the revenue officers the powers which are necessary to collect the tax which has been finally assessed.

Mr. Lalchand Navalrai: May I put a question to the Honourable Member? In places where the collector has got powers under the Land Revenue Code for arrears, will he there, according to this law, be empowered to do the thing under the Civil Procedure Code?

The Honourable Sir Jeremy Raisman: The proviso, as I read it, gives him, in addition to the drastic powers which he already possesses to recover the tax as an arrear of land revenue, and in addition to the powers which have already been given to him in relation to the realisation of debts—it will give him the powers of a Civil Court in certain other respects, in the remaining respects.

Mr. Lalchand Navalrai: It will be at his own discretion—to recover it either under the Civil Procedure Code or under the Land Revenue Act.

The Honourable Sir Jeremy Raisman: That is so. Quite correct.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

“That for sub-clause (a) of clause 24 of the Bill the following be substituted:

‘(a) For the existing proviso to sub-section (2) the following proviso, shall be substituted, namely:

Provided that without prejudice to any other powers of the Collector in this behalf, he shall for the purpose of recovering the said amount, be deemed to be a judgment creditor of the assessee for the said amount and be entitled to apply for execution under the Code of Civil Procedure, 1908, to a Civil Court within whose jurisdiction the said amount became payable, as if the said amount was due under a decree passed by such Civil Court against the assessee.’”

The motion was negatived.

Clause 24 was added to the Bill.

Clauses 25 to 31 were added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

“That clause 1 stand part of the Bill.”

Babu Baijnath Bajoria: There has been an addition to this clause. Sub-clause (2) has been added so as to give effect to some of the provisions of this Bill from the 1st April, 1941, if I understand correctly. It reads:

“It shall come into force at once; but effect shall not be given to the amendments hereby made in the Indian Income-tax Act, 1922, by section 4, section 6, section 7, section 8, clause (b) of section 10 and clause (a) of section 13 in the making of any assessment under that Act for any year before the year ending on the 31st day of March, 1943.”

I take it that the intention is that the benefit to the assessee under those sections shall be given to him in the previous year to the year of assessment ending in the year, 31st March, 1943. That means he gets the benefit from the year 1941-42. The reason which has prompted the Government to include this sub-clause in this clause is they do not want to reopen the question of assessments which have already been made in the current year. I think that should not have been the ground for not giving benefit to the assessee. The full benefit of these clauses which are favourable to the assessee from the current assessment year should be given even at the risk of reopening cases which might have been decided before. When the justice of the thing has been admitted—I won't say justice, probably the Honourable the Finance Member will dash at me and say, I do not accept it as an injustice—but when he feels that these sections ought to have been revised in the way in which they have been by the provisions of this Bill and that the former provisions were not proper.

then I think full benefit ought to have been given to the assessee from the current year and not from the next assessment year as proposed in this sub-clause.

The Honourable Sir Jeremy Raisman: I did explain in the few remarks I made on the motion for consideration why we had brought into effect these particular provisions from, what I call, the next financial year and not earlier. The reason was, as Mr. Bajoria rightly says, that a large number of the assessments for this year have already been made and it is not fair to make a change in the middle of the year which will purely accidentally affect a certain number of assessee favourably and not others. If I were to attempt to give any earlier effect to these provisions I should inevitably have to reopen all the cases which have already been dealt with this year and that is impracticable. That, Sir, is the reason for this provision.

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

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

“That clause 1 stand part of the Bill.”

The motion was adopted.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Jeremy Raisman: Sir, I move:

“That the Bill, as reported by the Select Committee, be passed.”

I did not anticipate that there would be so much discussion on a measure which was generally recognised, as several speakers have pointed out, as being a measure consisting largely, almost entirely, of concessions or adjustments in favour of the tax-payers but human nature being what it is, I suppose the desire to get an ell instead of an inch predominates and several attempts have been made to make us go further than we intended when we drafted this Bill. I have once or twice pointed out that this is not very good tactics, and that on the rare occasions, as critics would say, when the Finance Member is prepared to make adjustments in favour of the tax-payer he should be welcomed and encouraged by an atmosphere of unanimous support. But that has not been my experience on this occasion and I shall do my best to forget the little acrimonious arguments that have arisen at certain stages in this discussion. I have no doubt that the great majority of assessee who are not interested in the particular points which have formed the subject of alteration in the course of the debate in this House will welcome the enactment of this measure.

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

“That the Bill, as reported by the Select Committee, be passed.”

The motion was adopted.

THE MADRAS PORT TRUST (AMENDMENT) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I move:

"That the Bill to alter the constitution of the Board of Trustees of the Port of Madras, as reported by the Select Committee, be taken into consideration."

As Honourable Members will see, we have, in spite of the plea that I made at an earlier reading, enlarged the number of trustees in this Port. We have added three more seats. These have gone in part to a body which is at present represented by two seats and in part to a new body which had one seat at present. I cannot say that I view the enlargement of the Port Trust with any great enthusiasm but perhaps I am guilty of the feeling of every mother who feels that her own baby is as beautiful as it can be and incapable of improvement. But there is one fact that impressed me very much and I hope will impress the House also. We had the advantage on the Select Committee of five Honourable Members who knew Madras and these have all accepted these amendments and have put in no further amendments to the Bill. I notice that there are amendments to the Bill coming from gentlemen from the Punjab and from Bombay but apparently Madras is well contented with it and that satisfies me. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to alter the constitution of the Board of Trustees of the Port of Madras, as reported by the Select Committee, be taken into consideration."

There are a number of amendments in the name of Mr. Jamnadas Mehta.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I beg to move:

"That the Bill be re-committed to the same Select Committee."

I am sorry that the Honourable Member in charge of the Bill has made an attempt to prejudice whatever I may be going to say by telling the House that he had the support of five members from Madras and that, therefore, others should hold their tongue in silence. This attitude is rather unfortunate. We, in this House, may be elected from one province but we are the custodians and guardians of the well-being and the interests of the entire people of this country and it is rather unfortunate that Government should try to divide us, for the very small purpose of getting the Bill passed, into representatives belonging to the Punjab, Madras and so on. I would beg of the Honourable Member to avoid such tactics, because they are not healthy. I have been compelled to move this amendment because the Bill, as amended, is worse than the position that existed before this Bill was brought forward. The Bill in the Statement of Objects and Reasons stated that Government do not wish to encourage sectional representation. In fact, the Honourable Member had a very sound and healthy instinct when he brought in this Bill. Unhappily the more he went into it the worse that instinct became and today he has come forward to ask the House to consider a Bill which is worse than the existing Act in its support of sectional interests. Not only that. It perpetuates a vicious principle.

The trade and commerce of this country should be taken as one whole. Instead, the State deliberately goes out of its way to divide it into sectional interests and perpetuates an evil practice. The Madras Chamber of Commerce is not British but European in its composition. There may be an Australian; there may be a South African and a New Zealander; there may be a Kenyan; there may be many more gentlemen of the type who have systematically wronged this country and who treat us in their own country as a piece of dirt and yet want to be represented on the Port Trusts of this country. I, therefore, think that this principle of giving representation on the Port Trust of an Indian Port to people coming from countries where we are a depressed class is improper and vicious. I would beg of the Britishers in this House to begin to live as Indians.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Nothing will come out of begging.

Mr. Jamnadas M. Mehta: I can only beg. But I do think that when we want eventually to become a consolidated Commonwealth, our British friends should begin to live as Indians. They should set an example. Instead of that, what do I find? I find that this Bill gives them a bloated representation. The reason why I have moved this amendment is this. First of all, we want that there should be no representation on a Port Trust on the basis of race. This is my fundamental objection. Europeans, unless they are Britishers, should be closely watched. I do not know whether a German, unless the war intervened, would not have been entitled to be a member of the Port Trust of Madras. In fact, today Swiss firms are represented on the European Chamber and they would be entitled to sit as Port Trustees in this country, while we have no similar privilege in their country. I would, therefore, earnestly request the British Members of this House to give up this isolationist attitude in regard to the trade and interests in this country. I would also beg of Government once for all to give up this practice of perpetuating racial differences in our commercial bodies. Although the Honourable Member in charge began excellently in his Statement of Objects and Reasons and although when we met in the Select Committee I found him in a healthy state of mind, the Bill as it has now emerged from the Select Committee shows that the principle which he was out to eliminate as stated in the Statement of Objects and Reasons has become aggravated. More sectional interests have now been accepted by him for representation without examining whether the sectional interests seeking representation had on merits any right to representation—not that I want any sectional representation at all. Having specifically stated in the Statement of Objects and Reasons that they do not want sectional representation, Government have gone back on their words. This is what he said on the 26th of February, 1941:

"Although it is ordinarily desirable to avoid the representation of specific branches of commerce....."

On the 10th November, 1941, he has been converted to the opposite view. Even on that footing no attempt was made in the Select Committee, to weigh the claims of different bodies. On the contrary, the less qualified and entitled you are, the more rights you get. For instance, there is this Madras Trades Association.

[Mr. Jamnadas M. Mehta.]

Now, this body, according to its champion, the Honourable Sir Frederick James, has not even more than ten to twelve members. Others say that it has not got even seven men. I do not propose to sit in judgment between the figures seven and twelve because I have no first-hand knowledge in the matter. But there are Indians who say that this body consists of six members only. And who are these six members? The Spencers, some Whiteaway Laidlaw men, some printers and some Motor importers. Now, this motor importation today has become out of the question. So far as the trade in motors is concerned, it is sure to be considerably affected by the demand for war requirements. The trade in motors is bound to be depressed. To whatever extent the prices of motor cars might have been increased, there is not much private importation of motor cars on account of the restrictions on shipping. Yet what do I find? This Trades Association with a number of members whose minimum is six and maximum twelve is granted one seat simply because it is non-Indian. This is like the three tailors of Tooley Street coming forward to represent the City of London and the Government of the day saying "Amen". Are we sitting here to give proper representation to trade interests on the Port of Madras or are we sitting here to distribute largesses to our cousins? This favouritism has shocked me. How was this brought about? Sir Frederick James is a consummate tactician. He said to this hides and skins man "have one more seat for you and the hides and skins man said, you take one". So, it was an unholy agreement between two sectional interests, which the Honourable Member in charge has ratified.

The Honourable Member in charge made great play with five members from Madras. I ask him to look at the Benches opposite. Most of the elected Members from Madras are absent. Those who are there are either nominated or sectional representatives. The general body of elected people from Madras are absent. In the absence of these people and on the support of dubious interests, he cannot claim the same weight for his five supporters as the elected Members on a broad franchise. The Honourable Member in charge has come forward to say that he has the support of five Members from the Madras Presidency. Out of these five, one or two are nominated and one or two represent sectional interests and, therefore, his claim that the five representatives of Madras are behind this Bill has no value. Against these five there may be 15 elected Members, if the House was full, who will have voted down this kind of representation. I find that the Select Committee's report perpetuates racial representation. Having done so, it gives bloated representation to sectional interests, particularly to our British friends and that too without going into the claims of other bodies. Now, Sir, one of the claimants to a seat on this Madras Port Trust was the Piecegoods Merchants Association. This Piecegoods Merchants' Association had a representation for many years. It has still got 145 Members on its rolls. No doubt the piecegoods trade in Madras has considerably shrunk on account of the same reasons as the other import trades are suffering. It has further shrunk on account of the indigenous production of cloth which has increased and therefore the imports are diminishing. But whatever the shrinkage in the volume of the business of the Piecegoods Merchants' Association, the shrinkage of the Trades Association had

absolutely gone to the vanishing point. And, still between the two one body which had a representation was deprived of it, another which enjoyed representation for no good reason in particular and was therefore omitted by the Government in their original Bill, have now been included only because it has got powerful supporters in this House like Sir F. E. James and others. Sir, the claims of the Piecegoods Merchants Association were not even fully examined. They made in their representation a very good suggestion for distribution. That suggestion was very superficially gone through. Today, although the Honourable Member in charge wanted that the Port of Madras being a small Port should have 15 as the maximum, yet in order to buy peace, he went on distributing the seats one after the other to sectional interests which according to his own statement in the Statement of Objects and Reasons had no justification. Secondly, labour representation out of 18 is only one. Labour makes any port a port. A port in any country depends for its prosperity on the hard labour of the workers and, therefore, labour has a very substantial claim to representation on a Port Trust. A Port will be nothing without the workers who contribute to its prosperity and its very existence. But the workers here get only one seat out of 15 original and now out of 18. This is absolutely insignificant representation and nothing that I could do would persuade the Honourable Member to increase that number. The Southern India Chamber, which is at least equivalent in its importance to the Madras Chamber of Commerce shares with the Madras Chambers of Commerce one seat less. Then, there are Government nominations from the Central Government and I am told that the representatives to be appointed by the Central Government will be the Agents and the General Managers of the two railways which have got their termini at Madras, and the Collector of Customs. Well, these three gentlemen will all be Britishers.

The Honourable Sir Andrew Clow: No.

Mr. Jamnadas M. Mehta: Then, Sir, the Government of Madras will appoint one gentleman, half to half, the possibilities are 50:50; he may be a European or an Indian. Therefore, in a Province where out of a population of four crores, the European percentage could not be one in five thousand, the Europeans will very nearly get half the number of seats. This is most unjust and unfair. I do say there must be some searching of conscience amongst our British friends here that they should claim such a preponderating share in the government of a Port which belongs to this country. I request that they would volunteer to surrender such exaggerated representation. They should do this, because in the future international reconstruction of the world

Dr. P. N. Banerjee: You are very optimistic.

Mr. Jamnadas M. Mehta: I want to pin them down that their performance shall be in consonance with their professions.

What do I find in a comparatively unimportant matter like representation on a Port Trust. They want not merely their pound of flesh, but a pound and quarter because they have got the power of the Government of India behind them. The vested interests are willing to support them and they can as my Honourable friend, Sir F. E. James, did, so manoeuvre that they encourage other sectional interests so that both of them can

[Mr. Jamnadas M. Mehta.]

combine and get seats for each of them. But to the real people of the Presidency, the people who are responsible for this trade, for whose benefit and at whose cost this port will run, their representatives are only three and one labour representative. Perhaps the Madras Corporation might elect one more Indian, and so the real representatives of the people of Madras, the trading interests, the economic interests, the labour interests will be five in a body of eighteen Members. All other interests, on the admission of the Honourable Member himself will be sectional

The Honourable Sir Andrew Clow: What about the Andhra Chamber of Commerce?

Mr. Jamnadas M. Mehta: I am quite prepared to eliminate that. If you agree to my principle, I am quite prepared that the Andhra Chamber of Commerce should go. I am not in favour of Andhra interests as such, but when you single out the Madras Trades Association, I am most surprised. Then you are not the right person to challenge me about the Andhra Chamber of Commerce.

On all these grounds, I submit that the Bill was never properly considered in the Select Committee, that it perpetuates racial representations *in excelsis*, that it gives very little or insignificant representation to Labour, that it bolsters up representations of bodies which have no real existence in fact and which worsens the present situation, that it superficially examined the claims of other bodies, that the Southern India Chambers of Commerce with 19 affiliated Associations gets only three seats, an Association in which all the Indian communities are adequately represented, Hindus and Muslims, Tamilians and Andhras, all merchants are adequately represented, that the Southern India Chamber of Commerce has seen always that every community, every section had got representation through elections

Mr. President (The Honourable Sir Abdur Rahim): Order, order. I believe the Honourable Member was a Member of the Select Committee. I have listened carefully to his arguments and his speech and I find that so far he is really discussing the clauses of the Bill. He is putting forward arguments which might legitimately have been urged in the Select Committee and he himself was there to urge them, and I can only presume that they were so urged. I have been given now a ruling of Sir Frederick Whyte to this effect. This was on a similar motion for recommitment to the Select Committee.

"The Honourable Member must see from the Report of the Select Committee on the Bill that they consider that they have adequately considered it. The points he is raising are arguments which he may legitimately use for persuading the House to reverse the decision, if necessary of the Select Committee and, therefore, it would appear to me to be more appropriate on each of the individual clauses which will be put at a subsequent stage.

I do not think he quite appreciates the ruling I laid down a little while ago regarding a motion for recommitment. It is the business of the Chair to protect the House against dilatory motions except where such motions are rendered necessary either by the manner in which a Select Committee have handled the Bill or by unforeseen circumstances arising since the Bill emerged from the Select Committee, and in my opinion neither of these conditions are satisfied."

And, I think, he disallowed the motion. I have listened to the speech of the Honourable Member so far, but neither of these conditions are fulfilled in this case.

Mr. Jamnadas M. Mehta: Sir, I am saying that all these considerations received very superficial attention in the Select Committee.

Mr. President (The Honourable Sir Abdur Rahim): That is no ground; it is merely a reflection on the Select Committee. I, therefore, disallow the motion, and if the Honourable Member has nothing more to say which would justify the recommitment of the Bill to the Select Committee, the House will resume consideration of the Bill.

Mr. Jamnadas M. Mehta: Then I shall oppose this motion.

Mr. President (The Honourable Sir Abdur Rahim): Then I take it the Honourable Member will not repeat what he has said already.

Mr. Jamnadas M. Mehta: No, Sir, it is no use repeating an argument. Most of what I have said before applies to my present attitude, and the last thing which I now say in addition to what has been said is that the South Indian Chamber of Commerce is not put in this Bill on the same footing as the Europeans who get five seats against that body's three. I think its claims should be properly examined. It is a body of long standing which has so far represented adequately Indian interests and all sections of the trade in the port of Madras and has done even-handed justice to every interest, whether coming from the south or from the north.

Mr. President (The Honourable Sir Abdur Rahim): Has not the Honourable Member tabled an amendment to that effect?

Mr. Jamnadas M. Mehta: Yes, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Then the Honourable Member had better wait till that clause is reached.

Mr. Jamnadas M. Mehta: The amendment may succeed or not, but I want to throw out this Bill bodily.

Mr. President (The Honourable Sir Abdur Rahim): But the Honourable Member cannot go on dealing with the clauses in detail at this stage.

Mr. Jamnadas M. Mehta: Let me make one statement. Everything that I say here will have reference to some clause or other and I cannot talk outside the Bill.

Mr. President (The Honourable Sir Abdur Rahim): But a detailed discussion of the clauses will not be in order at this stage.

Mr. Jamnadas M. Mehta: Then what is in order?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has plenty of experience and ought to know.

Mr. Jamnadas M. Mehta: I am trying to submit that the Bill that has emerged from the Select Committee is so bad that I must be permitted to give my reasons.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already spoken at length.

Mr. Jamnadas M. Mehta: But this Bill is so bad that I cannot adequately describe its demerits without speaking for a few minutes more, and I shall try to remember the instruction of the Chair that I should not go into too much detail.

I shall now invite the attention of the House to the Minute of Dissent which I was forced to append to the report on account of the extraordinarily worsened conditions under which the port of Madras will now be governed. One more point now remains and that is this. I would have preferred that all the Chambers of Commerce in Madras should sit together and work as one body thinking that the trade interests of all of them were common, form a joint electorate, and a minimum qualification for vote may be substituted in place of the present section of interests, *e.g.*, on the lines of what exists in the Provincial Legislatures today, that any member of an affiliated commercial body who pays income-tax of Rs. 5,000 or more may be enrolled as a voter, whether Hindus or Muslim, European or Indian. And that joint body should elect the representatives that are to be elected, ten or eleven, whatever the number may be, and thereby safeguard and protect the common interests of all the sections of the trade in Madras.

Sir, I oppose.

Sir F. E. James (Madras: European): Sir, my Honourable friend has painted a pathetic and wholly incorrect picture of the Select Committee. He seemed to imagine that my Honourable friend, Sir Andrew Clow, timid, pure in heart as of course he is, with a stern Presbyterian conscience, was debased and defiled by the demoniacal intrigues of Beelzebub in the shape of myself. I can assure my Honourable friend that whatever the truth is about Sir Andrew Clow, his picture is entirely incorrect as far as I am concerned. My Honourable friend is incorrigible; convinced against his will he is of the same opinion still, like a certain sex with which some of us are acquainted. He travelled over the whole field of contradiction and inconsistency that was within his reach. He objected to the restoration of the representation of the Madras Trades Association on the ground that it had no trade, and then advocated the Madras Piecegoods Association on the ground that although it had no trade it had many members. He spoke about bloated representation. The Madras Trades Association has actually had two seats on this body for the last 57 years, and I thought that its dislodgement from that position entirely was really without any justification. We have, therefore, agreed to restore that Association to the representation on the Board giving one seat only. Surely that can hardly be called bloated representation.

Mr. Jamnadas M. Mehta: European!

Sir F. E. James: My Honourable friend repeats again the mis-statement that unfortunately he made in his own Minute of Dissent, namely, that this is a European Association. Of course there is all the difference in the world between a Trades Association and a European Association.

Perhaps if he will go down to Madras and study the situation on the spot he will be better informed. But the Madras Trades Association is not racial in its composition nor is there any racial basis for its membership. As I explained to my colleagues in the Select Committee, this body has been represented on the Trust for a number of years by an Indian. How can then my Honourable friend say that this is a European Association which is put back to the Port Trust to increase the bloated representation of the capitalists? Sir, the report of the Select Committee seems to us to be a fair compromise between a number of contending claims. My Honourable friend, Mr. Mehta, himself thought that one seat was not enough for labour and he committed himself in fact to the astonishing statement that without labour there would be no port. I should imagine that the ideal Port Trusts, as far as he is concerned, is a body of trustees all of whom represented labour, presided over by Mr. Jamnadas Mehta. But what is the use of labour at a port without ships, and how can you have ships without trade? It is not labour that makes Port? My Honourable friend is greatly mistaken there. The labour arrives at the Port only after the ship has arrived and a ship does not come into the Port unless it has some goods to deliver or to take away to another place. I know my Honourable friend is a redoubtable champion of labour but he should not really go too far in his championship.

Sir, the only other point I would mention is that we did approach this question from the point of view of the distribution of interests represented on the Port Trust. My Honourable friend, Sir Andrew Clow, laid down the principle that generally speaking what should determine representation is direct interest in the Port, and that bears a very close relation to the volume of trade in which persons represented on the Port Trust happen to be engaged, and on that basis we approached this problem. Whatever my Honourable friend may say about the paucity of members in the Madras Trades Association—I think he has got the figures wrong—he has of course omitted to refer to the Affiliated Association—the real thing is: is this a body whose members have a sufficiently direct interest in the actual working of the port to justify representation?

The Select Committee came to the conclusion that on the balance it had and they thought that inasmuch as it was not desirable to upset the distribution that had been suggested by my Honourable friend, Sir Andrew Clow, it would not be objectionable if we increased the number from 15 to 18 and made room for two other bodies which had an equal claim to representation. I may say those who have advocated the claims of the Madras Trades Association have, from the very beginning, made it perfectly clear that they do not want to obtain representation for that association on the Madras Port Trust at the expense of any of the predominantly Indian bodies now on that Trust and that is why, when the matter first came to the Committee, I asked the members to consider restoring representation to this Association, and at the same time I proposed that two other bodies should also have representation on the Trust. I think, Sir, that this represents a fair compromise. I do not think it is a compromise which should be objected to.

As to the wider question which my Honourable friend, Mr. Jamnadas Mehta, has raised, *viz.*, the abolition of the present system and one joint electorate, may I suggest to him that his first duty is to go down to Madras to convince the South Indian Chamber of Commerce and other bodies that

[Sir F. E. James.]

such a proposal would be in their interest. I think he would find that they would not be as easy to convince as he suspects this House to be. I hope, Sir, that the House will accept the Select Committee's Report, which, as I have already said, is a fair compromise; and I can assure my Honourable friend from Bombay that as far as Madras is concerned we shall be happy if this is accepted.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhamadan Rural): Sir, I was a member of the Select Committee and I have given a Note of Dissent on the very same lines as my Honourable colleague, Mr. Jamnadas Mehta, has. Sir, we have been told by Sir Frederick James that it is a fair compromise. What was the trouble and where does compromise come in? It is represented by all representative bodies proportionate with their importance. As I have pointed out in my Note of Dissent, the Madras Chamber of Commerce have been given more than what is fair and just and the Madras Trades Association should not have been given one. The Madras Trades Association consists of a very few members and as such they should not have been given any representation and still it was managed by the Committee to give them one. I propose that if this Select Committee's Report is to be passed by this House, there should be a change in this item. Further, the Southern Indian Chamber of Commerce is a body which represents more correctly the Madras trade and commerce than any other body. They have been given only three. They should be given one more, i.e., four by taking away one from the Madras Trades Association.

Sir, with regard to labour. Really speaking, Mr. Jamnadas Mehta has been a champion of labour during all his political life and if he has said that labour makes a port he was not far from the truth. It is the labour that constructs the ship, it is the labour that carries out loading and unloading and it is the labour that builds the Port and if this labour is left unrepresented or so disproportionately represented it would be doing wrong to the labour. I was told, Sir, that in the Calcutta Port Trust one was representing the labour. That too is wrong. Labour should have two seats. If this House accepts this small amendment to that Committee's Report, I think Mr. Jamnadas Mehta will not oppose the Bill. His opposition is on quite another ground. He says

Mr. President (The Honourable Sir Abdur Rahim): What is the good of repeating what Mr. Mehta has said. Honourable Member had better advance his own arguments.

Mr. Amarendra Nath Chattopadhyaya: Sir, I think that there should be one Chamber of Commerce everywhere in all the provinces with Ports, so that the representation might go from one body looking into the interest of all the trade and commerce. That is the thing which is desirable at this moment. It is perhaps already delayed far too long and, really speaking, it should appeal to our British colleagues here who should think of this amalgamation of all chambers, and if that is done, then this sort of trouble in this Legislature will cease. Therefore, if these amendments that are tabled are accepted for the present, with regard to the increase of representation of the South Indian Chamber of Commerce by one and labour by one seat, I think it will be acceptable. If it is not then I think we should oppose the Bill.

Dr. P. N. Banerjea: Sir, the Bill as it has emerged from the Select Committee has welcome as well as unwelcome features. The welcome features are two: first, the number of elected seats has been increased, and secondly, representation has been given to the Andhra Chamber of Commerce. But the unwelcome features are many. In the first place, representation has been given on a racial and communal basis. We, on this side of the House, have always been opposed to racial and communal representation and it is exceedingly wrong on the part of Government not only to retain but also to emphasise such representation. Secondly, the distribution of seats as between the different associations is not at all fair. Some of the associations have a much larger membership, but their position has been made equal to those associations which have very small membership. Thirdly, Indian commerce has not been given that amount of adequate representation which is its due, as against European commerce. There are various other features also to which we should take exception. For instance, the Chairman of the Trust is a nominated person. The time has now come when we should demand that the Chairman of every Port Trust should be an elected person and an Indian if a suitable Indian can be found and I do not see how it can be said that a suitable Indian cannot be found for the Madras Port Trust.

Then as regards the question raised by my Honourable friend of separate and joint electorates, I am entirely with him. Let all the business people of Madras combine and let all the seats which are their due be given to them jointly. Such joint representation will eliminate all sorts of bitterness and ill-feeling between Indian commerce and European commerce. I am glad to find that my Honourable friend, Sir Frederick James, is of this opinion. He is in favour of a joint electorate. If so, let us have an agreed amendment and let us press this agreed amendment on the Government. The Government will perhaps adduce other arguments in favour of separate electorates, but we shall be able to place the Government in the wrong. These are the unwelcome and undesirable features which should be removed from this Bill. I am sorry that no notices of amendments have been given. . . .

The Honourable Sir Andrew Clow: Yes, they have.

Mr. President (The Honourable Sir Abdur Rahim): There are a number of notices.

Dr. P. N. Banerjea: I am sorry I have not seen the amendments; but if there are any proper amendments, they should be pushed, and I hope the Government will see their way to accept some at least of those amendments, so that the undesirable features of this Bill may be eliminated.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I find that the Honourable the Communications Member was very complacent over what has been done in the Select Committee. He made the assertion, perhaps because the members from Madras had agreed to the compromise or whatever it was that had been done in the Select Committee, and he said that Madras is satisfied. I also find Sir Frederick James showing his satisfaction. . . .

An Honourable Member: He also comes from Madras!

Mr. Lalchand Navalrai: He is also from Madras. But I do not think that after what we have heard in the House from Mr. Jamnadas Mehta and also the telegram which I hold in my hand. . .

Sir F. E. James: I have the same one.

Mr. Lalchand Navalrai: But you never mentioned it and I am going to mention it—that is the difference. If the Honourable Member had mentioned it then he would not have shown so much of gloating over it or the satisfaction that he has shown. I find that though the members from Madras who were on the Select Committee may have agreed for certain reasons to the compromise, I find that the proper representation has not been given on the port trust. Before I come to that, I join my friend, Dr. Banerjee, that there has been a demand for very long that the Chairman of all port trusts should be Indians. I think the policy of the Government, by certain pronouncements that they have made in the House at least, is to Indianise the port trusts. The time has now come, when this Bill is before the House, when the initiative should be taken in appointing an Indian as chairman of the Madras Port Trust. We find that an experiment has been made in that direction by appointing an Indian in Bombay, and he has justified his appointment and has done as any other gentleman would in his position and therefore there is no reason why opportunity should not be given to Indians to be in the chair in all the ports. This Bill provides that the chairman shall be appointed by the Central Government. But I would submit that the Central Government should consider this suggestion of mine that, after the pronouncement of policy they have made that port trusts should be Indianised, the chairman of the Madras Port Trust should be now an Indian. Further I submit that I have received a telegram from Madras in which they complain that there is a preponderance of European representation.

Sir F. E. James: Read the whole of it.

Mr. Lalchand Navalrai: I am reading the whole of it. . . .

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member is going to read the telegram, if it is not a lengthy one, he can do so and not interpolate arguments while reading it.

Mr. Lalchand Navalrai: I will read it, but I will say. . . .

Mr. President (The Honourable Sir Abdur Rahim): Yes, yes; he can say it after he has read the telegram.

Sir F. E. James: He does not want to read all of it.

Mr. President (The Honourable Sir Abdur Rahim): Or he can give the purport if it is too long. If it is not too long, he should read the whole of it.

Mr. Lalchand Navalrai: Very well, Sir. I will read the whole of it:

"The Madras Piecegoods Merchants' Association having representation Madras Port Trust from 1923 Committee regrets not having allotted seat in amending Bill Select Committee also overlooked our claim fear European preponderance is still

maintained indirectly. Sectional interests in principle admitted. Only this Association suffers. Our interests in Madras Port Trust greater than other associations of Hide and Skin Merchants. Association being both exporters and importers."

Now, it is clear that this Association not only has a larger number of members, but even in the volume of trade they say they have a greater interest than the hide and skin merchants. . . .

The Honourable Sir Andrew Clow: It is not true.

Mr. Lalchand Navalrai: What I am submitting is this. One cannot possibly say why a representation which had remained with them since 1923 should be so summarily taken now, and that representation should be given to some other body. With regard to the Hide and Skin merchants Association and the Trades Association, it has already been pointed out that they may be given representation, but the existing representation should not be taken away. I heard the Honourable the Communications Member say that we have this time added three representatives, but he has also taken away certain representation. . . .

The Honourable Sir Andrew Clow: No, the Select Committee has not done so.

Mr. Lalchand Navalrai: He has taken away the representation of this association.

The Honourable Sir Andrew Clow: That was not in the original Bill.

Mr. Lalchand Navalrai: The Government has taken it away, but whatever it is, this association should be granted proper representation, and the existing representation should not be taken away.

The Honourable Sir Andrew Clow: Sir, I think it was quite excusable on the part of Dr. Banerjee to be ignorant of the fact that a large number of amendments had been put in, because he probably had not seen the notice, but I was surprised to find that my friend, Mr. Jamnadas Mehta, had forgotten the fact that he himself had sent in a number of amendments. I assumed that from his speech, which seemed to be prepared for numerous amendments so that I think he had forgotten he had put in amendments of his own. He made a lot of accusations against me. He accused me of appealing unfairly to the support from Madras. Well, it is very difficult for us here to have a lot of local knowledge, and when I find that Members from one particular province advise us in a particular direction, I naturally attach a little more weight to that than I do to the suggestions of Members from other provinces. I did not contest for a moment the right of any member, no matter from what part of India he comes, to express his view on any Bill, however local, as is this Bill. What appeared to pain him most was the charge of inconsistency made against me. He said, whereas, I had stated, as I did, in the Statement of Objects and Reasons, that it was ordinarily undesirable to give representation to specific branches of commerce, I have now changed my view. I was not clear whether he thought the view I had stated in the Statement of Objects and Reasons was right or wrong. . . .

Mr. Jamnadas M. Mehta: Quite right.

The Honourable Sir Andrew Clow: And yet I find that he himself has amendments suggesting that the Piecegoods Association should be given representation. . . .

Mr. Jamnadas M. Mehta: That is in the last resort.

The Honourable Sir Andrew Clow: If that is not a specific branch of commerce, I do not know what it is. There is only one Association which represents a specific branch of commerce and which has been given representation, and that was the Hides and Skin Association which was in the Bill from the start. He raised, unfortunately, certain racial issues in accusing me of racialism. . . .

Mr. Jamnadas M. Mehta: The Bill raises it.

The Honourable Sir Andrew Clow: I do not want to enter into that, because I think the Bill is less racial on that point than Mr. Jamnadas Mehta. But no one would be more pleased than I if the leaders of trade and commerce and industry in those ports were combined in one powerful and representative organization. I do not know what happened in Madras. I should imagine that the Madras Chamber of Commerce was there first, and that the others were formed afterwards. I do not know why they did not join in the main Chamber of Commerce, but I am given to understand that they were never excluded, and that the Madras Chamber of Commerce still has a few Indian members. But surely we have got to face facts, and I feel very doubtful if Mr. Jamnadas Mehta would apply the same principle in the field in which he is more familiar, and that is the field of labour. In other words, if we had three trade unions to deal with on the Railway Board and we said because we cannot combine them into one we shall not deal with any one but will deal with the labourers themselves.

I do not think he would approve of that principle. His main grievance was that the Bill had not been improved by the addition of three Members. Two of these will represent purely Indian Chambers, and thus I should have thought I had gone further to ensure a point that he himself made that there should be a larger Indian representation on the Trust. But he is asking us now to throw out this Bill. So let us go back to the position that would be reached if that were done, and let us compare the representation as it now stands of commercial interests in Madras to the representation that will subsist if this Bill is passed. At present the Madras Chamber of Commerce has four seats. These will remain. The Southern India Chamber of Commerce has two; it will have three. The Madras Trades Association has two; it will have only one. The Skin and Hide Merchants' Association has one, it will have two. The Piecegoods Association has one; it gives way to the Andhra Chamber of Commerce, and in addition seats are added for the Corporation, for labour, and for the Government of Madras. Even if Members opposite were here, I don't say they would support the Bill in all its details, for I don't know their minds, but I am quite sure that none of them would say that the Madras Port Trust Act as it will be amended will be worse than the present position. I claim that from every point of view it is an improvement on the present position, and I ask the House to pass this motion.

Mr. President (The Honourable Sir Abdur Rahim): The question is—
“That the Bill to alter the constitution of the Board of Trustees of the Port of Madras, as reported by the Select Committee, be taken into consideration.”
The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I think it will be more convenient to take up the consideration of the Bill clause by clause tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 11th November, 1941.

LEGISLATIVE ASSEMBLY.

Tuesday, 11th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

CONTROL OF INDIAN MILL-MADE PAPER.

111. *Mr. Lalchand Navalrai: (a) Will the Honourable the Commerce Member be pleased to state whether his attention has been drawn to a United Press message dated Calcutta, the 16th September, 1941, in regard to the Indian Journalist Association, Calcutta, requesting immediate control of Indian mill-made paper? If so, what action was taken in the matter?

(b) What were the prices of Indian made paper in Calcutta, Bombay and Karachi in (i) August 1939, (ii) July 1941, and (iii) September 1941?

(c) If the prices show considerable rise, what are the reasons for the increase, and do Government propose to control it?

(d) Have Government any proposal in view not to allow hoarding of large stocks of paper either of Indian or foreign make with a view to profiteering by merchants? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) I have not seen the message. The question of prices charged for 'Paper' is engaging my attention.

(b) A statement giving the prices of certain common types of Indian made paper is laid on the table.

(c) The answer to the first part of the question is that the rise in prices is partly due to increased cost of production and partly to demand exceeding supply. As for the latter part of the question I would refer the Honourable Member to my answer to part (a) above.

(d) The matter is under consideration by the Government.

Statement giving Prices of certain common types of Indian made Paper.

	Calcutta.						Bombay.						Karachi.					
	White Printing.			Brown.			White Printing.			Brown.			White Printing.			Brown.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
August 1939 per lb.	0	3	0	0	2	4	0	3	0	0	2	4	0	3	1	0	2	5
July 1941 per lb.	0	4	7½	0	4	1	0	5	0	0	4	5½	0	5	0½	0	4	6
September 1941 per lb.	0	4	7½	0	4	1	0	5	0	0	4	5½	0	5	0½	0	4	6

Mr. Lalchand Navalrai: May I know if there is hoarding of large stocks for profiteering?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I have no information about hoarding. The demand is so great that I do not myself think that there is much hoarding, but I am prepared to accept my Honourable friend's statement that there is profit above normal.

Mr. Lalchand Navalrai: Is the Honourable Member going to control it?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I have already answered that the matter is under consideration.

Lieut.-Colonel Sir Henry Gidney: Is the Honourable Member aware of the fact that a large number of these firms, especially retail dealers, are hoarding paper, supplying only in limited quantities at certain rates which they change as rates increase and for this reason refuse the quantities ordered? I have myself suffered from this difficulty, because I myself have been refused enough paper for my journal when ordered and when in stock.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: What paper is the Honourable Member referring to? Newsprint or ordinary paper manufactured in this country?

Lieut.-Colonel Sir Henry Gidney: Newsprint.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Users of newsprint can get as much as they have licence for through dealers, and they can choose their own dealers. I do not think there is any question of hoarding of newsprint.

FAILURE OF THE CIVIL PUBLICATION DEPARTMENT TO SUPPLY CERTAIN MOTOR VEHICLE RULES TO THE MOTOR TRANSPORT, LAHORE.

†112. ***Qazi Muhammad Ahmad Kazmi:** (a) Will the Honourable the Commerce Member please state whether he has received a communication from the Motor Transport, Lahore, addressed to the Honourable Member for information, dated the 18th September, 1941, bringing to his notice the failure of the civil publication department in supplying them with Motor Vehicle Rules of Delhi-Ajmer-Merwara and Baluchistan up to that date, in spite of money having been sent to the said department by money order in February 1941, and also whether he is aware that their enquiry regarding the Bengal Motor Vehicle Rules has met with the same fate?

(b) Have Government considered the advisability of making them available to the public with ease and facility?

(c) Have Government taken any steps in this direction? If so, what?

Mr. H. C. Prior: (a) The communication referred to by the Honourable Member was received in the Department of Labour. An enquiry is being made into the matter and the result will be laid on the table in due course.

†Answer to this question laid on the table, the questioner being absent.

(b) and (c). Steps are being taken to make available to the public on payment, copies of Motor Vehicle Rules, Delhi, Ajmer-Merwara and Baluchistan. I may add that the 'Bengal Motor Vehicle Rules' is a publication of the Government of Bengal and is not available in the Central Publication Branch.

CARRIAGE OF QUOTA AND NON-QUOTA CARGO BY THE BRITISH INDIA, SCINDIA AND ASIATIC SHIPPING COMPANIES.

113. ***Sardar Sant Singh:** (a) Will the Honourable the Commerce Member be pleased to state which of the three shipping companies, British India, Scindia and Asiatic, were short or in excess in carrying under the Coastal Conference Quota Scheme for the year 1940, and which of these companies was short or in excess in carrying of non-quota cargo?

(b) Will Government lay on the table a statement showing the quantity of short carrying by any of these companies in the rice trade of Burma for 1941?

(c) Is it a fact that while Burma and Coastal rates show an increase of freight of less than 100 per cent. coal and salt rates show an increase of about 500 per cent.?

(d) Has any shipping company diverted its tonnage into more remunerative trade of coal and salt in preference to an essential foodstuff, such as, rice? Will Government state the approximate tonnage diverted by any company from the rice trade to coal and salt trades?

(e) Do Government propose to take steps to force the Companies to give preference to carrying of foodstuffs?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) As regards the first portion of this part, the British India and the Scindias were short, while the Asiatic were in excess in carrying quota cargo during the year 1940. As regards the second portion, I may explain that the non-quota cargo consists of coal and salt. The British India and the Scindias were in excess, while the Asiatic were less in carrying coal; the Scindias were in excess, while the British India and the Asiatic were short in carrying salt.

(b) According to figures available up to the end of August 1941, the Scindias were short by 56,308 tons.

(c) This is approximately the case.

(d) Government have no definite information in the matter but from available figures it appears that the Scindias carried more coal and salt during the war period than before, while the British India carried more salt during this period.

(e) Government do not see any necessity at present to take such steps.

REDUCTION IN THE RATE OF INTEREST ALLOWED BY CIVIL COURTS ON DECRETAL AMOUNTS.

114. ***Sardar Sant Singh:** (a) Will the Honourable the Law Member be pleased to state if it is a fact that all over British India the civil courts allow only 6 per cent. interest on the decretal amounts and that practice had been based on the fact that the bank rate of interest used to rule at the rate of about 6 per cent.?

(b) In view of the fact that for the last several years the bank rate of interest has been ruling at about 3 per cent., have Government issued any intimation to the civil courts that this rate should be correspondingly brought down to the prevailing bank rate of interest? If so, when? If not, why not?

The Honourable Sir Sultan Ahmad: (a) The question whether interest should be allowed from the date of decree to the date of payment, and if so at what rate, is a question of judicial discretion in each case. Where such interest is allowed, the rate has in recent years commonly been six per cent. The Bank rate may have been one of the factors which the Courts have taken into account, but it has certainly not been the only basis for the exercise of judicial discretion.

(b) No. Government have no status to advise Courts on matters within their judicial discretion.

LEGISLATION PROHIBITING LAND ALIENATION EXCEPT AT FAIR MARKET PRICE AND EXECUTION OF MORTGAGE DECREES DURING THE WAR.

115. *Sardar Sant Singh: Will the Honourable the Law Member please state whether it is a fact that the British as well as Dominion and Colonial Governments passed legislation some time after the war to the effect that no land alienation should take place except at a proper market price with the consent of the parties and that no mortgage decrees should be executed on the land during the pendency of the war? If so, why have the Government of India not taken such action in view of the fact that there are many moneylenders and *sowcars* who are taking advantage of the panicky state, due to the international situation, in this country?

The Honourable Mr. N. R. Sarker: The only relevant Acts of Parliament of which I am aware are the "Possession of Mortgaged Land (Emergency Provisions) Act, 1939" and the "Courts (Emergency Powers) Act, 1939", which restrict the rights of mortgagees to obtain possession of mortgaged lands during the present emergency but make no other provision in the sense referred to by the Honourable Member. I regret I have no information regarding relevant legislation in British Dominions or Colonies.

With regard to the concluding portion of the question, Government have no information that moneylenders are taking advantage of the present situation in the way suggested.

Mr. Govind V. Deshmukh: Was there not sufficient time to get the information as to what the rules or law are in the Colonies?

The Honourable Mr. N. R. Sarker: I will try to obtain them.

SOLICITORS TO THE CENTRAL GOVERNMENT IN THE PROVINCES.

116. *Sardar Sant Singh: (a) Will the Honourable the Law Member be pleased to state in how many Provinces the Government of India have appointed Solicitors to the Central Government and for how many years?

(b) What remuneration has been fixed for each of them?

(c) Besides their fixed remuneration, do they get additional fees and, if so, on what scale, and for what sort of work?

(d) What are the qualifications of these gentlemen, and what has been their standing in the profession?

(e) Are the Government Solicitors required to consult the Advocates-General in their Provinces, or are they at liberty to consult any counsel of their choice?

(f) What is the procedure adopted in making an acting appointment, when the Solicitor to the Central Government in a Province is on leave?

(g) Are the Solicitors to the Central Government in the Provinces paid any additional remuneration for attending to work in connection with the war, and, if so, on what scale?

(h) Is any annual statement of work presented by each Solicitor to the Central Government showing a summary of the work done, fees realized, etc.? If so, will the Honourable Member kindly place the same on the table of the House?

The Honourable Sir Sultan Ahmad: (a) Solicitors to the Central Government have been appointed for the towns of Calcutta and Bombay. The existing incumbents have been appointed for five years but their appointments are renewable.

(b), (c), (f) and (g). The Honourable Member is referred to the agreements with the existing incumbents, copies of which are laid on the table.

(d) The Solicitor at Calcutta is Mr. S. C. Sen, a Solicitor of 22 years standing and head of the firm of Dutt and Sen. The Solicitor at Bombay is Mr. D. H. Nanavati, a Solicitor of 27 years standing and a partner in the firm of Mulla and Mulla.

(e) The Solicitors do not consult Counsel when their advice is sought on a matter not involving court proceedings. When occasion arises to brief Counsel in connection with court proceedings the Solicitors brief the Advocate General of Bengal or Bombay, as the case may be, in cases of special difficulty. In other cases they select the Counsel to be briefed.

(h) No.

ARTICLES OF AGREEMENT made the Eighteenth day of May, One thousand nine hundred and thirty-eight BETWEEN SUSIL CHANDRA SEN, C.B.E., of Temple Chambers, 6, Old Post Office Street, Calcutta, Solicitor (hereinafter called "the Solicitor") of the one part and the Governor General in Council (hereinafter called "the Government") of the other part.

WHEREAS the Government has appointed the party of the first part as Solicitor to the Central Government in Calcutta and the Solicitor has taken over charge from the 23rd day of April 1937, AND WHEREAS it has been agreed that the Solicitor shall hold office as such Solicitor to the Central Government as aforesaid for a period of five years on the terms and subject to the conditions herein contained.

NOW these presents witness and the parties hereto respectively agree as follows:

1. The Solicitor shall be the Solicitor to the Central Government in Calcutta and as such shall perform the following duties:

(a) Such portion of the Civil legal business of the Central Government as may be done in Calcutta including all litigation in Courts and advising State Railway Administrations (if required) and Departments of the Central Government located in Calcutta and attending to the conveyancing work of such Departments.

- (b) Criminal business of an advisory nature for the Departments of the Central Government in Calcutta.

2. The Solicitor will be paid (a) a monthly retainer of Rs. 1,000 which will include all in pocket or profit costs chargeable in respect of work done for the Government and (b) an office allowance of Rs. 150 *per mensem* which will include staff, office rent, telephone, postage and all other establishment charges excepting stationery. Stationery will be supplied by Government.

3. The Solicitor shall not be entitled to any remuneration or charges in addition to those mentioned in the foregoing clause but he shall nevertheless be entitled to retain in Civil suits all costs which may be awarded to the Central Government in respect of Solicitor's fees if such costs are realized from the party concerned and in conveyancing matters all Solicitor's fees recovered from the party liable to pay the same to the Central Government under the terms of a contract or by usage.

4. The Solicitor will be allowed private practice but he will in no case accept a retainer for any Provincial Government and further he will not appear or act for or advise any other party in any matter which is likely to affect the Central Government. If he is a member of a firm and his advice is sought by the Central Government in a case or matter which is either in litigation or likely to lead to litigation the firm will not advise another client in the same case or matter and if it has been advising such a client upto the point at which the Central Government ask for his advice in respect of the case or matter the firm will cease at once to act for such other client.

5. The appointment will be for a term of five years commencing from the 23rd day of April, 1937, renewable at the option of the Government at the end of that period, such renewals not being restricted in number but never to exceed 5 years at a time.

6. The service of the Solicitor may be terminated as follows :

- (1) By the Government without previous notice if the Government is satisfied on medical evidence that the Solicitor is unfit and is likely for a considerable period to continue unfit by reason of ill-health for the discharge of his duties PROVIDED ALWAYS that the decision of the Government that the Solicitor is likely to continue unfit shall be conclusively binding on the party of the first part.
- (2) By the Government or its officers having proper authority without any previous notice if the Solicitor shall be guilty of any insubordination, intemperance or other misconduct or of any breach or non-performance of any of the provisions of these presents or of any rules pertaining to his office.
- (3) By six calendar months' notice in writing given at any time during service under this agreement either by him to the Government or by the Government or their authorised officer to him without cause assigned :

PROVIDED ALWAYS that the Government may in lieu of any notice herein provided for, give the party of the first part a sum equal to the amount of his retainer for the period by which such notice falls short of six months.

7. The Solicitor shall not except as provided in this Agreement resign his appointment without the sanction of the Government.

8. The Solicitor shall if required to travel on Government business be entitled to such travelling allowances as may be prescribed from time to time.

9. The Solicitor shall not be entitled to any pension or leave with pay. He may however, during his absence with the permission and subject to the approval of the Government appoint a substitute who will be entitled to the emoluments payable to the Solicitor during such period and discharge the duties of the Solicitor under this agreement.

IN WITNESS whereof the party of the first part and George Hemming Spence, Esq., C.S.I., C.I.E., I.C.S., Secretary to the Government of India in the Legislative Department, for and on behalf of the Governor General in Council have hereunto set their hands the day and year first above written.

SIGNED by the party of the first part in the }
presence of— SUSHIL C. SEN.

Sudhansu Sekhar Banerjee,
Assistant to Messrs. Dutt and Sen,
Solicitors, Calcutta.

SIGNED by George Hemming Spence, }
Secretary to the Government of India in the }
Legislative Department, for and on behalf of the }
Governor General in Council in the presence }
of— G. H. SPENCE.

S. A. Lal,
Deputy Secretary to the Government
of India, Legislative Department.

ARTICLES OF AGREEMENT made the 16th day of April, One thousand nine hundred and forty BETWEEN Dhanjisha Hoshangsha Nanavati, B.A., LL.B., 51, Mahatma Gandhi Road, Fort Bombay, Solicitor (hereinafter called "the Solicitor") of the one part and the Governor General in Council (hereinafter called "the Government") of the other part.

WHEREAS the Government has appointed the party of the first part as Solicitor to the Central Government in Bombay and the Solicitor for the purpose of this Agreement is deemed to have taken over charge from the 2nd January, 1940, AND WHEREAS it has been agreed that the Solicitor shall hold office as such Solicitor to the Central Government as aforesaid for a period of five years on the terms and subject to the conditions herein contained.

NOW these presents witness and the parties hereto respectively agree as follows :

1. The Solicitor shall be the Solicitor to the Central Government in Bombay and as such shall perform the following duties :

- (a) Such portion of the civil legal business of the Central Government as may be done in Bombay including all litigation in Courts and advising State Railway Administrations (if required) and Departments of the Central Government located in Bombay and attending to the conveyancing work of such Departments.
- (b) Criminal business of an advisory nature for the Departments of the Central Government in Bombay.

2. The Solicitor will be paid a monthly retainer of Rs. 1,000 which will include all in pocket or profit costs chargeable in respect of work done for the Government and charges for staff, office rent telephone, postage and all other establishment charges excepting stationery. Stationery will be supplied by Government.

3. The Solicitor shall not be entitled to any remuneration or charges in addition to those mentioned in the foregoing clause but he shall nevertheless be entitled to retain in civil suits all costs which may be awarded to the Central Government in respect of Solicitor's fees if such costs are realized from the party concerned and in conveyancing matters all Solicitor's fees recovered from the party liable to pay the same to the Central Government under the terms of a contract or by usage.

4. The Solicitor will be allowed private practice but he will in no case accept a retainer for any Provincial Government and further he will not appear or act for or advise any other party in any matter which is likely to affect the Central Government. If he is a member of a firm and his advice is sought by the Central Government in a case or matter which is either in litigation or likely to lead to litigation the firm will not advise another client in the same case or matter and if it has been advising such a client in the same case upto the point at which the Central Government ask for his advice in respect of the case or matter the firm will cease at once to act for such other client in respect of that case or matter.

5. The appointment will be for a term of five years commencing from the 2nd day of January 1940, renewable at the option of the Government at the end of that period, such renewals not being restricted in number but never to exceed 5 years at a time.

6. The service of the Solicitor may be terminated as follows :

- (1) By the Government without previous notice if the Government is satisfied on medical evidence that the Solicitor is unfit and is likely for a considerable period to continue unfit by reason of ill-health for the discharge of his duties PROVIDED ALWAYS that the decision of the Government that the Solicitor is likely to continue unfit shall be conclusively binding on the party of the first part.
- (2) By the Government or its officers having proper authority without any previous notice if the Solicitor shall be guilty of any insubordination, intemperance or of any breach or non-performance of any of the provisions of these presents or of any rules pertaining to his office.
- (3) By six calendar months' notice in writing given at any time during service under this agreement either by him to the Government or by the Government or their authorised officer to him without cause assigned.

PROVIDED ALWAYS that the Government may in lieu of any notice herein provided for, give the party of the first part a sum equal to the amount of his retainer for the period by which such notice falls short of six months.

7. The Solicitor shall not except as provided in this agreement resign his appointment without the sanction of the Government.

8. The Solicitor shall if required to travel on Government business be entitled to such travelling allowances as may be prescribed from time to time.

9. The Solicitor shall not be entitled to any pension or leave with pay. He may however, during his absence with the permission and subject to the approval of the Government appoint a substitute who will be entitled to the emoluments payable to the Solicitor during such period and discharge the duties of the Solicitor under this agreement.

IN WITNESS whereof the party of the first part and Sir George Hemming Spence, C.S.I., C.I.E., I.C.S., Secretary to the Government of India in the Legislative Department for and on behalf of the Governor General in Council have hereunto set their hands the day and year first above written.

SIGNED by the party of the first part in the presence of A. Krishna Rao. } DHANJISHA HOSHANGSHA NANAVATI.

SIGNED by Sir George Hemming Spence, Secretary, to the Government of India in the Legislative Department for and on behalf of the Governor General in Council in the presence of D. N. Mitra, Solicitor to the Government of India. } G. H. SPENCE.

Mr. Husenbhai Abdullahai Laljee: Can the Advocate General appear against the Central Government?

The Honourable Sir Sultan Ahmad: No, Sir.

DEFECTS IN THE LAND ACQUISITION ACT.

117. *Bhai Parma Nand: (a) Will the Honourable the Law Member please state whether the attention of Government has been drawn to the serious defects in the Land Acquisition Act as pointed out by various High Courts in India?

(b) Is it a fact that there is no remedy in the Act if the Collector refuses to abide by section 18 of the Act, as has been held by the Allahabad High Court and other High Courts?

(c) Is it a fact that there is no provision in the Act for a transfer application when the matter is referred to the court under section 18 of the above Act?

(d) Are Government aware of a land acquisition case of Sidhu Ram *versus* the Collector, Dera Ismail Khan?

(e) Is it a fact that in the above referred case, the District Judge, Dera Ismail Khan, to whom the case was referred, was directly concerned?

(f) Is it a fact that the part of the land in the above case was acquired at the request of the District Judge and actually a bungalow was provided for him on the acquired land?

(g) Is it not against all rules of justice and equity to refer a case to the court where the trying judge himself is directly concerned?

(h) Are Government prepared to resubmit this case to some arbitrator, or exempt the applicant from the court fees in case of an appeal to the Judicial Commissioner, North West Frontier Province, in order to meet the ends of justice?

The Honourable Mr. N. R. Sarker: (a) No.

(b) and (c). These are questions of interpretation on which Government must leave the Honourable Member to form his own opinion.

(d) to (h). Compulsory acquisition of land is a provincial subject and the Government of India are unable to take any action in the case referred to.

FILTERED WATER RATES CHARGED BY THE DELHI AND NEW DELHI MUNICIPAL COMMITTEES.

118. *Sardar Sant Singh: (a) Will the Honourable the Education Member please state whether it is a fact that charges for filtered water have been enhanced by the New Delhi Municipal Committee since April or May last? If so, why?

(b) Was any notice given to the residents of New Delhi that these charges will be increased? If not, why not? Is any such notice due to be issued under the law?

(c) Is it a fact that on a previous occasion, the Committee proposed to increase these charges and gave due notice to the residents of New Delhi of their proposal?

(d) Is it a fact that the proposal mentioned in part (c) was dropped by the Committee on account of a general protest from the New Delhi residents?

(e) What are the charges for filtered water in the Delhi City? Are they less than even the old lower rate charged by the New Delhi Committee? If so, what are the reasons for the New Delhi Committee charging higher rate?

The Honourable Mr. N. R. Sarker: The information has been called for and a reply will be furnished to the House when it is received.

NEWLY BUILT ORTHODOX QUARTERS FOR THE GOVERNMENT OF INDIA STAFF.

†119. *Sardar Sant Singh: (a) Will the Labour Secretary please state whether it is a fact that last season a number of orthodox quarters for the Government of India staff were built?

(b) Were any "C" type orthodox quarters built? If not, why not? Do Government propose to construct some more "C" type quarters in the near future? If not, why not?

Mr. H. C. Prior: (a) Yes.

(b) No. With a view to avoid the loss of rent in future when the revised rates of pay would become fully operative it has been decided to limit the new construction to lower classes and to meet the shortage in the upper classes by upgrading quarters from the lower classes. In pursuance of this policy, 'C' class orthodox quarters were not constructed during the last summer season, and the shortage in that class is proposed to be met by upgrading certain 'D' class quarters as 'C' class quarters. The question of constructing additional residential accommodation in New Delhi during the next financial year is under consideration and it is too early to say whether the construction of 'C' class quarters will be included in that building programme or not.

APPOINTMENT OF A SIKH OR HINDU OFFICER AS SECRETARY OF THE DELHI AND NEW DELHI MUNICIPAL COMMITTEES.

†120. *Sardar Sant Singh: (a) Will the Honourable the Education Member please state whether the predecessor of the present Secretary of the Delhi Municipal Committee belonged to the Christian community?

(b) Is it a fact that the present Secretary of that Committee is a member of the Muslim community?

(c) Is it a fact that the late Secretary of the New Delhi Municipal Committee belonged to the Christian community?

(d) Is it now proposed to appoint a Muslim officer as Secretary of the New Delhi Municipal Committee?

(e) Will Government please state whether these posts are reserved for Muslims and Christians? Or, are not Sikhs and Hindus with suitable qualifications available for appointment in these posts?

(f) If the answer to the first part of part (e) be in the affirmative, will the Honourable Member please state the reasons for such reservation?

(g) If the answer to the first part of part (e) be in the negative, why is not an officer belonging to the Sikh community or the Hindu community appointed to these posts?

The Honourable Mr. N. R. Sarker: (a), (b) and (c). Yes.

(d) No decision has yet been reached regarding the filling of this appointment.

(e) and (g). The posts are not reserved for any particular community. The appointments are made by the Municipal Committees, subject to the

†Answer to this question laid on the table, the questioner having exhausted his quota.

approval of the Chief Commissioner, and Sikhs and Hindus stand an equal chance of appointment with members of other communities.

(f) Does not arise.

ONE HOLIDAY FOR DIWALI AND TWO FOR ID-UL-FITR ALLOWED IN NEW DELHI MUNICIPAL GIRLS HIGH SCHOOL AND MUNICIPAL INSTITUTIONS.

†121. *Sardar Sant Singh: (a) Will the Honourable the Education Member please state whether it is a fact that in the Municipal Girls High School, New Delhi and some other Municipal institutions, only one day was allowed as holiday for Dewali?

(b) Is it a fact that in these institutions, the authorities observed two days' holidays on account of Id-ul-Fitr?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government please state the reasons for allowing only one day's holiday for Dewali and two days for Id?

The Honourable Mr. N. R. Sarker: (a) Yes.

(b) No.

(c) Does not arise.

INSANITARY CONDITION OF KAROL BAGH, DELHI.

†122. *Sardar Sant Singh: (a) Is the Honourable the Education Member aware that on account of extension in the Western area, i.e., Karol Bagh, Delhi, a new colony has cropped up?

(b) Is he aware of the complaints that all round the newly built colony and also within the built area of Karol Bagh, the Delhi Municipal Committee has failed to enforce sanitation to preserve public health?

(c) Is he also aware that the rock and open places all round the colony and the built area are used for answering calls of nature by people every day?

(d) Do Government propose to take over this area from the Municipal Committee and either hand it over to the New Delhi Municipal Committee, or to some other body which can enforce sanitation in the interest of public health or convenience? If not, why not, and what measures do Government propose to take in the matter?

(e) Is he aware that certain members, who are also responsible for this insanitary state of the locality, advise the staff of the Health Department of the Delhi Municipal Committee not to take any action against the uneducated offenders, such as *tongawalas*, etc., etc., as they happen to be their voters?

(f) Is the Honourable Member prepared to issue orders that the locality is made scrupulously clean without any delay by the Committee?

The Honourable Mr. N. R. Sarker: With your permission, Sir, I shall answer questions Nos. 122, 123 and 124 together. The information has been called for and replies will be furnished to the House when it is received.

†Answer to this question laid on the table, the questioner having exhausted his quota.

DAIRY FARM FOR KAROL BAGH, DELHI.

†123. *Sardar Sant Singh: Will the Honourable the Education Member please state if Government have provided any dairy farm for supply of milk in the Karol Bagh area, Delhi? If not, are they prepared to arrange for a dairy either themselves or by allotting plots of land to persons who may be prepared to undertake this work at their own cost?

DILATORINESS OF THE MUNICIPAL OFFICE, DELHI, IN RECEIVING PAYMENTS OF AND PASSING RECEIPTS FOR MUNICIPAL DUES.

†124. *Sardar Sant Singh: (a) Is the Honourable the Education Member aware that a large number of persons have either to go themselves, or send their messengers, to pay Municipal dues every month at the Municipal Office, Delhi?

(b) Is he aware that it takes every person two to three hours to pay the dues and obtain receipts for same, whereas in the local Electric Company Office it hardly takes 15 to 20 minutes to make the necessary payment and obtain receipts?

(c) Is he aware that the Delhi Municipal Committee, in spite of protests from the general public against this inconvenience and waste of time, have failed to remove this complaint of the public in a satisfactory way, and will the Honourable Member state what steps he proposes to take to save the public from this harassment at the public office of the Capital city of India?

COMPROMISES OF SUITS SUGGESTED BY THE DELHI CIVIL COURTS.

†125. *Sardar Sant Singh: (a) Is the Honourable the Law Member aware of the public complaints in the press and outside that in the Delhi courts, particularly the Small Cause Court (Additional), suits are made to be compromised at the suggestion of the courts?

(b) Will Government kindly lay on the table a statement showing the number of suits filed in that court during the first quarter of the financial year 1941-42, and the number compromised, stating where the court suggested the course?

(c) Are Government prepared to issue instructions to the courts that they should on no account suggest a compromise, especially before hearing the arguments?

(d) Are no working hours laid down for such courts? If so, is it not a fact that by suggesting compromises, etc., the courts actually work for hardly an hour or two daily? Who is responsible for seeing that the Small Cause Courts actually work full hours in Courts in Delhi, etc.?

The Honourable Sir Sultan Ahmad: I have called for a report and will lay a reply on the table of the House in due course.

ENHANCEMENT OF PRICE OF NEWSPRINT PAPER BY BOMBAY PAPER DEALERS.

§126. *Mr. N. M. Joshi: Will the Honourable Member for Commerce be pleased to state:

(a) whether it is a fact that the pre-war price of the newsprint paper in the Bombay market for ready stock was about Re. 0-1-3

†Answer to this question laid on the table, the questioner having exhausted his quota.

‡For answer to this question, see answer to question No. 122.

§Answer to this question laid on the table, the questioner being absent.

per pound, while the present price of the same paper in the Bombay market for ready stock is about Re. 0-6-6 per pound;

(b) whether it is a fact that the present c. i. f. Bombay price of newsprint paper imported from the United States of America is about Re. 0-3-10 per pound; and

(c) whether it is a fact that paper dealers in Bombay and other places at present sell their stock at about 70 per cent. profit?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) The prices of newsprint had come down to Re. 0-1-3 per lb. during the pre-war period. The price quoted during the last month is round about Re. 0-5-9 per lb.

(b) The information placed before me corroborates the statement made by the Honourable Member.

(c) I have no information regarding the rates of profit charged by individual dealers.

ENHANCEMENT OF PRICE OF BOOK-PRINTING AND WRITING PAPER BY PAPER DEALERS.

†127. *Mr. N. M. Joshi: Will the Honourable Member for Commerce be pleased to state:

(a) whether it is a fact that the supplies of different varieties of M.F. white book-printing and writing paper largely come from the Indian Paper Mills;

(b) whether it is a fact that the selling prices of these varieties are controlled by the Indian Paper Sales Association;

(c) whether it is a fact that these prices include the commission of their selling agents or distributors;

(d) whether it is a fact that comparative figures of pre-war rate and present mill rate indicate that the mill prices have gone up above the pre-war prices only by about 50 per cent.; and

(e) whether it is a fact that paper dealers have increased their selling prices by about 80 per cent. over and above the mill prices?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) Supplies of writing paper come largely from Indian Paper Mills. Approximately 50 per cent. of the supplies of printing paper are imported.

(b) and (c). I am not aware of the arrangements made by the Indian Paper Sales Association with its agents.

(d) Prices of different varieties of paper have risen by different percentages.

(e) I have received complaints of the high prices charged by dealers and these are receiving attention.

†Answer to this question laid on the table, the questioner being absent.

MEASURES FOR CONTROL OF PRICES OF VARIOUS VARIETIES OF PAPER.

†128. *Mr. N. M. Joshi: Will the Honourable Member for Commerce be pleased to state:

- (a) whether Government are aware of measures taken by the Burmese and Ceylon Governments to control the prices of paper;
- (b) whether they intend to adopt any such measures in India; and
- (c) whether they intend to adopt any other measures adequately to control the prices of various varieties of paper; if so, what measures they intend to take; if not why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) Certain announcements in the Burma and Ceylon Gazettes have just been brought to my notice.

(b) and (c). The question of prices of paper is receiving the attention of the Government of India.

†129*.

ARRANGEMENTS, ETC., FOR CARRYING INDIAN HAJ PILGRIMS TO JEDDAH.

130. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable Member for Indians Overseas please state what arrangements have been made this year for carrying the Indian Haj pilgrims to Jeddah?

(b) What passage fares have been fixed and how much of those fares represents Kamaran and Jeddah dues and food charges?

(c) Have Government agreed to contribute any expenses to the shipping company to meet the increased cost of running steamers as a result of the war as was done last season? If so, what part of the expenses have Government agreed to contribute and what will be the estimated cost thereof?

The Honourable Mr. M. S. Aney: (a) and (b). The attention of the Honourable Member is invited to the press communique dated the 21st October, 1941, issued by Government. A statement showing the amounts representing the Kamaran quarantine fee, Jeddah sanitation dues and food charges which have been included in the price of steamer ticket is laid on the table.

(c) The attention of the Honourable Member is invited to paragraph 1 of the press communique issued by Government on the 17th October, 1941. His Majesty's Government and the Government of India have agreed to meet the loss, if any, proved to them to have been suffered by the ship owners taking the pilgrim season as a whole and taking into account receipts from freights carried during and between voyages, subject to a maximum liability by the Governments limited to cost of items attributable to war conditions, such as war risk insurance premium and expenses arising out of abnormal delays. Any sum that may become payable to the shipping company under this arrangement will be contributed by His Majesty's Gov-

†Answer to this question laid on the table, the questioner being absent.

‡This question was withdrawn by the questioner.

ernment and the Government of India in the ratio of 2 : 1. It is not possible to estimate at present the sum that might become payable to the shipping company in the event of their suffering a loss.

Kamaran quarantine fee	Rs. 3-per head.
Jedda Sanitation dues	Rs. 25-9-5 per head.
<i>Food charges—</i>	
<i>Deck passengers—</i>	
Bombay to Jedda	Rs. 28.
Karachi to Jedda	Rs. 19.
Calcutta to Jedda and back to Bombay	Rs. 33-8.
<i>Cabin passengers—</i>	
Bombay to Jedda	Rs. 107.
Karachi to Jedda	Rs. 76.
Calcutta to Jedda and back to Bombay	Rs. 127-8.

Mr. Husenbhai Abdullahhai Laljee: Was any sum paid last year to the shipping companies?

The Honourable Mr. M. S. Aney: I shall require notice of that.

Maulvi Abdur Rasheed Chaudhury: What is the amount of the quarantine dues?

The Honourable Mr. M. S. Aney: I have laid a statement on the table, but for the information of Honourable Members, I can say that the Kamaran quarantine fee is Rs. 3 per head.

131. *Maulvi Abdur Rasheed Chaudhury: Sir, I will not ask this question.

PARTICIPATION OF THE SCINDIA SHIPPING COMPANY IN THE HAJ TRAFFIC.

132. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable Member for Indians Overseas please state if it is a fact that at the conference of shipping interests held at Simla in August 1941, in connection with the Haj traffic, the Scindia Steam Navigation Company showed their willingness to enter the Haj traffic during the current pilgrim season?

(b) Is it a fact that they agreed to carry pilgrims at whatever rates that may be fixed by the Government of India?

(c) Is it a fact that they requested for the release of their most popular pilgrim ship s.s. "El Madina" and that even when Government showed their unwillingness to release the same, they agreed to participate in the Haj traffic with their two steamers s.s. "El Hind" and s.s. "Englestan" only if the other two cargo ships were released by the Government?

(d) Is it a fact that the Honourable the Commerce Member who was present at the conference, realising the reasonableness of the Scindia Company's demand asked the representative of the Scindia Company to discuss the matter further on the basis that Government would release two cargo steamers?

(e) Is it a fact that later on Government intimated the Scindia Company that they would be able to release only one steamer?

(f) Is it a fact that the Scindia Company even agreed to wait till January for the release of their second ship if the defence requirements permitted?

(g) Is it a fact that, without receiving a definite note from the Scindia Company, Government assumed that the Scindia Company would not be prepared to participate in the Haj traffic and made arrangements with the Mogul Line only?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). Yes.

(c) and (d). The Scindia Company expressed their willingness to enter the Haj Service on condition that they were given back two requisitioned ships. It was explained on behalf of Government that, in view of the impossibility of forecasting defence requirements, no such guarantee as was desired by the Company could be given but that every endeavour would be made to release two ships from requisition.

(e) Yes.

(f) and (g). Throughout the negotiations with the Company Government made it clear that they could give no assurance regarding the release of any requisitioned vessel without reference to defence requirements. The Company, however, continued to press for a guarantee of release of a second ship before a given date, and in reply to a final telephonic enquiry on the 19th September they stated that an assurance by Government that a second ship would be released provided that defence requirements admitted of such release would be unacceptable to them. They were, therefore, informed that Government were regretfully compelled to assume that they were not prepared to participate in the traffic on the conditions offered and that Government were, therefore, proceeding to make alternative arrangements. Three days later the Company intimated their willingness to accept the qualified assurance proposed by Government, but it was too late then to alter the arrangements finally made.

Maulvi Abdur Rasheed Chaudhury: May I know if the telephonic communication was subsequently confirmed by a letter from the Scindia Company?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: No, Sir.

Maulvi Abdur Rasheed Chaudhury: May I know why it was found necessary to conclude, without getting a confirmation of that telephonic communication, that the Scindia Company was not participating in the Haj traffic?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The telephonic conversation was clear and there was no time to wait. The season was advancing and arrangements for the shipping had to be made.

Maulvi Abdur Rasheed Chaudhury: Was it made certain that somebody in authority was having the telephonic conversation?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I believe so.

Mr. Lalchand Navalrai: When the Scindia Company refused to accept the terms offered to them and the shipping contract was given to another company, was it given on the same terms that were offered to the Scindia Company or on better terms?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The terms that were offered were identical to both the companies. My Honourable friend has not followed the issue. Certain ships of Scindia's were requisitioned by the Defence Department and Scindia Company required an assurance that two of those ships would be released by a certain date. That condition obviously was inapplicable to the other company.

Mr. Husenbhai Abdullabhai Laljee: Has the Honourable Member read the report of the Directors of the Scindia Company giving quite a different version with regard to these negotiations?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: It has been I shall not say my privilege, but my duty to read every report of the Directors of the Company and to find that in most of those reports their version differed from the Government version.

†133*.

RECOMMENDATIONS MADE BY THE INDIAN MEDICAL ASSOCIATION.

134. ***Mr. Govind V. Deshmukh:** Will the Honourable Member for Education, Health and Lands please state what recommendations were made by the Indian Medical Association, as passed by its Central Council last July, to the Government of India, and of these, which were accepted and which were rejected and the grounds for rejecting the same?

The Honourable Mr. N. R. Sarker: This question should have been addressed to the Additional Secretary, Defence Department.

SEEKING CONSULTATION OF INDIAN MEDICAL ASSOCIATION FOR NON-OFFICIAL PERSONNEL OF CENTRAL AND PROVINCIAL COMMITTEES FOR ADVISING EMERGENCY RECRUITMENT TO INDIAN MEDICAL SERVICE.

135. ***Mr. Govind V. Deshmukh:** Will the Honourable Member for Education, Health and Lands please state if the Indian Medical Association, through its Central Council or otherwise, is consulted in the selection of non-official personnel of the Central and Provincial committees to advise on emergency commissions in the Indian Medical Service? If not, what are the reasons for doing so?

The Honourable Mr. N. R. Sarker: The Indian Medical Association was not consulted regarding the selection of the two members of the independent medical profession for the Central Advisory Committee. Selection was made by the Central Government from among the non-officials

†Disallowed.

who attended the Simla Conference in July and no medical organisation was consulted in the matter.

As regards the personnel of the Provincial Committees, the Central Government appointed the medical men recommended by the Provincial Governments: it is not known whether the latter consulted provincial branches of the Indian Medical Association or any other organisation of medical graduates before making their recommendations.

Lieut.-Colonel Sir Henry Gidney: In view of the great confusion that exists in the minds of medical men in India and the diversity of views held between them and Government, particularly in the recruitment of emergency commissions in the I. M. S., will the Honourable Member inform this House whether or not Government are prepared to issue an Ordinance conscripting medical men for service during the war, as Burma has recently done? If not, why not?

The Honourable Mr. N. R. Sarker: I think the Defence Secretary will be the proper person to give a reply to that.

Lieut.-Colonel M. A. Rahman: May I know if the new arrangement that has been set up is working satisfactorily as regards provincial committees in the selection of candidates for emergency I. M. S. Commissions?

The Honourable Mr. N. R. Sarker: I have not got that information yet.

Mr. Govind V. Deshmukh: Did Government consider it necessary to have the co-operation of the Indian Medical Association in the recruitment of persons for the I. M. S.?

The Honourable Mr. N. R. Sarker: Many of the prominent members of the Indian Medical Association are members of the provincial committees or the Central Committee.

Mr. Govind V. Deshmukh: Will the cause of recruitment be promoted if the popular side or the Indian Medical Association is discontented with the procedure observed by Government in the selection of I. M. S. personnel?

The Honourable Mr. N. R. Sarker: I think they have no legitimate grievance.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please inform this House whether or not Government intend to pursue a policy of co-operation with the Indian Medical Association and Councils in such vital matters and by doing which they will themselves benefit?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is really arguing.

The Honourable Mr. N. R. Sarker: Government would very much like to get the co-operation of the Indian Medical Association. But up

till now they have not seen any indication that the Association will co-operate with Government except on their own terms.

APPOINTMENT OF A TECHNICAL OFFICER TO AN ADMINISTRATIVE POST IN THE ARCHAEOLOGICAL DEPARTMENT.

136. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable Member for Education, Health and Lands please refer to answers to supplementary questions put by Sir Syed Raza Ali in connection with his question No. 166 on the floor of this House on the 26th February, 1941, and kindly state whether there exists a case in which any technical officer of the Archaeological Department, such as, Archaeological Chemist, Government Epigraphist, etc., was appointed in the past to the administrative post either of the Director General of Archaeology or of the Deputy Director General of Archaeology? If so, will he please state the name of that officer?

(b) Why was the present officer working in the post of the Deputy Director General of Archaeology, not appointed forthwith to the post for the full term when he was found to have "shaped remarkably well" during his four months' training; that is to say, why was his appointment to the post kept in an officiating capacity? Do Government now propose to appoint him for the full term of the office?

(c) What literary work had he done prior to his appointment to the post of the Deputy Director General except the editing of routine epigraphical accounts which qualified him to selection for the four months' training to the post of Deputy Director General of Archaeology, and what archaeological memoirs, guides, etc., has he so far published? Has he published any literary work of some importance during or before his career as an Archaeological Officer? If so, will the Honourable Member place a list of those works on the table of the House?

(d) Will the Honourable Member also kindly place on the table of the House a list of works, published during and before his career as Archaeological Officer, of the seniormost Muslim officer on the administrative side?

The Honourable Mr. N. R. Sarker: (a) The Honourable Member's attention is invited to the reply to part (b) of question No. 166 put on the 26th February, 1941.

(b) The appointment was made provisionally pending a decision regarding the reorganisation of the Department. The matter is still under consideration.

(c) A statement showing the major literary works of the officer in question is placed on the table.

(d) Government are not aware of any archaeological publications by the seniormost Muslim officer on the administrative side.

WORKS BY DR. N. P. CHAKRAVARTI.

1. Books.

1. L'Udanavarga Sanskrit, Texte Sanscrit en Transcription, Avec Traduction et Annotations, Suivi d'une Etude Critique et de Planches. Pt. I (Published as the 4th Volume of the very well known series 'Mission Pelliot en Asie Centrale')—Paris, 1930.

—Part II (Publication delayed due to war).

2. India and Central Asia.

3. India and Java—Part II (Inscriptions).

4. Thesis for Ph.D. degree at Cambridge, discussing the historical linguistic and epigraphical value of the Kharoshthi documents discovered by Sir Aurel Stein in Central Asia (not published—thesis examined, among others, by Professor E. J. Rapson of Cambridge University and editor of the Cambridge History of India and Dr. F. W. Thomas, Librarian, India Office Library and later Bodleian, Professor of Sanskrit at Oxford).

2. Other Contributions.

1. Sanskrit Udanavarga and its Prakrit Originals.
 2. Les Mots Bhashadans leCommentaire de Sarvananda Sur l'Amarakosha.
 3. Nivina Copper-plate grant of Dharmarajadeva.
 4. Kharod Inscription of Ratnadeva III—Chedi Samvat 933.
 5. Two brick Inscriptions from Nalanda.
 6. A Buddhist Inscription from Kara.
 7. Bhopal plates of Mahakumara Harishchandradeva.
 8. Lucknow Museum plate of Jayachchandradeva, V.S. 1237.
 9. Rewah plates of the time of Trailoyamalladeva (Kalachuri) year 963.
 10. A note on the Halayudha stotra in the Amaresvara Temple.
 11. Rajaprasasti.
 12. James Prinsep (His life and works).
3. Since 1934, edited *Epigraphia Indica*, Vol. XX, Part VII (July 1932) to Vol. XXVI, Part IV (October 1941).

Dr. P. N. Banerjee: Is it not a fact that Mr. Page and Mr. Blackiston, who were technical experts, that is to say, architects, were appointed as Deputy Directors General?

The Honourable Mr. N. R. Sarker: Sir, I want notice to answer this question.

Dr. P. N. Banerjee: Is it not a fact that the Ceylon Government have recently appointed an Epigraphist as the head of the Archaeological Department?

The Honourable Mr. N. R. Sarker: I have no information.

137. Maulvi Abdur Rasheed Chaudhury: Sir, I don't want to ask this question.

ALLEGED INSULT TO THE IMAM OF A MOSQUE IN QUTAB AREA BY A HINDU SUBORDINATE OF ARCHÆOLOGICAL DEPARTMENT.

†138. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable Member for Education, Health and Lands please state:

- (a) if it is a fact that there is a small mosque in Qutab Area, opposite the Dak Bungalow which is open to public for religious purposes;
- (b) if it is a fact that recently a certain Hindu subordinate of the Archaeological Department entered the said mosque with shoes on and insulted the Imam there;
- (c) if it is a fact that the Muslims of Delhi brought the matter to the notice of the Government of India in the Education Department and the Chief Commissioner, Delhi;

[†]Answer to this question laid on the table, the questioner having exhausted his quota.

- (d) if it is a fact that the Chief Commissioner, Delhi, detailed a magistrate to enquire into the matter;
- (e) the result of this magisterial enquiry and also what action Government propose to take against the Hindu subordinate; and
- (f) if it is a fact that there is a general impression that the Director General of Archæology is supporting the subordinate in his action?

The Honourable Mr. N. R. Sarker: (a) Yes.

(b) This allegation has been made and denied and forms part of the subject matter of a magisterial inquiry.

(c) and (d). Yes.

(e) The inquiry is not yet concluded.

(f) No.

RECOMMENDATION FOR PROMOTION OF THE FORMER CUSTODIAN OF MOHENJODARO BY THE DIRECTOR GENERAL OF ARCHÆOLOGY.

†139. *Maulvi Abdur Rasheed Chaudhury: (a) With reference to the answer to part (h) of starred question No. 373, given on the 17th March, 1941, will the Honourable Member for Education, Health and Lands Department please state the result of his enquiry about the claim of former Custodian, Mohenjodaro, to higher travelling allowance?

(b) Do Government propose to take any action against the man? If not, why not?

(c) Are Government aware that recently this man's application for a first class officer's post in the Department has been forwarded by the Director General of Archæology with very high encomiums?

(d) Will Government please state if this action of the Director General in recommending a man of this type for such a high post of responsibility, with full knowledge of the man's character and conduct, is justified, and is it in the interest of future good service to Government?

The Honourable Mr. N. R. Sarker: (a) and (b). I would invite the Honourable Member's attention to the statement laid on the table of the House on the 27th October, 1941.

(c) No. The application was forwarded without any recommendation.

(d) Does not arise.

REDUCTION OF PAY OF CLERKS OF HIS OFFICE BY THE DIRECTOR GENERAL OF ARCHÆOLOGY.

†140. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Education Member please state:

- (a) whether there have been any instances within the last fifteen months where the Director General of Archæology reduced the pay of clerks in his office by Rs. 20 per mensem;

[†]Answer to this question laid on the table, the questioner having exhausted his quota.

- (b) if so, what is the community of such staff; and
- (c) the reasons for this reduction in pay in each case?

The Honourable Mr. N. R. Sarker: (a) There was one such instance.

(b) Muslim.

(c) The reduction was on the ground of inefficiency.

UNSTARRED QUESTIONS AND ANSWERS.

SUPERSESSION OF THE CLAIMS OF CERTAIN MUSLIM CANDIDATES FOR APPOINTMENT IN THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

47. Qazi Muhammad Ahmad Kazmi: (a) With reference to the information supplied by Government and printed on page 1917 of the Legislative Assembly Debates, Volume III, in answer to unstarred question No. 506, asked in this House by Mr. Umar Aly Shah on the 25th March, 1941, regarding paucity of Muslims in the staff of Veterinary Research Institute, will the Honourable the Education Member please state the total number of instances where the names of Muslim candidates in addition to others were recommended as suitable by the Federal Public Service Commission for appointment and were appointed in preference to non-Muslims since 1934 or even before?

(b) On the other hand, is it not a fact that in a certain gazetted Class I post, it was recommended by the Federal Public Service Commission sometimes in 1935 that, should any communal adjustment in the gazetted staff be necessary, the Muslim candidate placed second in the list might be taken in preference to non-Muslim placed first both having equal qualifications?

(c) What were the circumstances in which the case of the Muslim candidate was not considered favourably?

(d) Are there any more instances where Muslim candidates included in the list of candidates recommended by the Federal Public Service Commission as suitable, have been passed over?

(e) Did the Department ever indicate in the requisition form sent to the Commission that a Muslim will be preferred? If not, why not, when there was an alarming shortage of Muslims in gazetted staff at the Institute?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

OFFICIATING APPOINTMENTS OF MUSLIMS TO GAZETTED POSTS IN THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

48. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Education Member please state how the officiating appointments to gazetted posts in the Imperial Veterinary Research Institute are filled up?

(b) Are these posts advertised and filled on the basis of recommendations of the Federal Public Service Commission?

(c) How many such appointments have been made in the Institute after 4th July, 1934?

(d) How many of these posts were filled after due advertisement?

(e) How many of these posts were offered to Muslims?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

FACILITIES FOR STUDIES IN AND OUTSIDE INDIA TO THE STAFF OF THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

49. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Education Member please state how many members of the staff of the Imperial Veterinary Research Institute were offered facilities for further studies in and outside India within the last ten years?

(b) How many such chances were given to Muslims?

(c) If none, was it not necessary to give facilities to the member of this community also?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

SCHOLARSHIPS FOR STUDIES IN THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

50. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Education Member please state whether there is any scholarship offered for further studies in the Imperial Veterinary Research Institute?

(b) For what duration are these offered?

(c) What is the amount paid monthly to the scholarship holders?

(d) How many such scholarships have so far been offered to Muslims?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

PROCEDURE FOR SELECTION OF CANDIDATES FOR CLERICAL VACANCIES IN THE IMPERIAL VETERINARY RESEARCH INSTITUTE.

51. Qazi Muhammad Ahmad Kazmi: (a) With reference to the answer to question No. 153 (a) by Haji Chaudhury Muhammad Ismail Khan on the 18th November, 1940, regarding paucity of Muslims in the ministerial staff in the Imperial Veterinary Research Institute, will the Honourable the Education Member please state the procedure for recruitment of candidates to the clerical vacancies in the past, say, from 1925 to 1934, and what is the present procedure?

(b) Was any competitive examination at regular periods being held, as in other departments of the Government of India, for the selection of candidates for clerical posts?

(c) If so, how many posts were filled in after holding competitive examination?

(d) How many posts have been filled in since 1934, and what procedure was adopted by the department in selecting the present incumbents of such posts?

(e) What was the community to which the candidates selected after competitive examination belonged?

(f) Are there any cases where candidates were selected without any competitive examination from 1925 to 1940? If so, what was the number and the community of the successful candidates?

(g) Is it a fact that since 1925 many unqualified candidates were appointed in preference to qualified Muslim candidates? If so, what were the circumstances in which unqualified non-Muslim candidates merited the selection and not the Muslims?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

CHANGE IN PROCEDURE FOR APPOINTMENT TO CLERICAL VACANCIES IN THE
IMPERIAL VETERINARY RESEARCH INSTITUTE.

52. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Education Member please state whether it is a fact that some time in 1937 the question of paucity of Muslims in the services at the Imperial Veterinary Research Institute was taken up in the press and in the Legislative Assembly and consequently the department made out a rule that departmental candidates who had been tried for one year in a particular line should necessarily be taken in regular vacancies in preference to outsiders?

(b) Is it a fact that the procedure as mentioned in part (a) above was laid down to give due regard to merits and seniority of the departmental candidates and also to provide promotion to qualified candidates serving on lower posts?

(c) How many candidates were in employment and awaiting promotion or selection to clerical vacancies from the year 1938 and how many of them were Muslims and how many non-Muslims?

(d) Following the above procedure, how many non-Muslim candidates were provided in clerical vacancies and how many Muslims have since been provided?

(e) Is the same procedure being adopted at present? If not, what was the necessity to revise the same?

(f) Was any necessity to revise the current procedure felt; and if so, did the revision affect adversely all the Muslim candidates while all the non-Muslim candidates had already received the favour?

(g) Why were Muslim candidates not provided in clerical vacancies before the revision of the old procedure?

(h) Is it a fact that before the revision of the old practice, all the non-Muslim candidates awaiting promotion, were provided with permanent or long vacancies? If so, were Muslim candidates not eligible for this favour?

(i) What remedy the Honourable Member now proposes to make amends?

(j) What was the necessity to change the procedure so far adopted?

The Honourable Mr. N. R. Sarker: The information asked for is being collected and a reply will be laid on the table in due course.

SENIORITY OF CERTAIN HINDUS *vis-a-vis* CERTAIN MUSLIMS IN THE BINDING
DEPARTMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

53. Qazi Muhammad Ahmad Kazmi: (a) Will the Labour Secretary be pleased to state whether in the Government Press, New Delhi, Binding Department, some Muslims were recruited on the 2nd January, 1934, and some Hindus were also recruited after the 2nd January, 1934?

(b) Is it a fact that Muslims who were employed on the 2nd January, 1934, were confirmed in the year 1937, but Hindus who were employed after the 2nd January, 1934, were confirmed during 1934?

(c) Is it a fact that some Muslims were recruited during 1935 and some Hindus were taken in the same year, i.e., 1935, but later on those Hindus who were junior to Muslims were confirmed and thus made senior to the Muslims, but after a period of five years, i.e., in 1941, the Controller rectified the mistake and made the Muslims senior?

(d) Are Government prepared to do the needful and rectify the mistake by making the Muslims senior to the Hindus of the recruitment of 1934?

Mr. H. C. Prior: (a) to (d). The information is being collected and will be laid on the table in due course.

CERTAIN MEN TAKEN FROM OUTSIDE THE STAFF IN THE BINDING DEPARTMENT
OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

54. Qazi Muhammad Ahmad Kazmi: (a) Will the Labour Secretary be pleased to state whether it is not a fact that some 19 men were taken from outside the staff in the Binding Department of the Government of India Press, New Delhi, to handle the piece-work and that the employees were deprived of this benefit?

(b) Is it not a fact that after some time those men were made paid employees of the Press and the persons who were working for the last 10/15 years were made junior to them?

(c) Is it not a fact that several times, questions were raised in the Works Committee for those 19 men, urging the stoppage of their increments till the old employees of the Press of the Binding Department got ahead of their salaries?

(d) Is it not a fact that the Members of the Works Committee went on the 20th July, 1941, to see the Controller to request the stoppage of the increment of those 19 men?

(e) Is it not a fact that in the same way there was a dispute regarding the temporary and permanent hands and this was decided on the 6th March, 1937, by the Controller by stopping the increment of the temporary hands until the permanent hands got ahead of the salaries of the temporary hands?

(f) Are Government prepared to stop the increment of those 19 men in the same way till the old employees of the Government of India Press, Binding Department, get ahead of their salaries?

Mr. H. C. Prior: (a) On the transfer of 19 posts of binders on piece from the Government of India Press, Calcutta, to the Government of India Press, New Delhi, the employees in the bindery of the latter press were given the option to work on piece but as none exercised the option, outsiders were recruited to the posts.

(b) The above 19 posts on piece were converted into salaried posts in 1938 without any change in their incumbents whose salary was fixed on the basis of their class rates while on piece. Other employees in the bindery had no claim on these posts and there has been no supersession. In 1940 both the cadres of binders were merged into one and the seniority of the men was fixed according to the dates of their appointments in the particular grades.

(c) There is no incremental rate of pay in the bindery and so the question of stoppage of any increment does not arise. Men are, however, promoted according to their seniority and suitability on the occurrence of vacancies in the higher grades.

(d) The representative of the bindery in the Works Committee saw the Controller on the 22nd July, 1941, and the question raised by him is under consideration.

(e) The case referred to is different as it involved other principles.

(f) Does not arise in view of reply to part (e).

ANNUAL INCREMENTS IN THE BINDING DEPARTMENT, GOVERNMENT OF INDIA PRESS, NEW DELHI.

55. Qazi Muhammad Ahmad Kazmi: (a) Will the Labour Secretary be pleased to state how many memorials, questions in the Works Committee and questions in the Assembly were submitted regarding annual increment in the Binding Department, Government of India Press, New Delhi, since the year 1928 till 1941?

(b) Are Government prepared to grant annual increments to the Binding Department, Government of India Press, New Delhi? If so, at what rate and since when?

Mr. H. C. Prior: (a) The labour involved in furnishing the information will not be commensurate with the result. It is regretted, therefore, that the information cannot be furnished.

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

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, may I ask one question in connection with the motion which the Honourable Mr. Aney has tabled on the Ceylon Agreement? The Joint Report has not been distributed so far. Will the Honourable Member kindly see that it is distributed to the House so that we may be able to take part properly in the debate when the Report is taken into consideration?

The Honourable Mr. M. S. Aney (Member for Indians Overseas): I will see that all the Members receive a copy of the Report.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Today, I hope.

The Honourable Mr. M. S. Aney: Yes, if possible.

THE MADRAS PORT TRUST (AMENDMENT) BILL.

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

"That clause 2 stand part of the Bill."

Sardar Sant Singh (West Punjab: Sikh): Sir, I beg to move:

"That in clause 2 of the Bill, in the proposed section 7, for the word 'eighteen' the word 'nineteen' be substituted."

My object in moving this amendment is, Sir, to make it possible for the Honourable Member to include the representation of the Piecegoods Association, Madras. For that purpose I have given a separate amendment, which comes later on, that this body should be added at the end. My reasons are, Sir, that the speech of the Honourable Member, which he made at the time when he moved for circulation of this Bill, was very definite on one point, and that point was that he did not see the reason why the Madras Trades Association should continue to hold representation thereon and he went on so far as to say—these are his words:

"That a body which is almost entirely European, although I think there is at least one Indian member, and which includes retailing firms. It also includes a very prominent newspaper which is represented, I think, also in the Madras Chamber. I do not feel myself that bodies of this kind have in present times a very direct interest in Port Trust affairs. They are obviously interested, but if you carry the interest in Port Trust affairs into the indirect field, there is hardly any limit to the bodies which could claim consideration."

After making that statement, Sir, at that time, I am surprised to find that in the Bill as it emerged from the Select Committee that body has been given representation. Although there is a serious objection to that but there is no reason why the Piecegoods Association, which has been represented on this body for a very very long time even in that restricted Port Trust provisions, should have been excluded at all. The claim of that body had been put forward at that time by the Honourable Mr. M. S. Aney in this House when that motion was before the House. Now that body has been excluded entirely. Therefore, in order to bring in that body, whose representation has been continuous for a very very long period, it is necessary that the number should be increased from 18 to 19. I do not want to go into other questions which have been discussed during the debate on the general consideration of the Bill, but I will appeal to him very strongly that by adding one number and by continuing to give representation to the Piecegoods Association which it enjoyed in this Trust, he will be doing nothing but an act of fair and equitable justice to that association. That association has got material interests to protect in the Madras Port Trust, and I hope, Sir, that the Government will favourably consider this amendment of mine.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 2 of the Bill, in the proposed section 7, for the word 'eighteen' the word 'nineteen' be substituted."

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Before you proceed further with it, Sir, may I ask one question? I am opposed to several other things in this Bill. I want to reduce the number. Supposing this amendment is passed, then all my amendments will go.

Mr. President (The Honourable Sir Abdur Rahim): I did not follow the Honourable Member's question.

Mr. Jamnadas M. Mehta: This amendment of my friend, Sardar Sant Singh, wants to increase the number of trustees on the Madras Port Trust to 19, whereas my amendments which follow this amendment want to reduce the number.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can argue that his amendment should be adopted.

Mr. Jamnadas M. Mehta: But, afterwards, my amendments won't be argued on merits. Therefore, I suggest that voting on this amendment may be postponed. It is a consequential thing. If we add, the number will be increased; but if we reduce, the number will be less.

Mr. President (The Honourable Sir Abdur Rahim): It cannot be helped. The Honourable Member knows it very well. The proper course is for the Honourable Member to argue in support of his own amendment. That is the only way. Is the Honourable Member going to speak?

Mr. Jamnadas M. Mehta: I would give way to my friend, Dr. Banerjee.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I rise to support this amendment, but for a purpose different from the purpose that my friend, Sardar Sant Singh, has in view. My object in supporting this amendment is that I wish to move later on that the number of members allotted to the Southern India Chamber of Commerce be raised from 3 to 4 in order that that Chamber may be placed on a footing of equality to the Madras Chamber of Commerce. I will not say anything about that amendment just now, because it is not before the House, but in order to give an indication of my desire, I am mentioning this fact. In the meantime, I support this amendment, that the number be raised from 18 to 19.

Mr. President (The Honourable Sir Abdur Rahim): Which is the amendment of Mr. Jamnadas Mehta where he wants to reduce the number?

Mr. Jamnadas M. Mehta: I have reduced the number of the Madras Trades Association,—that is Amendment No. 7 on the Agenda Paper.

Mr. President (The Honourable Sir Abdur Rahim): That is not reducing the number. If he has got any other amendment simply for reducing

the number from 18 to something less, then I can allow that amendment also to be moved now, and then there will be a debate on both the amendments. This is for substitution. I want to know if there is any amendment which seeks simply to reduce the number.

Mr. Jamnadas M. Mehta: My friend, Sardar Sant Singh, himself has joined me in amendment No. 5:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'two', occurring in line 10, the word 'one' be substituted."

Mr. President (The Honourable Sir Abdur Rahim): That refers to a different thing. It is not reducing the total.

Sardar Sant Singh: My object is, the number is not to be

Mr. President (The Honourable Sir Abdur Rahim): I want to know whether the number eighteen occurs in clause 2.

Mr. Jamnadas M. Mehta: Yes.

The Honourable Sir Andrew Clow (Member for Railways and Communications): In the beginning of new clause 7.

Mr. President (The Honourable Sir Abdur Rahim): That is in another sub-clause. That won't do. The debate will now go on on the amendment of Sardar Sant Singh.

Mr. Jamnadas M. Mehta: May I know the Chair's decision in this matter? If we pass this amendment, we shall be committed to 19.

Mr. President (The Honourable Sir Abdur Rahim): Yes, I have already said that in order to give the Honourable Member a chance of moving an amendment by which the total is sought to be reduced, so that there may be a debate on both, I asked him if there was any such amendment in his name.

Mr. Jamnadas M. Mehta: I would prefer to allow 19 to remain.

Mr. President (The Honourable Sir Abdur Rahim): I cannot allow the Honourable Member to have any preference.

Mr. Jamnadas M. Mehta: I do not want to have any preference.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can argue his case on this amendment.

Mr. Jamnadas M. Mehta: If that is the decision of the Chair, I shall anticipate my amendments and make my submission.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can give his reasons, but he must confine himself to the amendment and use any argument that is relevant in order to induce the House not to accept the other amendment.

Mr. Jamnadas M. Mehta: Sir, I am not disposed to favour this increase of the number to 19, the reason being it will make the Bill much

[Mr. Jamnadas M. Mehta.]

worse than it is today. The object of my friend, Sardar Sant Singh, is acceptable, but he has chosen the line of least resistance. He has not chosen the justest or fairest line or the line which will be more in consonance with the interests of the presidency of Madras. He has chosen, looking at the fact that the forces arrayed against him are formidable he has chosen the line of least resistance, which is not worthy of a Sikh Sardar. A Sikh fights with bare breast and he goes for the enemy, and if my friend really wants to support the claims of an association which, in his opinion, deserves a seat on the Madras Port Trust, he should have definitely confined his number to 18 and fought for the removal of the other seats which are not in his opinion justified to be placed on the Port Trust. For instance, if you increase this number to 19, the implications of it would be that you are thereby giving place to every sectional interest which deserves or does not deserve it, more probably does not deserve it, as I shall try to show presently, and, therefore, the Bill will be a conglomeration of interests, which do not deserve to be represented on the Madras Port Trust. I am sure that my friend, Sardar Sant Singh, never wanted that. On the other hand, if the number is increased from 18 to 19 and if the House gives me two seats for labour, perhaps I may accommodate myself to the number 19, but there being no guarantee about the additional seat going to labour, I say that, if it is going to other interests, it will make the Bill much worse than it is today, and it will perpetuate sectional interests. Only from that point of view I oppose this amendment, and I hope my friend, Sardar Sant Singh, will understand me.

The Honourable Sir Andrew Clow: Sir, I oppose this amendment. Sardar Sant Singh has referred to previous statements of mine, and I am quite candidly prepared to repeat what I virtually admitted myself last night,—I rather liked the Bill as it was originally. But I have not taken up a rigid attitude; and when I found that an increase was proposed by the Select Committee and that some good reasons were given for it, I agreed to the increase to 18, although, I admit, somewhat reluctantly. Now I am asked to go a bit further and increase the number to 19, but as I am very far from clear what purpose it will serve. Sardar Sant Singh was quite clear. He wanted a seat for the Piecegoods Association, but Dr. Banerjee wanted, I think, a seat for the Southern India Chamber of Commerce. Mr. Jamnadas Mehta wanted the seat for labour, but he has also slipped in an amendment about Piecegoods Association, so that he seems to be of two minds in the matter.

In all the three cases there are very good reasons for not going further. As regards the Piecegoods Merchants' Association, we were given last night, very reluctantly indeed by Mr. Lalchand Navalrai, the text of a telegram which the Piecegoods Merchants' Association had sent to him. I am not at all surprised at his reluctance because it contained the astonishing statement that their interests were as large as those of the Skin and Hide Merchants' Association. The telegram was not sent to me. I would not like to suggest that that is because I have statistics at my disposal, I would prefer to take the more charitable view that the Piecegoods Merchants' Association is so out of touch with the general trade statistics that they were not aware of the position. But actually the Madras skin and hide trade which is, I believe, almost entirely in the hands of its Association, forms 25 per cent. of the total import and export trade of the Port.

The trade in piecegoods has diminished greatly, and I understand, as regards the export trade, that a considerable portion of it probably the bulk is in the hands of firms which are not in this Association at all.

As regards the Southern India Chamber of Commerce, we have increased their representation from two to three. If I had found that Honourable Members would have preferred to add one seat and not to have the Andhra Chamber of Commerce, which I understand includes some members who are also members of the Southern India Chamber of Commerce, I would have seen no great objection to that course, but the Andhra Chamber of Commerce put forward a strong plea and Members from Madras appeared satisfied that it had a cogent claim and I think the arrangement under the Bill is better. As regards labour, I was a signatory of the report of the Royal Commission which recommended that a nominated seat should be given to labour in these Port Trusts and I have not seen any ground for changing the view which I then expressed.

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

"That in clause 2 of the Bill, in the proposed section 7, for the word 'eighteen' the word 'nineteen' be substituted."

The motion was negatived.

Mr. Jamnadas M. Mehta: I beg to move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'one', occurring in line 3, the word 'two' be substituted."

The Honourable Sir Andrew Clow: I would like to ask if this amendment is in order, in view of what fell from you . . .

Mr. President (The Honourable Sir Abdur Rahim): What is the point of order?

The Honourable Sir Andrew Clow: This is a motion definitely increasing the strength of the number of Trustees. We have just taken a decision to keep it at eighteen.

Mr. President (The Honourable Sir Abdur Rahim): That is not the decision. The amendment is in order.

Mr. Jamnadas M. Mehta: Yesterday I had made my submission on the claims of labour briefly. I shall not therefore repeat the same ground again, but two or three observations have been made in the course of this debate to which I shall refer. The Honourable Member in charge of the Bill has claimed that he as a member of the Labour Commission in 1929 had made certain recommendations which should enure to the benefit of labour but that no more will be permitted. Sir, nearly thirteen years have gone by or are about to be completed since the Labour Commission was appointed. The Honourable Member in charge himself has brought forward a Bill in which he proposes to increase the number of Trustees of the Port of Madras.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban) How long ago was this?

Mr. Jamnadas M. Mehta: In 1929 the Labour Commission was appointed.

Sir Cowasji Jehangir: Since then you have become a labour leader.

Mr. Jamnadas M. Mehta: Since 1924 I have been a humble labour worker and have remained the same. The leader is yourself, with crores of rupees in the pocket, your leadership is undisturbed. My right to work cannot be disturbed. Therefore, I claim to be a very humble worker in the case of the poor and the down-trodden. I claim no leadership.

Sir Cowasji Jehangir: In how many companies?

Mr. Jamnadas M. Mehta: I may say I earn my bread and butter out of it and no more. (Interruption.)

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not take notice of all that.

Mr. Jamnadas M. Mehta: He was trying to show that I was competing in millions with him. I have not done, it is not intention.

Mr. President (The Honourable Sir Abdur Rahim): I do not think it is necessary for the Honourable Member to take notice of all that.

Mr. Jamnadas M. Mehta: The Honourable Member tried to show that I was both a capitalist and a labour leader at the same time.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not explain. Everybody has to earn his living.

Mr. Jamnadas M. Mehta: I can only say that the interruption made by the Honourable the Baronet from Bombay is very, very untimely.

I was going to say that the Honourable Member in charge of this Bill, as a member of the Royal Commission, knew that the number of Port Trustees at that time was smaller. He proposed to increase it himself to 15, and it has been subsequently increased to 18. In that case he is bound to consider the claims of labour in whose interests he thought he had done something in 1929. Therefore, there is every reason why he should support this amendment and not try to oppose it. I have tried to show yesterday that without labour the Port Trust of Madras will be a jungle. What is a Port Trust without workers? Sir Frederick James asked, where would be the workers without ships? May I ask, who built the ships? The workers. Who built the Ports? The workers. Who are running the Port of Madras? The workers. Without them nothing can be done. Has he not read Karl Marx's reference to the surplus value which accumulates in the hands of those who employ labour? It is really the excess of compensation to the capitalist and comes out of the pockets of the workers. Therefore, if my Honourable friend built ships, they were built out of the labour of the workers. The Port Trust was built out of the labour of the workers. If he is carrying on the Port Trust work, he is doing so because of labour. What is the number that I ask for? Did I ask for nine out of eighteen? Yesterday it was represented as if I was claiming the whole for labour. Yet Honourable Members know that the only thing I ask is a very small morsel from the table of these capitalists. I ask only for two instead of one, two out of eighteen

cannot swamp the capitalist. Two out of eighteen will give a fair share; because they could not give less than one, therefore they have given one. What less could they have given? The minimum is one. Where is the generosity? There is no fairness, much less generosity. Therefore, the interests of the workers could only be protected if there was one to support the other. Very often the single member will find himself isolated without any one to support him, and that is ample justification for giving two,—a very moderate and reasonable number, no extravagant claim is made. I think the House should certainly support a modest amendment of this kind.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'one', occurring in line 3, the word 'two' be substituted"

Sir Cowasji Jehangir: I will support this amendment on one condition, and that is, that, although I will miss my old Honourable friend a great deal from Bombay, he be exported to Madras and be made a Labour Member of the Port of Madras. If that undertaking is given, I will support the amendment.

Mr. Jamnadas M. Mehta: I shall try to stand.

The Honourable Sir Andrew Clow: My Honourable friend, Mr. Jamnadas Mehta, has asserted that the recommendation of the Labour Commission which was made in 1931 was made in view of certain strength in the Port Trust, and that, as we have now increased that strength, we should give two. But he is mistaken in supposing that the original Bill increased the strength of the Trust. The strength of the Trust is at present 15 and the original Bill proposed to keep it at that. Obviously if you add a seat for labour you do increase the strength of the Trust, so that that is one seat you are adding. I do not think the addition of two other seats justifies giving a further seat to labour.

As regards the suggestion made by the Honourable the Baronet from Bombay, he will observe that in the new sub-section which the Select Committee has added to the Bill, it is provided that the Trustee appointed to represent labour interests shall be chosen after consultation with the registered trade Unions, if any, composed of persons employed in the Port. If their choice should fall upon Mr. Jamnadas Mehta, I have no doubt it would be endorsed by Government.

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

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'one', occurring in line 3, the word 'two' be substituted."

The motion was negatived.

Mr. Jamnadas M. Mehta: Sir, I move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for all the words beginning with the word 'four', occurring in line 6, and ending with the word 'commerce', occurring in the last but one line, the following be substituted:

'eleven shall be elected by a constituency consisting of the organisations of Trade, Commerce and Industry in Madras of not less than five years'

[Mr. Jamnadas M. Mehta.]

standing wherein the right to vote for the election of the eleven members shall be confined to members assessed to income-tax on not less than Rs. 5,000 per year."

I have deplored the constitution of the Madras Port Trust as suggested in this Bill. I am not merely a critic. I am also willing to make helpful suggestions as to how to bring about an ideal kind of personnel on the Port Trust of Madras. I was very happy to find that the Honourable Member in charge of the Bill and my friend, Sir F. E. James, both are in agreement with that point of view and that nothing will please them more than a joint electorate of this kind.

The Honourable Sir Andrew Clow: I did not say that.

Sir F. E. James (Madras: European): Nor did I.

Mr. Jamnadas M. Mehta: That is your fear. My two friends are suffering from self-forgetfulness. They definitely stated and the transcript of their speeches can be produced here to show that I am right and that they are not right. They endorsed my suggestion that they would be happy if any such thing can be brought about and, therefore, I am hoping that as the discussion on this amendment proceeds, they will come round and bless my amendment with their vote.

I shall briefly describe what are the merits of this amendment. One is that it would abolish racialism, communalism and sectionalism altogether out of this Bill. If the House accepts my amendment, we give an equal chance to every trader of some standing and respectability. I know that if you gave a general franchise to everybody the interests will not be rightly served. The right kind of people will be swamped out and a crowd will come in, which would have no substantial interest in the working of the Port Trust. I have, therefore, taken care to see that only those associations will be allowed to join and those members from amongst them will be allowed to vote, who have standing in Madras. I have submitted that these Associations must be of not less than five years' standing. No mushroom growth of any enterprising number of people should be allowed to invade the Port Trust. They must be genuine, *bona fide* trading interests who have organised themselves into some association and having done so, have survived for five years. They should be free from the infantile diseases which are common not merely to human beings but to all associations. After such associations are all put together in a common electoral college, the right to vote would also be scrutinised. Not every man who is a member of these associations shall be entitled to vote. Only that person who pays income-tax on not less than Rs. 5,000 or over a year will be a voter. Therefore, if there are 20 associations in Madras and each has a hundred members, there will be two thousand members but those amongst them who are not paying income-tax on Rs. 5,000 or over shall be barred from voting and only the residue which consists of *bona fide* traders and merchants, say, about 150 in number, shall be entitled to vote. They will be a body of men with common interests and common responsibilities, with common outlook on trade and commerce. They will be men who may belong to any race but they will combine whenever the interests of trade and commerce are invaded from any quarter. As we saw in the case of the Burmah

Agreement, all associations combined, because the interests were partly commercial and so there is a precedent for my proposal. In the Provincial Legislative Assemblies, commercial bodies were allowed the privilege of sending a member. But they cannot allow every one of their members to vote. Only those members who pay income-tax on over Rs. 10,000, I think I am right in saying, will be allowed to vote. Therefore, there will be no invasion of vested interests.

I have taken care to put two limitations, one regarding the standing of the association and the other is that the right of the members to vote is limited by their capacity to pay income-tax. Now, I will be told—I was told by Sir F. E. James yesterday—where is the necessity? The Madras Chamber of Commerce is not a European Association, he said. He asserted that on the floor of the House. Is he prepared to repeat that, that the Madras Chamber of Commerce is not an European Association? I know and he knows that the Madras Chamber of Commerce is an European Association and nothing more. Yet, he has tried to show and I think the Honourable Member in charge of the Bill fell a victim to it, that this Madras Chamber of Commerce was not an European body. It is an European body. The very fact that in the constitution of the Madras Legislative Assembly the seats given to the Madras Chamber of Commerce are given on the ground that they are Europeans is a conclusive test of their being European and not cosmopolitan. Yesterday, an attempt was made to mislead this House because one or two people are occasionally allowed to become members. The Government themselves have torn off the mask and treated them as an European constituency in settling the number of seats. Therefore, I hope that no attempt will be made in further discussions on this Bill or in future to show that this association is anything but an European body. Then I was told that even the Madras Trades Association did send occasionally an Indian Member. Sir, an Indian who is elected by an European electorate is a European with a black face. He may be an Indian in name but he knows what are the forces behind him that impel him to vote in a particular way. I think any member going from the Madras Trades Association would not be an Indian at all. These are the main points. I mentioned yesterday the advantages of having a joint constituency. They are briefly these. There will be no further trouble about the Europeans, 12 noon. Hindus, Musalmans, Madrasis, Andhras and so on. All these things will disappear. There will be one interest only of trade and commerce. I therefore hope the House will support my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for all the words beginning with the word 'four' occurring in line 6, and ending with the word 'commerce', occurring in the last but one line, the following be substituted:

'eleven shall be elected by a constituency consisting of the organizations of Trade, Commerce and Industry in Madras of not less than five years' standing wherein the right to vote for the election of the eleven members shall be confined to members assessed to income-tax on not less than Rs. 5,000 per year'."

The Honourable Sir Andrew Clow: Sir, I am rather shocked by this amendment. I am not shocked by the quite candid admiration for prosperity embodied in it by which those who have had a good year and paid

[Sir Andrew Clow.]

a lot of income-tax are entitled to vote and those who have been less fortunate are excluded, or by the implicit suggestion that I should compel the Income-tax authorities to evade the law and disclose the amount of income-tax that various people pay. What has shocked me is the complete departure in this sphere from trade union principles. The Honourable Member has shown himself in other spheres as a doughty and responsible champion of the principle of organisation and of working through organisation. But in this case because, unfortunately for him and unfortunately for me, there is found to be more than one organisation with a substantial share in the trade of the port, he proposes to go behind them altogether and have a kind of plebiscite. I feel sure that in the labour sphere he would never countenance an attempt of this kind. Nor would a miscellaneous body like this of diverse interests and diverse kinds really be a sound electoral college. He has suggested that I have already accepted the principle of the amendment in my speech last night. Very far from it. I said that I would welcome, and I think most Members of this House would welcome, the organisation of the important trade interests in a single body, and I would then be very ready to give adequate representation to that body. But this involves ignoring all these organisations, whatever their history, whatever their trade and whatever their representative character and simply trying to ignore the fact that they exist. For that reason, I oppose the amendment.

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

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for all the words beginning with the word 'four', occurring in line 6, and ending with the word 'commerce', occurring in the last but one line, the following be substituted:

'eleven shall be elected by a constituency consisting of the organisations of Trade, Commerce and Industry in Madras of not less than five years' standing wherein the right to vote for the election of the eleven members shall be confined to members assessed to income-tax on not less than Rs. 5,000 per year.'

The motion was negatived.

Mr. Jamnadas M. Mehta: Sir, I beg to move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'three', occurring in line 8, the word 'four' be substituted."

I am sorry to say that the Honourable Member in charge is trying to show that what I am doing is something inconsistent with my labour stand. Probably he will again come forward and tell me that I am trying to increase the number of a capitalist body to four. I am sure he understands that my stand is absolutely non-sectional in the beginning and I stand for no particular section. I want to allow labour and capital a fair field. But if, unfortunately, under his inspiration, this House does not listen to me on this principle, then what I will try to do is to prevent the evil of sectionalism as much as is possible. If I do not succeed 100 per cent., I should try to succeed 50 per cent. I should try to do good till the last ditch is reached. Never give up the attempt. That is not inconsistent; it is to fight to the end; to fight the rearguard action and, ultimately to retire. But you must not give up the struggle at the first attempt. Therefore, there is nothing inconsistent in my first taking a non-sectional stand. If, unfortunately, the Bill perpetuates sectionalism, then I must try to prevent as much evil within the orbit of the Bill and shape my

proposals accordingly. Nor is it part of labour to do injustice to capital. If the Honourable Member in charge wants that a labour worker must always be hostile to capital, I think he is referring to a communist. I am not a communist. I am one who is still of opinion that until we have got the freedom in this country, a cohesion of interests between capital and labour is occasionally necessary. The Honourable Member himself is not a communist and he really does not want me to do what he apparently says he wants me to do. But, today, because I do not oppose the fair representation of capital he thinks I am unworthy of being a labour worker. Well, Sir, if I am unworthy I shall no longer remain. It is a question of putting forth work. If there is anxiety for work, the field for work is never wanting. But I cannot allow my position to be misrepresented either by my old dear friend, Sir Cowasji Jehangir, or by the Members of Government or any other Member.

With this clarification of the little confusion which was deliberately caused in order to damage my amendment, I may now say that the Southern Indian Chamber of Commerce is a body whose representation which was sent to the Select Committee was the most cogent, most conclusive and fair representation that could ever be sent by a body consisting of merchants. That body has demanded that it should be treated as equivalent to the European Chamber of Commerce. That is the claim which the Southern Indian Chamber of Commerce has made and it has made it on very reasonable and conclusive grounds. This representation will be found to be embodied in the yellow paper which has been circulated to Members. They say that the Southern Indian Chamber of Commerce is a body which has been in existence for over a quarter of a century, that it has in its fold members from all parts and from all interests in the Presidency, that every sectional interest which is seeking separate representation on the Port Trust is today already in the Southern Indian Chamber of Commerce in full number and is getting fairplay whenever an occasion for representation comes. Not only that, His Excellency the Governor of Madras in a speech which he made recently has admitted that the Southern India Chamber of Commerce is a body fully representative, is doing very good work, is a body not of politicians but of merchants. For the benefit of the House, I shall read a short quotation from the speech of His Excellency the Governor of Madras where he paid a complaint to the excellent work that this Chamber is doing. His Excellency was opening the silver jubilee celebrations of this Chamber on 7th December, 1935. That means that the body was born in 1910 and, therefore, today, it is 31 years old. A body as venerable as 31 years, celebrating its silver jubilee six years ago, representing all sections of trade and doing justice to everybody was complimented by His Excellency the Governor of Madras in the following manner:

"And, if the work of this Chamber is conducted in the same fashion I can well understand how it is that, while still in the full bloom of youth as counted in terms of human years, it has already attained the dignity and discretion of a venerable maturity. From humble beginnings, the Chamber has worked its way up to a position of real influence in public and commercial bodies and has deservedly won the esteem of all."

Mark you, these are not the words of any Member of the Southern India Chamber of Commerce, not of any stray political agitator, nor even that of a man not being a resident of Madras, but these are the words of the highest man in the Madras Presidency, the head of the administration, six years ago telling this Chamber that it was from humble

The Honourable Sir Andrew Clow: Sir, I move:

"That the Bill, as reported by the Select Committee, be passed."

Mr. Jamnadas M. Mehta: Sir, at this last stage I do not wish to speak on the merits except to record my protest against the manner in which this Bill has been spoiled from its original shape. Why I emphasise my protest is that the evil example which this Bill will set, if it is passed into law, will be repeated when the amendment of the Port Trust Acts of Bombay, Calcutta and Karachi may take place. The principle being so vicious

An Honourable Member: What is the principle?

Mr. Jamnadas M. Mehta: The principle is of racial domination.

An Honourable Member: Rubbish.

Mr. Jamnadas M. Mehta: You will call it rubbish until you are turned out. I have nothing more to say than that the Port Trusts of Calcutta, Bombay and Karachi will now be exposed to the same danger that this Bill embodies. I can sympathise with my Madras friends. Most of them are not here and those who are here are plaster saints. That is all I have to say. I can sympathise with the Madras Presidency in the misfortune with which it will be visited, if this Bill passes into law. Sir, I oppose it.

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

"The the Bill, as reported by the Select Committee, be passed."

The motion was adopted.

THE EXCESS PROFITS TAX (SECOND AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That the Bill further to amend the Excess Profits Tax Act, 1940 (Second Amendment), as reported by the Select Committee, be taken into consideration"

The main points which exercised the Select Committee will be clear from a perusal of the report and the minutes of dissent. The principal provision in this Bill related to the treatment of borrowed money as capital for the application of standard profits and the Bill provides that this clause and the clauses connected with it shall have effect in relation to the assessments to be made in the forthcoming financial year. That is roughly speaking the position. It was urged upon me that retrospective effect should be given to this as from the beginning of the Excess Profits Tax Act, and as I think I pointed out to the House before, the change which we are making is not by way of the admission of a mistake. It is a change of policy. It extends a concession to the taxpayers, the justification for which is arguable. As I explained before in the course of the passing of the original Bill, in the course of the Select Committee proceedings, I reached a stage when I was prepared to allow certain types of advance to be treated as capital but would not go further. I

have, subsequently decided, to remove from myself the suspicion of discrimination as between different types of financing institutions and to include borrowed money advanced whether by banks or by others but I cannot agree that there was anything wrong in the position which I took up before. It was a different position but it was by no means unjustifiable and I am not prepared to give retrospective effect to this provision. It would, among other things, cause a good deal of administrative inconvenience. It would mean the reopening of a number of assessments which have already been made. For this reason, the Bill as it stands gives effect to assessments for chargeable accounting periods which will take into consideration any assessments made during the year ending on the 31st March, 1943.

I must apologise to the House. I have momentarily confused here two provisions regarding which the Bill regulates the date of coming into effect. The borrowed money provision takes effect from the beginning of the current financial year. It will relate to assessments of profits made at any time from April of this year but it will not relate to assessments of profits made in the course of the year 1940-41. The new treatment of borrowed money will take effect in any computation for a chargeable accounting period ending after the 31st of March, 1941.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadian Urban): That is on the accounts of the previous year.

The Honourable Sir Jeremy Raisman: No, that is the period of which the accounts are being dealt with.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadian Rural): Then what is the period left if you want to give retrospective effect?

The Honourable Sir Jeremy Raisman: It does not apply to any chargeable accounting period which ended on or before the 31st day of March, 1941. That is the position. In other words, it does not apply to the computation of profits made in this period but it will apply in the computation of profits made in any chargeable accounting period which ends after the 31st day of March, 1941. That is the position. I am sorry to have imported a little confusion, but these are highly technical matters and even experts may slip up in referring to them.

Sir Cowasji Jehangir: My point is this. There may be a chargeable accounting period, but the accounts of the previous year are taken into account in order to assess the income. Even income-tax and super-tax is charged on the previous year's income and the excess profits tax should follow the same lines.

The Honourable Sir Jeremy Raisman: Perhaps I may make it clear by an example. If a chargeable accounting period ended on April 30th, 1941, then this provision would apply in relation to that one month of April but not in relation to the previous eleven months. That is regulated by another provision in the Bill. In other words, so much of the profits, to put it boldly and simply, as are deemed to have been earned or are earned on or after the 1st of April this year will be calculated by the application of this provision, so that we may say that the concession takes

[Mr. Jamnadas M. Mehta.]

beginning now on its way to a position of real influence in public and commercial bodies and has deservedly won the esteem of all. If there are five Madrasis on the side of the Honourable Member, I hope they will read, mark and inwardly digest the sense of these words. His Excellency further says :

"Unlike the politician, so frequently accused of an indiscriminate habit of joining public bodies and sitting on Committees, you hardheaded businessmen would not, I take it, attend and even subscribe to an organisation of this nature, unless it were of active service to your community, and there can, I think be no higher testimony to the value of the services which the Chamber has performed in the interests of commerce of Southern India than the strength and widely representative character of its membership. Moreover, in matters political and administrative, I would like to pay a tribute to the courteous assistance which the Chamber has so frequently rendered to my Government and its officers."

Sardar Sant Singh: I thought it was a disqualification not to be a politician.

Mr. Jamnadas M. Mehta: I do not think in commercial bodies politicians are of good help. The fate of the Indian merchants representation in this House tells its own tale, because there are politicians. His Excellency further continues :

"There have, I fear, been occasions—perhaps more often than not—when the Chamber has failed to see eye to eye with the policy of the Government."

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not read out the whole thing. He has read enough to show the importance of the Southern Indian Chamber of Commerce.

Mr. Jamnadas M. Mehta: I was not intending to read out the whole speech. There are only two lines which I would like to read if you permit me, Sir.

Mr. President (The Honourable Sir Abdur Rahim): All right.

Mr. Jamnadas M. Mehta: His Excellency, the Governor of Madras further says :

"But a Government that does not welcome responsible criticism is not worth its salt, and it is to organisations such as yours that my Government must look for helpful and constructive advice".

Well, Sir, this is the unsolicited testimonial of the head of the Madras Government which sums up in one paragraph all that I have said and which I need not repeat. Still this body has got a representation which is so attenuated by rival Chambers, which is less than Europeans by two. Therefore I move that this body should have four representatives.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved :

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'three', occurring in line 8, the word 'four' be substituted."

The Honourable Sir Andrew Clow: Sir, I should be the last to deny the representative character of the Association for which my Honourable friend, Mr. Jamnadas Mehta, is pleading, and I do not think that in anything that

I have said in this Bill, I suggested that there should be any hostility between capital and labour or that he stood for any hostility in that sphere. I have listened with interest to the remarks which he has cited from His Excellency the Governor of Madras. But I saw nothing in them to lead me to suppose that His Excellency would support this amendment. In fact, we have the opinion of the Government of Madras before us and there is no suggestion in that opinion, which reviews the claims put before it, that another seat should be given to this Chamber. Actually, it is in consequence, it is in recognition of its importance that we have increased its representation from two votes to three. As I said earlier, if those who advocated the interests of the Andhra Chamber of Commerce had taken the view that they would be better represented by giving another seat to this Chamber, in which I understand a number of them are members, that is not a view that I should have felt able to contest. The wiser view seems to be that the Andhra Chamber of Commerce should be given separate representation and I am sure that the Bill at present, which largely reverses the positions held by the Associations which Mr. Jamnadas Mehta described as European and those he described as Indian, does justice to the extent of Indian trade in the Port. Sir, I oppose the amendment.

Dr. P. N. Banerjea: Sir, I have very great pleasure in supporting this amendment. It is not denied even by the Honourable Member in charge of the Bill that the Southern India Chamber of Commerce is an important and influential body. It is clear from the pronouncements of the head of the administration in the Madras presidency that this body has rendered very great services to the cause of commerce. Therefore, it is desirable that this further recognition should be given to this body. My Honourable friend, Sir Andrew Clow, pointed out that the representation of this body has been increased from two to three. That is all right. He has done the right thing. But would it not be desirable to go a little further in order that the Indian Commercial Association may be placed on a footing of equality with the European commerce body? If this is not done, then there will be a great deal of jealousy and unhealthy rivalry between these two commercial organisations. It is our desire that there should be no rancour, no ill-will between the Europeans and the Indians. What is the best way of preventing this? The best way to prevent this is to put Indian commerce and European commerce on a footing of equality.

The Honourable Sir Andrew Clow: I might point out that they are on a footing of more than equality. As far as I can make out, if I take the Madras Trades Association as a European Association then there are five seats for predominantly European Associations and six for predominantly Indian Associations, apart from other Indian interests.

Sardar Sant Singh: Is that a fair proportion?

Dr. P. N. Banerjea: That is not a proper understanding of the situation. I am speaking of the two Associations, the Madras Chamber of Commerce and the Southern India Chamber of Commerce. The question is, whether the Southern India Chamber of Commerce should be placed in a position of inferiority as compared with the Madras Chamber of Commerce. I say that is very unfair and undesirable. If you do that, you promote ill-will,

[Dr. P. N. Banerjee.]

you promote discord, you promote rancour. Therefore, in order to avoid this evil effect, I want the two Associations to be placed on an equal footing. Sir, it has not been denied that this Association has been doing good work and that it is of long standing. What, then, prevents Government from securing equality as between these two Chambers of Commerce? I have not heard anything which goes against this view. I hope the House will give very careful consideration to this matter and accept the amendment.

Sir F. E. James: Sir, I must say one word as otherwise my silence might be misunderstood. As far as the Madras Chamber of Commerce and the Madras Trades Association are concerned, we have always made it perfectly clear that we shall welcome increased representation for the South Indian Chamber of Commerce. That body has a distinguished record of service and I may say that my original proposal to the Select Committee was that this body should receive an additional seat. But it was thought by the Committee, and by colleagues of mine who come from Madras, that it was better that the Southern Indian Hides and Skin Merchants' Association should have one additional seat and that the Andhra Chamber of Commerce should be given a seat. That being the case, therefore, the representation of the South Indian Chamber of Commerce remains at three. But I should like to correct an impression that perhaps Dr. Banerjee may have created. He, of course, cannot speak for Madras in quite the same way that I and others can. But I should like to assure him and the House that there is a complete and absolute absence of rancour in the relations between the Madras Chamber of Commerce and the South Indian Chamber of Commerce. These bodies work in the closest possible harmony and I do not think for one moment that the decision of the Select Committee with regard to the representation of the Chamber will have the slightest effect upon those relationships. It is a matter for argument as to whether the Andhra Chamber of Commerce seat should be given to the South Indian Chamber of Commerce, but the Committee had an opportunity of doing that, and it is unfortunate that those of my colleagues who come from South India did not support my original proposal.

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

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'three', occurring in line 8, the word 'four' be substituted."

The motion was negatived.

Mr. Jamnadas M. Mehta: Sir, I move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'two', occurring in line 10, the word 'one', be substituted."

This again is one more case of how Sir Frederick James has helped himself. It was not that his love for the Madras Hides and Skin Association was overflowing, but he thought that as he wanted one seat for the Three Tailors of Tooley Street of the Madras Trades Association, he would get that representation if he also supported the Hides and Skin Merchants' Association in getting one more seat. The contrast between his attitude on the addition of one member for the South Indian Chamber of Commerce and his going out of the way to support an increase of one for a body which

was in no way equal to the South Indian Chamber of Commerce can only be understood if the House knows what is at the back of it. And that is the Madras Trades Association. You saw me and I saw you,—that was the arrangement under which Sir Frederick James succeeded and hopes to succeed in getting one member for a body which is insignificant, as I shall show later on. But if the South Indian Chamber of Commerce gets three, surely the Hides Merchants' Association, its importance being undoubted, should not ask for two. If the principle of sectionalism is to be followed, I recognise the importance of the Hides and Skin Merchants' Association, and therefore its separate representation by one member I would support. But to give it two as against three for the South Indian Chamber of Commerce is absurd. The South Indian Chamber of Commerce, if I remember aright,—and my Honourable friend, Mr. Boyle, wanted figures yesterday,—has some 500 members of whom nearly 88 are representatives of the hides and skin merchants. And they are represented in the South Indian Chamber of Commerce whom you give three. And then they separately get a representation of two. No explanation is forthcoming for that; no explanation can be given because there is none. And the South Indian Chamber of Commerce has shown in its representation that all the interests, whether they are Tamilians or Andhras or the hides and skin merchants, have been elected again and again from the South Indian Chamber to represent them on a dozen representative institutions to which they have a right to send members. The press reporters have taken away my copy of the memorial of the South Indian Chamber of Commerce and therefore I will not quote anything, but I know that for nearly ten to fifteen years in succession that Chamber has sent one member for the hides and skin merchants' Association. Therefore, it is no longer necessary to increase the representation of the hides and skin merchants as they are adequately and most fairly and justly represented in the South Indian Chamber of Commerce. Their importance is undoubted but their representation is already secured in the South Indian Chamber of Commerce and one more seat for them is not therefore a compliment which they should get.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'two', occurring in line 10, the word 'one', be substituted."

The Honourable Sir Andrew Clow: Sir, I oppose this amendment. I am glad that Mr. Mehta recognises the very great importance which this trade has in the Port of Madras. As I indicated earlier, the statistics which I have looked at appear to indicate that the skin and hides trade, export and import, amounts to practically a quarter of the total trade of the port; and we are not giving the Association anything like a quarter of the representation given to commercial interests. That, perhaps, he will recognise, gives a little recognition of the fact that they have a voice in another Chamber. But I am quite sure that they themselves would not agree with his contention that their interests are adequately protected by the fact that a certain number of them form a minority in the Southern India Chamber of Commerce. He alluded last night to the absence of certain Members which we regret. I am confident that if one Party which recently left the House were here they would give very strong support to this amendment and I do

[Sir Andrew Clow.]

not think it gives unreasonable representation to a very important body in the port.

Sardar Sant Singh: Before the Honourable Member sits down, may I know if it is a fact, as mentioned by Mr. Mehta, that the South Indian Chamber of Commerce has been sending one representative of theirs in the Port Trust from the hides and skins merchants' representatives?

The Honourable Sir Andrew Clow: I think they have at times but I have not got the figures in front of me. Perhaps Sir Frederick James can answer that question better than I can.

Sir F. E. James: Whoever goes there from the South Indian Chamber of Commerce goes as a representative of the South Indian Chamber of Commerce and cannot represent any other body.

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

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the word 'two', occurring in line 10, the word 'one', be substituted."

The motion was negatived.

Mr. Jamnadas M. Mehta: Sir, I beg to move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, the words 'the Madras Trades Association'"

The Honourable Sir Andrew Clow: Sir, on a point of order, we have already agreed that the number of trustees should be 18. This amendment could only be carried if amendment No. 8. . .

Mr. President (The Honourable Sir Abdur Rahim): The House has not decided that the number should be 18.

Sardar Sant Singh: The House has decided that the number will not be 19.

The Honourable Sir Andrew Clow: I will put it as a suggestion, instead of on a point of order that this amendment and amendment No. 8, standing in the name of Sardar Sant Singh, are really combined in No. 7. Therefore, I think it will suit the convenience of the House if my Honourable friend moves No. 7.

Mr. Jamnadas M. Mehta: I think these amendments should be moved together.

Mr. President (The Honourable Sir Abdur Rahim): Do you mean 6 and 7?

The Honourable Sir Andrew Clow: I suggest that only No. 7 be moved because that covers the two points made in amendments 6 and 8.

Mr. President (The Honourable Sir Abdur Rahim): Very well, But 8 is out of order. There cannot be any increase as that has been vetoed.

Sardar Sant Singh: If No. 6 is carried, then it will be in order. Sir, the suggestion is that 6 and 8 deal with amendment as it is drafted in No. 7, so, instead of Nos. 6 and 8, No. 7 may be moved.

Mr. President (The Honourable Sir Abdur Rahim): If that is the suggestion, then the Honourable Mr. Mehta can move No. 7 instead of No. 6.

Mr. Jamnadas M. Mehta: Sir, I move:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the words 'Madras Trades Association' the words 'Madras Piece-goods Merchants' Association' be substituted."

We have agreed to move No. 7 with your permission in place of Nos. 6 and 8, as it covers all the points intended to be submitted to the House. Yesterday we had a prolonged discussion about the merits of the Madras Trades Association. I beg of my European friends in this House to live in this country as ourselves and not to claim any excessive representation in some or other. We are building up a commonwealth and let us all be colleagues. It would give me a great satisfaction if our European colleagues in this House voluntarily give up the bolstering of the claims of this Madras Trades Association. This will test—I fear that the votes will probably be against me—whether they are prepared to live in this country as equals or as dominants. This amendment of mine will be an acid test of their earnestness. I do not know whether my Honourable friend, Sir Frederick James, will respond to my appeal, but it will be in the interest of all of us that no such feeling should remain—that a body consisting of six at the minimum and thirteen at the maximum should claim a representation on the Port Trust. My friend, the Honourable the Mover of the Bill, told us that the hide merchants had a substantial share in the Port Trust of Madras. But this Trades Association, at any rate, cannot claim a representation. It is a body of indentors. They are not wholesalers at all. Simply because eight shopkeepers in the city of Madras combined to form an association and because they are Europeans, they should be given a representation is to my mind an anachronism in 1941. Yesterday my Honourable friend, Mr. Boyle, wanted some figures. I may tell him that the Madras Piecegoods Association has a membership of 145.

Mr. J. D. Boyle (Bombay: European): And figures of trade?

Mr. Jamnadas M. Mehta: I gave the figures yesterday. The trade in piecegoods has fallen on account of the war, on account of the freezing of the trade with Japan, on account of the expansion of the Indian textile industry. It has fallen from nearly 7,000 to 8,000 tons, which was normal, to nearly 2,300 tons. But the membership as against seven is 145. Has not the trade of the Madras Trades Association shrunk also? Will my Honourable friend come forward with a statement of the business which the Madras Trades Association members do? Let me have those figures against the figures of membership and trade which I have quoted. Then there will be some comparison. But this is a comparison of skin against skin—black skin against white skin—not against trade and membership. This is a demand by privilege, this is the demand of a favourably situated body of individuals. This is not just and equitable. Therefore, I beg of my

[Mr. Jamnadas M. Mehta.]

European friends here to show some consideration for our feelings that they wish to live as our fellows-citizens and not a dominant class in this country. I need not add anything except to say that so long as the Madras Trades Association gets a seat, no matter what the shrinkage of the business of the Madras Piecegoods Association may be the latter are entitled to one seat because they did enjoy one seat from 1923. On a parity of reasoning will my Honourable friend the Member in charge of the European Group be able to show that there is a single point which is in favour of the Madras Trades Association and against the Madras Piecegoods Merchants Association. Everything is in the latter's favour—their long standing, their membership, their trade—and everything is against my friends of the Madras Trades Association. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the words 'Madras Trades Association' the words 'Madras Piece-goods Merchants' Association' be substituted."

Sardar Sant Singh: Sir, I was surprised to hear the reply coming as it did from the Honourable Sir Andrew Clow to my amendment which I moved for raising the number from 18 to 19. That reply. . .

Mr. President (The Honourable Sir Abdur Rahim): That amendment is concluded now. The Honourable Member cannot re-open that question.

Sardar Sant Singh: Sir, I am not re-opening that question. My point is this that in defending the action for including the Madras Trades Association and excluding the Piecegoods Merchants Association he gave certain reasons which came to me as a shock and not merely as a surprise. I have always been regarding the Honourable Member in connection with the several pieces of legislation that he had the good fortune to pilot, that he was a reservoir of all wisdom and he was above all criticism from any part of the House. But here is a case in which he has given away his own wisdom. In his first speech, he gave expression to some sweeping statements. With your permission, I will repeat one sentence out of the same:

"I do not feel myself that bodies of this kind have in present times a very direct interest in Port Trust affairs. They are obviously interested."

This is a very sweeping statement which he made in his first speech. Why he went back, he has not told the House. Was it because he had a soft corner for political reasons for the European Members of the Select Committee that he went back from his words and quietly yielded in the Select Committee for the retention of a seat for the Trades Association? He had to find out some reasons, and he discovered it by saying that the piecegoods trade had fallen in recent years on account of the war. May I ask him, is this a war measure? Will this Bill be amended after the war is over and the piecegoods trade shows an increase? At the same time, Sir, I will like to compare it with the Trades Association's membership. I am told that there are six members, and the House will be interested to know what trade they are doing. One of them is Messrs. Spencer & Company, Hotel Keepers and General Merchants,—probably General Merchants mean merchants who deal in that merchandise which is connected with hotel keeping,—then the next is Addison & Company, Motor Car Dealers, and Retailers of Motor Accessories and Stationery. Then there is a curious case that of a daily newspaper, the *Madras Mail*, they are associated printers and publishers and proprietors of a printing press; then Messrs.

Simpson & Company, Motor Car Dealers; and then Gordon & Woodroffe, Motor Car Dealers. Out of these six, three of them are motor car dealers, one is a hotel keeper, one is a daily newspaper, and another is a keeper of a printing press. May I know, Sir, what interest they have in the Madras Port Trust? My friend was very pleased to tell us that hide and skin merchants had 25 per cent. interest in the Port Trust, but what is the percentage of interest of the Trades Association? He has not given us that information; he has not given the House the benefit of his information on this point. The Honourable Member has gone back from the sweeping statement he made in his first speech and has again agreed to give representation to this body. May I ask him, while advocating the cause of the piecegoods merchants, whether it is a fact that the piecegoods trade will not revive after the war, and is it not a fact that, if the piecegoods trade has shrunk, the motor car trade has shrunk as well? This is no reason, Sir. Comparing one with the other, we find that undue preference has been given to this Association. The piecegoods Association has been enjoying representation on this body for 23 years, I am told, and for a very long time. Why should that right be taken away now, and why should that right be retained for the other body which, according to my friend, should not find a place there at all? They have a direct interest, and direct interest should not find a place,—these are his expressions and not mine. I hope, Sir, the Honourable Member will reconsider the position and he will get out of the inconsistency he has allowed himself to fall in by what he said in the beginning and what he is saying today. Sir, I support this amendment.

Sir F. E. James: Sir, my friend, Mr. Jamnadas Mehta, has claimed that the acid test of our position in this country is whether we support or oppose his amendment. In a previous speech on the same Bill, he definitely dissociated himself from any idea of racialism. May I put this to him, that this amendment is his acid test also. If his object is not purely and exclusively a racial one, he should withdraw it. If he presses it, then he is acting in a manner contrary to the views which he put forward at an earlier stage. The Madras Trades Association has, as I have explained, no racial basis as far as its membership is concerned. If the House wants figures, I understand the membership of the Association, together with its affiliated associations is about 45, and of that number ten are Indians,—and there is no reason why a representative of this body on the Port Trust should not be an Indian. I take the strongest exception to the suggestion that Mr. Jamnadas Mehta made a short while ago that when the Trades Association was in fact represented on the Port Trust by an Indian for several years, that that Indian was not an Indian in fact, but had only a black skin covering a European heart. What a commentary, what a deplorable commentary upon his own claim for joint electorates? What would happen to any representative coming from a joint electorate if what my friend says about this unfortunate Indian Member of the Port Trust representing the Madras Trades Association were true? He has given away his whole case, and I am astonished that a person of the intelligence and position in public life of Mr. Jamnadas Mehta should betray himself to such an extent. Sir, we have claimed throughout all this discussion that we are not asking for the representation of the Madras Trades Association on the Port Trust on a racial basis. That is completely absent from our minds, though, I know, it is not absent from the mind of Mr. Jamnadas Mehta. We claim that the representation of these

[Sir F. E. James.]

bodies should have a direct relation to the interests in the Port which the members of these bodies have, and on that basis let the House examine the amendment before the House. I have taken the trouble to look up the figures immediately before the war, because the figures now are obviously affected by the abnormal conditions of war. The Madras Piecegoods Merchants' Association was interested in the Port of Madras to the extent of 44 per cent. of the total trade; and the Madras Trades Association is interested in the trade of the Port to the extent of 12.96 per cent. Therefore, if the test is to be the interest in the trade of the Port, then there is no case whatever for the substitution of the Madras Trades Association by the Madras Piecegoods Merchants' Association. . .

Sardar Sant Singh: Does this percentage include the import of the affiliated Associations too?

Sir F. E. James: No; this deals with the imports in which the members of the Madras Trades Association are directly interested. My friend keeps on saying six as the number of members of that Association—the figure is more than twice that number, and in any case he quoted a certain firm as being a member of the Trades Association, which is not a member. He ought to get his figures direct from Madras—and I can supply them to him if he wants,—rather than *via* Lyallpur. I am very glad he is not fighting with bare breast as was suggested earlier.

But the other point which I made in the Select Committee,—and I have made it before in this House,—is that the Madras Trades Association has enjoyed representation on the Port Trust since 1884 for precisely the reasons for which I have urged its continuance on the Port Trust. It is represented on other public bodies, and I feel that the Honourable Member for Communications has not made out a case for the abolition of this representation. I repeat that our point of view is that in the distribution of seats in the Port Trust the main consideration should be the direct interest which the members of the various bodies have in the Port which is affected, and on that basis I claim that the Madras Trades Association has a definite place on the Port Trust which the Madras Piecegoods Merchants' Association cannot justifiably have. Therefore, I oppose this amendment.

The Honourable Sir Andrew Clow: I have very little to add to what has fallen from my Honourable friend, Sir Frederick James. Sardar Sant Singh, has with the deftness of a lawyer, put me in a dilemma, because, if I adhere to my previous opinions, then I am charged with being unduly rigid and unwilling to listen to criticism of my views, and if I change them, then I have gone wrong. So that in neither case can I possibly hope to please the Sardar Sahib. What actually happened in this case was that I was assured that the impression that I had regarding the activities of the Madras Trades Association and the extent of its direct interest in the Port was mistaken, and Sir Frederick James has quoted figures which will convince the House that those who held the view I then expressed were also somewhat mistaken. There has been an appeal to history. I am very far from being one of those who say that we should ignore history, but if Honourable Members are going to claim on the ground of past association, representation of other interests in the Port, surely there is no other association which has a better claim than

this. Finally, it was suggested that in acceding to the claim of this Association to be allowed to retain half the representation it at present has, for we are reducing its representation, I had been guided by racial motives. Surely, the best answer to that is, that of the three seats which I agreed to add, two belong to exclusively Indian interests. 1 P.M. and this one, as pointed out by Sir Frederick James, is not exclusively European.

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

"That in clause 2 of the Bill, in sub-section (1) of the proposed section 8, for the words 'Madras Trades Association' the words 'Madras Piece-goods Merchants' Association' be substituted."

The Assembly divided:

AYES—9.

Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Chattopadhyaya, Mr. Amarendra
Nath.
Dam, Mr. Ananga Mohan.

Datta, Mr. Akhil Chandra.
Deshmukh, Mr. Govind V.
Mehta, Mr. Jamnadas M.
Parma Nand, Bhai.
Sant Singh, Sardar.

NOES—43.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab
Sir.
Aney, The Honourable Mr. M. S.
Ayers, Mr. C. W.
Bewoor, Sir Gurunath.
Bhagchand Soni, Rai Bahadur Seth.
Boyle, Mr. J. D.
Buss, Mr. L. C.
Caroe, Mr. O. K.
Chapman-Mortimer, Mr. T.
Chettiyar, Dr. Rajah Sir S. R. M.
Annamalai.
Clow, The Honourable Sir Andrew.
Daga, Seth Sunderlal.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Cap-
tain.
Dehejia, Mr. V. T.
Gidney, Lieut.-Colonel Sir Henry.
Gopalaswami, Mr. R. A.
Gwilt, Mr. E. L. C.
Ikramullah, Mr. Muhammad.
Imam, Mr. Saiyid Haider.
Ismail Ali Khan, Kunwar Hajee.
James, Sir F. T.

Jawahar Singh, Sardar Bahadur
Sardar Sir.
Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lawson, Mr. C. P.
Manavedan, Raja T.
Maxwell, The Honourable Sir Regi-
nald.
Miller, Mr. C. C.
Mody, The Honourable Sir H. P.
Muazzam Sahib Bahadur, Mr.
Muhammad
Mudaliar, The Honourable Diwan
Bahadur Sir A. Ramaswami.
Pillay, Mr. T. S. S.
Prior, Mr. H. C.
Rahman, Lieut.-Colonel M. A.
Raisman, The Honourable Sir-
Jeremy.
Scott, Mr. J. Ramsay.
Sheehy, Mr. J. F.
Sivaraj, Rao Sahib N.
Spence, Sir George.
Sultan Ahmad, The Honourable Sir.
Thakur Singh, Captain.

The motion was negatived.

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

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 and 4 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

[Mr. T. Chapman-Mortimer.]

Member can see his way to give us some indication about these two questions. I am sure it is common knowledge that hundreds of important excess profits tax assessments are still unsettled and that that is the same whether you live in Bengal or Bombay or elsewhere. There may be various reasons for this. One reason might be that the department is dilatory and not able to tackle its job. I do not believe for one moment that that is the case. For one thing I do not think anybody in this House, having heard some of the speeches the other day, will imagine that the department is dilatory; so I think we can wash that out. Nor do I think, from my own indirect knowledge of those who are members of the staff of the department, that they are not competent to deal with the problems before them; so I think we can wash that out. It may be that the department is under-staffed. If that is so, I should like to know what steps the Honourable the Finance Member proposes to take in this matter. He may consider that on a long view the staff is fully adequate; on the other hand he may feel that it is not fully adequate. That is a matter that only he and his expert advisers are really in a position to judge. I think myself that the probability is that the staff that they now have would, in normal circumstances, be adequate; but the circumstances are not normal, and they are not normal for this very good reason.

In 1939 this House passed an important amendment to the income-tax law, and it was inevitable after the passing of that Act that there should be a considerable amount of congestion in the department. That in its turn must, I think, have reacted on those who are trying to administer the Excess Profits Tax Act which followed only one year after the other Act has been brought into force. I do not say for a moment that that is in fact the position; but I believe that that has something to do with it and no doubt the Honourable Member, or one of those who are intimately concerned with these matters, will afterwards inform the House which of these reasons they think is responsible for this trouble. It is a well-known maxim of taxation that taxation if it is to be fair must not merely be fair in fact and in legal theory but it must be promptly and efficiently administered. I am certain that that is also the view of the Honourable the Finance Member; and, as I have said, I think he is fully alive to the very serious delays in excess profits tax assessments. At the same time I have spoken on this subject at some length because I know the feeling in Calcutta and I am perfectly certain that the feeling in other large centres is the same. People would like to see a more prompt settlement of assessments and that also is in the interest of Government, because quite clearly at a time when you have to finance a gigantic war it is obvious that if Government do not get an adequate supply of funds sufficiently quickly to meet their requirements they will have to resort to other means of financing war expenditure. So, both from the point of view of the assessee and from the point of view of Government, it is to my mind most urgent that this matter of delayed assessments should be given the earnest consideration of Government, and if they have already given it that consideration this House and the public outside should know what in fact they are doing about it.

Now, Sir, I should like to deal very briefly with some of the main features of the Bill. The main feature of course, is, as I have already said, that relating to the computation of capital by inclusion now of all types

of borrowing. Sir, when the Finance Member agreed, as he did a year ago, to a modification in his original proposals, he said that he did so with some misgiving. He repeated that phrase,—I think I am quoting him correctly,—when he told the House the other day that in order to meet the widespread demand of the business community he was going to include all borrowed capital in the computation of capital employed in the business. He said that he did so with some misgiving. I can quite sympathise with him in that. I was one of those who had misgivings myself when he gave way as he did a year ago and admitted borrowings from banks; and now if some of the cases which have been placed in my hands are even accurate as to five or ten per cent., it does mean that the change now being made will by no manner of means work to the advantage of everybody. In fact I know quite definitely that it will not. In that connection I see that my Honourable friend, Mr. Bajoria, and others, have tabled an amendment for the deletion of clause 4, which is part of their general purpose of making the new provision with regard to borrowings retrospective to the beginning of the Act. I have no doubt that they have very good reasons for seeking to do this. As the Honourable the Finance Member has told us, this question is one of balancing the chances one way or the other—balancing the odds in favour as against those that are not so favourable. So there is no clear and definite line where you can say that this is a hundred per cent. right and this is a hundred per cent. wrong. Quite obviously in all these matters of taxation that is never possible; you have always to balance the varying and conflicting factors. And I do suggest that my Honourable friends who propose to make this provision in the Bill retrospective should think twice before they press their point. I believe it is most desirable that their point should be ventilated and thoroughly threshed out on the floor of the House. But I am sure that when they get back to Calcutta, Bombay, Madras, Lahore and elsewhere they will find some rather surprising results. I have seen them myself; they were given to me in confidence by a famous firm of chartered accountants. And they showed me that whatever may be the case in the vast majority of assessments the benefits wrought by this change will not be universal.

Having said that I do not want to leave the House with the impression that I do not support the change; because I most emphatically do. I believe that, weighing all the conflicting elements in the balance, Government are doing the right and wise thing at this stage to meet this widespread demand on the part of the commercial community; I am sure too that I am speaking not only for this Group but for my constituents as a whole and that they also will feel that this is a wise decision. I have only stressed the other side because I want to draw the attention of the House to the fact that it is not going to be all beneficial and that there will be some people who, in fact, will not reap the same advantage as others. Now, Sir, another point arises out of that phrase of the Honourable the Finance Member—his misgivings about this Bill. Quite obviously to the degree that it is a concession to a very large percentage of assesseees,—as it is, and as I think every one will admit it is,—to that extent the Honourable the Finance Member stands to lose revenue. It is needless to labour this point, but in war when every rupee is of the utmost importance it is quite obvious that if the taxpayers are going to get a concession in one direction they will have to pay it back in another! Then, Sir, there is another point

[Sir Jeremy Raisman.]

effect from the 1st of April of this year. It takes effect in relation to profits made on or after the 1st of April this year.

Sir Cowasji Jehangir: Payable next year.

The Honourable Sir Jeremy Raisman: Whereas the signatories of the Minute of Dissent desired that it should take effect in relation to profits before the 1st of April, 1941. I do not think I need say any more on that particularly as there is an amendment on the subject.

Another aspect of the clause which indicates from what date provision shall take effect is that relating to profits arising in Indian States where we have brought this Bill into line with the amended Income-tax Bill

Mr. President (The Honourable Sir Abdur Rahim): Perhaps the Honourable Member might stop now.

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.

The Honourable Sir Jeremy Raisman: Sir, I dealt before the Lunch interval with the question of the treatment of borrowed money as capital and the date from which that would have effect. I would only add that it will apply to profits which are assessed to the rate of 66 2/3 per cent excess profits tax. It follows exactly the same period of application as the enhanced excess profits tax. The next important change made in the Bill by the Select Committee is the substitution for the existing section 10 of the Act of a new section. The reason for this is that it was suggested that if we insert the new section 10-A as clause 6 seeks to do, we shall have armed ourselves with more weapons than the United Kingdom Act confers on the Revenue and in order to meet that suggestion, I was prepared to apply the exact rule which is in force in the United Kingdom corresponding to the existing section 10. The only difference is that I have retained in the new section 10, the sub-section 2 which provides a sanction or penalty clause.

Now, Sir, coming to the new section 10-A, we have made an important change and in this respect we have followed the final form which the corresponding provision has taken in the United Kingdom legislation. The Bill as originally introduced gave the Excess Profits Tax Officer powers in relation to certain transactions of which one of the purposes was in his opinion avoidance or reduction of liability to tax. The clause as now amended only applies to cases where the Excess Profits Tax Officer is of the opinion that the main purpose of such transactions is the avoidance or reduction of liability. That, Sir, is a very important change. It was made in the United Kingdom after considerable discussion and we have agreed to follow that model. Some of our friends were still not satisfied and as they will no doubt explain in due course they desire to insert an Explanation. I am afraid I shall have to oppose that, but I shall deal with it in more detail when the amendment is moved.

The only other matter of importance relates to the second part of clause 8, namely, the insertion of a new rule 12 which gives the Excess Profits Tax Officer, the power to disallow expenses in excess of the amount considered reasonable and necessary, having regard to the requirements of the business. This was the subject of considerable discussion and I have no doubt that the signatories of the Minute of Dissent will explain their objections to this rule and I shall deal with their arguments at that stage. Sir, I move.

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

"That the Bill further to amend the Excess Profits Tax Act, 1940 (Second Amendment), as reported by the Select Committee, be taken into consideration."

Mr. T. Chapman-Mortimer (Bengal: European): Mr. Deputy President, Sir, as this House is aware the Bill now before us is designed to meet the demand from almost the whole commercial community for a change to be made in regard to the treatment of borrowed capital. It will come into force at once; that is to say, it will affect the chargeable accounting periods after the 31st March, 1941. There is however one important exception to that, namely, clause 3. Clause 3 is consequential on changes which have been made in the Income-tax Act by the Bill passed by this House the other day, and I need not waste the time of the House by discussing it now. It is purely a consequential point. There is, however, one question of a general nature with which I should like to deal at this stage and that is the question of assessment generally. As the House is aware and as I believe the Government are themselves fully aware, there has been a great deal of criticism in all parts of the country regarding the delays in assessments under the Excess Profits Tax Act. Now, Sir, the Bill just being introduced will probably be passed, in the course of the next few days, through both the Houses and become law, no doubt by the end of this month. I do hope, Sir, that this Bill is not going to mean that there will be further delay such as we have unhappily experienced. I am quite sure in my own mind that that will not be the case. At the same time, the point is one that is causing so much anxiety among the commercial community that I hope in his reply the Honourable Member in charge will be able to tell us something of his understanding of this position and of what steps he is taking to put it right. In that connection, Sir, I should also like to hear from him something of the proportion of appeals under section 26 to the Board of Revenue that have been settled completely one way or the other, and at the same time, perhaps he will be good enough to tell us the proportion—again I do not ask for actual figures which are possibly confidential—the proportion of appeals before the Board of Referees that has been settled. I do not know, but I should think it is quite likely that in one or the other of these cases, the rate of settlement of these appeals has been very much faster than in the other case.

I am sure that the general taxpaying public would like to know what the position is in both these cases. There is a feeling which I have experienced myself that an appeal under the Board of Referees is perhaps the best way to get prompt and fair settlement of claims. On the other hand Government contended at the time when the Act was passed that probably in most cases the correct procedure would be to act under section 26; that is to say, to present an appeal to the Board of Revenue. I do not want to say more on that now, but I shall be grateful if the Honourable

[Mr. T. Chapman-Mortimer.]

about this. The change that is now being made may encourage some unwise managements to borrow unduly. Well—after the last war we all know what happened in that connection. Hundreds of companies—not only in India but elsewhere—were embarrassed because of an unwise borrowing policy. I mention the point because

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): You were only a child then.

Mr. T. Chapman-Mortimer: I was young enough to be able to study afterwards and see what happened! I have also been able to read since, and anyone who has read Indian history of these recent years knows that after the last war, as a result of the dissipation of inflated profits which were relatively lightly taxed and as a result of the inflation of capital that took place in so many companies—European and Indian—industry was afterwards very seriously embarrassed. I do not want to labour this point either because quite clearly we *are* getting advantages—we all know that we are getting advantages. I only mention it because of a remark which was made by the Honourable the Commerce Member at the end of the last Session when he warned the House very clearly about the dangers of reckless and improvident financing of the industry during the war. That I think covers the main point about the Bill so far as I want to deal with it now.

Clause 5 was introduced in the Select Committee and is a most important clause. It was really largely inserted because of the change made in clause 6. From Calcutta and Bombay and other places exception was taken to the original wording of clause 6 and in the Select Committee, Government were prepared so to amend clause 6 as to bring it into line with the United Kingdom Finance Act. That has been done but in doing that they have amended, at the instance of the Committee, clause 5—or rather I should say they introduced clause 5 and brought in a new section 10 in place of the old section 10 of the Act. The result is that this Act now is, in this respect, precisely the same as the United Kingdom one. I think that is a matter which will also be welcomed by the commercial community. We have heard that great hardships may result as a result of the wide terms in which clauses 5 and 6 are drawn. Now, Sir, I do not very seriously believe that. Hardship may arise in certain cases. In these cases, where hardship may arise, there is provision under the Act for appeal under the proper procedure as laid down, and there are different kinds of appeals that are provided for. But, in addition to that, I would remind the House that these special provisions are designed not to attack and harass the ordinary taxpayer but to deal with those who are, shall I say, extraordinary—the type of man who is trying to arrange his affairs or rearrange his affairs in such a way that he may avoid paying as much tax as it was the intention of Government that he should pay. I mentioned that the other day, Sir, when I cited the case of ten men with equal incomes and similar assets, one of whom is not paying the same tax as the others, because he takes the trouble to get certain legal advice. Well, Sir, that is not the intention of the legislature. It is perfectly right and proper that each one of us should work in such a way that we do not have to pay more tax than is

absolutely necessary, but that is not the same thing. It is not the intention that if one class of taxpayers have to pay at a certain given rate or rates, some in that class should escape and others should bear the full tax. I am perfectly certain that in cases where hardship may arise, the provisions for appeal are fully adequate to meet the case.

Now, Sir, in regard to clause 7, which was clause 6 in the original Bill, a provision has been made for mining companies, oil companies and so on with wasting assets. I am certain that all those who are interested in these industries will welcome the opportunity that is now given to them to apply for some measure of relief under section 26.

With regard to clause 8 (b), that is a clause which, like clauses 5 and 6, gives some wide powers to the administration. I believe that clause 8 (b) is most necessary. We know that there are cases of people who, in order to pay less tax than they should, appear to be generous to their employees by paying them rather more than, in normal circumstances, they would, or they may give a large salary to relations. And other means of “avoidance” are used too. Now, Sir, this new provision is intended to deal with such cases. It is not, as I believe, intended to deal with a case such as the following:

“A company has an Assistant who, in the standard period, received no bonus. In the chargeable accounting period he received a bonus because he was doing more important work or working harder. He was an elder man and not only was he doing more important work but he was also probably doing much more work because people who are engaged on the manufacture of munitions and other war supplies naturally are strained to the last limit and every member of the staff is working all out. It is, therefore but just that in such circumstances the Assistant should share, to some extent, in the prosperity of the business.”

But that, Sir, is a very different thing from the case of a company or a man in business who deliberately, to avoid taxation, gives away money that he had really no intention of giving away and in normal circumstances would not have given away. In the case that I quoted a moment ago, I am sure the position is quite clear, and that Government will issue instructions to see that their officers give proper and fair consideration to a case such as I have put, I am sure that they will not avail themselves of the new section 12 (1) to harass assesses unnecessarily. Sir, I have nothing more to say except that we in this Group fully support the Bill now before the House.

Sir Cowasji Jehangir: Mr. Deputy President, I am not going to follow the example of my friend, Mr. Chapman-Mortimer, by going into the sections of the Bill. We shall have opportunities of discussing those sections under the amendments which are being moved. The prerogative of the Honourable the Finance Member is to explain the Bill to the House, and he has done so. I will only speak for two or three minutes at this stage to answer one or two points that have been raised.

My friend who sits behind me, Mr. Chapman-Mortimer, is against giving retrospective effect to the provision which is decidedly a concession about borrowings. When the amendment comes before us we shall discuss it in detail, but there are some guiding principles which must not be forgotten. The first is that a principle must be maintained, and, secondly, one must see whether the provision is for the advantage of the majority. Every amendment that is made here may adversely affect

[Sir Cowasji Jehangir.]

some assesseees, but it is not the minorities' interests we have got to consider, but the interests of the majority, and if those interests of the majority fit in with the main principle, then I think it is the duty of the Government to concede that principle.

Now, another objection taken on general principle to these facilities given in this Bill is that it will encourage reckless borrowing. We have heard a good deal about the financial affairs of companies in boom times, and not only have we been warned in this House, but we have had experience in the past. But the amendment that is sought to be introduced in this Bill and the amendment that will be moved to give it retrospective effect will not encourage reckless borrowing. Reckless borrowing will not help any company. Reckless or heavy borrowing more than is necessary for the interests of the company or the firm will not help that company or firm with regard to the Excess Profits Tax. It is a point which Mr. Ayres will explain, and therefore the question of reckless borrowing or going more deep than is good for one is not involved in this Bill at all. Sir, I have nothing further to say just now. I will deal with all the points when the amendments come before the House.

Mr. Husenbhai Abdullabhai Laljee: Sir, I agree with most of the remarks that have fallen from my friend, Mr. Chapman-Mortimer. I am glad that the Honourable the Finance Member has acceded to the request of the commercial and industrial community that borrowed capital should be treated as part of the capital, but the Honourable the Finance Member is still saying that the justification for that action is arguable. At the same time he has admitted that he does not wish to have any discrimination of any kind whatsoever. There is no doubt that, so far as this country is concerned, a lot of capital is coming from persons who act as Shroffs or moneylenders, and very little comes from Banks. Therefore, I really feel that the Honourable the Finance Member, in acceding to our request in this matter, has done a great good to the people of this country.

My friend, Mr. Chapman-Mortimer, alluded to the fact that there will be a lot of borrowing and over-capitalisation in industrial and commercial concerns, but let me tell him that the results in India with regard to industrialisation up to the time of the Great War were anything but satisfactory. That is my humble opinion. In fact, at present when we want everything to be done in this country and outside to prosecute the war,—and when my friend, Mr. Chapman-Mortimer, was so very anxious to get a couple of crores from the excess profits tax to finance the war,—should not the people who are much more eager to take up big and small industries to meet the great requirements of the war, be encouraged and helped?

Mr. T. Chapman-Mortimer: On a point of explanation, Sir. I think my point has been slightly misunderstood. All I said was that they should be careful lest they overborrow. I did not say that it would inevitably result. I merely said that some unwise and reckless people should not be carried away by rosy pictures of the future and borrow heavily. That is not the same thing as saying what my friend thinks I said.

Mr. Husenbhai Abdullabhai Laljee: I am very glad, Sir, that this explanation will help us a good deal. We have got to be very careful, and I think every industrialist is very careful, but this note from saner and more experienced people will always be helpful to us. Still what I was telling was that we want industries, and at the present moment we want them for a double purpose,—one is to meet the requirements of the war, and the second is to meet the requirements of our country, and if money is borrowed and sunk in industries from *sowcars* or others, the ultimate result would be for the prosperity of the people of this country which has to depend so much on the export of raw materials, and the country which is so overfull with raw materials at present that she does not know what to do with them.

With regard to the remarks that the excess profits tax settlement should be done earlier, I quite agree, because in that case industrialists and commercial people will know where they stand. These are very complicated things, and it is really very necessary for every industrial and commercial concern to know where it stands. But I admit one thing, and that is, that every endeavour is being made in important cities to expedite matters, but my own view is that the department, so far as its work is concerned, is probably under-staffed or overworked. It is none of my business to go further into this matter, but as one who knows something about the working of the Government departments, I feel that the department is overworked or under-staffed, at present.

I must also congratulate the Honourable the Finance Member on voluntarily agreeing without much persuasion to insert a section from the English Act in place of the present section in order to make matters quite explicit. I hope and trust that this policy will be adopted whenever such occasions arise. With regard to this matter, we will have to say a little more later when the amendments are being moved.

Now, Sir, I will follow my friend, Sir Cowasji Jehangir's advice, and I will not go into the details of the sections, because we have to move some amendments, but I do feel that the attempt of the Honourable the Finance Member to amend this measure is in the interests of the community, and we certainly welcome it.

Babu Baijnath Bajoria: Mr. Chapman-Mortimer has referred to the delays in assessment and I will say something about that subject. There are very many reasons for delays in assessment. The first and foremost is, in my opinion,—I must apologise to the House for my voice, I have got a bad throat—that the Excess Profits Tax Officer does not know the implications of the Act very well. The Act is so complicated, is so confused that it requires a super-human brain to understand it thoroughly. This has been said before. That is the reason why the Excess Profits Tax Officer cannot make up his mind as to what is the correct assessment which he should make. The basis of the excess profits tax assessment is, firstly, what is the standard profit, and secondly, what is the average capital employed. These two factors have to be determined before any assessment can be made. There are so many options, there are so many *pluses* and *minuses* which have to be taken into account that it is very difficult to say what

[Babu Baijnath Bajoria.]

is the correct standard profit or what is the correct average capital employed. Indeed we saw something of the confusion in this Act this morning when the Honourable the Finance Member himself was confused a little about this Bill. He did not know what he was referring to. I do not want to make capital out of that. (Interruption). Yes, he had to borrow capital from Mr. Sheehy who is sitting behind, to put himself right.

This Act, it will be admitted by all, is very complicated. I would have preferred a general training class for the assessee and the officers so as to guide them as to how to fill up the returns, how to make assessments, and give general guidance to the assessee and to the staff about this Excess Profits Tax Act.

An Honourable Member: Who would be the teachers?

Babu Baijnath Bajoria: The experts who are sitting behind my Honourable friend the Finance Member.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): They themselves do not know.

The Honourable Sir Jeremy Raisman: Prof. Banerjea will teach us.

Dr. P. N. Banerjea: You must pay me handsomely.

Babu Baijnath Bajoria: Mr. Chapman-Mortimer referred to appeals under section 26 to the Central Board of Revenue and he compared that with appeals made to the Board of Referees. He said that under the latter method appeals are heard more quickly.

Mr. T. Chapman-Mortimer: No. On a point of explanation, Sir. I did not say that. What I said was that I should like to hear from the Honourable Member what was relatively the speed with which appeals were settled under 26 on the one hand, and appeals under 6 (3) on the other.

Babu Baijnath Bajoria: I may inform my Honourable friend that there is a good deal of difference between the two appeals, between the powers which the Board of Referees have got and the powers which the Central Board of Revenue have got. When an appeal is made to the Central Board of Revenue the applicant may get much more benefit beyond the statutory percentage even, while the powers of the Board of Referees are limited only to giving relief up to the statutory percentage. The Central Board of Revenue as the overlords, have got unfettered freedom and they can give as much as they like but I doubt whether they will be so generous. I would ask Mr. Chapman-Mortimer to keep delays in mind when the amendment about borrowed capital comes up before the House, because that was the main objection raised both in the House and in the Select Committee. It was said, because many assessments have already been made, we cannot go back and give the benefit of this new clause about borrowed capital from the beginning of this Act.

As far as my knowledge goes, as regards current year's assessment, comparatively very few cases have been decided, and it should be very easy for the Government to agree to give retrospective effect to this clause, from September, 1939, or, if not that, at least from the 1st April, 1940. As regards borrowed capital, I have received a telegram from several banks in Lahore, and I think probably the Honourable the Finance Member also has received similar telegrams. What they say is that the bank's deposit in another bank should be treated as capital. I want to be enlightened about this matter. I do not know whether a bank's deposit in another bank is treated as capital at the present moment or not. I shall follow the advice of my Honourable friend, Sir Cowasji Jehangir, and we shall deal with the points fully when the amendments are moved in this House. This Bill has got its good features and bad. As regards borrowed capital, the privilege which is being allowed at the present moment will be beneficial to most of the assessee but there may be some who may suffer, as pointed out by Mr. Chapman-Mortimer. But you cannot, as he has said, benefit hundred percent of the people. With these few words I support the motion that the Bill be taken into consideration.

Mr. C. W. Ayers (Government of India: Nominated Official): Sir, I should like to say a few words on the subject raised by my Honourable friend, Mr. Chapman-Mortimer, about the delay in making assessments. Primarily I should like to make a plea to the House on behalf of the staff, not for indulgence, but for understanding. In the first place, the Excess Profits Tax Act was passed in March 1940. Now, quite inevitably I believe, and as a fact, work did not commence up till July of that year, there was an interval of three months when nothing was done. When the work commenced, the work had to begin with the central authority, that is to say, the drafting of forms, the making of notifications including rules which were necessary under the Act, the drawing up of carefully considered instructions to the staff as to what the sections meant, how they should apply them, or how in relation to the calculation of average capital they were to apply the arithmetic that they knew, to the Act they were hardly acquainted with. In passing I might say that at a later stage the instructions given to the staff were made accessible to the public, so that any assessee knows just what the official interpretation of any section or rule is, rightly or wrongly, but what the official interpretation is and what instructions have gone out to the staff on general principles.

Babu Baijnath Bajoria: Is that available to the public?

Mr. C. W. Ayers: Yes, at one rupee a copy. Now, as a result of all that, the forms could not be issued by the Excess Profits Tax staff until November-December 1940. The assessee, on receiving a notice that he has to make a return, is given two months in which to make it and the Excess Profits Tax Officer is empowered to grant any reasonable extension of time. In fact, I know cases where extensions up to six, seven or nine months have been given for good reasons. As soon as the officer gets the returns, he has to set to work to decide how to make the assessments and how to make the computation. Now, I need not

[Mr. C. W. Ayers.]

to the House that this is a new, difficult and complicated Act to administer and moreover, if we had gone on the principle of rough and ready computations, we probably could have got the assessments made a lot quicker and got the money. But my experience extends back to the last war and the excess profits duty in the United Kingdom and I know what are the dangers of those rough and ready computations which may be accepted quite easily in the early days when patriotism mounts high, money does not seem to matter and moreover, the Act itself has not been appreciated fully. So, rightly or wrongly, the department did set to work with the primary purpose of having the work done as well as it could be done and to get as close to the actual liability as was possible. Probably I myself am very considerably guilty of slowing down the work of assessment, because I called for numbers of files in the early days to look at the computations and see whether they were made properly or not and whether rules and sections had been totally overlooked or misapplied, with the result that I had to enter into long correspondence with the officers to give them such instructions as would ensure that in future the computations should be reasonably correct. Where mistakes were found, they were put right under section 20. Now, I will quote one case as an example. It is rather exceptional but in this case the computation was altered by Rs. 5,000. One computation was Rs. 12,000, the other was Rs. 7,000. The original assessment was Rs. 12,000 and the amended assessment was 7,000. I may point out here that neither the Excess Profits Tax Officer at that early stage nor the assessee at any stage knew that he had been over assessed and the assessee received that refund of Rs. 5,000 without any action being taken on his side. Now, so long as I can quote cases done in good faith on both sides and so badly, the House must realise that it is most important that the work should be thoroughly scrutinised and that a measure of slowness is not culpable. It is something to be taken as almost admirable in the early stages. As a result we have not made a lot of assessments yet. We have not collected a very great amount of duty. Some speak as though we have made only a score or a hundred assessments but we have done a good deal more than that. At the end of September last assessment orders had been issued in 1,127 cases. 900 other cases had been examined generally and broadly and put on one side as cases where there is no need to worry about detailed computations or to ask for any further particulars and the tax assessed was one crore, 40 lakhs which I admit is not very much but there has been a great deal of work

An Honourable Member: Does it include part payment?

Mr. C. W. Ayers: No. We have got other demands in addition, though it does not amount to a very great deal but there has been a good deal of work done. This has been very largely education and the result will be that your future assessments will be very much better made and there should be far less complaint. That result would not have been achieved if we had not done such an enormous amount of work on these early cases.

Now, we come to the point when we can say that officers should by now have learnt by experience with a certain amount of tuition how to

apply this Act and how to make the computations. With that experience they could now deal with the larger cases promptly and make the assessments.

This brings me to a point I ought to have made at the beginning. In 1939 you had a staff which was, I might say, no more than adequate. I know it was not too much and on that staff was thrown the task of administering the Income-tax Amendment Act of 1939. On top of that, came this work in connection with the excess profits tax, something which is new to them and something of which they had no experience, something which is full of pitfalls. You could easily charge the assessee to a tax of Rs. 1,000 where the amount should be Rs. 500 and you might easily undercharge other assessee to the same extent. Now, as I said, the officers are carrying this double burden. The Central Board of Revenue is doing all that it can do with regard to increasing the staff but you, gentlemen know, particularly those of you who are in business, that you cannot produce a trained staff at a moment's notice. You can take on raw hands and give them three to four years' training and if you are fortunate, you will have a first rate officer at the end of five years. You cannot do that in a year or two, so that you will see that we are building here for the future, just as I was building for the future right through the latter half of 1940 and I would suggest that on this question of delay and the achievement or the lack of achievement of the staff you will be generous, and I believe that in time to come instead of complaining of what this limited staff has done you will be almost prepared to give them a vote of thanks for the extra work and the difficult work that they have put in.

Sir F. E. James (Madras: European): It looks as though you are preparing for Excess Profits Tax after the war!

Mr. C. W. Ayers: Now, there are one or two other points which I should like to touch upon.

Then, Sir Cowasji Jehangir was speaking of the application of rules as regards the borrowed money in relation to capital. What he had in his mind is that the clause says after 1st April, 1941, and that in computing capital for a charging period ending after the 31st March, 1941, and in relation thereto in computing the capital of the standard period also, the borrowed money shall not be deducted in computing capital, which has the effect of putting borrowed money into line with its proprietor's capital. In a normal case, what you are concerned with is a standard profit and what is the increase of capital used in earning the increased profits in respect of which you give an allowance of eight or ten per cent., or, in the case of the borrowed money, the difference between eight or ten per cent. and the rate of interest you pay. Now, I think, that covers the point.

There was another specific point put to me and that was about the applications for what are now usually termed substituted standards made to the Central Board of Revenue or to the Board of Referees. I would like to preface my short remarks on that point by saying in fairness to everybody that it is the Department which is ultimately responsible both for the Central Board of Revenue cases and for those that go to the Boards of Referees. It is the Department that receives the applications, makes the necessary inquiry to get the statement of facts and draws up the statement that it is going to make either in support of or against the claims made.

[Mr. C. W. Ayers.]

The initiative for putting the case down rests with the Department. Having said that, I might mention that the number of effective applications received by the Central Board of Revenue is 27. Of these, seven are settled and as soon as this Session is finished and we are free to deal with them two other applications will be heard. That is effectively 33 1/3 per cent. So far as the Board of Referees is concerned, 22 applications have been received of which two have been settled and two will be given a hearing during the course of the next few weeks, which is a little less than 20 per cent. The figures are so small that the comparison is not of any particular value.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill further to amend the Excess Profits Tax Act, 1940 (*Second Amendment*), as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Deputy President (Mr. Akhil Chandra Datta): The House will now consider the Bill clause by clause.

Clauses 2 and 3 were added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 4 stand part of the Bill."

Babu Baijnath Bajoria: Sir, I move:

"That clause 4 of the Bill be omitted."

The intention with which I move this amendment is that the benefit of the new provisions about borrowed capital should have retrospective effect from the beginning of this Act. If this amendment is carried by the House, there are other amendments down below in the list which will be moved to carry out my object. When the Excess Profits Tax Bill was before this House last year, it was myself who moved an amendment that there should be no discrimination between the capital borrowed from banks and the capital borrowed from any other person. At that time, the Government of India did not see their way to accept my amendment. But now I am glad that they have become wiser and they have accepted the principle which I was then asking them to follow. What they are proposing under this Bill is that the benefit of this clause will only be given from the 1st of April, 1941, whereas the commercial people in general feel, and that is the opinion of the Federation of Indian Chambers of Commerce and other commercial bodies also, that if the Government feel that the existing provision in the Act is not fair they must give retrospective effect to these provisions in the Bill before us. As has been pointed out by me before, after all there are not many cases which have been decided. Apart from the question of the trouble which the Government may have to undergo, I would like to know what reasons they have for not re-opening the cases. So far as the assesseees are concerned, they will be quite pleased to undergo that trouble because they will be benefited by this proposed change.

Sir, the section dealing with borrowed capital in the present Act is leading to several distinctions being made. I will refer to one point in Rule 5 of Schedule I. I would like to speak about this borrowed capital only once so that I may not have to repeat the same thing when the other amendments are moved. Under this rule, benefit is given by the Central

Board of Revenue to businesses started after the 31st of March, 1939, though they have no standard period but have adopted the statutory percentage basis.

The Honourable Sir Jeremy Raisman: Will the Honourable Member state precisely which rule he is quoting?

Babu Baijnath Bajoria: I am quoting Rule 5 of Schedule I. I will read the first line:

"If at any time after the close of the standard period any increase in the capital employed in a business has been effected, etc."

What I want to draw the attention of the House to is the wording "after the close of the standard period". There may be many companies which have got no standard period as companies started after March, 1939. Then, they do not get the relief, but as far as I understand by rules and by instructions, the Central Board of Revenue has given the benefit of this rule 5 to businesses started after the 31st March, 1939. I think I am correct.

The Honourable Sir Jeremy Raisman: That is correct.

Babu Baijnath Bajoria: There is also the case of companies which have been started after the 31st March, 1936. They may have or they may not have complete standard period. In my opinion, the benefit of this rule should also be extended to them. Government may contend that if they choose the standard period, then they cannot have this benefit. But if they choose the statutory percentage basis, then he gets the benefit of this rule. I do not think it is very fair. This is a point which I want to understand from the Honourable the Finance Member and I would request him to apply this rule giving the benefit to all companies which have started after the 31st March, 1936, whether they adopt the standard period or whether they adopt the statutory percentage basis.

As regards the borrowed capital, what we want is that there should be no discrimination from the beginning of this Act between capital borrowed from a bank and capital borrowed from any other party. The present clause 4 only gives the benefit to capital borrowed from parties other than a bank after the 31st March, 1941. I should like the Honourable Member to go a bit further and to give this benefit from the commencement of the Excess Profits Taxes Act.

Sir, I move.

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

"That clause 4 of the Bill be omitted."

Mr. Huseinbhai Abdullahhai Laljee: Sir, I rise to support the amendment that my Honourable friend, Babu Baijnath Bajoria, just moved. My ground in supporting that is that it has been conceded that regarding borrowed capital, no discrimination should be made. I quite concede that the department has had to do a good deal of work. That may be. But equity demands and it is but fair that this concession asked for in the amendment should be conceded. What after all is due to somebody legitimately should be given to them. The Honourable the Finance Member will say that they are not legitimately entitled because we are amending the Act from now. But we must proceed on the fact that the principle that has been acceded to does require to be taken furthermore

[Mr. Husenbhai Abdullabhai Laljee.]

and that those who have really suffered must be given back their money. A large amount of capital, as I have been repeatedly saying, is being taken not from banks, but from other sources for commercial and industrial concerns. As such, if really speaking something is due to the people and we have found that it has not been given to them, then we must be prepared to give it in all fairness. We have just been told, and I congratulate the Income-tax Department that they did find people making mistakes and it is quite possible that large mistakes may be made and that the Government do not wish to take benefit of these things. In fact, when I was supporting my Honourable friend, Mr. Chapman Mortimer, that this Excess Profits Tax Act should be expedited, I did feel that the only reason I could give and which I honestly believed was that we should know where we are and not that hastily we should be rightly or wrongly assessed. The thing is so complicated that we do hope the Government will take into consideration all these difficulties and we do hope they will come forward, as they have come forward and accepted the principle now to give back those from whom they have taken before this principle was accepted what they have taken. This is my main objective in supporting this amendment moved by my Honourable friend, Babu Baijnath Bajoria.

Sir Cowasji Jehangir: Sir, I support this amendment, on grounds of principle more than anything else. I am perfectly aware of the fact that it might adversely affect a few assessees. But the principle is this. Whether the Honourable the Finance Member in his individual capacity agreed to the principle that certain borrowed monies should be taken as capital employed in the business or not is not the point. The point is that certain monies borrowed have to be taken as employed in the business. These are monies borrowed from a Bank or raised by way of debentures. That is the principle accepted by the Government and this House, and is part of the Act. We then argued that in India there are a large number of companies, firms and others who finance themselves from deposits. There are a large number of companies where the managing agents have to finance the companies. All that borrowed capital, under the Act as it stands today, cannot be taken into calculation as capital employed in the business. Therefore the concession that this House and the Government desired to give was withheld from a large number of business houses and companies. The Honourable Member and the Government have now seen their way to correct that. If it was wrong then and admitted now that it was wrong, if it is admitted that there was discrimination by the provision in the Act as it stands today whereby the assessee borrowing monies only from banks and through debentures got a concession while assessees obtaining money from managing agents and deposits did not then I say that that is all the more reason why on principle you should give retrospective effect. There may be inconveniences both to the Government and to the assessees and I will repeat that even some assessees might lose by it, but still on principle I think retrospective effect should be given to such a correction made in the Act.

The Honourable the Finance Member may not agree with the principle completely, he may conscientiously feel that no such concession should have been given for borrowed monies. I can sympathise with that point of view. But that is neither here nor there just now. The principle has been conceded. Whatever I may feel with regard to that principle, whatever the Finance Member may feel with regard to that principle we are not

discussing that principle. The principle has been conceded. It is only a question of how far that principle should go in equity and having decided that in equity it should go the full length, then I cannot see how you can turn round and refuse to give it retrospective effect. Of course administrative difficulties have been pointed out. There may be a few hundred cases which, I am told, have been settled. In a large number of these you have got part payments. So far as I know, in Bombay a large number of companies have made part payments because a settlement has not been made. It was not fair to retain the money; it was done at the request of Government and the companies conceded to that request. A large number of companies did it to my personal knowledge. Where the companies thought that the assessment ought to be X rupees they paid it in advance practically before the settlement was completed. But that does not mean that the settlement was completed.

Mr. C. W. Ayers: It does not include those cases.

Sir Cowasji Jehangir: Even then I maintain that a principle must be followed by the House and by Government. However adversely some people may be affected, and I may be affected adversely myself, a principle must be maintained and I do think that on this ground alone Government ought to give retrospective effect.

Mr. T. Chapman-Mortimer: Sir, I regret that I cannot support the amendment of my Honourable friend, Mr. Bajoria. The Honourable the Baronet from Bombay has dealt a great deal with two main points; the point of equity and the point of principle. For myself I cannot see why he should expect Government to accept the point of view of what he calls equity or principle because neither enters into this issue at all. It is one of policy. You can either choose road A or you can choose road B, and you may decide which you are going to choose. I am bound to say that I support Government in the road that they have chosen, and I am afraid that in these circumstances I cannot support my Honourable friend, Mr. Bajoria, in suggesting that some further modification should be made and that we should ask Government to make some departure from the decision which was arrived at in the Select Committee.

Sir Vithal Narayan Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, I should like to support the amendment. I should also like to bear out what Sir Cowasji Jehangir said. As far as I know, many of the members of the constituency which I represent have paid their excess profits tax on a provisional basis.

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

It is possible that since making such provisional payments certain cases may have been finally settled. But very often Government in many other transactions have unsettled settled cases if they found that such unsettlement was just and equitable. The point of view which I should like to place before the House is that, Government having accepted the public demand regarding the allowances on borrowed capital, it would be very graceful on their part if they go further and give retrospective effect to it. Mr. Chapman-Mortimer in his first speech as well as the speech he made on the amendment was defending the view put forward by Government.

[Sir Vithal Narayan Chandavarkar.]

He gave us some information as regards the principles underlying taxation. I admit that in the matter of taxation income-tax is more unpleasant than other taxes. Super-tax and excess profits tax are equally unpleasant. There is, therefore, all the greater reason that in imposing such taxation Government ought to be equitable. They should not only be just but also seem to be just, and while we know that Government in war-time must have excess profits duties,—we do not challenge the right of Government to impose this duty,—we should like at the same time to feel that in regard to such taxation, specially when Government make concessions they, the Government, should not hesitate on a small point like this to make the concession gracefully and they should do so in this case by giving retrospective effect to the new legislation. My Honourable friend, Mr. Chapman-Mortimer, talked about two roads. Yes, Sir, we have to make a choice between two roads very often. Sometimes we have a straight road and also a crooked road. I certainly think we all like to take the straight road, and I invite Government to accept this amendment and to go along the straight road and make people feel that they have made a concession very handsomely and gracefully.

Dr. P. N. Banerjee: Sir, when the Excess Profits Tax Bill was first passed a provision similar to this which has now been inserted in the Bill was urged from this side of the House. Government then did not consider it necessary to accept it. But now it seems Government have realised their mistake and have come to the conclusion that this provision should be inserted. If they have now come to that conclusion why should they not give retrospective effect to it? It is only a fair demand which has been made by my Honourable friend, Mr. Bajoria, in his amendment, and I commend this amendment to the acceptance of the House.

The Honourable Sir Jeremy Raisman: Sir, I regret that I must oppose this amendment, ungracious as it may seem. I find it impossible to see any point of principle in the giving of retrospective effect to an amendment of this kind. I have already made it clear that I do not think that what we did before was wrong. We are making a change and I can see no reason why it should go beyond a certain point. My Honourable friend, Sir Cowasji Jehangir, says that my individual opinion in this matter is not what counts. I quite agree with him; but as the initiator of certain changes I have to have a clear idea in my own mind of exactly what I am doing and how far I am prepared to go. Now, every amendment that is ever introduced to any legislative measure can theoretically be given retrospective effect. What would my friend say if I proposed that the 66½ per cent. excess profits tax should be given retrospective effect? There is absolutely no reason in principle—if 66½ per cent. is the appropriate share for the State to take of excess profits accruing in war-time—there is no reason why that should not be applied to all profits which have accrued since the beginning of the war. But the fact is that you must draw the line somewhere; and why I keep on repeating the first personal pronoun; to which I think Sir Cowasji Jehangir takes some exception, is that I must make clear exactly what I have in mind in bringing forward the amendment. I say that I am prepared to concede the demand up to a certain point, but I will not go beyond that. My Honourable friend says that having conceded that I should concede a lot more; it follows automatically and it

does not matter what I say I want or intend to do; that has nothing to do with the matter; it follows automatically that this goes back to the year one. I will only remind him that the initiative does remain with us in regard to reduction of taxation. It is an important point in the constitution that an initiative of that kind must remain with Government and that the only effect of arguments of that kind and pressure of that kind is, as I have pointed out, to induce considerable hesitation and nervousness in Government in coming forward with amendments of that kind. If they find that every time they are prepared to give away a little they are going to find themselves on a slippery slope which may take them they know not where, then obviously they will think a dozen times before they touch it. The tendency will be to say, "Oh, very well, the shouting is practically over now and we had better leave it alone." This though Government may feel that they have a concession which they would like to give if they could keep it within reasonable limits. In this case the position quite simply is that Government are prepared to meet public opinion but are not prepared to go back beyond a certain point.

Sir, I oppose the amendment.

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

"That clause 4 of the Bill be omitted."

The motion was negatived.

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

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5 was added to the Bill.

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

"That clause 6 stand part of the Bill."

Sir Cowasji Jehangir: Sir, I beg to move:

"That in clause 6 of the Bill, to sub-section (1) of the proposed section 10A, the following *Explanation* be added:

Explanation.—The provisions of sub-section (1) shall not apply to any transaction which could have been reasonably and *bona fide* effected by a person if this Act had not been in force."

Now, Sir, in order to explain the significance of this explanation I will have to go into the amendment made by the Select Committee to the new section 10 (a) contained in the same clause to which I want this Explanation added. As the Honourable the Finance Member informed the House, the change made was that the mischief of proposed section 10 (a) affected not a purpose or one of the purposes that the assessee may have in mind but the main purpose of it must be proved before he can fall within the mischief of the section. Now, that is a very big and material change made in the section and if it had not been for that amendment, it would have been my duty to oppose the section altogether. Now, what happened was this that in the Bill as it was brought before this House we found this section extraordinarily wide and I for one could hardly believe that such a section could appear in any Bill. I was then not aware of the English legislation, and as a matter of fact I asked where this was obtained from. I was informed then that there was such a corresponding clause in the British statute which had only been passed a few months ago. Well,

[Sir Cowasji Jehangir.]

when we came to examine that section, we found it very different from the proposed section in the Bill because the section in the Bill was copied from the English Bill. The English Bill went through a radical change in the House of Commons and the Act was not in the possession of Government at that time when this Bill was drafted. Naturally, they copied the Bill and not the Act and they readily agreed to amend the section as amended by the House of Commons, but that made a very big difference,—a world of difference,—in the section. In the section, as it stood in the Bill, the authorities could say that any reduction in the revenue was evading the excess profits tax and should not be taken into consideration—doesn't matter what the purpose was, even if one of the purposes was evasion. But if the assessee does anything whereby his profits are reduced and he does it in his own interest—the main purpose is not to evade the tax, the main purpose is something else—then the authorities cannot come down upon him and demand that he should exclude that expenditure from the account. That is the radical change made by the House of Commons and now adopted by us. Now, Sir, what is the foundation for that change? What is the main governing principle which tempted, I should think, the House of Commons to accept that amendment? We have mentioned that main principle in our dissenting minute. The main principle is that no assessee should be prevented from effecting any transaction, operation or expenditure which he would have effected in his own interests, had the Excess Profits Tax Act not been in force. In other words, Government must not prevent an assessee from doing what he would have done, had there been no inducement or temptation to reduce his profits with the object of evading the tax." That is the main guiding principle which must be admitted by Government, and which must be admitted by this House. It is the very foundation on which the Excess Profits Tax Act is built, viz., that a man should be allowed to do what he would have done, had the excess profits tax not been in existence. If the authorities are satisfied that he would have gone in for that transaction or operation, in his own interest, regardless of whether their revenue went up or down, then they must admit that expenditure. He would have done it under any circumstances, but if an assessee deliberately does a transaction in order to reduce his profits so that he pays less excess profits tax, then certainly catch hold of him and make him pay. But the main principle must not be forgotten, which has been enunciated in our minute of dissent and which I have repeated here, before the authorities take any action, and that was the guiding principle in the amendment made by the House of Commons to the proposed section 10 (a). Therefore, I desire that that Explanation which I have read out should go into the Act below the proposed section 10 (a). The Honourable the Finance Member has said that he is going to oppose it. Can he possibly oppose the principle as laid down by us in our dissenting minute? He cannot. It is impossible for him to do so. It is against the whole principle of excess profits tax—either in England or in India. Therefore I am surprised that he desires to oppose it. He may read into it something that was never intended, he may put an interpretation upon it which I cannot, but if he will read it as plain English he cannot oppose adding this Explanation.

Sir, I once stated to this House when the Excess Profits Tax Bill was brought before it for the first time, that it was blindly copied from the English Act. Now, I am advocating blindly copying two sections from the

English Act, because I find that a legislature, perhaps much more experienced than our own, have had a good examination of those sections, and when the principle was admitted that if we copy sections bodily from the English Act, it should be word for word according to the English Act, we found that section 10 of our Act, as it stands today, is much wider than that in the English Act. I pointed out that to the House when that section was being inserted; but no,—Government would not have it. They wanted to go much further. They copied a section from the 1919 Act. Now, when the House of Commons amended the proposed section 10A, Government have very kindly agreed to amend section 10 of the Act as it stands today and bring it into conformity with the English Act. But they have retained the penal clause, to which I see no great objection. Having gone so far, it may be argued that there is no such explanation in the English Act. I know there is no such Explanation in the English Act, but I do desire that the Explanation should be inserted in our Act, because this Act is new to us. In England they have worked this Act right through the last war, and as Mr. Ayers has told us, they have gained considerable experience, and I cannot see any objection to including in the Act a principle so sound and so equitable, a principle which the authorities must always keep in mind when administering this Act. I earnestly desire that the House should support me in asking that this Explanation should be inserted in the Act in the interests of equity and fairplay.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 6 of the Bill, to sub-section (1) of the proposed section 10A, the following *Explanation* be added:

Explanation.—The provisions of sub-section (1) shall not apply to any transaction which could have been reasonably and *bona fide* effected by a person if this Act had not been in force."

Babu Baijnath Bajoria: Sir, I rise to support this amendment. After all, what does it seek to do? It only wants that the word main purpose of 'transaction' should be clarified; otherwise, what is the meaning of the word 'main purpose'. Where a transaction had been done, what was the main purpose of that transaction? Without such clarification there may be a source of great discontent amongst the assessees and it may also be the subject of many appeals to higher authorities. What my friend, Sir Cowasji Jehangir, wants by this amendment is that any transaction which an assessee might have reasonably done if this Act had not been in force should not be challenged by the Excess Profits Tax Officers. This is a very reasonable demand. The case will come up before the Excess Profits Tax Officers, I think, after 12 months or in some cases 18 months, after the transaction has been done. It will be very easy to be wise after the event. What may have been done with the best of intentions and in the interests of the firm may not prove to be so beneficial to it, and the firm may not have achieved the main purpose it had in view. Then the Excess Profits Tax Officer may come along and say: 'You have done this transaction, it has reduced the profits, and so we would not take this into account' Sir, this is not fair. You will have to admit that every transaction that is done is to be deemed *bona fide* until the contrary is proved. You cannot say that every transaction which is done is done with the object of reducing the profits and evading taxation. That is the principle which I want the Honourable the Finance Member always to keep in mind.

[Babu Baijnath Bajoria.]

Then again, Sir, the word 'transaction' also requires some clarification. Does it also come within the mischief of sections 5 and 6, if the constitution of a firm is changed? Suppose a person has got a business. He wants to expand it, and takes in another partner; or he converts his business into a limited company. Will the Government say that that transaction has been done with the object of avoiding taxation, because it becomes an entirely separate business? Suppose a firm takes in another man as a working partner, on the retirement of a partner, who has some technical knowledge of the business. Then there will be a change in the firm, the partners will be different. I would like to know definitely from the Honourable the Finance Member whether such a change in the constitution of a business from an individual to a partnership concern or to a limited liability company will come under the mischief of sections 5 and 6? If it does, then I say it will mean a great injustice because that will hamper the expansion of the business and growth of industries. Sir, the Explanation which my friend, Sir Cowasji, wants to add is very simple. Government may think that it has a much deeper meaning than what is implied in it or much more is sought to be got by this Explanation. If that is so, let them come out and tell us what is the apprehension in their mind about adding this Explanation. I for one cannot see in these words any further implication than what I could see on the surface. Sir, I support this amendment.

The Honourable Sir Jeremy Raisman: Sir, I must oppose this amendment. I don't see that the plain wording of sub-section (1) requires any further explanation. Unlike so many provisions of this Act, it bears its meaning, in my opinion, on its face. The question is, what was the main purpose for which a transaction was effected. If the Excess Profits Tax Officer is of opinion that the main purpose was the avoidance of tax, then he may act in a certain way, and there is an appeal to the Appellate Tribunal. Now, the Explanation which the amendment will introduce says—The provisions of sub-section (1) shall not apply to something or other. Either that Explanation is unnecessary, or it adds something to the clause as it stands in the Bill. In either case I am opposed to it.

Now, Sir Cowasji Jehangir has dwelt at some length on the question of principle. I must say that his statement of the principle that should guide us in these matters sounded reasonable and plausible. But we have to remember that in war time there are restrictions and limitations arising from the necessities of the emergency on all kinds of transactions made by citizens. For instance, Sir Cowasji Jehangir in normal times might like to remit a certain amount of money to America, perhaps for the use of his friends or for himself if he ever went there,—he might like to purchase something in America. He cannot do that,—why? Not because there is anything immoral or any turpitude involved in that, but we have reached a stage, as it were, where, unfortunately, we have to interfere with the exercise of a perfectly innocent right, because an action of that kind in the emergency has effects which are entirely undesirable.

Sir Cowasji Jehangir: That is by law I cannot remit.

The Honourable Sir Jeremy Raisman: It is by a statutory rule.

Sir Cowasji Jehangir: That is law.

The Honourable Sir Jeremy Raisman: I am dealing with the first principle which my Honourable friend tried to lay down, namely, that it was entirely wrong in connection with a measure of this kind to restrict the freedom which the individual would have in normal times to perform certain transactions in regard to the organisation of his business. I say that that seems a reasonable principle, but, yet, if you think of it, it is not necessarily a reasonable principle at the present moment. Now, suppose a perfectly innocent reorganisation of a business results in the complete extinction of the liability to excess profits tax. Well, it will be open to the assessee to argue that it was not the main purpose of that transaction, that the main purpose of that transaction was not to extinguish his liability to excess profits tax, and if he proves his case, well and good. But my Honourable friend would go further. He would say the only question was, could he have done it whether there was an Excess Profits Tax Act or not? If he could have done it at any time, then you have no right to question him. That is an extraordinary state of affairs. Here is a company which yesterday on the organisation of its business and the disposal of its assets was liable to, say, five lakhs of excess profits tax. It passes a resolution or performs what is called a transaction, which today puts it in the position of having to pay nothing of that tax. I say, "well, prove that the main purpose of that transaction was not the avoidance of tax". The company may be in a position to say, "We have often discussed this. There were various disadvantages in our present organisation, and our object is to avoid those disadvantages and not to avoid this liability". But my Honourable friend would, by the Explanation as he calls it. But I think it is a very considerable change, substituting another criterion—he would say, "The only question I want to know is, could you have done it in 1939 when there was no excess profits tax?" Well, they could have done it. Then, there is no further question, the department is powerless.

Sir Cowasji Jehangir: Not at all.

The Honourable Sir Jeremy Raisman: That, as I see it, would be the effect of this amendment and it seems to me that it is capable of cutting completely at the root of the new section which it is the object of this clause of the Bill to introduce.

Babu Baijnath Bajoria: I should like to know whether the word "transaction" also includes changes in the constitution of the firm or conversion of business into a company?

The Honourable Sir Jeremy Raisman: "Transaction" is a general term.

Sir Cowasji Jehangir: Am I not entitled to a right of reply?

Mr. President (The Honourable Sir Abdur Rahim): No. There is no right of reply on an amendment.

Mr. Husenbhai Abiullahbhai Laljee: I rise to support the motion made by my Honourable friend, Sir Cowasji Jehangir. The point that Finance Member has made with regard to this amendment is that he has provided there, what will be the main object. He stresses a great deal on the word "main" and rightly too. It is on that that we have

[Mr. Husenbhai Abdullabhai Laljee.]

agreed to the whole section. But the explanation is necessary inasmuch as Sir Cowasji Jehangir has made quite clear,—whether a person would or would not do if the excess profits tax were not in existence. If a man was entitled to do a thing in his own interests and because he would like to do what is to his interest in the ordinary course, why should he be stopped from doing so in these times? My Honourable friend, the Finance Member, says, these are war times and extraordinary things have to be done. Quite right. Do it by the law. We do not wish you to do anything which you cannot openly say you wish to do by this way. Say openly that you will not mean this or that and then we know where we are. On the other hand, the explanation that my Honourable friend frankly wants, to go in is, could he have done it? Not only that, but he has added the words “reasonable” and “*bona fide*” there. If he could reasonably and *bona fide* have done,—there the *bona fides* are there. Again, you are the judge. The things are not beyond you. Could he have *bona fide* done it? Was it in his interest to do it, or was it essential or not? If you like, you can make those words still better or clearer you can change them. Sir Cowasji Jehangir makes you the judge; he does not say, I am the judge but makes the matter clear. Why should we keep something ambiguous? If you have something else in the meaning of the word “main”—it is not fair, it creates a suspicion, and rightly also. So long as I am prepared to ask you to be the judge and am in your hands, why should you not make matters clear and accept the Explanation? It is a simple and fair thing. By not accepting this Explanation, it means that you have something more than the word “main” means and we are more suspicious specially after what the Finance Member has said that these are extraordinary times. In fairness I submit that some explanation is required, if not in these words,—put it in any other way, but some explanation is needed so that all sorts of suspicions may go away. We are thankful to you let me repeat for what you have brought in this Bill but at the same time it must be made clear to be useful in the interests of everybody concerned.

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

“That in clause 6 of the Bill, to sub-section (1) of the proposed section 10A, the following *Explanation* be added:

Explanation.—The provisions of sub-section (1) shall not apply to any transaction which could have been reasonably and *bona fide* effected by a person if this Act had not been in force.”

The motion was negatived.

Sir Cowasji Jehangir: I beg to move:

“That in clause 6 of the Bill, in sub-section (3) of the proposed section 10A, after the words ‘Appellate Tribunal’ the following be added:

‘and, if aggrieved by a decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court.’”

Sir yesterday when the amendment of the Income Tax Act was before this House, a great deal was said about the assessee’s safety in the right of appeal. We know that rightly or wrongly there is a great deal of agitation in India with regard to the administration of the Income Tax Act and it was said yesterday that the assessee’s safety lay in his right of appeal. A great deal of truth lies in that statement. If the assessee feels that he is aggrieved, he can appeal. Now in this very wide section, to which even an explanation was refused just now, the appeal lies to

the Appellate Tribunal and there it ends. It is only a new body. We know that in India the High Courts are held in the greatest respect. We know that the peoples of India feel that in the High Court they have a tribunal of appeal where they are likely to get justice. After the remarks that fell from the Honourable the Finance Member on the last amendment, this amendment becomes all the more important. The amendment seeks to give the assessee the right to appeal to the High Court from a decision of this new tribunal and if the assessee gets that right, he will feel that he will have the highest tribunal in the land to appeal to, if injustice is done to him down below. We will be told the old old story that on a point of law you can appeal to the High Court but this section will deal with a point of fact and it is on a point of fact that we desire that the assessee shall be able to go to the High Court. We also have experience that many points can be made into points of facts and the High Court will refuse to hear any question of facts. Only on a point of law are they bound to hear an appeal. In this particular section, we desire that the High Court should be forced to hear appeals on facts and not only on law, and that is why we desire this addition to the powers of appeal given under the section.

Now, Sir, if an explanation such as the one I moved can be refused by Government in which they are the judges of whether the main purpose is to evade the tax or not, which lays down the principle that the action of the assessee shall be *bona fide*, even if that is refused, then I think it is absolutely essential that this House should give the power to the assessee to appeal to the High Court and let me tell the Honourable the Finance Member and the Government that that is the only appeal which will satisfy the assessee. I sincerely hope that the tribunal will build up a reputation equal to that of the High Court in which case people will not appeal from that tribunal to the High Court but till that reputation has been built up and till the method of appointing this tribunal is radically changed, I think it is essential and I trust that this House will insist upon giving the assessee a right to go to the High Court. If this is resisted, it will only show that there is something in this section which we have not been able to understand. If we have understood this section correctly then I can see no reason why Government should be afraid of an appeal to the High Court on facts. What you may consider a main purpose may not be accepted by the High Court. Surely on a matter like this, which is one of great importance, where lakhs of rupees may be involved, as to what is the main purpose, what was the intention of the man, a question of fact, an appeal to the High Court should be allowed.

Mr. President, the other day, yesterday I think it was, it was sought to move an adjournment of this House and you very rightly ruled it out of order on the ground that there was a right of appeal and those who are agitating today against the administration of the Income-tax Act were rightly told that the matter can be taken to the High Court. In the opinion of many Honourable Members, including myself, it was a correct interpretation. A man may grumble, he may feel that the greatest injustice has been done to him, but if there is a right of appeal to the High Court and he does not take advantage of it, then there can be no sympathy for such a man; but if you prevent an appeal to the High Court, then surely we have a right to feel aggrieved suspecting that there is something behind it all, and that Government are unwilling

[Sir Cowasji Jehangir.]

to face the High Court. It is not all assesseees who can afford to go to a High Court. It will be only in really grave instances that an assessee will take his case to the High Court and it is duty of Government to face the High Court and not evade it through legislation in an important section like this. If this is denied to us, then I believe there will be agitation. I believe assesseees will feel that when this section is being put into operation justice may not be done to them. Personally I would rather have an appeal to the High Court than even this Explanation. I would rather have a right of appeal to the High Court where I know that the case would be properly argued, the case will be patiently heard in open court and a decision given for or against the Government. I trust that this House will insist upon this appeal to the High Court in this instance.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in clause 6 of the Bill, in sub-section (3) of the proposed section 10A, after the words 'Appellate Tribunal' the following be added:

'and, if aggrieved by a decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court'."

Babu Baijnath Bajoria: Sir, I rise to support this amendment. The powers under this section 10A are very wide. The Excess Profits Tax Officer under the inspiration of the Inspecting Assistant Commissioner may arrive at a decision about the main purpose of any transaction, which may be very prejudicial to the assessee. Then, though there is the right of appeal to the Appellate Tribunal, still when such wide powers are given, the assessee must be given the right to appeal to the High Court. The assessee will not go to the High Court unless and until he thinks that he has got a very good case, because going to the High Court means a lot of expense, an expense of several thousands of rupees. Why do Government fight shy to face the High Court? If the interpretation which their Department has taken of this section is justified, then they should entertain no fear that the High Court will not decide the issue justly and squarely. In such important matters there should also be an appeal from the Appellate Tribunal. It will be argued that the appeal to the High Court can only lie on points of law and there are several important sections under which appeal to the High Court on points of facts is not allowed. Why should you then make an exception about this section? I think that will be the stand which will be taken by the Government. But this is absolutely a new section and the Government can come to any conclusion they like about it. The High Court is the highest judicial court in this country and the assessee must have the right to get judgment from the highest court in the land, and the Government should not object to it. Sir, I support the amendment.

Dr. P. N. Banerjee: Sir, I rise to give my support to this motion. The High Courts in India are regarded as the guardians of the interests of the people, and whenever people feel aggrieved they look up to the High Courts for the redress of their grievances. It is true that an appeal is provided under this Act to the Appellate Tribunal, but, without saying anything in disparagement of this Tribunal, I should like to observe that this Tribunal does not command the same measure of confidence as a High Court would. Besides, it is quite likely that this Tribunal may

make mistakes. Therefore, it is very desirable, when large powers have been vested in the officers of Government and when large sums of money are involved, that there should be a further appeal to the High Court. A provision of this character will inspire confidence in the actions of the Government, and the Government will lose nothing. On the other hand, they will gain a great deal by accepting an amendment like this.

Mr. Husenbhai Abdullabhai Laljee: Sir, I rise to support the amendment. I would not have pressed for this amendment had my friend, the Honourable the Finance Member, accepted the Explanation which we had suggested in the previous amendment. Many businessmen do not like to go to the High Court. We know very well how costly and ruinous it is to go to the High Courts. In fact, going to the High Court means materially almost losing the whole amount in the case. The cost of Lawyers is so enormous. But when such a tax as the excess profits tax is concerned, when crores of rupees are involved and when people desire that there should be some restriction on the officers who are assessing this tax, it will not only create confidence in the public but it will certainly bring home to the officers that people can go to the High Court and that will have a very salutary effect. The fact that the Honourable the Finance Member was not prepared to accept the suggestion of putting in an Explanation, I repeat, has no doubt created a good deal of suspicion. In the times through which we are passing, it may be that the anxiety to collect huge sums may not be wanting. Again, one has got to see who will be the parties who will pay such large sums in the form of excess profits tax? It will be the public limited companies. It has been invariably suggested that in the public limited companies it is the managing agents who are persons to be taxed. That is quite wrong. There are thousands of shareholders who are really interested parties and it is very difficult for the managing agents or the directors of the company to go to the High Court at their cost unless and until they have got good reasons. Therefore, there is another check not to go to the High Court besides the heavy cost and the lot of trouble that would be involved. Looking at the question, therefore, from all points of view, it is but fair that the Honourable the Finance Member should concede to the request of this House howsoever thin it may be. We are still voicing the real and true feelings of the public and I am sure this he would himself have to admit from the number of representations that he must have received from organised bodies whom he had often had the occasion of acknowledging as the right voice of the people. All these representations have supported an appeal to the High Court. Under these circumstances and looking at the question from all points of view, I do hope that in justice the Honourable the Finance Member will agree to the suggestion mentioned in the amendment, in the interest of large number of shareholders of public companies.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, it is seldom I rise to speak on matters in connection with finance, more so in my case because I do not come within the ambit of the excess profits tax. But the amendment moved by Sir Cowasji Jehangir seems to me to indicate that there does exist a great fear in the minds of certain assesseees who will be subject to this hardship which should be appeased. It brings to my mind an old French saying:

"I' excuse l' accuse."

(He that excuseth himself accuseth himself.)

[Lieut.-Col. Sir Henry Gidney.]

Sir, no one in this world is infallible. Even the highest Income Tax Tribunal is not infallible. There may be cases in which they are likely to err though in the majority of cases their expert advisers will keep them on the right path. After all, no Income-tax man, not even the Finance Member himself, expert that he is, is infallible and I do submit that this small amendment of Sir Cowasji Jehangir will instil in the minds of the assessee, whose incomes will be subject to this tax, a sense of satisfaction and justice such as they view and want it, not such as the Income Tax Department view it even with the conceit of infallibility in their views and judgment. Why should an assessee who finds himself in a doubt and in disagreement with the Finance Department be deprived of the right of appealing to the High Court? The worst criminal possesses such a right even to the King. I consider it is a small matter and is one which, I think, the Finance Member should in his liberality, not in finance, but of thought and justice concede to the Mover of the amendment. Sir, I support it.

Raja T. Manavedan (Madras : Landholders) : Sir, I rise to support the amendment because it is very necessary and it will satisfy the people. At least, they will believe that they have got the real justice from the High Court. You may offer any number of Tribunals but if you want to satisfy the public, they must have the right to go to the High Court. If there is no appeal to the High Court, they will not be satisfied. So, I hope the Government will consider the amendment sympathetically and accept it.

The Honourable Sir Jeremy Raisman : Sir, I am indeed sorry to have to be adamant to so moving an appeal as that which was addressed by my Honourable friend, Lieut.-Colonel Sir Henry Gidney, and I must say that I marvel at the eloquence and forcefulness which my Honourable friend, Sir Cowasji Jehangir, could import into an amendment of this kind which runs counter to the whole scheme of the Income-tax Act. There may be hundreds of matters in relation to which it is equally vital from the point of view of the assessee that he should have his assessment made by the highest possible authority and that he should have an appeal on the facts to the highest authority. It would no doubt create a tremendous amount of confidence if all the income-tax work were done by the High Courts but the High Courts would not like to do it. I am merely following the line of argument of my Honourable friend, Mr. Husenbhai Abdullabhai Laljee. He talks about the voice of the masses and the voice of the people in relation to these excess profits tax cases. I am sorry if I find it a little humorous that in a class which altogether probably falls well under 3,000 cases and in a country which numbers 400 millions of people, we should have "the masses" trotted out and "the voice of the people" referred to. However, the position surely is that in relation to this, as in relation to a very large number of matters with which the Income-tax Act and the Excess Profits Tax Act are concerned, you have provided a machinery for the determination of facts, and for appeals and for the final determination of facts and the machinery for access to the High Court. I cannot agree that anything more is necessarily involved in this type of case than in many of the cases which are already covered by the Income-tax Act.

It is my experience, and I was for nearly three years a Commissioner of Income-tax, that if an officer attempts to make an arbitrary decision even

on a question of fact, if in order to make a high assessment, he jumps on a point of fact, the assessee will go to the High Court with the simple question whether there was sufficient evidence on which the officer could come to that conclusion and it is my experience that the High Court will usually accept that as a point of law.

Sir Cowasji Jehangir : Does the Honourable Member know in how many cases the High Court have refused to hear that argument?

The Honourable Sir Jeremy Raisman : I am aware that on the basis of that line of argument assessee have often tried to take cases of pure fact. I am no lawyer myself, but I have seen it frequently happen that High Court said, "there is material on which the officer could come to that decision and, therefore, no point of law arises". In any case, questions of fact and questions of law can arise out of this clause, when it is enacted, as out of other sections of the Act. If they are pure questions of fact, if there is evidence on which the conclusion of fact can be based, and is based, then I quite agree that there will be no point of law and there will probably be no access to the High Court, but there is no question of depriving the assessee, as so many Honourable Members have said, of access to the High Court. It is entirely contrary to the whole scheme of this type of legislation that there should be access to the High Court on questions of fact.

Sir Cowasji Jehangir : Does not the Honourable Member realise that this is an exceptional provision which he is putting into and he is putting a little which in the English Act itself was put at the last moment. This is an exceptional provision.

The Honourable Sir Jeremy Raisman : I do not agree with the Honourable Member. I think there are provisions which are comparable with this in the Income-tax Act. Yes, section 10 itself; for that matter it can be argued that the previous section should also contain an appeal to the High Court. You have set up a machinery for the decision of questions of fact. That machinery, that Appellate Tribunal will have to deal with exceedingly important cases, it may have to come to decisions on questions of fact which may involve lakhs or even crores of rupees. There is, to my mind, no reason why you should depart from your scheme in relation to this section. Sir, I oppose the amendment.

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

"That in clause 6 of the Bill, in sub-section (3) of the proposed section 10A, after the words 'Appellate Tribunal' the following be added :

'and, if aggrieved by a decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court'."

The Assembly divided :

AYES—16.

Abdur Rasheed Chaudhury, Maulvi.
Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Bhagchand Soni, Rai Bahadur Seth.
Chandavarkar, Sir Vithal Narayan.
Chattopadhyaya, Mr. Amarendra Nath.
Gidney, Lieut.-Colonel Sir Henry.
Jehangir, Sir Cowasji.

Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lalchand Navalrai, Mr.
Laljee, Mr. Husenbhai Abdullabhai.
Manavedan, Raja T.
Mehta, Mr. Jamnadas M.
Parma Nand, Bhai.
Sant Singh, Sardar.

NOES—34.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.

Aney, The Honourable Mr. M. S.
Ayers, Mr. C. W.
Bewoor, Sir Gurunath.
Boyle, Mr. J. D.
Buss, Mr. L. C.
Caroe, Mr. O. K.
Chapman-Mortimer, Mr. T.
Clow, The Honourable Sir Andrew.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Dehejia, Mr. V. T.
Gopalaswami, Mr. R. A.
Gwilt, Mr. E. L. C.
Ikramullah, Mr. Muhammad.
Imam, Mr. Saiyid Haider.
Ismaiel Ali Khan, Kunwar Hajee.

James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.

Lawson, Mr. C. P.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Mody, The Honourable Sir H. P.
Mudaliar, The Honourable Diwan Bahadur Sir A. Ramaswami.
Pillay, Mr. T. S. S.
Prior, Mr. H. C.
Rahman, Lieut.-Colonel M. A.
Raisman, The Honourable Sir Jeremy.
Scott, Mr. J. Ramsay.
Sheehy, Mr. J. F.
Spence, Sir George.
Sultan Ahmad, The Honourable Sir.
Thakur Singh, Captain.

The motion was negatived.

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

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

STATEMENT OF BUSINESS.

The Honourable Mr. M. S. Aney (Leader of the House) : Sir, I take the opportunity of informing the House that in the event of the business entered in the current list, including the item added by the supplementary list issued yesterday, not being completed by Friday next, I would then request you to appoint an additional-day or days for the transaction of official business. On Friday I will ask you to fix a particular day; I am only making a statement now.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 12th November, 1941.

LEGISLATIVE ASSEMBLY.

Wednesday, 12th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

PUBLICATION OF THE ANNUAL ADMINISTRATION REPORT OF THE MUNICIPAL SIDE OF CANTONMENTS.

141. *Qazi Muhammad Ahmad Kazmi: With reference to the answer to my question No. 459 given, on the 22nd March, 1941, stating that the Budget Estimates of Cantonments are open to the public, will the Defence Secretary please state whether Government have considered the advisability of making the Annual Administration Report of the Municipal side of the Cantonments, available to the Cantonment public by any of the following methods:

(a) publishing the Report themselves;

(b) sending copies of the Report for publication to local newspapers; and

(c) supplying copies to the members of the Cantonment public on payment of necessary copying charges?

If not, why not?

Sir Gurunath Bewoor: No. Government do not consider it necessary to publish or issue general orders for the publication of the reports. They are not confidential documents and meetings of Cantonment Boards in which they are discussed and passed are open to public. There is no objection to Boards taking steps to make the reports known to the public if they so desire.

Qazi Muhammad Ahmad Kazmi: As regards the alternative contained in part (c) of my question, may I know whether Government would be prepared to make the reports available to the public on payment of necessary charges?

Sir Gurunath Bewoor: Sir, that is a matter for the Cantonment Boards themselves to decide. As I have said, there is no objection to Boards taking steps to make the reports known to the public if they so desire.

Qazi Muhammad Ahmad Kazmi: What I say is that if there is no objection of the Government of India and if it is a fact that it is a document which is available to the public, then there should be no objection

to supply copies on payment of necessary copying charges. If they are open to the public, the public may be allowed to inspect them.

Sir Gurunath Bewoor: Sir, that is a matter for the Cantonment Boards to decide.

Qazi Muhammad Ahmad Kazmi: Sir, the whole question has arisen out of a refusal on the part of Cantonment Boards to supply copies to the public. When it is a document open to the public, have Government on principle not considered the advisability of making the copies available even on payment of necessary charges?

Sir Gurunath Bewoor: Sir, I have nothing to add to my reply. It is a matter for the Cantonment Boards themselves to decide.

Qazi Muhammad Ahmad Kazmi: And if the Cantonment Boards decide not to make the documents public, what steps Government propose to take in the matter?

Sir Gurunath Bewoor: Sir, that is a hypothetical question.

REFUSAL OF THE CANTONMENT BOARD, ALLAHABAD, TO GIVE WATER CONNECTIONS TO HOUSES IN THE CANTONMENT AREA.

142. *Qazi Muhammad Ahmad Kazmi: (a) With reference to the answer to my question No. 460, answered on the 22nd March, 1941, stating that the Cantonment Board, Allahabad are considering taking a bulk supply of water 'under section' 234-A of the Cantonments Act, will the Defence Secretary please state since when the Cantonment Board are considering the question?

(b) Have they come to any conclusion? If not, when are they likely to arrive at it?

(c) Have Government considered the advisability of making some temporary arrangements for giving of water connections in the Bazar areas pending such consideration? If not, why not?

(d) Is it or is it not a fact that in connection with the water supply the Executive Office Cantonment Board, Allahabad, published a notice on 29th July, 1940, intimating that no applications will be entertained for installation of further water pipe connections for domestic purposes and this notice has not yet been withdrawn and is causing great inconvenience to the Cantonment public?

Sir Gurunath Bewoor: (a) and (b). The matter has been under discussion between the Cantonment Board and the Local Military Authorities since 1939 and on a recent reference under sub-section (2) of section 234A. of the Cantonments Act the rate to be charged for the supply has been determined by the Central Government. All that now remains is the execution of the agreement which the Board has been asked to expedite.

(c) and (d). A notice was issued and is still in force that no further connections in bazaar areas could be given from the Military Engineer Services supply pending the taking of a bulk supply by the Board and although about a dozen persons who wished to have private connections

may have been inconvenienced there has been no complaint from the public as to the general inadequacy of the supply since there is in this area an adequate number of public stands and private connections. Government do not consider it necessary, therefore, to make any temporary arrangements to give private connections pending the execution of the agreement, which should not now be long delayed.

Qazi Muhammad Ahmad Kazmi: How long do Government consider it will take for the discussions to come to an end?

Sir Gurunath Bewoor: I do not think it should be delayed now. As I have mentioned, the charge has been fixed and it is merely the execution of the agreement between the Board and the Military Engineer Service.

Qazi Muhammad Ahmad Kazmi: Any idea as to time?

Sir Gurunath Bewoor: No, Sir.

TRANSFER OF CERTAIN AREAS UNDER THE CONTROL OF THE CANTONMENT BOARD TO THAT OF THE MUNICIPAL BOARD, ALLAHABAD.

143. *Qazi Muhammad Ahmad Kazmi: (a) With reference to the answer given to the supplementary question to question No. 461 given on the 22nd March, 1941, stating that the transfer of Cantonment areas not required by military authorities to the Municipality of Allahabad was under the consideration of the Government and was likely to be finished within the next few months, will the Defence Secretary please state at what stage the case is at present?

(b) In case the matter is not likely to be concluded in the near future, have Government considered the advisability of making some arrangement with the Municipal Board of Allahabad for the supply of water and removing a very serious trouble of the civil population?

Sir Gurunath Bewoor: (a) As a matter of policy, Government have recently decided to drop for the period of the war the general question of the excision of areas from cantonments. They have, however, agreed to consider the excision of the Lascar Lines (Bairahna Bazar) in the Allahabad Cantonment and are awaiting further proposals from the local military authorities.

(b) The attention of the Honourable Member is invited to the reply just given by me to parts (c) and (d) of his starred question No. 142.

REMOVAL OF DISCRIMINATION AS REGARDS SALARY, ETC., OF THE BRITISH AND INDIAN ARMY OFFICERS AND SOLDIERS.

144. *Sardar Sant Singh: (a) Will the Defence Secretary please state if it is a fact that the British Prime Minister, the Secretary of State for India, His Excellency the Viceroy and His Excellency the Commander-in-Chief of India, have given public expression to the high appreciation of the fighting qualities and military efficiency of the Indian troops in this War?

(b) Is it a fact that Colonel Jones, Commander of the Indian Unit in Syria, has declared Indian soldiers as superior to Germans in bravery and initiative?

(c) If so, do Government propose to immediately abolish the racial discrimination that is at present observed in the matters of salary and other allowances and in pensions paid to Indians and Britishers, both soldiers and officers?

(d) Is it a fact that Indian officers observe the same standard of life as the British officers?

(e) Is it a fact that the salary of the Australian officers has recently been increased?

(f) Will Government please state in a comparative tabular form the following information:

- (i) salaries of the British soldiers and their allowances;
- (ii) salaries of the Indian soldiers and their allowances;
- (iii) salaries of the Australian, African and Canadian soldiers and their allowances;
- (iv) salaries of the British officers and their allowances;
- (v) salaries of the Indian officers and their allowances; and
- (vi) salaries of the Australian, African and Canadian officers and their allowances?

Sir Gurnath Bewoor: (a) Yes.

(b) Yes.

(c) Government do not admit that any such racial discrimination exists.

(d) Some do and some do not.

(e) Government have no information.

(f) As regards parts (iii) and (vi), Government have no information. Regarding parts (iv) and (v), I would invite the attention of the Honourable Member to the reply given on the 13th February, 1941, in this House to starred question No. 58. As regards parts (i) and (ii), the rates of pay and allowances for British and Indian soldiers are contained in Pay and Allowance Regulations for the Army in India, copies of which are in the Library of the House.

Sardar Sant Singh: May I ask the Honourable Member with regard to part (c) of my question as to whether there is a difference in salary and emoluments of the British rank and file and the Indian rank and file?

Sir Gurnath Bewoor: There is a difference.

Sardar Sant Singh: What is this difference based upon, if not on racial discrimination?

Sir Gurnath Bewoor: It is based on domicile.

Sardar Sant Singh: What is that difference? Will you please explain what is racial difference and difference in domicile.

Sir Gurnath Bewoor: Sir, I do not think it is the same thing at all. One is racial and the other is domicile. It is quite possible for an Indian to have an English domicile.

Sardar Sant Singh: Is there any person in the army of Indian origin who has British domicile?

Sir Gurnath Bewoor: I shall require notice in order to look into the records. In the Indian Civil Service there are Indians who have non-Asiatic domicile.

Sardar Sant Singh: When in reply to part (d) of my question the Honourable Member says that in some cases Indian officers observe the same standard of life as the British Officers, do the Government propose to increase their salaries and emoluments to the same level as that of the British officers?

Sir Gurnath Bewoor: Salaries are not fixed on the basis of the standard of life a man may choose to live.

Sardar Sant Singh: What is the basis observed by the Government of India for fixing a higher salary for British officers?

Sir Gurnath Bewoor: That is a question of domicile.

Sardar Sant Singh: Is it because they are British officers they should be paid more? I want to understand the position of the Government.

Sir Gurnath Bewoor: The Honourable Member is again raising a question which has previously, on so many occasions, been debated at great length in this House.

Sardar Sant Singh: Since the last question was asked by me in this connection, may I know if there is any proposal before the Government of India to consider the advisability and desirability of raising the salary and emoluments of the Indian rank and file to the same level as that of the British rank and file?

Sir Gurnath Bewoor: I have nothing further to say in reply to the question beyond what I have said already.

Lieut.-Colonel M. A. Rahman: Is there any difference between the expatriation allowances given to the Indians overseas and the Indian Army allowances given to British officers in India?

Sir Gurnath Bewoor: Sir, I think there is a difference, but I shall require notice in order to ascertain the extent of the difference.

EMERGENCY COMMISSIONS TO INDIANS, ANGLO-INDIANS AND EUROPEANS.

145. *Sardar Sant Singh: Will the Defence Secretary please state the number of emergency commissions given to (a) Indians, (b) Anglo-Indians and (c) Europeans, in India since the outbreak of the present war, their respective salaries and the allowances they are paid?

Sir Gurnath Bewoor: As regards the first part of the question I regret that it is not in the public interest to give exact figures, but the percentages are approximately as follows:

- (a) Indians 23½ per cent.
- (b) Anglo-Indians 1½ per cent. and
- (c) Europeans 75 per cent.

As regards the second part, I would refer the Honourable Member to Army Instructions (India), Nos. 12 and 13 of 1940, copies of which are in the Library of the House.

Sardar Sant Singh: May I know if there is a difference in salaries between Indians and Anglo-Indians who have been given emergency Commissions?

Sir Gurnath Bewoor: No, Sir.

Sardar Sant Singh: Is it a fact that all Anglo-Indians who applied for emergency Commissions were taken in while a percentage of Indians were rejected when they appeared before the Selection Board?

Sir Gurnath Bewoor: That hardly arises out of the question, but it is certainly not the case, I am sure, that every Anglo-Indian was taken. There must have been some who were rejected.

Sardar Sant Singh: Will the Honourable Member make inquiries? My information is that every Anglo-Indian who applied was taken.

Sir Gurnath Bewoor: It may be perfectly true, but it does not prove anything. They may have been all suitable candidates.

Mr. Lalchand Navalrai: Why is there so much difference between the percentage of Indians and Europeans?

Sir Gurnath Bewoor: Because we have not got sufficient number of suitable Indians coming forward.

Qazi Muhammad Ahmad Kazmi: Is there any particular percentage which is kept in view by the Selection Board when taking Anglo-Indians and when taking others?

Sir Gurnath Bewoor: No, Sir.

Sardar Sant Singh: May I know whether any Anglo-Indian or European who applied for emergency Commission was not selected by the Board?

Sir Gurnath Bewoor: I shall want notice; I shall have to examine the records of the interview board for a number of years, to discover the correct answer to the Honourable Member's question.

Sardar Sant Singh: Will the Honourable Member make inquiries?

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

WOMEN EMPLOYED IN THE ARMY DEPARTMENT SINCE THE OUTBREAK OF THE WAR.

146. *Sardar Sant Singh: (a) Will the Defence Secretary please state the number of women taken in employment in the Army Department since the outbreak of War?

(b) How many of them are (i) Europeans, (ii) Anglo-Indians and (iii) Indians?

(c) What is the minimum and maximum salary paid to them, and what allowances each is entitled to?

Sir Gurnath Bewoor: I presume that the Honourable Member is referring to women clerks employed in Defence Headquarters. On this assumption the information is as follows:

(a) 273 (including nine employed on part-time duties).

(b) Europeans 211; Anglo-Indians 63; Indians 4.

(c) The pay of whole-time women clerks ranges between the minimum of Rs. 80 and the maximum of Rs. 300 p.m. The allowances admissible, subject to the prescribed conditions, are:

Delhi moving allowance or Simla winter allowance.

Delhi compensatory house rent allowance.

Shorthand allowance to lady clerks employed on shorthand duties in addition to their clerical duties.

Night duty allowance in the case of those detailed for duty at night.

Simla compensatory allowance, and house rent allowances both at Simla and Delhi.

Qazi Muhammad Ahmad Kazmi: Are there any Indian women, who have been engaged, getting this maximum?

Sir Gurnath Bewoor: I shall have to inquire.

Sardar Sant Singh: May I know if the Honourable Member can give the reason why the number of European and Anglo-Indian women is so much larger than Indian women?

Sir Gurnath Bewoor: That is because Indian women are not coming forward to take up jobs.

Sardar Sant Singh: Did the department ever advertise for these jobs and they did not get any applications or is his information based on assumptions?

Sir Gurunath Bewoor: We are always receiving numerous applications for clerical posts and as there are sufficient number of applications we just take whoever is suitable: there is no need to advertise.

Mr. Lalchand Navalrai: Are there any women in categories other than clerks?

Sir Gurunath Bewoor: Clerical and supervisory duties.

Sardar Sant Singh: May I know if the maximum pay of Rs. 300 is being given to any Indian women clerk employed in the department?

Sir Gurunath Bewoor: I have said that I shall want notice of this question. I have not got the information.

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

STEPS FOR IMPROVING THE WAR EFFORT PROPAGANDA SERVICES.

147. *Sir F. E. James: Will the Honourable Member representing Information and Broadcasting Department be pleased to state what steps have been taken to improve the various services (broadcasting, film, information, etc.) since the debate on the importance of propaganda in India's war effort initiated by the European Group on the 7th March, 1941?

The Honourable Sir Reginald Maxwell: It is impossible to answer this question fully within the usual compass of an oral reply. Many improvements have been made since March last in Government's publicity organisation and methods, some of which are:

- (1) the formation of the Department of Information and Broadcasting;
- (2) better broadcasts for Indian troops abroad;
- (3) an enlarged supply of photographs and photogravures for the Press and for public exhibition;
- (4) a large increase in the number and quality of short films about the war and about India's war effort, and improved distribution;
- (5) intensification of publicity work in Provinces; and
- (6) the provision of adequate funds.

A fuller statement is laid on the table.

War publicity services have been improved all round since March, 1941. An important change has been the gathering together in one Department of all the various organisations of the Government of India which handle publicity in one way or another. This should make for closer Co-ordination and easier planning of publicity.

All India Radio in spite of the limited technical resources at their disposal, inaugurated (i) a weekly service in Malayalam from Madras, (ii) an additional midday bulletin in Iranian Persian from Delhi, (iii) a half-hour daily service for Indian troops in the Far East and (iv) a daily news-bulletin in Arabic. A French Service was also started by All India Radio. News of topical interest were broadcast very promptly. Special talks emphasising the nearness of war to India were arranged. Increased attention was paid to the presentation of news. A daily news commentary has been added to the main Hindustani news-bulletin of the day. The construction of Broadcasting House, the installation of the 100 K.W. transmitter required for external

broadcasts, the 10 K.W. transmitter at Peshawar and the 1 K.W. transmitter at Karachi has been speeded up. The supply of photographs, which have lately averaged 550 per month and of photogravures has become a regular function of the Bureau of Public Information. There is a special Directorate for counterpropaganda. Their function is to watch foreign broadcasts directed towards India and to take effective measures to counter hostile propaganda not only by direct exposures of enemy falsehoods through the appropriate media of public information, but also by ensuring over the whole country a flow of accurate information on matters of the war into which the enemy deliberately seeks to cast confusion. Since June, 1940, 82 pamphlets have been issued. 17 films have so far been produced by the Film Advisory Board and most of them have Hindi, Bengali, Tamil and Telugu versions in addition to the English version. Documentaries are also obtained from England, and many of them have been 'dubbed' in Indian languages. The circulation of films has been speeded up and every F. A. B. reel now completes the circuit of India in three months. An auxiliary of the Film Advisory Board has been set up in Calcutta to look after distribution in Eastern India. News reels in Hindi, Bengali, Tamil and Telugu are now shown in nearly 500 cinemas. Moreover in view of the importance of publicity in the villages and the singular suitability of visual media for it, a very promising scheme of portable cinema projectors has been taken in hand by the Provincial Governments with the assistance of the Government of India, financial and other. Under this scheme it is hoped that eventually a chain of 300 projectors will serve the villages throughout India, excluding those provinces which have already a service of touring film projectors. A scheme has been drawn up by which approved schemes of publicity launched in the Provinces will receive financial assistance from the Centre and funds have been allotted to the Department of Information and Broadcasting for the general development of oral and visual publicity through both Central and Provincial organisations. An officer has been specifically entrusted with the task of maintaining effective liaison between the Centre and the provinces and of acting as the channel for the interchange of ideas between the different provinces. His is also the special function of co-ordinating the organisation of oral and visual publicity in Provinces. A non-official committee to keep the Government in touch with public opinion and to advise us in formulating our plans will be set up shortly.

These then are some of the main ways in which things have been improved. It is not possible to indicate within the compass of an answer to a question, the subtler but none the less important ways in which the content and confines of publicity have been improved. So what I have tried to give is only the barest idea of the picture.

A great deal of India's War Publicity is carried on by Provincial Governments and Provincial War Committees. In most Provinces, there has been a considerable intensification of propaganda through meetings, study circles, loud-speakers, propaganda vans and cinema vans.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House whether his department is giving sufficient attention to the film part of this publicity work particularly in connection with the war?

The Honourable Sir Reginald Maxwell: Yes, I understand that a great deal of attention is being given to that.

Lieut.-Colonel Sir Henry Gidney: In view of what the Honourable Member has just said, can he, at any convenient time, inform the House what is this "deal of attention"? Or is it merely confined to the engagement of a lady photographer and one or two Britishers?

The Honourable Sir Reginald Maxwell: The Honourable Member will find fuller information in the statement which I have laid on the table.

Mr. E. L. C. Gwilt: May I ask what liaison exists between the centre and the provinces to ensure that propaganda effort is directed in the same direction?

The Honourable Sir Reginald Maxwell: There is constant liaison between us and provincial publicity officers: they come here for conferences; and otherwise there is constant correspondence and consultation between them and the centre.

Mr. E. L. C. Gwilt: May I ask how many conferences have taken place since the debate in this House?

The Honourable Sir Reginald Maxwell: I shall require notice of that.

Sir Cowasji Jehangir: May I ask who is in charge of the Department?

The Honourable Sir Reginald Maxwell: The Honourable Sir Akbar Hydari.

MINIMUM AND MAXIMUM PERCENTAGES FOR REPRESENTATION OF THE MINORITY COMMUNITIES IN SERVICES.

148. *Sardar Sant Singh: (a) With reference to Home Department orders regarding communal representation in services, will the Honourable the Home Member please state whether the percentages fixed for minority communities are minimum or maximum? If they are minimum, what is the maximum percentage of posts allowed for these communities? What is the percentage for each minority community?

(b) Will the Honourable Member please state if any minimum percentage has been fixed for Sikhs and Hindus, below which their numbers may not fall? If so, what is that percentage? If no minimum has been fixed, what are the reasons for not doing so?

(c) Is it a fact that the percentage fixed for Muslims is filled, whereas the case of the Sikh community is neglected?

The Honourable Sir Reginald Maxwell: (a) The percentages of reservation represent the minimum share of the minority communities, in recruitment, provided candidates possessing the minimum standard of qualifications are available. It is, however, open to members of these communities to obtain, on merit, more than the percentages of vacancies reserved for them. The percentages reserved are 25 for Muslims and 8½ for the other minorities, namely, Domiciled Europeans and Anglo-Indians, Sikhs, Indian Christians, and Parsis. Separate percentages of reservation have not been laid down for each of these "other minority communities".

(b) As indicated above no separate percentage of reservation has been laid down for the Sikh community, and no vacancies are reserved for Hindus. The reason for the absence of reservation for the Hindus is that, judging by the composition of the services, no such reservation is necessary.

(c) No.

Sardar Sant Singh: May I know if this reservation as to minimum percentage of each community applies to civil departments or to the Defence Department as well?

The Honourable Sir Reginald Maxwell: It does not apply to the Defence Department.

Sardar Sant Singh: May I know, why?

The Honourable Sir Reginald Maxwell: It does not apply to the defence services.

Sardar Sant Singh: May I know if in recruiting the clerical establishment of the Defence Department after the declaration of the war, any direction was issued regarding this percentage and proportion in the services?

The Honourable Sir Reginald Maxwell: I should like notice of that.

Mr. N. M. Joshi: May I ask whether any proportion is reserved for the depressed classes?

The Honourable Sir Reginald Maxwell: Separate provision is to be made for them if the candidates are available: they do not come within the 8½ per cent.

Mr. N. M. Joshi: May I know, Sir, whether the depressed classes are in such an insignificant minority in this country?

The Honourable Sir Reginald Maxwell: They have every opportunity of getting candidates accepted if they came forward, but the difficulty has always been to get a sufficient number of qualified candidates from the depressed classes.

Lieut.-Colonel Sir Henry Gidney: Will the Government of India please tell the House what, in their opinion, is the definition of a 'domiciled European' and are they recruited in the services as such, or as statutory natives of India?

The Honourable Sir Reginald Maxwell: I think that goes far beyond the scope of this question.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member in his list of the various communities in the services mentioned some justification, and I just asked him to throw more light. Most probably I will write a letter to him about this.

The Honourable Sir Reginald Maxwell: It is a generally accepted term. If the Honourable Member wants to go into details, I should like notice, so that I may give him a considered reply.

Sardar Sant Singh: One supplementary question, Sir.

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

Sardar Sant Singh: Only one supplementary, Sir. It is very important.

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

PRACTICE IN THE MATTER OF OBSERVING THE PERCENTAGE FOR REPRESENTATION OF MINORITY COMMUNITIES IN GOVERNMENT OF INDIA SERVICES.

149. *Sardar Sant Singh: (a) With reference to the Home Department orders regarding the representation of minority communities in Government of India services, will the Honourable the Home Member please state whether the percentages fixed are to be observed in regard to each grade in each office separately, or to the total number of persons in one office as a whole?

(b) Will the Honourable Member please state what is the practice in this regard in each of the Government of India offices at New Delhi and Simla, Departments as well as Attached and Subordinate Offices?

The Honourable Sir Reginald Maxwell: (a) The reservations are to be applied to vacancies in each grade or division in a Department or Office separately, but where this is not practicable posts in grades with the same or approximately the same pay and prospects may be grouped together for this purpose.

(b) In the Government of India Departments and Attached Offices the reservations are applied separately to each grade or division. Information in regard to the Subordinate Offices is being collected and will be laid on the table of the House in due course.

Sardar Sant Singh: May I know, Sir, if the Circular of July 1934 applies only to the civil part of the Government of India services or it contains any exception that it would not apply to the Defence Department of the Government of India?

The Honourable Sir Reginald Maxwell: The Resolution does not apply to the Defence Services, and that is apparent on the face of the Resolution.

Mr. President (The Honourable Sir Abdur Rahim): The other questions of Sardar Sant Singh,—he has got a number of them,—will be laid on the table as the quota has been exhausted.

TECHNICAL POSTS IN THE GOVERNMENT OF INDIA SECRETARIAT AND ATTACHED AND SUBORDINATE OFFICES NOT SUBJECT TO THE ORDERS REGARDING COMMUNAL RESERVATIONS.

+150. *Sardar Sant Singh: Will the Honourable the Home Member please state whether there are any technical posts in the Government of India Secretariat and Attached and Subordinate Offices, to which the Home Department orders regarding communal reservations do not apply? If so, which are those posts?

The Honourable Sir Reginald Maxwell: I place on the table of the House a copy of the Home Department Office Memorandum No. 14/9/37-Ests. (S), dated the 5th October, 1940, about the services and posts requiring special or high technical qualifications which have been excluded from the scope of the orders regarding communal representation in the services.

† Answer to this question laid on the table, the questioner having exhausted his quota.

No. 14/9/37-Ests. (S.).

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

New Delhi, the 5th October, 1940.

OFFICE MEMORANDUM.

SUBJECT:—Exemption of services and posts from the scope of the orders regarding communal representation.

With reference to the Home Department Office Memorandum/endorsement* No. 14/9/37-Ests. (S.), dated the 28th May/27th June† 1940, and the reply of the Commerce/etc. Department thereto, the undersigned is directed to forward a list of services and posts to which the orders regarding communal representation promulgated in the Home Department Resolution No. F. 14/17-B./33, dated the 4th July, 1934, do not apply. The list has been amended in certain respects, to accord with the present position, and has been corrected up to the 1st October 1940. In order, however, to ensure, as far as possible, the maintenance of communal proportions in direct recruitment preference should be given in making appointments to the services and posts in the list to candidates belonging to minority communities when the qualifications of the best candidates are approximately equal. (The Home Department agree with the Department of Education, Health and Lands that, for appointment to the services and posts numbered 1, 17 and 19 in the list of services and posts directly under the Education, Health and Lands Department, such preference should be given only when the qualifications are equal).

(Sd.) N. BANERJEE,

for Deputy Secretary to the Govt. of India.

To

The Commerce, Communications, Defence, Education, Health and Lands, Finance, Labour and Legislative Departments.

No. 14/9/37-Ests. (S.).

Copy forwarded to Departments of the Government of India (other than Commerce, Communications, Defence, Education, Health and Lands, Finance, Labour, and Legislative Departments), Political Department, Secretary to the Governor General (Public), Secretary to the Governor General (Reforms), the Director, Intelligence Bureau, the Federal Public Service Commission, and the Principal Information Officer, for information.

By order,

(Sd.) N. BANERJEE,

Assistant Secretary to the Government of India.

List of Services and Posts excluded from the scope of the orders contained in the Home Department Resolution No. F. 14/17-B/33, dated the 4th July 1934, regarding communal representation in the Services.

(Corrected up to the 1st October 1940.)

DEPARTMENT OF COMMERCE.

Class I.

1. Indian Mercantile Marine Training Ship Service.
2. Economic Adviser to the Government of India.
3. Superintendent of Insurance.
4. Secretary, Indian Accountancy Board.
5. President and Members, Tariff Board.

* To Legislative Department only.

† To Defence Department only.

() To Education, Health & Lands.

6. Ship Surveyors, Mercantile Marine Department, Bombay and Calcutta.
7. Headmaster, I.M.M.T.S "Dufferin", Bombay.
8. Shipping Masters, Bombay and Calcutta.
9. Engineer-in-Chief, and Engineer, Lighthouse Department.
10. Class I posts in the Patent Office.
- *11. Indian Trade Commissioners.
- *12. Assistant Superintendents of Insurance.
- *13. High Commissioner for India.
14. Deputy Registrar of Trade Marks, Bombay.
15. Assistant Registrars of Trade Marks, Bombay and Calcutta.

Class II.

16. Deputy Shipping Masters, Bombay and Calcutta.
17. Assistant Shipping Master, Calcutta.
18. Chief Engineers of the Pilot Vessels, belonging to the Bengal Pilot Service.
19. Commercial Accountant, Lighthouse Department.
20. Engineer Supervisor, Lighthouse Workshops, Madras.
21. Class II posts in the Patent Office

Subordinate Services.

22. Draughtsman, Engineer-in-Chief's Office, Lighthouse Department.
23. Accountant for the Leadsman's Quarters at Calcutta.

DEPARTMENT OF COMMUNICATIONS.

Central Service, Class I.

1. Indian Meteorological Service.
2. Director of Civil Aviation in India; Deputy Director of Civil Aviation in India; Chief Inspector of Aircraft; Chief Aerodrome Officer; Aircraft Inspectors; Technical Officers.

Central Service, Class II.

3. Assistant Aircraft Inspectors, Aerodrome Officers; Assistant Aerodrome Officers; Examiners; Electrical and Mechanical Superintendent.

Un-classified.

4. Controller of Broadcasting; Deputy Controller of Broadcasting; Chief Engineer, All India Radio; Editor, Indian Listener, Research Engineer; News Editor, All India Radio; Station Directors; Station Engineers; Assistant Station Directors; Director of Programmes; Assistant Chief Engineer; Public Relations Officer; Director of Programme Planning.

5. Consulting Engineer to the Government of India (Roads); Assistant to the Consulting Engineer to the Government of India (Roads).

DEFENCE DEPARTMENT.

1. Indian Ecclesiastical Establishment.
2. Caretaker, Army and Air Headquarters.
3. Chief Maulvi, Board of Examiners.
4. Translators, M. T. (L) and Fauji Akhbar Sections.
5. Army Training and Educational Establishments.
6. Army Language Teachers.
7. Recruiters of the Technical Recruiting Branch of the Recruiting Organization.
8. Civilian clerks of the Indian Territorial Force.
9. Civil clerks of the Auxiliary Force, India.

*Unclassified.

10. Civilian clerks of the Indian Signal Training Corps, Signal Training Centre, Jabulpore.
11. Religious Teachers for the units of the Army in India.
12. Daroghas.
13. Assistant Farm Overseers, Veterinary Assistant Surgeons, Zilladars and locally recruited staff of the Army Remount Department.
14. Principal Test Assistant.
15. Assistant Works Manager, Ordnance and Clothing Factories.
16. Technical Staff of the Indian Army Ordnance Corps.
17. Permanent Indian Artificers, I.A.O.C. of the following categories :
(i) Supervisors; (ii) Draughtsmen; (iii) Fitters; (iv) Blacksmiths; (v) Wheelers;
(vi) Instrument Mechanics; (vii) Electricians.
18. Overseers and sub-overseers, Controlled Flour Mills, Lyallpur.
19. Surveyors Assistants, Military Engineer Services.

DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

POSTS IN AND UNDER THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH.

Central Service, Class I.

1. Vice-Chairman, Imperial Council of Agricultural Research; Agricultural Commissioner with the Government of India; Animal Husbandry Commissioner with the Government of India; Assistant Agricultural Commissioner with the Government of India; Assistant Animal Husbandry Commissioner with the Government of India; and Secretary, Imperial Council of Agricultural Research.
2. Agricultural Marketing Adviser to the Government of India.
3. Director, Professors and Assistant Professors at the Imperial Institute of Sugar Technology.
4. Physical Chemist and Biochemist, Imperial Institute of Sugar Technology.

SERVICES AND POSTS DIRECTLY UNDER THE DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

Central Service, Class I.

1. Medical Research Department.
2. Zoological Survey of India.
3. Superintendent of Education, Delhi, Ajmer-Merwara and Central India.
4. Principal, Government College, Ajmer.
5. Keeper of the Records of the Government of India.
6. Librarian, Imperial Library, Calcutta.
7. Educational Commissioner with the Government of India.
8. Agent General for India in the Union of South Africa.
9. Secretary to the Agent General for India in the Union of South Africa.
10. Agents of the Government of India in Burma, Ceylon and British Malaya.
11. Government Epigraphist for India, Superintendent for Epigraphy and Assistant Superintendent for Epigraphy. Archaeological Department.
12. Technical Assistant to the Educational Commissioner with the Government of India.

All posts in Central Service, Class I and Central Service Class II in the following :—

13. Imperial Agricultural Research Institute and substations.
14. The Imperial Dairy Department.
15. Imperial Veterinary Research Institute and its Sub-stations.
16. Botanical Survey of India.

Central Service, Class II.

17. Pharmacologist, Senior Experimental Assistant, Pharmaceutical Chemist and Biochemist, Biochemical Standardisation Laboratory, Calcutta.

18. Assistant to the Agent of the Government of India in Ceylon.

19. Assistants to the Imperial Serologist.

Central Subordinate Service.

20. Epigraphical Assistant and Clerks, Office of the Government Epigraphist for India and Superintendent for Epigraphy.

21. Reader, and Custodian in the office of the Superintendent for Epigraphy.

22. Custodians, Agra and Lahore Forts; Custodian, Archaeological Area, Delhi Fort and Curator, Indian War Memorial Museum, Delhi.

23. Entomological Assistant; Laboratory Assistants; Technical Assistant; Assistant, Ethnological Section; Artists; Gallery Assistants; Modeller; Taxidermists; and Insect Setters, Zoological Survey of India.

24. Ministerial establishments of the Agent General for India in the Union of South Africa and the Agents of the Government of India in Burma, Ceylon and British Malaya.

FINANCE DEPARTMENT.

POSTS DIRECTLY UNDER THE FINANCE DEPARTMENT.

Central Service, Class I.

1. Master, Deputy Masters and Assistant Master, Security Printing, India.

2. Mint Masters, Bombay and Calcutta.

3. Deputy Mint Master.

4. Chief Assayer, Mint, Bombay.

5. Deputy Controller of Stamps.

6. Assistant Master, Currency Note Press.

Central Service, Class II.

7. Chief Inspector, Control; Engraver and Supervisors (Technical), Security Printing, India.

8. Artist Engraver, Calcutta Mint.

9. Deputy Chief Assayer, Bombay Mint.

Central Subordinate Service.

10. Bullion Establishment at the Mints.

11. Fifty per cent. of the Supervising staff of the Operative Establishments at the Mints (Reserved for Europeans, Domiciled Europeans and Anglo-Indians).*

12. Junior Supervisors (Technical), Assistant Supervisors (Technical), and Estate Custodian, Security Printing, India.

POSTS UNDER THE CENTRAL BOARD OF REVENUE.

Central Service, Class I.

1. Chief Chemist, Central Revenues.

2. Chief Mining Engineer, Salt Range Division, Central Excise & Salt Department, North-Western India, Khewra.

3. Electrical and Mechanical Engineer, Khewra.

4. Electrical and Mechanical Engineer, Sambhar.

5. Accountant Members, Income-tax Appellate Tribunal.

Central Service, Class II.

6. Mine Manager, Khewra.

* In filling vacancies in the remaining 50 per cent. the reservations for Muslims and the other minority communities (excluding Domiciled Europeans and Anglo-Indians) will be 33½ per cent. and 8½ per cent., respectively.

HOME DEPARTMENT.

General Central Service, Class I.

1. Government Examiner of Questioned Documents; Assistant Government Examiner of Questioned Documents.

2. Assistant Director, Intelligence Bureau; Deputy Director and Assistant Directors, Intelligence, Peshawar; Assistant Director, Intelligence, Quetta.

3. Secretary and Assistant Secretary, Federal Public Service Commission.

4. Principal Information Officer, Deputy Principal Information Officer and Information Officers.

General Central Service, Class II.

5. Deputy Central Intelligence Officers; Deputy Superintendent, Intelligence, Peshawar; Deputy Superintendents of Police, Delhi and Coorg.

6. Confidential Assistant, Intelligence Bureau.

7. Assistant Information Officers.

8. Supply Officer and Secretary to the Chief Commissioner, Andaman and Nicobar Islands; Assistant Commissioner, Nicobars, Extra Assistant Conservators of Forests and Exploitation Officers, Andamans Forest Department.

Central Subordinate Services.

9. Photographer, Intelligence Bureau.

10. Tahsildar and Sub-Inspector of Police under the Deputy Director, Intelligence, Peshawar and Assistant Central Intelligence Officers.

11. Senior Special Assistant and Confidential Assistant, Office of the Federal Public Service Commission.

12. Personnel of the Frontier, Intelligence Corps in the offices of the Deputy Director, Intelligence, Peshawar and Senior Assistant Director, Intelligence, Quetta.

DEPARTMENT OF LABOUR.

General Central Service, Class I.

1. Posts in the Indian School of Mines.

2. Consulting Architect in the Central Public Works Department.

3. Chief Inspector of Boilers & Factories, and Electric Inspector, Delhi & Ajmer-Merwara.

General Central Service, Class II.

4. Superintendent, Horticultural Operations; Assistant Superintendent, Horticultural Operations (Central Public Works Department).

General Central Subordinate Service.

5. Storekeeper, Deputy Storekeepers, Assistants and Clerks, Stationery Stores Section of the Central Stationery Office, Calcutta.*

LEGISLATIVE DEPARTMENT.

Central Service, Class I.

1. Posts of Secretary, Additional Secretary and Draftsman, and Deputy Secretary, when held by an officer who does not belong to the Indian Civil Service.

2. Posts of Solicitor to the Government of India, Second Solicitor to the Government of India and Assistant Solicitor to the Government of India.

* These posts will come within the scope of the orders regarding communal representation on expiry of the term of contract of the present store-keeper.

STRENGTH OF THE GENERAL HEADQUARTERS POLICE.

†151. *Sardar Sant Singh: (a) Will the Defence Secretary please state the present strength of the General Headquarters Police? How many of them are Hindus, Muslims and Sikhs?

(b) What was the strength of this Police force on the 1st January, 1941, and what was the communal composition thereof?

(c) What is the total number of men recruited into this force since 1st January, 1941? How many of these newly recruited men are Hindus, Muslims and Sikhs?

(d) If the number of men belonging to any one of the three above mentioned communities be much more, or much less, than the proportion fixed by the Home Department for representation of various communities in various services under the Government of India, will the Honourable Member please state the reasons for this increase or decrease?

Sir Gurunath Bewoor: (a) 102, all Muslims.

(b) 21, all Muslims.

(c) 81, all Muslims.

(d) The orders issued by the Home Department regarding recruitment on a communal basis do not apply to the General Headquarters Police which is a wholly military formation.

SCALES OF PAY IN THE GOVERNMENT OF INDIA DEPARTMENTS AND THEIR ATTACHED AND SUBORDINATE OFFICES SET UP SINCE 1ST APRIL, 1939.

†152. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state the names of the Government of India Departments and their attached and subordinate offices which have been set up since 1st April, 1939?

(b) Are the orders in regard to scales of pay to be given to all the men employed in those departments or offices, similar in all cases, or is there any distinction made in any case?

(c) If any distinction has been made in any one or more cases, will the Honourable Member please state the reasons for such distinction?

(d) Will the Honourable Member please lay on the table of the House a copy of the orders passed in regard to the scales of pay given, or to be given, to the employees of the said departments and offices?

The Honourable Sir Reginald Maxwell: The information is being collected, and will be laid on the table by the Honourable the Finance Member who is mainly concerned with this question.

REFUSAL OF GUN LICENSES TO GOVERNMENT SERVANTS IN DELHI.

†153. *Sardar Sant Singh: Is the Honourable the Home Member aware that during the last two years several Government servants drawing

† Answer to this question laid on the table, the questioner having exhausted his quota.

Rs. 100 or more per mensem have been refused licences for guns, etc., whereas hundreds of persons drawing less than Rs. 100, or having an income of Rs. 100 or less, are in possession of guns in Delhi? If so, why, and will Government please explain their policy in regard to this matter?

The Honourable Sir Reginald Maxwell: It is quite possible that licences for guns have been refused to Government servants drawing Rs. 100 or more per mensem while there are persons in Delhi with a smaller income who possess licences. Licences are not given merely in view of the salary or status of the applicant, but also in view of his real need to possess arms.

SCRUTINY AT RENEWALS OF ARMS LICENSES BY THE DELHI ADMINISTRATION.

†154. *Sardar Sant Singh: Will the Honourable the Home Member please state if the Delhi Administration is following the rules made by Government for the grant of arms licenses to the public at the time of its renewals? If so, will he please state the names of all the special police officers in Delhi and their position, profession, amount of income-tax or land revenue paid by each annually and the number and kind of arms possessed by each of them in order to show how far the scrutiny was made by the Delhi Administration in their cases? If not, why not?

The Honourable Sir Reginald Maxwell: I have no reason to suppose that the answer to the first part of the question is otherwise than in the affirmative. The information asked for in the second part of the question is being collected and will be laid on the table of the House in due course.

NON-ALLOCATION OF TIME FOR BROADCASTING SIKH RELIGIOUS PROGRAMME BY THE DELHI BROADCASTING STATION.

†155. *Sardar Sant Singh: (a) Is the Honourable Member representing the Information and Broadcasting Department aware that the Delhi Broadcasting Station has reserved Thursday and Friday in each week for broadcasting the religious programme of Muhammadan community?

(b) Is he also aware that almost whole of the Friday's programme is that for the Muslim community?

(c) Is he further aware that similarly Tuesday and another day in a week are reserved for broadcasting the religious and other programmes of the Hindu community and fairly good time of the day's programme is allocated for the purpose?

(d) Is he aware that no days are fixed in a week for broadcasting the Sikh programme? If so, on what grounds has the Delhi Broadcasting Station not similarly allocated time in each week for broadcasting Sikh religious programme?

(e) Does he propose to consider the desirability of having at least two days in a week reserved similarly for the purpose? If not, why not?

The Honourable Sir Andrew Clow: (a), (b) and (c). Programmes of interest to Hindus and Muslims are broadcast on Tuesdays and Fridays respectively. Bhajans and Qawwalis, purely as musical items, are broadcast

† Answer to this question laid on the table, the questioner having exhausted his quota.

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on Thursdays. These programmes, however, constitute only a small fraction of the transmissions for those days which are not by any means reserved for Hindu and Muslim religious items.

(d) Yes. All-India Radio programmes are designed to cater for the tastes and requirements of the generality of listeners. The number of Sikh listeners in the country does not justify a regular weekly broadcast of their religious programmes.

(e) No: for the reasons I have already stated in reply to part (d).

RECOMMENDATIONS MADE BY THE INDIAN MEDICAL ASSOCIATION.

156. *Mr. Govind V. Deshmukh: Will the Defence Secretary please state the recommendations made by the Indian Medical Association as passed by its Central Council last July to the Government of India and which of them were accepted and which were rejected, and what were the grounds for rejecting the same?

Sir Gurunath Bewoor: I lay a statement on the table.

The following recommendations were embodied in a Resolution adopted by the General Council of the Indian Medical Association on July the 13th, a copy of which was forwarded to the Director General, Indian Medical Service:

- (1) That all officers belonging to the Indian Medical Service and Indian Medical Department working on the civil side, constituting as they are said to be a War Reserve for the Army, should be recalled to the Army immediately and that the vacancies created by such reversion of the officers should be filled up by selection after open advertisement, because there should be no civil side of the Indian Medical Service and the Indian Medical Department hereafter. These appointments should be made on a temporary basis for the duration of the war so as to enable the officers returning from War Service to apply for and compete for these posts on equal terms.
- (2) That during the period of the war no distinction shall be allowed to continue as between the Indian and European members of the Indian Medical Service and Indian Medical Department regarding the pay, allowances, status, eligibility to commands, specialists' appointments, family allowances, leave, promotion, gratuities, disability compensation, etc., whether these officers hold temporary or permanent posts in the Indian Medical Service or in the Army in India Reserve of Officers or hold Emergency Commissions.
- (3) That (a) the policy governing the changes proposed above should be under the direction of a Central Board on which the Indian Medical Association should be adequately represented, so as to facilitate recruitment to the Emergency Commissions.
- (b) The holders of emergency commissions should be given first preference for holding permanent posts in the Indian Medical Service, the selection for such appointments to be made by a Selection Committee on which the Indian Medical Association should be adequately represented.
- (4) That the members of the profession volunteering their services for Emergency Commissions in the Indian Medical Service or for appointments in the Indian Medical Department should start with a rank and seniority in consonance with their experience and standing in the profession, and that all commands should be open to them on the basis of seniority.
- (5) That 10 per cent. of the officers in the Indian Medical Department (Indian Branch) shall be granted Honorary King's Commissions.

No. 3 (a) has been in part adopted by Government, who have formed a Central Advisory Board to review the progress of the recommendations by the recent Indian Medical Service Recruitment Conference. The remaining suggestions are still being actively considered by the Government of India and none have so far been rejected.

†157*.

AUSTRALIANS GIVEN EMERGENCY COMMISSIONS IN THE INDIAN ARMY.

158. *Mr. Govind V. Deshmukh: Will the Defence Secretary please state:

- (a) whether any Australians have been given emergency commissions in the Indian Army;
- (b) whether the Australians who have been, as cadets, given emergency commission in the Indian Army, had applied for the same and were interviewed by any selection committee; if so, when and where;
- (c) whether the Government of India or the Australian Government paid, or pays, for their training;
- (d) the place in India where they received their training;
- (e) the regiment to which they are attached; and
- (f) whether British Officers are recruited from any of the British Colonies for being posted as Officers of Indian Army; if so, how many?

Sir Gurunath Bewoor: (a) Yes.

(b) Yes. They were interviewed by an Indian Army Officer of the rank of Brigadier in August 1941 in Malaya.

(c) The Government of India did not pay for their training as they received no training in India.

(d) Does not arise.

(e) They have been posted to various regiments of the Indian Army.

(f) Yes. The number of officers so recruited is 46 so far.

Mr. Husenbhai Abdullahhai Laljee: Did the Government of India ask for their services?

Sir Gurunath Bewoor: No, Sir. These young Australians applied for commissions in the Indian Army, and as they were considered suitable in all respects, and as we were very greatly in need of candidates—we continue to be in very great need of candidates,—for the officer ranks of the army, they were taken. And, may I say, Sir, with your permission that we have in this war the whole of the British Commonwealth fighting a common enemy. We have Australian soldiers, Newzealanders, every one from the Colonies of the British Empire fighting shoulder to shoulder. sepoys, officers and soldiers together, and as the demands of the Indian Army are very great, we welcome any good material from any part of the British Empire, and in doing so, we are not depriving a single Indian of a possible post in the officers rank, because our demands are much beyond the supplies now available.

† This question was withdrawn by the questioner.

Sardar Sant Singh: May I know, Sir, if any Indian Officer trained in Dehra Dun with qualifications to be an officer in the army has been employed in the British Army in England at their expense?

Sir Gurunath Bewoor: I don't see how that question arises. I have been asked whether Australians have been taken in the Indian Army, and I have given reasons for it. The British Army is not in need of Indian Officers but the Honourable Member is aware that we have Indian Officers, Indian Pilots of the Indian Air Force, seconded to the Royal Air Force, and they are doing very well indeed.

Mr. N. M. Joshi: May I know, Sir, whether any Indian officers have been appointed in the Australian Army?

Sir Gurunath Bewoor: No, Sir, the question has not arisen at all.

Mr. Govind V. Deshmukh: May I know, Sir, which are the regiments in India to which these Australian officers have been attached?

Sir Gurunath Bewoor: Actually I have the names, but I do not think it is in the public interest to give them.

Qazi Muhammad Ahmad Kazmi: May I know, Sir, whether any of these Australians applied for posts in the Indian army before, if not, how is it that they came to know that they could get appointments in the Indian Army?

Sir Gurunath Bewoor: We have had Australians in the Indian Army even before. They used to come through Sandhurst in the old days in the usual way. At this time the whole Empire is aware of the need of man power in different parts of the Empire, and as these young Australians were in every way suitable, they offered their services and we accepted them.

Mr. N. M. Joshi: May I know whether, since there is a dearth of officers in India, the Government of India propose to send an application to Hitler for training some of our men as officers?

Sir Gurunath Bewoor: I am surprised that the Honourable Member should ask a question like this. If the Germans are prepared to come here and fight against Hitler, we shall consider that question, and we shall be glad if they will bring with them some equipment also.

Lieut.-Colonel Sir Henry Gidney: I have no desire to request the Honourable Member to ask Hitler to train our men, but may I know whether these Australian officers received any training before they were appointed, and if so, where?

Sir Gurunath Bewoor: These young officers whom we have taken have been properly trained in an Officers' Training School.

Lieut.-Colonel Sir Henry Gidney: I hope it is not at India's expense.

Sir Gurunath Bewoor: I have said it is not.

Lieut.-Colonel Sir Henry Gidney: Whilst I agree entirely with the sentiments that have been expressed by the Honourable Member regarding the loyalty of the people of the Commonwealth and the Colonies, will the Honourable Member give this House a categorical statement to show that this Government did not ask the Australian Government or the Governments of the various Colonies or Dominions for these officers to be sent over here?

Sir Gurunath Bewoor: I can only say, so far as I have seen the papers, that there was no request sent to the Australian Government by the Indian Government for these particular men, but if the Honourable Member is desirous of getting more definite information on the point, I shall require notice.

Mr. Govind V. Deshmukh: May I know, Sir, whether the Australian Government suggested that some of their men should be attached to Indian regiments?

Sir Gurunath Bewoor: No, Sir.

Sir Cowasji Jehangir: May I know if these Australians were resident in India?

Sir Gurunath Bewoor: No, Sir.

Sardar Sant Singh: May I know the exact place where these Australian officers were trained before?

Sir Gurunath Bewoor: Some of them were trained at Singapore where there is an Officers' Training School.

Sardar Sant Singh: May I know if Indian Officers have been appointed in any part of the Commonwealth of Great Britain?

Sir Gurunath Bewoor: I have replied to that question. The question has not arisen. We want all the Indian officers we can get for our own army.

Sardar Sant Singh: May I know if the Government of India holds that India is a good ground for exploitation by every member of the Commonwealth?

Sir Gurunath Bewoor: There is no question of exploitation, and they are holding Commissions purely on a temporary basis for the period of the war.

DESIRABILITY OF CONVEYING SHACKLED DELHI JAIL PRISONERS IN VEHICLES.

159. ***Mr. E. L. C. Gwilt:** (a) Is the Honourable the Home Member aware of the fact that jail prisoners shackled with wrist and ankle irons are frequently marched through the streets of Delhi?

(b) In view of the extremely undesirable nature of such practice, is he prepared to take steps to ensure that such prisoners are conveyed in vehicles which do not expose them to exhibition to the public?

The Honourable Sir Reginald Maxwell: (a) The answer is in the affirmative.

(b) Orders were issued by the Chief Commissioner last winter for conveyances to be provided in all cases when prisoners have to be moved between the Delhi Jail and the Railway Station on transfer or between the jail and the courts. Owing to some misunderstanding, the orders have not yet been fully complied with but this will be done in future.

BAN ON EXPORT OF THE *Student* OF JUBBULPORE TO FOREIGN COUNTRIES.

160. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Home Member please state if he is aware of the fact that the *Student* of Jubbulpore, is the official organ of the All-India Students' Federation?

(b) Is it or is it not a fact that the Government censor has banned its export to foreign countries? If so, why?

(c) Have Government considered the advisability of withdrawing the said ban?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) It is a fact that an export permit for this paper was refused, as it was not considered to be of a suitable character for export.

(c) No.

Qazi Muhammad Ahmad Kazmi: Do Government consider that a paper which is quite safe for India itself will be unsafe for America?

The Honourable Sir Reginald Maxwell: I will consider the Honourable Member's suggestion.

Qazi Muhammad Ahmad Kazmi: May I know if Government have banned this paper for any improper articles on account of which they have deemed it advisable to stop its export?

The Honourable Sir Reginald Maxwell: I should require notice.

CARRYING OF CONFIDENTIAL PAPERS OF THEIR OFFICE WITH THEM BY GOVERNMENT OFFICERS ON TRANSFER.

161. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Home Member please state if it is customary for officers of Government, who are under orders of transfer, to take with them without the consent of their successors in office, confidential papers and correspondence which took place during their tenure of office; and if so, under what rules such papers are not handed over to the successors in office for future guidance in the interests of administration of that particular office to which such officers belong?

The Honourable Sir Reginald Maxwell: The answer to the first part of the question is "No". The second part of the question does not arise.

IMPORT DUTY ON UNITED STATES OF AMERICA GOODS.

†162. *Sardar Sant Singh: Will the Honourable the Finance Member please state if the import duty on goods manufactured in the United

† Answer to this question laid on the table, the questioner having exhausted his quota.

States of America and imported into this country, has been removed or reduced by any executive action?

The Honourable Sir Jeremy Raisman: No.

DESIRABILITY OF CONTROLLING THE RATES OF INTEREST CHARGED BY BANKS.

†163. *Sardar Sant Singh: Will the Honourable the Finance Member please state whether Government are aware that exchange banks have stopped paying any interest on the current accounts, and some of the Indian premier banks have also reduced the rate and are now paying only 1 per cent. interest on the current account and hardly 2½ to 3 per cent. on fixed deposits? If so, do Government propose to fix the maximum rate of interest the banks and the *sowcars* can charge or claim in view of the very poor condition of the people of the country dealing in raw produce of the country, or to those who have perforce to borrow on landed property?

The Honourable Sir Jeremy Raisman: Government have not at hand the particulars of rates of interest allowed by banks on various kinds of deposits, but are aware that in view of the cheap money policy followed in recent years the banks have had to reduce the rates of interest on current accounts and other deposits. Government see no occasion to promote legislation to regulate the rate of interest charged by banking corporations. As for regulating interest generally, the matter is for the provinces.

UNSTARRED QUESTIONS AND ANSWERS.

RULES UNDER SECTION 241 OF THE GOVERNMENT OF INDIA ACT, 1935.

56. Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Finance Member be pleased to state if they have framed any rules under section 241 of the Government of India Act, 1935, similar to those made by them under section 96 B (2) of the Government of India Act, 1919? Will he further be pleased to state whether the Fundamental and the Civil Services Classification, Control and Appeal Rules made by them under section 96 B (2) of the Government of India Act, 1919, are still in force, without any modifications? If not, what rules have taken their place, or what changes have been made in them?

The Honourable Sir Jeremy Raisman: The Government of India have not as yet framed any rules under section 241 of the Government of India Act, 1935, similar to those made by them under section 96 B (2) of the Government of India Act, 1919, except the Central Civil Services (Extraordinary Pension) Rules.

The Fundamental and the Civil Services (Classification, Control and Appeal) Rules are still in force subject to the provisions of section 276 of the Government of India Act, 1935, and also subject to the amendments issued from time to time.

The first part of the question does not arise. The changes made in the Rules are contained in the orders issued from time to time and published in the official gazette.

† Answer to this question laid on the table, the questioner having exhausted his quota.

CASES OF REMOVAL OF THE EFFICIENCY BAR OF INCOME-TAX OFFICERS IN THE CENTRAL PROVINCES AND THE UNITED PROVINCES.

57. Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable the Finance Member be pleased to state in how many cases efficiency bar imposed on Income-tax Officers in Central Provinces and United Provinces has been removed within the last 12 months and after what duration?

(b) Are Government aware that efficiency bars have been removed within the said period by the Income-tax Commissioner after his personal inspection of work without waiting for more than one report of the Inspecting Assistant Commissioner, while this has not been done for years in other cases? What is the explanation for such a discriminatory action?

The Honourable Sir Jeremy Raisman: (a) and (b). The information is being obtained and will be laid on the table of the House in due course.

PROCEDURE FOLLOWED IN IMPOSING THE PENALTY OF STOPPAGE AT THE EFFICIENCY BAR.

58. Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable the Finance Member please state whether it is not a fact that on the 8th September, 1939, in the Legislative Assembly, in his answer to parts (e), (f) and (h) of starred question No. 122, admitted that the procedure prescribed in Civil Services (Classification, Control and Appeal) Rule 55 was generally followed in imposing penalties?

(b) Is not stoppage at an efficiency bar a penalty? Is it not a fact that on the 2nd December, 1940, in the Council of State, Government, in their answer to part (b) of question No. 99, stated that the procedure prescribed in Civil Services (Classification, Control and Appeal) Rule 55 would be needlessly elaborate in the case of penalties less than dismissal, removal and reduction? How do they reconcile these two divergent answers?

The Honourable Sir Jeremy Raisman: (a) Yes.

(b) The reply to the first two parts is in the affirmative. As regards the last part, the position is that though it is not necessary to follow the procedure laid down in rule 55 of the Classification, Control and Appeal Rules in cases where the penalty of censure, or withholding of increment or promotion, or recovery from pay of the whole or part of any pecuniary loss caused to Government by negligence or breach of orders, is imposed, generally in practice the grounds on which it is proposed to take action in such cases are communicated to the officer concerned who is also given an opportunity of defending himself before these penalties are actually imposed.

SEIZURE OF THE SAINIK PRESS, AGRA.

59. Qazi Muhammad Ahmad Kazmi: Will the Honourable the Home Member be pleased to state:

- the date on which the orders of seizure of the *Sainik Press*, Agra, were passed;
- the periods for which the Press remained in police possession;
- the name and authorities which passed these orders, with the reasons for them; and
- why and when the first order of seizure was set aside?

The Honourable Sir Reginald Maxwell: (a) to (d). The action taken against the *Sainik Press* was taken by the Government of the United Provinces or their officers and the Government of India cannot answer questions about it.

SEIZURE OF THE *Sainik Press*, AGRA.

60. Qazi Muhammad Ahmad Kazmi: Will the Honourable the Home Member be pleased to state:

- whether it is a fact that the All-India Newspapers and Editors Conference held in Delhi in November, 1940, passed a resolution asking for the cancellation of the second order of the seizure of the *Sainik Press* and that the United Provinces Provincial Press Advisory Committee has also unanimously recommended the cancellation of that order;
- the step or steps Government have taken in that connection;
- whether Government will lay the copy of these resolutions and the order of the first and second seizures on the table;
- whether Government intend to compensate the press and the paper for the loss suffered due to the first order of seizure; and
- the reason or reasons why Government are not accepting the recommendations of the All-India and United Provinces Press Advisory Committees?

The Honourable Sir Reginald Maxwell: (a) It is a fact that the All-India Newspaper Editors' Conference passed a resolution on this subject in November, 1940. This Resolution was published in the Press at the time, but the Government of India took no action on it as the matter concerned the Government of the United Provinces. Subsequently the All-India Newspaper Editors' Conference passed further resolutions on the subject which the Government of India agreed to refer to the Government of the United Provinces.

(b) to (e). These parts of the question concern the Government of the United Provinces.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to parts (c) and (d) of starred question No. 140 asked by Mr. H. A. Sathar H. Essak Sait on the 18th November, 1940.

SUGGESTIONS MADE BY THE PORT HAJ COMMITTEES.

(c) Statement showing the suggestions made by the Port and Provincial Haj Committees and action taken thereon.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
1	Calcutta Port Haj Committee.	The number and size of latrines on pilgrim ships should be increased.	Not accepted.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
2	Calcutta Port Haj Committee.	One or two cooks for the preparation of food for pilgrims may be recruited from Bengali Cooks.	The suggestion was brought to the notice of the Shipping Companies.
3	Do.	If practicable a convenient place may be temporarily provided in pilgrim ships for saying prayers.	The suggestion was brought to the notice of the shipping Companies.
4	Bombay Port Haj Committee.	The space allotted to each pilgrim on decks should either be increased from 16 to 18 superficial feet or the shipping Co. should make arrangements for sleeping platforms without increasing the steamer fares.	This recommendation was placed before the standing Haj Committee and the Government of Bombay were requested to ask the Shipping Company to consider the possibility of giving effect to the suggestions made by the Committee.
5	Do.	If electric fans are not to be installed in all decks, the space around the engine room should be provided with such fans otherwise such space should not be measured for pilgrims unless it is encased with materials which would not allow heat to inconvenience pilgrims.	It was decided after consultation with the Standing Haj Committee to defer consideration of the recommendation pending the results of experiments contemplated by the Shipping Co. of the Thermo Tank system in one of their older ships. (The Mogul Line Ships have since been fitted with electric fans.)
6	Do.	Agreeing with Messrs. Turner Morrison & Co., the Committee suggests that pilgrims should co-operate amongst themselves to set aside certain space for airing, congregational prayers, etc.	Accepted.
7	Do.	The Shipping Co. should fix different fares for 1st class cabins on Upper and Lower decks respectively and call them 1st class 'A' and 1st class 'B' as is the case on the P. & O. mail boats.	The suggestion was brought to the notice of the Shipping Company.
8	Do.	For every 500 pilgrims one gangway should be put into use provided adequate measures are taken to see that the chances of infection are not increased by the unrestricted admission of pilgrims suffering from infectious or contagious diseases.	It was not found feasible to accept this recommendation.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
9	Bombay Port Haj Committee.	Speed of pilgrim ships should not be slackened for the sake of economy but the delay and inconvenience caused to pilgrims should receive the serious consideration of the Mogul Line.	The matter was brought to the notice of the Shipping Company.
10	Do.	The practice of collecting boat hire at JEDDA with the passage money should be discontinued.	The recommendation has since been accepted but the matter has been reopened by the Saudi Arabian Government.
11	Do.	The ship's staff with the assistance of the Indian Vice-Consul and the Company's Agents at Jeddah should allot spaces in the same way as is done in Bombay.	It was decided, after consultation with the British Minister, Jeddah, that it would not be practicable to give effect to this recommendation.
12	Do.	Various complaints regarding the food supplied to pilgrims.	The complaints were brought to the notice of the Shipping Company.
13	Do.	Rules 80 and 81 of the Indian Pilgrim Ships Rules, 1933, should be amended to give the weights or measurements of articles as far as possible.	Not accepted.
14	Calcutta Port Haj Committee.	Section 149 (3) of the Indian Merchant Shipping Act should be amended so that children under 3 may be carried on a pilgrim ship free of charge and those under 12 years at half rates.	Not accepted.
15	Do.	A representative of each port Haj Committee should be made a member of the Standing Haj Committee.	Not accepted.
16	Karachi Port Haj Committee.	Additions and alterations to the Pilgrim Camp, Karachi.	Certain additions and alterations are being carried out.
17	Do.	Reorientation of latrines in the Pilgrim Camp, Karachi.	The recommendation was accepted.
18	Do.	Erection of a wall around the Pilgrim Camp, Karachi.	Accepted.
19	Do.	Marking of individual spaces of 16 sq. ft. each for pilgrim.	Not accepted at the time. The Bill recently passed by the Legislative Assembly seeks to give 18 sq. ft. per pilgrim and also makes provision for individual spaces compulsory.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
20	Karachi Port Haj Committee.	Reservation of seats of deck pilgrims on board pilgrim ships.	Not accepted.
21	Do.	The Shipping Company be approached to exclude when calculating the space available for pilgrims such entrances and unsuitable curves which do not allow for the circumstances and limitations of human frame.	Not accepted.
22	Do.	Dining space for deck pilgrims should be provided on upper decks.	Not accepted.
23	Do.	Pilgrims should be supplied with crockery at the time of serving meals.	Not accepted.
24	Calcutta Port Haj Committee.	The D. P. H., Bengal, and officers subordinate to him not below the rank of an Assistant Surgeon who may be deputed by him at Calcutta for vaccinating and inoculating pilgrims may be authorised to issue immunization certificates.	The D. P. H. and Assistant D. P. H. are already included among authorities competent to issue certificates. The proposal to allow officers subordinate to them to issue certificates without counter signature and to countersign certificates issued by other registered medical practitioners was not accepted.
25	Do.	The form of pilgrims pass should be revised.	Accepted.
26	Do.	Space on upper decks should be reserved for females for recreation purposes.	The Shipping Companies agreed that if 20 or more female pilgrims desired to have space reserved, their request should if practicable be complied with.
27	Do.	Shipping Company should be asked to reserve a portion of the deck for prayers without increasing steamer fares.	Not accepted.
28	Karachi Port Haj Committee.	Pilgrim ships intended to carry Karachi pilgrims should commence their voyage direct from Karachi.	The proposal was brought to the notice of the Shipping Companies.
29	Bombay Port Haj Committee.	Either the space per pilgrim in between decks be increased to 18 sq. ft. or sleeping platforms should be provided.	The Central Legislative Assembly has passed a non-official Bill to increase the pilgrim space from 16 to 18 sq. ft. The alternative suggestion was not accepted.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
30	Bombay Port Haj Committee.	Blocks for 2, 4, 8 & 12 pilgrims should be marked in paint instead of chalk and they should be allotted to pilgrims and respective numbers marked on their tickets.	Not accepted.
31	Do.	The Shipping Companies should as an experimental measure, reserve certain space for those female pilgrims who would like to remain separately from male pilgrims.	The Shipping Companies agreed to provide separate accommodation if 20 or more female pilgrims desired to have such accommodation.
32	Do.	Electric fans should be provided in the space around the engine room otherwise it should not be measured for pilgrims.	Referred to the Mogul Line who have since fitted all their ships except 'Islami' with electric fans. The S. S. 'Islami' is fitted with the thermo tank system.
33	Do.	Arrangements for salt water for ablutions should be made for pilgrims on board ships.	Salt water pipes have been provided on the upper decks. It has been decided not to have such taps on between decks.
34	Do.	Pilgrims should be allowed to go ashore at Aden.	Not accepted.
35	Do.	The date of departure of a pilgrim ship from Jedda should be notified to pilgrims at Mecca, Medina and Jedda by the British Legation at Jedda through Mutawwifs.	Under arrangements made the shipping agents at Jedda inform the Legation of the probable date of arrival of a pilgrim ship and of the number of pilgrims it can accommodate and this information is passed on to pilgrims by the Legation through the Mutawwifs.
36	Do.	The speed of pilgrim ship should be increased.	The complaints were brought to the notice of the Shipping Company.
37	Do.	Issue of pilgrim pass in new form and separate passes to individual pilgrims by authorities in Districts.	Accepted.
38	Calcutta Port Haj Committee.	Control over the undesirable activities of muallims.	Under consideration.
39	Do.	Amendment of the Indian Pilgrim Ship Rules in order to prevent alteration in the dates of sailings announced by shipping companies.	Not accepted.
40	Do.	Quality of food should be improved and better quality of rice and mustard oil should be kept on board.	Commended to the Shipping Companies.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
41	Calcutta Port Haj Committee.	Sufficient number of electric fans should be provided for deck passengers.	Electric fans have been provided in between decks.
42	Karachi Port Haj Committee.	One or two members of the Committee should travel by each pilgrim ship proceeding to Jedda to ascertain arrangements on board ship.	Not accepted.
43	Do.	A lady doctor or a nurse should be appointed on each pilgrim ship.	The Shipping Company reported that it was difficult to obtain suitable women for the post.
44	Bombay Port Haj Committee.	Adoption of the deposit system to the exclusion of the return ticket system.	Not accepted.
45	Do.	Ships allowed to ply for carrying pilgrims should be of faster speed than at present and rule 5 of the I. P. S. Rules should be amended so as to make the minimum speed 10 knots.	Not accepted.
46	Calcutta Port Haj Committee.	Communique containing full information regarding sailings, etc. should be published at least 2 months before the date of sailing of the first pilgrim ship.	Accepted.
47	Do.	The Government of India should represent to the Saudi Arabian Government against extending the Taq-rir system to pilgrims of Assam.	The objections were brought to the notice of His Majesty's Minister, Jedda.
48	Do.	In the interest of pilgrims there should be healthy competition between shipping companies and measures should be adopted to put a stop to unfair competition in pilgrim trade.	The views of the Committee were noted.
49	Do.	Grant of concessions to pilgrims on railways.	Not accepted.
50	Do.	Appointment of a Bengali Muslim Doctor in the Government of India, dispensary in the Hedjaz.	Accepted.
51	Bombay Port Haj Committee.	Fixation of a certain amount of railway fare and its inclusion in the cost of passage ticket.	Under consideration.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
52	Calcutta Port Haj Committee.	Uniform practice of embarkation of pilgrims should be applied to the ports of Calcutta, Bombay and Karachi.	Under consideration.
53	Do.	<i>Bona fide</i> Bengali cooks should be employed on the Haj Line ships sailing from India.	The suggestion was brought to the notice of the Shipping Company.
54	Do.	The Calcutta Port Haj Committee and the Port Health Officer should examine thoroughly the food stuffs on board pilgrim ships.	The duty of examining food stuffs on pilgrim ships has been entrusted to Port Health Officers.
55	Port Haj Committee, Bombay.	Government should fix fairly reasonable, stable, and uniform fares for pilgrim ships in consultation with Port Haj Committees, Shipping Companies and Standing Haj Committee.	Not accepted.
56	Do.	Adoption of deposit system to the exclusion of return ticket system.	Not accepted.
57	Karachi Port Haj Committee.	Officers of the Sind Subordinate medical service may be deputed to sign the certificates of inoculation and to supervise the vaccination work and countersign vaccination certificates.	Not accepted.
58	Do.	Bookings should be stopped 48 hours before the sailing of each steamer or medical inspection should be permitted after sunset.	No change was considered necessary for the time being.
59	Bombay Port Haj Committee.	Proposed abolition of the system of nominating persons to receive the value of return ticket or deposit made by pilgrims.	Not accepted.
60	Do.	Pilgrim ships should not be required to call at Kamaran if infectious diseases are not noticed on board.	Not accepted.
61	Do.	The Government of India should arrange through diplomatic channels for the reduction of the Jedda sanitary dues.	The Saudi Arab Government of their own accord reduced the Jedda sanitary dues by 25 per cent. during the 1940-41 pilgrim season.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
62	Karachi Port Haj Committee.	Latrines on S. S. "Alavi", "Jehangir", "Akbar" and "Khosrou" which are situated near the kitchens may be removed to some other place.	Under consideration.
63	Bombay Port Haj Committee.	Khan Bahadur Sh. Fazl-i-Haq Piracha's Bill to amend the Indian Merchant Shipping Act, 1923 should be supported by Government.	The Bill was passed by the Assembly subject to certain modifications during the last session of the Assembly.
64	Do.	Mogul Line Ships "Khosrou", "Alavi", "Jehangir" and "Akbar" should be renovated if they are to be used for pilgrim traffic.	Under consideration.
65	Do.	Shipping Companies should be prohibited from giving any preferential treatment to amirs-ul-Haj.	Do.
66	Do.	Shipping Companies should employ at least 5 muslims in the crew of each pilgrim ship to attend to the burial of dead bodies.	The Moghul Line have stated that the crew of each pilgrim ship includes more than 12 muslims.
67	Do.	The number of water taps on pilgrim ships should be increased and sea water must be made available day and night.	Under consideration.
68	Do.	Canvas sheets with red or black lines should be spread on the between decks.	Do.
69	Do.	The Mogul Line should be asked to reserve accommodation for pilgrims who come from long distances relying on the assurances contained in Government communiques.	Do.
70	Do.	Pilgrim ships should not be allowed to carry more pilgrims than they are certified to carry.	Do.
71	Do.	Luggage should be arranged on the quay at Jedda according to the Serial numbers.	Do.
72	Provincial Haj Committee, Punjab.	Allotment of funds for giving travelling allowance to members of the Committee for attending meetings.	Not accepted.

Serial No.	Name of Port Haj Committee.	Suggestions.	Action Taken.
1	2	3	4
73	Provincial Haj Committee, Punjab.	Grant of free railway passes to members of the Committee deputed to visit Karachi during pilgrim season.	Not accepted.
74	Do.	Members of the Committee be empowered to issue pilgrim passes.	Do.
75	Do.	The Mogul Line may be induced to condemn their old pilgrim ships which are not in good condition and to provide new ones.	No action was taken.
76	Provincial Haj Committee, Assam.	One third of the amount of the pilgrim pass fee realised from pilgrims from Assam by Port Haj Committees should be paid to the Committee.	Accepted.
77	Provincial Haj Committee, N. W. F. P.	The practice of requiring attestation by witnesses on the nomination form may be discontinued.	Not accepted.
78	Do.	Grant of travelling concessions on railways to pilgrims.	Do.
79	Do.	Prevention of rate-war in the pilgrim trade between shipping companies.	The views of the Committee were noted.
80	Do.	Maximum deck fares should be fixed at Rs. 120 and Rs. 115 from Bombay and Karachi respectively.	Not accepted.
81	Do.	Ample provision of medicines, and drugs should be provided and muslim qualified doctors and nurses should be employed on pilgrim ships.	The Provincial Haj Committee was asked to bring to notice any instances in which stocks of medicines are not provided in pilgrim ships in accordance with the Indian Pilgrim Ships Rules, and also of any instance in which a non-muslim doctor is employed in future.
82	Do.	A member of the N. W. F. P. Haj Committee should be a member of the Port Haj Committee.	Under consideration.
(d) Statement showing the Muslim staff employed on Pilgrim ships.			
(i) *Ships of the Mogul Line.			
		Pilgrim Season.	Total of crew. Number of Muslims.
W939-40		.	999 527

*The Mogul Line have no record of the number of occasions on which the services of Port Haj Committees in regard to the employment of Muslims have been utilised. The Port Haj Committee, Bombay, however, frequently sends Muslims to them for employment and if there are vacancies and the applicants are found suitable they are invariably employed.

(ii) * *Ships of the Haj Line (Scindia Steam Navigation Company.)*

Pilgrim Season.	Total of crew.	Number of Muslims.
1937-38	291	207
1938-39	266	159

*The Scindia Steam Navigation Company participated in the pilgrim trade during the pilgrim seasons of 1937-38 and 1938-39 only. The Port Haj Committees recommended ten applications to the Company but as the applicants came generally from up-country stations, it was not found possible to interview them and consequently attempts were made to employ only Muslims for those posts as far as possible from such qualified people as were locally obtainable.

Information promised in reply to part (a) of unstarred question No. 6 asked by Mr. Muhammad Azhar Ali on the 27th October, 1941.

RAILWAYS ENFORCING AN INTERVENING RELIEVING DUTY PERIOD ON QUALIFIED ASSISTANT STATION MASTERS PROMOTED AS STATION MASTERS BEFORE THEIR PERMANENT POSTINGS.

(a) On the East Indian Railway the practice referred to is not in force.

(b) The practice prevalent on each Railway is one that it has found convenient and there is no reason why Government should insist on uniformity in these matters of detailed administration.

RESOLUTION RE THE ATLANTIC CHARTER FOR A NEW WORLD ORDER—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume discussion of the Resolution moved by Maulvi Abdur Rasheed Chaudhury regarding what is known as the Atlantic Charter.

Dr. R. D. Dalal (Nominated Non-Official): Mr. President, I welcome the criticisms of the Atlantic Charter, strong though they are, because I feel that it is only by the different parties presenting their case frankly that misapprehensions and misunderstandings can be cleared up, and progress made towards India's attainment of Dominion Status. In the Anglo-American eight-point Atlantic Charter drawn up at the momentous dramatic meeting on board the American cruiser "Augusta" on the 9th August, 1941, and two subsequent days, the Prime Minister of Great Britain and the President of the United States of America formulated joint peace aims of the democracies. Only these two men have full knowledge of all that was said and of all that was implied. These two leaders of world democracy have defined certain common principles in the national policies of their respective countries, on which they base their hopes for a better future for the world. Exactly how these principles are to be applied must depend upon the state in which the world finds itself after the war. These two men simply want the whole world to see the difference between the kind of "new order" which the British Commonwealth and America desire and that which Hitler would impose upon the world. More than that, they lay down principles upon which, when victory has been won, the world can build a society of free nations freely collaborating, with the object of securing for all improved labour standards, economic advancement, and social security. The history of the critical times of war is a record of patriotic sacrifice, of unselfish devotion, and of mutual helpfulness; and something of the high sense of duty which is

behind all this must be carried over into the years of peace; and every individual will have to recognize that social security carries with it a social obligation, and that every right carries with it a corresponding duty and every privilege an added responsibility. That, Mr. President, is perfectly true of most of the eight points of the Charter. But, Sir, the third principle is open to interpretations, has already given rise to considerable discussion, and will give rise to more. In his speech in the House of Commons on the 9th September, 1941, the Prime Minister did not expand in any detail the eight points of the authoritative joint Declaration issued immediately after the historic three-day conference. Let us see what is the third principle. The third point is that these two men respect the right of all peoples to choose the form of Government under which they will live, and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them. Mr. Churchill excluded India from the operation of the first part of the third principle; but he expressly stated that the British Government are pledged by the declaration of August 1940 in which India had already received her charter in identical terms only twelve months before the Atlantic Charter had been drawn up; and there can be no doubt that the latter part of the third principle applies to all countries in Europe which have lost their independence during this war. The Prime Minister has not stated that the pledges given to India have disappeared or that they no longer stand. The Honourable the Mover of the Resolution is very anxious that immediate steps should be taken to apply the Atlantic Charter to India; but I submit that the mere waving of the Atlantic Charter wand will not solve India's political problems and will not really satisfy the aspirations of the people of India. Since 1918, the whole policy of the British Government has been to prepare the country for self-government by a succession of stages, and at the same time to secure constitutional guarantees for the numerous Indian minorities. It has been urged that the declaration of August 1940 is incomplete, and is hedged in by many conditions. But, Sir, Dominion Status exists automatically when certain required conditions are present. When the various political elements are agreed as to the kind of constitution under which they are prepared to live, and if the minorities are satisfied as to the conditions under which they are expected to live in the future, then the country will have secured Dominion Status for the simple reason that the British Government will have neither the power, nor the desire to reject or resist the demand.

Sir, I am convinced and strongly convinced that the latest administrative reforms, namely, the expansion of the Viceroy's Executive Council and the creation of the National Defence Council, are an earnest of the desire of the British Government to give Indians a steadily increasing share in the control of their country's destiny; and no one should doubt the sincerity of the British Government when they declare it a matter of general acceptance that India should, as soon as practicable, become a free and equal partner in the British Commonwealth; and no one should fail to recognize that the existing difficulties are due, not to any ill-will on the part of the British Government, but to conditions in India which can only be remedied by the co-operation, with Government and with one another, of the great rival parties now standing sulkily aloof. The British Government have deliberately remitted to Indian hands the framing of India's future constitution; and even if there were no war, the finding of an agreed

[Dr. R. D. Dalal.]

solution to India's constitutional problem is bound to take time. That is all the more reason for Indians to get together now to make a beginning of the inquiry and investigation, so that when the time comes to implement the guarantee of Dominion Status, the material would be ready for a reasonably prompt decision.

Mr. N. M. Dumasia (Nominated Non-Official): Sir, it is most unfortunate that, when the world is depressed by the most terrible calamity that has overtaken it in its history, while destructive and evil Nazi forces threaten to exterminate every form of freedom and religion, no voice has been raised in this House to denounce Hitlerism and what it stands for, but instead an undignified and unwarranted attack has been made on the two outstanding leaders of the world—President Roosevelt and Mr. Churchill, the Prime Minister of England,—both of whom have given and are giving their best to free the fallen countries in Europe from the savage yoke of Nazism and to prevent the war from extending to our country. We are, however, indebted to the Honourable the Leader of the House and two Honourable Members who followed him, Mr. Boyle and Sir Cowasji Jehangir, for lifting the debate to a higher plane. The Leader of the House delivered an impressive speech clarifying the situation and he has well deserved the tribute paid to him by my Honourable friend, Sir Cowasji Jehangir. We should have thought that on the historic occasion of the first meeting of the expanded Executive Council containing a majority of Indian Members, the Congress and the Muslim League representatives would attend and congratulate the new ministers on their undertaking a great and noble task, but they have chosen to go into wilderness and desert the interest of the country at a critical stage in its history. They have themselves destroyed their capacity to lead the country and thereby they have most certainly forfeited every right to have any say in shaping new India that would be created after the war. A most cursory survey of the Indian political field, as it is today and as it promises to develop in the future, must lead to the conviction that unless and until the rights and interests of every minority are constitutionally guaranteed, no return to power or leadership in the Central or the Provincial administration, will now be possible to the organisation which once claimed to be the voice of India.

Sir, everybody is anxious that India should be raised from a dependency into a full-fledged dominion but many factors militate against it. First of all, it appears from the sterile tactics adopted both by the Congress and the Muslim League that these two bodies stand in the way of India being raised to a dominion. Since the inception of the Congress, nearly 56 years ago, many high-minded Englishmen have done and are doing their best even today to win political freedom for India and we have now arrived at a stage when Dominion Status seems to be in our reach if only we know how to grasp it. It is the efforts and achievements of the great founders and early builders of the Indian National Congress that have placed India firmly on the road to constitutional freedom by constitutional means. The late Sir Dinshaw Wacha in a special article contributed to the *Times of India* pointed out that the Congress had accomplished what it had set out to achieve and when the Montague-Chelmsford Reforms were promulgated there were many people in the country who said that there was no need for continuing the activities of the National Congress or the Muslim League, as their functions would be effectively performed by the new Legislatures which are now being boycotted by the Congress

and the Muslim League to the great detriment to the interests of the country. Mr. Gandhi's Congress has also accomplished its appointed task not of building but sapping the foundation of self-government so truly laid by great Indian patriots of the past. Another reason which militates against self-rule in India is that the Congress committed political suicide by withdrawing from the administrations of the Provinces where they had received whole-hearted support and co-operation from the Viceroy, Governors and members of the Indian Civil Service. The Provinces were administered by the arbitrary fiat of the Congress High Command. We were only subjected to brown oligarchy in place of white bureaucracy, the latter, notwithstanding its numerous faults of omission and commission, has rescued us from the depths of degradation, anarchy and chaos which prevailed in India after the death of Aurangzeb. The minorities suffered terribly under the Congress Governments. Its hand fell heavily on my community which had, more than any other community, helped India to rise in the political, industrial, educational and social spheres. We, therefore, hail the declaration of His Excellency the Viceroy of 8th August, 1940, which recognises the obligation and responsibility of His Majesty's Government towards the minorities. If that stipulation which is emphasised by Mr. Churchill is removed at the dictation of any political body, there will immediately be a signal for civil war in the country. I do not hold a brief on behalf of the Government, whose policy had hitherto been to placate the Congress only and glorify Mr. Gandhi.

Like everybody else I propose to speak with respect and restraint about Mr. Gandhi. I will not, however, call white what is not white. It is Mr. Gandhi, who in spite of his great services in the past has today proved a stumbling block in the path of political progress. He has no ears to hear or eyes to see and has become impervious to criticism. That is our misfortune. Mr. Gandhi wants Great Britain to relax its hold on India completely and immediately as if Great Britain has no interest, no obligation and no responsibility in the matter. His Satyagraha movement is not a moral or a spiritual movement as he asks us to believe; it is a subtle political stunt to extract the maximum advantage for his party at the sacrifice of the other important units comprising India. When the Government show signs of meeting the popular demand and promise definite measures towards that end, it is unpatriotic on the part of the principal actors in the political arena to deny them their co-operation.

As that great Indian patriot, the late Sir Surendra Nath Banerjee, who had undergone more injustice at the hands of the Government than any other Nationalist leader, has emphatically laid down, it is our duty to modify our attitude towards the Government when we see a fundamental change in its policy. "I altogether repudiate the idea", said Sir Surendra Nath Banerjee "of persistent policy of non-co-operation especially at a time when the Government is prepared to move along progressive lines, though the pace may not be as rapid as we should like it to be." His argument can be applied with greater force to the present situation today when the country is in a state of turmoil and is passing through an artificial political crisis engendered to embarrass the Government. As Sir Surendra Nath Banerjee had put it "to oppose where we should co-operate was the height of folly and unpatriotism"; and he characterised such an attitude as nothing less than "treason against the motherland". There is chaos and confusion in the country, an internal crisis confronts both the Congress and the Muslim League in spite of a deceptive outward appearance of unity.

[Mr. N. M. Dumasia.]

It is said that the Viceroy's declaration of August 1940 is hedged in with many conditions. Sir, I see only one main and important condition in it about safe-guarding the position of the minorities in the future political structure of India. If this condition disappears there will be no protection for the minorities. We will oppose such an omission tooth and nail. When Great Britain is engaged in a life and death struggle the author of the "Letter to every Britain" calmly suggests to the British people to surrender their possessions and allow themselves to be slaughtered. And fancy such a monstrous suggestion comes from "a lifelong and wholly disinterested friend of the British people". If Mr. Gandhi wants to avoid political warfare in India why does he not give the same advice to Hindus to surrender everything to the Muslims and avoid a civil war? The Viceroy's declaration of August 1940 is clear beyond all doubt. Immediately the war is over the British Government agree to set up a body representative of the principal elements of India's national life to devise the framework of their new constitution. The future constitution is to be prepared by Indians themselves. In that memorable declaration the British Government clearly affirm the basis of India's "free and equal partnership in the British Commonwealth". Mr. Churchill has only reaffirmed it without any qualification subject to Britain's obligations and responsibilities to many creeds, races and interests. What is wrong therein and why such a fuss over it? The Congress always demanded that the people of India should be given the right, through some kind of constituent body, to frame its own constitution in its own way and that is to be generally accepted by the British Parliament. This demand is virtually conceded. It goes far beyond the promises contained in the Viceroy's speech delivered in the Orient Club in Bombay in October, 1939, in which Mr. Gandhi found the germs of an honourable settlement. Yet what do we find Mr. Gandhi doing now? He wants immediate independence and yet declines to defend that independence and advises us to lie prostrate before the hordes of Hitler. Sir, even a child knows that India is at present incapable of defending itself, but that fact does not trouble Mr. Gandhi.

If India wants self-rule in the near future the Congress must first of all actively help in the prosecution of the war. Mr. Gandhi should give up the farce of Satyagraha which is regarded as a huge joke even by his own followers. It is our gallant soldiers, Indian Princes and the sensible class of prepondering Indian population who have, by their performances, acquired the right of having an effective say in the re-constitution of India after the war. The Congress and the Muslim League have failed to grasp the situation and in spite of their hatred of Hitler they are adopting an attitude which places them in a category of people unfriendly to India. A microscopic minority of politicians headed by Mr. Gandhi is determined to withhold its support to the British Government in its Herculean war efforts, but it should be remembered that in history's judgment those who demand immediate independence or separation will be found not as friends but enemies of their country. The heart of India is sound. It recognises and admires the noble cause for which the British people fight and it merits the utmost of enthusiastic aid from the people of India. Will Mr. Gandhi and the Congress betray their own country in order to feed their fantastic fad? Mr. Gandhi has repeatedly said that there can be no Swaraj without unity in India. Is he fostering unity or sowing the seeds of a civil war?

Heaven forbid, but if such an unpleasant contingency takes place, will he then advise the Congress to become non-violent and give up their all to their opponents or will he go on hunger-strike? The late Mr. Dadabhoi Naoroji, the greatest political teacher of our age, referring to the question of self-government from the Congress platform in Calcutta in 1906 spoke of a beginning "which would develop itself into full legislatures of self-government. There must be a beginning, there must be progressive stages, there must be a final culmination in the matter of self-government". These are the ideals which we all cherish. To quote that great leader, Sir Banerjee, again "I closely follow the lines of Tennyson's teaching—a majestic order, a gradual and regular development, without rest, but also without haste". 'Raw haste' was characterised as a half-sister to delay. That true *Rishi*, Dadabhoi Naoroji, taught us several useful lessons. While he did not minimise the value of ideals which appeal to the imagination, stir the heart and stimulate the noblest springs of action, he stressed the important point that the ideal and the practical should not be divorced, but be blended together into one harmonious whole:

"The ideal must be subordinated to the practical, governed by the environments of the situation, which must be slowly, steadily developed and improved towards the attainment of that ideal. In nature as well as in the moral world there is no such thing as cataclysm. Evolution is the supreme law of life and of human affairs. Our environments must be improved and developed, stage by stage, point by point, till the ideal of the present generation becomes the actual of the next."

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. N. M. Dumasia: That lesson of that late lamented Grand Old Man of India is lost on that impatient idealist, Mr. Gandhi. In his fold and creed the noble spirit of tolerance and patience—our inheritance of centuries past—though often preached has disappeared and evil practices disastrous to the best interests of the country have been fostered. If our politicians will cultivate the virtue of tolerance, patience and fairplay towards all, and be prepared to do their duty and discharge their responsibility towards their King and their country and produce a workable formula, and a practical scheme for efficiently administering and defending this sub-continent "a brighter, nobler and more glorious future" which we all desire will dawn on India and its ancient civilization and culture will once more prosper and will be a growing vital force in the conduct and efforts in human affairs for promoting public weal, social order and political progress.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member must finish his speech now.

Mr. N. M. Dumasia: I will take only one minute more, Sir. The prevailing disunity and disorder in the political world of India, the absence of constitutional guarantees for the rights and interests of the minorities and the hostility of the Congress towards them as revealed in their high-handed conduct in the administration of the Provinces and their hostility and intolerance shown towards Indian Princes whose magnificent services in the war have been an inspiration to all of us make the solution of Indian political problems well nigh insoluble

Mr. President (The Honourable Sir Abdur Rahim): Order, order: The Honourable Member must finish his speech. There are other Members who want to speak and I cannot allow the Honourable Member to go on indefinitely.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Mr. President, it appears to me that there is a lot of misconception about the scope of the Resolution of Mr. Abdur Rasheed Chaudhury. What is a Resolution in this House? It makes a recommendation to the Governor General in Council and raises a definite issue. I am quoting the words of the Rules and Standing Orders. That being so, I would like to examine the terms of the Resolution to be able to know what is the exact recommendation made and what is the definite issue raised in this Resolution.

The terms of the Resolution are:

"That this Assembly recommends to the Governor General in Council that immediate steps be taken to give effect, in the case of India also, to the joint decision of the British Premier and of the President of the United States of America commonly known as the Atlantic Charter for creating a new world order."

Therefore, the Resolution makes a specific and categorical recommendation, namely, that steps be taken to give effect to the joint
12 Noon. decision which is commonly known as the Atlantic Charter. What I am anxious to point out is this. This Resolution does not ask the Government of India to give its interpretation of the Atlantic Charter. It does not ask the Government of India to make a declaration as to whether it was intended to apply to India or not. There was a lot of discussion in this House as to whether it was intended to be applicable to India or not. The Prime Minister's statement of the 9th September repudiates the declaration so far as it is applicable to India. It does not at all ask the Government to give its view of the August declaration as to whether it is identical with or different from the Atlantic Charter, and in the event of a difference between the two which should prevail. This Resolution has nothing to do with all these controversies. It makes a categorical recommendation that the joint decision should be given effect to and it has asked the Government of India to take steps in that behalf. That is the recommendation. As regards the principle laid down in the Atlantic Charter, there is no controversy, there is no ambiguity, there is no difficulty. The whole controversy lies, as to the extent of its application. Does it apply to India or does it not apply to India? In the light of that, let us examine the Resolution.

As I understand it, this Resolution means this: the Atlantic Charter might have been intended to apply to India, or it might not have been intended to apply to India. If it was intended to apply to India, then the Resolution asks the Government of India to take steps—not to give effect, because it cannot give effect—but to take steps in that behalf. If on the contrary the Atlantic Charter was not intended to apply to India, then also this Resolution says, steps should be taken to give effect to that decision so far as India *also* is concerned. The Mover's words are very careful. He says, give effect in the case of India *also*. That word 'also' is very significant. Therefore, this Resolution steers clear of all the controversy as to what was the interpretation or what was the extent of application and all that. You may agree with his view or you may not

agree with his view, but the categorical recommendation contained in this Resolution is that he has asked the Government of India to take steps to give effect to that decision.

Now, Sir, therefore, all the controversies, as to what was the meaning of Mr. Churchill's statement, whether it was consistent with Atlantic Charter, clause 3 or whether it was co-extensive with the August declaration, these are questions, which are all absolutely irrelevant to the discussion of this Resolution. That being the specific recommendation contained in this Resolution, let us see what has been the Government's reply to that recommendation. If I have been able to understand the Government's reply on this point as regards the steps taken in this behalf, there is no promise made, no assurance given that any steps will be taken in that behalf by the Government of India. The only promise made and the only assurance given is that, first of all, the Government of India will ascertain the views and feelings of this House. That is one portion of the assurance, the other is it is the duty of the Government of India to keep His Majesty's Government duly informed of the feelings and views of the House—to ascertain and to report. My submission is, this is no answer to the demand made in the Resolution at all. There is no reply as to whether any steps will be taken or not. This ascertaining and this reporting, is that all the function of the Government of India? Is that all their duty which they owe to the people of India in connection with this vital matter, in connection with this principle of self-determination, in connection with the future constitution of India? The Government of India is not merely an Intelligence Department.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Do I understand, the Honourable Member to say 'Intelligent'?

Mr. Akhil Chandra Datta: Intelligent, they are certainly, they are intelligent with a vengeance, they are too clever. I was saying that the Government of India are not an Intelligence Department. Their duty is not merely to ascertain the feelings and views of the House and then report. They are not a mere Post Office for communicating the views of this House to His Majesty's Government. Now that postal communication is difficult, for all practical purposes, postal communication having been abolished, the Government of India is not a mere Telegraph Office. As regards the communication of the feelings, I should think there is a cart load of literature which has made its way into the India Office. The Secretary of State for India knows our views on this question. He knows the views and feelings of the people of India on this question of future constitution of India and on the question of Atlantic Charter. At all events, so far as the Expanded Council of the Government of India is concerned, I submit in all humility that the new Members should play the role of representatives of the people. Mr. Aney was the leader of the fight for the freedom movement in India. We expect him to continue that fight for freedom while remaining in the Government. Speaking of the Members of the Expanded Council, I appeal to them to take their share in this constitutional fight for freedom. You must make your own contribution to the freedom movement. I say you must exert constant and persistent pressure to take India nearer every day to her goal. You must bring into existence conditions under which the demand for self-government will become unanswerable and irresistible. A mere passive attitude is not sufficient. It

[Mr. Akhil Chandra Datta.]

may be sympathetic, full of sympathy, but I claim that is not enough. Well, Sir, it will not do for Members of the Expanded Council to be mere-sight seers, interested or disinterested. They must do all that lies in their power, they must plunge themselves into the fight for freedom, I mean of course constitutional fight for freedom. It is in that hope that we welcome this Expanded Council and in that hope only.

Sir, it has been said that the Atlantic Charter is identical with the August declaration. I do not see my Honourable friend, Mr. Boyle, now in the House. He declared in a spirit of complacency the other day, you have got your August declaration, why do you bother about the Atlantic Charter? And I am quoting his words,—“The Atlantic Charter and the August declaration are identical in spirit and tone”. If that is so, may I ask one simple question of Mr. Boyle who is not here: If they are identical, why does Mr. Churchill swear by one and stoutly repudiate the other? Sir, this is not the time for a full discussion; the time at our disposal does not permit it. But I shall simply say that the Atlantic Charter is a charter of freedom, a new gospel of equality, and justice, for all people and for all countries either in Europe or in Asia. What is the August declaration? It is a declaration of perpetual bondage for India. The conditions laid down are such as are absolutely incapable of fulfilment till Doomsday; it practically amounts to a declaration of perpetual slavery of India. This August declaration, I must say, was the greatest bluff and camouflage that one can conceive. Another question that has been debated is whether the Atlantic Charter was intended to apply to India. Mr. Aney, if I remember aright, has said that his own inference is that the earlier portion of clause 3 was intended to apply only to those countries which have been overrun by the Nazis. I am sorry he made that statement.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Akhil Chandra Datta: Very well, Sir, I will finish in one minute.

Apart from the plain English of the Charter, we have got the statement of Mr. Attlee, we have got the statement of President Roosevelt, immediately, after his return to America,—I cannot quote it for want of time,—we have got the statement of Mr. Cordell Hull, the Secretary of State in the United States, who described the joint declaration as a statement of basic principles and fundamental ideas which are universal in their practical application.

I submit, Sir, that Mr. Churchill's repudiation, so far as India is concerned, is an after-thought. We wanted a declaration from Government as regards India's future position. We have that declaration from Mr. Churchill in his statement of the 9th September last. I shall conclude my observations, Sir, with one quotation from Sir Francis Younghusband in a statement very recently made:

“We have blundered badly in India. While we have expressed our intention to free any other country, we have made special reservations about liberating India.”

Rao Sahib N. Sivaraj (Nominated Non-Official): Sir, when my Honourable friend, Maulvi Abdur Rasheed Chaudhury, moved this Resolution I felt, without meaning any disrespect to him, that it was almost futile on his part to attempt to do so and try to get a verdict of this House on that

Resolution. The circumstances in which the Atlantic Charter was brought into existence, the state of mind of the parties to the declaration and the limited scope, as I will try to explain later on, which the Atlantic Charter must have in view, make me feel that the Resolution seeks to look for more in the Charter than is actually to be found in it. To my mind and from the point of view of the community which I have the honour to represent in this House, that Charter has neither a significance nor a value because I hold the view that it is a Charter which had been agreed upon by two nations who hitherto have not solved the problem or problems which are common throughout the world and problems to which we the scheduled classes in this country are particularly subject. Sir, historians have divided the history of the world into different epochs or different ages, and for each age they attributed a particular dominant characteristic. But so far as I have been able to read history and from my point of view I find that the history of what is called civilisation or what they call human progress, indicates only the proportion that exists in different ages between the people that want to enjoy the comforts and the amenities of the world without working for them, and those who work day and night but still fall short of even their daily necessities. Looking at it from that point of view I find that the proportion varies in inverse ratio to the claim that is made about humanity's progress through the ages of history. It does not matter what instrument is employed,—some have employed religion, others have employed, without giving it a definite name, a bundle of superstitions, yet others have employed notions like nationalism and patriotism and most recently I suppose people have employed science,—but the game has always been that the few always wanted to keep the many as fools and as slaves. And in this respect the age in which we now live I cannot compare with any other age. There was no other age in which so many are kept as fools by so few; and that is why I suppose we are living in an age of dictators, not even our own country excepted.

Imagine, Sir, the philosophy of non-violence. The author of that philosophy seriously suggests that he can match his non-violence against a powerful machine like the Nazi machine and yet hopes to succeed; and there are millions and millions who are prepared to believe him and to follow him. Again we find yet another leader suggests that India ought to be divided into so many sections and that a scheme like Pakistan is feasible; and yet 90 or 100 millions of people believe it. And so also in other parts of the world. In countries like Germany and Italy and other places people believe in the philosophies that have been expounded by their leaders. Taking into consideration the present age I personally do not look for much in the Atlantic Charter, particularly from the point of view of the poorer classes. In fact the declaration does not even suggest or even give a hint as regards helping the poorer classes or solving the age-old problem of the Haves and the Have-nots. From my point of view I think we should not have expected anything from this Atlantic Charter. In my own view it is in a way an S. O. S. call. The object, as I gather, of that declaration is to see that the countries of Europe which have been brought under the heel of Hitler should not take it lying down, that on the other hand they must do their best to see that they throw down the rule of the Germans. I think that is only a limited scope; beyond that there is no other object. The Atlantic Charter is vitiated by certain circumstances which in an ordinary Court of Law would be held to invalidate any agreement or contract. Now, just imagine, Sir, two persons were facing a terrible crisis and they got together to solve the problem. . . .

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadian Rural): What problem?

Rao Sahib N. Shivaraj: . . . the problem of defeating Hitler, and the circumstances under which the meeting took place in the mid ocean, where round about them every hour some ship or other was being sunk or was on the point of being sunk. I cannot imagine that persons placed in that position could have really been in a fit state of mind unless they are super-human. I cannot for a moment imagine that they could have been in a fit state of mind to give a declaration with any real practical consequence. We have heard of cases where a *banya* who has fallen into the hands of a dacoit gives profuse promises to his would-be-rescuer, but we later find how these promises end in a few annas of *bakshish*. Sir, I am not trying to compare big things to small and make them look ridiculous but I say the circumstances are more or less similar. Then there is another point about the Atlantic Charter. There is a superstition attached to it so far as our country is concerned. Whenever a man promises a thing and the person who is promised does not entertain any hope of the promise being fulfilled, he says 'you better go and write it on water'. It is unfortunate that so far as our country is concerned it was entered into in mid ocean.

And now let us see the parties and the cult to which they belong. Let them call themselves democrats—whether it is Mr. Churchill or Mr. Roosevelt. It is very doubtful whether they apply real standards of democracy in their every day life. Barring the fact that they are living in countries which are reputed to be democracies the methods which are adopted there today and the method they have adopted so far do not incline us to the view that they are men who can ever apply the principles of democracy in practice. So, Sir, so far as the question of linking up the Indian freedom and the Indian democracy to the Atlantic Charter is concerned, I feel that the attempt is a mere futility. And then from my point of view, Sir, I say that we of the Scheduled castes feel that we have no part to play, in the first place, in the shaping of the future of the world, or what they call the new order. In the second place, we feel even if such a new order is ever to come and it is to be shaped by the democracies, having regard to the experience of our people with the Government of India, here, we expect very little from it. There is, however, one point to which I feel every one's attention must be drawn. Hitherto there was a superstition in this country that America was sympathising with India's attempts to attain freedom and full responsible Government. Now the effect of the Atlantic Charter seems to be, and particularly the subsequent interpretation of its clauses by the Prime Minister of England, that America does no more take even a moral responsibility for helping India to attain responsible Government, or for advising the British Government to give India any responsible Government of the kind. Questions relating to the minorities, questions relating to the Hindu-Muslim conflicts, questions relating to the unity of India are not, really speaking, relevant to the consideration of this question. We have got to look at it from the point of view of those two people, viz., Mr. Roosevelt and Mr. Churchill, and I think it is very difficult for us from here to try to understand what exactly they meant by their words in the Atlantic declaration. With these words I feel that I should advise my friend, Mr. Abdur Rasheed Chaudhury, to withdraw his Resolution.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, it is evident that we live in a world of charters and, in this Assembly, it might more correctly be said 'in a world of barter'. We have the Magna Carta. We have now got the Atlantic Charter or shall I call it a 'barter'. Then we have got the Bay of Bengal Charter, i.e., the Indo-Burma Agreement. And we have got the Indo-Ceylon i.e., the Indian Ocean Charter. Then we have got the Congress Charter which is evidenced in the empty chairs we see here in this Honourable House. We have the Muslim League Charter, also evidenced in these empty chairs allotted to them.

And, now, I come to Mr. Abdur Rasheed Chaudhury, which this House may wish to call the Independent Charter, coming as it does from this Party. We have heard what he has said and we have also heard the last speaker's eloquent speech on which I congratulate Rao Sahib Shiv Raj. But, Sir, let us come to tin tacks. What are the real facts? The meeting of these two great persons in mid-Atlantic was no concern of ours. The arrangement and the terms arrived at concerned the nations of the world and, we, in India, thought we were a nation and a part of that world, forgetting that we are still a dependant and a possession of Great Britain and not a part of the New Germany under Nazi domination. This is a point which is at issue, and I am sure Mr. Attlee when he made his speech was either unmindful of that fact or, with his liberal heart, he made us, in India, understand that "India's freedom was included in the terms of that Charter". Mr. Roosevelt has remained silent, but Mr. Churchill, than whom no more conscientious statesman exists today, took it upon himself, later on, to define exactly what he meant and that is the matter which we are discussing today. Perhaps it would have been wiser had Mr. Churchill not made this statement. Sir, it reminds me of a story which, with your permission, I should like to tell this House. It is this: The world war is over and everybody is dead except three who are alive: One is an autocrat—Hitler; one is a Hypocrat—Mussolini; and the third is a democrat—Mr. Roosevelt or Mr. Churchill, together or singly. Said the autocrat to the rest: "I dreamed last night that God visited me and said 'Look here Adolph, I want you and Musso to divide the world and rule it'." The hypocrat then said: "That's strange, Adolph, because God visited me last night and said 'Musso, I want you to rule the world yourself'." After an ominous silence the democrat, whose voice this Atlantic Charter in a measure reflects, said, "You damn liars, I never said anything of the kind". And, so, we, in this House are asked to accept that Mr. Churchill really did include India in the terms agreed upon in the Atlantic Charter, but which he denied in his subsequent statement and we are certainly left in no doubt about how India stands today.

But, Sir, what are we asked to do? We are asked in this Resolution to recommend to the Governor General in Council that this Charter be given immediate effect and so create a new order. We all know that a New Order is coming into being all the world over. We see the old order is giving birth to the new. None can doubt this and the sooner it happens in India, when we can live on terms of perfect equality with one another, the better it will be for us. But Mr. Churchill has made it quite clear in his subsequent statement that he did not include India. Now, let me refer to this Resolution which, for convenience, I would call the "Independent Charter" coming as it does from the Independent Party, and let me try and analyse on what this independent charter is dependent. It is dependent on many prerequisites, which, no one in this

[Lieut.-Col. Sir Henry Gidney:]

Honourable House will deny, must exist before this "immediate effect" claimed in this Resolution is given and the new order is created. Times out of number the British Government and the Indian Government have said to the peoples and political leaders and parties in India: "Settle your differences; Unite, and the constitution is for you to make yourself, i.e., the grant of a constituent assembly of your own making, subject to certain British vested interests, safety of minority interests and Indian States". Much as I would like to see an early settlement of our many differences and I give second place to no one in this House in my desire for India to obtain Dominion Status—for why should we be the slaves or inferiors of anybody—still, when I see that this very vital and necessary prerequisite of unity is absent and which in my opinion must be a *sine qua non* of attaining the benefits of this Charter, I ask myself, how can I support this Resolution even though a member of my Party has moved, but not with the consent of Party. I ask this House, look at those empty Congress and Muslim seats—is that evidence of unity? Let us be practical men. Let us not swim in a sentimental political stream, be it the Indian and not the Atlantic Ocean. Let us not indulge in aerial politics, rather let us as realists, not theorists, face squarely the actual situation before us in which the gulf separating Hindus and Muslims is getting wider and wider. Supposing we do pass this Resolution and the Government agreed with us, to whom is this new Charter to be given? and with immediate effect? To the Congress, Muslims or to the Sikhs? None of these communities trust each other and are apart as are the poles. I want this House to ask itself: Will it be given to a solid united India, or to a fluid disunited India? Or will this freedom be thrown into the waters of the gulf that so sharply and definitely divides us? Do let us realise the facts as practical politicians. Much as I should like to see India in the enjoyment of Dominion Status and within a minimum of time I am forced back to the question to whom in India shall it be given? Let us ask ourselves this solid practical question. If it cannot be given to an united India, if the Hindus and Muslims refuse to unite then why make this demand at present? Why not come to an agreement between ourselves and then make this demand and I shall be with you.

It is said that the Government policy is one of 'divide and rule'. It can be more truthfully said that "we divide and Government rules". We want this new order and we are entitled to our freedom; but I ask, what freedom can we claim and have when, today, we have no freedom from ourselves. Indeed we are prisoners and slaves to our own divided communal bigotries and divergent demands, one against the other, disunited; one the enemy of the other. Blame ourselves not the Government or that great man Mr. Churchill. We are, I repeat, saturated with feelings of distrust of one another. It is not wise to swoop horses in midstream especially during an all world war. Let the midstream be the Atlantic, Pacific or Indian Ocean or anywhere else. If we were all together, there would be no difficulty whatever in this House unanimously passing this Resolution and calling upon Government immediately to give us this Charter. No one can deny that. But we are acutely divided into compartments which is growing worse daily, because we are living in the past, we are being guided by leaders who have lived out their time of

usefulness. India needs new practical leaders, devoid of selfish individual prestige and motives—men with practical outlooks, men who will work for India first and next for their communities. Given this—I assert this Charter and this new order will be ours for the asking. If I may be ultra-prophetic and if my vision is right, I see today evidence of this dividing gulf being narrowed by the formation of detached streams on both sides of it, each one growing bigger daily, the Muslim side and the Hindu side and who will deny that, as the gulf narrows and these streams enlarge and fuse it will give birth to an united body in India to whom Government may safely give this Atlantic Charter, freedom, or Dominion Status.

Those of us who have read today's *Hindustan Times* must have been struck with the *jehad* or mandate issued by Mahatma Gandhi to his followers on the Indo-Ceylon Agreement. What did Mahatma Gandhi write? Though the voice of the Congress is absent in this House, yet Mahatma Gandhi still speaks to India as the voice of the Congress. He said: "There is no reason for hurry. Wait. Do not be impatient and disagree with each other; let's trust each other and after the war let us settle this matter." Yet, strange to say he has never said that we should do the same towards England in his demand for freedom—He wants this at once, unconditional, or rather on the Hindu terms and Mr. Jinnah makes almost similar demands, *minus* the bargaining, and why? Because each distrusts the other. There is a saying that trust begets trust. Mistrust, even a veneer of it, engenders mistrust. This in my opinion is the very nucleus of the position today in India. This is the only reason why the Atlantic Charter and Dominion Status has not, up to date, been given to India.

In conclusion, I would say to the House and I repeat I do not yield to anyone in my desire for Dominion Status for India. Let us really deserve before we desire. Let us deserve, not in speech, not in Resolutions and such like methods; but let us deserve by securing a real, true and solid fusion of the two great parties—Hindus and Muslims—whom we do not see here today and who, none will deny, along with the minorities are the deciding factors of the future of this great sub-continent of ours—India. I have no desire to throw cold water, discourage, or be in violent opposition with a member of my Party, Maulvi Abdur Rasheed Chaudhury, who has brought forward this Resolution. We are each one of us entitled to our own opinions; for to live is to think and to think is to differ and so I claim my right to differ. Whilst I share with him the sincerity of feeling behind his Resolution I regret I cannot, living as we do in an India so violently divided in every way, support his Resolution, nor can I share with him, in any degree whatever, that the time is opportune. I would, therefore, suggest to him to withdraw it. But at the same time I do wish to state that the time for Dominion Status is ours to make and to ask; it is not for England to do this for one will naturally precede the other. When England sees that we have made peace with each other and that we as an United India trust each other and are prepared to work peacefully together, I am sure England will voluntarily and willingly say, "Here is your opportunity to make your own constitution as you want and we are prepared to give you the Charter. Let it be an Atlantic Charter or any other Charter. But do not

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let it be a Barter. Sir, I would again ask my friend, the Mover of this Resolution, to withdraw it.

Some 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.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, I am very thankful to my friend, Mr. A. C. Datta, for explaining the view points of this Resolution in its different aspects. In fact, after he concluded his speech, I thought it would be useless for me to come forward with any reply; and I was going to do that but for some loose and irrelevant remarks on the Resolution, especially by the Leader of my Party. I bow to my friend, Pandit Lakshmi Kanta Maitra, when he advised that I should not have brought forward a Resolution like this. I respect his friendship greatly; but with all the respect I have for him, I tell him that if I had any other effective means in my hand, I would not have brought forward this Resolution. My friend, Mr. Jamnadas Mehta, spoke so eloquently and supported this Resolution so much that I have got all praise for him. Sir, now I come to my friend, Mr. Boyle,—my friend, Mr. Akhil Chandra Datta, has already said a good deal about the speech he made,—but I will only add one or two words and finish with him. I must make it quite clear that I am firm in my belief that the Group which Mr. Boyle represents does not share the views he has expressed in connection with this Resolution. This European Group, in my opinion, is intended to play a very great part in the shaping of India's destiny, and as such they cannot share the opinion which Mr. Boyle has expressed this morning on this matter. Mr. Boyle said that the Atlantic Charter and the Declaration of August, 1940, are quite the same. He went so far as to say that India secured the Atlantic Charter some twelve months before it was announced in the Atlantic Ocean by the British Premier and the President of the United States. Sir, if it is so, why do we find these vacant Benches here? If that is so, why are the Government expanding the Viceroy's Executive Council and constituting Advisory Defence Councils to please the people of this country? Everybody in his own way is trying to do something, and it is idle to say that India got the Atlantic Charter some twelve months before it was announced by the British Premier. Then, Sir, my friend, Mr. Boyle, criticised the word 'immediate' in my Resolution. I think some other Members also did so, and so I shall come to the question of the word 'immediate' later, and explain why I have put in that particular word.

Then, coming to the remarks made by my friend, Sir Cowasji Jehangir, for whom I have very great respect, I wish, Sir, he, in his lucid and clear voice, had explained to the satisfaction of this House that the Atlantic Charter did not mean independence for India. Everybody in this House remembers how lucidly he explained his amendments only yesterday. If my friend had been as lucid as he was yesterday in connection with his amendments, and if he had attempted to show that the

Atlantic Charter did not apply to India, I am sure he would have rendered a distinct service to the cause of this country. My friend, Sir Cowasji, went further and said that the British had done a lot for this country. Who ignores it? Nobody ignores it. Everybody is in praise for what the British have done for this country. But, Sir, the question has to be considered from different aspects. When the subject poverty of the masses of this country is considered, can anybody have a word of praise to express to the Government on account of the reckless manner in which they have carried on the administration of this country during the past 200 years and more? The whole world is prospering, the masses of the whole world are prospering, except the masses of this country. Who is responsible for it? It is the British Government which is responsible for the poverty of this country. Then again my friend, Sir Cowasji, said, that the question of Independence could not arise in connection with this Atlantic Charter. But, Sir, he knows full well that there are at least two schools of thought,—one thinks that the Atlantic Charter does apply in the case of India as is proved by Mr. Attlee and his followers. So even if one school of thought tries to repudiate the other, the other at least will have a say, and therefore nobody can say categorically that this Charter does or does not apply to India.

Now, Sir, I wish to say a few words about the attitude of Government in this matter. My friend, Mr. Akhil Chandra Datta, has explained that the whole issue has been side-tracked when the Government Member replied. Sir, the Government, and especially the Leader of the House, ought to have given more attention to the spirit of the Resolution and even to the letter of it, and he ought not to have brushed it aside merely making a reference to thought-reading. How is it that sitting here the Honourable the Leader of the House, for whom I have every respect, could say that the two leaders who met in the Atlantic were not thinking of India at all when they took their joint decision? It appears to me, Sir, that whoever crosses over to the other side from this side becomes a thought reader only to the detriment and interest of the country.

Now, Sir, the question is, what is this Resolution? It does not say that the Atlantic Charter as it was pronounced applied in the case of India or not. My Resolution simply says that this Assembly recommends to the Governor General in Council that measures should be taken for the Atlantic Charter or rather the eight points contained in that Charter to be made applicable to India also, and my friend has already explained the significance and importance of the word "also".

Now, Sir, as to the significance of the word 'immediate', I should like to give an explanation. There is no denying the fact that the intelligentsia of this country is at war with the existing Government. Whenever there is war, armistice will have to follow and peace terms will have to be settled. I think this is the time to end this war between the Government and the intelligentsia of this country. I say this war should be ended as quickly as possible. It may be said, this is not the time to think over the settlement of Indian question. Mr. Dumasia said that we shall have to wait till the end of the war, and this was followed by other speakers also. We have got our experience of waiting. Who does not know the sacrifices which India had made at the time of the last war? And when we came forward with our demand for self-government how

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were we met? Lathi charges, bayonet charges and what not. I wish some of my friends over there were here to verify what I have said. I wish Lala Hans Raj were here to testify to what I have said. Be that as it may, we have not forgotten our last distressing experience. We care only for the present, we do not care for the future. We have got experience of the past. "Trust not the future however pleasant." We do not like to trust to the future. If anything has to be done, it has to be done now, and do not attach any importance to whatever is promised in the future. I say, the time has come for the Government and the people to think over this problem and settle the armistice terms and the peace terms so far as this country is concerned. So I used the word "immediately". I am supported in this by some of the well-known British papers in this respect. Let me give a line from the *New Statesman* of the 4th November.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Maulvi Abdur Rasheed Chaudhury: A minute more, Sir, and I shall finish. The *New Statesman* says:

"It is dangerous and unworthy to delay such a course."

That is why I have used the word "immediately" knowingly, and I want the Government to understand the significance of my word and try to find out a solution before it is too late.

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

"That this Assembly recommends to the Governor General in Council that immediate steps be taken to give effect, in the case of India also, to the joint decision of the British Premier and of the President of the United States of America commonly known as the Atlantic Charter for creating a new world order."

The motion was adopted.

RESOLUTION RE RELEASE OF POLITICAL PRISONERS.

The Honourable Mr. M. S. Aney (Leader of the House): Sir, Government would be in a better position to deal with the Resolution* which stands in the name of Mr. Joshi if it is not moved till Monday. Subject to direction from you, the House will sit on Monday, the 17th instant, for the transaction of official business, and we are prepared to allot that day for the discussion of this Resolution. I understand that this arrangement will be acceptable to Mr. Joshi and that he will not move his Resolution today.

*"That this Assembly recommends to the Governor General in Council that he should take steps, in agreement with Provincial Governments, for the immediate and unconditional release of prisoners detained in prisons and for the removal of restrictions imposed on some persons regarding their movements or actions, where the detention or restriction was due to holding or expressing opinions which in the opinion of Government were prejudicial to the conduct of the war, or on charges for actions connected with industrial disputes, whether the detention or restriction was with or without trial under the Defence of India Act, or under the ordinary law."

Mr. N. M. Joshi (Nominated Non-Official): The subject matter of my Resolution is a very urgent one and I should have very much liked the Resolution to be discussed today. However, as I am anxious that the Resolution should not only be discussed but result in some substantial action, I am willing to accept the proposal of the Government. I should like the Leader of the House to tell me on which day the Resolution will be taken up.

The Honourable Mr. M. S. Aney: On Monday next. Sir, I have to request you in that case to declare that on Monday and Tuesday there will be meetings of this House.

Mr. President (The Honourable Sir Abdur Rahim): I understand that the Resolution will be taken up on Monday. The House will sit on Monday and Tuesday next, that is, the 17th and 18th.

RESOLUTION RE REPATRIATION OF INDIA'S STERLING DEBT.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): I beg to move:

"That this Assembly recommends to the Governor General in Council that in any fresh scheme of the repatriation of India's sterling debt, care should be taken to see that the cost of such repatriation on Indian revenues is not unduly heavy as was the case with the last scheme."

In order to enable the House to see how the scheme on the last occasion was a heavy burden on the Indian revenues, I shall briefly recapitulate what was done on the 8th February, 1941. A few years before the 8th February, 1941, our terminable redeemable sterling debt was about £100 millions,—that was about two or three years ago. By the time the repatriation scheme of the 8th February, 1941, came into effect, part of it had been redeemed in the ordinary course, and part of it was redeemed on account of the voluntary vesting order which was issued some time in January, 1940. At the time of the vesting order of 1941 the amount of redeemable sterling debt remaining outstanding was £84 millions, and the scheme of compulsory repatriation relates to this £84 millions.

I have submitted for the consideration of the House that the last scheme was very costly to the Indian taxpayer. I would submit a few facts to show how costly it was. When the Government enters the open market the investor realises who the buyer is going to be and, naturally, sits tight on his holding. It was in this way that between 1940 and 1941 and even prior to that, the market in London knew that the Government of India were acquiring their sterling indebtedness and, naturally, therefore, the investor would not part with it. Each purchase of sterling in the open market raised the price of that scrip until the price became so high that Government themselves felt that it would not be decent to allow it to rise further. We are told that at that time the Government of England came to our rescue. Now, it is clear that it was the Government of England who wanted sterling to be released for their war expenditure and they wanted to acquire the sterling which was not repayable for nearly 8 or 10 or 15 years according to the different dates of the terminable loans. Supposing I am a debtor to America and I have given a Bill which is due one year hence and if my creditor says 'I want the money just now. I am badly in need of money. Please pay it down', then the reasonable market practice is that the creditor will take less for each hundred because he wants cash down, which was not payable to him immediately.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Who was the creditor?

Mr. Jamnadas M. Mehta: The Britisher. Here a topsy-turvy thing has happened. It is the Britisher who wanted sterling for war expenditure before it was due, but instead of taking less than 1 p.m. hundred, he took varying degrees of capital increment which came in one case to 112½ or about 112.

Sir Cowasji Jehangir: Five per cent.?

Mr. Jamnadas M. Mehta: 4½ per cent. This was due to the fact that the Government of India were themselves in the market and that thereby they artificially inflated the price of that particular scrip, which has cost this country an amount between eight to nine crores of rupees beyond the face value of the scrip. I may mention here that when this scrip was acquired by us first *i.e.*, when we actually raised these loans we got £89 millions instead of £100 millions. The hundred millions which I described as being outstanding about three years ago had really brought to India £89 millions; £11 millions were paid by way of discount in London, which is supposed to be India's privileged borrowing market. So we lost £11 million pounds when raising these loans and we lost eight to nine crores of rupees when we repatriated. Therefore, in all, these loans have cost us £11 millions for raising and eight crores of rupees for deraising, if I may say so, in a country where, according to Sir George Schuster, India was a privileged borrower and, in the meantime, we have paid an average rate of interest on them at about 4·15 per cent. I am giving approximate figures. I submit that India need not have paid this eight to nine crores for repatriation. Take the case of America. England wants various articles from America. America says 'Pay in dollars'. The British Government is forced to sell all its dollar security. It compels every unit in the British Commonwealth of Nations to contribute its dollar resources to the common pool in order to make payments in America. On the other hand, we in this country are in the same position as the Americans who supply materials to the British Government but we are not paid in rupees. Our goods are not paid for in rupees in this country. The price of these goods, after our own liabilities in England are paid here, year by year accumulate in sterling. That is why at the time of this vesting order a sum of about 218 millions had accumulated unlike America which was paid in dollars. We were not paid in rupees but had to accept payments for our goods in sterling. They are a free country. If the Honourable the Finance Member was the Finance Minister of a free country, he could have easily adopted the policy which the American Government adopted for payments . . .

The Honourable Sir Jeremy Raisman (Finance Member): What about the lease and lend facilities?

Mr. Jamnadas M. Mehta: Lease and lend is only a later thing. Before lease and lend, there was cash and carry and lease and lend is the result of an understanding. I shall come to that presently. I am not standing out for any extremist view of things. I am one of those who wants honestly to help for victory in this war. Therefore, I must not be considered to be less helpful to England than America with its lease and lend policy. I am lending and leasing my whole country. In fact, even my

permission is not taken. Therefore, I must not be presumed to be in any way less sympathetic or less earnest than President Roosevelt and the American people. I do not want to digress even for one moment because the time at my disposal is short and my story is long. I only wanted to show that repatriation cost us eight crores of rupees in addition to the face value. If the Government of India had entered the markets earlier in 1939 or if the vesting order had come earlier, when the prices of the sterling redeemable debt had not risen to indecent heights, the people of India would have paid much less even if they had acquired at par. Could not the Government of India have taken steps to repatriate when the price of some of this scrip had gone down to 82 as against 100 soon after the war began. They could have acquired; if they had the sterling. I do not say that they must acquire without any sterling to pay. I am not suggesting anything of that kind but it was possible to buy them out at the time of panic at 82 in some cases. What I say is that if the British Government wanted to help us, as the Finance Member so generously observed in his last Budget speech, the natural course for him as the national Finance Minister would have been to get a vesting order issued in 1940 and not on the 8th February, 1941. There he did not act in the best interests of this country.

Sir Cowasji Jehangir: What was the sterling available between those two years?

Mr. Jamnadas M. Mehta: I say that the sterling available when he went in the market was more than the debt required to be repatriated and it was growing from month to month. Therefore, it cannot be suggested that the sterling was only available on the 8th February, 1941. It is for him to show that an earlier vesting order would not have done the work it did on the 8th February, 1941.

At any rate, he should not have entered the market so as to let all and sundry know that the Government of India was buying. Particularly, when the British people wanted this money for their war effort, the vesting order should have been issued much earlier. At every stage after the war broke out, at any rate when the price reached parity, they should have issued the vesting order and should have gone on acquiring and acquiring. It does not mean that because you do not have enough sterling on a certain date you should not issue the vesting order that all sterling redeemable debt will be paid for at this rate hereafter. That could have been done easily. But there was nobody to do it on behalf of India. If I were in your place, I would have done so.

I am now coming to the present position. The sterling that has been acquired since then has been even larger than it was on the 8th February, 1941. I find from the statement of the Reserve Bank dated the 8th November, 1941, that the sterling in England is 155 crores of rupees in the Issue Department. The figures so far as the Reserve Bank is concerned, are of the 24th October. On that date, the sterling securities in England were 155 crores of rupees in the Issue Department and 60 crores of rupees in the Banking Department of the Reserve Bank of India, which means that it had on that date 215 crores of sterling in England. Subsequent figures have taken it to be at an unheard of figure of 230 crores of rupees or even more. I must only be taken to speak in approximate terms because of the different dates on which the figures may be taken by

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me or by you. These are the approximate figures. I shall always be glad to be corrected about the precise figure on any given date by the Finance Member. The position, I may repeat once more, is that we have somewhere about 230 crores of rupees in sterling today in England and we have 321 crores of sterling indebtedness. In other words, we have 321 crores total sterling indebtedness in England and we have got 230 crores of rupees in sterling balances in England. Out of these 321 crores, according to the figures given by the Honourable Member in his last Budget speech, about 258 crores of rupees are sterling loans. The rest are the contribution of India to the last war, which is now slowly coming down, and in the shape of annuities in railways, public funds, etc. Therefore, the question of redemption or repatriation relates only to 258 crores of rupees. We have practically the same amount of rupees in sterling in London. Now, I ask the Finance Member what is he going to do in the next scheme? For 12 months the public in London know that when one scheme of repatriation is over, another will soon be coming. As a friend of mine told me, they are always on *qui vive* when the next loot will be available.

Mr. T. Chapman-Mortimer (Bengal: European): Who is on guard?

Mr. Jamnadas M. Mehta: The London investor. He will not easily part with it. Therefore, I am asking the Government that they should take care that in the next scheme of repatriation they will not allow the interest of India to suffer as on the last occasion.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can 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. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Jamnadas M. Mehta: Sir, before the House rose for the luncheon interval, I was trying to show the results of the last scheme of repatriation. I showed that in the amount now repatriated we had received only 89 millions or 100 millions, face value, because we did not take advantage of the fall in prices. In 1939, we lost nearly Rs. 12 crores and by the deliberate policy of the Government to open market operations in 1940-41, allowing prices to rise to indecent heights, we lost eight to nine crores.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member will stop now as there is no quorum.

(The bell was rung, and then the required quorum was obtained.)

Mr. Jamnadas M. Mehta: To sum up the results of the last scheme of repatriation of the operations: this country has on the whole lost, if I may

say so, nearly 35 crores of which £11 millions *i.e.*, Rs. 15 crores were lost when this debt was incurred, in the discount that we paid about 12 crores were lost because we did not take advantage of the lower rate in 1939, and eight crores were lost because Government allowed deliberately the prices to rise on account of their entering the market. This is the sum total of the loss, although the direct loss as a result of this repatriation was, as I said in the beginning eight to nine crores of rupees. I am anxious that nothing of that kind should happen so far as the debt that now remains to repatriate. I am not anxious to shed tears over what is called spilt milk, although I would like to sound a warning for the future. It was said that there was no sterling available in the earlier months of the war. It is true only partially. From the figures that I have been able to collect, before the war we had securities and cash balances to the extent of 66 crores in London. In February, 1940, we had in all 127 crores of sterling in London. In July, 1940, we had 148 crores of sterling in London. In February, 1941, we had 203 crores of sterling. Therefore, at no stage, it could be said that we were altogether short of sterling in London, if we had cared to induce the Government of England to issue a vesting order compulsorily acquiring the sterling at anything up to parity. For every rupee that we have paid above the parity, the Government of India are responsible. As I said, it is no use crying over spilt milk. The more important thing is to see what we can do for the future. In this connection, I ask the House to remember that the situation created by the action of the Government in the last two years is continuously influencing the market today. The sins of the last three years are reflected in the position of the sterling scrip which is still outstanding. What was 82 at the beginning of the war is now 99. I have before me quotations from the *Indian Finance Investor*. What do we find? On 2nd September, 1939, the price of 3½ per cent. irredeemable sterling loan was £82; on 1st November, 1941, that price is £99. It has risen by £17 for every nominal value of £100. That is what I call the market being influenced by the full knowledge that 321 crores of sterling debt still remains due to England, out of which according to the budget figures of the current year, 258 crores are loans. What shall we do now? I have got to suggest and that is the whole purpose of this Resolution, that Government will now be careful, that the results of the losses of the last scheme of repatriation shall not be forgotten and that the Honourable the Finance Member will act as my Finance Member responsible only to me with sole regard to the interests of the taxpayer of this country without looking to the right or to the left. How shall we go about that? On account of the situation created by the action of the Government in the last few years by openly entering the market the present rate is an impossible rate. £99 is an impossible rate because the corresponding rupee security even in India today is Rs. 96—sterling being always weak on account of the huge payments that they have to make outside England, it should have been much less. These are all irredeemable. Redeemable debt has been repatriated. But look at actual position. £99 in London against Rs. 96 in India.

Sir Cowasji Jehangir: It has always been so.

Mr. Jamnadas M. Mehta: Will you kindly study the figures and then say "always". It has not been so, because sterling is weak as all debtor countries securities are always weaker.

Sir Cowasji Jehangir: If you would only look at the figures before the war, you will find that very often sterling paper was lower than the corresponding paper in India. Now, it is higher.

Mr. Jamnadas M. Mehta: I think my Honourable friend will reserve his remarks until I have finished my speech.

What I am submitting is that today the Indian paper is at 96 while the sterling is at £99. Why? Because the market there knows fully well, as my Honourable friend, Sir Cowasji Jehangir, does, that the market is expecting that the Government of India will enter it for repatriation. I am not quarrelling over what has happened but I am anxious to suggest for the consideration of the Government of India and the Honourable the Finance Member that in the future scheme the following lines should be followed. The first is that as to the present sterling value of our debt, the market rate being inflated on account of the circumstances of the last three years, a certain period should be taken. In 1939 they were 82, today they are 99. I do not want that we should go back to 82, nor do I think it is at all fair that we should allow 99 to be paid at the present moment because it is the result of the position that was artificially created during the last two years. I, therefore, wish that a reasonable rate should be taken; some mean between 82 and 99 might be taken which should be the mean between the present price and the last minimum price and the repatriation should take place at that rate. The mean would be 90. Therefore, if you want to repatriate the sterling debt which is now irredeemable, the right and the most honourable course to follow would be to strike a mean between the minimum panicky rate when the war broke out and the maximum present rate which is the result of the inflated prices due to the operations of the last two years particularly. Then we shall be able to acquire this $3\frac{1}{2}$ per cent. at a reasonable rate without loss to India and without loss to England. England wants money and the sterling to be released in order that this sterling might be invested by its own nationals in the several war loans which they continuously want. We in India should help and I am prepared to help in this reasonable manner, but it should not be made to appear that this is a boon given to me and I must not be made to pay through the nose when as a matter of fact it is England whose needs for sterling loans are very great.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): On a point of information, can they force the holders of the scrip to sell their shares at £90 if the market rate is £99?

Mr. Jamnadas M. Mehta: Government under the Defence of India Act or the Defence of the Realm Act did so in the last vesting order.

The Honourable Sir Jeremy Raisman: Sir, may I make that point clear as it is very important? The Government of India have no such power.

Mr. Jamnadas M. Mehta: I say the Government of England should come to our help; that is what I am suggesting. If it is to be a fair and square deal, if you are not to take advantage of a market which is wrongly inflated on account of the policy of the last two years, and if the Government of England who wants money is to be really helped without any detriment to this country, then the fair and reasonable method would be

to take a certain reasonable date when the prices were neither inflated nor deflated for one reason or another. The Government of England should itself bear the rest of the cost if it is necessary to pay to the market. But the fair and reasonable thing for this country would be to take a mean between the minimum and the maximum. That is what I suggest.

Then, there are the railways which are Company-managed. One way in which we can repatriate is, as I say, that those who are the holders of those sterling loans may be offered a rate which is a mean between the minimum and the maximum and with regard to the balance, if any, the loss should be borne by the people of England who want the money. In order to acquire dollar the Britishers have sold their securities at a terrible loss. I have got a quotation,—I cannot lay my hand on it just now,—which shows that in one company the amount of the securities which they were forced to liquidate came to a break-up value, as the economist in England says, because they wanted dollars. I forget the name of the company but I can give it in my reply if the Honourable Member denies it. So there is nothing wrong in it. You sell your securities to America at a forced value, at a break-up value, and here you sell to us at an inflated value. The difference is the result of our subject condition; because we are a subject race you are able to do it and because America is independent your have to agree to their condition. I want that this thing should disappear from the repatriation operations.

The second thing which I was suggesting is the acquisition of railways managed by companies. Just as we have acquired sterling which was due 5, 10 or 15 years hence last year we might acquire the irredeemable which was not due at all in one sense. These agreements might all be terminated by action on the part of the Government of United Kingdom here and now today, and these railways should be acquired by something similar to the vesting order of the 8th February, 1941. The London Boards of these companies are a costly apparatus; they have already had enough of the loot. And if England wants sterling I think they should be acquired by the Railways being purchased outright. Whatever is due to them, we buy them up, abolish the London Boards and the whole railway system in this country would be and should be under Indian management.

Then there is a fairly substantial amount of Port Trust sterling securities in England. The Indian Port Trusts have borrowed monies in England which today is roughly 12 million sterling. They bear 6, $6\frac{1}{2}$, 5 per cent. rate. I say that they also should be compulsorily acquired by a vesting order similar to that of the 8th February, 1941.

There is one more suggestion which I wish to make. Plant and machinery of vital industries in England are today exposed to bombing by the enemies. Part of this plant and machinery is used for manufacturing war requirements of India. They are to take the whole trouble of manufacturing them first, sending them to this country and in the meantime be likely to be lost owing to enemy action. I suggest that those war industries which supply war requisites to India should be transplanted to this country. The owners of these should be paid out of our sterling acquisitions in England. Some delay will take place in transplanting them here but delay is better than destruction. And the delay after all is going to be a very moderate one because once they are transplanted here and the industries begin to work the whole delay of sending the consignments

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by the Cape of Good Hope will be avoided, and the Indian and the Middle East requirements of the war will be available from India by the working of this transplanted plant and machinery. I am sure this use of the sterling balances of this country will enure to the benefit of England and the benefit of India in the expeditious manufacture and transportation of vital war material to the various theatres of war in the Middle East and the Far East. This, therefore, is one of the most important steps which Government might take. Of course this is all a question of arrangement; this is Indo-British co-operation if you wish to do it and if you wish to deal fairly and squarely with both of us. Then we can practically eliminate unnecessary sterling accumulation by transplanting plant of corresponding value to this country and, thereby, doing good both to India and to England and to the expeditious supply of war material. Sir, this will also lead to a rapid industrialization of India. One more thing I would suggest for the consideration of our British friends here. They have got a thousand £ million capital invested in this country—that is the estimated figure—let them share that capital with India. We can give the value of that through the sterling acquisition we have got there. The jute, the tea, various plantations and other industries in which the British have invested according to estimate, £1,000 millions accurate, supposing they give two hundred million of that capital to India, the Reserve Bank will give these two hundred millions in sterling in England and the Indian capitalist and manufacturer will pay to the Reserve Bank the value in rupees. I suggest this to our British friends here that this is one way of helping the war in England, of not inflating balances, of not putting India to loss in repatriation scheme. We do not want to control their industries. We will share. India is willing to buy part of the jute industries in which our European friends have invested capital.

An Honourable Member: What is the position in America?

Mr. Jamnadas M. Mehta: I am coming to that. Then the Government in England might do us one more favour. Today India is the only country which is compelled to keep these huge balances in sterling in England. I do not think either Australia or Canada or New Zealand or any of the Dominions are obliged to keep huge balances in sterling. All of us should share. Australia should share, New Zealand should share, Canada should share and let us all keep part of our balances in sterling and let not India be the predominant factor in them. And let Canada release dollars in exchange for our sterling in England so that we may buy from Canada such plant and machinery as are available there for our industrialization.

The next thing is that in America we have today a balance of trade in our favour. I think, two years before we had a balance of trade of nine crores. If that is to be the average that balance would now have come to something like 27 crores. I shall take it to be twenty crores. That at least is our balance. But this balance is taken to a pool in the dollar sterling exchange and India is compulsorily made to part with these dollars. I say that also could be avoided by not following the present method, and, in stead, after our balance of trade between America and India is satisfied whatever dollar resources remain should be allowed to be used for purchasing such plant and machinery in America as will be useful to the industrialization of this country to the helping of the war and to a long-sighted scheme for the purpose of mutual welfare.

I do not know what is the position about gold. Before the war, between 1931 and 1939, something like 300 crores of gold was exported from India. Even now 36 crores of gold has gone after the war. The exact figures I do not remember just now but ultimately that gold which India sells is obtained by her in the form of sterling balances which go to inflate again the sterling balances in England. I say this gold should not be allowed to go out of India but should be purchased by us here and, according to the Hilton-Young Commission, if we do so, our currency position will be considerably strengthened.

An Honourable Member: Honourable Member's time is up.

Sir Cowasji Jehangir: He has only been speaking for ten minutes.

Mr. Jamnadas M. Mehta: Sir, I do not wish to speak for very long. I will take another four or five minutes.

Mr. Deputy President (Mr. Akhil Chandra Datta): This need not be discussed. That is a matter between the Chair and the Honourable Member.

Mr. Jamnadas M. Mehta: Sir, I shall only occupy the time of the House for five minutes more.

The Honourable Sir Jeremy Raisman: Sir, I must point out that it would be quite impossible for anybody else to cover the ground which the Honourable Member is covering within the limits of the usual 15 minutes. He has been talking to my knowledge now for 45 minutes.

Mr. Deputy President (Mr. Akhil Chandra Datta): He has got 30 minutes, not 15.

Mr. Jamnadas M. Mehta: Sir, I shall not tire you out. I will finish soon. Some of the suggestions that I have made are of immediate application. Others might require consideration. I will, therefore, beg the Finance Member to appoint a small committee of this House which may go into all the suggestions that I have made so that the burden of the next repatriation may not be unduly heavy, the war effort of the British and the Indian Government may be helped, India may not be trapped again into paying nine crores more, England may be helped by a wise use of our sterling balances. No amount of speechifying in this House will be able to explore the final and real remedy for these huge sterling accumulations apart from the repatriation of sterling debt. I would, therefore, request the Honourable the Finance Member finally to consider my request that before he goes in for sterling repatriation he should first of all consider the bad effects of the post and should take a mean year between 82 and 99. I will give complete co-operation if the repatriation is at the mean rate. About Railways, it can be done immediately. About the transplantation of British machinery it will take a few months. After that munitions and war requirements will proceed at a pace which will be so helpful. As regards the rest of the suggestions—acquisition of British investments in this country, American dollars, Canadian dollars, gold purchase, and any other things—they might be considered in a Committee which the Honourable Member should set up for the benefit of

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this country and for the benefit of England. This is any submission to the House and I hope that the House will accept my suggestions.

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

"That this Assembly recommends to the Governor General in Council that in any fresh scheme of the repatriation of India's sterling debt, care should be taken to see that the cost of such repatriation on Indian revenues is not unduly heavy as was the case with the last scheme."

The Honourable Sir Jeremy Raisman: Sir, I am intervening at a somewhat early stage in this debate because I feel that my Honourable Friend, Mr. Jamnadas Mehta, has considerably misdirected this House, that he has made really wild statements which ought to be corrected before the discussions go any further. I ought to say now that I would have no objection whatever to this Resolution but for the last few words. The sting is in the tail. I am definitely not prepared to admit that the repatriation scheme which was carried out in the course of this year was done at an unduly heavy cost to India. Now, Sir, this is a highly technical subject and I will endeavour to try and reduce the picture to simple outline so as to enable the House to appreciate the points at issue. My Honourable friend, Mr. Jamnadas Mehta, has made an account of the loss incurred which, I think, came to 35 crores. Of this, I think, eleven millions was discount.

Mr. Jamnadas M. Mehta: And another 20 crores for the rest.

The Honourable Sir Jeremy Raisman: Eleven millions was discount and the remaining 20 crores was due to not purchasing these stocks at the lowest point of the market; and the remainder was due to our own open market operations. I would like the House to take first this point of discount, because although it is only one feature of the matter, it indicates how entirely wrong is Mr. Jamnadas Mehta's presentation of the case. When Government wish to float a loan, they may either float a loan at par, that is, at 100 rupees for each 100 rupees of stock; or they may float a loan at a discount, that is to say, at say Rs. 96 for each 100 rupees of stock; or in very rare cases a loan may even be floated at a premium, that is, at 101 or 102 rupees for each 100 rupees. Now, you can equate a loan floated at par with a loan floated at a discount. Supposing I consider that I ought to be able to get my money at, say, $3\frac{1}{4}$ per cent. and that the loan will be for 16 years, I can issue the loan at par at $3\frac{1}{4}$ per cent. for 16 years; or, if I think that it may be more attractive to the market I may issue the loan at three per cent. and at 96. In the course of those 16 years the bond holder will get four rupees of capital appreciation which works out to about one-quarter of a rupee a year; so that roughly speaking, these loans are comparable. You can issue the loan at $3\frac{1}{4}$ per cent. for 100 rupees, or at three per cent. for 96 rupees. There are certain advantages; the market sometimes prefers a certain element of capital appreciation and will accept a slightly lower rate of interest. Now, my friend, Mr. Jamnadas Mehta, immediately writes off that four rupees as a loss. If you float a loan at 96 instead of 100, that you are throwing four rupees down the drain, that is a dead loss. That is a most ridiculous way of presenting what is a common feature of the issue of public loans; and it is typical of Mr. Jamnadas Mehta's account of our transactions

that he should use that argument to show that we carried out those transactions at a loss. Take the case of that loan again. Suppose you issue a loan at 96 at 3 per cent. for 16 years. In the course of time the market price of that loan, as the date of maturity draws near, will approximate to 100; on the day of maturity it will be exactly 100—no more and no less. But in the meantime it may happen that the credit of the Government improves; it may happen that the Government in the meantime is able to raise loans at $2\frac{1}{2}$ per cent. or $2\frac{3}{4}$ per cent. Now, the effect of the issue of such loans will be to put up the market price of this loan which was issued at 96. It may put it up considerably over Rs. 100 during the pendency of the loan. Now, my Honourable friend, Mr. Jamnadas Mehta, thinks, that this is loot, it is profiteering. The bond holder who having been issued with a 100 rupees of stock at 96 is now selling it in the market at, say, 103, is a disgraceful profiteer: he is acting in an entirely immoral way and something should be done to him; he should be deprived of his loan at some figure considerably less than that. Mark you, this is the man who voluntarily lends you his money and who, you hope, will lend you his money again—this is how Mr. Jamnadas Mehta would treat him. He thinks that it is a small matter to weigh into the market at any time: having performed solemn contracts with the lenders of money, having undertaken most solemnly that you will pay your investor three per cent. per annum for 16 years and will at the end of that period, and no sooner repay him, he thinks that you can at any time in the interval lightly say, "I do not like you. You are selling this bond now; you are trying to get 103 or 105 for it; you had better give it back to me for 95". That it seems to me is Mr. Jamnadas Mehta's position. He seems to think that there is no solemnity whatever in contracts of this kind, and that Government can act purely in their own interests and pick up their own bonds, their own stocks at any price they like, whenever it suits them. That is the position if we were dealing with bond holders in our own country. But now, how do we stand in relation to these securities?

These are loans which were made to us by investors in another country, in London. They are not entirely held by British bond holders. I must remind the House that a very considerable portion of these investors are Indians and that a considerable number of important Indian institutions held investments in these securities, and that many of these institutions represent small Indians—clerks and so on—who had taken out policies in insurance companies—they were not all bloated capitalists from the City of London. There was quite a considerable Indian interest in those securities.

Now, although the securities were held in London to a considerable extent, you have to distinguish between the bond-holder and the Government. It is not the case that these investments were held by His Majesty's Government; they were held by private individuals in London. Therefore, the question of the relation between His Majesty's Government and the bondholder there also comes into the picture.

Now, it is true that under the Defence of the Realm Act or whatever it is called at present, under the Regulations made, His Majesty's Government had taken power, very wide powers, among other things to requisition the holding of securities; and, therefore, His Majesty's Government had the power to requisition these stocks. But that does not mean to say that

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at any moment, merely because we would like them to, they were prepared to exercise those powers. There must be a reason for it, and moreover, I would point out that the exercise of those extraordinary powers by His Majesty's Government had to be justified by some interest of the United Kingdom. It had to be justified in the interests of say, the prosecution of the war, or for the better financing of the war; it had to be relatable not merely to India's convenience but to some larger interests. I have indicated some of the factors in the problem.

Well, now we come again to the Indian end of the business. Before we could open this subject with His Majesty's Government, we had to be in possession of the necessary sterling. It is all very well for Mr. Jamnadas Mehta to say we had a hundred crores on such a date and a 120 crores on such a date. Mr. Jamnadas Mehta knows as well as I do that it is part of the central banking structure of this country that there shall be a certain proportion maintained of external assets, and that we could not merely do with that sterling just whatever we liked to do. A considerable amount of that sterling is, so to speak, earmarked for maintaining the stability of the currency of India. It is no more available for these purposes than, shall I say, the gold in the Issue Department of the Reserve Bank. So you had to reach the point at which the sterling which had accrued from your supplies to Great Britain was of a magnitude, in addition to your central banking requirements, which would enable you to discuss a very large transaction of this kind as a practical proposition. I think as soon as the House realises that, they will see that a quotation of the 2nd September, 1939, is entirely irrelevant, because if the question had been mooted at that stage,—and I notice Mr. Jamnadas Mehta picks out a date when the bottom had suddenly fallen out of the market,—he does not forego an advantage like that,—but on the 2nd September it was quite out of the question for the Government of India to talk about repatriating sterling debt because they had not got the sterling. You cannot buy, however much you may like, a motor car unless you have the money. The price of the article on the date when you have not got the money is entirely irrelevant, and to tell a man that he lost money because he did not buy a thing on a date when he was quite incapable of buying it, is, to my mind, little short of nonsense

Mr. Jamnadas M. Mehta: 66 crores we have had.

The Honourable Sir Jeremy Raisman: Then again, Sir, this was a large and important transaction. It was, I think I said in my budget speech, quite the biggest transaction of its kind that has ever been undertaken in the history of India, and you could not expect even at the stage at which you possessed or anticipated that you would soon possess the sterling reserve to put through these dealings, you could not send a telegram to London and get a reply in the evening that it was all fixed up, and that His Majesty's Government were prepared to do it the next morning. After all, it was a matter which had to be under discussion for some considerable time.

There is one more factor which I should bring to the notice of the House. Before we could ask His Majesty's Government to use their extraordinary powers to requisition, we had to show that we had tried to help ourselves, that we had tried to obtain, at any rate, a considerable portion of these

securities in the ordinary way. After all, if we possessed sterling, and if the sterling securities were there in the market, it would be natural for His Majesty's Government to say,—'Well, go ahead and buy them, why not buy them, why worry us?' We had to pursue the policy of open market purchase until we reached the point at which the remaining stocks were so firmly held that it was justifiable to say that we could not get anything much more without the use of some extraordinary powers. Now, Mr. Jamnadas Mehta thinks that that procedure was highly reprehensible, but I think on the other hand that it was a perfectly natural procedure. It was the natural procedure that we were bound to follow. As sterling came into our hands, we proceeded as far as possible to purchase these securities. When we saw that they had reached a price at which it was undesirable that we should appear any more in the market, we ceased to purchase; from that date forward we endeavoured to get His Majesty's Government to use their good offices on our behalf instead. But it would have been quite impossible,—after all we picked up in the ordinary way, by ordinary purchases we acquired something of the order of about twenty four million pounds of stock. Well, it would be quite impossible to say that at the beginning and before we had done that we could ask His Majesty's Government immediately to freeze the whole of those stocks and requisition them and hand them over to us.

Now, Sir, the question really is this. From the date on which the sterling was available in our hands to undertake this transaction until the time when the transaction was actually put through, what price increases took place and how much did we really lose. I am prepared to admit that if the whole thing had been in our power, then on some earlier date, from the moment we decided that we wanted to do this we could immediately issue a requisition order; if this was a matter within our discretion, we would have saved something. But there was a stage during which we were discussing the matter with His Majesty's Government,—in other words, trying to persuade them to do this on our behalf. Well, Sir, I have before me the prices of these stocks as they stood, well, in August, 1939, in February, 1940, in December, 1940, and again in February, 1941 when the vesting order was issued, and it is surprising how small was the movement of prices between February, 1940,—as a matter of fact we were not ready in February, 1940,—even supposing we had been able to do it,—then the movement of prices between February, 1940 and a year later is extraordinarily small. I will give a few quotations. $4\frac{1}{2}$ per cent., 1950-55 stood in February, 1940 at £110½. We actually acquired that at £110/2sh. which is a little lower in that case. 4 per cent., 1948-53 stood in February, 1940 at £105¾; we actually acquired that at a little over £160/11sh. about ¾ of a point above the price the year before. Here is one stock which moved rather more

Sir Cowasji Jehangir: Have you got the rates for $3\frac{1}{2}$ per cent. redeemable for some years?

The Honourable Sir Jeremy Raisman: I am dealing with the transaction which we carried out.

$4\frac{1}{2}$ per cent. 1958-68 stood at £111 in February, 1940. It stood in February, 1941, at £112½, and we had actually to acquire it at £112¾. There the price went up a little over a point. $3\frac{1}{2}$ per cent. 1954-59 also

[Sir Jeremy Raisman.]

went up by more than a point. It stood in February, 1940 at £101, and we acquired it at £11 × 102.16, which is nearly two points above the price.

Well, Sir, these upward movements that took place in prices, although they did have the effect of costing us something, they were not abnormal, they were nothing extraordinary, and even if we had had the power ourselves, which we had not, to put these transactions through, the moment we wished to do so, we would not have saved a great deal. I submit also that in relation to the magnitude of this transaction the amounts involved are not large. After all, if you made up your mind to repatriate something of the order of eighty million pounds of sterling debt, then the question whether you pay another one or two million pounds, if you really want to get the thing put through, is not of vital importance. And here I must join issue with my friend, Mr. Jamnadas Mehta, who makes this extraordinary statement that the creditor should always be prepared to take less for cash payment. Now, that is a most misleading statement. Here you have bondholders who are holding investments on which the yield is considerably higher even at the present market price, considerably higher than the yield of securities issued at the present day. Now, they wish naturally to hold on to these investments till maturity because even the yield to redemption as it is called is more favourable than the yield of new investments. Mr. Jamnadas Mehta says, "If you go to these people and say, 'I am prepared to pay you off today,' they should be prepared to let you have your bond back at less than its market price".

Mr. Jamnadas M. Mehta: No. I said to the contrary. I said, "You want money, you want money for your war finance. You want us to pay you ten years earlier, and, therefore, you have to accept the discount. Not that I want to take".

The Honourable Sir Jeremy Raisman: My Honourable friend is not right. It is I who want to pay him ten years earlier; he does not come to me. My Honourable friend is entirely beside the point.

Mr. Jamnadas M. Mehta: Not at all.

The Honourable Sir Jeremy Raisman: The bondholder, I must remind my friend, was to a considerable extent an Indian institution.

Mr. Jamnadas M. Mehta: Don't bother me about India, because I know its well-being.

The Honourable Sir Jeremy Raisman: The bondholder under a solemn contract was entitled to hold these investments until a certain date, the date of maturity, and Mr. Jamnadas Mehta thinks that for cash payment he should have handed it over at less than the market price.

Mr. Jamnadas Mehta spoke about the position of the United States of America, and he instanced certain transactions of which we have all heard between Britain and America. The position is entirely different. India is a debtor country, India owes money to Britain. It is natural if India in the course of the present war acquires sterling that she should desire to utilise that sterling by liquidating part of her external debt. But the

position with America is entirely different. America is no longer a debtor country, she might have been before the last war; she is very largely a creditor country now. Therefore, you have an entirely different position. If Britain wishes to liquidate her investments in America, she is in a very different position than if we wish to repatriate investments held in England.

Mr. Jamnadas Mehta talked about our being paid in rupees instead of sterling. Of course, it is quite impossible for His Majesty's Government to pay us in rupees. The alternative to our being paid in sterling would be for us to be paid in goods, and the difficulties of increasing our imports from Britain at the present moment are well known to Mr. Mehta. It is true that where it is possible, it would be greatly to the advantage of India if machinery and plant could be imported and thus our favourable balance of trade with Britain could be reduced in that way. But it is by no means an easy matter. One thing we cannot ask Britain to do and that is, to pay us in rupees, because those rupees could only be earned by a favourable balance of trade on her side, which is not the case. At the moment the balance of trade is very strongly in favour of India, and that is why we are accumulating sterling balances.

Mr. Jamnadas Mehta said that if we were a free country we would have done something different about these sterling balances. I entirely disagree with him. I claim that this transaction was carried out in a manner which is just as much in India's interest as if India had been entirely disconnected from the British Commonwealth of Nations. It was a perfectly ordinary straightforward transaction which rounded to the great advantage of India, and His Majesty's Government exercised their powers in a manner which was highly favourable to India. While on that point, I would like to draw the attention of Mr. Jamnadas Mehta to this. He made some highly immoderate remarks about investors in England waiting for loot and so on. I would like to point out that the criticism of this repatriation transaction in India has been less than one-fiftieth of the criticism which took place in Britain. I have before me a selection of the comments, which are interesting to read, at the time when the transaction took place. I can assure the Honourable Member that they are all very highly critical of the action of His Majesty's Government in exercising their powers at that time to deprive the British bondholder of a valuable investment which he expected to be able to hold until the date of maturity. They questioned the necessity for it, or the advantage from the point of view of war finance to Britain, and why the said powers should have been exercised.

An Honourable Member: Can we have a few of them?

The Honourable Sir Jeremy Raisman: Well, I just take the headline from the *News Chronicle*:

"The Stock Exchange did not much like the call-up of the Indian 'dated' loans. It was, in fact, inclined to call it 'sharp practice'."

The argument is that as these loans are all furnished with dates of optional and final repayment, it is a breach of the bond for the Indian Government, in connivance with the British Government, to pay them off before the first optional date."

Sir F. E. James (Madras: European): That is from the "*News Chronicle*"?

The Honourable Sir Jeremy Raisman: Yes.

Sir F. E. James: That is a very liberal paper.

The Honourable Sir Jeremy Raisman: Yes. I am not quoting from the financial 'sharks'. That is an ordinary comment from the column of an ordinary paper

Sir F. E. James: Honest liberal opinion!

The Honourable Sir Jeremy Raisman: *The Investors' Chronicle* has an article with the heading "Indian Rope Trick", and very acid comments. I have got here quite a number of these comments which I should be able to show to my Honourable friend. But I may say that even moderate papers—the *London Economist* holds a position which is equalled by no other financial paper, and it is a paper which does not take a narrow view. Nevertheless, it had some sub-acid comments on the transaction. Here is one paper called *Investor*. It says:

"It is generally recognised that failure to redeem a Government or municipal loan at the latest possible date constitutes default, and when high interest bearing issues are concerned, a proposal to effect redemption before the earliest date can also be regarded as a breach of contract."

At the bottom it says this, and it shows that they thought that the Government of India had been given unusual favourable treatment by His Majesty's Government.

"It is to be regretted that the British Treasury has felt compelled to exercise one part of the wide powers obtained in consequence of the war, especially as any strengthening effect of the operation upon the gilt-edged market might be purely temporary. Further, if it is assumed that the Indian Government has about £90,000,000 available on this side for debt redemption, a much larger nominal amount could have been repaid if the "undated" $3\frac{1}{2}$ per cent. loan, which is redeemable at the option of the Government, had been selected, for the outstanding amount of this £87,000,000, and the stock is quoted at well below par."

Sir F. E. James: Will my Honourable friend say whether he has got the opinion of the Financial Editor of the *Daily Herald*?

The Honourable Sir Jeremy Raisman: I do not think so. Unfortunately, I have had to take out these cuttings at short notice and I have not been able to work through them. One of these papers pointed out, for instance, that the Southampton Corporation has got six per cent. loan outstanding. Why should not Government requisition those and enable them to determine these high interest yielding obligations before maturity.

An Honourable Member: They stood at a premium.

The Honourable Sir Jeremy Raisman: They stood at a premium but nevertheless it is possible that such bodies would have been glad to buy up those securities.

I will not deal with Mr. Jamnadas Mehta's suggestions for the future. I can assure him that this is quite the most important problem relating to Indian finance during the war. It is a matter which has our constant, our daily attention. I cannot attempt to indicate our policy or the precise measures which we have in mind but I will say this. I am perfectly prepared to accept Mr. Jamnadas Mehta's Resolution as it stands if he will

remove the words at the end. If he can remove those words, then I entirely agree that this House should recommend that in any fresh scheme and so on care should be taken to see that the cost is not unduly heavy but if he insists upon having that sting in the tail, then, obviously on behalf of Government I am bound to oppose his Resolution.

Babu Baijnath Bajoria: The word 'unduly' should also be deleted.

Mr. Deputy President (Mr. Akhil Chandra Datta): Does Mr. Jamnadas Mehta want to say anything about the suggestion which has been made by the Finance Member?

Mr. Jamnadas M. Mehta: Not at this stage, Sir.

Mr. Huseinbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): After the speech of the Honourable Member, I must admit that I find some little difficulty in entirely supporting the Resolution.

Laughter.) Please do not laugh. He laughs best who laughs last, I do find some difficulty in supporting the Resolution of my friend, Mr. Jamnadas Mehta, in its entirety. Sir, the Honourable the Finance Member has given us figures which clearly show to me at least that the losses which my friend, Mr. Jamnadas Mehta, puts down on account of rates and the discounts cannot be justified. The figures that he has given us of the different periods and the rates that were ruling in 1939 August, in February 1940 and in February, 1941, all the different transactions that took place clearly show that a lot of care has been taken. Sir, those who have dealt with securities, and here I would ask my friend, Sir Cowasji Jehangir, to bear me out, know this. In these times the little difference that one finds prevailing in February, 1940 and February, 1941 is quite natural and must exist even in ordinary times. Sir, we also should consider the position of the financial markets as a consequence of the war. The conditions prevailing in 1940, the conditions prevailing in 1941, the conditions prevailing in Europe, the panic existing here and there, the hopes raised here and there must all make for far more changes than these changes.

Then, Sir, we should not also forget that the ruling rate in India has been such that, so far as the securities that have been purchased bear out, we have not paid more. In fact, I am prepared to admit that consistently with the prevailing rates in India the prices that have paid may be a little less than what they existed in India, comparing to the returns that our loan carried with it. But, Sir, one thing with which I do not agree with the Honourable the Finance Member is when he says that the Government could not do anything and that the British Government also could not force the people to sell their securities as if this Government or even the British Government could force those in England who were holding our sterling loans. I say, Sir, that this Government is not at all so powerful, has never been so powerful as to use any influence on the public in Great Britain and even so far as the British Government is concerned, she cannot under the constitution under which it is working, force something against the wish of the people.

Now, Sir, Mr. Jamnadas Mehta has spoken as if the people and the Government in Great Britain were, so far as India is concerned, one and he wants us to take it, and naturally my European friends here would also

[Mr. Husenbhai Abdullabhai Laljee.]

like us to take it, that every moneyholder in England is prepared to make all sacrifices without any compulsion from Government to do so. It is never the fact. Wherever you go, the great capitalists or those whom we might call the stockholders are always eager not to part with it unless forced to do so and I ask my friend, Mr. Jamnadas Mehta, a simple question, whether it is possible for even the British Government to force its stockholders in the interests of India to sell those sterling securities at a cheaper rate than the market rate. Yes, they can force them to do so when they want money to be sent to America, because they are dependent upon America's goodwill to supply the war goods. There was a market to which they had to look to and, surely, the Government will say "it is in your interest that we forced you to sell your stocks, to hand over your stocks, for the welfare of your people and your country". It is not possible for this Government to tell the British stockholders "you sell your stocks at a little cheaper rate, because India demands it, because India has got sterling loans here." Therefore, my friends, as I have told them, I really think that it is in the interests of their own country and that they must willingly come forward to sell their stocks to this country because their other stocks are being sold at a much cheaper rate in America. It may be that we can ask our Government to ask the British Government to use their good offices. Otherwise, as long as the people in Great Britain are sure that they can have a fair rate from this country, I am sure neither this Government nor the British Government can force them. Under those circumstances, the prices that we have paid for the stock are, in my humble opinion, quite fair. As to those who come forward and say that we do not sacrifice let me tell them there are people also in England who are stockholders and who are also stockholders here and who represent a large number of insurance companies that they are not prepared to sacrifice voluntarily unless and until they are forced to do so.

My friend, the Finance Member, only yesterday said that I was speaking sometimes for the masses when I referred only to the shareholders of a few limited concerns. Today he has been telling us about the insurance companies and the poor policyholders, whose number is much more than that of the income-tax payers. However, I am glad that he does agree with me that we have got to look to the interests of the masses or a large number of people, better and carefully.

Now, there is one thing that I must ask the Government to consider very seriously and it is this. We have got balances in America and we badly need some industrial things for our country. It will really be in the interests both of this country and of Great Britain if we could get some machinery from America. I do not know why but even now there is the fear that this country should not industrialise in every way. I say 'in every way' because it has been our painful experience that the interests of India are often undermined and the interests of some other countries are given preference. There have been many such instances. I need not mention all of them. But the most important is the case of the sugar industry. We are not allowed to export sugar not in the interests of India nor in the interests of Great Britain but for the sake of some other people. In that way, they are really handicapping the Indian industries. It was on account of that policy that India has not been able to meet the requirements of the war. Had that policy not been adopted, I can assure you

that this country would have been in such a position that today Great Britain would not have gone on begging and begging everyday from America and conceding this and that to that country. However, that is the position now. In all fairness, when we have got some money in America, which is probably not of much use in Great Britain, because every day they are having air raids, the Finance Member can plead in the interests of India that some of this money lying in America may be returned in kind, that is to say, in the shape of machinery. I am sure it will help us a great deal, and it is the duty of our Government to do so.

As regards the fact that our balances are increasing in England, we have got to consider seriously that so far as that country is concerned, we are linked with them and they are in a better position to know the condition of the war and of the state in which they are. I appeal to them that if they do think that there is still going to be more danger there, then some of their plants or some of their machinery or some of their tools which could be used here may be sent to this country. My Honourable friend, the Finance Member, quoted some remarks from the newspapers and Sir Frederick James wanted some cuttings to be read. May I ask the Honourable the Finance Member what sort of remarks does he get from the Indian papers when he introduces income-tax Bills and other Bills of that nature? Does he ever quote them? After all, we businessmen know very well how to get these things in the newspapers, we have learnt this from Europe.

The Honourable Sir Jeremy Raisman: I do not pretend that the income-tax payer likes an increase of income-tax. What I was saying was that the investor in London did not like this either.

Mr. Husenbhai Abdullabhai Laljee: It is true that the investor did not like it nor does he like it even now. But I tell you honestly that the investors in Great Britain in the present state of war and in the present condition of their country like India's securities more than their own and they are not willing to part with them. That is why I did not agree with my friend, Mr. Jamnadas Mehta, when he said that the Finance Member has not made a good bargain. I say that he has done a fairly good bargain and at present rightly too. But I do hope and trust that he will try to carry out our wishes inasmuch as our balances are increasing to get back some of the money in kind so that it may be useful both to us and to Great Britain and to the war generally.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, for a long time past we have been urging on the Government the desirability of repatriating the foreign debt of India. But the Government paid no heed to this demand and before the commencement of the war very little of India's foreign debt had been repatriated. The war, however, changed the situation and during the last two years a considerable amount of the foreign debt of India has been repatriated. Now, the question is: In whose interests has the scheme of repatriation been undertaken by the Government of India? Last year, in the course of my Budget speech, I said that this was done mainly in the interests of Britain, although I admitted that India derived an incidental benefit from this policy. The Honourable the Finance Member replied that the reverse was the case. I then said, "Let us agree to differ on this point."

[Dr. P. N. Banerjee.]

Now, Sir, I come to the cost of repatriation. Has this cost of repatriation been unduly favourable to India? From the newspaper cuttings from which quotations were made by the Honourable the Finance Member, it would appear that India gained a great deal, whereas the view which prevails in this country is that India has lost a substantial amount. The Honourable the Finance Member himself admits that this repatriation has cost something to India, but the amount of the cost has not been abnormal. Now, Sir, the difference between us and him is one of degree and not of kind.

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

In discussing this speech of my Honourable friend, Mr. Jamnadas Mehta, the Honourable the Finance Member said that it was Mr. Jamnadas Mehta's policy or demand to break the solemnity of the contract. So far as I gather from his speech, I do not think that was what he wanted. He made certain calculations with regard to the prevailing rates and he came to the conclusion that India had lost several crores in the course of these transactions. I am not sure whether his figures were all correct nor am I sure whether his estimate of the possible loss was quite accurate. But the fact cannot be ignored that India's entry into the London market in an open and advertised manner did help to push up the prices of securities.

The Honourable Sir Jeremy Raisman: I do not know what my Honourable friend means by 'advertised'. When stocks were bought up on behalf of the Government of India, there was no advertisement.

Dr. P. N. Banerjee: It was not perhaps advertised in the newspapers, but it was known throughout London that the Government of India were going to take that step.

The Honourable Sir Jeremy Raisman: If he is referring to our open market operations, at that stage it was certainly not known. In fact, it is universally admitted that the thing came as a bombshell to the London market. Our open market operations might have been inferred, but the intention to repatriate came as a complete surprise.

Mr. Jamnadas M. Mehta: From January, 1940, it was known.

Dr. P. N. Banerjee: Open market operations, were not known; is that correct? If the Government had carried out this policy of repatriation in a slow and gradual manner, then the situation would have been different. Then the prices of the securities would not have gone up. Sir, with regard to the balances, my Honourable friend, Mr. Jamnadas Mehta, suggested that these need not be kept in such large amounts in London. He did not want all the balances to be frittered away or to be utilised for buying machinery, etc., for India. The Honourable the Finance Member in his reply implied that that was what Mr. Jamnadas Mehta wanted. It is known that the balances are held in London in order to maintain the banking and currency system in this country. That is true, but the question is. Is there any necessity for such a large balance being held in London? That gives a somewhat political colouring to the whole

question. Because India is a subject country, therefore such huge balances are kept in London. That is the view held by many eminent economists.

Now, Sir, to cut the matter short, there is a difference between the two sides of the House, and it is only one of degree. The Honourable the Finance Member is prepared to accept this Resolution, if only the last few words are omitted, namely, "as was the case with the last scheme". What has been done cannot be undone. But we must profit by the lessons of the past. That is what my Honourable friend, Mr. Jamnadas Mehta, wanted. Our real concern is as regards the future. As the Honourable the Finance Member agrees that care should be taken to see that the cost of such repatriation on Indian revenues is not unduly heavy in future, the difference between us has been considerably narrowed down. There is no indication from him as to how he is going to give effect to this desire on our part. My Honourable friend, Mr. Jamnadas Mehta, suggested that a small committee be formed which should be consulted from time to time in regard to repatriation of foreign debt of India in future. Is he prepared to accept that proposal? If he agrees to accept this proposal, then all wrangling with regard to prices would be at an end, and a better price will be secured for this country in future.

Mr. T. Chapman-Mortimer: Mr. President, the Honourable the Finance Member in his reply to Mr. Jamnadas Mehta framed, in terms so trenchant and so complete, an answer to the charges made by the Honourable the Mover of this Resolution that he has really left the rest of us very little to say. He has shown in fact very clearly how utterly without foundation are the charges made by the Honourable the Mover of this motion, and how utterly without foundation is the correctness of that last phrase which my Honourable friend has been asked to delete.

Now, Sir, I have only a very few comments to make, because, as 4 P.M. I have said, the Honourable the Finance Member has already very fully explained to the House the complicated and technical nature of these operations. And he has shown beyond any shadow of doubt that far from being done in the interests of England and not in the interests of India, these operations were far more in the interests of India than they were in the interests of bond-holders in the United Kingdom. For one thing they have led to a reduction of some three million pounds in the annual amount required for the service of the sterling debt. And, in this connection, I cannot but reflect on all that we have heard in these last 20 years about this "drain" to which India is supposed to be subject when she honours her sterling obligations. I am really astonished that the Honourable the Mover of the Resolution should have taken the line that he has. Indeed I am astonished that he should even have moved this Resolution at all; because it is so patently in India's interests that her external debt should be reduced and the service of that debt reduced.

That is all I want to say on that point but I should like to say one or two words about the remarks that fell from my Honourable friend, Dr. Banerjee. He seemed to think that sterling balances are held in London because India is a subject people. If I understood him correctly that is what he said. I simply cannot understand that a man of his

[Mr. T. Chapman-Mortimer.]

learning and position and his experience as a practical economist should have given utterance to such a statement, which really is a most amazing statement. That balance has accumulated in London because the United Kingdom is buying so much from India that if she were to pay it,—and she can only pay it by transferring money from London to India,—the exchange could not possibly be held at s. 1/6. In the last war and afterwards the exchange at one time went up to s. 2/10. I cannot imagine, having regard to the cry about exchange being s. 1/4, that any Honourable Member of this House can seriously think that, as an alternative to doing what the Honourable the Finance Member, has done in co-operation with His Majesty's Government, he should have allowed things to take their natural course; allowed that money to come out here and so cause exchange to fly about in a most erratic manner. Therefore, I was most astonished to hear him give utterance to such a statement.

Then, Sir, there must be considerable confusion in the minds of some Honourable Members as to the difference in treatment, or alleged difference in treatment, between payments to the United States and payments to India. There is no difference in treatment. If you have to pay money to a certain country, you have to get that money to that country; in other words, if you have to make a payment in the United States you have to buy dollars, and so it is in India. If you are in London and have to make a payment in India you have to buy rupees. The principle is entirely the same. I speak subject to what the Honourable the Finance Member has to say on the subject but I am perfectly certain that he would agree that that is a fact, and I am sure also that my Honourable friend, Dr. Banerjea, will agree that that is the theory of exchange. If you want to make a payment in a foreign country you have got to buy the currency of that country. That is the whole difficulty in this case and it has been got round in a way in which India has reaped an enormous benefit. Bondholders in London have suffered to the extent that they were compelled to sell when they did not want to sell, and we have heard . . .

Dr. P. N. Banerjea: May I ask a question? In whose interests were they compelled to sell?

Mr. T. Chapman-Mortimer: They were compelled to sell on a market in which, when they got the cash from Government, they had then to re-invest their money at a lower rate of interest. Obviously then it was not in their interest to sell. It was, however, in India's interest, because by repatriating this debt she was able to save, as I have said, something like three million pounds a year in the amount required to meet her annual payments in respect of sterling indebtedness.

That, Sir, is all I want to say on that point. There is only one other suggestion that has been made in this House on which I should like to speak and that is the suggestion that a committee of this House should be set up to assist the Finance Member in dealing with matters of this kind. Sir, I do not know of any country in the world where such a committee would be set up, and in practice it simply could not work.

Sir Cowasji Jehangir: Would you like to be on it?

Mr. T. Chapman-Mortimer: Naturally, and so would you and a lot of other people would like it even more!

Obviously the suggestion is, if I may say so with great respect to Dr. Banerjea, quite impracticable. This is a matter which we must leave to Government and trust that they will do the best they can for India. I believe that they have done so and I would appeal to my Honourable friend, Mr. Mehta, to accept the suggestion of the Finance Member and delete these last few words, in which case I understand Government would be prepared to accept his Resolution. Sir, I oppose the Resolution.

Sir Cowasji Jehangir: Sir, I had no intention of taking part in this very learned debate. It is not a question on which one jumps in easily to speak. But there has been one point raised, and that is as to who benefited. I think that can be answered with some accuracy. The British Government got the sterling that they wanted; the Indian Government bought their sterling paper which they were anxious to do for many years; and the person who paid the piper was the stockholder, both Indian and English. That is, both benefited, the British Government and the Indian Government, and the stockholder in England and in India had to suffer by being made to sell.

Mr. Jamnadas M. Mehta: Sir, I am glad to note that in spite of the opposition which the Honourable the Finance Member offered to my motion he was unable to challenge a single fact or figure that I gave. What he challenged was the inference that I was drawing from those facts and figures. He admitted that from my way of thinking the figures were what I said they were, but he said that that was not the right method of looking at things. But I cannot agree with the Finance Member. For instance, I had pointed out that the discount on these loans was eleven million pounds and he told me that that is not the way to look at it; there might be a discount, there might be a premium; the real thing was to see the ultimate effect.

Sir Cowasji Jehangir: Do you mean discount when the loans were floated?

Mr. Jamnadas M. Mehta: Yes. And I agree that if I can get a hundred for 3½ per cent and if I want to pay three per cent, I should take less. That might be a proposition where discount would be justified. I do not mind it; that is quite so reasonable that nobody can object to it. But I will ask the Honourable Member to go with me into the figures. The rate of interest on none of these was less than 3½ per cent except the last loan.

The Honourable Sir Jeremy Raisman: When were they floated?

Mr. Jamnadas M. Mehta: They were floated at different periods.

Sir Cowasji Jehangir: What were those periods? Some of them were floated during the last war.

Mr. Jamnadas M. Mehta: Most of them were floated since the last war.

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Sir Cowasji Jehangir: Immediately after. What was the rate of money then?

Mr. Jamnadas M. Mehta: I am coming to that. What I am saying is that most of them were raised after the last war. And what was the rate of interest? Five per cent and $4\frac{1}{2}$ per cent. If the rate of interest was 3 or $2\frac{1}{2}$ per cent I can understand the discount. But $4\frac{1}{2}$ per cent. 1950-55, twenty millions loan was obtained at a discount of 15 per cent. I ask the Honourable Members whether this discount of 15 per cent on a loan which was to bear $4\frac{1}{2}$ per cent interest is a legitimate thing?

The Honourable Sir Jeremy Raisman: If the alternative was to float it at par at $6\frac{1}{2}$ per cent for 25 years then it is merely a matter of arithmetic.

Mr. Jamnadas M. Mehta: If this is my privilege of getting 85 rupees for hundred and then to float at $4\frac{1}{2}$ per cent interest it is a calamity which I would rather forego.

The Honourable Sir Jeremy Raisman: Does the Honourable Member realise that loans were floated by Provincial Governments at 7 per cent?

Mr. Jamnadas M. Mehta: Only for one year.

Sir Cowasji Jehangir: What year was that? You know that loans were raised at $7\frac{1}{2}$ per cent in India and you and I got them?

Mr. Jamnadas M. Mehta: In the history of Bombay Municipality finances, not a single loan has been raised at $7\frac{1}{2}$ per cent. Your insolvent Development Department might have raised at that rate.

Sir Cowasji Jehangir: What about the Government of Bombay loan?

Mr. Jamnadas M. Mehta: It was never more than $4\frac{1}{2}$ per cent.

Sir Cowasji Jehangir: Don't betray your ignorance.

Mr. Jamnadas M. Mehta: I would rather be ignorant than be in possession of such knowledge as you have. But I must say that the Bombay Presidency has never paid $7\frac{1}{2}$ per cent rate except for the Development Department of which my Honourable friend was in charge. He paid $7\frac{1}{2}$ per cent, not we.

Sir Cowasji Jehangir: $6\frac{1}{2}$ per cent free of income-tax.

Mr. Jamnadas M. Mehta: Only once. Sir, I am being unnecessarily interrupted.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not interrupt.

Mr. Jamnadas M. Mehta: Another loan of twenty millions, at 90 per cent., 10 per cent. discount we had to pay. Another $7\frac{1}{2}$ millions, $4\frac{1}{2}$ per cent. interest, again $91\frac{1}{2}$, that is, $8\frac{1}{2}$ discount. Such a high rate of interest

and a heavier rate of discount was not at all justified, but I would remind the Honourable the Finance Member of one thing. In the year 1921 or 1922 the Government of India raised a loan, at seven per cent. in London, of about one million and there was such a scandal in this country that the Government were compelled to conceal the transaction at a later date. And what did they do? What was a short dated terminable loan was turned into irredeemable loan at three per cent., but every one who held a scrip of one hundred was given a slip of two hundred. I ask him to deny that.

The Honourable Sir Jeremy Raisman: Sir, it is the first time I have heard of it.

Mr. Jamnadas M. Mehta: And this is the debt which is now to be redeemed. Therefore, I cannot agree with my Honourable friend, the Finance Member, that this discount was at all justified. Then he told us of India being in need of repatriation. I shall quote from his own speech—Budget speech of the current year, para. 40. After describing all the real and imaginary benefits which the Indian people got out of the transaction, in paragraph 40 the cat is let out of the bag. There he says:

"There is another aspect of our repatriation operation at the present time and that is the manner in which they assist His Majesty's Government to finance the prosecution of the war."

Dr. P. N. Banerjee: That was the primary object.

Mr. Jamnadas M. Mehta: Like the ladies post-script the real purpose is stated in the last para.:

"It is obvious then that if India repays her creditors in London, then particularly at the present time and in the present conditions of the London money market the greater part of the sums so disbursed will be re-lent to His Majesty's Government probably in the form of investment in the defence loans than when they formed part of the balances of the Reserve Bank and were invested in the Sterling Treasury Bills. To this extent we may feel gratified that India in improving her own position has also facilitated the war-time problems of Britain."

It is the last paragraph in the Budget speech regarding repatriation which shows the real object, i.e., as to who wanted the money, and therefore, I gave the example of a man whose money was due five years hence coming to me for paying cash down. I say that this is the real position. India was not bound to pay these loans at such heavy premium at a time when it was England who wanted the money. And if you wanted the money you must accept the discount. You were badly in need of money and you have forced out of the taxpayers of this country a heavy rate of premium which comes to eight to nine crores of rupees.

The Honourable Sir Jeremy Raisman: On a point of fact, I would like to point out that the Government of India's sterling in the United Kingdom was already at the disposal of His Majesty's Government in the shape of treasury Bills, because we have to do something with the money, and the yield was one per cent. The effect of this transaction was that instead of earning one per cent. it earned 4 to $4\frac{1}{2}$ per cent. according to the securities which were liquidated.

Mr. Jamnadas M. Mehta: That was treasury Bills and not loans. Now Sir, coming to the argument about the structure of the Central Bank. The

[Mr. Jamnadas M. Mehta.]

structure of the Central Bank is what you make it. If you make the structure by which more than half of the assets of the Central Bank remain in a foreign land exposed to all the risks of war fluctuations, then that structure is at fault and not my suggestion. As soon as it suited you, you changed that structure under the Defence of India Act. Therefore, the structure is not coming from heaven. It is the structure which you construct and according to your interests. And, Sir, why there should be such enormous balances when in nine out of ten years this country is a creditor country on the balance of trade. Have you known this unheard of arrangement that the creditor country should keep enormous balances in a country from which it has to receive money year after year after paying all her charges. Have you ever heard of such a thing?

The Honourable Sir Jeremy Raisman: I do not understand the Honourable Member's saying that India is a creditor country. India is a debtor country.

Mr. Jamnadas M. Mehta: But on the annual balance of payments this country is, nine years out of ten, a creditor. We may have a permanent debt, but if the annual balances of payments are taken—look at the last forty years—the balance of trade and the balance of payments.

The Honourable Sir Jeremy Raisman: But the balance of trade is entirely different from the balance of payments. Besides the balance of trade we have to make certain payments.

Mr. Jamnadas M. Mehta: Therefore, I used the word 'balance of payments'. And I say the balance whether of trade or of payments in the past has been in favour of India, except on an occasion like a very serious depression.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Jamnadas M. Mehta: With your permission, Sir, if you could give me three minutes. . . .

Mr. President (The Honourable Sir Abdur Rahim): Very well.

Mr. Jamnadas M. Mehta: Finally, I say this. I was asked how my suggestions could be carried out? This is my reply. We should as America is paid in dollars, be paid in rupees and not in sterling for our goods. The Britisher would then be forced to liquidate these very sterling loans and obtain rupees for payment and the position would be just what was in America. What would have happened? I would not then need a vesting order. If I was paid in money of my own country's currency, these very securities would have gone down to a discount, as in the case I referred to in America. Therefore, the Honourable the Finance Member's argument on all these three points that the discount, heavy though it was, was justified is not borne out by the rate of interest. The way in which one loan has to be paid twice over and interest at six per cent. in the meantime

is another count in the charge-sheet against this system; and this condition about our balances—not only that a country which is normally a creditor even after the balance of payments are taken into account. . . .

The Honourable Sir Jeremy Raisman: I must again point out that the whole of my friend's argument is based on the assumption that India is a creditor country when it is a debtor country. You cannot make water run uphill.

Mr. Jamnadas M. Mehta: I am a creditor country on the balance of payments from year to year. So long as I am paying my interest on the debts and other charges whatever remains against my exports is a balance in my favour and I am a creditor. But the last word I wish to say is this. I am aware of my indebtedness. I am considering only the annual turn-over and there I am a creditor in nine years out of ten. Lastly, about the American parallel, I say, what would you have done if you were dealing with America? You would have been forced to liquidate your securities; they would have tumbled down, and the Indian taxpayer would never have been called upon to pay 8 crores. But I do not want to quarrel with the past. I have made my suggestions about the future. I do not want a roving committee. All that I want is a committee which would sit secretly and confidentially to consider the question of repatriation and of the sterling accumulations and report to the Government and the Government might then take action on it. I do not want the public to know this; this finance structure is far too delicate to be publicly discussed; but unless the House is taken into confidence and a committee is appointed it will not be possible to inspire confidence. . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already exceeded more than his time.

Mr. Jamnadas M. Mehta: One last word, Sir; and if that committee is formed I think the Government will not be exposed to the criticism as it now is. Even after the committee has reported I am quite prepared that the last word should remain with the Honourable the Finance Member. Subject to this I am prepared to drop the last sentence as suggested by the Honourable the Finance Member.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): That will take away the whole force of the Resolution. They would say we acted as well before and will do the same in future.

Mr. Jamnadas M. Mehta: None at all. I am quite prepared to omit the last sentence, if the Honourable Member thinks that it will benefit him. In making those suggestions I have made them in the best of spirit, without meaning any affront or mistrust. I have stated the facts as they are and I hope the Honourable the Finance Member will take into consideration the various proposals I have made for the future repatriation scheme, and the last word should remain with the Honourable the Finance Member. and of one or two Honourable Members on these Benches I am prepared to drop the last words of the Resolution. . . .

Mr. President (The Honourable Sir Abdur Rahim): Which are the last words?

Mr. Jamnadas M. Mehta: "as was the case with the last scheme."

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

"That this Assembly recommends to the Governor General in Council that in any fresh scheme of the repatriation of India's sterling debt, care should be taken to see that the cost of such repatriation on Indian revenues is not unduly heavy."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): There is no other Resolution before the House.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 13th November 1941.

LEGISLATIVE ASSEMBLY.

Thursday, 13th November, 1941.

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.

AMALGAMATION OF GRADES I AND II OF ALL CLERICAL STAFF ON NORTH WESTERN RAILWAY.

164. *Mr. Lalchand Navalrai: (a) With reference to the Honourable the Railway Member's reply to my starred question No. 70, asked on the 14th February, 1941, and supplementary questions thereon, in regard to the amalgamation of grades I and II for all clerical staff, will he be pleased to state the result of the examination of the existing distribution of grade I and II posts in various categories of staff on the North Western Railway?

(b) Is the Honourable Member aware that the block at Rs. 60 is keenly felt by the staff and there is great agitation for its removal? If so, what steps does he propose to take to remove the discontent? If none, why not?

The Honourable Sir Andrew Clow: (a) As a result of their examination of the position, Government have issued orders for increasing the number of posts in grade II by 503 with a corresponding reduction in grade I posts and for the distribution of these additional posts among the various categories in such a manner as to secure that the proportion of grade I posts to grade II posts is approximately the same.

(b) I am aware that a number of the staff were anxious to secure better prospects of promotion and conducted an agitation for this purpose. While I cannot regard such desires as affording an adequate ground for concessions, I am happy to think that the decision referred to in the reply to part (a), which was based on wider grounds, will bring a direct benefit to a considerable number of men and thus tend to greater contentment.

Mr. Lalchand Navalrai: May I know, Sir, on what basis was the distribution made in the different provinces?

The Honourable Sir Andrew Clow: I do not know myself whether it is completed or not, but the endeavour is to ensure that the proportion in the different branches shall be approximately the same.

Mr. Lalchand Navalrai: Is it based on the size of the divisions or on the strength of the staff?

The Honourable Sir Andrew Clow: I don't see the distinction.

Mr. Lalchand Navalrai: The distinction will be this; if the distribution is made on the strength of the staff, then the strength in each division should be made accordingly.

The Honourable Sir Andrew Clow: I will convey that suggestion.

STOPPAGE OF THE DUSEHRA HOLIDAY RETURN TICKETS ON NORTH WESTERN RAILWAY.

165. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that Dusehra cheap holiday return tickets were stopped on the North Western Railway this year?

(b) Since when were Dusehra holiday return tickets being issued on the North Western Railway, and what were the special reasons for stopping the issue of these tickets this year?

(c) Has the issue of such tickets been stopped on other Railways as well? if so, on which Railways?

(d) Is it a fact that there is a demand in certain parts of the country through which the North Western Railway passes, that the holiday return tickets be issued on Diwali holidays? Is it proposed to do so next year, in view of the stoppage of Dusehra holiday tickets? If not, why not?

(e) On which railways in India, whether State or Company-managed, are holiday return tickets issued on:

(i) Dusehra, and

(ii) Diwali?

(f) Is it proposed to stop the issue of holiday return tickets on the North Western Railway during:

(i) Christmas,

(ii) Moharrum, and

(iii) Easter Holidays?

If so, why? If not, why was the issue of these tickets stopped during Dusehra holidays only?

The Honourable Sir Andrew Clow: (a) Yes.

(b) I do not know when these concessions were originally introduced but I understand that they were reintroduced in 1924 for First, Second and Inter class passengers and were extended to third class passengers in 1927. The concession has been withdrawn in accordance with the general policy of withdrawing such passenger concessions as might foster additional traffic.

(c) I understand that the North Western Railway alone gave this concession.

(d) The reply to the first portion of the question is in the affirmative. I understand the Railway does not propose to issue concessions during either the Dusehra or Dewali holidays as present conditions do not permit of it.

(e) (i) North Western Railway.

(ii) These have been generally allowed by the Bombay, Baroda and Central India, Great Indian Peninsula, Jodhpur, Madras and Southern Mahratta and South Indian Railways. On the occasion of the last Dewali holidays, the concession was allowed only over the Jodhpur Railway.

(f) I understand the North Western Railway have decided not to allow any concession during the ensuing Christmas holidays and are considering their withdrawal for Muharram and Easter. Conditions arising out of the war necessitate discouragement of passenger traffic.

Mr. Lalchand Navalrai: Is it not a fact, Sir, that on account of these concession tickets the railways make more money and there is an increase in traffic?

The Honourable Sir Andrew Clow: The concession was designed to attract traffic.

Mr. Lalchand Navalrai: When the railways get that advantage, why should the concession tickets be withdrawn or stopped?

The Honourable Sir Andrew Clow: Unfortunately we are now compelled to discourage traffic and have, therefore, to move in the reverse direction.

NOMINATION AND ELECTION OF MEMBERS TO THE RAILWAY CENTRAL AND LOCAL ADVISORY COMMITTEES.

166. *Sardar Sant Singh: Will the Honourable Member for Railways be pleased to state:

(a) in regard to the nomination of members by the General Manager, etc. to the Local Advisory Committees of the Railways, whether the members so nominated belong to the areas for which such committees are formed;

(b) whether one and the same member has been nominated for a number of years;

(c) whether one and the same member has been nominated by more than one Railway to the Advisory Committees for the same area for the same period of time;

(d) whether, with regard to the Central Committees of different Railways, there are members elected or nominated to it who do not belong to their areas, and, if so, which are the Railways?

(e) whether there are any rules governing the nominations and elections in this respect; if so, whether he will place a copy thereof on the table of the House; and

(f) the names of the members elected to different Railways and their constituencies?

The Honourable Sir Andrew Clow: (a) This is generally the case.

(b) I understand this has been the case.

(c) I believe this is not so at present but whether it has been done in the past, I am unable to say.

(d), (e) and (f). I am not sure what the Honourable Member means by 'the Central Committees of different Railways', but assume that these parts of the question relate to the nominations made by the Central Advisory Council to the various Local Advisory Committees. On this assumption, the present rule is that only persons representing a constituency or actually resident within an area to which the Local Advisory Committee relates are eligible for election. The present list of Members will be found in the proceedings of the Central Advisory Council for 1st April, 1941, and their constituencies are given in the official list of Members of the Legislative Assembly.

PROVISION OF A PLATFORM AT THE PARASNATH RAILWAY STATION.

167. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Railway Member please state whether it is or is not a fact that Parasnath (formerly known as Isri) Station has been in existence for the last 40 years or so?

(b) Is it or is it not a fact that thousands of Jain pilgrims going to Parasnath hills pass on their way through this Railway Station?

(c) Is it or is it not a fact that there is no platform at this station and the passengers have to alight from the train directly on the flat ground?

(d) Have Government considered the great inconvenience to the pilgrims on this account, who are mostly old men and women, and who carry considerable luggage with them on their long journeys to this place of pilgrimage?

(e) Have Government received a number of representations in this behalf from the Jain community, specially from the Sri Jain Prem Sabha?

(f) Have Government considered the advisability of providing a platform at this station—even a kachcha platform may meet the needs of the passengers—and removing this old standing grievance of Jain pilgrims?

The Honourable Sir Andrew Clow: (a) Yes.

(b) I am prepared to accept the Honourable Member's estimate of the pilgrim traffic to Parasnath.

(c) I understand that there is no raised platform at the station.

(d) I am not aware that pilgrims are mostly aged and heavily cumbered with luggage, but Government recognize that a raised platform affords greater convenience to all passengers.

(e) Yes.

(f) The provision of such amenities at stations is a matter within the discretion of Railway Administrations who with the assistance of their Local Advisory Committees are in the best position to decide between the claims of the various stations. The representations received were accordingly passed on to the Railway Administration for disposal.

Qazi Muhammad Ahmad Kazmi: Has anything been done till now or is under contemplation in respect of providing a raised platform and also proper lights?

The Honourable Sir Andrew Clow: There is no raised platform provided so far, as far as I am aware.

Qazi Muhammad Ahmad Kazmi: Has anything been done in respect of that or is anything under contemplation or under consideration? Can the Honourable Member give any information on that point?

The Honourable Sir Andrew Clow: Consideration in one sense is never finished, because the claims of competing stations are always being considered and amenities are always being extended.

Qazi Muhammad Ahmad Kazmi: I want to know whether, in view of the importance of this station, the Honourable Member has got any information that the Railway concerned has any scheme under contemplation to supply a raised platform or not.

The Honourable Sir Andrew Clow: I cannot say for which stations they contemplate providing platforms next year, and it is obviously impossible for me here to assess the claims of one station against another.

Qazi Muhammad Ahmad Kazmi: I am only asking about this particular station on account of the large pilgrim traffic that goes on there?

The Honourable Sir Andrew Clow: But there are stations to which a substantial number of passengers go which are thus similarly situated.

Qazi Muhammad Ahmad Kazmi: Has the special importance of this station been considered, that is the only point on which I want information.

The Honourable Sir Andrew Clow: That consideration has certainly not been overlooked.

Mr. Govind V. Deshmukh: If, after receiving the representations, may I know if Government suggest that this matter should be put before the local Advisory Committee for Railways?

The Honourable Sir Andrew Clow: I would require notice of that question.

Mr. Govind V. Deshmukh: May I know, Sir, whether, in view of the fact that it has been admitted that Jains from all over the country visit this place, Government imagine that they can visit the place without any luggage?

The Honourable Sir Andrew Clow: No, Sir; but I have always understood that pilgrims travelled light.

Sardar Sant Singh: May I know what the attitude of the Railway Board is when they receive representations from the public? Do they examine them and express their own opinion with respect to them or the Railway Board simply forward them and act as post office?

The Honourable Sir Andrew Clow: It depends on the matter. If it is a particular question of policy, naturally they try and form their own conclusions on them; but if it relates to a wholly local matter, their knowledge is certainly inferior to that of the men on the spot.

Mr. Lalchand Navalrai: May I know, Sir, whether in regard to this particular matter the Railway Board have given their own opinion or they have sent the papers to the railway concerned?

The Honourable Sir Andrew Clow: I did not say that the Railway Board expressed a definite opinion that this platform should be built.

Mr. Govind V. Deshmukh: May I know whether they were informed as to the proper approach regarding the solution of this question?

The Honourable Sir Andrew Clow: I think so; I have recently had a letter from an Honourable Member of this House, which I am answering in that sense.

GRIEVANCES OF THE EMPLOYEES OF SHAHDARA-SAHARANPUR LIGHT RAILWAY.

168. ***Mr. Lalchand Navalrai:** Will the Honourable Member for Railways please state:

- (a) whether the employees of Shahdara-Saharanpur Light Railway have formed a trade union under the name of the Shahdara-Saharanpur Light Railway Employees' Union and got it registered;
- (b) whether the Shahdara-Saharanpur Light Railway administration have, subsequent to the formation of the Union aforementioned, formed another union under their patronage;
- (c) whether the staff of the Shahdara-Saharanpur Light Railway have represented to the administration of this railway certain grievances regarding dearness allowance and increase in pay;
- (d) whether the Shahdara-Saharanpur Light Railway administration have failed to take notice of any of these grievances;
- (e) whether there is great unrest among the staff and they are contemplating to close up this railway;
- (f) whether Government propose to call upon the Managing Director of the Company who own this Railway, to go into the grievances of the staff in co-operation with the Union to avoid strike over this railway; and
- (g) whether, in case of an apprehended strike, Government will call upon the administration of the railway to accept a conciliation board to settle the dispute between the employer and the employees, under section 16 of the Trade Disputes Act?

The Honourable Sir Andrew Clow: (a), (b), (c), (d) and (e). I have no information regarding this matter. The Shahdara-Saharanpur Light Railway is not either owned or managed by the Central Government.

(f) No.

(g) This is a hypothetical question; but I might add that section 16 of the Trade Disputes Act does not invest Government with the powers to take the action suggested.

Mr. Lalchand Navalrai: If the Honourable Member has no information, may I ask him to call for information and see that these two unions do not exist because there will be clashes between them, and also see that other conveniences also are given?

The Honourable Sir Andrew Clow: No. I cannot enquire into the affairs of a private company in matters which are not my concern.

Qazi Muhammad Ahmad Kazmi: May I know whether the Honourable Member really made any enquiry into the matter,—that he has got no reply from the railway concerned?

The Honourable Sir Andrew Clow: The answer is in the negative.

Mr. Lalchand Navalrai: What is the remedy when the Railway Board and Government are not interfering in these inconveniences caused when they are caused by a company railway? What is the remedy then? How to do it?

The Honourable Sir Andrew Clow: I am not sure what the Honourable Member wants to do.

Mr. Lalchand Navalrai: I want that the grievances should be remedied. I want that there should be no clash between the two unions and others. These are matters into which the Railway Board and Government should at least enquire.

The Honourable Sir Andrew Clow: But in a private concern it is not the Government's function to intervene except in so far as the Legislature has vested them with statutory powers.

Mr. Lalchand Navalrai: Government have got certain powers, the Railway Board have got certain powers, powers of supervision at least, and why should they not interfere?

The Honourable Sir Andrew Clow: They have general powers of supervision as they have the duty of seeing that safety conditions are preserved.

Mr. Lalchand Navalrai: But the point is

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

LATE ARRIVALS OF THE GRAND TRUNK EXPRESS AT NEW DELHI RAILWAY STATION.

169. ***Sir F. E. James:** Will the Honourable the Member for Railways be pleased to state:

- (a) on how many days since the 1st October the Grand Trunk Express has been more than thirty minutes late in arriving in New Delhi station;

- (b) on how many occasions has it been more than an hour late;
- (c) what is the reason for the dilatoriness of this Express;
- (d) if he is aware that mail from South India arriving in New Delhi before mid-day is not delivered until the evening and frequently late in the evening; and
- (e) whether, if nothing can be done to improve the service of the Grand Trunk Express and the subsequent delivery of the mails, he is prepared to consider the advisability of instituting an air service between Madras and Delhi during the Delhi season for the carriage of mails?

The Honourable Sir Andrew Clow: (a) and (b). During the month of October, this train arrived at New Delhi over an hour late on 19 occasions and on three occasions between thirty and sixty minutes late.

(c) I am informed that the bad running has been due to a combination of circumstances including Engineering speed restriction resulting from an accident between Itarsi and Amla on the 9th October, Engineering speed restriction due to relaying of track between Agra Cantonment and Delhi, heavy loading of fresh fruit parcels *en route* and military traffic.

(d) If the Grand Trunk Express arrives at New Delhi Railway Station after 9-15 A.M. mails are sent out by the 4 P.M. delivery by the New Delhi Post Office.

(e) Government do not consider it practicable to operate an air mail service between Madras and Delhi at present.

Sir F. E. James: May I ask my Honourable friend if he recollects that on a previous occasion this department was censured by one of the few snap divisions in this House in recent years, for the intolerable conditions under which this train runs? If so, is he aware that still on this train the engines are archaic, the food is bad, the rolling stock is old, and the average speed is that of an elderly but slightly intoxicated caterpillar?

An Honourable Member: What about passengers?

The Honourable Sir Andrew Clow: I am well aware of the decision of this House but cannot accept the Honourable Member's description in its entirety.

Sir F. E. James: Will my Honourable friend explain the extraordinary reluctance of this train to arrive at New Delhi on so many occasions since the 1st October, and what improvements, if any, he has personally attempted to make in the service of this train since he was censured by an overwhelming vote of this House?

The Honourable Sir Andrew Clow: I do not think the vote was overwhelming, but actually I think it is within the recollection of my Honourable friend that, largely in consequence of his endeavours, an attempt was made to speed up the train and it is probably partly due to that that the train is not arriving in time.

Sir F. E. James: Will my Honourable friend consider the advisability of paying a small bounty to passengers who travel on that train by necessity?

The Honourable Sir Andrew Clow: We pay a small bounty to the Members of the Assembly who do not travel by it.

Sir F. E. James: May I ask one other question? If the mail arrives in New Delhi from the south,—it covers an enormous area, Hyderabad, Madras, Travancore, Cochin . . . (An Honourable Member: "Ceylon"). If it arrives a minute after 9-15 A.M. it is not delivered in this town until—well, if it is sent out at 4 o'clock, it does not actually reach those to whom the mail is posted, until sometimes 5, 6, 7 or 8 o'clock in the evening, or next morning as the case may be. Will he really enquire into the possibility of having a special delivery in view of the transcendent importance of this train from the south?

The Honourable Sir Andrew Clow: I cannot accept the view that this train is of transcendent importance. There are three deliveries—one at 8 A.M. one at 10-30 A.M. and one at 4 o'clock in the evening. The time of 9-15 A.M. allows a considerable margin. The scheduled arrival time of the train is 7-45 A.M.

Sir F. E. James: I would point out to my Honourable friend that the mail, if it arrives at 9 o'clock in the morning—which is assuming a great improvement in its service—if it arrives at 9 o'clock in the morning, the mails from South India are not, in fact, delivered until the evening. There is no possibility of the mail then catching 10 o'clock delivery. May I suggest that there is a possibility of speeding up in the delivery of service of the post office in New Delhi in view of the fact that this is the capital city of this great Empire.

The Honourable Sir Andrew Clow: I will ask the Postmaster-General to examine the point, but I am not sure whether the extent of the mails is such as to render it reasonable.

Sir F. E. James: May I ask, before he lays down his office—and, I understand, he goes to Orissa as Governor—that he should earn for himself undying fame by making some change in the irregularity of the arrival of this train and in benefiting all of us by arranging for the earlier delivery of the mails, at any rate, during the season?

The Honourable Sir Andrew Clow: The Railway Board are examining the possibility of improvement with the Managers who are now in Delhi.

Sir Cowasji Jehangir: Although Madras people may be more leisurely than the Bombay people, will the Honourable Member explain why the Frontier comes late by one hour also? There were two occasions when I had been to Delhi. On the first occasion the train ran over an wild blue bull and was late by one hour, and on the second occasion there was no wild bull, and still the train came one hour late.

The Honourable Sir Andrew Clow: Punctuality cannot be guaranteed in the case of any train. The Honourable Member has himself given a very adequate explanation of why the train arrived late on one occasion.

SHORT NOTICE QUESTIONS AND ANSWERS.

SUPPLY OF ROPES AND *Newars* TO THE ARMY FOR TENTS.

***Mr. Govind V. Deshmukh:** Will the Honourable the Supply Member please state:

- (a) if ropes and *newars* are supplied to the Army for tents; if so, of what counts the cotton yarn used in them is; whether he is prepared to consider the modification of the specification, in consultation with the Defence Department, of these ropes and *newars* so as to consume short staple cotton; and
- (b) if ropes and *newar* of the value of Rs. 30,00,000 (thirty lakhs of rupees) are supplied to the Army every month?

The Honourable Sir H. P. Mody: (a) Ropes and *Newars* for tents are not directly purchased as such but are supplied by the tent makers with whom orders are placed for complete tents.

Yarn of 18s counts is usually used for ropes which may be reduced in some cases to an average of 14s in an emergency. *Newar* is woven of 2 fold 10s yarn.

The possibilities of extending the use of short staple cotton are already under examination by the Standing Committee on Specifications, Cotton Textiles Directorate.

(b) Considerable quantities of ropes and *newar* are supplied with tents but not to the extent of Rs. 30,00,000 per month. Half of this figure will be nearer the mark, since total purchases of tents during the last 18 months have averaged Rs. 60,00,000 per month.

Mr. Govind V. Deshmukh: Have you considered the possibility of reducing the 14s. counts to lesser counts, such as 8 or 10s?

The Honourable Sir H. P. Mody: I have already said that the matter is under consideration.

PROCEDURE FOLLOWED IN EXECUTING ARMY ORDERS FOR THE SUPPLY OF WOOLLEN BLANKETS.

***Mr. Govind V. Deshmukh:** Will the Honourable the Supply Member please state:

- (a) the procedure followed in executing army orders for the supply of woollen blankets; and
- (b) if the procedure followed in executing army orders for the supply of woollen blankets can be followed in executing orders for ropes and *newars* of short staple cotton; if not, why not?

The Honourable Sir H. P. Mody: (a) Orders for Army Blankets are placed partly with Mills and partly with the Handloom Industry through the Directors of Industries of Provinces and Indian States. Mill spun yarn is used in the former; the latter are handspun and hand woven.

(b) As I have explained in reply to the preceding question, ropes and *newars* are supplied by the tent makers. The question of placing orders for these materials in the same way as for blankets does not, therefore, arise under the existing arrangements. I may add that both these materials are mostly hand woven or hand made, to a large extent under the control of the tent makers themselves.

Mr. Govind V. Deshmukh: In view of the fact that the ropes and *newars* are supplied by persons who get these contracts in tents, is there any responsibility on them to provide ropes and *newars* of particular count or they can supply of lesser count?

The Honourable Sir H. P. Mody: They have to comply with the specifications.

DESIRABILITY OF USING SHORT STAPLE COTTON YARN OF A SMALL COUNT FOR ROPES AND *Newars* FOR TENTS FOR THE ARMY.

***Mr. Govind V. Deshmukh:** Will the Honourable the Supply Member please state:

- (a) if the price of the coarse cotton yarn will go down if short staple cotton yarn of a small count is used for ropes and *newars* for tents for the Army; if so, by how much;
- (b) if the mills spinning yarn for ropes and *newars* and weaving *newar* on the present specification for the same would be relieved of much of the pressure, if the same work is done by *charkhas* and handloom weavers?

The Honourable Sir H. P. Mody: (a) Short staple cotton is already used in 2/10s counts in *Newars* and to a small proportion in ropes. If its use is further extended by adoption of coarser counts (which matter as I have stated is under examination) the price of yarn may go down, but the net saving may not be appreciable as it may be necessary to use thicker rope to retain the strength required.

(b) If the *charkha* could economically and expeditiously deal with the volume of spinning required, spinning mills would be correspondingly relieved, but as it is they are employed on this work only to a very small extent. A large proportion of *newar* is already handwoven.

UNSTARRED QUESTIONS AND ANSWERS.

EXEMPTION FROM AGE RESTRICTION OF CERTAIN MARKERS FOR RECRUITMENT TO HIGHER GRADES IN THE SUBORDINATE SERVICE ON NORTH WESTERN RAILWAY.

61. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether the age restriction on educationally qualified Markers to compete for higher grade appointments on the North Western Railway, such as "Commercial Group students", "clerical jobs", etc., has been removed? If so, when, and will the Honourable Member please lay a copy of the orders on the table of the House?

(b) Is it a fact that recently certain Markers who were over the prescribed age for recruitment to various posts in the subordinate service on the North Western Railway, were exempted from the age restriction? If so, will the Honourable Member please lay on the table of the House a statement of such exempted persons from the 1st April, 1940, to this day?

(c) If the reply to the first portion of part (a) above be in the affirmative, why has the exemption been granted to some and not to others? Have not the provisions of rules or orders general application on the North Western Railway? If not, why not?

The Honourable Sir Andrew Clow: (a) Government understand that there have been no recent orders removing the restrictions in cases to which it is applicable.

(b) Inquiries have been made from the headquarters of the railway, who have no information of any such relaxation. The second part does not arise.

(c) Does not arise.

ABOLITIONS AND REDUCTIONS OF POSTS IN THE TRANSPORTATION SUBORDINATE AND INFERIOR SERVICES IN THE KARACHI DIVISION OF NORTH WESTERN RAILWAY.

62. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state the number or grades of various kinds of posts in the transportation subordinate and inferior services abolished or reduced in the Karachi Division of the North Western Railway from the 1st January, 1940 to the 30th September, 1941?

(b) What is the total amount of saving on this account?

(c) How do these abolitions of posts and grades compare with corresponding periods in 1938 and 1939?

(d) Is it a fact that the movements of traffic on the North Western Railway are more brisk since January 1940 than those in the years 1938 and 1939? If so, what is the reason for these abolitions and reductions?

(e) Is it a fact that on account of abolitions and reductions in grades, there has been an increase in accidents of all classes in Karachi Division?

(f) Will the Honourable Member please lay on the table of the House a statement showing all kinds of accidents in the Karachi Division of the North Western Railway during the last four years, separately for each year from the 1st January, 1938 to the 30th September, 1941?

(g) What steps do Government propose to take to ensure that there is no undue reduction in the numbers or grades of transportation staff in the Karachi Division of the North Western Railway system? If none, why not?

The Honourable Sir Andrew Clow: (a), (b), (c) and (f). The attached table gives the required information.

(d) The answer to the first part is in the affirmative as far as the North Western Railway as a whole is concerned; on the Karachi Division itself traffic has exhibited an upward trend only from the end of 1940. As regards the second part, posts are abolished when experience showed them to be redundant; where additional posts are found necessary to deal with the traffic they are created.

(e) There is no reason for believing that the abolitions or reductions have had any such effect.

(g) Government are satisfied that the matter receives the constant and careful attention of the Administration and do not consider any action necessary.

Statement of posts abolished or devalued and savings effected thereby in the Transportation branch of the Karachi Division on the North Western Railway.

Year.	No. of subordinates posts abolished or devalued.	Annual saving effected on account of (2).	No. of inferior posts abolished or devalued.	Annual saving effected on account of (4).
1	2	3	4	5
		Rs.		Rs.
1938	4	5,760	4	1,260
1939	41	40,078	257	36,300
1940	13	11,688	50	11,213
1941	1	630	29	6,636

Statement showing the number of accidents which occurred on Karachi Division during 1938, 1939, 1940 and 9 months of 1941 (upto 30th September).

Description of accident.	1938.	1939.	1940.	1941 (for 9 months upto 30-9-41).
1	2	3	4	5
Railway servants injured	440	565	667	653
Public passengers and trespassers injured.	147	114	95	94
Collisions	9	2	3	2
Side collisions	7	6	7	1
Trains parting between stations	18	30	37	41
Cattle run over	173	156	153	118
Derailments	325	291	316	293
Trains running without line clear.	1	1	3	3
Trains put on wrong line	2	1	2	2
Fires in trains or vehicles	13	1	1	5
Points burst	68	44	63	62
Miscellaneous	52	79	86	57
Fire in Railway premises	5	3	8	1
Averted collisions	2	3	2	1
Breaches	2	2	3	1
Total	1,263	1,298	1,445	1,333

MONTHLY ONE-DAY REST FOR THE INTERMITTENT WORKERS ON NORTH WESTERN RAILWAY.

63. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether intermittent workers on the North Western Railway are given a day's rest in a month? If so, which categories, and in which divisions of the North Western Railway?

(b) Is it proposed to introduce one day's rest for all intermittent workers on the North Western Railway? If not, what is the reason for this differentiation?

The Honourable Sir Andrew Clow: (a) The answer to the first part is in the negative; the second part does not arise.

(b) The answer to the first part is in the negative; as regards the second part, I am not clear what differentiation the Honourable Member has in mind.

DOUBLE DUTY IMPOSED ON WATERMEN AND SWEEPERS AT ROADSIDE STATIONS ON NORTH WESTERN RAILWAY.

64. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether watermen and sweepers at a large number of roadside stations on the North Western Railway are exempted from the operation of the Hours of Employment Regulations?

(b) Is it a fact that these employees are rostered on watch and station duty for 8 to 12 hours a day as "continuous" or "intermittent" workers, in addition to their legitimate duty of supplying water or doing the sweeper's job?

(c) Under what provision of the Hours of Employment Regulations are these men given double duties and for longer periods than that which they would be required to do, either as exempted workers or rostered as continuous or intermittent workers on watch and station duty?

(d) If there is no such provision, is the Honourable Member prepared to issue instructions that no infringement of the Hours of Employment Regulations be permitted by the administration in this manner? If not, why not?

The Honourable Sir Andrew Clow: (a) Yes.

(b) Government understand that the Watermen and Sweepers are required to keep a watch at the station for not more than four to six hours each in rotation. Such duties, however, do not alter the general character of their work which continues to be essentially intermittent and of a specially light character. They are not classified as "Continuous" or "Essentially intermittent" workers.

(c) The railway servants under consideration are excluded from the scope of the Hours of Employment Regulations as they fall under rule 3 (2) (b) of the Railway Servants Hours of Employment Rule, 1931, which is reproduced in Appendix XI to the State Railway General Code, a copy of which is in the Library of the House.

(d) Does not arise in view of the reply to part (c).

ISSUING OF INSTRUCTIONS TO THE NORTH WESTERN RAILWAY ADMINISTRATION FOR HOLDING ONLY ONE SELECTION IN THE DIVISIONS FOR RECRUITMENT TO POSTS CONTROLLED BY THE DIVISIONAL SUPERINTENDENTS.

65. Mr. Lalchand Navalrai: (a) With reference to the Honourable the Railway Member's reply to part (b) of my starred question No. 473, asked on the 24th March, 1941, regarding two selections for appointment to the lower grade subordinate service on the North Western Railway, will he be pleased to state whether, since there are no double Selection Boards on other State-managed Railways for lower grade subordinate posts, it is proposed to hold only one Selection Board on the various divisions of the North Western Railway for such posts? If not, why not?

(b) Is it a fact that the Note to Rule 74 in Appendix II of the State Railway Establishment Code, Volume I, to which the Honourable Member

referred to in his reply, allows double selections only in cases where recruitment is made for posts controlled by the Headquarters Office?

(c) Is it a fact that the posts of:

(i) Goods, Booking and Parcel Clerks,

(ii) Signallers,

(iii) Relief Train Clerks and Ticket Collectors, and

(iv) Guards, grade I and II,

are controlled throughout their service in that grade by the respective Divisional Superintendent? If so, how do the provisions of the State Railway Establishment Code referred to in part (b) above, apply in this case?

(d) Is it a fact that the Note to Rule 74 in Appendix II of the State Railway Establishment Code, Volume I, refers only to recruitment to such posts as Inspectors of Works or Permanent Way Inspectors which are controlled by the Headquarters Office of the North Western Railway for which a preliminary selection is also held in Divisions? If so, why is a second selection for posts controlled by Divisions referred to in part (c) above made in the North Western Railway Headquarters Office?

(e) With reference to the Honourable Member's reply to the supplementary question on this point, will he please now definitely state whether Commercial Group employees recruited by the North Western Railway Headquarters Office can be discharged or dismissed by the Divisional Officers? If so, how does he reconcile his reply with provisions of Rule 1705 (c) of the State Railway Establishment Code, Volume I, to the effect that no railway servant shall be removed or dismissed by an authority lower than that by which he was appointed to the post held by him substantively?

(f) Does the Honourable Member, in view of these definite provisions of rules, propose to issue instructions to the North Western Railway administration to hold only one selection in the Divisions for recruitment to posts, incumbents of which are in that grade controlled by the Divisional Superintendents or his assistant officers? If not, why not?

The Honourable Sir Andrew Clow: (a) No, there is no reason to alter a system which has proved satisfactory in practice.

(b) The answer is in the negative.

(c) The answer to the first part is in the affirmative except as regards recruitment. The second part does not arise in view of the reply to part (b).

(d) The answer to the first part is in the negative, the second part does not arise.

(e) The Headquarters Office select only candidates for training, the actual appointment to working posts are, I understand, made by Divisional Superintendents or authorities subordinate to them.

(f) Government do not propose to take the action suggested for the reason given in the reply to part (a).

MANUAL AND NON-MANUAL WORKERS IN THE DEPARTMENTS OF THE RAILWAYS.

66. Mr. N. M. Joshi: Will the Honourable Member for Communications be pleased to place on the table of the House a statement in the following tabular form, or in a form as similar to it as possible?

Railway servants in various Departments.

Name of the Department.	Number of Manual Workers.		Number of non-manual Workers.	
	Employed Directly.	Employed through Contractors.	Employed Directly.	Employed through Contractors.
(1) Workshops				
(2) Locomotive Sheds				
(3) Maintenance of the Permanent way				
(4) Stations				
(5) Collieries and Mines etc. etc.				

The Honourable Sir Andrew Clow: I regret that as the statistical returns made in respect of employees is not compiled on the basis suggested in the Honourable Member's table it is not possible to furnish these particulars without elaborate statistical enquiries which we cannot undertake. The latest statistics compiled are reproduced in sections V and VI of Appendix CIII to Volume II of the Railway Board's report for 1939-40. These relate only to railway employees and do not include persons finding employment under contractors. The number of men employed in State-owned railway workshops is over 83,000 and the number of railway servants employed in the Coal Department is over 6,000.

WAGE-GROUPS ON THE RAILWAYS.

67. Mr. N. M. Joshi: Will the Honourable Member for Communications be pleased to place on the table of the House a statement in the following tabular form, or in a form as similar to it as possible?

*Different Wage-groups on the Railways.**

Name of the Railway.	Total number of Railway workers earning on an average per month.						
	Not more than Rs. 10.	Between Rs. 10 and Rs. 15.	Between Rs. 15 and Rs. 25.	Between Rs. 25 and Rs. 40.	Between Rs. 40 and Rs. 100.	Between Rs. 100 and Rs. 250.	More than Rs. 250.

*War allowance is excluded from these figures.

The Honourable Sir Andrew Clow: The latest information available with Government is contained in Appendix CIII in Vol. II of the Report by the Railway Board on Indian Railways for the year 1939-40, a copy of which is in the Library of the House. As statistics are not maintained in the form desired by the Honourable Member their collection will involve a great deal of labour which I regret I cannot authorise under present conditions.

PROVISION OF HOUSING ACCOMMODATION TO RAILWAY SERVANTS.

68. Mr. N. M. Joshi: Will the Honourable Member for Communications be pleased to place on the table of the House a statement in the following tabular form, or in a form as similar to it as possible?

Provision of Housing accommodation to Railway Servants.

Name of the Railway.	Total number of employees.	Number of non-manual workers provided with quarters.	Number of manual workers provided with quarters.

The Honourable Sir Andrew Clow: The numbers of persons employed on the different railways are given in Appendix C-III of Volume II of the Annual Report on Indian Railways. I regret that I am unable to undertake the investigations which would be necessary to secure the statistics relating to the occupancy of quarters desired by the Honourable Member. I understand that the headquarters of Railway Administrations maintain no lists of occupants of quarters and even the lists maintained locally do not classify the occupants under the manual and non-manual categories.

MOTION FOR ADJOURNMENT.

CONDITION OF ALLAMAH MASHRIQUI, KHAKSAR LEADER, AT THE VELLORE JAIL.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjourning the business of the House from Mr. Kazmi. He wants to discuss a definite matter of urgent public importance, namely, the condition of Allamah Mashriqui, Khaksar leader who is imprisoned in Vellore Jail by the Government of India and who is reported to be fasting since 16th October and losing weight and whose condition is reported to be critical as reported in the *Hindustan Times*, dated the 13th November, page 6.

Is it a religious fast?

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): No, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Why did he fast?

Qazi Muhammad Ahmad Kazmi: As a protest against the treatment that is being meted out to him.

Mr. President (The Honourable Sir Abdur Rahim): He is fasting, even though he suffers in health. What is the sort of treatment meted out to him?

Qazi Muhammad Ahmad Kazmi: That is exactly for the Government of India to tell us, whether it is a fact or not that on account of the treatment meted out to him he is fasting.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought to tell the House what is the nature of the treatment.

Qazi Muhammad Ahmad Kazmi: There were certain demands put forward by Allamah Mashriqui and the Government of India has not conceded those demands. That is what is appearing in the Press.

Mr. President (The Honourable Sir Abdur Rahim): What are the demands?

Qazi Muhammad Ahmad Kazmi: It is for the Government of India to show to the House that the demands were unreasonable. They are within the knowledge of the Government of India. I have heard that the demands are contained in a letter to the Government of India covering 19 pages.

Mr. President (The Honourable Sir Abdur Rahim): I am not surprised that he is fasting. The Honourable Member has failed to make out any case for adjourning the business of the House. The motion is disallowed.

THE EXCESS PROFITS TAX (SECOND AMENDMENT) BILL.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the motion:

"That the Bill further to amend the Excess Profits Tax Act, 1940 (*Second Amendment*), as reported by the Select Committee, be taken into consideration."

Clause 6 has been adopted by the House.

Clause 7 was added to the Bill.

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

"That clause 8 stand part of the Bill."

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Mr. President, I move:

"That part (b) of clause 8 of the Bill be omitted."

This part of clause 8 seeks to insert a new rule in Schedule I after Rule 11. We contend that the rule is not necessary and it will be my business to prove to the House what we have asserted in our minute of dissent. If the House will carefully examine this rule, they will find that it gives authority to the Income-tax Officers in three directions. Firstly, it provides that no deduction shall be allowed in respect of expenses, in excess of the amount which the Excess Profits Tax Officer considers reasonable and necessary, having regard to the requirements of the business. That is the first provision of this rule. The second is with regard to Directors' fees, and the third provision is with regard to services rendered by the officers of a company or of a person or firm. These are the three parts into which this rule is divided and I propose to deal with them separately.

Now, I will take the first provision. It is extraordinarily wide. Any expense incurred by the assessee can be ruled out by the income-tax authorities as an expenditure which should not have been incurred, as it was not necessary and not within the requirements of the assessee. I claim that, to a great extent, the income-tax authorities have already got that power. I claim that section 10 (2) (xii) of the Income-tax Act which applies to the Excess Profits Tax Act gives sufficient power to the authorities to deal with such cases. I am not relying on my own judgment. I am going to place before this House the opinion of Government themselves. On the 27th November, 1940, Dr. Sir Ziauddin Ahmad moved an amendment to this very Act which reads as follows. He wanted the following to be inserted in the Act in part (a) of clause 9 of the Bill:

"Provided further that any expenditure of extravagant nature intended to reduce the profit shall not be excluded in the calculation of Excess Profits Tax."

This, in fact, is very much the same as the first part of Rule 12. If any Honourable Members would like to compare the two, they can by all means do so just now. I contend that this amendment sought to be moved by Dr. Ziauddin Ahmad and the first part of the proposed Rule 12 are very much the same. Now, with what fate did that amendment meet in this House? Government opposed it and I am going to place before the House the reasons given by them for rejecting it. I am going to quote from the speech of Mr. C. W. Ayers. Now, Sir, I have great confidence in Mr. Ayer's judgment and opinion, and I say so conscientiously. I believe that he is an officer of Government who will not interpret a rule deliberately against the assessee. I believe it conscientiously. At least today I believe it, and I trust I shall continue to believe that for all time. Now, I am going to quote to the House his opinion which he expressed on behalf of the Government in opposing the amendment of Dr. Ziauddin Ahmad. He started his speech by saying this:

"It might be of use to the House if I were to explain what the position is at the present time without the acceptance of this amendment."

Then he went on to explain section 10 (2) (xii) and I will now read to the House his final words:

"I will suggest to the House that in so far as it is humanly possible to tackle that sort of a case, we can tackle it in two ways. In the first place, we have to find out whether it is incurred for the purpose of business. If the answer is 'Yes', then you fall back on Rule 11 which has just been added to the Bill and in the second place, we have to find out whether it is appropriate to that particular period. Are you

[Sir Cowasji Jehangir.]

going to put the assessee at the mercy of the Excess Profits Tax Officer to say that it is extravagant, and that he will not allow it? But if you establish as a fact that it is extravagant and not necessary for the business, then I do suggest to the House that the existing provisions, properly carried out, should give all that the Mover of this amendment desires."

I could not have put it more clearly to the House than Mr. Ayers has done, that the amendment moved by Dr. Ziauddin Ahmad is not necessary to the Department and that it is more or less the same as the first part of Rule 12. I, therefore, in conclusion about this portion of the Rule strongly contend that by Rule 11 and by section 10 (2) (xiii) of the Income-tax Act the authorities have got ample power already with regard to the first part of Rule 12.

Now, Sir, I come to the question of services and bonuses. Here I would refer to another section of the Income-tax Act which is section 10(2) (x). This section deals with the services of employees and their bonuses. In short, it provides that no salary or bonus should be given to an employee of an assessee in excess of what is, in the opinion of the authorities, adequate remuneration and it gives power to the authorities to disregard anything in excess of what they consider reasonable and equitable. The language of the section is perfectly clear. It says:

"Provided that the amount of the bonus or commission is of a reasonable amount with reference to:

- (a) the pay of the employee and the conditions of his service;
- (b) the profits of the business, profession or vocation for the year in question; and
- (c) the general practice in similar businesses, professions or vocations;"

I claim that this section of the Income-tax Act, which applies to the Excess Profits Tax Act, gives wider powers to the Government than are provided in the proposed Rule 12. And that is not my opinion alone. I find that it is also the opinion of Government which they expressed in no uncertain terms. The Federation of the Indian Chambers of Commerce and Industry heard that Government proposed to make some amendment in the Act or wanted to pass some executive orders with regard to bonuses and salaries, and they wrote to Government inquiring whether they had any such intention; and, if they had, they desired to approach Government on this important point. I will now read to the House the reply which the Government sent. It is dated the 8th of May and we are now in November. Government said:

"With reference to your letter No. F-974-461, dated the 19th of April, 1941, I am directed to inform you that no proposal of the nature referred to therein is under consideration. The law on the subject [section 10 (2) (xii) of the Indian Income-tax Act] sufficiently safeguards the revenue against attempts to avoid taxation by the payment of excesses in salaries and bonuses."

Can there be anything more clear? This statement of the Government was made only a few months ago that they were not going to bring in legislation, as they thought they had sufficient powers, and I have quoted to you the powers they have got. Surely, Government cannot suggest now a rule for this purpose having regard to the contents of their own letter. Now, I have dealt with the second point in this rule and I hope I have shown conclusively to this House that the Government have got powers in both directions.

The third is with regard to Directors' fees. Now, Sir, in a public company as everybody knows in this House the shareholders are fairly wide awake to see that the Directors do not get fees more than they deserve and, in the majority of cases in India, the Directors' fees even in very big companies—companies which are concerned with crores of money—are ridiculously low and, on more than one occasion, the shareholders have refused to increase the Directors' fees. But with regard to private companies where the shares are held by the management, they can naturally put up their own fees without any opposition. But the Excess Profits Tax Act of 1940 provides for this. In Schedule I, Rule 7 provides as follows: that no deduction shall be made in respect of Directors' remuneration in excess of the amount paid for Directors' remuneration in respect of the standard period. Therefore, for the purpose of the Excess Profits Tax Act the Directors' fees in private companies, that is to say, companies where the Directors have a controlling interest, cannot be put up more than it was before the war in the standard period, and still my Honourable friend is seeking powers with regard to the Directors. I cannot for one minute understand, Mr. President, how this rule came to be inserted. I can make a guess. This Rule appears in the British Statute. I have got it here, word for word. It is Rule 32. It is word for word in the British Statute. It is possible that, when going through the British Statute, they found that a similar Rule did not exist in the Indian Act and they promptly put it in. But they seem to have lost sight of the fact that they had ample powers already with regard to all the provisions made in this Rule. But there is a reason why the British Statute should have such a provision, because the British Income-tax Statute does not contain any such rule or section such as section 10(2) (x) of the Indian Income-tax Act. There is some sort of reason for inserting it in the British Statute, there cannot be any reason for inserting it in the Indian Statute. I strongly object on behalf of the assessee and, I make bold to say, on behalf of this House, at this sort of blind legislation. Mr. President, I trust I have conclusively proved that with regard to all the three provisions contained in this Rule, the Government have ample powers. I trust I shall be able to convince the House, but I have no hope of convincing the Government; and if they refuse to accept this amendment, I can only say that it is obstinacy which does not add to their prestige.

The Honourable Sir Jeremy Raisman (Finance Member): Would you like the Bill to be withdrawn in that case?

Sir Cowasji Jehangir: All right, withdraw the Bill. What is the use of always threatening the House that you will withdraw the Bill? You bring in a Bill with a certain number of concessions, you stick into the Bill the most objectionable provisions, and you call it a Bill giving concessions. If it was a Bill merely to give concessions, why do you put in Rule 12? Why do you put in section 10-A? You wanted to make a clean sweep and you thought that with the concessions these other provisions might go through. No, Sir; where there are provisions which are objectionable, it is our duty to point them out. It is our duty to draw the attention of the House to these objectionable provisions. The Government have ample powers. I have pointed them out in the words of the Government themselves in the authoritative letter which I just read out. It is signed by Mr. K. K. Chettur, M.A., First Secretary to the

[Sir Cowasji Jehangir]

Central Board of Revenue. I have not had the pleasure of meeting this gentleman. I have quoted portions from a speech of an Honourable Member who sits in this House. I trust, Sir, that this provision will be omitted, for one reason, particularly, that the insertion of it makes the assesses and those who have to deal with Income-tax and Excess Profits Tax Acts most suspicious. They cannot make out, they cannot understand the insertion of this Rule at such a time as this. I trust that I have made out a case and I hope I will have the full support of this Honourable House for the deletion of this part (b) of clause 8. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved.

"That part (b) of clause 8 of the Bill be omitted."

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I rise to support the amendment which has been moved by my Honourable friend, Sir Cowasji Jehangir. I must say, Sir, that the way in which my Honourable friend, Sir Cowasji Jehangir, has placed this amendment and explained the reasons thereof are so very clear and lucid and so very logical and fair that very few more words are required to convince anybody who is prepared to be convinced. He has placed it in such a way that I do not think the Honourable the Finance Member can say that what he has said is anything but the truth and the fact, unless, Sir, as the proverb goes:

"Jae koi jagtoe sootae hoae tenai jagadvoon mushkel che."

that is to say, "one who pretends to sleep while he is awake, you cannot wake him up". My Honourable friend, Sir Cowasji Jehangir, has made it quite clear that this was not the intention of the Government when Dr. Sir Ziauddin Ahmad asked the Government to go into this matter and it was so stated very clearly by the Government spokesman, a very responsible gentleman and certainly with the consent of the Honourable the Finance Member, that the existing provisions were enough and that there was no necessity for an amendment of the kind by Dr. Sir Ziauddin Ahmad. Then, again, Sir, so late as May last, the Government had no intention whatsoever to bring this in. The only reason that appears as to why the Finance Member has put this in is that because he has to bring forward the amending Bill which gives justice and fairness and which he believes and rightly too, meets the demand of the people and he must have some more checks. If he had confined himself only to the necessary things, I would have certainly congratulated him and told him that that is the spirit in which all concerns which have to deal with Government expect of Government Members. If Government do want more revenue it is open to them to frankly come forward and say so. But to try to make up a little more by indirect methods is, with all deference to the Finance Member, very much like the game played by those income-tax dodgers who try to dodge the authorities. Do Government desire to place themselves in that category?

The Honourable Sir Jeremy Raisman: They desire to place themselves in a position to catch those dodgers. That is the point.

Mr. Husenbhai Abdullabhai Laljee: Then you should lay your cards on the table. You are a Government and not an individual and, therefore, it is only fair that you should honestly and sincerely say what is wanted.

The Honourable Sir Jeremy Raisman: That is what is wanted.

Mr. Husenbhai Abdullabhai Laljee: You have got certain powers and now you want more powers which are not necessary but merely with the intention of giving some loophole to your officers. They will say, "Here are the provisions of section 10(2), but something more is required to be looked into",—although that is redundant. It creates suspicion not in the minds of the assesses only but even in the minds of your officers who will feel that because further sections are added they are required to go deeper into it and something more.

Sir, I do not know how an Income-tax Officer would expect an assessee to show what is "reasonable and necessary". I remember very well that many a time eminent lawyers have said that if you really want some trouble to be created with regard to any clauses or any facts in a contract, put in the word "reasonable", and that word will leave sufficient room for not only going up to the High Court but even to the Privy Council. I hope the Honourable the Finance Member was not advised to put in this word at the instance of some very acute and clever lawyer, to help his officers to go into matters as they like. Then, who is to judge about the various industries? Your officers may be very clever and most of them have got large experience; but surely they have not so much experience of every industry as to be experts in every one of them.

Then, you have to consider that expenses in excess of the usual amount in most of the limited concerns will not be tolerated by a large number of shareholders. Only when we may put in expenses into the capital account, that may benefit the general shareholder, and for that there is sufficient safeguard. But certainly the public at large, who comprise a large number of shareholders, cannot allow the other excess expenses to go into their accounts. The next thing, Sir, is the Directors' fee. My friend, Sir Cowasji Jehangir, has explained this point very lucidly, but let me tell the Honourable the Finance Member that the fees paid in India for services in public companies are very negligible compared to what is paid in England and elsewhere. I do not make a grievance of that for the simple reason that very little work is done in this country by many of the Directors. On many boards it has been a complaint of the shareholders, and rightly too, that in most companies a coterie of gentlemen are always found to be Directors, and sometimes they are Directors of 30 or 40 concerns; and that is why the fee is less. But never have I found an instance where the shareholders have come forward and said that the Directors' fee should be increased. They will never do it and on principle they will not do it, because once they do it they cannot bring it down. This is a care of the shareholders and a care which in principle they cannot divest themselves of. This is a matter which will continue throughout and not only during the war and therefore also the fees are so negligible and there will be no question of thousands but on the whole year it may be a few hundreds; and it will not materially affect the excess profits tax at all. But after all if the fees and bonuses are given then you do collect at least income-tax out of them, and then

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you have got good reasons to believe that those who once got these bonuses and high fees must keep on a higher standard and they will always demand better pay and bonuses and incidentally go on paying income-tax. It is not a question of a year or two and it will not satisfy the people to set up a principle for a year or two. I do not think any one believes that the war can go on for more than three or four years now. Then why do you do all this?

Then, Sir, with regard to the provision that no disallowance under this rule shall be made by the Excess Profits Tax Officer unless he has obtained the prior authority of the Excess Profits Tax Commissioner, is it intended that every company to be on the safe side should have to make representations to the Commissioner if they have got to make a little increase? Is the Finance Member going to provide a big court or a big staff?

The Honourable Sir Jeremy Raisman: The meaning of the rule is that the Excess Profits Tax Officer if he wishes to take the initiative and apply this section, must first go to the Commissioner of Excess Profits Tax. There is no need for the assessee to do it.

Mr. Husenbhai Abdullabhai Laljee: But to be on the safe side I have to take sanction, and how can I take sanction?

The Honourable Sir Jeremy Raisman: The Excess Profits Tax Officer cannot exercise the powers which this would give him unless he has obtained the prior authority of the Commissioner of Excess Profits Tax. That means that he has to go to the Commissioner and explain the case to him and get his prior sanction before he can disallow under this section.

Mr. Husenbhai Abdullabhai Laljee: I stand corrected. But I say with all the emphasis at my command that this is absolutely redundant, that in fact it will not only create suspicion in the minds of the assessee but will force your own officers to look into matters more than they rightly ought to. It will not only take more of their time but it will also create bitterness between the parties and give cause to go to the appellate court, and what not. When you have got, as Sir Cowasji Jehangir said, all the authority to cover these things, when you yourselves say and admit that there is no need for it, why bring it up at all? Why in this thin House do you put in something which is not necessary? Even if there was a little need for it, why bring it up now? Bring it when the House is full and give us time to consider it. Why do you want to make this radical change within a couple of months? In the circumstances in which we are placed, the House being very thin, I appeal to the Finance Member to give us a fair deal. Say frankly what you want and we will give you, or you can take it because you have got the power. But do not try to create difficulties in our way; do not try to catch people in some insidious ways which are not clear to you or to me. Do not take more powers only on account of some suspicion which you may have, which you may not want but which will only provide safety for yourselves. If all these things are going to be provided for in legislation, I do not see where we can end. Sir, I want fairness and frankness.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce):

Sir, I rise to support this amendment so ably moved by my 12 Noon. Honourable friend, Sir Cowasji Jehangir. He has already explained his objections to this rule as it stands and I will say a few words in support of the deletion of this rule. This rule gives power to the Excess Profits Tax Officer 'not to deduct any sum in respect of expenses in excess of the amount which he considers is reasonable and necessary having regard to the requirements of the business'. Sir, I would like to know from the Honourable the Finance Member whether he thinks that the Excess Profits Tax Officer will be such a superhuman person as to know the requirements of expenses in every kind of business or industry. As a matter of fact, I think, Sir, his brain is already too full with the Excess Profits Tax book itself. As I have explained previously, he has not been able to digest this small book so far. He makes mistakes every now and then. He himself does not know what is to be allowed and what is not to be allowed, how it is to be assessed and so on. He runs with his file every now and then for inspiration to the Assistant Commissioner of Excess Profits Tax. If he would first and foremost apply his brain and understand this Act then he may apply his brain to something else. In my opinion, Sir, he cannot have any knowledge, whatsoever, of the requirements of expenses in a business. After all, so far as expenses are concerned, it is those who have to run businesses who know exactly what expenses have to be incurred. You say that if the expenses are unduly heavy then he must have the right to deduct. I repeat the words the Honourable the Finance Member used yesterday that "nobody wants that the money should go down the drain". What probably is in the Honourable the Finance Member's mind is that it is only a got-up expense; the expense has not been actually incurred but it has only been shown in the books of accounts. Is that the idea for having this rule, Sir? I do not think that is a very fair proposition. Well, you must give latitude to the managements of industry and business to run the business in the best way they like. Just as my Honourable friend, Mr. Jamnadas Mehta, criticised the Honourable the Finance Member for the cost of repatriation after that had taken place long ago and he said "why did you not buy the bonds when they were at £82? Why did you allow them to go up to £99?". Similarly, the Excess Profits Tax Officer may say when the accounts books go into his hands after twelve months or eighteen months "why did you incur so much expenditure? This was not worth your while".

Mr. Husenbhai Abdullabhai Laljee: That is exactly what happens.

Babu Baijnath Bajoria: In my opinion this is a power which is wanted for a person who does not deserve it at all. In this war time expenses have all gone up, dearness allowances have already been given by the Government, workers and the staff may have to work very long hours. As a matter of fact, the Honourable the Finance Member said these will be taken into account and there will be no trouble on this score, but if on each and every point you have so much power then you can use it in any way you like. You say of course "let us have this power and this will be very judiciously and very generously used and administered", but we have got some knowledge now of how the Income-tax Act and the Excess Profits Tax Act are being administered at the present moment. If

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it had been administered properly, there would not have been so much resentment both in Calcutta and in Bombay, of which I think, the sounds must have reached the ears of the Finance Member and his two stalwarts sitting behind him. Then there is another point which will create difficulty about this matter. First of all, an assessee is assessed tax on his income by a separate Income-tax Officer, then the same case goes to the Excess Profits Tax Officer

The Honourable Sir Jeremy Raisman: I am told that it would be the same officer.

Babu Baijnath Bajoria: Not the same officer. Do you mean to say that the Income-tax Officer and the Excess Profits Tax Officer are the same in all cases?

The Honourable Sir Jeremy Raisman: Yes, generally speaking the Excess Profits Tax Officer is also the Income-tax Officer for that assessment.

Babu Baijnath Bajoria: This is a news to me. As a matter of fact, the Excess Profits Tax Officers are much less in number than the Income-tax Officers.

The Honourable Sir Jeremy Raisman: Yes, because the number of cases in which there is Excess Profits Tax to be assessed as well as Income-tax is so few compared with the total number of Income-tax cases.

Babu Baijnath Bajoria: Then I will not go further into this question when I am assured that when excess profits tax is assessed the Income-tax Officer and the Excess Profits Tax Officer will be the same person in most cases. My Honourable friend, Sir Cowasji Jehangir, has explained that Government have already got the powers which they want to seek in this rule in other sections of the Excess Profits Tax Act and Income-tax Act. Well, when we wanted day before yesterday to add an Explanation of what was meant by the main purpose of a transaction, the Honourable the Finance Member said "Well, the main purpose of the transaction is very clear. No explanation is necessary. It is redundant in an Act to put anything that is not necessary". Well, if the same principle is applied here, I will say that this section is either absolutely redundant or it is mischievous. It is either of the two. If it is the former, then we do not want it. If it is the latter then we certainly do not want it. Sir, for all these reasons I would request the Honourable the Finance Member to give a second thought to this amendment and to change his views—hopeless though I am in this respect, but still I must appeal again to him to see if he can accept this amendment. Sir, I support this amendment.

Mr. C. W. Ayers (Government of India: Nominated Official): Sir, it has been said on a previous occasion, I believe, that the existing powers in the Income-tax Act and the Excess Profits Tax Act taken together are sufficient to meet all possibilities. I have, however, had some

months' experience since then. I have examined a number of cases and I must confess that my education is still going on

Sir Cowasji Jehangir: If your education is going on still, how many more are you going to propose?

Mr. C. W. Ayers: I must freely confess that I see circumstances and cases which I had never thought of. I believe the same position prevails in the United Kingdom where they came forward with this belated amendment.

I would like to say here, before I go further, with reference to what fell from Mr. Husenbhai Laljee, that there was no question of trying to make up deficiencies in the tax—improperly, I suppose, is the implication—by getting from some assessee's tax that we fail to get from others. Nor is there any intention of giving drastic powers to the Excess Profits Tax Officer which he can exercise as he likes and which will not be challenged as long as he gets in more revenue. It was promised some time ago by the Honourable the Finance Member that the administration of this Act, in which administration I am taking part myself, would be equitable and reasonable and sympathetic. I believe I am right in saying that in the course of this Session it has been stated that the administration, as far as it has gone, of this Act, has been sympathetic and reasonable. But now we are invited to believe that we are no longer going to be sympathetic, that we are not going any longer to be reasonable but that we are going to be harsh, autocratic and everything that we should not be. That just is not so and the proof of our desire that it shall not be so is that in the Act is put a provision that no Excess Profits Tax Officer shall seek to disallow any expense, under this proposed new rule, unless he has obtained the prior authority of the highest officer whom he can approach, that is, the Commissioner of Excess Profits Tax of the Province in which he works. It is moreover intended, although there is no need to put it in the Act, that where the Commissioner is of opinion that this rule shall be put into operation, he shall inform the Central Board of Revenue of the facts and of his intended action, the whole idea of that being that the rule shall not be misused and shall not be used in the class of cases to which it is not intended to apply, and also that we shall be getting consistent treatment throughout India

Sir F. E. James (Madras: European): May I ask my Honourable friend one question? Would the Commissioner of the Excess Profits Tax normally be the Commissioner of Income-tax in every case?

Mr. C. W. Ayers: Yes, the same person. I think that some of the statements that have been made on this proposed rule rather tend to cancel out. In one case we are told that the Rule is entirely redundant and that it is entirely covered by existing provisions—section 10 or section 12, of the Income-tax Act, rule 7 and the first schedule of the Excess Profits Tax Act and so on, and, therefore, this is entirely unnecessary. On the other hand, we are told: "You are giving drastic new powers to the Excess Profits Tax Officer and life will not be worth living." The two things cannot subsist together. But the fact is that when Sir Cowasji Jehangir shows, as he does show, that a very large number of

[Mr. C. W. Ayers.]

cases indeed, which at first sight you may think this rule is intended to meet and deal with, are already covered by existing provisions, and that is often true, it shows what is the claim made for this rule, that it is intended to meet the exceptional, the quite exceptional case, of extravagant and exceptional expenditure. Now, I would like to say this: it is exceptional and one does not expect to have to apply the rule very often. I should be very surprised if it is applied in more than a very few cases; but I must say this; that the result of my further education—which has already been going on for some 14 or 15 months—is that I do realise that there are and there can be a certain number of cases which are not covered by any of the existing provisions. They are few, but they are cases which ought to be met. If you have 99 per cent. of the excess profit tax assesses fully covered by existing provisions and the odd one, the other one is some one with a very acute range of vision, and one with very good advice behind him, and he finds that in the circumstances of his business he can do what the other 99 cannot, I think in justice, not to the Government only but to the other 99 per cent. of taxpayers, we should have powers to see that such an avoidance, which is just possible, does not succeed.

Now, Sir Cowasji Jehangir went into some further details. He spoke about companies and he spoke too as though the contrast was between a public company which wears the emblem of purity and good intention all the time because the shareholders will not allow anything else, and the private company. The contrast is not that. There is the contrast between the director-controlled companies and the company which is not director-controlled; and you may have a company—and I must say that I have seen a case of this type and I know the intention—the intention is to avoid practically all the excess profits tax that can be calculated as payable. The shareholders are all relations but the directors do not hold the majority of the shares. These directors do not hold 50 per cent. of the shares and so it is not director-controlled and rule 7 does not apply to that company

Sir Cowasji Jehangir: When were the transfers made in the particular case you are quoting?

Mr. C. W. Ayers: No transfers were made. This is a case that is existing. These were the circumstances of a particular case where the directors have not and did not control.

Mr. Husenbhai Abdullabhai Laljee: Have you had such a case as that?

Mr. C. W. Ayers: Yes. You can very readily see—I need not labour the point—that if rule 7 does not apply, the directors who may have been drawing quite moderate sums, intending to take the rest in dividends in the family group, now say “My service is not the same as when it was a mere paltry few hundred rupees a year. If you are going to apply the ordinary rule, I intend adding a few 0’s to my previous salary,” and I do not think that the Excess Profits Tax Officer can challenge that claim as not being reasonable, and he can get away with it

Sir Cowasji Jehangir: You forget that there is new Section 10A.

Mr. C. W. Ayers: I am speaking of rule 12.

Sir Cowasji Jehangir: When you argue that he can put on so many more 0’s to his director’s fees, you forget 10A—the new section.

Mr. C. W. Ayers: No; this is not a transaction or operation. It is payment of a remuneration. My suggestion is this; that remembering that the excess profits tax is essentially a matter of comparisons and that if remuneration in the standard period was 500 rupees and it is 5,000 for the chargeable accounting period we should either have the tax upon the difference of 4,500 or we should not. If it is a family concern we say we should; and if it is a director-controlled company, in fact we do. But this is not a director-controlled company. Without this rule we do not get anything, unless we say that this man is not worth 5,000 rupees a year—he may have been worth it all the time, but the point is that he did not get it in the early years and we should act on the basis of comparison.

Now, that is the sort of exceptional, very exceptional case—although I expect my education still to go on and I expect still to be surprised at some of the astute sets of circumstances that will be presented to me with the implication that we cannot do anything in those circumstances. Now, I do suggest that these powers are not a matter of just following the United Kingdom hoping that they will be of some use, but the matter has been very carefully considered. There are a few cases, to deal with which, the House itself will agree, this rule is necessary, and if you pass this rule, the Excess Profits Tax Officers under proper control will be empowered to meet such cases.

Sir Cowasji Jehangir: What about the first part of Rule 12? What about bonuses? The Honourable Member has only dealt with Directors. May I point out that the Honourable Member who just spoke only dealt with Directors. I dealt with three points, and I quoted actually the words of the Government Members themselves.

The Honourable Sir Jeremy Raisman: Sir, I had not intended to speak on this amendment. I was going to reserve my remarks for the stage of the Third Reading, but my friend, Sir Cowasji Jehangir, does not consider that he has had a complete answer. It is not for me to go over the technical ground which Mr. Ayers, who is a great expert not only according to Indian standards, but even according to the standards in the United Kingdom, has covered. But I will take up the point which my friend, Sir Cowasji Jehangir, thinks has not been dealt with. His argument is that the provisions of the rules in so far as they deal with the question of what is reasonable and necessary having regard to the requirements of the business are already covered by the existing provision in the Income-tax Act, 10 (2) (xii), under which the only expenditure which can be allowed is expenditure laid out or expended wholly and exclusively for the purpose of such business, profession or vocation. Well, there is a slight difference of criterion. For the purposes of the Income-tax Act, all that the assessee has to prove is that the expenditure, whatever the scale of it might be, was genuinely laid out wholly and exclusively for the purpose of the

[Sir Jeremy Raisman.]

business. Now, at the present moment, we the Treasury are in the position of having something like four-fifths interest in the profits of the business, so we are going a stage further. This is not a matter of tautology or redundancy. We go a stage further and we say—it is true the expenditure may be laid out wholly and exclusively for the purpose of the business. It may, however, also have the effect of entirely doing away with the excess profits tax liability, and what we want to be satisfied is that it was reasonable and necessary having regard to the requirements of the business. Now, that is a slight advance on the position. It is not a matter of redundancy, and we realise that to put such a power quite simply at the disposal of the Excess Profits Tax Officer for him to use every day in every assessment would be unjustifiable, would be dangerous, and that is why we have not only provided in the rule that he must first get the prior authority of the Commissioner of Excess Profits Tax, but as Mr. Ayers pointed out, we also intend that applications in respect of these cases shall come to headquarters,—in other words, we are asking for an entirely exceptional provision in order to meet entirely exceptional cases, and our justification is that our own experience has shown us that it is necessary to have this power. The proof of our *bona fide* attitude in this matter is that we ourselves resisted an amendment of this type only a few months ago

Sir Cowasji Jehangir: You do not take into consideration the reasons given at that time.

The Honourable Sir Jeremy Raisman: I am taking into consideration the reasons given. We genuinely believed that we were sufficiently provided to deal with the type of situation which Dr. Sir Ziauddin Ahmad wanted to arm us against, but since that time we have dealt with a number of cases; since that time we have had further practical experience of the working of this Act, and we now come to you,—we admit that we did not think it was necessary, but we have got more experience,—we ask you to assist us,—and I would again appeal to the House to assist us in dealing with the exceptional type, the very wealthy type of assessee who can pay, who has no difficulty in engaging the highest, the most expensive legal and accounting talent in order to dodge his liabilities. This is a Bill in which we are prepared to give a very valuable concession to 99 per cent. of assessee who are affected by it, but we do at the same time ask the House to give us a little more power to deal with the exceptional case of the man who is spending all his time and a good deal of his resources in thinking out methods of defeating our object. That is the reason for the new rule which we seek to introduce. There is nothing, I assure Mr. Husenbhai Laljee, there is no *arriere pense*, there is no subtle or hidden motive. The meaning of this section is quite clear. The words used are ordinary words, and the authority under whose sanction alone the initiative can be taken is clearly indicated here, and we have gone further and pointed out that cases of this type will come to headquarters

Mr. Husenbhai Abdullabhai Laljee: Is that the assurance which the Honourable Member gives us? May we take it as an assurance?

The Honourable Sir Jeremy Raisman: Yes, I am prepared to give that assurance. I gave an assurance in connection with the original Bill that

cases under section 126 (1) which come to headquarters or the Central Board of Revenue would be dealt with under my personal attention and supervision, and that, I may say, has been carried out, and cases of any importance have come to me, and I may say that I have myself interviewed assessee and allowed them to argue their case before me personally. And when I say that when cases come to headquarters, I mean they receive careful personal attention of the highest authorities in the Department, and even of myself. Therefore, there is no question here of handing a power lightly to every Income-tax Officer in the land to use as a weapon of harassment and oppression.

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

"That part (b) of clause 8 of the Bill be omitted."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): There is another amendment.

Sir Cowasji Jehangir: Sir, I have got another amendment. I beg to move:

"That in part (b) of clause 8 of the Bill, to sub-rule (2) of the proposed rule 12, the following be added at the end:

'and, if dissatisfied with the decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court'."

Sir, I think the best arguments for my amendment have been furnished by the Treasury Benches. They have shown the extent of the wide powers they are taking under this rule, they have shown the precautions they have already taken, and an assurance has been given that any cases under this rule will come up before the highest authorities. I desire that the matter should go up to the High Court. If a man feels that justice has not been done under these wide powers by all officers right up to the top, let him go the High Court. I do not see how, after the speeches made by Honourable Members on the Treasury Benches, they can resist this amendment. It may be that it is exceptional, but they have also proved that the new rule is exceptional. They have shown by their own words that they thought it necessary to take considerable precautions, they thought it necessary to take all the precautions that were in their power. Now, I ask that further precautions should be taken, that the assessee should be allowed to go to the High Court. If that is done, then the assessee will feel that he has some tribunal to go to, which at least in India today is considered the highest, the fairest and the most impartial in the land. We have heard a good deal about the power that is given to the higher authorities in the Income-tax Department to revise the decisions of officers below them. I must admit that I personally have no great experience of how those powers of supervision are exercised. But let me tell the Government Benches that I have heard a good deal—I am not in a position to prove it, but I do say this, that there are serious misgivings in the public mind, specially amongst those experts who have to advise the assessee that, more often than not, you find that the superior officers uphold the decisions of those below them. As I say, I have no personal experience, but I must echo this fear, this apprehension which is

[Sir Cowasji Jehangir.]

in the mind of the assessee. And there are many perhaps in this House who, if they desire to speak, will tell you that this apprehension does exist. It does exist, rightly or wrongly, specially about the Income-tax Department. We have more experience of the Income-tax Department than of the Excess Profits Tax Department. We have very little experience of the Excess Profits Tax Department because it is very new, but with regard to the Income-tax Department I say this apprehension does exist, and it is my duty to bring it to the attention of the House. The only way in which you can allay that apprehension is to allow an appeal to the High Court even on facts, because this clause will deal mostly with facts. If it is the opinion of Government that in one case out of 100 will come within the mischief of this new rule,—I state that case has a right to go to the highest authority in the land. If you are out to catch that one man, by all means catch him.

The Honourable Sir Jeremy Raisman: It will get to the High Court.

Sir Cowasji Jehangir: No. You will jolly well see that it does not. You will jolly well put up a fight in the High Court, because the High Court will not hear appeals where it is a question of fact and not of law. (Interruption.) You will fight in the High Court not on the merits of the case but on a technical point, that it is a question of fact and not of law. And I contend that even if it is a question of fact it must go to the High Court, and you on your own confession have shown how wide the powers are, what precautions you yourself have had to take, and will take further, over and above what is in the provision. Then, surely, there is a case made out that the assessee should be allowed to go to the High Court in the one case out of 100. If that one case out of 100 has within its power to take the best legal advice, the best technical advice, and still he contests it, then surely he has some reason for doing it; and if you contest it, you have every right to do so and we shall give you every help to contest it,—but you shall not be the final judges. The Department shall not be the final judges. The final judges shall be the High Court, and that is what I desire that the House should do, and I ask the House to consider the amendment favourably.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

“That in part (b) of clause 8 of the Bill, to sub-rule (2) of the proposed rule 12, the following be added at the end:

‘and, if dissatisfied with the decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court.’”

The Honourable Sir Jeremy Raisman: I oppose this amendment and the argument is almost exactly the same as the arguments which were adduced in the case of clause 6, of the new section 10A which is being inserted in the Act. What I would like to emphasise is that the assessee in this type of case will not be a poor or resourceless individual. The kind of assessee in whose case a disallowance will have been made will be well provided with the means and the advice to pursue his claim to the highest authority which is open to him, and I have very little doubt that, if it is at all possible, he will bring his case before the High Court. But the fact remains that in the scheme of income-tax the High Court's function as conceived by this Legislature hitherto has been to

deal with points of law and I can see no reason why we should depart from that in this case. I have very little doubt myself, contrary to my Honourable friend, Sir Cowasji Jehangir, that, somehow or other, the type of case which would arise under this section would find its way to the High Court.

Sir Cowasji Jehangir: Will it be heard on its merits?

The Honourable Sir Jeremy Raisman: I say in certain types of cases we ourselves shall endeavour to take our stand on the basis that these are questions of fact and not of law but we are by no means always successful in that contention. (Interruption.) When the assessee is in a position to brief eminent counsel they are usually able to find a point of law lurking about somewhere or other which brings the case within the purview of the High Court. Sir, I oppose the amendment.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): This is a law question, besides, it is a question of giving confidence to those who are going to be assessed, and to that extent it is necessary that the matter should be finally decided by the High Court. At present the High Courts do not interfere unless the question is purely one of law. The Honourable the Finance Member has been hinting, as he did last time, that the cases, though decided on facts, could in some manner be turned into a question of law. I may inform the House that there is only one kind of case where a question of fact may be construed into a question of law, and that is when a decision has been arrived at without any evidence at all. If there are no reasons given for deciding a question of fact and there are no materials on which the question of fact can stand, the High Court has decided that such cases will be considered to be cases in which there arises a law question. Besides that the High Courts are always jealous of seeing that no question of fact is taken to the High Court. Therefore, Sir, it is very necessary. This is a new kind of tax and the tax is of large amounts and, therefore, the final word should be with the High Court and thus this amendment has been put forward. Cogent reasons have already been shown why this amendment should be adopted.

We know how these questions under the Income-tax law are decided by the Income-tax Officers. We in practice know that many intricate and complicated questions arise and the Income-tax Officers who are not so very competent decide them as they like. Even before the tribunal, the questions of fact are so intricate that different interpretations are put on them. It is therefore very necessary that the final authority to decide those intricate cases even on facts, should be the High Court.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): I rise to support this amendment. The Government have agreed that they are taking these powers under Rule 12, which will be exercised only in very exceptional cases. When they take powers from this House, they always say that they will use it only very very rarely but, Sir, after they have got the powers, who is to check them if they use it whenever they like.

The Honourable Sir Jeremy Raisman: Does the Honourable Member think that the Commissioner of Income-tax can possibly review all the cases at the initial stage?

Babu Baijnath Bajoria: As I have already said before, the excess profits tax assessments are being made, not by the Excess Profits Tax Officers but by guidance and inspiration from the superior officers. I would like to know from the Honourable the Finance Member how many cases have been decided by the Income-tax officers without any reference to the Inspecting Assistant Commissioners. If these powers are to be used only in exceptional cases, then the chance of such cases going to the High Court are still more remote. Suppose only one case out of a thousand goes to the High Court. Then what objection have the Government got to face the High Court in that one case out of a thousand? People do not go to the High Court only for the sake of seeing those lofty buildings. They have to pay for every minute when they are there and they would not spend money, unless they were sure that every rupee they will spend will also bring another rupee back with it. Then and then only will they go to the High Court.

Sir Cowasji Jehangir: They will think a thousand times before they make lawyers partners in their business.

Babu Baijnath Bajoria: The Finance Member is taking all these powers to put them in the Reserve Bank. He is banking all his powers. Then, Sir, about this Appellate Tribunal. I do not mean to cast any reflection on the Honourable Members of that Tribunal. They are all very esteemable men but, after all, by whom are they appointed? As far as I know, they are appointed by the Central Board of Revenue and by the Finance Member himself.

The Honourable Sir Jeremy Raisman: The Finance Member is not the same thing as the Central Board of Revenue.

Babu Baijnath Bajoria: I think he is over the Central Board of Revenue.

The Honourable Sir Jeremy Raisman: The appointments are made either by the Governor General or by the Governor General in Council.

Mr. Husenbhai Abdullabhai Laljee: On whose advice may I ask?

The Honourable Sir Jeremy Raisman: In these cases, on the recommendation of the Public Services Commission.

Babu Baijnath Bajoria: I have not followed exactly

Mr. J. F. Sheehy (Government of India: Nominated Official): The Accountant Members were appointed on the recommendation of the Federal Public Service Commission and the Judicial Members were appointed on the recommendation of the High Courts.

Mr. Husenbhai Abdullabhai Laljee: Has the Finance Department or the Central Board of Revenue any voice in that?

The Honourable Sir Jeremy Raisman: The appointments are actually made by the Governor General in Council.

Mr. Husenbhai Abdullabhai Laljee: Have they any voice?

The Honourable Sir Jeremy Raisman: Well, of course. In reply to the insinuation of my friend's question, I can tell him that the recommendations as made by the Public Service Commission and by the High Courts were adopted.

Sir Cowasji Jehangir: What about the re-appointments when their term of office is over.

Babu Baijnath Bajoria: The procedure is more or less what we find in connection with adjournment motions. When you yourself are pleased to allow an adjournment motion

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better leave that alone.

Babu Baijnath Bajoria: I am mentioning it only by way of analogy

Mr. President (The Honourable Sir Abdur Rahim): No, no. We do not want any analogy. The Governor General ought not to be discussed here.

Babu Baijnath Bajoria: I bow to your ruling but still we have got this in our mind that these appointments by whomsoever made the Finance Department has still got a dominating voice over them. I mean in the appointment of the members of this Tribunal. In these circumstances it is just possible that we should go to the higher judicial authorities than the Appellate Tribunal in difficult cases involving large sums of money and Sir, the reason why the Honourable the Finance Member does not want to accept such amendments gives rise to an apprehension in our minds. Why are they so shy to face the High Court

The Honourable Sir Jeremy Raisman: Why not take them to the Privy Council? Why not put the Privy Council in the Act?

Sir Cowasji Jehangir: It is bound to go to the Privy Council, if it is a big case.

Babu Baijnath Bajoria: On these grounds I will support this amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That in part (b) of clause 8 of the Bill, to sub-rule (2) of the proposed rule 12, the following be added at the end:

"and, if dissatisfied with the decision of the Appellate Tribunal, may appeal in the prescribed time and manner to the High Court."

The Assembly divided:

AYES—20.

Abdur Rasheed Chaudhury, Maulvi.
Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Bhagchand Soni, Rai Bahadur Seth.
Chattopadhyaya, Mr. Amarendra Nath.
Dam, Mr. Ananga Mohan.
Datta, Mr. Akhil Chandra.
Deshmukh, Mr. Govind V.
Ghiasuddin, Mr. M.
Gidney, Lieut.-Colonel Sir Henry.

Jehangir, Sir Cowasji.
Kushalpal Singh, Raja Bahadur.
Lalchand Navalrai, Mr.
Laljee, Mr. Husenbhai Abdullabhai.
Maitra, Pandit Lakshmi Kanta.
Manavedan, Raja T.
Mehta, Mr. Jamnadas M.
Parma Nand, Bhai.
Sant Singh, Sardar.
Sivaraj, Rao Sahib N.

NOES—36.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Aiyar, Mr. T. S. Sankara.
Aney, The Honourable Mr. M. S.
Ayers, Mr. C. W.
Bewoor, Sir Gurunath.
Boyle, Mr. J. D.
Buss, Mr. L. C.
Caroe, Mr. O. K.
Chapman-Mortimer, Mr. T.
Clow, The Honourable Sir Andrew.
Daga, Seth Sunderlal.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Dehejia, Mr. V. T.
Gopalaswami, Mr. R. A.
Gwilt, Mr. E. L. C.
Ikramullah, Mr. Muhammad.
Ismael Ali Khan, Kunwar Hajee.

Jawahar Singh, Sardar Bahadur Sardar Sir.
Kamaluddin Ahmed, Shams-ul-Ulema.
Lawson, Mr. C. P.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Mody, The Honourable Sir H. P.
Muazzam Sahib Bahadur, Mr. Muhammad.
Mudaliar, The Honourable Diwan Bahadur Sir A. Ramaswami.
Pillay, Mr. T. S. S.
Prior, Mr. H. C.
Rahman, Lieut.-Colonel M. A.
Raisman, The Honourable Sir Jeremy.
Scott, Mr. J. Ramsay.
Sheehy, Mr. J. F.
Spence, Sir George.
Sultan Ahmad, The Honourable Sir.
Thakur Singh, Captain.

The motion was negatived.

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

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That the Bill, as amended, be passed."

I would only add a word of advice to my friends who have brought forward various amendments and also to the commercial bodies who stand behind them. The main object of this Bill is known to those bodies and to the Members here and I would remind them that whenever Members seek to obtain amendments of the existing law in order to ease certain hardships and to improve the administration of the tax from their point of view or to give certain concessions, they must realise that we also on our side are continuously reviewing the administration of the tax and the loopholes in the existing system. They cannot expect that we shall

come forward with jam and no pill. There are two sides to every picture. While we are anxious to be fair to the assessee, we must also be fair to the general interests of the country.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill, as amended, be passed."

Sir Cowasji Jehangir: Sir, on the third reading of this Bill, I only desire to refer to one point and that is with regard to the exact position of assessee under the Excess Profits Tax Act, *vis-a-vis* the Government. We were told that the assessee are the trustees on behalf of the Government, that since the Government share in the profits to the extent of three-fourths and one-fourth—three-fourths being the Government's share and one-fourth being the assessee's share—the assessee are the trustees on behalf of the Government. Well, Sir, I contest that expression of 'trustee'. The assessee is not a trustee on behalf of the Government. The assessee, if a company, is a trustee on behalf of the shareholders. This phrase, that the assessee is a 'trustee' on behalf of the Government, savours very much of national socialism and of communism. We have not yet reached that stage in our history when Government can claim that all the business of all the peoples in India should be nationalised and belong to the Government. The Government are the Collectors of taxes which this House levies. It is their duty to see that they get the proper tax. Beyond that they have no further functions with regard to the business of the assessee. The masters of those businesses are the assessee; it is for the assessee to see that the business is managed in the interests of those who own them. This expression that fell from the Honourable the Finance Member has received very wide attention in India.

The Honourable Sir Jeremy Raisman: May I interrupt the Honourable Member for one moment to say that in the circles in which this expression may have received wide currency or wide attention, the saying that "the Finance Member is now a senior partner" had already gained previous currency.

Sir Cowasji Jehangir: Yes; that was to show that the Honourable the Finance Member was taking more than his dues.

The Honourable Sir Jeremy Raisman: That may be, it is a matter of opinion.

Sir Cowasji Jehangir: If the Honourable the Finance Member claims that he can put his finger in the pie, he is much mistaken. He cannot, and under no section of this Act can the authorities claim to interfere with the discretion of the owners of business. The point I desire to emphasise is this. Since it has been alluded to by the Honourable the Finance Member, and I repeat that his words have been, shall I say, radioed far and wide, I think that such a protest as I make today on this occasion is one that is necessary and should be taken note of.

Babu Baijnath Bajoria: Sir, I should like to make a few remarks only. Firstly, I must tell the Honourable the Finance Member that the amendments which were moved by us were made only with this idea that Government should also know the other side of the thing. The House even as it is at the present moment, if we do not say anything of the other side, however bitter it may be to the Honourable the Finance

[Babu Baijnath Bajoria.]

Member, will not properly function and we will be lacking in our duty as Members of this House. There is another good result which we achieve from the moving of these amendments. Even if we are not in a position to carry the amendments, the discussion of those amendments in the House gives some assurance and remarks which fall from the lips of the Honourable the Finance Member and these act as a guidance to the Members of the Income-tax Department in assessing cases.

Sir, I should like to say that the function of the Income-tax Department in making assessment should always be such as to make the assessee feel satisfied that a fair assessment has been made. It should not be that the assessee should go away dissatisfied, thinking that a great deal more has been squeezed out of him and that whatever he had to say had not been given due and proper consideration. It is no use telling this House as the Honourable the Finance Member did the other day, 'you have the right of appeal'. Is it the intention of the Honourable the Finance Member that the number of appeals should increase. I think not. Justice should be administered in such a way that there should be fewer and fewer appeals. That will give confidence to the assessee in the working of the department and not in the other way round. Sir, as a matter of fact as far as my knowledge goes, the number of appeals are going up and this shows that the assessee are not satisfied with the assessments which are made. With your kind permission, Sir, I will read a few lines from a telegram which has been received by me yesterday.

Mr. President (The Honourable Sir Abdur Rahim): It is rather late now. That telegram must relate to clauses of the Bill which have already been passed.

Babu Baijnath Bajoria: If you permit me to read one or two sentences from this telegram, it will show that this is the proper occasion to quote from this telegram.

Mr. President (The Honourable Sir Abdur Rahim): He cannot quote now. He can make it part of his own speech.

Babu Baijnath Bajoria: All right, Sir. Then these are my own views. The Honourable the Finance Member's remarks in this House have increased the panic of the Indian mercantile community. His reference to provision of appeals is considered by the people at large as indicative of his approval of unwarranted harassment of the Indian mercantile community and it has caused great surprise. I do hope, Sir, that the Finance Member will still put matters right. Reasonable administration should not rely on numerous appeals. The merchants should not be forced to spend considerable time and energy and money in appeals to the detriment of their business, they should not be subject to prolonged and harassing enquiry by the Income-tax Officer to start with and, subsequently, appeal after appeal. The confidence in appeals has been greatly shaken owing to the conscience of the assessing officers being controlled from above. Well, Sir, this is the general impression in the country. What is going on in the great cities which after all give the greatest amount of money to the Finance Department? The Finance Department should not act in such a way as to kill the goose that lays golden eggs. The administration

of this very complicated and difficult Act should be done generously and with equity and justice and satisfaction should be given to the assessee so that they may think that unfair tactics have not been adopted against them.

Mr. Huseinbhai Abdullabhai Laljee: Sir, I admit that the Bill before the House introduced by the Honourable the Finance Member is in the interests of the assessee. I wish, Sir, that the Honourable the Finance Member would have taken our suggestions as coming from those interested in the assessment. In that case the Honourable the Finance Member could have taken much pride in piloting this Bill as that would have given more satisfaction to all and would have done the right thing, without any reserve.

Sir, a lot has been said about appeals and other things, and the only object that the businessman has in asking for appeals is that he wants to have a check over the activities of officers. No businessman really wants to go to court and he cannot afford to go to court, at least nowadays when he has to keep an important person in his office to attend to income-tax affairs. So I can give the assurance that the only object in asking for appeals is to have a check on over-zealous officers.

With regard to the remark of the Finance Member that he is a senior partner on behalf of the Government who have a large share in it, I have never taken it seriously. Having known all along the policy and practice that prevails in Great Britain and of this Government and still more of the people of Great Britain which is a guide to us, I never think that the time has or will come soon when Government would look into private affairs as national affairs or affairs of their own. It is only to support his argument that he says he is a senior partner or he is interested in large property or that we are trustees on his behalf. Here is a wonderful partner or a senior partner who claims to be much more interested than others who will not contribute a farthing towards the losses or when there is an attack on the industries or commerce from outside. Here is the wonderful partner who claims to be a senior partner and an interested partner, but when the concern is in trouble or has some losses to meet, he shall not contribute a farthing from his purse, far less will he be a party to give the protection which other civilised governments give. His only argument was that he had a right and he wants to justify it, but at the same time he will not contribute to maintain the prosperity of the firm in case of difficulty.

I congratulate the Finance Member once again on bringing up this Bill in the interest of the assessee. And I hope that when he brings forward such Bills next time he will try to avoid some of the things to which we have taken objection on behalf of the people who are being assessed.

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 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.

THE RAILWAYS (LOCAL AUTHORITIES' TAXATION) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir I move:

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province, as reported by the Select Committee, be taken into consideration."

This is a difficult and can be a controversial subject. But the House will observe, I hope with gratification, that the Report of the Select Committee is unanimous. That unanimity, however, was only achieved by cutting out certain portions of the Bill and what we have done in effect is to restore, both in letter and in spirit, the position as it subsisted prior to 1937. The portions that were cut out were put in by us to clear up certain doubts and make the position more satisfactory, but Professor Banerjea and others pointed out that whatever their intention they could be used so as to produce an essentially different position from that which was in force prior to the passing of the Government of India Act. In view of that and of my own professed intention, I felt that though I could easily suggest improvements on the old position, I should concur in what appeared to be the general view of the Select Committee and permit the improvements, which we had attempted to effect, to disappear.

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

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province, as reported by the Select Committee, be taken into consideration."

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, the Bill, as it was originally introduced in this House, was of a very unsatisfactory character and contained many provisions of a retrograde nature. In the course of my speech at the second reading stage, I pointed out these, and I am glad to find that the Select Committee have eliminated those provisions from the Bill. This would not have been possible had it not been for the assistance which was given by the Honourable Member in charge of Communications. Sir, the Bill, as it has emerged from the Select Committee, as has been just pointed out by my Honourable friend, Sir Andrew Clow, restores the position to that which existed from 1890 to 1937. But, Sir, can we be satisfied with this situation? The Railways Act was passed in 1890, and during this period of half a century, revolutionary changes have taken place in almost all the countries of the world. Is India expected to remain stationary in respect even of matters of comparatively small importance? The emphatic answer to this question should be "no". Sir, apart from the intellectual progress of the country during this period, many changes have occurred in respect of the position of local bodies *vis-a-vis* the railway administration. In the first place, in 1890, most of the railways were Company-managed, whereas, at the present moment, almost all the railways—there are only a few exceptions—are State-managed and State-owned. In 1890, the Government was a disinterested arbitrator in disputes between local bodies and the railway administration. But, at the present moment, the Central Government is an interested party. Secondly, in olden days, the officers of Government, very often the Commissioners of Divisions, to whom the adjudication of disputes was entrusted, were men of knowledge and with practical experience of the working of local bodies. Now, however, the situation

has changed in this respect. Thirdly, local self-government has made considerable progress during this period of half a century and local bodies are now more assertive and more independent. In view of this altered state of things, the attitude of the Government and of this House should also change. What we want at the present moment is that the Bill should be substantially improved. In the course of my last speech, I made detailed suggestions with regard to the improvement of the Bill. I spoke at considerable length and at the present moment I shall be very brief.

Now, what should be done to improve this Bill at the present stage may be summarised under three heads. In the first place, the provisions relating to notifications and so forth by the Central Government should be deleted. Secondly, a proper basis of assessment should be determined and provided in the Bill. Thirdly, a proper procedure should be adopted for the adjudication of disputes as between the local bodies and the railway administration. Now, as regards the first point, I understand the Government are unable to accept the suggestion made by me. I will, therefore, wait for a better opportunity instead of pressing my demand at the present moment. As regards the second, namely, a proper basis of assessment, I urged that question at some length in the course of my last speech and suggested that the principles laid down in the Taxation Enquiry Committee's Report might well be adopted. It is a matter of great regret to me that the Select Committee did not go into this question. There is not enough time for this House to consider this question, because, it is a somewhat complex one, and, therefore, I shall not press this demand of mine at the present moment. I will wait for a better opportunity in the future. As regards the third point, namely, the proper adjudication of disputes as between local bodies and the railway administration, I have given notice of two amendments, one is No. 6 on the original list, and the second is No. 1 on the supplementary list. I would myself prefer the amendment on the original list, but I understand that it is not acceptable to Government; therefore, I will move the amendment on the supplementary list. If these amendments are accepted by the Government and by this House, they will go some way, a considerable way, towards improving this Bill. I support the motion which has been moved by my Honourable friend, Sir Andrew Clow.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, I was a member of the Select Committee and we had two sittings. In the first sitting, we could not compose our differences.

An Honourable Member: You cannot disclose it.

Maulvi Abdur Rasheed Chaudhury: In the second sitting, we were in a compromising mood and we effected a compromise, and all of us are very happy that all the contentious portions of the Bill have been omitted. I remarked then that I would have been glad if the Government would have got a little more power and the local bodies had got the advantages of a judicial officer for the assessment of taxation on railway property. I find that Dr. Banerjea has brought an amendment to that effect. It may be said that the amendment is uncalled for, as the Bill which was in existence before has not been altered in any way. But I may say, as I said then, that even if the Government take over a little more power, it

[Maulvi Abdur Rasheed Chaudhury.]

will be of advantage to the local bodies if they can get the advantage of a judicial officer for the purpose. I think this aspect of the question will be considered by the Government when the amendment is moved, and the House will also consider whether that amendment should be supported. Sir, I support the motion.

Mr. C. P. Lawson (Bengal European): Mr. Deputy President, like my Honourable friend, Dr. Banerjea, I shall not delay the House very long over the few remarks I have to make. The criticism of this Bill, as far as I remember it, was to the effect that the Honourable the Communications Member was, so to speak, leading us up the garden path. I, personally, acquit the Honourable Member of any such horticultural intentions; but, however, that may be, the report of the Select Committee makes it abundantly clear that if the charge that, while purporting to return to the *status quo*, he was in effect attempting to get more powers for himself, that charge has now been disposed of by the report of the Select Committee. The Report of the Select Committee makes it clear that the Bill now merely restores the *status quo*. This being the case, it does appear that in moving further amendments this *status quo* is once again to be altered the other way; and it may be argued that Government having agreed to restore the *status quo* in the first instance might now insist that it remains entirely at the *status quo* and that such amendments as have been tabled could be opposed from this point of view. But I have, in the meantime, investigated a number of representations from my own part of the world and I am convinced that certain inequalities in the administration of the old Act have undoubtedly occurred. These inconsistencies rather than inequalities have, I think, arisen from two causes. The first, I think, was that in these questions of assessment by an officer under the present clause 3 of the Bill, the officer in question sometimes made his assessments from different points of view and also the officer in question varied in status; and I am inclined to agree too that it would be as well to circumscribe these two particular items, so that a greater degree of consistency would be achieved. This being so, we on this side are to that extent prepared to support Dr. Banerjea in the supplementary amendments that he has put forward. But I think, Sir, that over and above this, Government have already gone so far to meet the criticism that has been advanced that it would be reasonable to expect them to rest there, and from the point of view of saving time, it might be judicious on the part of people moving the other amendments not to move them and rest on the two amendments put forward by Dr. Banerjea. Sir, our general attitude regarding this Bill may possibly save time in the later stage I having made this clear now.

Mr. Jamnadas M. Mehta (Bombay Central Division : Non-Muhammadan Rural): Sir, I rise to support the motion made by the Honourable the Member for Communications. My friend, Mr. Lawson, said, that there was already a charge against Government that they were trying to use this section for increasing their power. It was not merely a charge, but it was a fact. The Select Committee's Report, to which my friend's own signature is appended, makes it quite clear that that was the original object of the Bill, and though it was not intended, at least the results would have

been there. I shall read from the Report of the Select Committee itself. In paragraph 2 the Committee says:

"We have omitted the words 'and to such an extent as' in sub-clause (1) and the whole of sub-clause (2) of clause 3 of the Bill. The omissions represent additions to the wording of section 135 of the Indian Railways Act, 1890, which are in our opinion more than merely clarificatory and definitely increase the powers given by that section."

The Select Committee realised that the Bill was not merely intended to restore the position as it existed before 1937

The Honourable Sir Andrew Clow: I do not think the Select Committee was dealing with the intention. They were dealing with the effect.

Mr. Jamnadas M. Mehta: What the effect of an act is always intended in law; I accept that the motive was not there and yet the Bill had the effect of arming Government with powers more than merely clarificatory and definitely of increasing the powers that they now have. That was the opinion of the Select Committee, to which the signatures of my friend, the Mover of the Bill, and my friend, Mr. Lawson, are attached. It is an admission. It cannot be denied that if the Bill had emerged out of the Select Committee with those two additions, it would have extended or increased the powers of the Government far beyond the powers they possessed before this Bill was brought forward. I entirely acquit Government of any motive, but the effect was certainly as stated in the Bill. These two blemishes in the Bill have been removed, and for that we are thankful to the Honourable Member in charge of the Bill, as also for extending the powers of the Municipalities to impose taxation on the properties which are acquired after the 1st of April, 1937, and also for bringing under taxation the properties which were acquired before 1937, but about which no notifications had been issued. So, at present, the defects are two,—that properties acquired by the Railways after 1937 are not subject to municipal taxation, and properties which might be subject to municipal taxation but about which no notification had been issued, though they were acquired before 1937, will now become subject to municipal taxation and a notification to that effect will be permissible. These two are the clear advantages of the Bill as it has emerged from the Select Committee, and we have escaped two misfortunes. One is that, to the extent the words which are now omitted from the Bill as it originally was, it restricts the power of the officers concerned, and sub-section (2) of clause 3 of the Bill,—the whole of that clause,—has widened the powers of Government to such an extent that the municipal taxation would have been a subject matter of extreme speculation as to whether any power in the Municipality really rested at all if that clause had passed. Therefore, the omission of that clause and the omission of the words 'and to such extent as' are the two evils we have escaped; and the two advantages that I mentioned earlier are obtained, and on that footing a compromise was effected in the Select Committee in the rest of the Bill that the powers that remained with the Government should be allowed to be continued. But every compromise means some sacrifice on each side, and we were not without a feeling of uneasiness that some of the existing powers are also in need of revision.

The Honourable Member in charge of the Bill himself was fair enough to recognise that these points were rather ticklish and on some future date a Committee might be appointed to find out a solution about them. But for

[Babu Baijnath Bajoria.]

such matters should be referred for adjudication will be a Judge of the High Court or a Judge of a District Court.

Mr. Jamnadas M. Mehta: But his reference is limited under the amendment.

Babu Baijnath Bajoria: I do not think there is any question of limitation of reference. My Honourable friend has already said that he has got absolute confidence in the High Court and there is no reason why he should not accept a Judge of the High Court. The reason of having the option of a High Court Judge or a District Judge is very obvious. In Calcutta or Bombay or any Presidency town, the matter will be referred ordinarily to a High Court Judge, but in the case of municipalities in the interior of the districts, a High Court Judge will not be available and the best course then is to refer to the judicial head of the district, and that is the District Judge. At the present moment—I am speaking of Calcutta again, of which I have got some knowledge,—the railways employ an agent, an European agent to get reduction of taxation on their property. This agent is not a paid servant of the railways. If he were a paid servant, that would have been quite different. But he is an agent who gets fees on the amount of tax which he can induce the authority whoever is appointed—generally it is now the Commissioner of the Division—he gets a fee in proportion to the reduction made. (Interruption). It is a fact that the railway has got an agent who is paid a fee at certain percentage in proportion to the reduction which he is able to get in tax from the Calcutta Corporation. The effect has been that this agent has been instrumental in taking a case to the Commissioner twice or thrice in six years. Six years is the period for which the assessment is made or revised in Calcutta, but this agent has been instrumental in asking the railway authority, "Refer the matter again and make objection to the assessment. Let us go to the Commissioner and we will get something". The railways will get something and the agent will get something. In this way during the period of one assessment they get reduction, and they have got reduction more than twice or thrice. This is not fair. I would suggest that an assessment which is once made must exist for at least six years, which is the rule for all other residents in the locality.

An Honourable Member: What about increase in value of property?

Babu Baijnath Bajoria: About that, there is a provision in Calcutta. Supposing there is a vacant plot of land and a building is put up during the course of these six years, then an interim assessment is made. That we have got. That has got to be done, but if there are no additions and no improvements, then the original assessment must remain for six years.

Then, there are a few words in this sub-section, namely—the Railway Administration shall be liable to pay to the local authority either the tax mentioned in the notification or in lieu thereof such sum, etc. I do not understand the meaning of the words 'in lieu thereof'. The municipalities are entitled to taxes on their own merits. These words 'in lieu thereof' give the impression as if something gratis or some lump sum in the way of settlement is to be given to these municipalities in lieu of their just claims to tax the property fairly and equitably. I would much prefer if

these words are deleted. Otherwise, if the amendments of Dr. Banerjee are accepted, they will further improve the Bill and it will be more satisfactory to all concerned.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): The question of appointing a judicial officer to judge in any dispute between the municipality and the railway is, I think, a very sound principle. In fact, Sir, I have always considered

Mr. Deputy President (Mr. Akhil Chandra Datta): I think these things could be more appropriately discussed when the amendments are moved.

Mr. Husenbhai Abdullabhai Laljee: I will make a few general remarks. The whole controversy in this Bill is as to who shall be the judge in any dispute between the municipality and the railway. I have always believed that so far as the municipalities are concerned, Government ought to acknowledge that they are bodies which belong to the people and as such they have no personal interest, being corporations but the interest of the people at large is in the same way that the Government and the Railways can claim for themselves. The municipality is in a better position in this way that while the Railway Department has been considered to be a strictly commercial department, the municipality is a department for the social welfare of the people. Therefore, it is absolutely necessary that the disputes between them should be decided by a judicial officer. Even in labour disputes between Government and labour and capital and labour, it has now been conceded and rightly that all these disputes should be referred to a High Court Judge. Mostly when important questions have to be referred for decision, they are always referred to a High Court Judge as an authority.

Now, Sir, I was very much surprised to hear from Mr. Bajoria that railway companies in Bengal employ agents to fight their case. I never thought that railway companies would consider themselves like ordinary persons as if their personal interests were involved. Furthermore, the beauty of the whole show is that on the basis of reduction obtained in the assessment value the gentleman has to be paid. May I ask the Honourable the Communications Member in all seriousness, as a member of the Government, would he like it if his agent succeeds in hoodwinking any public department in paying the right taxation. Will he be doing the right thing? I do not think he will get an applause from my Honourable friend, the Finance Member. He always wants fairness and justice and he wants to punish dodgers. I do not know whether he would like the Department of Railway behaving like dodgers.

Then, Sir, with regard to the remarks that fell from my friend, Mr. Jamnadas Mehta, I agree with most of them. In fact, so far as the Bombay municipality is concerned, we have not had much trouble but times are changing and I do not think we should be worse off if we had a high judicial authority instead of the Accountant General to look into this matter. If the reference is not wide enough to be placed for reference before the judicial officer and if the reference contains much less than that is expected to be referred to the judicial officer, then in that case there is a lot to be said for what Mr. Jamnadas said. I do not see any reason why that reference should be limited. If it is so good in the case of the Calcutta Municipality, it would be good for the Bombay

[Mr. Jamnadas M. Mehta.]

the present the Select Committee is unanimous that having gained two advantages, however small they may be, having escaped two major disasters, the rest of the Bill as a compromise might be allowed to go through. But there are some amendments which are quite good as they are, but not other amendments. If these latter are adopted, I would suffer. So far as Bombay is concerned, these amendments are not to my taste at all. But I realise that my friends from the Calcutta Corporation are justified in having some of those amendments. It will be a question, therefore, for the various Municipalities, to decide as to whether the Bill as it now stands is better, or whether the Bill as it will be amended by my friend, Dr. Banerjea's amendments, will be better. I think the Municipalities will benefit or suffer according as the system prevails in their part of the country about adjudication of disputes. I am fully satisfied that my Calcutta friends are at a great disadvantage in this matter, because the way in which disputes between the Municipalities and Railways are adjudicated there is very unsatisfactory. And I would have been the first to support it if an amendment had been made which had the effect of improving the condition in that part of the country without worsening it in other parts of the country. Even in Bengal, outside Calcutta these innovations will be harmful; they are definitely harmful. I would then suggest to the Honourable Member in charge of the Bill that if my Calcutta friends' need is to be satisfied, I am a hundred per cent. in favour of them. But then the option to adopt one of the methods which is now proposed by my friend, Dr. Banerjea, and the one which is now provided in the Bill or which existed in the old Act, that option should be left to the municipality concerned to decide as to which of the two methods it would prefer. If my friends from Calcutta think that the amendments of Dr. Banerjea are to their advantage, let them have them, and I shall support my friends. I consider that my part of the country is better under the existing state of things, and I should have, therefore, the option of retaining them at present. No part of the Bill should be forced upon any part of the country, because the circumstances under which I approve of the Bill as it now stands, and the circumstances under which the Bill will stand if my friend, Dr. Banerjea's amendment, is accepted, are different, and, therefore, a different method of avoiding the difficulty should be open to all. There is no difference about the object in view. I shall, therefore, not quarrel with my friend, Dr. Banerjea, or my other friends from Calcutta including my friend, Mr. Lawson, if they wish that these amendments should be carried. I for my part would prefer an Accountant General to settle my disputes to a Sub-judge. I will prefer an Accountant General to a Sub-Judge so long as the Sub-Judge

Dr. P. N. Banerjea: In my amendment there is no provision for a Sub-Judge.

Mr. Jamnadas M. Mehta: Because, so long as the Sub-Judge or the High Court Judge is not subject to an appeal, that poor fellow is not quite happy. When he is dealing with this matter, he knows that he is an officer of the Government, that if he did not behave, he might be transferred to a place where malaria will eat him. He might be sent away to some part of Bengal, for instance, where malaria will be his chief companion. Apart from malaria, his promotion, his prospects,

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will depend upon the pleasure of the official world. Therefore, a Sub-Judge by himself is not to my taste, but if he is made subject to an appeal to the High Court, a Sub-Judge I shall accept. Let my Bengal friends make up their minds whom they want. In my part of the country, so far as the Bombay city is concerned, I say that, although in cases of disputes we are not altogether quite satisfied, an Accountant General who mediates between us and the railways is better, far more to my taste.

Mr. Deputy President (Mr. Akhil Chandra Datta): Are there any amendments to that effect?

Mr. Jamnadas M. Mehta: No. Accountant-General has been given to us in the past and Bombay public opinion will see to it that no Sub-Judge is foisted upon us. Not because I would not have liked it specifically, but being a compromise and having entered into a compromise in order to escape the two fundamental evils, I am not anxious to move any amendment, although I realise that the position today is not yet quite satisfactory.

In England there are three ways in which disputes between municipalities and the railways are adjudicated, and I would prefer those three methods if the Government were willing to adopt them. As the Honourable the Communications Member knows, in the matter of municipal taxation on railways, there is a Railway Rating Authority. If you are not satisfied with that, there is an appeal to the Railways and Canal Commission. If you are not still satisfied, there is an appeal to the House of Lords on a point of Law. Thus, the municipalities are adequately protected there against any attempt on the part of the railways to evade municipal taxation. If that condition of things is brought into existence in this country, I shall be the first to accept it. But that is not being effected by any of these amendments.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce): Are they also tax-dodgers?

Mr. Jamnadas M. Mehta: That you might enquire into. But sufficient protection is given to the municipality by the law. I quite agree that here my Honourable friend, Mr. Bajoria, did not get that protection from the Finance Member. (Interruption.) These are my submissions to the House. I do realise that the present state of things is not altogether satisfactory, that the compromise is convenient to me, but it is not convenient to them, my friends from Bengal, and to that extent any amendment which improves their position without worsening mine will be most acceptable to me. Sir, I support the motion.

Babu Baijnath Bajoria: This Bill has been considerably improved in the Select Committee and I have got objection only to sub-section (2) of section 3. Here also the same remarks apply as I had made on the Excess Profits Tax Bill. In this Bill also the Government have reserved to themselves the power to appoint an executive officer to adjudge any difference between the municipalities and the railways in the matter of taxation. In my opinion, a judicial officer is essential. With reference to what my Honourable friend, Mr. Mehta, has said, that what may be good for us from Calcutta is not good for Bombay, I might mention that the amendment which Dr. Banerjea proposes to move says that the person to whom

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municipality also and other municipalities; therefore honestly and in all fairness the Calcutta Municipality must endeavour to get the reference widened as in the case of Bombay.

Mr. Deputy President (Mr. Akhil Chandra Datta): There is a specific amendment on that point.

Mr. Husenbhai Abdullabhai Laljee: Very well. I have finished.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadian Rural): Mr. Deputy President, I cannot congratulate either the Honourable Member for Communications who has produced this Bill or the members of the Select Committee who have made the Report that has been placed before the House. The Bill is apparently a very deceptive one. It looks like the innocent grass but there is really a serpent behind it and though the Select Committee could scotch it, it could not kill it altogether. I am prepared to admit that some of the fangs of the venomous snake have been clipped but what is left will be enough to work havoc with the finances of the local self-governing institutions in this country. I did not particularly apply my mind to this until I heard Mr. Lawson just now. Mr. Lawson seemed to think that the Report of the Select Committee had the effect of restoring the *status quo* and he sounded a note of caution to the Honourable the Communications Member to call a halt at this stage. I am, however, grateful to him that he was prepared to concede a step further and go so far as the amendment of Dr. Banerjee. Sir, in my opinion, there are two very important points which should have been very carefully borne in mind not only by the sponsor of this Bill but also by the Members of the Select Committee.

The enabling provision, if I may say so, which empowers the Government to levy taxation on the railway property situated in any jurisdiction of a local body is clearly silent as to the procedure according to which assessment will be proceeded with. The clause is couched in the widest possible terms and are so vague that far from clarifying the position, they have made confusion worst confounded. I think it will be generally conceded by every part of the House that all taxing measures should be so carefully worded as to leave no possible loophole for anybody either to dodge taxation or to impose taxation when that is not justified. This grabbing of tax is as much a vice as the dodging of taxes. It must be borne in mind that it is a well-established principle of law, a principle which is acted upon in all judicial courts that all taxing statutes are to be very strictly construed.

Now, let us examine the provision of this Bill, as it has emerged from the Select Committee. It simply lays down that while a certain notification is in force, the Railway administration will be liable to pay certain taxes. Now, let us stop at that. It says "liable to pay certain taxes". Is it specified what kind of taxes the railway administration will be called upon to pay? In municipalities, in Corporations and in District Boards there are various types of taxes, such as, the holding rates, water rates, lighting rate, conservancy rates and so on and so forth. Now, what particular types of taxes will the railway administration be called upon to pay? It is not definitely provided. Again, if such rates are not levied, there is a provision that a consolidated amount may be paid

to the local bodies concerned in lieu of such rates. On what basis is that consolidated sum going to be fixed?

Mr. Jamnadas M. Mehta: It will be fixed having regard to all the circumstances of the case.

Pandit Lakshmi Kanta Maitra: But how is that lump sum figure to be arrived at? The answer would be that it would depend upon the consideration of the circumstances of the case. That carries you nowhere. What are the factors that are going to be considered? This is exactly what was in the old Act. We are out here to clarify the provisions of the Act so that those who would be called upon to administer this Act will not be left in any doubt as to what the Legislature had in mind. It could have been definitely prescribed, that the basis of taxation should be so and so. Why don't you provide that in this Bill? There is no indication anywhere as to the basis on which the taxation would be imposed. That, in my opinion, is a fatal blunder and, instead of solving difficulties, it will be evolving complications which can not always be satisfactorily solved.

Then, my Honourable friend, Dr. Banerjee, has referred to the procedure. All that we have got in the Select Committee's report is that there will be an officer appointed by the Government who will discharge certain duties in connection with this Bill. He will impose taxes, he will fix rates and so on and so forth. It would have been much better if the Bill had provided the definite stages in that procedure. This is not done. There is another serious lacuna which requires to be filled up. It is this. If it is complained that the railways are paying less taxes than they are legally bound to pay, or if there is a complaint that the railways are made to pay more taxes than they ought to pay, who is going to decide that. In other words, there ought to have been a provision for appeal so that the aggrieved party might approach the appellate authority for redress. I fail to understand why in a taxing measure of this character that most important consideration was lost sight of both by the sponsors of the Bill and by the Members of the Select Committee. Take, for instance, the Department of Income-tax. While my Honourable friend, the Finance Member, is always exacting his pound of flesh from the country, he has at the same time been careful to see that something in the nature of a Tribunal is set up where people may have at least the farce of a trial. Still, it can convince some people

The Honourable Sir Jeremy Raisman (Finance Member): Is it in order, Sir, to make such remarks about Tribunals?

Pandit Lakshmi Kanta Maitra: I have not mentioned any particular court.

The Honourable Sir Jeremy Raisman: In any case, I protest against the language used about a quasi-judicial Tribunal.

Pandit Lakshmi Kanta Maitra: I am glad, my friend admits that it is a quasi-judicial Tribunal.

The Honourable Sir Jeremy Raisman: It may not be technically judicial but it is judicial in character.

Pandit Lakshmi Kanta Maitra: It is not at all judicial. It is not provided anywhere in the Act that the Income-tax Tribunal is a court of justice. My Honourable friend had better consult the Honourable the Law Member sitting close to him. In any case, my Honourable friend need not have taken any objection to my remarks. I was rather paying him a compliment when I said that, while he was enacting a stringent measure, he was careful to see that at least some misgivings and misapprehensions were removed by the appellate authority which he set up. I think my Honourable friend will concede that I am at perfect liberty to hold my own opinion about the Tribunal he set up. He might be making a fetish of his own Tribunal but we may have an entirely different view of it.

Sir, in congratulating my Honourable friend, I rubbed him the other way. That is my misfortune. Anyway, I expected that the Honourable Member for Communications should have, at least, made some provision by which a chance of an appeal could be provided. If there was a provision for appeal, then I am sure my friend, Mr. Jamnadas Mehta, would have little or no grievance. My friend, Mr. Jamnadas Mehta, seems to think that the proposed change might be benefiting the Calcutta Corporation and not Bombay. I do not know the conditions in Bombay. Probably it is so. But may I assure him that this is a Bill which will satisfy nobody. It might be satisfying to some extent the needs of the Calcutta Corporation or, even of the Bombay Corporation, but so far as the rural and urban municipalities are concerned, it will be disastrous in its operation. That is my honest view. You may have an excellent authority for administering the law, an excellent agency, an agency which like Caesar's wife would be above suspicion, an agency well trained, with judicial make-up and mind, but if its hands are fettered in the administration of it, how much can you get out of it? Not much. So my grievance is that this Bill is a halting measure, a half-hearted measure, a Bill which does not satisfy the requirements of the situation, a Bill which far from clarifying and simplifying the position is complicating it and I am sure in its operation it will not be found satisfactory. I quite see that in the circumstances, one has got to choose between the two alternatives. At least I feel like that. But it is a terrible choice: I am between the devil and the deep sea. I do not want to say who is who. The position is, that on the one hand you give a judicial officer but circumscribe his functions or terms of reference to such an extent as to leave him as the administering authority no free scope, no discretion to go into all the relevant factors in arriving at a proper assessment. On the other, you are given an executive officer, with all his executive bureaucratic bias to function in a vast and a uncharted field. This being the position, Sir, we have got to make up our minds. I recognize the fact that the Honourable Member for Communications is agreeable at least to the appointment of an authority who will have judicial training and judicial make-up of mind, and I am really grateful to him for this small mercy. I wish he could go one step further and make the terms of reference for such an authority much wider. If he could do that, probably he would have been able to round off some of the rough corners of the Bill which really grate on us.

The Honourable Sir Andrew Glow: Sir, I have only one word to say. I am grateful to those Honourable Members who have supported me though they will not expect me to subscribe to the view that the passages which have been omitted from the Bill are reactionary, are blemishes or anything of the kind. I regarded them and still regard them as improvements. I think they would have gone, for example, quite a long way to meet the defect mentioned by the last speaker regarding the basis of the assessment. I hope that in using the word 'clarificatory' which I borrowed from the Select Committee's Report, I did not give the impression that I thought they were put in the Bill merely as drafting changes. They were intended to improve the Bill and to enable us to apply what I believe was done in practice, but which I have since learned is of somewhat doubtful legality, under the old Act. Most of the other remarks made relate to the amendments and I prefer to reserve my remarks till we come to those amendments.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That clause 3 stand part of the Bill."

Dr. P. N. Banerjea: Sir, I move:

"That in sub-clause (2) of clause 3 of the Bill, the word 'either' and the words 'or in lieu thereof such sum, if any' be omitted."

Sir, these words do not seem to convey to me any real meaning at the present moment. Perhaps when the Railway Act was first passed, that is to say, in the year 1890, these words carried some meaning. Perhaps at that time it was felt that when the procedure of rule of thumb was adopted instead of a tax, a lump sum payment may be made. Or, perhaps it was thought that instead of a tax, a gift might be made by the Railway Administration to a local body. I do not know what is the exact condition of this. In view of the ambiguity, I want these words to be omitted.

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

"That in sub-clause (2) of clause 3 of the Bill, the word 'either' and the words 'or in lieu thereof such sum, if any' be omitted."

Babu Baijnath Bajoria: Sir, I support the amendment. I have already given my reasons in my previous speech.

The Honourable Sir Andrew Glow: May I point out, Sir, that this amendment if adopted would reduce the clause to something almost meaningless. I do not understand the force even of the objections in substance to the clause. The clause would read:

"... the railway administration shall be liable to pay to the local authority the tax mentioned in the notification as an officer appointed in this behalf by the Central Government may, having regard to all the circumstances of the case, from time to time determine."

Dr. P. N. Banerjea: Perhaps a slight verbal change would make it all right. "The amount of which might be determined", that would be a slight verbal change.

The Honourable Sir Andrew Clow: I am not going to lay stress on the words. But the point is that it misconceives the whole intention of the clause. The intention is that you should either pay the tax or you should have this type of reference. If the railways are perfectly ready to pay the tax

Dr. P. N. Banerjea: Is that the meaning?

The Honourable Sir Andrew Clow: Obviously no need will arise for any dispute or for any reference to an Officer. The words, "in lieu thereof such sum" merely provide for the two alternatives. We make extraordinary confusion by combining them into one. Sir, I oppose the amendment.

Mr. Jamnadas M. Mehta: Sir, if my Honourable friend, Dr. Banerjea, had removed the rest of the clause also I would have supported him. But what he has done is that the officer is still there. After that if this officer has to remain

Dr. P. N. Banerjea: That amendment has to come later on.

Mr. Jamnadas M. Mehta: If that officer remains and discretion is left to him, we are no better than where we were. I know that my Honourable friend, Dr. Banerjea, is later on to move an amendment that this officer should be a High Court Judge. But this High Court Judge will be met by a phrase which is more dangerous than "in lieu of", namely, "according to the services rendered." Today the tax is not always calculated with reference to a service. The taxpayer has to pay the general tax and other taxes as laid down in the Act. What my friend does is that he removes the obnoxious words "in lieu of" and is willing to substitute the words "having regard to the services rendered", and those words will limit the power of that Judge to those services which are actually rendered. I do not want, while I go to gather wool, to come out shorn. I want to be quite clear that if a High Court Judge is to be appointed his powers must be unfettered.

The Honourable Sir Andrew Clow: I think this relates to another amendment.

Mr. Jamnadas M. Mehta: I quite agree. But I am not enamoured of a High Court Judge who is fettered hand and foot; I like my Accountant-General better. The High Court Judge who is thus bound is worse than a Subordinate Judge. I may run further and fare worse. And the High Court Judge is at present controlled by the words "having regard to the circumstances of the case". The circumstances of the case are among others the valuation of the property. The officer who now appointed is not going to be allowed to give us any amount, but he is to give something in lieu of that tax, "having regard to the circumstances of the case", namely, the valuation of the property, what the other taxpayers are paying, etc. If that goes away, as in a subsequent amendment, the High Court Judge or whoever he may be, is going to be told that he should allow only such payment as he considered enough for the services rendered deserve, then

I say I am in no better position, and until I know I have got a gift I shall render no thanks to the person giving it.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That in sub-clause (2) of clause 3 of the Bill, the word 'either' and the words 'or in lieu thereof such sum, if any' be omitted."

The motion was negatived.

Dr. P. N. Banerjea: Sir, I move:

"That in sub-clause (2) of clause 3 of the Bill, for the words 'an officer' the words 'a person' be substituted, and the following be added at the end of the sub-clause:

"The person so appointed shall be a person who is or has been a Judge of a High Court or a District Judge'."

I gave notice of another amendment in which I suggested that the adjudication of disputes should be entrusted to a High Court Judge or a retired High Court Judge. But it was pointed out to me that while a High Court Judge would be very good for deciding cases in which large municipalities were concerned, the services of a High Court Judge need not be requisitioned for a small municipality in some distant part of a province where the amount in dispute would be very small. Therefore, I amended my original amendment and have put it in this form. Now, what is the real meaning of this amendment? What I mean is that when a dispute occurs in which there are parties like the Calcutta Corporation, the Madras Corporation, the Bombay Corporation, or the Allahabad or Lahore Municipalities or even municipalities like Howrah, then the services of a High Court Judge or a person who has retired from the position of a High Court Judge should be requisitioned. In this connection I may say that the President of the Railway Rates Tribunal who is more often than not a retired High Court Judge may be appointed for the purpose. He possesses knowledge of railway matters and the appointment of such a person would give satisfaction. Why I urge the appointment of a High Court Judge is that such a person would be able to give full satisfaction to all the parties concerned. My Honourable friend, Mr. Mehta, said, a few minutes ago, that he would not entrust the adjudication of disputes to a Subordinate Judge. Nor would I. In my amendment, the words "Subordinate Judge" do not occur. Then I take it that ordinarily when a large municipality is concerned, a High Court Judge or a retired High Court Judge will be appointed to determine the dispute. But in cases, where smaller municipalities are concerned, and where the amount in dispute is also very small, a District Judge will be able to do justice. Well, we all know that High Courts are above all influences from any side. A District Judge also is an experienced officer and he knows how to weigh evidence on both sides of the case. Therefore, I hope, there would be no objection from any part of this House to the acceptance of this amendment.

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

"That in sub-clause (2) of clause 3 of the Bill, for the words 'an officer' the words 'a person' be substituted, and the following be added at the end of the sub-clause:

"The person so appointed shall be person who is or has been a Judge of a High Court or a District Judge'."

Mr. Jamnadas M. Mehta: Sir, I would beg of my Honourable friend, Professor Banerjea, to make it clear to me as to whether he is going to

[Mr. Jamnadas M. Mehta.]

follow this up by a subsequent amendment, that is for the words "all the circumstances of the case" the words "the services rendered to the Railways" be substituted.

Dr. P. N. Banerjea: Shall I give a reply?

An Honourable Member: Wait on.

Mr. Jamnadas M. Mehta: As my attitude will depend upon the answer given by my friend, Prof. Banerjea, I am entitled to know whether he is going to follow up with that amendment.

Dr. P. N. Banerjea: I frankly confess that when I gave notice of my earlier amendments, I knew they were not acceptable to Government....

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member may simply say whether he proposes to move his other amendment or not—in yes or no.

Dr. P. N. Banerjea: Yes.

Mr. Jamnadas M. Mehta: And are Government going to accept that? Then it means that a Select Committee sat after the Select Committee had reported! I cannot allow these changes to be made by agreement behind the back of the Select Committee. I would have gone much further in the Select Committee if I knew that Government had entered into an agreement in which they thought that they were gaining while my friend thought he was gaining. I think that he is losing. So I want to know whether Government are going to back up the compromise into which they have entered.

The Honourable Sir Andrew Clow: I propose to accept this amendment. The Government are entitled to express their view. If any Member of this House approaches me with an amendment and asks me whether and under what conditions I am prepared to support his amendment, I am just as much entitled as he is to give a reply.

Mr. Jamnadas M. Mehta: I am very sorry to say that that is the view of the Honourable Member. That means that the Select Committee is left out in the cold and the Government have gone to another Member to.....

The Honourable Sir Andrew Clow: I did not go to another Member. Other Members came to me and made various suggestions.

Mr. Jamnadas M. Mehta: That makes no difference. But are Government prepared to accept this amendment?

The Honourable Sir Andrew Clow: I am prepared to accept this amendment.

Mr. Jamnadas M. Mehta: And also the subsequent amendment?

The Honourable Sir Andrew Clow: Yes.

Mr. Jamnadas M. Mehta: Under these circumstances I consider it my duty to oppose both these amendments.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member is only concerned with this amendment.

Mr. Jamnadas M. Mehta: Sir, I want to make it quite clear that there is no greater well-wisher of the Calcutta Corporation than I am in this House. I am going to oppose this because Government are going to accept them. If they accept this and do not accept the second, I am with them.

Mr. Deputy President (Mr. Akhil Chandra Datta): I take it, you are speaking on this amendment moved by Dr. Banerjea.

Mr. Jamnadas M. Mehta: Sir, I am speaking on the amendment moved. I want to make it clear that I am in favour of a High Court Judge, but his powers should not be circumscribed under this Bill and he should remain a real High Court Judge after this Bill is passed and, I may say, that I am not making any insinuation. I beg of the Honourable Member for Communications to remember the terms on which the compromise was accepted by the Select Committee. The warning is sounded to me that in place of the words "having regard to all the circumstances of the case" the House is now going to be asked to accept "having regard to the services rendered to the Railways". The High Court Judge will, thereafter, be limited to giving his judgment on the "services rendered" only. Today the officer who may be appointed will be "having regard to all the circumstances of the case" which, in my opinion, is a far wider and more comprehensive term than "having regard to the services rendered to the Railways". I shall give you one example. Supposing a municipality is introducing water works, the Railways will be bound to pay the water tax. The Railways say "No; we shall not take water from you. We shall make our own arrangement. We do not accept your services". And the municipality being too poor will not have water works at all for the rest of the city simply because the Railway is not becoming a part of the municipality for these water works. For the convenience of the Railway, therefore, the whole of the city will have to forego a water works arrangement which will give clean water to the city, because if the Railways do not pay the tax the water works scheme will be uneconomic. I am asking the House whether you want to fetter the judgment of the High Court Judge at that time when the municipality wants to start water works because of this provision—"having regard to the services rendered to the Railways". The Railways will argue "you don't render the services, therefore we cannot pay the tax". The judge can only say "thank you for coming to me, but the Act being what it is, I cannot help". On the other hand the present position is that whosoever is appointed will have to decide the issue regard being had to "all the circumstances of the case". If that is retained the High Court Judge can do some good to the municipality. But if that is not retained the High Court Judge is no good. The next amendment will limit the liability of the Railways and, therefore, the High Court Judge will be powerless to do any good to the municipality, and, therefore, I oppose. I hope that it will not be misunderstood.

Sir Cowasji Jehangir: It applies to all cities—also Bombay and Calcutta. There is no distinction between the cities with regard to your argument.

Mr. Jamnadas M. Mehta: What my Calcutta friends are confronted with today is a genuine difficulty.

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

I understand them very well. I only beg of them to understand us. Their bitter experience is that the Commissioners of the Division appointed there for adjudicating the disputes have taken the most fanciful view of the tax to be paid by Railways. Therefore they wanted judicial authority, and very rightly so. But the Judicial Revenue Commissioner of the Division today is entitled, if he has the courage, to have regard to "all the circumstances of the case" before giving his award. The High Court Judge will not have that power.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Why?

Mr. Jamnadas M. Mehta: The second amendment is coming. Under that the High Court Judge may be quite willing to help you but he says "I am powerless because the Act being what it is I can only give you such taxation for which you render services" and the Railways say we do not want those services. Therefore, the amount of taxation will be reduced instead of being increased, whereas the present arrangements are better. It may be increased in the case of the Calcutta Corporation if the High Court Judge is left the powers that are in the Act today but if the High Court Judge is also met with the *fait accompli* that he must award taxes only for which services are rendered, then the High Court Judge can also give you no relief. This is also the view of the representatives of other municipalities who have come here.

I may here speak on behalf of the Howrah Municipality. They do not want this thing—"for services rendered". They know that once you give that scope to the railways the railways may have services of their own and they may escape all the taxation, thereby depriving the rest of the citizens of that city of a proper income from municipal revenue. If the Government want that this should be accepted, I am quite willing to make a suggestion to the Honourable Member for Communications. Let the arrangements which my friend, Professor Banerjea, wants, be granted, and let the arrangements that are in force under the present Act also remain. The municipalities might then have the option of choosing the present arrangements or the new arrangements which my friend, Prof. Banerjea, proposes

The Honourable Sir Andrew Clow: I should say, why not at the option of the railways?

Mr. Jamnadas M. Mehta: That is exactly the position. You know very well that you are gaining under this Act and, therefore, you are not prepared to forego that advantage. I am willing to accept your High Court Judge, but not one without real powers. You have him if you like but give me the option of the Accountant General with the present section

Sir Cowasji Jehangir: According to the Honourable Member it is not so much whether it is the Accountant General or the High Court Judge, but the reference that will be made to him? That is the important point.

Mr. Jamnadas M. Mehta: Yes. If this amendment passes, the High Court Judge will come with restricted powers. I want to have the old powers, i.e., "having regard to the circumstances of the case". If I am given that, I want the High Court Judge. But if not, let it be left to my option.

Sir Cowasji Jehangir: The important point is the reference.

Mr. Jamnadas M. Mehta: Yes; the terms of reference which the High Court or the Commissioner of the Division will have are the real decisive test of the matter. In this House there are six *ex-Mayors* of the Bombay Corporation Sir Homi Mody, Sir Cowasji Jehangir, Mr. Husenbhai Laljee, Sir Narayan Chandavarkar, Dr. Deshmukh and myself who know our business and they will resent such gross injustice to the Bombay Municipality and other local bodies. If they want to accept Dr. Banerjea's amendment, let it be alternative at the choice of the municipality concerned; then I have no objection. That is my position. I will make it perfectly clear that I want my Calcutta friends to gain what they want and they should leave me what I have got; let them not by trying to arrange something which they think is better, land me into difficulties. Sir, I oppose.

Pandit Lakshmi Kanta Maitra: Sir, I fully appreciate the view point put forward by my Honourable friend, Mr. Jamnadas Mehta; but it seems to me that my Honourable friend, the *ex-Mayor*, and perhaps all the six *ex-Mayors* of Bombay, are haunted by the nightmare of an Accountant General

Mr. Jamnadas M. Mehta: I can also become ironical, and if you want me to be so, I am prepared to be ironical. I am quite capable of that. Do not try to be too clever.

Pandit Lakshmi Kanta Maitra: I am afraid Mr. Mehta has thoroughly missed the point of my humour. I did not know that he was in such a serious mood, but I am in no less a serious mood than he and if he had followed my speech

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better address the Chair.

Pandit Lakshmi Kanta Maitra: If he had followed the speeches I made before, he would have agreed with me in what I said. In fact I supported his contention. I said that you are to make a choice between two things: one is whether you are going to have an executive officer appointed by the Government for assessment of railway property, or a man with judicial training of the position of a High Court Judge or a District Judge, trained to sift evidence, trained to administer law and trained to administer justice between man and man. Is it seriously contended in connection with this that an Accountant General, however

[Pandit Lakshmi Kanta Maitra.]

gifted, however intelligent, is expected to discharge the duties of the administration of this particular law more effectively than a District Judge or a High Court Judge whose whole career has been one of administration of justice? This is a point which cannot be ignored. It cannot be gainsaid that it is an advantage—and it is an advantage which would accrue to both the parties, the Government and the local self-governing institutions.

Having disposed of that, I explained that I was not at all happy over the terms of reference. I expressed the opinion, as strongly as my Honourable friend did, that the discretion of such a judge would be circumscribed by the provision that we are going to make now. My Honourable friend seems to think that it is purely a question of dispute between the Calcutta Corporation and the Bombay Corporation. It is not

Mr. Jamnadas M. Mehta: I have never said that.

Pandit Lakshmi Kanta Maitra: I beseech him not to misunderstand me. I have explained to him that the interest of municipalities outside Calcutta is directly opposed to the view point of Calcutta

Mr. Jamnadas M. Mehta: Then support me.

Pandit Lakshmi Kanta Maitra: But I have said and explained that. You are in a huff, and what could I do? I explained how hundreds of municipalities would be adversely affected by this provision. It is quite possible that the Bombay Corporation would not be hit to the extent the rural and even the urban municipalities of the Bombay Presidency, would be hit. It is quite possible that the Calcutta Corporation also would not be so hard hit, but I have tried to explain very clearly the difficulties of corporations or municipalities other than those in the big cities of Calcutta, Bombay, Madras and Karachi. I explained that in these mofussil municipalities there are different kinds of taxes and rates—such as, conservancy tax, holding tax, water tax, lighting rate and so on and so forth. A municipality in an urban or rural area is in a position to offer some facilities to the railway station there, to the railway colony there or to the railway property there; but it is quite conceivable that such a railway station in the country-side will engage one sweeper and say “that will be enough for my conservancy arrangements”. It may sink one well and keep a couple of pitchers of water on the platform and say to the municipality “I do not want to pay your water rate. I do not want water to be supplied to me”. And so on and so forth; and if we make “services rendered” as the criterion for the assessment of the amount of tax, then difficulties are bound to accrue, and the municipalities are bound to suffer loss in their revenues. I have made that clear, but as I have said you have to make a choice between the two alternatives.

Mr. Husenbhai Abdullahai Laljee: Why choice?

Pandit Lakshmi Kanta Maitra: Because I have suggested to my friend, the Honourable the Communications Member, who, perhaps due to pressure of business, could not attend to my point, to agree to the addition of two or three more words, “having regard to the services rendered and

to other relevant factors”. I don't understand why my suggestion should not be acceptable to him. I do not want that the High Court Judge should again be thrown into the region of speculation as to the kind of tax or taxes he would have to assess, but I narrowed down the field of enquiry by saying that he should take into consideration only the relevant factors, and in my opinion, “having regard to the services rendered and to all other relevant factors” is a much better formula than “having regard to all circumstances of the case,—and if my friend, Mr. Jamnadas Mehta, wants to differ from me, I at once join issue with him”. It is not a question of quarrelling. It is a question of making a choice. If the Honourable the Communications Member chooses to remain adamant, if he says: ‘I have gone as far as I could and I cannot go any further; it will be for you to consider what kind of choice you are going to make,—we cannot help’. I know that if this piece of legislation is passed with these two amendments, big Corporations may not be affected,—with all respect to my friend, Mr. Jamnadas Mehta, even the Bombay Municipality will not be affected, but I know that hundreds of municipalities throughout India will be affected. Therefore, I am asking the Honourable the Communications Member to consider, if it is possible, even at this stage, to take one step forward and see that this bone of contention is removed.

I want once again to impress on him the fact that there is no provision in the Bill for an agency of appeal. You are setting up the agency of a District Judge or a High Court Judge to adjudicate the question of taxation. He will certainly be able to bring his judicial mind to bear on all these questions, but what kind of questions can such a Judge consider? Only services rendered? As I pointed out just now, it is quite conceivable that in most of the municipalities such services may not at all be rendered to the railway, and sometimes even if the services are offered, railways do not take advantage of them. In the case of municipal taxation of an ordinary person, what is the law? The law is that, even if there is a fallow piece of land with no building on it, the man is assessed house rate, water rate, conservancy rate and lighting rate in the municipalities where they have such rates. Even when a man has not got a latrine, he is assessed the latrine rate; even when there is no water tap in his house, the man will be charged a water rate. Now, if that is the position of an ordinary citizen in a municipality, what would be the position of the Railways if this measure is passed into law? The Judge will say that he has only to see what kind of services have been rendered and all that the municipality will be entitled to is perhaps a little house rate, and that also will be considered on the basis of a certain percentage. And there are generally two bases for taxation in such matters,—the cost of construction and the annual letting value. What rent is such a holding as a small wayside Railway Station expected to fetch? It may fetch Rs. 2 a month, for the surroundings may be bad, there may be jungles all round, and so one cannot expect such a house to fetch more than Rs. 2 a month, and so a railway property at a particular station may be assessed at Rs. 24 per annum. The Judge will say: “on a careful consideration of the services rendered by you I do come to the conclusion that you are entitled to Rs. 25 a year”. So this is a real difficulty. I sympathise with my friend, Mr. Jamnadas Mehta. I am also sailing in the same boat with him; I come from the mofussil, and having had something to do with municipalities in the

[Pandit Lakshmi Kanta Maitra.]

mofussil, I know how it will affect municipalities in all provinces. But if the attitude of the Government is unbending, you have to make your choice. But with regard to this part of the amendment which is now before the House, I think there cannot be any difference of opinion in any part of the House that a High Court Judge or a District Judge is infinitely a better person to be trusted with the administration of this law than an executive officer, however highly placed he may be. Sir, I support this amendment.

The Honourable Sir Andrew Clow: Sir, I think there is a good deal of misconception, not about the effect of this amendment, but about the effect of the second amendment that stands in the name of Dr. Banerjea which, to my mind, is intimately linked with this. In fact, I should not regard this amendment as suitable were the other amendment not there. As Dr. Banerjea has pointed out, the officers to whom cases have been referred, have produced very often rather inconsistent decisions. I am informed that that is not merely true of executive officers, but that it is not easy to find any consistent line from those cases which have been referred to judicial officers. Now, the reason for that is, I am quite sure that that Act gives them no guidance on the matter, but as Dr. Banerjea pointed out in an earlier speech, a good deal of guidance has been given by the Report of the Taxation Inquiry Committee. They devoted a long and careful study to this subject, and although Dr. Banerjea quotes parts of it earlier, I would like to refresh the memory of the House by a reference to the paragraph which I think he cited. They say:

"The principle which is most appropriate seems to be that local taxes are largely of the nature of payments for services rendered, and that the service rendered to a railway can best be gauged by the extent and value of the property used for the reception and despatch of goods and passengers."

They then go on to say that they have reviewed the various systems throughout India, and they proceed to commend the Bombay system and cite at length percentages on buildings of different types as a system which they think is suitable for adoption. In other words, I do not regard Dr. Banerjea's second amendment, and I am sure he does not regard it, as meaning that you simply pay so much for every gallon of water that is delivered to you. You must take a much broader view than that, and you must not exclude the possibility of assessment, as has been done recently in Bombay on lands generally, as a method of assessing the services rendered. In fact that is exactly what the Taxation Inquiry Committee recommended

Sir Cowasji Jehangir: What are the words in the Act?

The Honourable Sir Andrew Clow: The words in the Act merely are "all the circumstances of the case".

Sir Cowasji Jehangir: When you make that change, won't the Judge take that into account?

The Honourable Sir Andrew Clow: Certainly, but he has a criterion on which he has to work, and I have not the slightest doubt he would refer also to the Committee's Report

Mr. Husenbhai Abdullabhai Laljee: He cannot go beyond the Act.

The Honourable Sir Andrew Clow: He cannot go outside the Act, but he is perfectly entitled to take any guidance

Mr. Husenbhai Abdullabhai Laljee: Why don't you correct it in the Act itself?

The Honourable Sir Andrew Clow: That solution did occur to me, but it is not possible to put down in the Act itself a series of rules that will govern this procedure all over India. If the Select Committee had left us the power to prescribe the manner in which the tax would be assessed, then I should have been very glad to be guided by this Report.

Sir Cowasji Jehangir: Which Report?

The Honourable Sir Andrew Clow: By the Taxation Inquiry Committee's Report.

Mr. Husenbhai Abdullabhai Laljee: If I am the Judge

The Honourable Sir Andrew Clow: The Honourable Member must allow me to say what I have to say. What I am trying to say is this. The interpretation placed on 'services rendered' is not an interpretation which, I think, is in any way legitimate. Mr. Jamnadas Mehta raised the point and took a particular case of a municipality and said that the railways would not take water from it and, therefore, they won't pay for water. That may happen in some cases, but under the Act as it stands, the authorities need not declare the water tax; they need not notify.

I am afraid Mr. Jamnadas Mehta with his long experience of Bombay is looking at the matter largely from the point of major municipalities. I do not contemplate any substantial change in Bombay. If the Mayor, whosoever he may be, and we agreed to a reference to the Accountant General outside the Act, we would be perfectly able to arrange it. There is nothing, as far as I can see, in the Bill to prevent us from doing so. I was rather struck by his tribute to an officer, who is, after all, not even an officer of the Provincial Government, but an officer of the Government which has to pay the tax. We have also to bear in mind that there are cases, fairly numerous cases, of smaller areas where railways do provide services. They provide sanitation, they provide water, they provide roads, they provide other things in common, and, as I said earlier, I think this—the only sound principle which we can apply is where both payments are being made by taxpayers; because, after all, the Central Government is merely paying out the taxpayer's money, it is merely a question of which taxpayer is going to pay, the local taxpayer or the taxpayers of India as a whole. Where we have payments by taxpayers, the only proper principle to adopt is that neither should attempt to secure an advantage from the other. In other words, it is not so much a question of the method of taxation but, as the Taxation Enquiry Committee said, of services rendered—that we do not try to get anything from a municipality without paying for it.

[Sir Andrew Clow.]

and that it does not try to get anything from us when it is not rendering a service. That, I think, is a fair and equitable principle, and I am prepared to accept both the amendments.

Mr. Husenbhai Abdullabhai Laljee: After hearing the Honourable Member for Communications, I am not at all convinced by the arguments that he has placed before us. In the first place, my Honourable friend, Mr. Jamnadas Mehta, would like to have an Accountant General if the latter would take into consideration what is laid down in the Taxation Enquiry Committee's report. Mr. Mehta would certainly like to have a judicial officer in preference to an Accountant General if the scope of reference is as wide as that. But if there is not sufficient scope in the reference for a Judge to go into, then my Honourable friend would prefer to have an Accountant General as a case of necessity and because an Accountant General will have power to go into all matters which vitally affect a municipality. The Honourable the Communications Member thinks that the arbitrator or judge or referee, or whoever he may be, will look into what is contained in the Taxation Enquiry Committee's report. I have had some experience in this line and I am told that they will look into the Act itself, they are not bound to, they ought not to go into the objects and reasons, or with what object it was made, or the speeches that were made in connection with the provision. That is quite clear. No Taxation Committee's report will be looked into; only the words "services rendered" will be considered by the judicial officer and these he will strictly interpret as an Act. My Honourable friend does not say in the Bill what is the meaning of "services rendered", and that is the fear in the mind of my friend, Mr. Jamnadas Mehta. I see that the Honourable Member does not mean that "services rendered" only means services actually rendered.

The Honourable Sir Andrew Clow: My Honourable friend is mistaken. Services rendered have still got to be assessed. What I pointed out was that the Taxation Enquiry Committee considered that this was a reasonable way of assessing those services.

Mr. Husenbhai Abdullabhai Laljee: The point made here is this. We have here got a Bill in which the Government have not provided all that. Government did not think it necessary, when the Bill was introduced; they did not think it necessary even in the stage of the Select Committee. Now that a very small section of the House, honestly, sincerely, believing that the appointment of a judicial officer though with a limited scope of reference is better than leaving it to the judgment of an executive person even with a wide scope of reference—that is the difference between me and my Honourable friends from Calcutta. I say that there is no doubt that a judicial officer is a better man than an executive officer without judicial knowledge, but as the scope of reference to the former is restricted it is of no good. After all is said and done, even the executive officer will see—as the Honourable Member has pointed out, it is not anybody's private concern, it is the concern of every taxpayer, whether local or of the whole of India. Therefore, I am not so much afraid of the executive officer if the whole thing could be gone into. Mr. Jamnadas Mehta has spoken about water. Mr. Lakshmi Kanta Maitra

has spoken and pointed out instances like lighting. There are also educational and maternity schemes. We are going to have compulsory education in every city, in every town, in every village. When everybody sends his children to those schools, you will have to pay for it because you would get better men in your service who will help you, and you have got to contribute to that.

The Honourable Sir Andrew Clow: We shall pay them better.

Mr. Husenbhai Abdullabhai Laljee: How will you? The scope of reference is limited. The words are "services rendered". Why did this not strike you before? It is only the persuasion or the little talking of my few friends that has made the Honourable Member change the whole thing? May we take it like that, or is it a bargaining? Please tell us frankly. You have got to consider the whole of India. Be frank with us.

My Honourable friends from Calcutta never objected to the suggestion of my friend, Mr. Jamnadas Mehta. They wanted a judicial officer. They have bargained for a judicial officer at the cost of having the reference cut down. The reference should be wide, should be liberal, and even the executive officer knows that both parties are public bodies. I do appeal to the Honourable Member that it is the duty of the Government to be just and do what is fair and equitable. Why do you demur to give both things to the people? Do you think that the judicial officer will go against the Government or against the railway and will not appreciate that the railways are also a Government concern and as such the concern of the people? Why do you not want a judicial man? We have to admit that they have got much more experience. They know much more of equity and law. But all that does not mean that we should ever agree to cut down the scope of reference. Not until a minute or two before, did the Honourable the Communications Member think about this? It is surprising that the Government should have been so easily persuaded—I congratulate my Honourable friends here on this power of persuasion. In that case I do not think we are required here, only a few of them would be quite sufficient for the opposition to negotiate with the Government and have the things done. I am very much surprised at all this and I congratulate all concerned. I know there has got to be made some arrangement. I think my friend from Bengal had a Hobson's choice. It is not fair or equitable to act like this. I ask the Honourable Member to consider seriously what all this really means and not to forget the intention of the Bill, and why it has been brought. Is it not in the interests of public bodies? If it is so, be graceful.

The Honourable Sir Andrew Clow: It is not in the interests of either party. You ought to do justice between both.

Several Honourable Members: I move that the question be put.

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

"That the question be put."

The motion was adopted.

[Mr. President.]

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

"That in sub-clause (2) of clause 3 of the Bill, for the words 'an officer' the words 'a person' be substituted, and the following be added at the end of the sub-clause:

"The person so appointed shall be a person who is or has been a Judge of a High Court or a District Judge."

The motion was adopted.

Dr. P. N. Banerjee: Sir, I move:

"That in sub-clause (2) of clause 3 of the Bill, for the words 'all the circumstances of the case' the words 'the services rendered to the Railway' be substituted."

The letter 's' in 'Railways' as printed in the amendment paper is a misprint.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (2) of clause 3 of the Bill, for the words 'all the circumstances of the case' the words 'the services rendered to the Railway' be substituted."

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadan Rural): Sir, I should like to move my amendment No. 9. Then both can be considered together.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can move that also.

Mr. Amarendra Nath Chattopadhyaya: Sir, I move:

"That in sub-clause (2) of clause 3 of the Bill, after the words 'all the circumstances of the case', the words 'including the question of services rendered' be inserted."

Mr. President (The Honourable Sir Abdur Rahim): Further amendment moved:

"That in sub-clause (2) of clause 3 of the Bill, after the words 'all the circumstances of the case', the words 'including the question of services rendered' be inserted."

Both the amendments are now before the House.

Dr. P. N. Banerjee: This amendment of mine did not occur on the original list, and it was given notice of at a later stage. I should explain to the House as to how I came to give notice of this amendment. I found that in the original list two other amendments stood in the names of two friends of mine, and I was given to understand that a compromise had been arrived at between the Government and the would-be Movers of these two amendments. Now, I notice that these amendments were somewhat defective, and I gave notice of these two amendments, one of which has already been carried. The amendment which has already been carried is a great improvement on the amendment of which two friends of mine had given notice, namely, what they wanted was that the adjudication of disputes should be made by a District Judge or a Subordinate Judge, whereas the amendment which has just been carried says that the adjudication should be by a High Court Judge or a retired High Court Judge or a District Court Judge or a retired District Court Judge. To that extent it is a great improvement. Then, also, as regards the

second amendment, the wording was "services rendered to railway property". Now, my amendment refers to services rendered to railway. It is of much wider import. Services rendered to railway property is of much narrower import than services rendered to railway, that is to say, the railway system as a whole. Now, Sir, when I gave notice of these two amendments, I asked the Honourable Member in charge of Communications if he could go further and see his way to accept my amendment, and he agreed. Therefore, I am a party to this compromise, and, as a party to this compromise, I must stand by it, because the earlier amendment has been carried. But I should like, in this connection, to point out that the term "services" has a meaning much wider than the meaning which is being attached to it by my Honourable friend, Mr. Jamnadas Mehta, or by my Honourable friend, Mr. Laljee. Services may be of a general character. Services need not be specific, and services may be given directly or indirectly. Therefore, Sir, I do not think that the apprehensions of my Honourable friend are necessarily quite correct, but I do admit that there is considerable ground for apprehension.

Now, with regard to taxation, it is generally believed that the taxes levied by local bodies are in return for services rendered, whereas the general taxes of the country are not so. That, I maintained, is a mistake. I would ask this House to refer to page 279 of the Taxation Enquiry Committee report in which it is said: All taxes are in essence payments for services rendered directly or indirectly by the governing authority to the taxpayers. This feature is present in a much more conspicuous degree in the case of local taxation than in that of taxes levied for general purposes.

Therefore, I maintain that the principles which govern Central taxation are the same which govern local taxation, and the difference is in regard to degree and in regard to emphasis. Therefore, the word "services" need not be taken in the sense of specific services. There may be services given in an indirect manner.

Now, my Honourable friend, Mr. Husenbhai Laljee, who is not here now, referred to education. Yes, I think the service rendered by a municipality, by way of education to the community, will be considered in fixing the assessment. General sanitation will also be included in the word "services", although no specific services may be mentioned here. So far, as regards the meaning of this amendment.

Now, Sir, I must confess that there is some ground for apprehension which has been expressed in this House. The language is not so clear. The services may be interpreted in one way by one Judge, and in another way by another Judge. So, a difficulty may arise. That difficulty can be obviated by the insertion of a few more words as suggested by my Honourable friend, Pandit Lakshmi Kanta Maitra, or an alternative should be given as suggested by my Honourable friend, Mr. Jamnadas Mehta, or a combination of the two as suggested by my Honourable friend, Mr. Chattopadhyaya. I have no objection to either of these courses, but this will depend entirely on the attitude of the Honourable Member for Communications. I personally have no objection to any of these three suggestions made. But as I am a party to the compromise, I have to stand by that compromise. Having declared myself to be a party to a compromise, I cannot make one-sided arrangement. It is for the Honourable Member in charge of Communications to accept the language of the suggestions

[Dr. P. N. Banerjea.]

made by my friends or not. If he agrees to accept one of these suggestions, then the difficulty will be obviated, a great deal of dissatisfaction will be overcome, and the Bill will be considerably improved.

Mr. Amarendra Nath Chattopadhyaya: I thank you, Sir, for permitting me to move my amendment along with the amendment moved by my friend, Dr. Banerjea. The difficulty arose over the words "all the circumstances of the case" and it was suggested that for these words "the services rendered to the property" be substituted. This is a Bill of a peculiar nature. Government are the assesses and the assessor. Government nominates a certain officer to decide the assessment by notification. In case of a difference between the local authority and the Government, Government depute another man to decide the difficulty about the amount fixed. This is absolutely in contravention of all the laws of assessment and, therefore, the language of the Bill should be very clear. "Having regard to all the circumstances" are words which require amplification. Circumstances are not detailed here. The system of assessment is peculiar and the authorities all over the provinces, both in Mofussil municipalities and in big corporations, will all be suffering from certain difficulties with regard to the interpretation. Therefore, although the Honourable Member in charge of Communications has accepted a certain compromise with Dr. Banerjea, I believe the whole trouble will be solved if my amendment is accepted. It does not make any difference except that it amplifies the word 'circumstances', because 'circumstances' include the services rendered. The saving clause in clause 5 says:

"Nothing in this Act shall be construed as debarring any railway administration administering a railway from entering into a contract with any local authority for the supply of water or light, etc."

Here is a question of entering into a contract for certain services. That will make the difficulty more difficult. Really speaking, the words 'services' and 'circumstances' must be explicitly explained. The present Bill does not explain them. My amendment amplifies it and clears the whole thing and therefore it should be acceptable to the House without any difficulty. I, therefore, appeal to the Honourable the Communications Member to accept my amendment and solve the difficulty here and now. I hope he will accept my amendment. Sir, I move.

Maulvi Abdur Rasheed Chaudhury: Sir, I was surprised to hear the arguments of my friend, Dr. Banerjea, in support of his amendment. He admitted in so many words that his present amendment was defective inasmuch as it limited the power of reference to the Judge of the High Court. Still, he is dogmatically supporting his amendment, and the reason that he gives for doing that is that he is a party to the secret arrangement with the Government Member in charge of the Bill. Although his amendment is defective, he cannot amend it, simply because he is a party to that arrangement. We in the Select Committee did not know that the Government Member was feeling uncomfortable after the compromise was effected there. If he had told us that he was feeling uneasy on any point, we the Members of the Select Committee would have probably rendered him help. But instead of taking us into his confidence, he entered into a secret arrangement with some Members of Bengal and tried to bring in an amendment which in itself is defective.

Dr. P. N. Banerjea: That is not quite correct. We sent notice of amendments and then discussed with the Honourable Member. He did not enter into any secret arrangement.

Maulvi Abdur Rasheed Chaudhury: Why did you do it in our absence?

Now, Sir, the whole House has listened to the arguments put forward in support of the previous amendment, and I think all of us are glad that we have got an amendment already passed which provides, in place of a High Court Judge, an officer of judicial experience. So far as that is concerned, everybody is feeling comfortable, and nobody has got to speak a word on it. Even Mr. Jannadas Mehta has expressed his satisfaction that so far it is good. Now, Sir, when we go to curtail the power of that Officer, the power of that High Court Judge by binding his hand and foot and circumscribing the power which he was going to exercise, I say, Sir, that we should cry halt, thus far and no further. I do not like to lend my support to a secret arrangement arrived at with Dr. Banerjea.

Dr. P. N. Banerjea: Where is the secrecy?

Maulvi Abdur Rasheed Chaudhury: He knows full well all the time that his amendment is defective. So far as Dr. Banerjea's amendment is concerned, I should say that I am opposed to it. But if Mr. Amarendra Nath Chattopadhyaya's amendment is taken into consideration, that brings in a solution. That does not circumscribe the powers of the High Court Judge or the Judicial Officer, and at the same time that gives him in addition to what is called "all the circumstances of the case", "including the question of services rendered". So, he has got full powers to take into consideration all the circumstances of the case including the services rendered by the railway. So that solves the question. If that position is going to be accepted by the Government, I think the major portion of the House will support it. But so far as Dr. Banerjea's amendment is concerned, I am opposed to it.

Sir Cowasji Jehangir: Mr. President, a good deal of heat has been imported into this discussion and, I should think, with some justification. So far as I have understood the facts, they are as follows. An Honourable Member of this House was very anxious to get a change made in this Bill in one particular direction. He was not satisfied with the personnel of the adjudicating officer provided in this Bill.

The Honourable Sir Andrew Clow: Is it necessary for all of us to go into all these? The facts as already stated are not correct. Various Members have felt the same difficulty.

Sir Cowasji Jehangir: Various Members felt rather uneasy about certain aspects of the case and approached the Honourable Member in charge of the Bill to change one aspect in the Bill, namely, the personnel of the adjudicating authority. Well, Sir, along with that change which was made to the satisfaction of those Honourable Members who went to the Honourable Member in charge of the Bill, a certain other change was made in the Bill of a very important character. The terms of reference to that adjudicating officer were also changed. Now, Sir, the terms of reference to that adjudicating officer were in the Act. There was no

[Sir Cowasji Jehangir.]

change made with regard to those terms of reference in the Bill, and in the Select Committee that point was not evidently discussed. As the Bill was presented to the House, it contained the old terms of reference as are specified in the Act. Therefore, this important matter of terms of reference was never before the House officially. It can come before the House officially only if it is in the Bill or it is suggested by the Select Committee and included in the Select Committee Report. It was in neither. It was not in the Bill, it was not in the Select Committee Report; and the first time the House heard about it was only by a notice given by a non-official Member of this House suggesting a material change in the terms of reference to the adjudicating authorities. Therefore, Sir, I do contend that a very material change has been made by this amendment to which, unfortunately, the Honourable Member in charge of the Bill has agreed. I do not think that this House has had a proper opportunity of discussing this very important change.

The Honourable Mr. M. S. Aney (Leader of the House): I wish to know what prevented the House from discussing the amendment now?

Sir Cowasji Jehangir: We are doing it now.

The Honourable Mr. M. S. Aney: So you have got an opportunity of discussing it now.

Sir Cowasji Jehangir: But the amendment makes a fundamental change in the Act which was not in the Bill and it was not before the Select Committee. These are two very important matters. It is brought before the House by way of an amendment. Considering how the House is at present constituted, the trouble lies in Government having accepted it. If the Government had not accepted it, then we could have put our point of view for the consideration of the Government. The Government are now committed to it. Committed to what? Committed to a main principle in the Act which was not mentioned in the Bill nor in the Select Committee and it came before the House for the first time by way of this amendment.

The Honourable Sir Andrew Clow: The Honourable Member has no authority to say that it was not mentioned in the Select Committee.

Mr. Jamnadas M. Mehta: If the Honourable Member wants to dis-close it, I shall have something to say about what took place in the Select Committee.

The Honourable Sir Andrew Clow: I only replied in the negative that the Honourable Member had no authority to say what was mentioned in the Select Committee.

Sir Cowasji Jehangir: So far as we are concerned, we Members of this House who were not on the Select Committee are only concerned with the Bill and with the Select Committee Report, as placed before us. Under the circumstances, since the terms of reference are being changed, and since the changing of those terms of reference are very strongly opposed by certain Honourable Members of this House who have been and who

are connected with the civic life of this country in many parts of India, I do consider that it is rather hard on them and especially to Members of the Select Committee that a sudden change should be brought before this House for discussion in this manner and that Government should agree to it. My Honourable friend, Dr. Banerjea, very rightly approached the Honourable Member in charge of the Bill—I would have done the same thing and put my point of view to him—but at the same time I would have taken care to see, if I had been in the place of Dr. Banerjea, that the suggestions he got the Honourable Member in charge of the Bill to agree to had fairly substantial support from most of the Honourable Members of this House and especially those sitting behind him.

Mr. Husenbhai Abdullahbhai Laljee: His own Party is not agreed on this point. Majority of them are against.

Sir Cowasji Jehangir: Yes, and those sitting behind him are not agreed. He got his point, he got that High Court Judge that he wanted, as if there was some magic in the expression 'High Court Judge', but the terms of reference to that High Court Judge are radically changed. So what happened was this, that my Honourable friend, Dr. Banerjea, got the shadow, and my Honourable friend, the Honourable Member in charge of the Bill, got the substance. He got a radical change in the terms of reference made which is entirely in his favour, and my Honourable friend, Dr. Banerjea, got the consolation of getting a High Court Judge, with his arms and legs, both tied and bound. I do say that this is not quite an equitable manner of discussing an important Bill.

Since it is now five o'clock and it is time to adjourn the House, and I have a lot more to say, I wish to make only one suggestion, that between now and tomorrow morning I think a little discussion might continue amongst the Members of the Select Committee and that some agreed formula might be arrived at whereby I will save my breath and the valuable time of the House. I do make this suggestion to the Honourable Members of the Select Committee and to the Honourable Member in charge of the Bill.

The Assembly then adjourned till Eleven of the Clock on Friday, the 14th November, 1941.

which Haj pilgrims usually embark are those of Calcutta, Bombay and Karachi.

(d) I lay a statement on the table giving the information required by the Honourable Member.

DEPARTMENT OF EDUCATION, HEALTH AND LANDS

NOTIFICATION.

OVERSEAS.

New Delhi, the 5th February, 1931.

No. 131.—In supersession of the rules published with the notification of the Government of India in the Department of Education, Health and Lands, No. 114-0s., dated the 7th February, 1924, the following revised rules for the appointment of a Standing Committee on Emigration are published for general information:

RULES FOR THE STANDING COMMITTEE ON EMIGRATION.

1. Under the orders of His Excellency the Governor General a Standing Committee composed of members of the Indian Legislature shall be constituted to advise the Government of India on such questions relating to Emigration as may be referred to it under the orders of the Member in charge of the Department of Education, Health and Lands.

2. The Committee shall be known as the Standing Committee on Emigration and shall consist of the following:

Chairman.

The Member of the Governor General's Executive Council in charge of the Department of Education, Health and Lands, or an officer deputed by him by general or special order to act as Chairman on his behalf.

Members.

- (a) The Secretary or the Joint Secretary to the Government of India in the Department of Education, Health and Lands, as may be decided from time to time by the Member in charge of that Department.
- (b) Not more than eight members of the Legislative Assembly elected by the Assembly.
- (c) Not more than four members of the Council of State elected by the Council.

Secretary.

An officer of the Government of India in the Department of Education, Health and Lands as may be decided from time to time by the Member in charge of that Department.

3. The term of office of members elected by the Council of State and the Legislative Assembly will be one year commencing from the 1st April of each year provided that any member elected subsequent to that date shall cease to be a member after the 31st March of the following year and further that if any member ceases to be a member of the Council of State or the Legislative Assembly which elected him, he will also cease to be a member of the Committee.

4. If a member elected by the Council of State or the Legislative Assembly is summoned to attend a meeting of the Committee at a time when the Indian Legislature is not sitting, he will be entitled to receive the allowances admissible to him for attendance at meetings of the Legislature.

5. The functions of the Standing Committee on Emigration will be purely advisory and their proceedings will ordinarily be treated as confidential. No press representatives will be allowed to attend any meeting of the Committee.

6. Meetings of the Standing Committee on Emigration will be summoned by the Secretary at such times and as frequently as may be decided by the Member in charge of the Department of Education, Health and Lands. When the Legislature is not in session, at least 14 days' notice shall ordinarily be given before a meeting of the Committee can be summoned. In cases of emergency, this period of notice may be shortened at the discretion of the Member in charge of the Department of Education, Health and Lands. No quorum is prescribed. The agenda of each meeting will be drawn up and circulated by the Secretary, together with a memorandum explaining the nature of each item of business and copies of such papers as the Member in charge of the Department of Education, Health and Lands may direct to be furnished to the Committee. Such papers will be returned by members to the Secretary at the close of each meeting. The proceedings of the meeting will be confined to items entered in the agenda and any request for further information will be dealt with under the orders of the Member in charge of the Department of Education, Health and Lands.

7. The opinion of the majority will be regarded as the opinion of the Committee. In the case of an equality of votes, the Chairman shall have a second or casting vote.

RAM CHANDRA,

Joint Secy. to the Govt. of India.

Rules for the Standing Committee on Pilgrimage to the Hedjaz.

(Published with Education, Health and Lands Department Notification No. 1025-H. (G.), dated the 8th May, 1930).

1. Under the orders of His Excellency the Governor General a Standing Committee composed of Members of the Indian Legislature shall be constituted to advise the Government of India on such questions relating to Pilgrimage to the Hedjaz as may be referred to it under the orders of the Member in charge of the Department of Education, Health and Lands.

2. The Committee shall be known as the Standing Committee on Pilgrimage to the Hedjaz and shall consist of the following:

Chairman.

The Members of the Governor General's Executive Council in charge of the Department of Education, Health and Lands, or an officer deputed by him by general or special order to act as Chairman on his behalf.

Members.

(1) The Secretary or the Joint Secretary to the Government of India in the Department of Education, Health and Lands, as may be decided from time to time by the Member in charge of that Department.

(2) to (6) Five Muslim members of the Legislative Assembly elected by the Assembly.

(7) and (8) Two Muslim members of the Council of State elected by the Council.

Secretary.

The Deputy or the Under Secretary to the Government of India in the Department of Education, Health and Lands, as may be decided from time to time by the Member in charge of that Department.

3. The term of office of Members elected by the Council of State and the Legislative Assembly will be three years, subject to the proviso that, if any member ceases to be a member of the Council of State or the Legislative Assembly which elected him, he will also cease to be a member of the Committee.

LEGISLATIVE ASSEMBLY.

Friday, 14th November, 1941.

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

MEMBERS SWORN:

Raja Jagdambika Pratap Narain Singh, M.L.A. (Fyzabad Division: Non-Muhammadian Rural);
Mr. John Dawson Tyson, C.B.E., M.L.A. (Government of India: Nominated Official); and
Mr. Ammembal Vittal Pai, O.B.E., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

NOMINATION OR ELECTION OF MEMBERS TO THE IMMIGRATION AND THE CENTRAL HAJ COMMITTEES.

170. *Sardar Sant Singh: Will the Honourable Member for the Department of Education, Health and Lands, be pleased to state:

- (a) whether the members nominated or elected to the Immigration Committee, as well as the Central Haj Committee, do not belong to ports from which immigration takes place and from which pilgrims proceed for Haj;
- (b) whether there are any rules in this respect, and, if so, whether he will please place a copy thereof on the table of the House;
- (c) the ports and Provinces from where immigration takes place as also the ports from which Hajis proceed to Haj; and
- (d) the names of members of the Immigration Committee and of the Central Haj Committee and their constituencies?

The Honourable Mr. M. S. Aney: (a) The Rules governing the constitution of the two Standing Committees referred to by the Honourable Member do not restrict membership of the Committees to Honourable Members residing at certain ports.

(b) A copy of each of the Rules is placed on the table of the House.

(c) The Ports from which emigration for the purposes of the Indian Emigration Act is at present lawful are the ports of Calcutta, Madras, Bombay, Karachi, Negapatam, Tuticorin, Dhanushkodi, Chittagong, Gopalpur, Vizagapatam, Cocanada and Cox's Bazar. The Ports from

4. If a member elected by the Council of State or the Legislative Assembly is summoned to attend a meeting of the Committee at a time when the Indian Legislature is not sitting he will be entitled to receive the allowances admissible to him for attendance at meetings of the Legislature.

5. The functions of the Standing Committee on Pilgrimage to the Hedjaz will be purely advisory and their proceedings will ordinarily be treated as confidential. No press representatives will be allowed to attend any meeting of the Committee.

6. Meetings of the Standing Committee on Pilgrimage to the Hedjaz will be summoned by the Secretary at such times and as frequently as may be decided by the Member in charge of the Department of Education, Health and Lands. When the Legislature is not in session at least fourteen days' notice shall ordinarily be given before a meeting of the Committee can be summoned. In cases of emergency this period of notice may be shortened at the discretion of the Honourable Member in charge of the Department of Education, Health and Lands. No quorum is prescribed. The agenda of each meeting will be drawn up and circulated by the Secretary, together with a memorandum explaining the nature of each item of business and copies of such papers as the Member in charge of the Department of Education, Health and Lands directs to be furnished to the Committee. Such papers will be returned by members to the Secretary at the close of each meeting. The proceedings of the Committee will be confined to items entered in the agenda, and any request for further information will be dealt with under the orders of the Member in charge.

7. The opinion of the majority will be regarded as the opinion of the Committee.

8. Representatives of shipping companies and of Port Haj Committees may be invited to attend the meetings of the Standing Committee on Pilgrimage to the Hedjaz in an advisory capacity, whenever, the Member in charge of the Department of Education, Health and Lands so directs. For attendance at the meetings they will be entitled to receive travelling and halting allowances at the rates admissible to a Government servant of the first grade under the supplementary rules made by the Government of India.

Statement showing the names of members of the Standing Committee on Emigration and on Pilgrimage to the Hedjaz.

Name of Member.	Constituency.
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(i) Standing Committee on Emigration.

The Honourable Mr. M. S. Aney—Chairman (*Ex-officio*).

Mr. G. S. Bozman, C.I.E., I.C.S. Official.

Non-officials.

- | | |
|---|--|
| 1. The Honourable Pandit Hirday Nath Kunzru | United Provinces Northern Non-Muhammadan. |
| 2. The Honourable Mr. V. V. Kalikar | Central Provinces : General. |
| 3. The Honourable Saiyed Mohamed Padshah Sahib Bahadur. | Madras : Muhammadan. |
| 4. The Honourable Sir David Devadoss | Nominated non-official. |
| 5. Mr. M. Ghiasuddin | Punjab : Landholders. |
| 6. Sir Syed Raza Ali, C.B.E. | Cities of the U. P.—Muhammadan Urban. |
| 7. "Shams-ul-Ulema" Kamaluddin Ahmad | Nominated : non-official. |
| 8. Mr. N. M. Joshi | Nominated : non-official. |
| 9. Khan Bahadur Shaikh Fazl-i-Haq Piracha | North-West Punjab ; Muhammadan. |
| 10. Rao Sahib N. Siva Raj | Nominated : non-official. |
| 11. Sir Frederick James, O.B.E. | Madras—European. |
| 12. Mr. Ananga Mohan Dam | Surma Valley cum Shillong, Non-Muhammadan. |

(ii) Standing Committee on Pilgrimage to the Hedjaz.

The Honourable Mr. M. S. Aney—Chairman (*Ex-officio*).
Mr. G. S. Bozman, C.I.E., I.C.S.—Official.

Non-officials—

- | | |
|---|---|
| 1. The Honourable Mr. Abdool Razak Hajee Abdool Sattar | West Bengal : Muhammadan. |
| 2. The Honourable K. B. Alli Buksh Mohd. Husain, C.B.E. | Sind : Muhammadan. |
| 3. Qazi Mohammad Ahmad Kazmi | Meerut Division : Muhammadan Rural. |
| 4. Syed Ghulam Bhik Nairang | East Punjab : Muhammadan. |
| 5. Khan Bahadur Mian Ghulam Kadir Muhammad Shahban | Sind Jagirdars and Zamindars : Landholders. |
| 6 & 7. Vacant. | |

TAKING OVER OF THE ENEMY FIRMS BY THE CONTROLLER OF ENEMY PROPERTY AND CONSEQUENT LITIGATIONS.

171. *Sardar Sant Singh: (a) Will the Honourable the Commerce Member be pleased to lay on the table a statement showing:

(i) the number of enemy firms in Bombay, Karachi, Madras and Calcutta, that have been taken over by the Controller; (ii) the approximate value of the goods and securities; and (iii) the approximate advances that have been found to have been made thereon by (1) British Exchange Banks, (2) Foreign Exchange Banks, (3) Indian Banks, (4) European firms or individuals and (5) Indians?

(b) How many suits have been pending in which (1) they are plaintiffs, (2) they are defendants?

(c) How many European firms of lawyers represent them and how many Indians?

(d) Is the Controller financing any of the litigations and, if so, from what moneys and under what authority; and what staff is employed for this work?

(e) Is it not a fact that all claims by British subjects in enemy country have been dismissed and all claims against British subjects have been decreed against them?

(f) Is it that the Controller has been authorised to fight for enemy subjects' interest against that of the British subjects, and if so, at whose cost and under what authority?

(g) Is it not a fact that enemy subjects cannot appear in any British law court and that therefore no lawyers can represent them, and, if so, have Government taken any action to make known to the Controller that he should immediately dispense with their services and remove this liability on the public funds?

(h) Can a lawyer appear in the courts of law for an enemy subject? If not, have Government issued such a circular to the courts of law, and, if not, do they propose to do so without delay in public interests?

(i) Is it a fact that the Controller of Enemy Property is carrying on the business of the enemy concerns with a view to maintaining the same and, if so, what is the underlying object for doing so, and what is the authority for such action?

(j) Is it a fact that goods manufactured by the agents of the enemy subjects and produced in enemy concerns are sent over to this country for marketing through British Agents in India, and, if so, what is the object?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) (i). In Bombay 50, Karachi 3, Madras 2 and in Calcutta 19.

(a) (ii) and (iii). Government consider that the time and labour involved in collecting materials for a reply to these questions would not be commensurate with the value of the results.

(b) The number of suits instituted on behalf of enemy firms whose assets are vested in the Custodian of Enemy Property is as follows:

(1) Suits in which such firms are plaintiffs 220.

(2) Suits in which such firms are defendants 15.

(c) (i). Number of lawyers or firms of lawyers representing enemy firms in these suits is:

(1) European 11.

(2) Indian 51.

(d) and (f). The Custodian of Enemy Property is required at times to institute or defend suits on behalf of the business under his charge. The expenditure connected with such suits is met out of the vested funds of the enemy businesses concerned and not from general revenues. In regard to the collection of debts due to enemies, no distinction is made between British subjects and others.

(e) Government have no information on this point.

(g) and (h). I am not prepared to answer portions of these questions which ask for an expression of opinion on certain legal points. Lawyers employed by the Custodian in litigation on behalf of enemy businesses are paid out of the vested funds of the business concerned and no question of liability on public funds arises. The Courts of Law need no direction from Government as regards interpretation of Law on the subject and any such directions emanating from the Government would be inappropriate.

(i) The policy of Government is to vest, where necessary, the property of enemy businesses in the Custodian of Enemy Property for the purpose of preventing benefits accruing to the enemy, as well as for preserving such property in contemplation of arrangements to be made at the conclusion of peace. The authority of this officer arises out of the powers granted under the Defence of India Act and the rules made thereunder apart from which no special authority has been vested in the Custodian in that behalf.

(j) No.

Mr. Husenbhai Abdullahhai Laljee: The Honourable the Commerce Member has said, in reply to part (i) of the question, that Government are preserving the enemy property until the end of the war. Why is it that Government are anxious to preserve such property?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Because we are anxious, Sir, that the property of our nationals in those foreign countries or enemy countries should be equally carefully preserved.

Mr. Husenbhai Abdullahhai Laljee: Has the Honourable Member information that they are not preserving it at all?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I have information to the contrary, if at all.

Sardar Sant Singh: May I know, Sir, what is the legal position of the Government in this case. When Government are asking the Controller of Enemy Firms to institute suits, do Government become the principal or do the enemy firm remain the principal?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The Controller is the principal, Sir, on behalf of the enemy firm. Government do not come in.

Sardar Sant Singh: According to the civil law, as it stands, the Courts are forbidden to take cognizance of a case in which the enemy as such is the plaintiff. Are Government then entitled to bring a suit on behalf of an enemy firm when that enemy firm is the principal? What is the rule about it?

Mr. Husenbhai Abdullahhai Laljee: There is no rule.

The Honourable Mr. M. S. Aney: May I ask the Honourable Member to point out any particular section of the procedure code or any other code that he knows of which forbids anybody from having recourse to a Civil Court in regard to property situated in British India.

Sardar Sant Singh: The position has now been reversed. I am asking a question of the Honourable the Commerce Member.

Mr. President (The Honourable Sir Abdur Rahim): It is a question of law.

CONTEMPLATED CHANGE OF THE TENURE POST OF THE DEPUTY DIRECTOR GENERAL OF ARCHAEOLOGY INTO A PERMANENT ONE.

172. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Education Member please state:

(a) if it is a fact that the post of Deputy Director General of Archaeology in India is a tenure post to be held by Superintendents, Archaeological Survey, for three years;

(b) if it is a fact that Government are now considering to change this tenure post into a permanent deputyship;

(c) if so, the reasons therefor; and

- (d) whether he is aware that this change will affect the Muslim interests adversely and that there is a general impression that this change is being brought about to debar the Muslim officers of the Department who are eligible for the appointment?

Mr. J. D. Tyson: (a) Yes.

(b) No.

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

TELEPHONES IN THE ARCHAEOLOGICAL DEPARTMENT.

173. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Education Member please state:

- (a) whether he has considered the recent proposals of the Government of India to curtail the number of telephones in the Archaeological Department;
- (b) whether he is aware that there are many telephones in that office which are wholly unnecessary and amount to waste of public money, having been installed without any principle;
- (c) if it is a fact that, for instance, the Conservation Assistant in the office of the Director General of Archaeology is a non-gazetted subordinate, but is provided with a telephone; and
- (d) whether owing to the economy orders about the curtailment of telephones he proposes to get such telephones removed?

Mr. J. D. Tyson: (a) The possibility of curtailment of the number of telephones is under consideration.

(b) No.

(c) The Conservation Assistant has no independent connection but has an extension from another telephone, which serves as an office telephone for the conservation office.

(d) The question whether any reduction is possible in the number of telephones in the office of the Director General of Archaeology in India is under consideration.

RECENT TOUR TO TINNEVELLY BY THE DIRECTOR GENERAL OF ARCHAEOLOGY.

174. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Education Member please state:

- (a) if it is a fact that recently the Director General of Archaeology asked for Government permission to visit Ceylon at Government expense;
- (b) if it is a fact that the permission was refused, but he travelled up to Tinnevely at Government expense and from there he took leave and proceeded to Ceylon;
- (c) the object of his going to Ceylon at Government expense;
- (d) whether he intended to go to Ceylon on his private business;

- (e) whether he ordered the staff who accompanied him up to Tinnevely to return to headquarters, while he was proceeding to Ceylon; if not, why not; and
- (f) what there was at Tinnevely of archæological interest that made the Director General to take such a long journey at such a heavy expense to Government?

Mr. J. D. Tyson: (a) No.

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

(c) Does not arise.

(d) No.

(e) The staff which accompanied the Director General consisted of a stenographer and two peons. Of these, one peon was ordered to return. The other peon was taken to Ceylon at the expense of the Director General of Archaeology in India. The stenographer also visited Ceylon on casual leave at his own request and at his own expense. The staff which did not return direct from Tinnevely was required by the Director General during the tour subsequent to his visit to Ceylon.

(f) The following monuments and site were inspected by the Director General at Tinnevely or in the neighbourhood:

- (i) an ancient temple at Tiruchendur which was undergoing conservation;
- (ii) the important and extensive pre-historic site at Adichanallur;
- (iii) the temple at Krishnapuram;
- (iv) the Nelliappa temple at Tinnevely.

The Director General of Archaeology in India also inspected a number of other places on his way to Tinnevely.

Mr. Lalchand Navalrai: May I know if, when he was going to Ceylon, the Director General said that he had to see these monuments there and also do his work?

Mr. J. D. Tyson: These monuments are in India within his own jurisdiction. He told us that he was going to Ceylon after seeing certain ancient monuments on the way to Tinnevely and in the Tinnevely area.

APPOINTMENT TO THE POST OF THE DEPUTY DIRECTOR GENERAL OF ARCHAEOLOGY.

175. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable the Education Member kindly refer to answers to supplementary questions relating to question No. 166, asked by Sir Syed Raza Ali in this Assembly on the 26th February, 1941, and state what sentences or extracts in paragraph 83 of Sir Leonard Woolley's Report, to which the Education Secretary drew attention in support of the appointment of the present incumbent to the post of the Deputy Director General of Archaeology, support the principle underlying the present appointment?

(b) Is it a fact that the following sentence occurs in the same paragraph of the report referred to above at page 44 "Circle Superintendents shall be eligible for promotion to the post of Director General or Deputy Director General. . . ."? Will the Honourable Member please point out if there is any similar specification for the appointment of the Government Epigraphist to the two posts referred to above?

(c) Is it a fact that opening sentence of that paragraph implies that the incumbent of the post of the Deputy Director General should have experience of conservation, excavation and exploration? How does the Honourable Member reconcile with this implication contained in his reply to paragraph (c) of question No. 166 referred to, namely, that the knowledge and experience of conservation and excavation is not a necessity for the incumbent of the post of the Deputy Director General of Archaeology?

(d) Is it a fact that the present incumbent had already been earmarked for promotion as Deputy Director General of Archaeology before he was given four months training? If not, how was his selection brought about and why was the seniormost Muslim officer in the general line not selected for training instead?

(e) Is it a fact that the latter has a number of literary works to his credit? What literary work has been done by the present incumbent of the post?

Mr. J. D. Tyson: (a) The Education Secretary's reply was directed towards showing that the detailed recommendations of Sir Leonard Woolley did not in effect reserve the post of Deputy Director General to officers in charge of circles but envisaged selection from a staff differently constituted from the existing staff of the Department.

(b) The answer to the first part is in the affirmative. In regard to the second part there is no recommendation in the report that the Government Epigraphist should be eligible for promotion to Director General or Deputy Director General.

(c) The implication of the extract referred to is a matter of opinion.

(d) The answer to the first part is in the negative. In regard to the second part attention is invited to the reply given to part (c) of starred question No. 166 on the 26th February, 1941.

(e) Government are not aware of any literary works published by the seniormost Muslim officer. In regard to the second part attention is invited to the reply given to part (c) of starred question No. 136 on the 11th November, 1941.

WATER CHARGES LEVIED ON THE DUFTRIES' QUARTERS IN ALI GANJ AREA, NEW DELHI.

176. *Sardar Sant Singh: (a) Will the Labour Secretary please state whether it is a fact that in the Duftries' Quarters built in 1927 in Raja Bazar and Minto Road Area, water is being supplied free of any charge?

(b) Is it a fact that in the Duftries' Quarters built recently, i.e., during 1941 in Ali Ganj, water-meters have been installed and monthly

charges are recovered from the pay bills of duftries for the consumption of water?

(c) When in the Minto Road and Raja Bazar Area Quarters water is being supplied free of any charge for the last 12 years, what is the justification for charging water-rent from duftries putting up in Ali Ganj quarters? Do Government propose to arrange to take off the water-meters from Ali Ganj Area and supply water free of charge as usual?

(d) Is it a fact that water charges fixed for Ali Ganj Area are those applicable to E-type quarters? Is there a clear-cut differentiation between a clerk entitled to an E-type quarter and a duftry, and if so, what is the reason for fixing the same limit of water consumption for a duftry quarter?

Mr. H. C. Prior: (a), (b) and (c). Occupants of Duftries' quarters in all areas in New Delhi, including Ali Ganj, are allowed free supply of water, subject to a maximum consumption of 2,000 gallons per month per quarter. Water consumed in excess of that quantity, however, is charged for in full. These quarters are all metered, and it is not proposed to take off the meters as Government have to make payments to the New Delhi Municipal Committee on the basis of consumption recorded by meters. It has been learnt that the Municipality has been charging these tenants Re. 1 per mensem per quarter in addition to the same amount paid to that body by Government, as the Committee levy a minimum charge for 4,000 gallons, i.e., at Rs. 2 per mensem per quarter. The Central Public Works Department is, however, taking up this matter with the Committee.

(d) No, *vide* the reply to (a), (b) and (c) above. No free supply of water is made in the case of 'E' type quarters which are allotted to clerks drawing a pay of not more than Rs. 75 per mensem.

Sardar Sant Singh: Are the quarters in Raja Bazar and Minto Road also separately metered?

Mr. H. C. Prior: That is my information.

DOUBLE FEE CHARGED IN THE PUNJAB AND DELHI PUBLIC SCHOOLS FROM STUDENTS WHOSE FATHERS PAY INCOME-TAX.

177. *Bhai Parma Nand: (a) Will the Honourable Member for Education be pleased to state whether it is a fact that pupils, whose fathers pay income-tax, are charged double fee in the Punjab and Delhi public schools?

(b) As the same amount of labour is taken in imparting education to all alike, why should classification be made among pupils and different fees charged from various classes?

Mr. J. D. Tyson: (a) I should prefer to say that parents who are not assessed to income-tax are charged fees at half rates.

(b) The scales of fees have been so devised as to give some relief to parents whose incomes are comparatively small.

STEPS FOR DEVELOPMENT OF THE INDIAN MERCANTILE MARINE FOR PARTICIPATION IN THE COASTAL AND OVERSEAS TRADE.

178. *Mr. Akhil Chandra Datta: (a) Will the Honourable the Commerce Member be pleased to state if it is Government's policy and their responsibility to take suitable steps for the development of an Indian Mercantile Marine and for providing an adequate participation of that Marine in the Coastal and the overseas trade of India as stated by his predecessors, Sir Joseph Bore and Sir Muhammad Zafrullah Khan, in this House on the 11th September, 1933 and the 5th February, 1936, respectively?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what steps they have taken in furtherance of that policy and responsibility and, particularly, for providing for an adequate participation of Indian shipping in the overseas trade?

(c) If the answer to part (b) be in the negative, what is their policy now and what do they propose to do for the development of Indian shipping in the coastal and the overseas trade of India?

(d) Will Government be pleased to state whether it is a fact that Sir Muhammad Zafrullah Khan as Commerce Member on the 26th January, 1937 and the Honourable Member on the 25th March, 1941, stated in this House that the policy of the Government of India in regard to the development of an Indian Mercantile Marine is to give "all possible and reasonable assistance" to it?

(e) If the answer to part (d) be in the affirmative, will Government be pleased to state whether it is a new policy or whether it is the same as their responsibility accepted by them as mentioned in part (a) above?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes.

(b) The attention of the Honourable Member is invited to the reply given by me on the 25th March, 1941, to the latter portion of part (a) of his question No. 494.

(c) Does not arise.

(d) Yes.

(e) It is no new policy.

Mr. Akhil Chandra Datta: With regard to part (b), may I know what steps have actually been taken?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: That was answered in the reply given by me on the 25th March, 1941, to which a reference has been made. A long reply was given.

STEPS FOR DEVELOPMENT OF THE INDIAN MERCANTILE MARINE FOR PARTICIPATION IN THE COASTAL AND OVERSEAS TRADE.

179. *Mr. Akhil Chandra Datta: (a) Will the Honourable the Commerce Member be pleased to state whether Government are aware that the British Government have been doing all they can for rendering financial assistance to the British shipping, and whether they are aware that they have announced that "the necessity of maintaining the British Mercantile

Marine in adequate strength and in a position of full competitive efficiency will always be kept constantly in mind"?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether they have drawn up any plan for developing Indian shipping in all maritime trades of India, both during the war and after it is over and, if so, what that plan is? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The attention of the Honourable Member is invited to the reply given by me to his starred question No. 239 on the 3rd March, 1941.

MESSAGES FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, two Messages have been received from the Council of State. The first message is as follows:

"I am directed to inform you that the Council of State, at its meeting held on the 13th November, 1941, agreed, without any amendment, to the following Bills which were passed by the Legislative Assembly at its meeting held on the 30th October, 1941, namely:

1. A Bill further to amend the Code of Criminal Procedure, 1898;
2. A Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment); and
3. A Bill further to amend the Factories Act, 1934."

The second Message reads thus:

"I am directed to inform you that the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them, which was passed by the Legislative Assembly at its meeting held on the 5th November, 1941, was passed by the Council of State at its meeting held on the 13th November, 1941, with the amendment shown in the enclosed statement.

The Council of State requests the concurrence of the Legislative Assembly to the amendment."

Sir, I lay on the table the Bill, as amended by the Council of State.

COUNCIL OF STATE.

Statement showing the amendment made in the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them, by the Council of State at its meeting held on the 13th November, 1941.

In clause 6, for the proviso to sub-clause (1) the following proviso was substituted, namely:

"Provided that she shall not receive such bonus if at the place chosen by her for her confinement she would have been entitled free of charge to the services of a qualified midwife or other trained person provided by the owner of the mine."

SHAVAX A. LAL,

Secretary of the Council of State.

New Delhi:

The 13th November, 1941.

THE RAILWAYS (LOCAL AUTHORITIES' TAXATION) BILL—*contd.*

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the Bill to regulate the extent to which railway property shall be liable to taxation imposed by an authority within a Province. The question is:

"That clause 3, as amended, stand part of the Bill."

Sir Gomasji Jehangir (Bombay City: Non-Muhammadan Urban): Sir, I was speaking when we closed the discussion yesterday. An understanding has been arrived at by those who disagreed with the amendment moved by Dr. Banerjea, and I understand that the Honourable Member in charge of the Bill is to place before the House an amended form of the amendment.

Mr. President (The Honourable Sir Abdur Rahim): Who is going to move this agreed amendment?

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, with your permission, I wish to add to the amendment, moved by me yesterday, the following words:

"and all the relevant circumstances of the case"

This will be acceptable to all sections of the House.

Mr. President (The Honourable Sir Abdur Rahim): Is that the gist of the agreed amendment?

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I believe that will be generally acceptable and I am prepared to accept it.

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

"That in sub-clause (2) of clause 3 of the Bill, for the words 'all the circumstances of the case' the words 'the services rendered to the Railway and all the relevant circumstances of the case', be substituted."

The motion was adopted.

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

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clauses 4 and 5 were added to the Bill.

Clause 1 added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Andrew Clow: Sir, I move:

"That the Bill, as amended, be passed."

(820)

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill, as amended, be passed."

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I congratulate the Honourable the Communications Member on his timely acceptance of the amendment to this Bill which is acceptable to all sections of this House. I am also very much satisfied that this agreed amendment satisfies the six *ex-Mayors* of Bombay. I would like to mention one point which I touched previously also. This is the question of appointing an agent on behalf of the railways to get reduction of taxes from the municipalities concerned. I took strong exception to this procedure of the railways and I was also supported by my friend, Mr. Husenbhai Laljee. My information is that in one particular case, East Indian Railway *versus* Howrah Municipality, this agent got over a lakh of rupees as his fee for getting the tax reduced. This is scandalous. Does it mean that there are no officers in the Railway Department concerned who could have tackled the matter and settled it amicably to the interests of both the railways and the municipalities concerned? Sir, if such matters are tackled and settled by the officers, there will be no charge to the railways. The railways will save considerable sums of money. As a matter of fact what the railways think as their gain may not be their gain at all. If this matter is left in the hands of the agent who gets a percentage on the reduction of tax he is able to secure, then what is done might have been so in the case which I have just mentioned that the agent does not take any interest when the assessment is being made by the municipality. He allows the municipality to assess railway property as they like, and when the assessment has been made at a high figure, he approaches the railway and asks the railway concerned to file an appeal

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is really not speaking on the third reading of the Bill.

Babu Baijnath Bajoria: This is entirely about this railway taxation and I will finish in two minutes

Mr. President (The Honourable Sir Abdur Rahim): Yes, yes; but not at this stage.

Babu Baijnath Bajoria: Then he asks the railway to file an appeal before the Commissioner or the officer to whom appeal is allowed, and he gets a reduction which they could have got even from the municipality if the case had been properly placed before

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is really ventilating particular cases.

Babu Baijnath Bajoria: I am finishing, Sir. I would, therefore, like that this system of agents paid on a commission basis should be stopped and all these matters must be handled by the railway officers themselves. If the case goes to a judicial officer appointed as the appellate authority, then they could have a lawyer if necessary, on a daily fee basis, as is

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usually done in other court cases. The suggestion I have made is in the interests of railways and I hope it will have due consideration from the Honourable the Communications Member.

Dr. P. N. Banerjee: Sir, the Bill in its present shape is a great improvement not only on the original Bill but on the Bill as it emerged from the Select Committee; and for this our best thanks are due to the Honourable Sir Andrew Clow and other Members of the Government. I urged many things in the course of my first speech and I am glad to be able to say that I have got two-thirds of what I wanted. For the remaining third, I shall wait for a more suitable opportunity. I give my full support to this motion.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I did not wish to speak on the third reading, but for the few observations of my friend, Mr. Bajoria. He very pleasantly referred to the six *ex-Mayors* of Bombay. I beg to assure him that, but for these six *ex-Mayors*, all the municipalities in the country, including the Calcutta Municipality, might have been trapped into a position where they may have lost so much that they would have realised too late what they did; but we have agreed not to reopen any controversy. I, therefore, heartily support the third reading.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Sir, I offer my whole-hearted support to the motion just made by the Honourable the Communications Member. I do not want to take any credit to myself, neither do I want anybody to be deprived of any credit he may lay claim to. But the Honourable the Communications Member knows very well that it was I who suggested to him what has now been acceptable to the House and for which credit has been taken by some Honourable gentlemen—some *ex-gentlemen*. I do not say *ex-Mayors* because that created some trouble for me yesterday—some *ex-gentlemen* of the Bombay Corporation. It must be admitted that the conceding of a High Court Judge or a District Judge as an officer to go into the question of adjudication is a step in the right direction and it is a great step forward; and now that the Honourable the Communications Member has been pleased to accept the other amendment as well the position is that the adjudicating officer will not have his discretion fettered in the way it would have been but for this amendment. We have pointed out that this piece of legislation, as it stood before the amendment, gave rise to all manner of doubts, not only in the minds of big corporations, but in the minds of all municipal boards, district boards and union boards in the country and I have had on more than one occasion in connexion with this Bill.

Mr. President (The Honourable Sir Abdur Rahim): You need not repeat all that.

Pandit Lakshmi Kanta Maitra: I am not repeating it—voiced that feeling. Now, I think the fears would be allayed to a considerable extent by the acceptance of this amendment, I wish, Sir, the Honourable the Communications Member would prescribe a set of rules which would

clarify the procedure in these matters. Unless a course of procedure is prescribed in such matters, there is bound to be some trouble. If that is done, then a long standing problem will be solved. I have very little more to add. I hope the trend of decisions which have so far been given on this question "of consideration of circumstances" will not be affected by the slight verbal alterations we have made in the amendment just passed. I hope, Sir, a better atmosphere will be created for all concerned. Sir, I support this motion.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I rise to support the Third Reading of the Bill, and I must say that the Government brought forward this Bill for the benefit of local self-Government. Right up to yesterday I believed that they brought this Bill forward for the advancement of local self-Government. Suddenly, Sir, my friend from Calcutta sprang a surprise on us, it was a wonderful surprise which usually Devi Luxmi (Devi Goddess Money) springs on us, but in this case the public interests of Bombay and of all other municipalities in the country had to be seriously considered. I really congratulate the Honourable the Communications Member for taking into consideration the strong feeling of the House. We can recognise frankly now that he never intended to harm the municipalities in this way and he wanted to safeguard very much his own interests of Railways.

The only other thing to which I would like to refer is, I still don't believe that the Government do employ agents for dealing with public bodies like the municipalities to reduce taxation, and above all, such fees as my friend, Mr. Bajoria, mentioned, a lakh of rupees or so, is certainly an exorbitant sum to be paid by way of fees. One thing that strikes me is that if an eminent lawyer is appointed, he is, I am told, barred from taking lump sum fees by way of remuneration or lump sums in return for and according to the services rendered. So it would appear that the man employed as agent was not a lawyer, otherwise the High Court would have taken action against him. So if he was not a lawyer, and if he was fortunate to get a lakh

Mr. President (The Honourable Sir Abdur Rahim): That question does not arise.

Mr. Husenbhai Abdullabhai Laljee: My point is this, that as the Honourable Member has brought forward this Bill in the interest of local self Government, he should see to it that the interests of both the Government and the ratepayers are properly safeguarded, and no agency is employed which would benefit itself at the cost of the other by appointing special class of agent.

The Honourable Sir Andrew Clow: Sir, I am somewhat surprised at the suggestion that the Railways acted improperly in employing an agent, and that the railway officers should do this work personally. Railway officers are simple souls accustomed to do things like looking after the rails and locomotives, and when they get up against persons who were unkindly described by Pandit Lakshmi Kanta Maitra as "*ex-gentlemen*" who have been Mayors of big municipalities, they naturally feel unequal to the task. There is nothing wrong in employing an agent, and as

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regards the remuneration I am assured that the statement that he got a lakh of rupees for working in a single case is incorrect. I do not think the method in which he is remunerated is going to affect the decision that a Judge will give on a case of this kind.

Mr. Husenbhai Abdullahhai Laljee: Was he a lawyer?

The Honourable Sir Andrew Clow: No. This has been a controversial subject, and I am not at all surprised that it should have evoked a considerable amount of discussion. If that discussion has led to thought on what is admittedly a very intricate and complicated issue, it will have served its purpose. I am only a little surprised that one phrase in the Bill has not received the attention it deserves, and that is the phrase which occurs both in the preamble and in clause 2, namely, the words "property vested in His Majesty". The claim for special provisions in respect of taxation on Railways does not merely rest on the fact that they are Railways. This Bill does not give protection, for example, to Railways which are owned by companies. It rests on the fact that we are dealing with Crown property, and that as the Government of India Act recognise you will not expect normally to treat the Crown exactly as you would a private individual, because it is paying out the taxpayer's money. I thank Honourable Members for the help they have given me in bringing this Bill to a form which, if it is not perfect, represents a large measure of agreement.

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

"That the Bill, as amended, be passed."

The motion was adopted.

THE INDIAN COMPANIES (AMENDMENT) BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I move:

"That the Bill further to amend the Indian Companies Act, 1913, be taken into consideration."

This amending Bill deals with two different matters. The first is an amendment which is proposed to section 104 of the Indian Companies Act. Certain returns in respect of allotment of shares have to be filed with the Registrar within a month. It is found owing to the disturbance in the mail traffic between the United Kingdom and this country and various other parts of the world that that period is quite insufficient, and power is proposed to be given to Registrars to extend this period in exceptional cases in order to give the time that may be necessary for the returns to be filed.

The second amendment is an amendment to section 282B of the Act. Under that amendment, in the case of provident funds, the moneys have to be invested in trustee securities. Representations have been made to us by several companies that they would like to invest the provident fund in the Post Office Savings Bank. The proposal, therefore, is to permit, apart from these trustee securities under the Indian Trusts Act, these

companies to deposit in the Post Office Savings Banks the provident fund moneys of employees of companies. Sir, I move that this amending Bill be taken into consideration.

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

"That the Bill further to amend the Indian Companies Act, 1913, be taken into consideration."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I move:

"That the Bill be passed"

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill be passed."

Mr. E. L. C. Gwilt (Bombay: Europeans): Sir, I propose to confine my remarks particularly to clause 3 of the Bill. I would like to express appreciation to the Commerce Member for having made it possible in the future for Trustees of Provident Funds to invest moneys for which they are responsible in the Post Office Savings accounts. Whilst the rate of interest yielded by the Post Office Savings Bank is not as great as most gilt-edged securities, there are occasions where the ability to invest money in this Bank will prove of assistance to Trustees.

"The Rules for the Guidance of Depositors in Post Office Savings Banks", however, which govern deposits in the Post Office Savings Bank, and which are set out in the Post and Telegraph Guide and in the issue I have in my hand which is dated September, 1939, and I believe these rules have not been subsequently altered, are on page 119 of that issue will need radically to be altered, unless the object of clause 3 of the Bill is going to be defeated. For instance, Sir, rule 7 states "Deposits in Trusts are not allowed, and cannot be recognised".

Rule 8 reads:

"Money cannot be deposited in the name of two or more persons jointly, provided that nothing in this rule shall prevent the deposit of money in the name of a known firm."

No moneys in the Provident Funds, at any rate recognised Provident Funds, are in the names of less than two trustees, and are not in the names of the firms for the benefit of whose employees the funds exist.

Rule 10 states:

"The total amount at call which may be deposited in any one official year—from the 1st April to the 31st March inclusive—after deducting the amounts withdrawn during the year, may not exceed Rs. 750, i.e., no deposit shall be received which has the effect of raising the depositor's balance exclusive of interest credited in the current year, to a figure more than Rs. 750 in excess of the balance at his credit at call on the 1st April last."

[Mr. E. L. C. Gwilt]

Rule 11 states:

"The total amount at call which a depositor, adult or minor, may have at any time, exclusive of interest for the current year, is Rs. 5,000."

It is improbable that a Provident Fund of a firm of any size will be less than Rs. 5,000. Unless, therefore, the rules that I have particularly quoted are altered, the trustees of provident funds would not be any better off than they were originally. I have no doubt that I am drawing attention to a matter which has already received the attention of the Honourable the Commerce Member, but I would like him to assure the House that the rules governing deposits in the Post Office Savings Bank will be altered, and if he will give it an idea of what those alterations are likely to be I shall be grateful to him.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: This question has engaged our attention. Consequent on the amendment of this Act it is necessary that the Savings Bank Rules of the Post Office should also be amended, and I have here a draft rule which it is proposed to issue after proper examination. I shall read the draft rule and the Honourable Member might say if it meets all the points that he has raised. This is the new rule which is proposed to be inserted.

"A single account may be opened by the manager or director of a private firm or company, in the name of the firm or company itself, solely for the purpose of depositing the Provident Fund balances of its employees. The annual and maximum limits of deposits and the prohibition against deposits and withdrawals of sums containing fraction of a rupee do not apply to these accounts."

That rule, if it is inserted, will do away with the anomalies and difficulties which have been pointed out by the Honourable Member.

Mr. E. L. C. Gwilt: That meets all the points which I have raised.

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

"That the Bill be passed."

The motion was adopted.

THE TRADE MARKS (AMENDMENT) BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): I beg to move:

"That the Bill to amend the Trade Marks Act, 1940, be taken into consideration."

The House will remember that in the Budget Session of last year the Trade Marks Act was passed by both Legislatures and received the approval of His Excellency the Viceroy. We have constituted a registry at Bombay with a Deputy Registrar in connection with textile trade marks, as was provided in Trade Marks Act, section 63, but in the actual working of it some difficulties have arisen. The House will remember that it was the general idea that, so far as textile trade marks are concerned, the

Deputy Registrar at Bombay will have the power to register those marks for which applications for registration are made to him. Section 65 (2) says:

"In respect of all trade marks, applications for registration of which are duly made to the Deputy Registrar under this chapter, the Deputy Registrar shall exercise all the powers of the Registrar under this Act but shall be subject to the general superintendence of the Registrar."

There is only one register and that is kept at Calcutta, a duplicate copy being kept at Bombay, and, therefore, the difficulty has arisen that the Deputy Registrar is not able to actually register in the original register in case applications are made to him for the registry of trade marks. Under section 65 (1) applications for registration of trade marks in respect of textile goods may be made to the Registrar who is stationed at Calcutta or to the Deputy Registrar at Bombay at the option of the applicant. I have already referred to sub-section (2) of the section.

The Deputy Registrar's powers under the Act are restricted to the disposal of applications for registration made to him. It has now been realised that the position of the Deputy Registrar will be highly unsatisfactory and the applicants to his office for registration will be gravely inconvenienced if he is not to be given powers such as those exercised by the Registrar in other proceedings under the Act, *e.g.*, rectification and correction of register under sections 46 and 47, appearances in suits or proceedings involving rectification of register under section 74, etc. It is, therefore, necessary that the Deputy Registrar should have plenary powers to deal with applications for registration of trade marks made to him at Bombay to the stage of complete registration. This involves his maintaining a register of textile marks himself in Bombay and his entering the trade marks in the register. As the Registrar at Calcutta and the Deputy Registrar at Bombay will both have, under the above proposal, plenary powers to do everything necessary right up to complete registration of textile trade marks which can be offered for registration at both the Calcutta and Bombay offices and as there will be two registers, one at Calcutta and the other at Bombay, each containing the trade marks registered in the respective jurisdictions, difficulty may arise by the two officers taking conflicting views on a particular trade mark. It is, therefore, proposed to set up an entirely separate registry at Bombay with a fully empowered Registrar in charge to deal with textile marks and to have a demarcation of jurisdiction on a territorial basis in respect of such marks between the Bombay and Calcutta registries in accordance with the principal place of business of the applicant for the registration of a trade mark. The officer in charge of the Bombay registry will be designated as the Registrar—Textile Marks. It is proposed further to provide that no subsequent change in the situation of the principal place of business would operate to transfer jurisdiction from Bombay to Calcutta or *vice versa*. The territorial jurisdiction of the registry at Bombay will comprise the Provinces of North West Frontier, Punjab, Sind, Bombay, the Central Provinces and Berar, and Madras, and that of the registry at Calcutta, of the rest of British India.

Sir, I move that this Bill be taken into consideration.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to amend the Trade Marks Act, 1940, be taken into consideration."

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): I welcome this Bill. It will be beneficial to the people in Bombay and the neighbouring provinces, but I have to ask one or two questions from the Honourable the Commerce Member. The first is that it has been provided in this Bill that people in the Punjab, the Central Provinces and Berar, and the North West Frontier and Sind, will have to register with the Bombay Registry. As regards the Central Provinces and Berar and Sind, they are near to Bombay and Bombay will be convenient to them, but as regards the Punjab and the North West Frontier Province, have the Government consulted the interests concerned or the provinces concerned and found out that it will be more advantageous for them to register in Bombay than in Calcutta? The second point that I want to ask is whether for the post of Registrar which is being created a new incumbent will be appointed, or the Deputy Registrar who is functioning at the present moment in Bombay will be promoted and do the duty of Registrar, and also if further expenditure will be incurred by the treasury on this score.

Mr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): This Bill seeks to set up an independent registry of textile trade marks at Bombay, and it also seeks to give full powers to the Bombay Registrar. Further, it seeks to divide India into two zonal divisions, Madras, Bombay, C. P., the Punjab, Sind and N. W. F. P. falling into one zone, and the rest of India into the other zone. Now, Sir, the question is, whether this independent zonal system will not lead to administrative difficulties. How are you going to secure uniformity in method and procedure? It is suggested that the Central Government will secure this uniformity. That means a great burden will fall upon the Central Government in regard to the discharge of this kind of duties. Various complications will also arise in co-ordinating the activities of the two zones. Further, it seems to me that the nomenclature is unusual and illogical. The Registrar in Calcutta is to be known as the Registrar, whereas the Registrar in Bombay is to be called the Bombay Registrar. This does not appear to be quite consistent with logic. It is not my intention to oppose this Bill, but I hope the Honourable the Commerce Member will in his speech clarify the whole position. Personally I do not like zonal divisions, and personally I do not like that diversities in method and procedure should occur. I hope the Honourable the Commerce Member will tell me how these difficulties can be avoided.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): I rise to give my support and my full hearty congratulations to the Honourable the Commerce Member. I am surprised that even now Members from Calcutta and above all my friend, Mr. Bajoria, should not realise that a vast business is flowing all through India and to have a central registration office only in Calcutta must be giving a lot of trouble and handicap to trade and commerce. In fact, Sir, I do not know why the whole department relating to Bombay, Madras, the Central Provinces and so far as trade marks are concerned, concerning the Central Provinces, Madras and Bombay should not be transferred to Bombay.

An Honourable Member: You want all transferred?

Mr. Husenbhai Abdullabhai Laljee: The Bill is transferring the textile section. I say all and why not. The idea that prevails is that once we set up some department at Simla or Delhi or at Calcutta or probably at Chittagong, it must remain there for the whole country at large. This country is a big continent. Consider that and consider the development of trade and commerce and industry in every part of India. If you do that, it is high time that the Government should establish not only in Bombay but also in some other important centre which may be more convenient to Punjab and other places even though my friend in Calcutta would not like that.

Babu Baijnath Bajoria: I supported this Bill whole-heartedly.

Mr. Husenbhai Abdullabhai Laljee: He did support it but if he had his way he would have the whole office in Calcutta.

Babu Baijnath Bajoria: I never said anything like that.

Mr. Husenbhai Abdullabhai Laljee: I have nothing to say about the powers that have been given to the Registrar but the only thing that I should certainly request the Honourable the Commerce Member to consider is 'why should other industries which are mostly . . .

Mr. President (The Honourable Sir Abdur Rahim): This is beyond the scope of the Bill. The Honourable Member must confine himself to the provisions of the Bill.

Mr. Husenbhai Abdullabhai Laljee: Very well. I appeal to my friend, Dr. Banerjea. This is the first time that I have to make an appeal to a Member on this side. I ask him to see that all India gets equal treatment and above all that there should be no handicap put against one portion or the other, by having one department at one end of the country to the detriment of commercial and industrial interests throughout the country.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I shall reply to the question that was raised by Mr. Bajoria first. There is a Deputy Registrar of Textile Trade Marks in Bombay, who has been already appointed. No further appointment is contemplated and this Bill does not necessitate any such further appointment. The Deputy Registrar in Bombay will be called the Registrar of Textile Trade Marks, Bombay. There is a difference in nomenclature and that is all that is contemplated. As regards his powers, as I said, the intention of the legislature was to give him plenary powers right up to the stage of registration and rectification. We found in the actual working of the Act that that was not being carried out and therefore I have to come to this House with this proposal.

There must always be some difference of opinion as to how India is to be divided even for an innocuous purpose of this kind and I am surprised that my Honourable friend coming from Bengal desires that the Punjab and the North-West Frontier Province should be amalgamated to the Eastern section rather than to the Western section. It so happens that calculated by time at least and perhaps by distance also the North-West

[Sir A. Ramaswami Mudaliar.]

Frontier Province and the Punjab are as close to Bombay as they are to Calcutta and it is merely a matter of convenience as to which centre they should accept and seeing that the large bulk of the textile industry is in the Bombay Presidency, we thought that it would be more convenient and in the interests of the Punjab and the North-West Frontier Province if they were asked to go to the Bombay registry rather than to the Calcutta registry. There is no intention of harming any interest, much less of prejudging any question that may arise hereafter on such delicate matters.

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

"That the Bill to amend the Trade Marks Act, 1940, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Mr. T. S. S. Pillay (Government of India: Nominated Official): Sir, I move:

"That after clause 2 of the Bill the following clause be inserted, and the subsequent clauses be re-numbered accordingly:

'3. In sub-section (1) of section 53 of the said Act, after the words 'to the Registrar' the words 'or the Bombay Registrar, as the case may be' shall be inserted'."

This amendment seeks to remedy a small omission which we made in drafting the amending Bill. "Certification" trade marks are separately defined in the Act. In order to enable the Bombay Registrar to deal with them, in the same manner as he is being empowered to do in respect of other trade marks relating to textile goods which come under his jurisdiction, this amendment is sought to be made. Sir, I move.

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

"That after clause 2 of the Bill the following clause be inserted, and the subsequent clauses be re-numbered accordingly:

'3. In sub-section (1) of section 53 of the said Act, after the words 'to the Registrar' the words 'or the Bombay Registrar, as the case may be' shall be inserted'."

The motion was adopted.

New clause 3 was added to the Bill.

Clauses 3 to 9 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I move:

"That the Bill, as amended, be passed."

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

"That the Bill, as amended, be passed."

The motion was adopted.

THE MOTOR VEHICLES (AMENDMENT) BILL.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, I move:

"That the Bill further to amend the Motor Vehicles Act, 1939, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. Ramsay Scott, Mr. E. L. C. Gwilt, Raja T. Manavedan, Shams-ul-Ulema Kamaluddin Ahmed, Pandit Lakshmi Kanta Maitra, Mr. Lalchand Navalrai, Sardar Bahadur Captain Dalpat Singh, Kunwar Hajee Ismaiel Ali Khan, Mr. T. S. Sankara Aiyer and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, this looks like a formidable Bill running as it does to 24 clauses; but if Honourable Members have studied the Bill, they will find that it consists to a great extent of amendments of a very formal character and that the other amendments are not of major importance. It might be described perhaps as giving the Motor Vehicles Act a wash and brush up. I am, however, anxious that the public should have sufficient opportunity to examine the measure so that we can have the advice of any who are competent to advise. I do not propose to ask the Chairman to convene this Committee until the next Session which is well on its way. There will thus be time for criticism of the Bill, if any, before the Select Committee meets.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Motor Vehicles Act, 1939, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. Ramsay Scott, Mr. E. L. C. Gwilt, Raja T. Manavedan, Shams-ul-Ulema Kamaluddin Ahmed, Pandit Lakshmi Kanta Maitra, Mr. Lalchand Navalrai, Sardar Bahadur Captain Dalpat Singh, Kunwar Hajee Ismaiel Ali Khan, Mr. T. S. Sankara Aiyer and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Mr. J. Ramsay Scott (United Provinces: European): Sir, this Bill is mostly the result of the July meeting of the Transport Advisory Council. It deletes several sections and modifies others which were necessary during the first year of the Act. It also brings Defence Department vehicles under the same rules as those of the Central Government. The third lot of changes purport to be for the better administration of the Bill and one amendment only rectifies a mistake in the Act, namely, the inclusion of a delivery van with Pneumatic tyres in the speed regulation of 15 miles an hour. Most of the changes, I think, can be supported. I have, however, a grievance or two which I am going to ventilate and a suggestion or two to make.

When an Act like this is to be amended I would suggest that it is all very well to consult your official interests but is it not of the utmost importance to consult the Transport interests of the country which interests are vitally affected by the changes? It is also likely that they may want to suggest changes which will do away with some of the hardships both to transport and the public. The Honourable Member has given us time to consider the Bill for which we are very grateful, and I will return the compliment by giving him notice of an amendment I intend to move in clause 24 in the Eighth schedule, namely, the slight increase in speed permissible for the heavy transport vehicle with pneumatic tyres. Owing to congestion and shortage of wagons on the Railways I think an increase in speed permissible will help to achieve a quicker delivery of goods and I hope Sir Andrew Clow will receive this suggestion with favour.

[Mr. J. Ramsay Scott.]

The Act contains no provision for arbitration between different provinces in case of a dispute. The Transport Advisory Council in July made certain suggestions as to how to deal with joint route taxation and the easiest way to settle these disputes but it is in the same position as the League of Nations; it has no power to enforce its sanctions and I can see nothing to prevent the representatives of a Province agreeing to certain procedure at the meeting and then going back to his province and saying 'I did not think it applies to us'. These inter-provinces disputes may cause the public a great deal of inconvenience and I have no wish to see changing stations set up on the boundaries of provinces. There are too many differences in the rules of adjoining provinces and there are too many different rates of taxation.

The working of the Motor Vehicles Act has removed all that the Railways claimed was unfair competition, but I still notice that Railways are still objecting to permits.

I hear that the Honourable Member is already considering other points for another Bill and if he is thinking of giving power to Provincial Governments to control Provincial Transport bodies, I think I may tell him that, as this is contrary to the underlying principle of the Motor Vehicles Act, this suggestion will meet with strong opposition in this House and as a Member of the U. P. Transport Authority I can say I consider such a suggestion very unfavourably. The Provincial Transport Authorities are only advisory and the Provincial Government has to consult them on certain matters laid down in the Act but it can put other matters before them if it wants to.

Sir, I support the motion to a Select Committee.

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

"That the Bill further to amend the Motor Vehicles Act, 1939, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. Ramsay Scott, Mr. E. L. C. Gwilt, Raja T. Manavedan, Shams-ul-Ulema Kamaluddin Ahmed, Pandit Lakshmi Kanta Maitra, Mr. Lalchand Navalrai, Sardar Bahadur Captain Dalpat Singh, Kunwar Hajee Ismaiel Ali Khan, Mr. T. S. Sankara Aiyer 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.

REPORT OF THE PUBLIC ACCOUNTS COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I have received a request from certain Members of the House that they would like another day or two to study the report of the Public Accounts Committee, and I have been asked if this motion could be postponed to later in the Session, possibly to Monday.

Mr. President (The Honourable Sir Abdur Rahim): I understand the whole of Monday is set apart for the Resolution regarding the release of political detenus.

The Honourable Sir Jeremy Raisman: At any rate, some time next week—Monday or Tuesday.

I myself have no objection to meeting Honourable Members on that

matter, but I would like to move the excess grants. As regards the discussion, it would not matter very seriously even if it had to be postponed until next Session. But it is desirable that the excess grants should receive the vote of this House. As I understand the Members concerned have no objection to the excess grants being moved, I shall do that now.

Mr. President (The Honourable Sir Abdur Rahim): Very well.

DEMANDS FOR EXCESS GRANTS FOR 1939-40.

CIVIL.

DEMAND No. 6—PROVINCIAL EXCISE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That an excess grant of Rs. 7,739 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Provincial Excise'."

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

"That an excess grant of Rs. 7,739 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Provincial Excise'."

The motion was adopted.

DEMAND No. 23—INDIA OFFICE AND HIGH COMMISSIONER'S ESTABLISHMENT CHARGES.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 8,467 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'India Office and High Commissioner's Establishment charges'."

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

"That an excess grant of Rs. 8,467 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'India Office and High Commissioner's Establishment charges'."

The motion was adopted.

DEMAND No. 28—PORTS AND PILOTAGE.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 3,536 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Ports and Pilotage'."

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

"That an excess grant of Rs. 3,536 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Ports and Pilotage'."

The motion was adopted.

DEMAND No. 38—EDUCATION.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 17 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Education'."

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

"That an excess grant of Rs. 17 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Education'."

The motion was adopted.

DEMAND No. 59—MINT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 10,537 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Mint'."

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

"That an excess grant of Rs. 10,537 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Mint'."

The motion was adopted.

DEMAND No. 65—GRANTS-IN-AID TO PROVINCIAL GOVERNMENTS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 10,537 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Grants-in-aid to Provincial Governments'."

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

"That an excess grant of Rs. 200 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Grants-in-aid to Provincial Governments'."

The motion was adopted.

DEMAND No. 67-A—TRANSFER TO REVENUE RESERVE FUND.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 6,85,86,233 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Transfer to Revenue Reserve Fund'."

Sir, as this is a rather large figure, I may explain that it represents the larger surplus of the year 1939-40 which was to be transferred to the Revenue Reserve Fund in order to enable us to carry it forward into the following year. Honourable Members will recollect that I explained in my Budget speech in February, 1940, that in view of the war conditions, I intended that any surplus of the year 1939-40 should be carried forward to assist the revenue in the following year; at that stage the estimated surplus was considerably less than it actually turned out to be, for reasons which I explained in a subsequent budget speech. The actual surplus was nearly seven crores higher than the surplus which was estimated at that time. Nevertheless the whole of the surplus in accordance with the plan was carried forward to the accounts of the following year as an item of

revenue and therefore, it appears here as an excess grant to be voted into the revenue reserve fund in the following year, when it was of course utilised for meeting the expenditure of that year.

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

"That an excess grant of Rs. 6,85,86,233 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Transfer to Revenue Reserve Fund'."

The motion was adopted.

DEMAND No. 71—ANDAMANS AND NICOBAR ISLANDS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 29,101 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Andamans and Nicobar Islands'."

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

"That an excess grant of Rs. 29,101 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Andamans and Nicobar Islands'."

The motion was adopted.

RAILWAYS.

DEMAND No. 6-A—WORKING EXPENSES—MAINTENANCE OF STRUCTURAL WORKS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 15,21,656 be voted by the Assembly to regularise the expenditure chargeable to railway revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Working Expenses—Maintenance of Structural Works'."

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

"That an excess grant of Rs. 15,21,656 be voted by the Assembly to regularise the expenditure chargeable to railway revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Working Expenses—Maintenance of Structural Works'."

The motion was adopted.

DEMAND No. 6-D—WORKING EXPENSES—MAINTENANCE OF FERRY STEAMERS AND HARBOURS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 56,691 be voted by the Assembly to regularise the expenditure chargeable to railway revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Working Expenses—Maintenance of Ferry Steamers and Harbours'."

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

"That an excess grant of Rs. 56,691 be voted by the Assembly to regularise the expenditure chargeable to railway revenue actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Working Expenses—Maintenance of Ferry Steamers and Harbours'."

The motion was adopted.

CIVIL.

DEMAND NO. 75—CAPITAL OUTLAY ON VIZAGAPATAM HARBOUR.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That an excess grant of Rs. 6,607 be voted by the Assembly to regularise the expenditure chargeable to Capital actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Capital Outlay on Vizagapatam Harbour'."

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

"That an excess grant of Rs. 6,607 be voted by the Assembly to regularise the expenditure chargeable to Capital actually incurred in excess of the voted grant in the year 1939-40 in respect of 'Capital Outlay on Vizagapatam Harbour'."

The motion was adopted.

RESOLUTION RE THE INDUSTRIAL RESEARCH FUND.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I move:

"That this Assembly recommends to the Governor General in Council that a fund called the Industrial Research Fund be constituted, for the purpose of fostering industrial development in this country and that provision be made in the Budget for an annual grant of rupees ten lakhs to the Fund for a period of five years."

I trust, Sir, that I shall not be trespassing on the patience of this House if I were to explain briefly how the Board of Scientific and Industrial Research has been functioning during the past 18 months and how its activities have led to the conclusion which Government have arrived at, that it is desirable at this stage to constitute a separate industrial and research fund. Honourable Members are aware that it was in the Budget Session last year that I stated that Government had decided to set apart a sum of five lakhs for the purpose of scientific and industrial research. A board of scientific and industrial research was constituted and we had the privilege of obtaining the services of an eminent practical scientist, Sir Santi Swarup Bhatnagar, for the post of Director of this Board. Owing to the necessities consequent on the war the work had to be carried out at Alipore in a laboratory which was not as well equipped as it may be for this purpose; and Dr. Bhatnagar with his associates has been engaged in the work of various researches to which I shall advert a little later. The Board of Scientific and Industrial Research was composed of certain industrialists and eminent scientists and as a result of the recommendations made by them from time to time various research committees of scientists had been constituted for the purpose of watching the progress of the researches which had been allotted by the Board to institutions and to scientists all over the country.

The first task of this Board was to survey the researches that had been so far carried out, the stage which these researches had reached, and to see that no duplication of effort took place in the researches that were being carried out. Till that time the Industrial Research Council and the Industrial Research Bureau which were functioning in this behalf did put up certain research schemes and call for valuable papers which were submitted from time to time by research scholars on researches that they had been carrying out. But a planned survey of all the researches that had been so far made and a planned estimate of what further researches might usefully be carried out for the quick industrial

development of this country had not been attempted. The first task of the Director of the Board of Scientific and Industrial Research therefore was to make this survey, and two volumes have since been published which bring up to date all the research that has been carried out in this country. From that start the scientists were requested to put forward research schemes in which they were engaged, to suggest what financial help Government could give for the furtherance of those researches, and the Board of Scientific and Industrial Research through a technical committee of its own investigated these research schemes and recommended what research schemes were likely to prove useful and what grants can be given to the scientists for the purpose of carrying out those researches. These grants took various forms; some were of the nature of studentships and scholarships for the scientists who were engaged in the research work, i.e., assistants who were working under leading scientists; some grants took the form of equipment grants for laboratories and other necessities to carry out the research work; some grants went so far as to give money for the erection of a pilot plant through which the laboratory tests that had been made and the result that had been arrived at through laboratory processes might be further tested on a bigger scale with reference to the possibility of industrial utilisation of that very research. I have had circulated to Honourable Members the reports of the Board of Scientific and Industrial Research issued from time to time, from which they would have gathered some idea of the progress that has been made in these various matters.

Now, Sir, as time progressed and these researches were being conducted by the scientists we came to a stage when actual results were being arrived at and the possibility of their industrial utilisation had to be considered. One of the defects of the old system of scientists carrying out research was felt to be that however valuable the research may be and however practicable it may be, the industrialist in this country was rather chary of utilising that research. He did not believe that it was capable of industrial utilisation. The scientist on the one hand was not in touch with the industrialist, the man who would take the risk of applying the research to practical purpose; the industrialist on the other hand was not in touch with the scientist who had made the research. So that, though valuable researches had been made and the results communicated in scientific journals through various papers that were published by the scientists, there was not that nexus between the scientist and the practical industrialist which was absolutely essential if those results had to be properly utilised. When the Board of Scientific and Industrial Research found that results were coming in and that according to the scientists and the industrialists on the Board they were capable of industrial utilisation, the next step was contemplated as to how that nexus between the industrialist and the research worker could be established; and how the research could be utilised industrially. That led Government to the appointment of a committee called the Industrial Research Utilisation Committee. In our own laboratory at Alipore, Dr. Bhatnagar and his staff, as I have already said, have been working hard at various research schemes, some of them of direct and immediate benefit for the war effort, others calculated as a long-range policy for helping the industrial development of this country. I may add that what was of immediate benefit for the war effort was also and could also be of benefit as a long-range policy for industrial development.

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When these results came the Board of Scientific and Industrial Research in the first place approved of them, saw the possibilities of industrial utilization of these researches and the Director was directed to issue, what may be called, 'lay papers' explaining the research in non-technical language, estimating the cost of these research schemes on an industrial scale and asking industrialists whether any of them were prepared to utilize these researches. Those 'lay papers' were circularized broadly and widely to all Chambers of Commerce, to all industrial organizations and to Employers' Federations, of which there are two, and various other organizations, and they were invited to offer terms on which these researches could be made available to them. The patents in some of these researches which were capable of being patented vested in the Government of India. The idea was and is that these patents should be transferred for a definite period to industrialists provided the terms that they offered were fair and reasonable with reference to royalties that may be paid to Government on the utilization of these patents. The royalties are of two different kinds. The whole of the basis of this was discussed by the Industrial Research Utilization Committee and on their recommendations Government came to certain conclusions. If a research scheme is to be utilized by a prospective industrialist, he must pay a lump sum as royalty at once for having the privilege of utilizing the patent or the secret process, as the case may be, and he would also have to pay on the production of the particular kind of goods a certain amount for a definite period of years. As I have said, a number of research schemes were considered to be practicable for immediate industrial utilization and industrialists have not been slow to take advantage of these research schemes. A few of these researches which have been so given out to industrialists for industrial utilization are as follows:

"Luminous pigments and paints; manufacture of solid fuel; steam proof plastic powder composition, Laminated paper board Anti-gas cloth; oil silk Bhilawan enamels; glass substitutes; waterproof paint etc."

And I might say that we have got a handsome sum by way of royalties—well over a lakh of rupees by giving out these patents or processes—and more recurring sums will be coming in to the Government as production begins.

The question of remunerating the scientists who have been engaged in this work has been engaging the attention of both the Board and the Industrial Utilization Committee, and it has been agreed that 33 1/3 per cent. of this amount should be divided equally among all the scientists—big or small—who have been engaged in that particular research. Apart from this, Sir, there have been indications—I am not in a position to exactly state what they are at present—there have been indications that industrialists having realized the value of the work that is being done in this manner are willing to come forward and give donations, earmarked for a particular purpose or of a general kind, to the fund which will be utilized for these researches. It is under these circumstances that Government felt that the time had come when this work should be placed on a permanent basis and Sir Shanti Swarup has been employed on a permanent basis now. Not only that. We propose to put the fund itself on a more or less permanent basis. If you have these sums coming from royalties, if you have to pay a share out of it to various scientists,

if you are to continue getting donations from industrialists, then it is only proper that, as far as possible, this fund should be constituted as a separate fund without all those complications that are involved in moneys passing out of the Central Treasury and passing into the Central Treasury, the danger of lapses of grants because it is not utilized during the financial year and the complications that arise out of such circumstances, it is necessary that a separate fund should be constituted, and my mind turned to various other countries where a similar proposal was mooted and accepted. In the United Kingdom it is constituted as a separate fund with a block grant from the treasury. In Australia and Canada the same principle has been accepted. In our own country with reference to the Imperial Council of Agricultural Research, a separate fund has now been constituted which is administered by a Governing Body.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Also a Research Fund Association.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Yes, there is a Research Fund Association with reference to medical research where the same principle has been accepted. It is, therefore, proposed that a Council of Scientific and Industrial Research should now be constituted and the question of what funds Government should allot to it annually has engaged the serious attention of the Government. Now, Sir, it is with profound gratitude that I acknowledge the help that I have received from the Finance Member throughout the period when this idea of a Board of Scientific and Industrial Research was first contemplated and the Board has been functioning. I have nothing but the warmest thanks to be paid to my friend, Sir Jeremy Raisman, for the advice he has given me and the help he has rendered in making this idea of mine a fruitful one. As Honourable Members are aware, I have paid a great deal of personal attention to this subject and it has been one of those ideas on which I have been keen from the very start, and that the results are coming in and coming in at a satisfactory pace is all the more gratifying to me. And now I am relieved of my anxiety by the generous gesture which the Honourable the Finance Member has made by placing an annual amount of ten lakhs of rupees for the next five years at the disposal of this fund which will operate independently through a Governing Body of its own. It will of course function under rules which will be laid down by that body concerning financial canons of propriety for the use of funds and other matters. Those rules will be subject to the approval of the Government. The annual budget of the Governing Body will also receive the approval of the Government. But apart from this it is not the desire of the Government to interfere in any meticulous detail but to leave it to the Governing Body which will be constituted to administer the fund. The constitution of that Governing Body has not yet been decided upon but it will consist of a few officers of the Government including the Member in charge of Commerce and perhaps one or two representatives of the Department, and of scientists and industrialists. They will be in charge of the administration of the fund. The proposals have not been worked out in every detail because we wanted first to have the approval of the Assembly for the constitution of this fund. The Board of Scientific and Industrial Research and the Industrial Research

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Utilization Committee will perhaps form two advisory bodies to the Governing Body which will be in charge of this industrial and scientific research utilization fund.

Sir, I should like just briefly to take this House through the various subjects that are being dealt with by this Board. In view of the amendments, notice of which have been given, I think it is only fair that there should be no misunderstanding as to the scope of the researches that are being undertaken. The scope of those researches will be clear if I were to tell the House about the sub-committees of scientists that have been appointed for various purposes. The whole field of scientific and industrial research has been mapped out, what further research should be done in each direction has been surveyed and particular sub-committees of scientists have been appointed who will be in charge of research in those particular branches. The research itself will be allotted to various centres and will be worked out by various scientists. But there will be a supervisory body called a sub-committee for each of those classes of research, if I may say so. At the present time, I estimate that about two hundred scientists all over India are working on one or other scheme of research which has been financed by government through the Board of Scientific and Industrial Research. It is the first time in the history of this country when scientists interested in research have been regimented on such a scale and their technical skill, their brains are being utilised for the purpose of getting these researches worked out so as to enable further industrial expansion in this country.

The sub-committees that have been appointed are as follows: there is the vegetable oil committee which deals with the extraction of oil from vegetables, with the cracking of vegetable oils, with the splitting of these oils, with the fortification of these oils, with the sulphonation of these oils and with various other factors connected with the utilisation of these oils. We find that so much of our products are being exported out of this country, turned into certain kinds of oil and other products elsewhere and come back to this country in that manufactured state. We do not see why in this country itself many of these things could not be more directly utilised; and if I may for a moment digress on a subject which was engaging our attention very seriously some time back—the surplus production of groundnuts in this country, the surplus which was on our hands because the exports to various countries, particularly the continental countries, had been stopped, and how that surplus could be utilised, I would say that it is one of the minor miracles of this year that the large surplus of six or seven hundred thousand tons of groundnut has been spirited away somehow or other and is being utilised in this country itself; and the solution lies in the fact that it has been converted into oil and the oil itself has been used for various purposes, apart from the hydrogenation process which has increased the vegetable ghee, which to some Honourable Members of this House, is anathema unfortunately.

I come to the next committee, the fertilisers committee. Many fertilisers, especially chemical fertilisers, are being imported, and the idea is through this committee to investigate research schemes that may be necessary for the production of these fertilisers, for instance from these phosphatic nodules which are abounding in the Trichinopoly District of the Madras Presidency, for the manufacture of carbon dioxide and urea,

the preparation of ammonium sulphate from gypsum and the manufacture of ammonium phosphates from calcium phosphates—all these researches are engaging attention of this committee.

There is a third committee which deals with drugs, called the Drugs Committee, and you would have noticed in the newspapers certain announcements made from time to time as to the number of drugs that were being imported into this country and how many of them are being replaced by indigenous manufacture. I think now about 75 per cent. of the drugs that were imported only a few months back, just before the outbreak of the war, are being manufactured in this country. We are in close touch with the drug industry. The Director General, General Jolly, has specially engaged himself in this matter and his attention has been concentrated specially to the production of indigenous drugs and he has been successful both in piloting and in inducing various manufacturers to produce these drugs. The Drugs Committee is engaged in the production of atrophine, emetine and various other things—I will not mention the names because they are too long and I do not understand them or their pronunciation; but it is a fact that these things are being produced now and more are likely to be produced.

Then, there is a very important committee called the Plastics Committee. I did not myself understand the value of these plastics in modern industrial expansion, but I have now realised how very valuable they are, we had our stone age and other ages. The modern age may be said to be the age of plastics. Dr. Bhatnagar himself is the Chairman of this committee: The production of resins and waxes from oil, resin impregnation into various kinds of articles, the production of melamine and the production of formaldehyde from commercial methyl alcohol are among these researches. I may say one thing, that very soon I hope to be drinking coffee out of a concoction of these beautiful beans that are being produced only in Madras, and not only that, but I hope to drink coffee out of cups and saucers made of the coffee bean.

There is a sulphur committee which has been appointed. Sulphur is one of the things that are essential for all heavy chemical developments as you know. Thanks to the energy and devotion of Dr. Fox, Director-General of Geological Survey, this work has been so successful that sulphur has been found in this country from mines and we are now extracting that sulphur and hope to do so in large quantities, particularly for the Supply Department. These mines are found in Kohi Sultan and other places in Baluchistan. They contain a very large percentage of pure sulphur and it is only a physical process that is required by which sulphur can be separated from other materials; it is expected that pure sulphur which was not obtained in this country before will be obtainable very soon. Not only that, but the manufacture of sulphuric acid has been going on for some time from iron pyrites and investigations are now proceeding how to get certain iron pyrites utilised for this production of sulphuric acid and also for the extraction of sulphur itself

Mr. President (The Honourable Sir Abdur Rahim): Today being Friday, the House will now adjourn.

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.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I was referring to some of the Research Committees that had been appointed and the kind of work that had been allotted to those Committees. I then dealt with the Sulphur Committee, and sulphur as I have already said, is a basic product necessary for the development of many chemical industries, and that for the first time in this country we have been able to discover sulphur deposits in almost a pure state. These are now being exploited by commercial firms to extract sulphur by a physical process, and that sulphur will be available for very many purposes including the manufacture of sulphuric acid. I also pointed out that from iron pyrites sulphuric acid was now being manufactured, and investigations are being made for the better use of iron pyrites particularly in Bihar.

There is another Committee which has been appointed called the Scientific Instruments Committee. I have already referred to the Drugs Committee which is engaged in the task of manufacture of many of the drugs which were hitherto imported.

The next item which is of vital importance to the medical world is the manufacture of scientific instruments. For over 25 years humanity in this country at least was at the mercy of imported articles. We are all aware of the acute shortage that arose in drugs and scientific instruments during that prolonged period of the last war. It is not a happy reflection on the growth of civilization that within 25 years, humanity in most parts of the world, particularly in India, should find itself in the position that serious diseases cannot be cured, operations which are absolutely necessary cannot be performed either for want of specific drugs which used to come from enemy countries or for want of proper scientific instruments with which those operations could be performed,—an intolerable state of affairs.—and from the very first, the Commerce Department with the assistance of the Director General of the Indian Medical Service, have been at pains to find out as far as possible how this defect could be permanently rectified . . .

An Honourable Member: I hope it will be permanent.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I have said on another occasion that I individually cannot believe that having allowed this drug industry to develop and having seen the necessity for the development of that industry, medical officers will go back to the old system of getting imported drugs just because they are slightly better or superior in quality to those that have been manufactured here. Now all our hospitals, Provincial, State and *quasi* State are receiving these drugs, and are content to receive them, and are only too happy to receive them, and, I believe, I have the assurance of the Director General of the Indian Medical Service that, so far as he is concerned, he will not allow the position to lapse back, so that this very necessary industry may not again be disadvantageously placed so far as our hospitals are concerned.

I was referring to the Scientific Instruments Committee and to the researches that have to be carried out in the manufacture of various instruments. The great difficulty lies in the obtaining of raw materials for the manufacture of these instruments. The metal is the most important raw material, and unless various devices are introduced for getting the metal in various shapes as, for example, in the form of plate, cube, rod, etc., it will be very difficult to manufacture these instruments. This Committee is investigating the possibilities of such manufacture, and I believe it is within the recollection of several Honourable Members who attended the delightful garden party that the former Commander-in-Chief gave at Delhi, I believe, some months back, where there was a display of some of the scientific instruments that have been produced,—it is within the recollection of those Members of the House

Dr. R. D. Dalal (Nominated Non-Official): That was on the 15th February.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: My friend, Dr. Dalal, with his meticulous regard for detailed memory of these things tells me that that delightful garden party took place on the 15th February, and I am grateful to him for reminding me of that very essential fact,—as I was saying it will be within the recollection of those Members of the House that some progress has already been made and greater progress is in the offing.

Now, Sir, the next Committee deals with graphite, carbon and electrodes. The importance of these graphite electrodes and the researches in them are obvious to those who are engaged in industries such as the manufacture of radio, dry cell batteries, the production of aluminium and other commercial industries. This Committee is doing good work. The Chairman of this Committee is, Dr. Ghosh, the President or the Chairman of the Bangalore Institute of Science, and it is in that Institute that this work is being investigated.

There is another Committee called the Molasses Committee which deals with products extractable from the molasses of the sugar industry. This Committee is not concerned with the question of getting power alcohol from molasses. I do not think there is any research necessary with reference to that. It is only a question of getting the plant and having the power alcohol developed; but it deals with other problems relating to extraction from molasses of certain chemicals like acetone, citric, oxalic and gluconic acids and other things. This Committee is also actively engaged in research and manufacture of these products.

Another Committee is concerned with glass and refractories, and it is called the Glass and Refractories Committee. Honourable Members who come from the United Provinces in particular know the extent to which the manufacture of glass has gone apace during the past few months. The necessity for importing every kind of bottle and every kind of test tube and things like that no longer holds good, but still there is a great deal of investigation and research to be made in the types of high grade refractory glass that can be produced and other things relating to that. This Committee has already produced some good results, and the manufacture of optical glass, for instance, is one of those things that has been referred to this Committee, and research into it is being conducted.

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Then, there is a Committee which deals with vegetable dyes. Now, Sir, Honourable Members are aware that during the last war India was littered,—I was about to say, at any rate,—there were a great number of indigo vats all over the country and indigo dyes were being produced. At the end of the war, all these went into the limbo of oblivion. Synthetic dyes came into the field, and by their price, by their better quality and by their attractiveness they simply wiped out the indigenous dye production in this country. Let me say quite candidly that I personally believe that there is a limited field for the vegetable dye industry. And the greater field still lies with the synthetic dye industry, but in that limited field research could still take place, and, particularly, in Bombay, such research has been going on. At the present moment the Supply Department is only too grateful for all the little vegetable dyes it could get down to the bichromates which it can use for the inferior type of khaki that is desired for certain purposes; so that the possibility of having a vegetable dye for manufacturing certain kinds of stuff and for certain limited purposes ought not to be excluded, and this Committee is dealing with these possibilities.

Then there is a Fuel Research Committee which suggested the organisation of a physical and chemical survey of the Indian coal seams and things like that. They are now engaged on problems like de-aching of coal, low temperature carbonisation and de-sulphurising of coal. This is a very important Committee with infinite possibilities before it, and it is doing its work in Calcutta. The Director-General of Geological Survey has placed the resources of his Department for work in this field at the disposal of the Board and I am certain that the Board would like me to convey its thanks to Dr. Fox and his officers.

Then, Sir, there is a Committee called the Cellulose Research Committee. The manufacture of cellulose, the production of alpha-cellulose is of great interest. It is interesting because it is useful in the manufacture of rayon, and, say what you will, civilisation in this matter has gone to such an extent that artificial silk and rayon manufactures have come to stay, and, whether we like it or not, there will be many people who will be induced to go in for such articles. These have been so far imported. We have high hopes that the researches in cellulose will be carried to that stage where rayon manufacture will be a possibility. As Honourable Members are aware, what is happening at present is that silk yarn is being largely imported, and in the Bombay Presidency in particular and in some of the Indian States which are closely connected with the Bombay Presidency, there have been weaving mills for the production of artificial silk cloth out of the yarn that has been imported. But the Japanese freezing order and other consequences of the war situation have put virtually an entire embargo on the import of artificial silk yarn with the result that many people have been thrown out of employment. It is my hope that such weavers as have been thrown out of employment in this artificial silk weaving industry may be absorbed in the cotton textile industry which must be expanded at any cost if the poor people are to have cloth at a cheaper price than they are getting today. But our anxiety today that this research should go ahead and we should be able to produce in this country artificial rayon, has led us to the appointment of the Committee.

In the work of this Committee the Forest Research Institute, Dehra Dun, will be closely connected through their research officers because of the inextricable connection between the two types of work. The stage has been reached when a pilot plant can be set up and Dr. Nazir Ahmed is in charge of this work at the Cotton Technological Laboratory, Matunga.

Then, I come to the Synthetic Dye-stuff Committee. I have already told the House that it is impossible for the vegetable dyes to capture the whole of the market, but it has its use in handloom production and in various other matters including the production of sweetmeats in Delhi. The Synthetic Dyes Committee is engaged in researches for the production of synthetic dyes. It is an influential committee presided over by a distinguished industrialist, Sir Ardeshir Dalal, and is having as its members many scientists who are closely connected with the development of synthetic dyes.

There is then the Metals Committee. I have stated in connection with the scientific instruments that the raw product is metal, and it is essential that the proper metal should be produced if proper scientific instruments have to be manufactured in this country. The Metals Committee will play a useful part in investigating and making research into the types of alloys that can be produced, and in this matter we have been fortunate in having the very close co-operation of Messrs. Tata and Sons. Honourable Members are aware—I believe references have been made to it in the past—that, with reference to our war industries, armoured plate and things like that, the Tatas have produced the kind of plate that has been required, and their plate is I believe, even by military experts, been acknowledged to be better than the plates produced in many highly industrially developed dominions. They stand better the test of fire, they are much more resistant and they are in every way superior to the armoured plate that has been produced, for instance, in Australia. It is gratifying that one is in a position to make this observation, because papers are so full of Australian industrial development that one feels very small when reading those papers, about India,—at any rate, some Members have expressed that conviction. Occasionally, let us have the consolation that with reference to some article that we produce we are miles ahead of Australian products.

Then there is a Committee, and a very important Committee, which is now exploring the possibilities and will thereafter undertake research, called the Internal Combustion Engines Committee. I should like to dilate for a very few minutes on this important Committee, especially in view of some of the amendments notice of which has been given by Honourable Members. There has been a great deal of misapprehension over a statement made elsewhere about these internal combustion engines. It is a fact that in this country internal combustion engines have been produced for some time. There are two or three well-known firms that have been producing these internal combustion engines. Our own railway workshops have also been producing them, but they have been producing engines, where, not petrol, but oil is being used. The question of producing internal combustion engines in which petrol can be used has not yet been tackled in this country so far as my knowledge and the knowledge of the Government of India goes, by any industrialist. There are problems of research which have first got to be investigated.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has spoken for about an hour, but in view of the importance of the matter he can go on as long as he likes.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I must apologise to the House for unconsciously

Several Honourable Members: Go on. We want to hear you.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: But in view of the special permission that you have given and the indulgence that the House has extended, I hope to keep the House for a few minutes more. The internal combustion engine that is being produced in this country uses oil, but the internal combustion engine which uses petrol has not yet been produced. This Committee, under the Chairmanship of a well known industrialist, Mr. J. C. Mahindra, and in co-operation with other equally competent gentlemen is investigating this problem. From the latest indication that I have had from the Chairman of this Committee, he hopes that within a measurable period of time, within a very short time, he will be able to complete his investigations and tell India and the world that India also can produce an internal combustion engine which can use petrol. I am anxious to clear up this position because, owing to a statement that was made elsewhere, as I have said, there has been a good deal of confusion of thought. That statement referred to internal combustion engines which use petrol. It was made in connection with the possibility of manufacturing automobiles in this country—automobiles which use petrol and not any other kind of oil. This Committee has been only constituted towards the end of the last financial year, 1940-41, and I have high hopes that it will produce results which in turn will expedite the production of internal combustion engines of this type.

Lastly, there is a Committee which has been constituted, first, for the purpose of exploring, and then for the purpose of guiding research into the manufacture of chemical and distillation plants. If industry is to flourish, it is absolutely necessary that we should be able to manufacture chemical plants needed for it. It was with this view that the committee has been constituted and the members are now at work with regard to the possibility of manufacturing suitable plants and apparatus for the existing industries and those that will come into being hereafter.

Sir, I have given in a skeleton form,—notwithstanding that I have taken so much time of the House, in a bare skeleton form,—some of the activities and the various directions in which a great many scientists have been associated in the work of these committees. Reference has been made in the amendments of which notice has been given, to heavy industries and to automobiles. From the short review that I have given of the work of this Board and of its Research Committees, it will be clear to Honourable Members that all problems relating to heavy industries and problems relating to automobile manufacture, in so far as research work for that purpose is concerned, are engaging the attention of these various Committees and the Government. Nothing has been excluded from the purview of the Board or of the Research Committee. From time to time—this Board meets every quarter—from time to time we are inviting suggestions regarding the directions in which research can be

undertaken, and what finances are required for the researches that are to be so undertaken.

Let me assure this House and every Honourable Member of this House and those outside who are interested in this subject that there is no limit to the research that can be carried on and no sphere of activity so far as these researches are concerned is excluded in any way. The only test that we have put on ourselves is that it should some how or other be associated or connected with industrial development and let me here say that if it is a question of pure scientific research on some possibility which may at some future time be capable of industrial adaptation, well, that sort of pure scientific research would legitimately be undertaken by the various universities and institutions of that kind. If by any stretch of imagination a research can be said to be associated with industrial development or the possibility of such association is established, that research will be within the purview and scope of the work of this Board and will be undertaken if research workers are forthcoming through the finances that this Board or the Governing Body will be able to allocate.

Now, Sir, I was referring to the work that all these scientists have done and I was in particular referring to the work that was being done in our own laboratories by Dr. Bhatnagar and the staff under him. That work has been eminently of a practical kind. It has resulted in the establishment of several industries which have a big future and I should like to take this opportunity of conveying the congratulations of this House, because I have conveyed my own congratulations to these research workers. I should like to take this opportunity, if the House will permit me, of conveying to Dr. Shanti Swarup Bhatnagar and the chemists associated with him the congratulations of the House on the large output that they have already succeeded in and on the practical way in which they have been solving many of these problems. Let me also take this opportunity of conveying to the numerous scientists who have come forward to engage in this research work from all over this country, from every university, from every institute, which is concerned with chemical or physical laboratory work and to a great many isolated and individual scientists, my and your congratulations. These gentlemen have come forward without any thought of reward whatsoever. Let me assure this House that these eminent scientists are not being rewarded. A few of the assistants whom they engage for carrying out research work under their guidance and under their auspices may get a small living salary in the shape of a scholarship or a stipend, but the big scientists themselves who are undertaking this work get nothing at all. They are doing it purely in the spirit of scientists and it is a revelation to me, or I should rather say, it is no surprise to me that in India there have been such a large number of scientists who have been prepared to come forward and work in the spirit of true science without any thought of reward and merely for the sake of doing what they can for the country. I would like to convey the thanks of the Government and of this House to all those scientists who have been engaged in this work.

Lastly, Sir, I should like to say just one word. Today I believe we are laying the foundations firmly of an institution which has got infinite potentialities. The House by agreeing to the constitution of this Industrial and Scientific Research Fund and by agreeing to the constitution of

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a Council of Scientific and Industrial Research is laying more firmly and better than by concentrating its attention on any single manufacture or industry, laying more firmly and solidly the foundations of a great industrial expansion in this country. I have no doubt whatsoever that from this foundation will grow a large and flourishing mansion under the shelter of which all sorts of industries will be developed. If I might for a moment recall the words used in another connection by the Prime Minister of England, used for a different purpose altogether, those beautiful lines of the poet:

"Say not the struggle not availeth
The labour and the wounds are vain
The enemy faints not nor faileth
And as things are they remain."

till the end comes, which Mr. Churchill quoted:

"In front, the Sun climbs slow, how slowly
But westward look, the land is bright."—

to those gentlemen who feel that industrial expansion is not growing apace, that inspite of their efforts and their agitation industries are as they have remained all along, that no progress is visible here and there, I should like to say that through these "small creeks and inlets, slowly gaining comes silent flooding in the main," that great main of industrial expansion in this country which will for ever, I hope, solve the many problems connected with poverty and the living standards of this country.

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

"That this Assembly recommends to the Governor General in Council that a fund called the Industrial Research Fund be constituted, for the purpose of fostering industrial development in this country and that provision be made in the Budget for an annual grant of rupees ten lakhs to the Fund for a period of five years."

Mr. Jamnadas Mehta.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I would suggest that all the amendments may be moved first and the discussion may proceed on the Resolution as well as the amendments.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadian Rural): Sir, I move:

"That after the word 'country' the words 'with special reference to the establishment of heavy industries' be inserted."

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

"That after the word 'country' the words 'with special reference to the establishment of heavy industries' be inserted."

Dr. P. N. Banerjea: Sir, I move:

"That for the words 'ten lakhs' the words 'twenty-five lakhs' be substituted."

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

"That for the words 'ten lakhs' the words 'twenty-five lakhs' be substituted."

Mr. Jamnadas M. Mehta: Sir, I am sure the House will join with me in giving our best congratulations to the Honourable the Commerce Member for his lucid and cogent speech on a matter which was full of technical details. I am also sure that it does not need any words of commendation from me. He went over considerable ground in such great detail that it is impossible for me to pursue him all over. But there can be no gainsaying that the proposition he has moved deserves our very cordial support. He has told us of the great effort which is now being made in the direction of industrial and scientific research under the auspices of Government and of the co-operation of many distinguished scientists and experts from all parts of the country and that a spirit of real scientific outlook, irrespective of any economic or financial gain, is animating these experts. We all join the Honourable Member in congratulating these great and distinguished countrymen of ours on what they are doing for the scientific and industrial advancement of this country. Our gratitude is unmistakable and lasting. We are also gratified to learn that the results of the work already done have been gratifying and that the future is full of bright prospects. And when in the fullness of time, in the next five years, before this Resolution will come up for revision, and the results of the work done are known to the country, let us hope that India's industrial advancement will have reached a stage further in the path of industrial advancement. I do not wish to repeat the list of the directions in which the research is being carried on. It was furnished to us in the course of the Honourable Member's speech. He mentioned the fertilizers, the oils, the aluminium, sulphate, phosphate and the drugs of which 75 per cent of her requirements are now being made in India. I wonder whether quinine is among them.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Quinine has always been produced in India, though not in substantial quantities.

Mr. Jamnadas M. Mehta: 75 per cent. is the total percentage of quinine that is produced in this country. I would have expected to hear that the quinine is now produced 100 per cent. in this country. About coffee, he gave us a very pleasant description. He said that in future we shall be able to drink our coffee in cups made of coffee seeds. That is a very cheerful piece of information particularly to our Madras friends. Then he mentioned medical and scientific instruments, dyes and synthetic dyes, molasses, optical glass, artificial silk, metal, internal combustion engines and chemical plants. These are some of the important heads under which research is going on. We are not only having a research but we are also making experiments on the basis of their industrial value. That value has been established, as will be seen from the very generous response which these experiments have met from industrialists. They have paid about a lakh of rupees already as a royalty to Government and some recurring income is also expected. So, in course of time, the whole cost of the establishment, and the work of this Fund might possibly be met

[Mr. Jamnadas M. Mehta.]

from the income that we may receive. All this and much more that we heard from the Honourable Member who moved this Resolution must be exceedingly welcome and gratifying not merely to the House but, when this Resolution goes forth into the country, it will create universal satisfaction. I have no doubt about it. And those of us who are present here this afternoon to support the establishment of the Fund will have the gratification that we have added one more milestone to the advancement of India.

Having said this much and having given the fullest credit to the Honourable Member in charge of this Resolution for what he is doing and for what he is proposing to do, and having given the fullest credit also to those who are behind him in actual working of the scheme, I shall now, in no spirit of criticism but in full spirit of co-operation, offer him a few observations on the amendment that I have moved before this House. I have before me the figures of the import duties which this country used to get in normal times before the war made a hole into them. We had reached the figure of our customs duties to the extent of nearly 50 crores, even more, in years before the war. These receipts from customs duties represent the reliance which this country has still to place on foreign imports for running our industries on economic lines, and to the extent that we are still dependent on foreign imports; we shall be relieved after these experiments have been successful, but to some extent only. I am trying to ascertain how far the imports of articles he has named will be reduced when his experiments have succeeded. It is very difficult to state the exact figure. But from what he has told us this afternoon it appears that a preponderatingly large number of our requirements will still have to be imported from foreign countries. At any rate, we have yet to satisfy ourselves whether as a result of this Fund and within a reasonable degree of time India can be so self-sufficient that we shall no longer be relying on the imports of foreign articles for our industrialisation. The facts that he has given will no doubt bring about three results. One is that those of our industries which are today dependent on foreign imports for their stores and similar other requirements will to a large extent be relieved of that need. We shall pay less price for these requirements because they will be produced in India; and we shall increase the wealth of this country to the extent that we shall manufacture them here. Our industries which are dependent on them will pay a lesser price for these articles. To that extent, our industries will be run cheaper and the prices of the articles manufactured here will correspondingly be reduced, all the time hoping that our industrialists will not profiteer by the new strength that they might gain. So far, the picture is very alluring and very welcome and our whole support will go to Government. But there our satisfaction ends, although it is a large degree of satisfaction on which I again commend the efforts of the Honourable Member to the gratitude of this House.

My amendment confines itself to an emphasis on heavy industries. I am not saying that the object of the Fund is not to carry on research in favour of or for the benefit of heavy industries. I want that they should occupy a very prominent place in his research scheme so that the dependence of this country for the import of machinery for all our

industries will no longer be so glaring as it is today. I am sure the Honourable Member clearly understands my observations in their true spirit. For instance, today we have about 400 cotton textile mills in India. I do not know the exact number. But for every one of them the machinery has to be imported from foreign countries. My point is that the research which is to be carried on with this Fund should to a larger degree devote its attention to those methods, devices and processes and formulae which might lead to the manufacture of these machineries in our own country. Four hundred spinning mills and weaving mills—if my number is inaccurate the Honourable Lord Beaverbrook of this country will correct me

An Honourable Member: Whom do you mean?

Mr. Jamnadas M. Mehta: Sir Homi Mody is Lord Beaverbrook of this country. He is our Supply Member. He knows the extent to which cotton textile mill industry has expanded. Yet we have still to rely on foreign imports, Japanese and others, for a large part of our clothing requirements. Moreover, we shall increasingly need plant and machinery. Perhaps 200 more mills will be required before the full requirements of this country will be met. And such is the process of the growth of our numbers that with all our backward position about other things in the matter of population we produce on the largest possible scale. Our mass production will beat anybody. Every ten years, we can fill one continent with our surplus population. Therefore, in order to meet the requirements of this extraordinary growth of population on a mass production scale, we will need more mills and more mills and so long as we depend upon foreign countries for the machinery for starting and running our mills, our progress can only be said to be slow. We have now some hundreds of sugar mills in this country and in less than ten years time we have made such a great use of the protection that Government in a very happy mood gave us that India has now become absolutely self-sufficient in the production of sugar and people are complaining more of over-production and the holding up of stocks. But still for the machinery required for every one of these mills, and for spare parts and for replacements and renewals, we are still dependent on foreign countries. It used to be Czecho-Slovakia, it used to be Germany, it used to be England, it may have been other countries like America, but we ourselves have not been able to produce any machinery for our industries.

I am giving only these two examples, not because they are the only two, but because they are typical. Take the printing press business. We have hundreds of good, bad and indifferent newspapers. They may be very patriotic, they may be for independence in politics, but they continue to be dependent in economics for running their very paper, for paper manufacturing machinery is not produced in this country. (Interruption). I am not exhausting my list. We are grateful to the Tatas for giving us the best steel manufacturing industry in the world as it is now commonly acknowledged, and even more to the taxpayer who made it possible. While we are grateful to these two T's—the Tatas and the taxpayer—it cannot be denied that while the industry has been receiving protection during the past 18 years, 17 years if you like to be more accurate, they have not still produced, on any appreciable scale, steel to

[Mr. Jamnadas M. Mehta.]

manufacture machinery for manufacturing machinery for heavy industries. They may have done here and there. They may have supplied the best plate in the world, it may be very resilient and very resistant, but they have been unable to produce much for the heavy industries.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Mr. Jamnadas M. Mehta: I shall, with your permission, Sir, conclude in two or three minutes.

All that I was saying was that the road to be travelled is still long. We are at the beginning of our road of industrialisation. No industrialisation of our country will be possible in spite of all the research that we have worked today, until the direction in which I have made my submission is carefully explored.

The next amendment which my Honourable friend, Maulvi Abdur Rasheed Chaudhury, was going to move was about the motor car industry. My amendment includes that. The Honourable the Commerce Member's own proposition includes it, as I have shown. Therefore, I have not moved this amendment in any spirit of criticism or rivalry, but with the greatest desire to help him and to help the country that until these heavy industries are brought into being in this country or established on a scale adequate to the requirements of the country,—the motor car industry, the aeroplane industry, the printing press industry, the textile, the jute industry, all manner of heavy industries and heavy machinery must be produced in this country before we can become industrially self-sufficient and able to look everybody in the world squarely in the face. We have not been able to do all that. All that has been said today will not take us to that stage until my amendment receives prominent attention in the Research fund that will be established. I shall not go into the merits of the motor car industry, at length, but I request that with all the good will that the Honourable the Commerce Member has got, we are unable to establish the motor car industry in this country today. The motor industry is absolutely necessary not merely for the ordinary economic life of this country, but also for carrying on a successful war: the present war is mechanised war. Without mechanisation, war is a failure. Motor car industry is essentially a part of war industry. I, therefore, want that the Honourable the Commerce Member will be pleased to accept my amendment in favour of heavy industries including motor industry. It does not detract from the value of what he has said. The need for our research to support the establishment of industries like motor car-making industries cannot be over-emphasised; without them the present research, important as it is, is not enough, but very little and will still keep us industrially backward. Sir, I move.

Dr. P. N. Banerjee: Sir, the need for research in industry was recognised in countries like Germany and America about half a century ago. England was somewhat late in the field and it was not till the last European war that England took up this idea in right earnest. India

still lags behind and it was not until 1935 that a Research Bureau and a Research Council were established in this country. This Bureau and this Council did some kind of co-ordinating work among the scientists of the country, but it failed to give any impetus to the promotions of research in industry. It was only two years ago that the Honourable the Commerce Member established a Board of Scientific Research and the Board, as has been pointed out by him, has been engaged in research work of a very important kind. My Honourable friend, the Commerce Member, has made a long list of articles in respect of which research work is now being carried on in this country. He has told us that more than 200 scientists are engaged in research work and they have formed quite a number of committees for the co-ordination of their activities. So far, so good. Our best thanks are due to the Honourable the Commerce Member for this step in the right direction which he has already taken.

But if we compare the amount of research work that is being done in this country with the research work that is being done in other countries, the amount will look very small both in quality and quantity. I therefore urge that this research work should be further speeded up and a sum of money be granted for the purpose. My Honourable friend, the Commerce Member, proposes to set apart a sum of ten lakhs every year for a period of five years as a fund for the promotion of scientific research for industrial purposes. I hold the view that this amount is very insufficient; it is very inadequate for the vast needs of a vast country like India. If we consider the amounts which are spent in advanced countries we find that the amount to be spent in India is exceedingly small. What is the amount spent in the United States in research work? Not less than 75 million dollars a year. Of course it may be said, and said rightly, that the United States is a very rich country and what is possible there is not possible here. I fully admit that. In Germany every industrial establishment is a research organisation. Besides, there are many research associations and the State helps these associations with large grants of funds, and the State itself has its own research establishments. And if we add all the sums spent in these three directions the total comes to a very large figure. In England which, as I have already said, appeared in the field somewhat later, a sum of one million sterling, that is about a crore and a half, was paid in the year 1922 or 1923 for the establishment of a research fund, and annual grants have since then been given to the various research associations; and, further, these research associations received grants from various industrial establishments. That is how research work is being conducted in Great Britain. The amount of ten lakhs which the Honourable Member proposes to allot for this purpose annually appears to me to be too small.

My Honourable friend, Mr. Mehta, pointed out, that although research work was being carried on in respect of the light industries very little research work has been so far done in respect of the heavy industries; and the importance of the development of heavy industries in this country is very great. The Honourable the Commerce Member pointed out a short while ago that research work has been started in respect of engines using petrol. That is a move in the right direction, but if research work in connection with the heavy industries is to be taken in hand, small

[Dr. P. N. Banerjee.]

grants will not suffice. I have been connected with some of the institutions in which research work is being done at the present moment. I know that in the Science College attached to the Calcutta University a large number of professors and lecturers and assistants are engaged in doing research work. But the amounts which the Research Board is able to pay to these research workers are exceedingly small. Similarly, when I was a member of the Council of the Institute of Science at Bangalore I came to know that very inadequate grants were being made there for their research work. I know the funds of the Government of India are limited; they are limited in the sense that those funds are small compared to the large funds which are available in Great Britain, Germany, America or Japan. But even a substantial sum out of these limited resources is necessary to be given for the purpose of industrial research in order that industrial development may proceed at a more rapid place in India than it has done in the past.

Sir, there is one matter with regard to which I wish to say a few words. The Honourable the Commerce Member observed that when research was made in a particular line of industry a patent was taken by the Government of India. This question is a somewhat thorny one. Some of the professors and lecturers of the Calcutta University were asked to sign a contract form to the effect that these research scholars themselves or the university had nothing to do with the patent. This I hold is a wrong thing to do. The Commerce Member said that 33-1/3rd per cent of the profits derived from these patents were given as remuneration to the scientists. But I think it will be a better arrangement if the patents were taken in the joint names of the Government of India, the university or institution at which the scientists work, and the individual scientists themselves. That would give a greater encouragement to the research workers. That is a point which I place before the Honourable the Commerce Member for his consideration.

The Honourable the Commerce Member concluded his speech by saying that he was going to lay the foundation stone of a great industrial expansion in the country. I wish him great success in this matter, but I also suggest that if he is able to increase the amount of money for the purpose of the research fund from ten lakhs to twenty-five lakhs, the foundations will have been more truly and more solidly laid.

Sir F. E. James (Madras: European): Sir, I should like to congratulate the Honourable the Commerce Member on bringing forward this Resolution. His Department of Commerce and Industries is like a house of many mansions—I have always been astonished at the ramifications of that Department—but I should have imagined that of all the mansions over which he presides, this perhaps is the one which gives him the most encouragement. As far as I can make out, most of the other mansions deal with restrictions. This mansion deals with expansion. And, I think it is an extremely wise move that this work is now sought to be placed on a more permanent footing.

The Reports which the Honourable the Commerce Member has placed before us indicate to my mind only the commencement of a valuable work. It is far too early yet to claim, and I do not think the Honourable the Commerce Member himself would claim, any achievement. They

are at the beginning of things. Incidentally, I would like to ask him what is meant by the rather cryptic indications at the top of the Reports—one 'for departmental use only' and the other 'for official use only'. Since I am not an official nor am I a member of any Department, am I entitled to read these?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: For the time being you are officialised.

Sir F. E. James: I hope that I shall not be contaminated by that! There is one observation I should like to make in regard to the machinery of this Board and that is the importance of the separation of its purely scientific from its purely administrative aspect. The Honourable the Commerce Member has paid a well-deserved tribute to Dr. Bhatnagar who is a distinguished scientist and has a positive genius for relating the results of research to practical use. That is in industrialization an extraordinarily important thing. But I was alarmed to see on page 37 that Dr. Bhatnagar had accepted a large number of responsibilities and the wording of the paragraph suggested that this was by no means the end of responsibilities that he was prepared to accept. In so far as he is a distinguished scientist, I think it would be a mistake to place upon him the responsibility for heavy administrative work. I would like to suggest to my Honourable friend, the Commerce Member, that in an organization in which there are a large number of sub-committees, all working on different problems, it is most essential that the administrative side of the work should be adequately and efficiently carried out. I do not think that that part of it should devolve upon Dr. Bhatnagar, and I would ask the Honourable Member, if he is satisfied, whether the administrative side of the work cannot be carried on by officers who have no other heavy responsibilities, in view of the great importance of the investigations that are now being carried out.

Then, reference is made in the report to the work of what is known as the Alipore Test House. May I suggest to my Honourable friend that he gets rid of that name? Why not call it the National Physical Laboratory? It has outgrown its name. I am told that it has outgrown its equipment and its staff; and I think it will be one of the duties of this Board to see that the Alipore Test House, so-called, becomes a really national laboratory with adequately paid staff and with the necessary equipment. May I ask my Honourable friend who is to meet the expenditure of that institution? Does that come out of the funds that are now being provided or will the expenditure be met from some other source? If it is to be met from these funds, then I certainly have considerable sympathy with my friend, Dr. Banerjee, when he wants this grant to be increased from 10 to 25 lakhs

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The Test House proper is a different thing: it will continue to be financed by the Government. This is for research work. The Test House is for testing various samples and so on. It is an old institution and will continue to be financed by the Government.

Sir F. E. James: But these researches are carried out actually in the Alipore Test House?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Yes.

Sir F. E. James: The point I make is to inquire whether the facilities there are adequate for the large number of researches that are now being inaugurated

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: That subject is under consideration and whether we should keep it there and expand there or whether we may find a new place altogether is a matter which is now engaging the attention of the Government.

Sir F. E. James: I am very glad to hear that, and I hope, ultimately, it will be possible to have something on the lines of the National Physical Laboratory in the United Kingdom, which is the centre for all this industrial research work. Let me say with regard to the work at the laboratory, how important it is that that work should be taken round to the homes of industry. In the United Kingdom, lecturers from the National Research Laboratory tour the country from time to time and lecture on the researches which they are doing. In a country so big as India, it would, I think, be extremely helpful if from time to time tours can be planned by Dr. Bhatnagar and his staff in order to take to the other centres of India the results of the work that is being carried out in the Alipore Test House. We have already in Simla—and I think in Delhi—had exhibitions of samples of new creations like the plastic coffee plates from which my Honourable friend, the Commerce Member, with such agility drank his coffee! It would be helpful if exhibitions on those lines could be organised in some other centres in India.

Now, I would like to suggest that this action in setting up machinery for the encouragement of research should be accompanied at the same time by vigorous discussion and debate on the relation of science to industry in the country. It is not enough merely to circulate from time to time the results of the schemes that have been approved by the Board. That is, in fact, one of the duties of the Utilisation Committee: but it is essential that industrialists—and not so much the big industrialists who are already definitely interested in research and who appreciate its value—but some of the smaller ones should be interested in the essential relation between progress in industrialisation and scientific research. It was proposed at the Utilisation Committee some time ago that there should be a magazine rather on the lines of the magazine issued by the Imperial Council of Agricultural Research, dealing with industry and science, containing articles by scientists and by industrialists to illustrate the essential relationship between the two in any scheme of industrialisation. No doubt that will come to fruition in due course; but I say that it is important that there should be this constant discussion and debate on these general lines.

Then, I have just one or two general observations to make. First of all, have any principles yet been laid down by the Board as to the basis on which aid is to be given to existing researches and research associations? It is important that principles should be arrived at as soon as possible, and that the Board should not wait for the receipt of suggestions from the various institutions, but that there should be definite principles laid down to guide the Board in dealing with assistance to researches

conducted either in universities or in other educational institutions. Secondly, I take it that a Register of Researches is to be kept. If so, will that Register be made freely available to those who may seek to inquire as to what researches have actually been carried out? Thirdly, what is to be the place of the university in the general scheme for industrial research? Perhaps it is too early to expect a reply, but there is little reference in the report before us of the place which the universities are to occupy in the progress of industrial research. After all, the universities are the home of pure science; and I am told that pure science is the parent of applied science, though I am not a scientist myself. It is therefore essential for universities to be encouraged and, if necessary, assisted in the development of their own scientific departments.

The fourth observation, of a general character is that I note, with some regret, that there is no committee yet for dealing with food and nutrition. I believe that this is perhaps one of the most important lines of research which should be undertaken. There is already research in regard to nutrition, and that, of course, has its importance on the human side of industry. But what about research into questions relating to the preservation, refrigeration, canning and storage of food; the influence of certain climatic conditions upon certain foods which are essential in any balanced diet? I believe that investigation on these lines is one of the most important and would certainly be one of the most fruitful which the Board could finance.

We were, at an earlier stage, informed by my Honourable friend—I think, it was the last Session—that there would be some security that new ventures encouraged under the impulse of the war, would not be left, when peace comes, to shift for themselves. I realise that it is extremely difficult to lay down any hard and fast rules. It is not every industry that people would like to be established that is in fact a key industry. Take the development of heavy industries. Certain development is undoubtedly essential to any country which wishes to be a first class power in a world in which force dominates or is the ultimate factor. But it is difficult to see now the shape of things to come. My Honourable friend, Mr. Jamnadas Mehta, spoke of the need for making India a self-sufficient country. Yes; one can sympathise with that. At the same time, I suggest to him that there is a great danger in attempting to make each country self-sufficient. Autarchy has yet to prove that it can raise the standard of living

Mr. Jamnadas M. Mehta: I may say that I did not stand for autarchy. Even an industrial self-sufficient country can import many other things which will raise the standard of living.

Sir F. E. James: Perhaps I was doing my Honourable friend an injustice in thinking that when he spoke of self-sufficiency he was really thinking of autarchy. Certainly, autarchy has yet to prove that it can raise the standard of living of the masses. If he is thinking of a balanced industrialisation policy, then I am entirely with him. I believe that in that direction lies the hope for the masses of this country and for the improvement of their standard of living.

Sir, I am glad to know that the funds which the House is now being asked to recommend to be provided by the Governor General in Council will be administered by a Council of Industrial Research. I trust that

[Sir F. E. James.]

the membership of that body will preserve a nice balance between industry, science and the administration. Perhaps I may be permitted to make a suggestion that on that body administration should take a minor part, and that the membership should be drawn predominantly from the ranks of science and industry.

I conclude by wishing my Honourable friend every success in the endeavour that he is now making. He has been responsible for many changes during the course of his term of office as Commerce and Industries Member. I venture to prophesy that when the time comes to look back upon his achievements, this will be one achievement of which he will be most proud.

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division : Muhammadan Rural): Sir, while rising to congratulate our friend, the Commerce Member, I have a feeling of great regret when I find that the two important bodies are absent today. This is a very important matter, a matter for which all through the country there has been a demand. I remember that when I first joined the committee of the Indian Merchants Chamber about twenty years ago, we were thinking that we should do something to rouse the Government to do some such research work. After ten years when I had the honour of becoming its President I had to admit that we were not successful in rousing the Government of India to do some material good for the benefit of the industries.

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

It happens that at this time we have a gentleman who is not an industrialist or a commercial man but a well-known lawyer and a journalist at the head of the Department and it is he who has been able to bring forward a proposal which all industrialists and commercial men as well as those interested in the welfare of the masses have been expecting to get. I find from the list of researches of different industries that in the first instance these researches will also go to help the agriculturist to a certain extent in the shape of fertilisers. Then I also find that they have been able to produce drugs in this country for the most needy people in this world. Wherever you go in India you will find that the health of the people at its lowest standard compared to any part of the world, except perhaps in parts of Africa, and one of the main causes for the low standard of health was because we had not a sufficient quantity of necessary drugs, nay, even if there was a supply of such drugs, we were not in a position to purchase those drugs whenever any need arose like the spread of epidemics like cholera, malaria and so on, because of its costs.

Then, Sir, I am very glad to find that serious attempts are being made to manufacture scientific and surgical instruments in this country. Hitherto we had to depend for these on foreign countries, and if this industry is properly encouraged and developed, we can be self-dependent in this matter of dire necessity.

Another good that has been conferred is that oil nuts which used to be exported as raw material in large quantities will now to certain extent be retained in this country. A large percentage of the population of this country depends on the oil seeds industry. I am not one of those who do

not welcome the advent of vegetable oil industry. I think not only vegetable oils, but many other things like soap, etc., can be made out of these oil nuts which do not come from Great Britain. I emphasise the word Great Britain, because our import policy has been dictated and guided by Great Britain, and as such hitherto we never got any encouragement from Great Britain for the development of indigenous industries. Thank God, at the present moment due to certain circumstances, our Commerce Member has been able to bring into existence a department which will assist us to make use of all the raw material that is available in this country to the fullest possible extent, and that will meet not only the present emergency, but it will be for the benefit of this country.

My friend, Mr. Jamnadas Mehta, referred to the customs figures of imports. I quite agree with what he said, but, Sir, I am a businessman, and I believe in one principle, and that is I should make the best of the opportunity I can get and take at once what I could get. I will try my best for the future, but I will not lose the opportunity that has offered itself. So I say that the Honourable the Commerce Member has taken advantage of the present opportunity that has offered itself for him to develop the industries of this country, and he is making the fullest use of that opportunity, and I really congratulate him.

Now, so far as the heavy industries are concerned, my friend the Honourable Member, said that Tata steel has been found to be the best or one of the best in the world, or superior to many others in some respects. If we can have the best steel,—and I am sure Tatas could have produced such steel some time back if they were asked to do so,—today they have been encouraged to produce the best steel and they are conducting further researches and I have no doubt they will soon succeed in producing as good steel as could be found in any part of the world,—we shall be able to make in due course even heavy machinery, because, as we all know, heavy machinery depends on the quality of steel and special steel for necessary tools.

Then, Sir, reference was made to the manufacture of combustion engines in this country. I was very glad to learn from the Honourable the Commerce Member that experiments have been made and that it is found that combustion engines could be made that could be worked on petrol. If these experiments prove successful, I am sure industrialists will not be wanting to come forward and start the manufacture of both aircraft and manufacture of motor cars in this country, to the great advantage of all concerned.

Another matter for gratification is that the Government, and especially our friend, the Commerce Member, has taken advantage of the presence of a large number of scientists who have offered their services and who have been all along and are eager to serve their country, and it has fallen to the lot of my friend, the Commerce Member, to secure their services and utilise them to the fullest possible extent. Sir, I really congratulate him on the bold step he has taken in this matter and express our gritudes also to our scientists. I am sure the whole of India knows that if the fullest use is made of the scientific and other talent that is available in the country, a great deal could be achieved in this country. Many well-educated, and talented youngmen who come out of the portals of the different Universities are going abegging for Government posts, because they have no scope or opportunity for doing research work, nor do they get scholarships or any other kind of encouragement. I was very glad to

[Mr. Husenbhai Abdullabhai Laljee.]

learn that it has been decided to grant scholarships, and some scholarships are actually being granted to those who are assisting the scientists. This is certainly the right way to encourage indigenous talent. If this is continued, surely many of our educated people will not look to Government appointments nor trouble our friends here to secure them Government posts, but will start and work in the Industries.

There is one thing to which I should like to draw the attention of the Honourable the Commerce Member, and that is, during the last war some attempts were made in this direction. I happened to be connected with one of the Committees, but after the war terminated, many of the things that had been started during war time disappeared. Even attempts were made to prepare dyes and chemicals in India. At the same time, similar attempts were made in Great Britain to make heavy chemicals. While our attempts in this country disappeared soon after the termination of the war, they, in Great Britain, formed large companies as soon as the war was over, with the result that today the great Imperial Chemical Works are not only able to meet the requirements of Great Britain, but have come into this country as well. Let us hope that the Honourable the Commerce Member will frame such constitution and rules and lay down such conditions that even after the war is over, the researches and the industries we have started during war time may not disappear, but that they may grow and prosper, and that his name and that of the present Government which has just done so much by this action to foster our indigenous industries by creating this Department may for ever be remembered by future generations. I must certainly join the Honourable the Commerce Member in congratulating the Honourable the Finance Member for inducing him to grant ten lakhs of rupees. I can very well realise the difficulty that the Commerce Member must have had to get these ten lakhs at this time when my friend asked more than three times to express our thanks to the Finance Member. I know that if the Honourable the Finance Member had his own way, he would have been only too glad to give a big slice out of the super-tax,—not the excess profits tax,—and the ordinary tax which he takes from industry and commerce. I will admit he has to look to the needs of the military authorities, I mean the military budget, and looking to the present condition, I feel that we must be thankful to the Finance Member as also to the Commerce Member for their so kindly setting apart this sum at least for this useful purpose.

My complaint has always been, and that of the public also has been, that out of the huge sum that the Government of India have been collecting from the people, very little or nothing is being done for the welfare of the people but the whole amount is diverted to some other channels, may be that some people consider defence to be for the greatest good of the people. But in real sense nothing practical is being done, and even this little sum of ten lakhs—even that is a great thing for us in this country in the position we are placed.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more to finish his speech.

Mr. Husenbhai Abdullabhai Laljee: The only thing I want to say is that I shall be only too glad if the Honourable the Finance Member can help the Honourable the Commerce Member with more funds, but I should

certainly say to both of them please go on and even not to wait for moneys for heavy industries which we can make as soon as we have best steel and combustion engines. If we cannot get any more money, please go on with what you get with this useful work and we shall try to help you and be obliged to you. We express to our present Government our thanks for all that you have done, in this respect which is so much needed and essential.

Sardar Sant Singh (West Punjab: Sikh): We have heard with rapt attention the illuminating speech of my Honourable friend, the Commerce Member, on this Resolution. Since the last war the demand of the country has been consistent. I should say persistent,—to work up some scheme for the industrialisation of Indian resources. The first Industrial Commission was appointed in 1919 and it made certain recommendations. Twenty-one years have elapsed and only the advent of this war has attracted the attention of the Government to take the matter very seriously in hand. The impression that one gets by reading these blue books that have been supplied to us is that the credit is due to the Honourable the Commerce Member for giving shape to the ideas of industrialisation of this country. It is difficult for a layman like myself to do justice to the various discoveries and scientific researches that have so far been made. I will only deal with that aspect of the case which to me appears to be beneficial to this country. I would not go into the motive which led the Commerce Department to take this matter on hand. After all, motives are not a very important matter if substantial gain accrues to the country by the scheme undertaken by the Government of India.

The war effort made it clear even to the British manufacturers that India cannot be for ever the dumping ground of the British industrial products. In 1936-37 I tried to point out in one of my speeches that the high way of the Mediterranean will not remain a safe high way for the British manufactures to come to India and that it was necessary to make India self-sufficient in the matter of preparation of mechanical equipment for the army. But at that time the Government of India in their wisdom did not pay heed to any of the demands made by the House. Today the war effort has shown that India cannot depend in this matter upon the products of industry of other countries. It was said in this debate that the need for industrialisation is due, probably is considered necessary, in order to make India self-sufficient by stopping the imports from other countries. With your permission, I will go a step further. It is not merely the stoppage of imports from other countries which is necessary, but the present war has shown that no country can remain safe for any length of time unless the country is self-sufficient industrially to equip and maintain the defence forces for its protection. Therefore, the very existence of the country depends upon its being made industrially self-sufficient in the matter of all products which are necessary for the maintenance and the existence of the country. So I am more than grateful to the Government of India for having undertaken this business.

It is for the first time that we note that the genius of the scientists of this country has been pooled together for the benefit of the country. They have been brought together to a common meeting ground where their intellectual attainments are being utilised for the benefit of this country. That is a great thing. It has happened for the first time in the

[Sardar Sant Singh.]

history of British rule in India, and for that I think the country should not grudge to give a small amount of Rs. 10 lakhs towards the utilisation of our resources. I join the Honourable the Commerce Member in expressing the gratitude of this House to those great scientists who, without any remuneration, have come forward at this critical juncture of India's history to offer their help and to promote the well being of the country by helping the industries in all their different branches. I quite appreciate the anxiety, and I hope the Government also appreciates the anxiety of this side of the House and the Members of my Party, the Congress Nationalist Party,—that this Resolution has been taken in a good spirit. We do not want that the researches should be confined to small industries alone. We want to draw the attention of the Government to the need of promoting the heavy industries as well, and at the same time the second amendment by Dr. Banerjee wants much more money, because, in our opinion, we think that even the country's finances will be increased by developing the industries, and ultimately, if you take a long-range view of the whole thing, even the Finance Member will find that this investment of ten lakhs which we want to be raised to 25 lakhs, produces greater taxes than he collects today. There is one thing which I want to bring to the notice of the Honourable the Commerce Member,—and I hope he is alive to that,—and that is, that the results of the scientific researches no doubt will be utilised and industrialists will be approached to make use of those results in a commercial manner and for commercial purposes. But there has always been danger in India and that danger I want to bring to his notice and that is, that India is, unfortunately, very peculiarly situated. We have amongst us persons with big purses in the shape of our friends sitting on those Benches and Mr. Chapman-Mortimer is busy taking note of this fact—we must see that all these researches will not go to the Group which even today calls itself a European Group and not the British Group. I want that in all these industrial researches the first preference should be given to Indian capital and Indian industries, and that the question of freedom of tender or bid for the researches should not be the policy of the Government. The Government should take particular care that Indian capital and Indian industry benefits by the Indian talent. There our friends of the European Group are very lucky and they have their own research work in Great Britain and other parts of Europe, as they call themselves the European Group but Indians have not got those facilities. I will, therefore, request that the policy of this Utilisation Committee should be so framed as to give some sort of preference to Indian capital and industry in the matter of the utilisation of the results of this research work.

Sir, in this connection I think we have not adequately taken into consideration the work of the Secretary of this Board, Mr. T. S. Pillay. After reading the report, we find that he has done a good deal of work in bringing about the results that are before us in these blue books. Therefore, Sir, I will say to the Government of India to go ahead with this scheme. This is not the last word. These researches are not the only researches that have got to be taken up and in the meantime I think the views of Mr. Jamnadas Mehta, will be taken into consideration and the work of this industrial Utilisation Committee will be utilised for the purpose of manufacturing machinery and other big plants for the purpose of creating those industries in India. I, therefore, extend the

heartiest support of my Party and our Group to this fund, and we wish that its scope should be enlarged much more than it is at present.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I rise whole-heartedly to support this Resolution. If I may use a metaphor in describing the work of the Commerce Member, I should liken him to a gardener who is digging in the industrial soil of India, sowing the seeds today which will become seedlings in a few years and in time will grow into trees laden with fruits which the people and the children of the soil will enjoy.

An Honourable Member: What about the weeds?

Lieut.-Colonel Sir Henry Gidney: He will, I am sure, take out the weeds and stones like my friend and replace these with fertile soil for which his Resolution asks. Judging from the excellent way he is ploughing I am sure that in future years these trees will be laden with fruits for the sons of the soil to enjoy.

Sir, I have always felt that the holding of the Commerce and Communications Departments by one Member was a hopeless mistake. He could do neither of these duties efficiently. In the result, he did neither well. We have now in charge of the Commerce portfolio one of the most brilliant sons from the South of India. I have had the pleasure of watching his career, from the time when, if I may say so, when his first political tooth erupted. I remember when he used to talk from these Benches, he used to do so at such a rate that I had to try and stop his speed. But, today, we have him as a polished speaker, as a keen and ardent worker and as one who deserves the congratulations of this House, for having at last, even though it be a small measure, introduced a relief which is going to solve the problem of the future industries of India.

Sir, I have no brief for Government nor do I speak with the voice of anyone but my own. I have always held the view that the Government of India in the past, have erred egregiously in that they have stultified and almost killed all industries in this country and refused the development of India's major industries. At last it has dawned upon them that India can produce major industries and how slow the wheel of Government does move. Today we see one of our Indian Members on the Government Benches making a strong and necessary effort to remedy this. Have you considered the amount he has asked for in this Resolution to attain this end—ten lakhs. Sir, we spend so many crores to blow up the brains of our enemies; we give so many lakhs to look after the dead *vide* the Archaeological Department, but here we are asking for only ten lakhs for this industrial fund. Leaving aside the war which is of prime importance, there is nothing that is so urgently needed, there is nothing which should claim our support and that of the Government as the future development of industries in this country. Sir, India with its vast resources is capable of producing almost all her industrial needs. Yet we have always got these needs from outside, but I thank God we have a Commerce Member today who is a sound and practical administrator. Within a short time of his coming to office, he can show a record of service of which anyone could be proud.

As a medical man let me confine my attention mainly to the great advance that has taken place in the manufacture in India of drugs and

[Lieut.-Colonel Sir Henry Gidney.]

surgical appliances and other such things. Sir, I was in England in 1938 when England was equipping medical stores in the hope of sending it to Poland and it was astonishing to see the paucity of supplies in that country. When I came to India, I found that the question of medical supplies for any war emergency was worse and this state has remained till quite lately. Sir, in my civil service I was in charge of one of the biggest districts in India, Sylhet. I had about 62 Hospitals under me. Lakhs of money were being spent in our annual indents on obtaining medical supplies from abroad. Lakhs were and are today being spent in getting our quinine from Java, though I am glad to see in later years the Government have done a great deal in the matter of developing cinchona plantations in this country. But how small has been even this effort? Today the Commerce Member in his speech has given you tangible proof of what we can do if we are given a fair and square deal and not killed by the monopoly of foreign capitalists and industrial concerns. He has told this House to our great pride and satisfaction that we can now make in this country almost 75 per cent. of the drugs which we used to indent from abroad and with the good steel we are making in this country today, we can make and are making most of our surgical instruments. Need I point out in this connection what a prominent part Lieut.-General Sir Gordon Jolly the present Director General of the Indian Medical Service has played in this great task. I know how much he has done, what an indefatigable worker he is and I am sure the Honourable the Commerce Member will join me when I say that in the attainment of this great achievement the thanks of this House and the Government are due to this very capable administrator and Head of the Indian Medical Service in India today. India is in sore need of more workers like General Sir Gordon Jolly, I.M.S., for he has worked hand in glove with the Commerce Member.

Sir, as an Eye Surgeon, I know how costly it is to secure optical glasses. It is really very encouraging to know that India has at last started making her own optical instruments and with the help of this body of 300 scientists who are giving their gratuitous services I feel sure that in a few years India will be able to become self-supporting. I can call to my memory in my younger days when a distinguished member of my service, Sir Ronald Ross, was on the eve of his great discovery to prove that mosquitoes were the carrying agents of malaria and he appealed to the Government of India for some financial support for this great research work and which has saved millions of lives in India. And do you know what the Government gave him? The Government of India gave him the handsome donation of Rs. 500! That was the blackest spot on the then Government of India's administration. I lived in the very house in which Ross lived and I did put a black mark over the mantelpiece about the pencil picture sketches he made of the malarial infected mosquito. And here again today we have a paltry sum of ten lakhs to encourage us in our industrial development with an amendment to raise it to 25 lakhs. I would go further and say that it ought to be a crore of rupees. What is there to prevent us, with the manufacture of such excellent steel as the Tata's are capable of turning out today even if it be at a financial loss to begin with, to start all our major industries such as locomotives, aeroplanes and other heavy industries for our army which one day must be India's own army. Nothing, and if the beginning is to be made, it must be made now and not in this niggardly way. It has been done in

other Colonies and why should India not be given a chance? The Commerce Member must have realised what an effort it was to squeeze ten lakhs out of that gentleman who sits to his left and whom I decorated yesterday with the order of the K.C.E.M., Knight of the Common Enemy of Mankind. But, Sir, I know him to the friend of mankind of India and a true watchdog of India's finances. I know he is this although some in this House may think otherwise.

I should like the Commerce Member to realise that, much as we appreciate his efforts as a beginning, it should not be the end. This House, I think, should pass the amendment asking for 25 lakhs as a very minimum. If it is put to the vote, I shall vote for it. But ten lakhs is a mere flea-bite for the industrial development of this country. Look at the chemical dyes? What a lot of money we spend on getting these from abroad. Then we have the synthetic preparations which are sold today at profiteering rates by the chemists even in Delhi. This must be rectified and factories erected in India. This list of what we have done up to date will add a page which will scintillate as one of the brightest pages in the history of India's modern industrial development. I should like to refer to the Great war work that our Railway workshops are doing. It is a great piece of work. They are giving us aid in a very great remarkable way. The Commerce Member has told this House what great things they have done and are doing. They have given us ammunition, combustion engines, etc. He has told us what fine steel Tata's are producing. I would like to tell the Government although they have turned down resolution after resolution in this House for India's major industrial advancement they should now give a good spurt to the industrial development of India and seriously to think again and again to effect this and encourage us not with a paltry sum of ten lakhs or 25 lakhs but with adequate grants of money which will enable us to take our industrial place in the British Commonwealth of Nations. India demands and surely do you want her to take her place in this Commonwealth with empty hands, empty purse and barren of industrial developments in this country.

Sir, I wish to emphasise again that when this resolution is passed, the Government will remember that our efforts are not confined to the present day needs of the war. Our efforts must have regard to the post bellum period when the country will be flooded with thousands of skilled mechanics who are doing war work today. Are we going to throw them into the sea of unemployment as we did with our *ex*-army men after the last war especially with reference to Anglo-Indians? Or are we going to treat them with a measure of gratitude which they so richly deserve? The latter is the view which we must hold. That is the horizon which we must reach. Those post bellum industrial needs of this country will be barren of any results unless we are given money to erect and support our major industrial undertakings and factories into which our *ex*-service-skilled and experienced mechanics will be able to get employment after the war. We will thus give a great fillip to the industrial development of India which we demand from Government and which we will see that we do get. I support this Resolution with great joy, for in my opinion, it is one of the most important resolutions that has ever been placed before this Honourable House. And I do hope that the amendment of 25 lakhs could be multiplied by four so that it may become a crore of rupees as a beginning of this Fund. Sir, I support the Resolution.

Mr. E. L. C. Gwilt (Bombay: European): Sir, I rise to give to the Resolution moved by my Honourable friend, the Commerce Member, my whole-hearted support and to associate myself with those expressions of congratulation that have been made to him by previous speakers. If I have any criticism to make, it is more in sympathy with the amount of money to be allotted to this Fund as was recommended by my Honourable friend, Sir Henry Gidney, than that proposed in the amendment tabled by Dr. Banerjea. Industrialists in this country may consider themselves fortunate, I feel, that Government is going to do for them much of the work which in other countries is the responsibility of the industry concerned. My Honourable friend, Sir Frederick James, has spoken of the desirability of strengthening the executive side of industrial development. I would like, if I may, to make a suggestion which I hope may prove of interest to the Honourable the Commerce Member.

Mr. President (The Honourable Sir Abdur Rahim): Will the Honourable Member kindly speak up? It is difficult to hear him.

Mr. E. L. C. Gwilt: I am confident that it is not outside the competence of those scientific gentlemen engaged in the work of which the Honourable the Commerce Member has spoken, to make discoveries of very great importance, not only to industry of this country but to that of the world at large. Charity, Sir, begins at home and it would be the wish of the Commerce Member that India should receive, in full measure, the benefit of discoveries that her scientists might make. I would, therefore, suggest, that machinery should be set up to examine the patentable potentialities, if I may use such an expression, of any such discoveries and of such processes as are likely to be of utility to industry and are capable of being patented. If the commercial potentialities are great, and patents taken out, the royalties which accrue therefrom I suggest should be put back into the pool of research funds. He has already told us something of the royalties that are at present accruing and I would like to ask what is going to happen to these monies?

Now, Sir, I will not presume to urge upon the Honourable the Commerce Member the danger of the creed of total industrialisation, because I know he is fully conscious of the pitfalls which therein lie for he made this clear in one of his speeches he made in this House during the last Session, but in reply to those Honourable Members who pleaded for an automobile industry in this country, I would say, let them recall that when the war is over, the world's annual production of internal combustion engines will be in the nature of probably some 200,000. India, therefore, would need to compete with this capacity before she can dream of establishing a motor car industry economically. I would also remind those Honourable Members who have pleaded for an automobile industry that the industry does not end in the manufacture of internal combustion engines alone. There are so many other industries in which India may more profitably progress, and I hope that these will receive the primary consideration of the Honourable the Commerce Member.

Before I sit down, Sir, I would like to enlarge upon a point, though a digression from it, made by my Honourable friend, Sir Frederick James. He asked that research should be enlarged upon food. I know of some of the work being carried on at Coonoor by that very eminent scientist,

Dr. Ackroyd. I feel, Sir, that India can never be a great industrial country until she has raised her standard of living. Possibly some Honourable Members might argue that that is putting the cart before the horse. But the standard of living cannot be raised until education has been improved in the country, and the ability of any nation to absorb education is almost entirely, or to a very large extent, dependent upon the health of that nation and its health is interdependent upon correct feeding. I know, Sir, that Dr. Ackroyd is carrying out investigations into dietary, dietary based upon indigenous foods and I hope that every financial encouragement will be given to him to continue his research. The matter, Sir, is relevant.

Babu Baijnath Bajoria: Sir, I join in the chorus of congratulations which have been showered on the Honourable the Commerce Member from all sides of the House in introducing this Resolution. But at the same time, we should not forget the Honourable the Finance Member who has made it possible for the Honourable the Commerce Member to place this Resolution before the House. Sir, we must admit that the Honourable the Finance Member has given a grant of ten lakhs annually for the next five years for this purpose. I hope, Sir, that as and when further sums of money will be necessary for this purpose he will show the Honourable the Commerce Member the same consideration which he has shown today.

Sir, for the industrialisation of a country three things are essentially required: brain, capital and labour. We need not quarrel which is to come first, which second and which third. But all these three things are essential before any industrial development can take place.

The Honourable Sir H. P. Mody (Supply Member): Brain, brawn and bank balance.

Babu Baijnath Bajoria: Yes, these are necessary. Sir, I think this Board of Industrial Research has brought brain and capital together. I am glad that the leading scientists of this country under the guidance of Dr. Bhatnagar are doing excellent work in various capacities and in various lines to bring their knowledge within the reach of the industrialists of this country. Sir, they are doing full sixteen annas work because I find that full sixteen sub-committees have been appointed. Sir, industrialisation is one of the main things which will raise the standard of living and ensure the prosperity both for the masses and for the richer people. I was agreeably surprised to hear the learned speech on a most technical subject from the Honourable the Commerce Member. I wonder how he could learn all these technical subjects within such a short period he has been in office. Ever since he took office, it has been the earnest endeavour of the Honourable the Commerce Member that the industry and commerce of this country should prosper and he has been working in the right direction and in this he has the fullest support from all sides of the House.

Sir, I need not go into the details of the useful information which was furnished to us by the Honourable the Commerce Member which were very interesting. I would, however, like to say a word or two about certain subjects which Mr. Gwilt, the last speaker, referred to. He spoke about the impossibility of having an automobile industry in this country. He said, it is a dream, which will not materialise. I say, Sir, that if the Government of India give assistance, which is necessary for the establishment of this industry, this dream might become an accomplished fact in

[Babu Baijnath Bajoria.]

the very near future. In the first instance, it may be that all the different parts, the hundreds and thousands of parts which are necessary to make a motor car, may not be manufactured in this country, but still if a start is made, several hundreds of these parts will be made here and, as we learn more, we will be able to make more parts and in course of time, we will be able to make fully 100 per cent. Indian motor car. A start has to be made. In this respect, I am sorry that the Honourable the Commerce Member has not yet been moved. He has given facility for aeroplanes to be built here, he has also given help to have shipbuilding yard here, but as regards automobile industry, he has turned a deaf ear against it. (Interruption). I refer to the Government of India and not to the Commerce Member personally. I consider that industrialisation is merely an investment for the country. We cannot get the fruits of industrialisation or of protection immediately. We have seen what miracles protection can perform. It is only due to protection which has been given to the iron and steel and sugar industries that we are now in the fortunate position in which we find ourselves today. I would not speak at length on this subject but I can say that but for this protection, and industrial expansion for which the Tatas deserve every credit, India's war efforts would have been curtailed to a great extent. And the taxpayers have also paid for the expansion of the Tata iron and steel industry. That is what protection means; but they have been amply repaid.

As regards the glass industry, my Honourable friend, the Commerce Member, spoke about optical glass. I will point out that for sheet glass and plate glass there is only one factory in the United Provinces which is making sheet glass and that also not on a very big scale. The demand for such glass is considerable and if the Glass and Refractory Committee will take note of this fact and help in having sheet glass industries started here they will do a good service to this country.

As regards drugs, I am not a medical man. But I will say that much is being done to have foreign and allopathic drugs manufactured here, but unfortunately, very little is being done to help the manufacture of Ayurvedic and Unani medicines. Whatever Sir Henry Gidney or other medical men may say, both these systems are very efficacious for the treatment of Indians and I hope the Drugs Committee will give special attention to the manufacture of these indigenous drugs because they are cheaper and they are efficacious in many diseases.

With regard to the vegetable oil sub-committee I am glad that six or seven hundred tons of groundnuts were consumed by the expansion of industry in this respect. But as regards this vegetable ghee I will say that I have no objection to its being sold as a vegetable product as such; but, unfortunately, the position is that it is sold not as a vegetable product but as ghee. It is no substitute for ghee at all; it has neither the qualities which ghee has nor has it the stimulating and nourishing features of ghee. Government should take action . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is digressing into a different subject altogether. He should confine himself to the Resolution.

Babu Baijnath Bajoria: I was only saying that something should be done by Government to stop this adulteration so that we may get pure ghee.

As regards the molasses committee I do not know how far they have progressed about the utilisation of molasses for power alcohol. This question has been raised here in several debates and if something substantial had been done in this respect probably we may not have had to face this petrol rationing at all which is troubling all motor-car owners.

Sir, I am entirely in sympathy with what Mr. Jamnadas Mehta said regarding the manufacture of machinery here. After all, without machinery no industry can prosper; and if we are dependent on machineries we shall for all time be dependent for the establishment of industries on the importation of such machineries. But I think a machineries sub-committee should also be established so that scientists may find out the best methods and the machinery may be manufactured here at a cheaper cost.

I do not want to say more on this Resolution. It has my fullest support but I would very much like the Finance Member to make it possible to allot 25 lakhs every year for this purpose. After all what is 25 lakhs for the industrialisation of a vast country like India? Again, I say that the fruits of these researches should be made available to the Indian industrialists first. I am not entirely opposed to external capital coming into India for the industrialisation of this country.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Babu Baijnath Bajoria: I will finish in one minute, Sir.

With regard to industries which Indians cannot take up for lack of technical knowledge I would rather have those industries established here by foreigners than import goods from foreign countries. But in those industries where Indian industrialists are prepared to come forward, where capital is not shy and brains are not wanting, the industry must be one hundred per cent. Indian, with Indian capital, Indian knowledge and Indian labour.

Sir, I support the Resolution.

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.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I must express my deep gratitude to all sections of the House which have supported me in this Resolution and to all Members who have paid generous compliments to me. I am conscious that much of it is not deserved by me, that if results have been forthcoming, if an advance has been made, if these committees are working and functioning properly and if scientific talent has been mobilised and is enthusiastic in the effort that it is making now towards these researches, it is due to the awakening in the country for

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industrialisation and to the public spirit of those who have been engaged in this work and to which I have already paid my humble meed of tribute.

Sir, I should like to state with reference to a few observations that have been made by some of the Members what the position really is. Let me take the question of patents on which two or three Honourable Members made some remarks. The patents are obtained by the Government of India, or in some cases jointly by the Government of India and the institute or Local Government in which the scientist is working. The patent is not obtained in the name of the scientist himself; and for this very good reason. Out of the royalty that may accrue by the utilisation of the patent, I have already stated that 33-1/3rd per cent. will be paid to the scientist who has been responsible for the research work. But Honourable Members must further remember that the Government of India have taken upon themselves, and now this governing body will take upon itself, the duty of correlating the research to industrial development; and the scientist in the old days was not able to do it normally. His patent was not valued; he had not the opportunity of approaching the proper industrialist who would utilise the patent. And in many cases it may be,—I make no reflection on the industrialist,—that the scientist may not have got value for the patent for which he has been responsible. All that is taken out of his hand. A body which knows the value of a patent, how it can industrially be utilised, puts the imprimatur on the patent, on its capacity for being industrially utilised, takes up the whole responsibility from the scientist and sees to its utilisation. I think scientists who are responsible for these researches will be thankful in two ways; first, that they will get a proper share of money, and secondly, what is more important from their point of view, that their talents are not going to waste but that they see the result before their eyes of how that talent has been utilised. Secondly, with reference to patent rights

Dr. P. N. Banerjee: May I ask a question? Is it put down in the contract that 33 1/3rd per cent. of the royalty would be paid to the research workers.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Sir, I am prepared to consider putting down this in the contract, but I should like to make it quite clear that this is one of the recommendations of the Board of Scientific and Industrial Research which has been accepted by the Government. I am willing to make it quite clear to all the scientists that that is the share that they will have, and whatever number of scientists are engaged in this work they will have that amount distributed to them on an equal basis.

Secondly, Sir, as regards the application of these patents, we realized at an early stage that these patents have a value and that the researches should be patented wherever they are capable of being patented. A special officer has been attached to the office of the Director of Scientific and Industrial Research whose duty it is to examine from the patents' point of view how the patent can be obtained, and the patent is first obtained from our own office at Calcutta—from the Controller of Patents and Designs. It is obviously also our desire, and it is the duty of the patent Officer to see to it, that similar patents on the reciprocal basis, provisions for which

exist under the Patents and Designs Act, are obtained in all foreign countries also. Therefore, there is no question of our losing the patent rights in foreign countries.

My Honourable friend, Mr. Gwilt, then asked what is to become of the royalties. I have already explained in my opening speech that the royalties will be paid into this fund which is being constituted and out of it will be paid to the scientists concerned that portion of the royalty which, as I have said, is their due. My Honourable friend, Sir Frederick James, was under the impression that the services of University scientists were not being utilized. I may say though this may not be clear from the reports, that most of these researches are being done by scientists in Universities. The University laboratories are being utilized. Aligarh, Benares, Lahore, Lucknow, Allahabad, Calcutta, Bombay, Dacca are some of the Universities which have fully and freely availed themselves of work on many of these research schemes and funds have been placed at their disposal.

Sir F. E. James: But why Madras has been excluded?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: It is a matter of regret for me that with the most enthusiastic desire in the world to put more funds at the disposal of the research students in the Universities of the Madras Presidency and generally in the Universities of South India, that I have not been able to do so, and if the observation of my Honourable friend, Sir Frederick James, will do anything to make the Universities in my Province move a little faster and the scientists in that place take a little more interest in this kind of work, I am sure that the Governing Body, which will come into existence, will be only too happy to distribute on a more general basis the finances under their control.

My Honourable friend, Sir Frederick James, desired that Dr. Bhatnagar and the staff should make tours and that the results of these investigations should be better known in other parts of India. Sir, it was my desire, and, I believe, that desire has been expressed more than once, that the meetings of the Board itself should be held at different centres in India. We had one meeting in Bombay, one meeting in Calcutta, one meeting in Simla and we were hoping to have one in Bangalore, but owing to circumstances entirely beyond my control that meeting had to be abandoned. It is these meetings held at important centres in India which will bring home to industrialists and scientists the value of work that is being done. But apart from that we have appointed an Industrial Research Utilization Officer who will be in charge of the researches capable of industrial utilisation and it will be his duty not only to display these products at Delhi, where we propose to have a museum, but also take them round to other centres if and when it is necessary. Apart from that Dr. Bhatnagar himself has not only the duty of working at research laboratories at Calcutta but of going out inspecting, co-ordinating and helping with advice, if necessary, the research workers all over the country. He has been able to do a little of it but owing to preoccupations of his own, with reference to essential research schemes in connection with the war, he has not been able to do that amount of touring which will be necessary. I hope he will be more free hereafter to do so.

[Sir A. Ramaswami Mudaliar.]

I would now refer to the amendment of my Honourable friend, Mr. Jamnadas Mehta. I must say first of all that he and I are absolutely at one in this matter. I assured the House in my opening remarks that no scheme of research has been left outside the scope of various committees. Now with reference to heavy industries, I would point out that there are several committees which are at work and which are calculated to help in the establishment of heavy industries. These are all so much connected with each other that research has to take place in several directions before the establishment of heavy industries can be tackled and the work of manufacture of machinery and plant can be taken up.

I regret that in the enumeration of committees I have omitted to mention the heavy chemicals committee which has been constituted under the chairmanship of Dr. John Mathai whose name is wellknown to all industrialists and all Honourable Members of this House. Now, Sir, the fuel research committee and the Metals Committee have already been mentioned. The House will realize that close contact between these two committees is necessary for the essential need of developing research in fuel and the essential need of developing research in various kinds of alloy metal. These two are necessary if you really want to establish the manufacture of plant and machinery in this country.

Pandit Nilakantha Das (Orissa Division : Non-Muhammadian) : Has anything in particular been done to manufacture machinery which is required particularly for making other machines in this country?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar : Sir, I am referring to research but I might tell my Honourable friend that during this war period at any rate, many of the machines that were being imported are now being manufactured in this country but it is special types of machines in which different alloy metal is to be used and where the problems of coking have yet to be analysed and properly adjusted, it is that kind of machinery in which research work is necessary. If the Honourable Member will go to Calcutta and see some of the firms engaged on war work he will find that various kinds of plant and machinery which were imported previously are now being manufactured in this country. Sir, the Metals committee is engaged in research about alloy metal.

The fuel research committee has to do researches in carbonisation and in desulphurization of coal. These two have to be co-ordinated before that kind of machinery can be manufactured. I have referred also to the Internal Combustion Engines and to the Chemical plant committee which is specifically constituted for research work in the manufacture of chemical plants. Now, Sir, as I said, there is no difference between my Honourable friend, Mr. Jamnadas Mehta, and myself over this question. Attention is being paid to it now. I do not want this rivalry between minor industries and major industries to be emphasised or to arise out of a special bias being given in a resolution to this work. The whole of this subject is within the purview of this Board which has practically all members non-official—I believe I am the only official member, apart from the Director. It is their privilege to take up any research work they like and I can assure my Honourable friend that they are acutely conscious of the need for developing research in heavy industries.

Now, Sir, as regards the amount, I have only one word to say. Ten lakhs has been found by the Honourable the Finance Member for this purpose annually for the next five years at least. When we remember the conditions under which we are working at present and the need for financing many things in connection with the war effort, I am bound to say that the Finance Member has been generous in placing ten lakhs at our disposal. Let me also say this, Sir, that if there is any confusion—I hope there is none in the mind of any of the Honourable Members—that it is not industrial development that is being directly thought of, that is not the object of this fund. This fund is for research work for industrial development and not industrial development itself. I am perfectly certain that neither ten lakhs nor ten crores would be sufficient if any question of industrial development is to be taken up. I do not suggest that ten lakhs is sufficient even for scientific and industrial research. This year five lakhs were allotted. We are now getting ten lakhs. Apart from that, as I have said, royalties are coming in, and therefore in view of the circumstances of the case, I feel that it is only fair to acknowledge with gratitude the help that the Honourable the Finance Member has given us. I trust the House will give its approval unanimously to the Resolution.

May I add one word? I said that it was my hope that industrialists also will co-operate in financing this scheme of researches. In other parts of the world industrialists have done their duty with reference to these research schemes. Organisations of industries have come forward to finance these schemes. Now that the Government have taken up and shown their *bona fides* with reference to these research schemes, I hope, from such suggestions as have been made to me, that there are industrialists in this country who realise that they also have to play a part in this great development, and I am perfectly certain that I will be in a position to announce very soon to this House handsome contributions from industrialists. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Do Honourable Members wish to move their amendments?

Mr. Jamnadas M. Mehta : Sir, I ask for permission to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

Dr. P. N. Banerjee : Sir, I ask for permission to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

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

“That this Assembly recommends to the Governor General in Council that a fund called the Industrial Research Fund be constituted, for the purpose of fostering industrial development in this country and that provision be made in the Budget for an annual grant of rupees ten lakhs to the fund for a period of five years.”

The motion was adopted.

STATEMENT OF BUSINESS.

The Honourable Mr. M. S. Aney (Leader of the House) : Sir, I am not going to move my Resolution today. With your permission, I would like to make a statement of business for the next week. The agenda for the meetings on Monday and Tuesday will be as follows :

[Mr. M. S. Aney.]

Council of State amendments to the Mines Maternity Bill, the Indo-Ceylon Agreement and the Public Accounts Committee's Report and Mr. Joshi's Resolution. In case we find that there is no time on Monday to take up the Public Accounts Committee's Report, it will be withdrawn and the whole of Tuesday will be reserved for Mr. Joshi's Resolution.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): May I ask the Leader of the House—I could not hear what he actually said—does he mean to say that he is devoting Monday for the Indo-Ceylon agreement?

The Honourable Mr. M. S. Aney: And Tuesday for the Resolution on political prisoners.

Lieut.-Colonel Sir Henry Gidney: And there will be no change from one to the other? That is fixed?

The Honourable Mr. M. S. Aney: Yes.

The Assembly then adjourned till Eleven of the Clock on Monday, the 17th November, 1941.

LEGISLATIVE ASSEMBLY.

Monday, 17th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

MARRIAGE ALLOWANCE OF EUROPEAN AND SPECIAL ALLOWANCE OF NON-EUROPEAN OFFICER CADETS.

180. *Lieut.-Colonel Sir Henry Gidney: (a) Will the Defence Secretary please state whether it is a fact:

(i) that married Officer Cadets who are of European parentage on both sides and who are under training in the various Officers' Training Schools, receive a *marriage allowance* of Rs. 200 per mensem; and

(ii) that married Officer Cadets, who are of pure Indian or of mixed European and Indian parentage, are entitled only to a *special allowance* of Rs. 50 per mensem?

(b) Will the Defence Secretary please state on what grounds a married European Cadet is granted Rs. 200 for the upkeep of his family, while married Indian and Anglo-Indian cadets who have an equal and in some cases a higher standard of living, are granted Rs. 50 only?

(c) Do Government propose to remove this distinction, when there is no difference in the standard of living between the Anglo-Indian and a European and the Indian gentlemen who are recruited for the grant of Emergency Commission belonging to families of good social status whose cost of living is not in any way inferior to that of the European and the Anglo-Indian?

Sir Gurunath Bewoor: (a) (i). No.

(ii) Yes.

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

Lieut.-Colonel Sir Henry Gidney: I admire the Honourable Member's brevity in his replies to my questions. Will the Honourable Member kindly inform us whether or not he has received a representation from the Officer Commanding the Training School at Bangalore on this very subject?

Sir Gurunath Bewoor: I have no information. If the Honourable Member had asked me that question, I would have looked into it, but now that he has mentioned it, I shall find out whether any such representation has been received.

Lieut.-Colonel Sir Henry Gidney: In view of the Honourable Member's very cryptic replies which give me no information, will the Honourable Member inform this House whether or not it is a fact that trainee officers in these schools receive what is called basic pay for food and other things and that there is a difference in what is called special allowance, between officers who are Europeans, domiciled or domesticated in India, and Indians, including Anglo-Indians? If so, will he tell us what that difference is?

Sir Gurunath Bewoor: With regard to the first part of the Honourable Member's remarks, my replies are exactly to the point and I do not think that there is anything cryptic about them. As regards the latter part, I must ask for notice.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member will appreciate the fact that I gave him adequate notice for him to be able to give me a reply. I repeat my question which is a very definite one and is of serious importance to us. Is it or is it not a fact that there is a difference of nearly Rs. 200 between the money given each month to a European trainee officer and that given to Indians and Anglo-Indians? Whether you call it "marriage allowance" or "special allowance" I do not want to know, nor do I care.

Sir Gurunath Bewoor: The Honourable Member asked me whether a marriage allowance of Rs. 200 per mensem is given, and I have replied to him in the negative. As regards the method on which the various remunerations are paid, if he will ask a question on that point, I will give him a detailed answer.

Lieut.-Colonel Sir Henry Gidney: Another supplementary question, Sir. In view of the fact that we shall be sitting only once more this Session, *i.e.*, tomorrow, will the Honourable Member accept a short notice question on this point?

Sir Gurunath Bewoor: There is I am afraid hardly time for it, Sir.

PAUCITY OF INDIANS AMONGST THE SECRETARIES OF THE GOVERNMENT OF INDIA DEPARTMENTS.

181. ***Mr. Amarendra Nath Chattopadhyaya** (on behalf of Sir Abdul Halim Ghuznavi): (a) Will the Honourable the Home Member please state how many of the following Secretaries are Europeans and how many of them are Indians:

1. Secretary to the Governor-General (Personal).
2. Secretary to the Governor-General (Public).
3. Secretary to the Government of India, Political Department.
4. Secretary to the Government of India, External Affairs Department.
5. Secretary to the Government of India, Defence Department.
6. Secretary to the Government of India, Railway Department (Chief Commissioner for Railways).
7. Secretary to the Government of India, Communications Department.

8. Secretary to the Government of India, Finance Department.
9. Secretary to the Government of India, Commerce Department.
10. Secretary to the Government of India, Home Department.
11. Secretary to the Government of India, Labour Department.
12. Secretary to the Government of India, Supply Department.
13. Secretary to the Government of India, Legislative Department.
14. Secretary to the Government of India, Civil Defence Department.
15. Secretary to the Government of India, Information Department.
16. Secretary to the Government of India, Education, Health and Lands Department.
17. Secretary to the Government of India, Indians Overseas Department?

(b) Do Government contemplate taking any steps to remedy the present situation where only one of the seventeen Secretaries is an Indian, so as to improve the proportion among the Secretaries in the Government of India?

The Honourable Sir Reginald Maxwell: (a) One Indian and sixteen Europeans; of these three are not Secretaries of Departments under the Government of India.

(b) I would refer the Honourable Member to the reply given by me in this House to question No. 357 on the 14th February, 1939, and to my speech in the Council of State on the 15th March, 1937, where he will find the position fully explained.

Mr. Lalchand Navalrai: May I know, Sir, why is it that there is only one Indian and so many Europeans as Secretaries? Are not Government going to increase the number of Indians?

The Honourable Sir Reginald Maxwell: Until recently there were two Indians.

Mr. Lalchand Navalrai: Even the number two is disproportionate. Is the Honourable Member going to see that there are more Indian Secretaries?

The Honourable Sir Reginald Maxwell: If the Honourable Member will read the papers to which I refer in my reply, he will find the position explained, namely, that the chances of selection for any particular vacancy must depend on the material available within the service group in question. Actually the distribution of officers of over 24 years service is roughly 269 Europeans and 38 Indians. That will be the field of selection for Secretaries, and the Honourable Member will see that the disproportion is not as great as he imagines.

INCREASE IN THE NUMBER OF THE INDIAN MEMBERS OF THE GOVERNOR GENERAL'S EXECUTIVE COUNCIL AND CONSEQUENT INCREASE IN THE NUMBER OF THE GOVERNMENT OF INDIA DEPARTMENTS.

182. ***Mr. Amarendra Nath Chattopadhyaya** (on behalf of Sir Abdul Halim Ghuznavi): (a) Will the Honourable the Home Member please state which Departments of the Government of India were in charge of

European Members and which of them were in charge of Indian Members before the recent expansion of the Governor General's Executive Council?

(b) Will he also state whether the increase in the number of Indian Members from three to eight has resulted in a proportionate increase in the number of Departments committed to the charge of Indian Members, and, if not, why not?

The Honourable Sir Reginald Maxwell: The question should have been addressed to the Honourable the Leader of the House.

ASSAMESE IN THE CUSTOMS DEPARTMENT.

183. *Mr. Ananga Mohan Dam: Will the Honourable the Finance Member state :

(a) the total number of employees in the Customs Department, both in the gazetted and ministerial ranks; and

(b) how many of them are from the Province of Assam?

The Honourable Sir Jeremy Raisman: (a) With the exception of the Imperial Customs Service, candidates for service in the Customs Department from the Province of Assam are eligible for appointment only in the Custom Houses of Calcutta and Chittagong. The total number of employees in these two Custom Houses is:

Gazetted Officers—20 (including six Officers of the Imperial Customs Service and one I.C.S. Officer).

Ministerial—430.

(b) None. One Preventive Officer was recruited from Assam in 1939 and is now on Military service.

Mr. Lalchand Navalrai: How is the recruitment made? Is it made by the Selection Board or by any competitive examination?

The Honourable Sir Jeremy Raisman: Recruitment for the Imperial Customs Service is by competitive examination, and the recruitment for other ranks is made by selection by the Collector of Customs.

Mr. Lalchand Navalrai: Is the competitive examination held by the Federal Public Services Commission?

The Honourable Sir Jeremy Raisman: The competitive examination for the Imperial Customs Service is one which is held for a large number of Central Services from which candidates are appointed for Audit and Accounts Service, and certain postal and railway services also.

Mr. Lalchand Navalrai: Does the Selection Board also recruit candidates by a competitive examination or by merely looking at them?

The Honourable Sir Jeremy Raisman: As regards the various other ranks, I think the local Public Service Commissions are also used to some extent.

PROTEST AGAINST THE CORRECTNESS OF THE LATEST CENSUS FIGURES IN ASSAM.

184. *Mr. Ananga Mohan Dam: (a) Will the Honourable the Home Member be pleased to state whether his attention has been drawn to the report published in the *Hindusthan Standard* of the 27th July, 1941, and other Calcutta papers, of a public meeting held at Gauhati (Assam) protesting against the correctness of the census figures for 1941 in Assam?

(b) If so, has any step been taken for rectification of these figures? If not, why not?

(c) Has his attention been drawn to the fact that Hindus who numbered 52,04,650 in the census of 1931 have been reduced to 45,40,497 in the census of 1941?

(d) Has he seen the statement made in the public meeting that people who returned themselves as Hindus have not been shown as Hindus? If so, what has he done to rectify the irregularity, if any? If no action has been taken, why not?

(e) Is the Honourable Member aware that Srijut Gopinath Bordalai, the *ex*-Premier of Assam, sent a petition to the Census Commissioner of India asking him not to give publicity to these wrong figures of 1941 in Assam? If so, what has he done to have the correct census for the Province of Assam? If nothing, why not?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) and (c). The protest referred to in clause (a) is based on a misapprehension of facts. In the previous censuses, there was a tabulation by religion; in 1941, it is by community. The former tabulation was based on replies to question 4, namely, religion; the latter is based on reply to question 3, namely, 'race, tribe or caste'. The two tables are not on a comparable basis. It is, therefore, incorrect to say that the number of Hindus or any other community has been reduced, and the question of rectification of the census figures for 1941 does not arise.

(d) Presumably the Honourable Member is referring to the replies to question 4, namely, religion. If so, persons who returned themselves as Hindus were so recorded and the irregularity alleged did not occur.

(e) The request was sent, but since the representation was based on a misunderstanding of the facts, the Census Commissioner did not find any action necessary.

Mr. Ananga Mohan Dam: What is meant by community?

The Honourable Sir Reginald Maxwell: Community means "race, tribe or caste".

Mr. Ananga Mohan Dam: As between Hindus and Muslims, am I to understand that Hindus are one community, and Muslims are another community?

The Honourable Sir Reginald Maxwell: Hindu is one religion, and Muslim is another religion.

Mr. Ananga Mohan Dam: It is a religion. How could the number of Hindus be fixed as shown by the Census Report, as there are communities even in the Muslim religion also?

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

†185*.

RELEASE OF POLITICAL PRISONERS.

186. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable the Home Member be pleased to state if he considers the release of political prisoners is needed in consideration of the war situation?

(b) Will the Honourable Member be pleased to state if, under the present relationship between Soviet Russia and the British Government as allies, it is incumbent upon the British Government in India to release all prisoners confined in jails as detenus or convicted as communists without delay?

(c) Will the Honourable Member be pleased to state if Government have been considering the necessity of releasing all political prisoners in India, Province by Province, to create a situation for complete co-operation of Indians with War efforts?

(d) Will the Honourable Member be pleased to state if Government and, according to their instructions, all Provincial Governments, have given freedom to all movements which are known to be anti-fascist movements? If so, do Government in the Centre and in Provinces propose to release all persons put into prison for taking part in such anti-fascist movements?

The Honourable Sir Reginald Maxwell: (a) to (d). As the Honourable Member is no doubt aware, a Resolution on this subject will shortly be taken up for discussion in this House, in the course of which he will be able to raise the arguments covered by his question. Meanwhile with reference to part (d) I may say that the Government of India are not aware of any restrictions on anti-fascist activities in this country nor to the best of their belief has any person been imprisoned for taking part in such activities.

Mr. Govind V. Deshmukh: May I know, Sir, if the Honourable the Home Member will take part in the debate on the Resolution regarding the release of political prisoners

Mr. President (The Honourable Sir Abdur Rahim): It has nothing to do with it. The Honourable Member has answered the question.

†This question was withdrawn by the questioner.

DESIRABILITY OF FURTHER EXTENSION OF THE TIME OF LEGAL TENDER OF THE VICTORIA COINS.

187. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable the Finance Member be pleased to state whether Government are aware that there is still a large number of Victoria coins in the interior parts of several places of India on account of lack of wide publicity in the interior parts of districts?

(b) Are Government aware that on account of the order of Government poor and illiterate people of the interior parts have experienced great difficulties in tendering the Victoria coins as legal tender after the 30th September, 1941, and brokers of several Provinces have made it a business to buy Victoria coins at -/10/- and -/12/- per one rupee coin from poor villagers?

(c) Under the circumstances, are Government prepared to extend the time of legal tender of the said coin for another year in order to save the poor people from exploitation in these hard days?

(d) If not, how do Government propose to save the poor public from exploitation?

The Honourable Sir Jeremy Raisman: (a) and (b). No.

(c) Government consider this unnecessary.

(d) Does not arise.

Maulvi Abdur Rasheed Chaudhury: With regard to part (b), may I know whether Government will make inquiries as to the correctness or otherwise of the facts mentioned therein?

The Honourable Sir Jeremy Raisman: The question was whether Government were aware that this was happening, and that is not the case. I could, of course, endeavour to discover if this is happening.

Mr. Husenbhai Abdullabhai Laljee: Will Government try to discover if this is happening or not, whether these coins are sold for 10 and 12 annas?

The Honourable Sir Jeremy Raisman: If the Honourable Member will give me any information on the subject, I shall consider it.

Maulvi Abdur Rasheed Chaudhury: Will Government consult the Thana Officers in Rojan as to whether this is a fact or not?

The Honourable Sir Jeremy Raisman: It is quite possible that in rare sporadic cases something of this kind does exist, but that does not affect the merits or the desirability of withdrawing these coins from circulation.

Maulvi Abdur Rasheed Chaudhury: Will he consider extending the period?

The Honourable Sir Jeremy Raisman: No.

ENEMY SHIPS CAPTURED IN AND OUTSIDE INDIAN WATERS BY THE ROYAL INDIAN NAVY.

188. *Mr. Lalchand Navalrai: (a) Will the Defence Secretary be pleased to state how many enemy ships have been captured in Indian waters since the beginning of the war?

(b) How many ships have been captured outside Indian waters by the Royal Indian Navy, or by the Royal Indian Navy in association with other Empire navies?

(c) Who is the owner of such captured ships, and what use of such ships is being made?

Sir Gurunath Bewoor: (a) and (b). One ship was seized in Indian Territorial waters when Italy entered the war, and the following ships were in Ports captured in the course of operations, in the Indian Ocean, Red Sea and Persian Gulf, in which the R. I. N. took part along with other Empire Naval and Land forces :

3 naval vessels.

5 naval Auxiliaries.

29 merchant ships.

1 Hospital ship.

(c) Of these ships, some were scuttled or otherwise damaged and it is not yet known how many of them can be salvaged or made fit for use. Their ownership will be settled in due course by the Prize Court in accordance with the principles of International Law. Meanwhile, they are being used under the direction of the Ministry of War Transport for the benefit of the war effort of the Empire as a whole.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether the ships that have been captured—I am referring to part (c) of the question—have been repaired and put in service or not?

Sir Gurunath Bewoor: It is not yet known how many of them can be salvaged or made fit for use. Some of them are lying at the bottom of the sea.

Mr. Lalchand Navalrai: With regard to part (a) of the question, may I know in what place in the Indian waters this ship was captured?

Sir Gurunath Bewoor: I think it was in Calcutta.

†189*.

THE MINES MATERNITY BENEFIT BILL.

Mr. H. C. Prior (Labour Secretary): I move :

“That the amendment made by the Council of State in the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration.”

†This question was withdrawn by the questioner.

This is merely a drafting amendment to give effect in somewhat better terms to an amendment which was accepted by this House at very short notice when the Bill was under consideration here.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved :

“That the amendment made by the Council of State in the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration.”

Mr. N. M. Joshi (Nominated Non-Official): The Honourable the Mover of this motion stated that the amendment made by the Council of State was a verbal one. Not being a lawyer, I do not know whether the amendment is merely a drafting one or not. The Honourable Member said that it improves the original provision. I am not sure about that also. The original amendment made by the Government of India to my proposal, in the first place, cut down my proposal considerably. They cut down the figure of Rs. 5 as a bonus to the mining woman to the maximum of Rs. 3.

Mr. H. C. Prior: On a point of order, Sir. I think the Honourable Member is dealing with the substantive part of section 6 (1). The amendment made by the Council of State deals only with the proviso.

Mr. N. M. Joshi: Sir, I have not spoken for half a minute, and the Honourable Member rises to a point of order. If that is the condition under which I can discuss this Bill, I shall sit down. I have not uttered two sentences. The Honourable Member should have shown some patience.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not take it like that. Every Honourable Member is entitled to raise a point of order.

Mr. N. M. Joshi: If the discussion is to be carried in this House in a proper manner, I had not uttered more than two sentences before the Honourable Member gets up and calls me to order. My proposal was considerably cut down by the Government's amendment, and in my judgment the amendment made by the Council of State does not improve matters from the point of view of the mining woman. The amendment made by the Government of India to my proposal says that if a woman is provided with services of a trained midwife or a trained health visitor, then alone she need not be paid the bonus which may be fixed by the Provincial Government. The amendment made by the Council of State says that if a woman is entitled to the services of a trained midwife or a trained health visitor, then she will not receive the bonus fixed by section 6.

An Honourable Member: No.

Mr. N. M. Joshi: I say there is a difference. (Interruption.)

An Honourable Member: “ . . . provided by the owner . . . ”

Mr. N. M. Joshi: I am not talking of whether provided by the owner or not. The Assembly provided that the bonus should not be paid if she is provided with the services of a trained midwife. Now, the amendment made by the Council of State says, if she is entitled—she may be entitled, but she may not be provided with. I think there is a difference between services being provided and a man being entitled to the service. A man may be entitled to the service but he may not get the service. The woman may be entitled but she may not actually get the service, and even then she will lose the bonus. I, therefore, feel that there is no improvement made by the amendment made by the Council of State.

Mr. H. C. Prior: I think the amendment which the Government accepted in this House in respect of this proviso contained everything which the Honourable Member has now objected to. In considering that amendment, we found that it was not quite clear whether a woman would be deprived of her bonus if a qualified midwife was provided by the mine, but she herself chose to go home. We have, therefore, somewhat whittled down the proviso as it was passed by this House in the direction which the Honourable Member would, I think, have desired. I think, as I say, that his objection is taken really to the amendment which we passed in this House rather than to the amendment as re-drafted by the Council of State.

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

"That the amendment made by the Council of State in the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them be taken into consideration."

The motion was adopted.

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

"That the following amendment, as made by the Council of State, be concurred in: 'In clause 6 for the proviso to sub-clause (1) the following proviso was substituted, namely:

'Provided that she shall not receive such bonus if at the place chosen by her for her confinement she would have been entitled free of charge to the services of a qualified midwife or other trained person provided by the owner of the mine.'"

The motion was adopted.

JOINT REPORT BY THE DELEGATIONS FROM INDIA AND CEYLON.

The Honourable Mr. M. S. Aney (Member for Indians Overseas): Sir, I beg to move:

"That the Joint Report by the Delegations from India and Ceylon be taken into consideration."

Sir, this is the second important motion I have moved in this House. This relates to the negotiations that have been carried on for some time in the past between the Delegation of the Government of India and the delegates of the Government of Ceylon. The result of those negotiations is embodied in the Joint Report that is in the hands of Honourable Members. The Government this time, as Honourable Members are aware, have published the Report for the public to express their opinion thereon as well as placed the Report on the table of this House and given an official day for its discussion in order to ascertain the views of this House. The Government on a matter like this are really anxious to know as to what is the exact opinion or what are the exact modifications which

the people, in the interest of Indians resident in Ceylon, will like to have, before these proposals are finally embodied in the form of an agreement between the Government of India and the Government of Ceylon. Both the Government of India and the Government of Ceylon, before they put their seal of approbation on these proposals, have thought it proper to place the proposals before the public and before the Legislatures of their respective countries. The Government of Ceylon have not yet placed it before their State Council. I think they will do so shortly. I am glad that this House has got an opportunity of discussing these proposals. I will not, therefore, myself give any analysis of these proposals to this House, because I think the proposals have been in the hands of Members for a pretty long time but I would like to give a brief history of the negotiations that may be of some use to Honourable Members in knowing the background and viewing the proposals in their proper perspective.

It was in July 1940 that a reference was made by the Ceylon Government about the desirability of having some kind of understanding about the Immigration of Indians and Honourable Members are aware that a goodwill mission was sent to India by the Government of Ceylon. That goodwill mission moved in this country in 1940 and they have had a conference with the Delegation of the Government of India and the result of that conference was published by us in the form of a Press Communiqué issued on the 11th February, 1941. Those who have read the Press Communiqué must have known how the Government of India and the delegates of the Ceylon Government had viewed the question regarding the status of Indians which is one of paramount importance to us entirely from different points of view and the view points from which the Ceylon Delegation looked at this question not being identical, with that of the Indians, unfortunately, the negotiations broke down. The points on which difference of opinion became most apparent are specifically noted in the press communiqué and I bring them to the notice of the Honourable Members of this House:

"Subject to acceptance of the fundamental principle that full rights of citizenship over the whole political and economic field on a footing of equality with Ceylonese should be conceded to Indians resident in Ceylon on an agreed date, on their furnishing proof of residence for a prescribed period and of permanent interest, the Indian delegation were prepared to consider any modifications in detail of their proposals that the delegation from Ceylon might put forward.

The Ceylon Delegation, however, found themselves unable to accept the principle underlying the proposals of the Indian delegation."

That was the main reason why on the last occasion when the two delegations met at a conference at Delhi the result was infructuous. I might here bring to the notice of the Honourable Members that though the negotiations broke down a hope was expressed that should a favourable opportunity occur again, the talks should be resumed once again in the future. This is what the communiqué says:

"It was with profound regret that the Indian delegates were forced to the conclusion that the angles from which the two delegations approached the vital question of the status of the resident Indian population in Ceylon were so divergent as to offer no basis for continuing the exploratory talks. While fully appreciating the desire of the Ceylon delegation to secure the maximum opportunity for employment for their own people in Ceylon, the Indian Delegation were unable to agree to any method of achieving that purpose which would involve discrimination against, or pressure upon, Indians resident in Ceylon who, in their opinion, could legitimately claim full equality of citizenship. The conversations were, therefore, discontinued. The desire of the

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Government of India that relations between the two countries should be placed on a firm basis of friendship and co-operation has in no way diminished and should a prospect of a resumption of negotiations with greater possibilities of success appear in the future, they will be found ready to take advantage of it."

Now, after the Ceylon Delegation returned from India, after the breakdown of these negotiations, a good deal of sentiment and considerable hostile feeling against Indians were aroused in Ceylon. It was at that psychological moment that His Excellency the Governor of Ceylon came out with a very important statement. He gave out that his duty as the Governor of Ceylon would be to see that nothing that is against the undertakings which the Government of Ceylon have given can be enacted in the form of a law; and if that comes out, it will be his duty to veto it unless the thing was done with the consent of the Government of India. I shall quote the very language used by him so that there may be no misunderstanding. The following is the Governor's message to the State Council on the 10th February, 1941:

"1. In connection with the recent Informal Conference at Delhi between a Ministerial Mission from Ceylon and representatives of the Government of India it is desirable to place on contemporary record in the easily accessible form of a Message to State Council a Schedule of certain matters in respect of which undertakings have been given by His Majesty's Government and by the Government of Ceylon to the Government of India, together with references to the latest statements made in relation to such undertakings.

2. Having regard to the circumstances in which these undertakings were given, the Government of Ceylon is bound by them to the Government of India and I hold myself bound as Governor to withhold approval, ratification or assent in respect of any act, regulation or measure to which the Government of India has not agreed and of which the effect would be to deprive Indians of the benefit of any of the undertakings."

There are other matters which are not relevant. This attitude of His Excellency the Governor of Ceylon and the memorable statement that he made had to a great extent eased the situation in Ceylon at the time. It seems that His Excellency the Governor of Ceylon had been working to bring the Ministers of his Government to a reasonable frame of mind for some time and ultimately he succeeded in being able to persuade them to resume the negotiations on a certain basis. It is stated here that "ultimately on the 14th of June, 1941, His Excellency the Governor of Ceylon was able to communicate to us through his Chief Secretary that it was desirable to resume negotiations on a certain basis." He sent this letter on the 14th of June, 1941. This is how the negotiations which broke down in 1940, to which reference was made in the Communiqué issued in February, 1941, were again resumed. In the letter which the Chief Secretary of Ceylon sent to us it was mentioned:

"The Ministers are most anxious to restore to full the friendly relations which, until lately, have existed between India and Ceylon and consider that my enclosure will afford a basis for the resumption of informal conversations and I have therefore to enquire whether the Government of India share this view."

On having received this communication from the Government of Ceylon which was dated the 14th June, 1941, and which was accompanied by a long Memorandum in which the principal points which are to be followed as the basis for negotiations have been exhaustively discussed and also summarised in paragraph 12 of that memorandum, the Government of India thought it proper to place the matter for consideration before the Standing Emigration Committee. A meeting of the Standing Emigration Committee, which consists of Members of this House as well as the

Members of the other House, was held and they unanimously decided that the Memorandum, particularly the points summarised in paragraph 12 of that Memorandum, afforded a basis, without committing anybody, for a discussion and exploratory conversations with the Government of Ceylon, and it authorised the Government of India to send their Delegation to Ceylon. I may just mention the points which have been specifically referred to in the Communiqué of His Excellency the Governor of Ceylon. Those points are supposed to be the expression of views of moderate opinion in Ceylon as against the extremist view that was propounded before us by the Delegation that came out to India as a goodwill mission from Ceylon. Let me point out again that the first must be taken an extremist view as against the second which is described by His Excellency the Governor as moderate opinion. The Ceylon moderate opinion is:

"We are definitely faced by an Indian problem which, if not tackled, at any rate, will sooner or later lead to irretrievable estrangement between two friendly and neighbouring countries."

I want Honourable Members to take note of this very important fact which is mentioned as one of the most important points to be borne in mind by those who were to sit to exchange views with a view to arrive at some amicable settlement in regard to the question of emigration of Indians to Ceylon:

"They have to face an Indian problem."

Now, what is the nature of that problem? I think it would be better for me to give some idea to the Honourable Members as to what is the nature of that problem according to the opinions of Ceylon Ministers. We may not agree with that but it is better for the House to have some idea of the problem which is mainly troubling them and for the solution of which they have been making some efforts to come to a settlement with the Government of India. I am now quoting from the Government of India Communiqué dated the 11th February, 1941:

"The Ceylon delegation, while agreeing to the discussion of matters of principle, explained that the discussion must take into account the peculiar circumstances of Ceylon. At an early stage one of the Ceylon ministers said '.....We cannot absorb the full number of Indians in Ceylon. It is of course difficult to decide off-hand the particular quantum, but obviously the absorption of what corresponds to one-sixth of the total population of the country . . . would undoubtedly lead to the possible result, as many of us see it, of the extermination of our own people . . . It is really becoming now a stark question of survival.' Their absorbability, in the sense of all privileges being extended to the Indian population of Ceylon, must be so strictly limited as to prevent the dangers of that submergence which is going on very fast."

This is the extremist opinion about the Indian problem in Ceylon. The moderate opinion which His Excellency the Governor has put in the summary runs thus: I have already read out some portion of it:

"The way to tackle it is, without denying to Indians already in Ceylon conditions promised by former undertakings, to take power for a comprehensive control of future immigration into the Island and, if it should be found necessary, for the limitation by quota of the number of immigrants to be given work in any specified place of employment."

There, two important concessions are made by the Governor in the summary of points which he had sent to us that should afford a basis for negotiations between the two delegations when they meet. Firstly, he admitted the fact that Indians in Ceylon are promised certain positions on account of former undertakings. They are there. Secondly, the main question to be asked was to prepare a comprehensive scheme of control of

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future emigration into the island. These two important points have been conceded here in the *communiqué* that was sent to us by His Excellency the Governor of Ceylon and this formed one of the important points in the basis for our discussion with the Ceylon delegation.

The Government of India sent this time a delegation which was not a purely official one. As Honourable Members are aware the Indian delegation was led by my distinguished predecessor, Sir Girja Shankar Bajpai. There were two great public men with considerable position in public life of the country and with great administrative experience—Sir Mirza Ismail and Mr. T. R. Venkatrama Sastri—these two were associated with the Indian delegation. There was also Mr. Rutherford representing the Government of Madras who accompanied the delegation. These three persons, besides the Leader of the Delegation, were there. Among the others who accompanied the Delegation were Mr. Bozman, who was the Adviser to the Delegation and one of the Under Secretaries in the Department acted as the Secretary to the Delegation. This Delegation reached Ceylon about the end of August and they started their work immediately. For about 15 sittings they worked hard and ultimately the result of their discussions is now before you in the form a joint report. This Joint Report, therefore, is a labour of hard thinking of the delegation which was not merely an official one, but also had two non-officials of considerable experience with intimate knowledge of the people whose fate was more or less going to be decided by the agreement that was going to be arrived at. I wish Honourable Members will always bear in mind this fact in discussing the proposals before them.

I do not want to discuss in detail the proposals, because on that point the Government of India would like to hear the views of Honourable Members of this House and the Government of India have formed no opinion at all on the point. In fact, they have made up their minds not to form any opinion unless they have heard clearly the verdict of this House as well as of the other House and also the opinions of public organisations which are more or less concerned with this problem. But there are one or two suggestions which I should like to make. Firstly, when you have to consider the question of agreement, it is always a matter of compromise, meaning thereby that the two parties have come together with a view to come to a mutual understanding and in that attempt both parties have to approach each other in a spirit of give and take. None can stand on the original position they took when they began the negotiations. Unless either of the two parties or both are willing to recede from the original position to some extent, the problem becomes impossible and the agreement becomes a hopeless affair. In judging these proposals, I should like the Honourable Members to see whether a departure made from the original positions taken up by the Government of India or by the Government of Ceylon is of such a nature that you regard them as a departure amounting to a sacrifice of principles altogether or is a departure of such a nature that in spite of the fact that you are not adhering to the original position, the main features of the principles are not lost sight of and you are still sticking to those main principles and that your conclusions are not inconsistent with the principles for which you stood. That is the first point which I should like Honourable Members to take into consideration in judging these proposals. Secondly, I think it is necessary in my opinion that the relations between the small State of Ceylon and a big State like India should continue to be cordial and friendly, and, if

possible, we should make every effort to avoid a friction. I do not mean to say that you should neglect your duty *viz.*, the safeguarding the legitimate rights of your countrymen in order to avoid friction. That is not my point. One of the ways or the spirit in which you have to approach this problem is with a view to see that the friendly relations which have been existing between these two countries from times immemorial will continue and, if possible, the danger of an abnormal rupture of those relations should be avoided by our talk or by our deliberations. That is another point which I should like Honourable Members to note.

Honourable Members are aware that Ceylon and India are two countries which have been linked together from time immemorial; from the hoary days of our mythology, we have known Ceylon as part and parcel of the great *Bharatvarsha*. From those days, has been handed down to us a graphic description of this island in the immortal Indian Epic *Ramayana*. What do we find there. We find that after a bloody war between the two people, peace was restored and *Vibhishana* the scion of the Royal family of Ceylon was installed on the throne of Ceylon Kingdom. He turned out to be the best friend of the conqueror, Rama. From those hoary days, we have been maintaining a friendly contact with Ceylon without any interruption. With a view to bring about friendly relations, with a view to bring about harmony, in that spirit the great war was fought in those days of mythology. It is in the same spirit we should approach this problem *viz.*, to bring about harmony and establish friendly relations and this spirit should be the keynote of the efforts which Honourable Members will have to make. This should be made the spring of their action and the motive with which they should approach the question that is now before the House.

There is one more point that I should like to touch upon before I leave these proposals to the care of Honourable Members of this House and for the best consideration they can bestow upon them. It is, unfortunately, one of the peculiar growth of the latter part of this century that the spirit of nationalism has become a little bit intolerant and uncatholic in nature. Nationalism which was really meant to be a solution of the various kinds of sources of conflict amongst people belonging to different faiths and belonging to different creeds is now ultimately being tinged with the spirit of racialism. That is what I find. Territorial patriotism as distinguished from tribal or racial patriotism is an essential element of nationalism meant to foster the spirit of allegiance to a particular country and the component parts and of the population of the territorial unit should be able to forget and sink all their religious and cultural differences in the service of one common motherland. It was that spirit which was the object of the nationalist movement in the world to foster. But somehow or other a new cult has grown and has more or less affected nationalist ideas of almost all the countries of the world; and even we are not altogether free from that kind of trouble. The Ceylonese people in their zeal for serving Ceylon thought that none but Ceylonese could remain there. That kind of national sentiment is growing; it is unfortunate, but we have to take note of the fact. At the same time I do not want this House to succumb to the fact. We stand here for territorial patriotism and we do not allow this racial patriotism to grow to such an extent as to overpower or destroy the growth of true nationalism which alone can solve questions between communities and communities and one religious people and another religious people.

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I want the Ceylonese Government to understand that they must proceed with a Government and deal with a people which consist not only of Ceylonese but Indians also and with people who have been residing there for a long time. They must take that population as part and parcel of their population and deal with the question of Ceylon as consisting not merely of Ceylonese but those who can be absorbed among the Ceylonese on account of their long residence and on account of their permanently identifying themselves with the people of Ceylon. If there is that feeling growing amongst the Indians who are residing in Ceylon it would be wrong on the part of the Ceylon Government not to take note of that fact and not to make an attempt to absorb the Indian population as an integral part of the Ceylon population. We, in India, have been standing for this principle, for this right of the Indians who have gone out from India overseas. This principle we have enunciated times out of number. I do not want to read out extracts from the speeches of some of my predecessors when the Indian Immigration Bill was passed by this House in 1922. Memorable passages from the speech of the Honourable Mr. Sarma have been quoted in most of the representations that we have received, and I say that the policy enunciated there is still the policy of the Government of India; and the Government of India, therefore, expect this House not to look at the proposals purely from a sentimental point of view but to make a statesmanlike approach to the question and furnish them with constructive proposals so as to enable the Government of India to conclude an honourable agreement with the Government of Ceylon and thus help to bridge the gulf that for the time being seems to divide that little island from India. Let us try to bridge that gulf, and by doing so now we may be able, in times to come, when India will come to its own, to claim Ceylon not as a foreign nation but as a part of the Indian nation as a whole. Sir, expressing the hope that the Honourable Members will give due consideration to the proposals placed before them the Government of India will certainly leave them free to come to their own decision on the proposals before them. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Joint Report by the Delegations from India and Ceylon be taken into consideration."

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I move:

"That for the original motion, the following be substituted:

"That this Assembly is of opinion that the Joint Report of the Delegations of the Governments of India and Ceylon is a violation of the undertakings and promises assuring to Indians full rights of citizenships on a footing of equality with the indigenous population of the country, and unfairly discriminates against them in respect of—

- (1) entry,
- (2) franchise,
- (3) holding of lands,
- (4) employment, and
- (5) occupation,

and, particularly, with reference to the right of entry, in a manner which is humiliating to the self-respect of Indian nationals and injurious to their economic interests.

This Assembly is further of opinion that in the world crisis of the present War, the proposals formulated in the Report are highly prejudicial to the solidarity of the British Common-wealth.

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This Assembly, therefore, recommends to the Governor General in Council not to implement the proposals made in the Report and to carry on, if necessary, further negotiations with the Ceylon Government, with a view to removing the discriminatory features of the said Report in consultation with the interests concerned and to the satisfaction of the Assembly."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That for the original motion, the following be substituted:

"That this Assembly is of opinion that the Joint Report of the Delegations of the Governments of India and Ceylon is a violation of the undertakings and promises assuring to Indians full rights of citizenships on a footing of equality with the indigenous population of the country, and unfairly discriminates against them in respect of—

- (1) entry,
- (2) franchise,
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and, particularly, with reference to the right of entry, in a manner which is humiliating to the self-respect of Indian nationals and injurious to their economic interests.

This Assembly is further of opinion that in the world crisis of the present War, the proposals formulated in the Report are highly prejudicial to the solidarity of the British Common-wealth.

This Assembly, therefore, recommends to the Governor General in Council not to implement the proposals made in the Report and to carry on, if necessary, further negotiations with the Ceylon Government, with a view to removing the discriminatory features of the said Report in consultation with the interests concerned and to the satisfaction of the Assembly."

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I move:

"That for the original motion, the following be substituted:

"That this Assembly, after having taken into consideration the Joint Report of the Delegations of the Governments of India and Ceylon, is of opinion that the proposals contained in the Report are unsatisfactory in many respects. This Assembly, therefore, recommends to the Governor General in Council that these proposals be not given effect to. This Assembly also recommends that further negotiations be conducted with the Government of Ceylon, in consultation with the various interests concerned and with the advice of a Committee consisting of four non-official members elected by the Assembly, with a view to arriving at a satisfactory settlement of the questions at issue. This Assembly further recommends that the results of these negotiations be placed before the Legislative Assembly."

Mr. President (The Honourable Sir Abdur Rahim): Further amendment moved:

"That for the original motion, the following be substituted:

"That this Assembly, after having taken into consideration the Joint Report of the Delegations of the Governments of India and Ceylon, is of opinion that the proposals contained in the Report are unsatisfactory in many respects. This Assembly, therefore, recommends to the Governor General in Council that these proposals be not given effect to. This Assembly also recommends that further negotiations be conducted with the Government of Ceylon, in consultation with the various interests concerned and with the advice of a Committee consisting of four non-official members elected by the Assembly, with a view to arriving at a satisfactory settlement of the questions at issue. This Assembly further recommends that the results of these negotiations be placed before the Legislative Assembly."

Mr. Husenbhai Abdullabhai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I move:

"That for the original motion, the following be substituted:

'This Assembly after having taken into consideration the Joint Report of the Delegations of the Government of India and Ceylon, is of the opinion—

- (i) that Indians in Ceylon on the prescribed date of agreement and those who have been residents in Ceylon with a specified period before the date of the Agreement should have freedom of entry into Ceylon and no regional and occupational restrictions should be imposed upon them and that they should be entitled to full rights of citizenship on completion of the prescribed period;
- (ii) that, for the future, provisions are made for entry and occupations so that the trade interests of Indians are safeguarded and that unskilled labourers permitted to emigrate are assured of freedom of movement and choice of employment and opportunity to acquire full citizenship rights.' "

Mr. President (The Honourable Sir Abdur Rahim): Still further amendment moved:

"That for the original motion, the following be substituted:

'This Assembly after having taken into consideration the Joint Report of the Delegations of the Government of India and Ceylon, is of the opinion—

- (i) that Indians in Ceylon on the prescribed date of agreement and those who have been residents in Ceylon with a specified period before the date of the Agreement should have freedom of entry into Ceylon and no regional and occupational restrictions should be imposed upon them and that they should be entitled to full rights of citizenship on completion of the prescribed period;
- (ii) that, for the future, provisions are made for entry and occupations so that the trade interests of Indians are safeguarded and that unskilled labourers permitted to emigrate are assured of freedom of movement and choice of employment and opportunity to acquire full citizenship rights.' "

Mr. Jamnadas M. Mehta: Sir, some days ago the House was discussing the Indo-Burma Agreement. Today we are considering the Joint Report of the Delegations of the Government of India and the Government of Ceylon. In some respects the conditions are different; in other respects the conditions are more or less identical. The Burma Agreement was a *fait accompli*, and it was also far more drastic than the Ceylon Joint Report. There was no association of any non-official in the Indo-Burma Agreement; in the Ceylon proposals two eminent Indians were associated from the beginning. But there the similarity ends. In point of fact, not one of the proposals made in the Joint Report is satisfactory and I am sure the country will not accept this Joint Report without considerable modification. In this connection, Sir, the Joint Report is not easy to understand unless the documents referred to therein are also studied and these are the Immigration Ordinance—the rules made thereunder—and one or two other documents, and it is in the light of this Ordinance that we have to study the proposals of the Joint Report. The Joint Report divides itself into five or six sections and we are told that agreement was reached on every one of the provisions in the Joint Report. That is a matter which I deeply deplore, that the Indian Delegation in spite of two non-official Indians associated with it should have agreed to this document is a matter for very great regret. As the time allowed for the Movers of amendments is very short I shall immediately turn to the proposals.

The first is the immigration and re-entry. With regard to immigration and re-entry, there are two classes of Indians referred to. One is those Indians who wish to enter Ceylon for the first time and the second is the category of Indians who had been there and their right of re-entry. It appears that the first class of Indians, namely, those who want to enter Ceylon for the first time, are to have permits which are called 'A' permits and 'B' permits. One should not assume from this that those who are under class 'B', namely, re-entry, are not subject to permit. Although the division appears to be permits for 'A' and 'B' for new entry, the permit idea runs throughout the question of re-entry also, and you can say that in both cases the Ordinance is very drastic in its restrictions. Permits 'A' and 'B' are to be given under the most severe and drastic restrictions. They are absolutely at the discretion of the authorities in Ceylon and they divide Indians into several categories. There are for instance those who are people of independent means—the merchants and the professional men—who, if they want to enter Ceylon for the first time, will be required to have with them Rs. 10,000 in the first case and Rs. 5,000 in the second case. They are free to spend all of it there and if they survive the expenditure they may continue there but if they become destitute I am sure the Ordinance will come into force and they will be deported also. But so long as they spend the money there they can remain provided they make some lucky hits and are able to prosper with their Rs. 10,000 and Rs. 5,000. Their number will be necessarily restricted because the trade and commerce with Ceylon is already largely covered by Indian nationals and any new industry or line is not a very likely possibility. It is more the safety of those who are there and their right to continue unmolested which is more relevant. As regards professional men, I do not know the scope that may be there. But this scope is restricted by initial requirement of Rs. 5,000 without which no matter what your qualifications may be, however distinguished you may be, however helpful you might be, you are on the complete mercy of the Ceylon Government. I think some of our best scientists, some of our best philosophers, some of our best public men unless they carry five thousand rupees with them will be undesirable. Nor should we suppose that those who re-enter are free from difficulties. There the repatriated Indians who are again to re-enter under the Ordinance, if they are at all to enter again, they cannot enter as a matter of right, although in the event of Ceylon Government undertaking to provide at their own expense facilities for repatriation those who are repatriated know that they will have to re-enter as under the provisions of the Immigration Ordinance. The only people who have got some choice are the people who already possess a domicile of origin. Then those who have acquired a domicile of choice and those who are permanent settlers as defined later on. Barring that, the question for all the remaining sections of the Indians will be one bristling with difficulties no matter what rights they have already acquired, no matter what their vested interests may be, unless they satisfy the conditions of the Ordinance they will not be permitted to re-enter.

Now, Sir, regarding the permit, it is so derogatory that I shall describe a few features of it. Men of independent profession, as described above, are free to go. Then there are people who have some religious profession. If their maintenance is assured in advance then they can go. Somebody should guarantee that they will be kept going while they are in Ceylon. Similarly, students; their maintenance must be assured from the very

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beginning if they are to be allowed to go there. And there is a provision "that wives and minor children may not be refused permission to enter or re-enter Ceylon for the purpose of joining the husband or father as the case may be"; that is for those four classes of people. Further, "A right of re-entry in virtue of any of the preceding paragraphs, except in respect of persons possessing a domicile of origin or a domicile of choice", i.e., as regards the people of independent means and the others described, "will be lost after a continuous absence from Ceylon of more than twelve months". So that even those who are people with assured maintenance and independent profession if they are absent from Ceylon for a period of more than twelve months, they will lose their right of re-entry. Now, Sir, the result of it would be this. There are today less than a million Indians in Ceylon. With these restrictions on the re-entry of those who have earned the right already the position would be that they will be under a serious difficulty. The right of re-entry of those who are settled is more or less as equally curtailed as the right of entry of the categories I have described which are under permits A or B.

Permit B which nominally applies to new Indians is also liable to be applied to several categories under re-entry; and that is even worse. But so far as people under permit A are concerned, they will live without restriction for an indefinite period, but those who get permit B will live there for the period, mentioned in the permit itself. On account of these restrictions the number of Indians who are already less than a million will be subjected to a continuous process of attrition, until a large part of them will be extinguished in due course, and those only who are enjoying the domicile of origin will be there to remain. Even those who have acquired domicile of choice and all permanent settlers come under the definition of non-Ceylonese. Let there be no mistake about it. The only Ceylonese under these proposals which are based on the ordinance will be the man who possesses a domicile of origin. That is the fundamental thing. The domicile of choice and the permanent settlers and even those who live there under permits A or B are all non-Ceylonese, and, therefore, subject more or less to the restrictions that are mentioned.

About the quota portion I will not say much, except that the quota is in itself such a discriminatory process that I abhor the quota system altogether.

I come to the most important question—franchise. Franchise is the real symbol of citizenship. The man who has a vote is a citizen; the man who has not got a vote is not a citizen; and under this report the symbol of citizenship is granted under these electoral rules as they are called—extracts from the Ceylon Order in Council, State Council Election—from that you find that only three classes of people will have voice; and they are mentioned in para. 3—the right of voting is mentioned there. Now, in all these three cases, whether it is domicile of origin or of choice or permanent settlement, all these are extraordinarily difficult to prove because the condition is that everybody will be taken to be a non-Ceylonese unless he proves that he is a Ceylonese. Thus although a number of people might be actually in possession of the domicile of origin it will not be taken for granted, it will have to be proved in a court; the domicile of choice has of course to be applied for and the permanent settlers are subject to conditions laid down in one of the Ordinances. Therefore, the right of

franchise will be restricted even in the case of those who as a matter of fact have got domicile of origin, much more in the case of people who enjoy domicile of choice because it is most difficult to obtain it. The domicile of origin will refer to those Indians who are mostly illiterate because they are working classes; for them to prove domicile of origin will be most costly and extraordinarily difficult, and, therefore, they will be disfranchised; and to this part I attach the utmost importance because as soon as they cease to be franchise-holders, they will be subjected to the process of attrition by which their rights will be extinguished.

Then there is the registration which is again fundamentally objectionable. I object to every system of registration of my countrymen. Then there is status and the report says that in future no legislation other than legislation to give effect to this agreement shall be undertaken and there shall be no differentiation in treatment. But it adds that all the existing discriminations will continue. In part 5, para. 3, it is said that as regards the existing legislation no amendments need be undertaken to modify any provisions which are discriminatory. If there are any provisions which are discriminatory they will remain. But on the top of it comes this. "It is agreed that Indians other than those possessing a domicile of origin should not claim the right to appointments." Those who have domicile of origin will find it most difficult to prove it on account of their illiteracy because they are largely labouring classes, and those who are others will have no right of holding any appointment in future. Indians are not wanted in Ceylon and those who are there will have to beat an ignominious retreat as soon as their career is over. If they retire and go back to India they shall not be allowed to re-enter, unless under the conditions mentioned in the ordinance.

Finally the delegation are so satisfied with what they have done and they are so pleased with themselves that they actually insert a condition under Miscellaneous General Provisions: "It is agreed that any unforeseen case of hardship which may be revealed in the operation of the agreement will be made the subject of consultation between the two Governments and will be decided in accordance with the spirit and intention of this agreement." What a promise! This agreement, as it is called, is full of discrimination, full of expropriation, full of disfranchisement of Indians, full of making their lives miserable; and yet if any question arises in future the Indian Delegation agreed that it will be decided according to the spirit and the intention of this agreement! That means that it will be decided in the same narrow and discriminatory spirit as pervades the agreement.

This in short is a summary of the agreement in the matter of entry, re-entry, quota, franchise, registration, status and revision; and in the matter of holding lands, the law is so devised that Indians cannot hold lands under any circumstances; and the condition of the labourers there is so harrowing, their wages and conditions of work are so distressing, that to my mind in the interests of labour alone, in the interests of such as are settled there already, the Government of India should have taken a far more courageous stand than they have done. As it is the Delegation is more apologetic than energetic. They did not, as befit the representatives of a great country, take a firm stand, but throughout they are animated by a spirit of "How much shall I give up?", and not "How much shall I insist on?" Naturally, they have surrendered so much that though there

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is a slight distinction between the Burma and the Ceylonese Agreements, in actual fact this will result in the eventual extinction from Ceylon of the Indian people except a few.

Sir, our Leader of the House is called *Loka Naik*—he stands for the self-respect of the people of this country. *Loka Naik* means the leader of the people. In the Ceylonese deputation there was a gentleman who called himself *Bandara Naik*. *Bandara naik* means the leader of monkeys; and what are his words about India? “I want to see the last Indian out of Ceylon and when I do that, I shall die happy.” This *Bandara naik* as he calls himself will have to live to an infinite age, full of agonies, because the last Indian does not leave Ceylon, or he will have to die a death due to disappointment. But I hope that the *Loka naik* will teach a lesson to the *Bunder Naik* that Indians are not so anemic in spirit, and that the Government of India are bound by their own repeated statements, particularly between the years 1921 and 1923, they are re-inforced by the promises of the Ceylon Government, they are further reinforced by the findings of the various Commissions and also by the declarations of Lord Passfield that under no circumstances the Indians will be driven out and that, so long as they remain there, they will be subject to equal treatment. Sir, the ideal condition is that that every Indian should, in Ceylon or elsewhere, live on conditions of perfect equality with the Nationals of that country like any resident in the United Kingdom. That is the ideal to which we should aim, and if that is not going to be so, then let there be some fair chance that those who have settled there are treated with equality; those who wish now to enter with a view to business or profession should have unrestricted right of entry, because the Government of India themselves are bound by their repeated declarations to that effect. But the process of the last two years is one of strategic withdrawal which is ultimate defeat, and I find that the position of the Government of India in 1920-21 and their subsequent declarations are in absolute dissonance with the Report and the proposals made with the full support of the Indian delegation.

A few words more, Sir, and I shall close. One of the leaders of the Delegation which visited Ceylon was Sir Venkatarama Shastri. I have, unfortunately, a very painful experience of this eminent Indian. He is all right; so long as he studies the case, he is your best champion, but in making recommendations, he joins the enemy. In 1931 we had a Railway Court of Inquiry. He was the best champion we could get while the proceedings were going on and we thought that we were winning, but when the recommendations came, they were most disappointing. . .

Dr. P. N. Banerjee: He is a liberal, is it not?

Mr. Jamnadas M. Mehta: I do not wish to say anything about Sir Ismail, because I had not the honour of knowing his temperament. . .

The Honourable Mr. M. S. Aney: May I ask the Honourable Member not to deal with the individual member of the delegation, but he should try and confine his remarks to the recommendations made by them.

Mr. Jamnadas M. Mehta: I am not anxious to deal with them individually; I will not describe their colour or height, but their performances are within my discretion. . .

The Honourable Mr. M. S. Aney: That is based. . .

Mr. Jamnadas M. Mehta: I have the greatest respect for him; he called me his *batcha* or son. It is as his son I am protesting against the doings

Mr. President (The Honourable Sir Abdur Rahim): I want to remind the Honourable Member that there are quite a number of Members who want to take part in this debate.

Mr. Jamnadas M. Mehta: Very well, Sir. I have nothing further to say, except one thing, and it is this. It is said that this agreement is different from the Burmese Agreement in the matter of self-respect of the Indians; I agree in part. It is said that this agreement shows a spirit of compromise which was not manifest in the Burmese agreement. Again I agree in part, but when this is admitted, I must be pardoned for saying, Sir, that this report is wholly and decisively against the self-respect of Indians and frankly unjust in its purpose and ruthless in its intent; it is a subtle and insidious, but none the less unmistakeable process of attrition as I have called it, whereby the political and economic rights of Indians in Ceylon will be eliminated in the course of a few years, and such Indians who are allowed to live there, except those who possess a domicile of origin, such Indians who are allowed to remain or enter there, will be landless serfs or indentured labourers living in every condition of degradation and distress nursing alike the country of their origin and the country of their adoption praying that India may soon be free so that her nationals can look squarely any man in the face. In the meantime, I say that the proposals we are discussing are worthy of the present Ceylonese Government, but not of the Ceylonese people; the proposals are unworthy of the British Commonwealth which is always held up as an ideal before us, and above all, the proposals are unworthy of the Government of India whose stand in the past has always been right on paper, but in actual fact it is unworthy of their position. Sir, there is an Indian proverb that “a poorman’s wife is everybody’s drudge”—“*Garib ki joroo subki bhabhi*”. Indians, unfortunately, instead of feeling that they are a great race, the best in the world, their Governments have always apologised for their existence, and I ask them now when this executive council is reconditioned and we have some harbinger of a national Government in front of us, I now ask the Treasury Benches to take up a really bold step,—I don’t want any apology, I don’t want mere sentiment, I have had enough of general views about goodwill and old ties and traditional culture,—I have had enough of it,—I want some concrete action definitely in favour of the self-respect and the economic and political rights of the country, and until the Government of India do so, until they place their new proposals before this House, I shall continue to oppose this very retrograde, insulting, and ex-proprietary Report.

Sir F. E. James (Madras: European): Sir, first of all may I welcome on behalf of my Party the statesman-like speech of my friend, the Honourable Mr. Aney, the Overseas Member. I hope that adequate steps

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will be taken to see that that speech is fully reported in the press without delay. Secondly, the Report of the two delegations,—for it is not an Agreement,—it is merely a Report . . .

Mr. Jamnadas M. Mehta: They call it an Agreement themselves.

Sir F. E. James: The Report of the two delegations does, in our view, represent a decided improvement in the relations between this country and Ceylon, and for that one must be grateful. I should like to pay a public tribute to the part which has been played in the securing of this improvement by the present Governor of Ceylon, Sir Andrew Caldicott. I have had the opportunity of knowing in some detail the work which he has been undertaking during the summer months in order to bring about a better state of affairs in the relations of the two countries than that which existed when the negotiations last winter broke down. Sir, I do agree with the Honourable the Leader of the House that when an agreement is sought to be arrived at between two countries, both sides must be prepared to compromise, and it is quite impossible for either the one side or the other to stand absolutely upon its original case. It is true that the Government of Ceylon, as the Honourable the Leader of the House has said, represents or should represent all communities in Ceylon. It is also true that the Government of India in their approach to this problem represent not one province or one community or one section of the people; they represent India at large and, therefore, must take the broadest possible view of such an agreement as this.

Now, Sir, I wish the procedure in this House in discussing this matter, could have been different from what it is at present. I make no secret of the fact that I suggested in the Standing Emigration Committee that the Government of India would be well advised to place this Report before the House for discussion, but when I made that suggestion I made it with the idea that the Assembly should not necessarily be asked to pronounce a definite verdict on the Report but that Members should express their views. I had hoped that the Parties concerned would have got together and arrived at some common view on the Report. What we have now is a series of amendments to the original motion, none of which are complete, and some of which, I believe, have no Party mandate behind them—though I do not think that applied to Sir Henry Gidney's amendment, I believe he is moving that on behalf of his Party.

Mr. Husenbhai Abdullahai Laljee: Quite right.

Sir F. E. James: But Mr. Jamnadas Mehta is not speaking for his Party,—no doubt he is speaking with his usual vigour for himself. I do not know whether Dr. Banerjea is moving his amendment as a Party amendment. So that, even if these amendments come to the vote, what actually is the verdict of the House, if any?

Now, Sir, I do regret exceedingly some of the passages in my Honourable friend, Mr. Jamnadas Mehta's speech. It is not the slightest use referring to individuals either on the delegation from this country or in the Government of Ceylon. There is, as I know from experience, a great deal of feeling in Ceylon on this question of the regulation of immigration

into the island, and that must be taken into consideration. Of the difficulties in which the members of the Standing Emigration Committee are placed, I have already made reference on a previous occasion. The question of negotiations with Ceylon was considered by the Standing Emigration Committee, before the negotiations were undertaken, and they were undertaken with the approval of the Committee. When the Report was initiated by both sides it was placed, in the first instance, before the Standing Emigration Committee, and I for one,—and I know others of the Committee share my views,—believed that in the conclusions reported by the delegation there are considerable merits. We have, as a committee, made suggestions to Government as to alterations which we think are justifiable and necessary.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Who is "we"?

Sir F. E. James: We, on the Standing Emigration Committee, and I understand—I do not know how far I am at liberty to make this statement, I see the Honourable the Law Member shakes his head as he is rather apprehensive of what I might divulge,—but I understood that the Government were prepared—I won't say more than that—to consider forwarding the suggestions of the Standing Emigration Committee to the Government of Ceylon. I do not say that they have done it. Anyhow, in our Committee meeting they said they were prepared to consider doing so, I hope I have brought myself with the narrow walls of the Honourable the Law Member's approval in saying that.

What are the points which we consider could be modified? I am not going to refer to details of some of the clauses of the agreement—I won't call it an agreement, but report—which should be re-drafted (and suggestions to that effect have already been made), but I will refer to one or two actual points.

Sardar Sant Singh (West Punjab: Sikh): May I interrupt the Honourable Member? The Honourable Member in his speech was saying that the Emigration Committee had made certain recommendations to the Government. As the Emigration Committee is a Committee of this House, this House is entitled to know what the nature of those recommendations is.

Sir F. E. James: That, Sir, is a point which I had raised the other day in the discussion of the Indo-Burma Agreement, and I have made a suggestion to the Government of India in regard to future procedure. That, is a matter for discussion by the Standing Emigration Committee itself before Government take any decision on the matter, but I, personally, feel that we are constantly placed in an extremely difficult position when we make recommendations the nature of which we are not able to divulge to this House, which elects us to this particular Committee.

Mr. President (The Honourable Sir Abdur Rahim): The recommendations of any Committee like that are not reported to the House.

Sir F. E. James: The procedure hitherto has been that the report of our proceedings is strictly confidential. It is only in that report . . .

Mr. President (The Honourable Sir Abdur Rahim): That never comes before this House.

The Honourable Mr. M. S. Aney: It has been treated as a confidential document.

Sir Cowasji Jehangir: May I make a suggestion to facilitate discussion on this matter. If my Honourable friend, Sir Frederick James, is in agreement with the recommendations made by the Standing Emigration Committee, he can speak on those points on which the Committee made recommendations, as his own to this House. There is nothing to prevent him from making a recommendation to the House as to how that report should be amended—as part of his speech.

Sir F. E. James: That was precisely what I was proceeding to do. The first modification that we should like to see is in respect of part I, clause (5), which deals with the discretion to refuse entry in the case of persons employed in positions of confidence, or other specialised work. The House is no doubt aware of some undertakings which were entered into, whereby the Government of Ceylon is bound not to enact certain legislation in certain directions without the approval of the Government of India. This report is not necessarily a violation of those undertakings as suggested by Mr. Jannadas Mehta's amendment, because the report is on the basis of an agreement between the two countries. But the particular point which I would like to refer to is the restrictions which are placed upon the emigration of classes of Indians other than recruited labourers. I think I expressed at the time of the Indo-Burma Agreement my doubts as to the wisdom of placing restrictions upon the going to and fro between various parts of the Empire of people,—of professional, trading and other classes. Although the Report says that the discretion to refuse entry in those cases is to be "limited", that is rather a vague expression, and in the hands of Ministers who might wish to place deliberate restrictions upon the entry of those persons into Ceylon might be used as an admission by the Government of India that they were prepared to accept such restrictions I should like to see that amended.

Then, Sir, another point which has occurred to me and which, I think, my Party has agreed to suggest should be modified, is the position of the children of those who are in possession of a certificate of permanent settlement. We suggest that such children should, as a matter of course, be granted domiciliary rights and should not have to prove or establish their claim to such rights. I do not believe that the Government of Ceylon would be opposed to a modification upon those lines and I certainly think that that modification should be made. The only other point that I think I should mention is in regard to the general paragraphs in Part V of the report dealing with status. Some of those paragraphs need modification but I shall not mention the particular modifications that I would suggest, for it would mean going into detail. But I do think it is important that there should be some agreed declaration, that those who have taken out domicile in Ceylon will, in fact, be treated as, and be entitled to receive exactly the same rights as, the ordinary inhabitants of Ceylon. Some declaration along those lines would, I suggest, be useful. It may be argued that it would merely be stating what is obvious, but sometimes in these matters it is necessary to make perfectly clear what is actually an absolute fact.

Sir, I shall not mention any other points at this stage. I hope that the House will not allow itself to be drawn into discussions which will not be helpful in the matter of the relations between these two countries. There is actually rather tense feeling on both sides and it should be our duty, as I conceive it, to try and discuss these matters in a reasonable frame of mind, refraining from exaggerated language and endeavouring as far as possible to recognise the feelings of those who are in the other country, while maintaining the rights of those from this country who are settled in Ceylon. On that basis, I am perfectly certain that an agreement can be arrived at on the basis of this report which is satisfactory to the Governments and peoples of both countries. As in the case of Burma, there is no problem arising out of the settlement of Indians in Ceylon which is not capable of solution, and a solution which is in conformity with the dignity and the strength of this country and the natural desire for self expression in Ceylon. So I hope that the House will proceed to an examination of this report in that spirit. If so, I am sure that they will find that the Government of Ceylon will not be obstinate; I am sure that they will find that Government in a somewhat chastened mood, only too ready to meet the legitimate desires of this country.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions. Non-Muhammadan Rural): Sir, I do not rise to make any speech. I want to make a statement about the attitude and position of my Party with respect to the two amendments moved by two members of my Party, namely, Mr. Jannadas Mehta and Dr. Banerjee. I want to say this, that the Party has allowed both the amendments to be moved. It has already been decided that the Party will support the amendment which the Party will make its own. One of these two we shall support.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I have no desire to travel over the ground that has already been ploughed by previous speakers, but before I say anything further on my amendment I should like to ask the Government to tell this House what is the difference, both factual and in significance, between initialling say a "report" or an "agreement" and a full signature? There may or may not be a difference. Indeed it may be only a terminological inexactitude. But I should like to know whether the report under discussion received the initials of the Government Members, *i.e.*, the leader who represented Government and whether his initials mean that Government allowed him to initial it and accept it as legal tender. Before I proceed further I ask Government for a reply to this question.

The Honourable Mr. M. S. Aney: They have made a unanimous report to the Government. There is no signature on behalf of the Government by anybody.

Lieut.-Colonel Sir Henry Gidney: Then an initial is not a signature. Rather it is an abridged signature by a man who is in such a hurry that he has no time for a full signature.

The Honourable Mr. M. S. Aney: May I just add this. Suppose this House throws out this Report altogether, taking a hypothetical case, Government will not then be guilty of breach of faith with the Ceylon

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Government or anybody. Had it been an agreement on behalf of the Government, the Government position would have been different.

Lieut.-Colonel Sir Henry Gidney: I am thankful to the Honourable Member, but I am not convinced. Sir, I have studied this Report very carefully. I have read my friend, Mr. Jannadas's Resolution, and it strikes me as being one of rather an omnibus character and I feel, rightly or wrongly, that the amendment I have placed for the consideration of this House lays down the general principles involved, what we demand not by force or reprisals but by compromise. It does not enter into the details because on a motion of this kind, it is difficult for any one to do so within the limited time at our disposal. I believe and I think few will differ from me in this belief, that my amendment, on the "report" or the "agreement" call it what you like,—is very generic and shows many pointers indicating to Government the paths on which we would like to travel with them—the Governments of Ceylon and India—and indicating very clearly to Government where we agree or disagree with the report.

Sir, I desire to congratulate the Leader of the House on his very splendid and statesmanlike speech which I feel has stirred within each of us a desire to compromise rather than blame and threaten with reprisals. I agree, nothing can be done in this world without compromise and without a spirit of give and take. But Sir, as I examine this Report, my vision becomes blurred, whether viewed from the Indian point of view, the Ceylon point of view and even the British point of view. I have examined the restrictions imposed on Indians, particularly those who have been resident in Ceylon and also regarding the re-entry of Indians into Ceylon and I should like to add that some of these restrictions are equally applicable to a section of Britishers in Ceylon and certainly they are applicable to the Domiciled Europeans and other communities in India, such as the community of my friend, Sir Cowasji Jehangir, my sown community, Anglo-Indians and others. As the Honourable the Leader of the House rightly pointed out, the association between India and Ceylon is one of centuries old. It has been the Indian labourer who has built up Ceylon to its present state of prosperity. I particularly, refer to the Tea industry which is mainly controlled by Britishers. The Honourable the Leader of the House referred to the mythological aspect of this association. Indeed—Ceylon formed part of India when the mythological bridge was built by SUGRIV's army of monkeys; a bridge which has since been more firmly constructed by the ingenuity of the Indian labourer and the engineering skill of British and Indian engineers. The Sinhalese—I do not refer to the 'moderate party' to which the Governor of Ceylon has referred today, desire, in some way, to break that bridge.

Let me refer briefly to the history of this desire to break that centuries old link and peep into the background, for it is only by knowing the background that we can with any degree of clarity see the foreground. Till as recently as 1930, there was absolutely no restriction and anybody who landed in Ceylon had the same rights as any other native of Ceylon. I want the House particularly to realise and appreciate this undeniable fact. Scarcely eleven years ago, we stood on a footing in Ceylon just the same as we stand on a footing of parity when we go to England or the Englishman comes to this country. The Donoughmore Commission was

the first instance which introduced restrictions in the matter of political rights and that was the seed that has given birth to all these unfortunate differences of opinion and impositions which it should be the paramount duty of this House to rectify.

An Honourable Member: What was the date of that Commission?

Lieut.-Colonel Sir Henry Gidney: It came out just before the present Constitution operated say, 1930-31. Franchise was granted only to those who had completed five years residence. In 1930, Mr. Senanayake himself declared in one of his speeches: "We want Indians in Ceylon and we do not deny them rights of citizenship". But time changes one's mind and outlook. In 1934, however, when the Land Development Scheme came, the very same gentleman remarked: "If the Indian labourers are given equal rights, they would claim the right for land and the right to settle down in the country". The present colonization scheme administratively excludes estate labourers on the ground that they are peasants. The estate labourer was also denied franchise in the village committees. In 1939 Ceylon compulsorily discharged Indian daily paid wage earners and repatriated them with some bonus. That is to say, that within ten years, beginning with 1930, the matter came to a climax and the long association of centuries was broken so suddenly and so unfortunately. And it was then and then only that the Government of India realised the seriousness of the position and stopped emigration of Indian labour which brought Ceylon to its knees and its senses. We cannot apply the same antedotal measures to Africa with the result that we suffer from humiliation still. Burma has tried to tread on the same footing and here we have the same enactment by Ceylon. It is said that the Indians in Ceylon suggested this procedure as long ago as 1930 to the Government of India when the first sign of discrimination was shown. Had that suggestion been accepted and acted upon by the Government of India the position, as we see it today, would not have come to the stage when Ministers and responsible Sinhalese have gone back on their own words of goodwill and fellow feeling for Indians and declared their desire to reduce or liquidate the number of Indians in Ceylon. One of the members of the Ceylon delegation was reported to have said on one occasion that he would be happy when the 'last Indian left the shores of Ceylon'. Admirable sentiments for a person who had been deputed to effect a friendly agreement with India? And, yet, it is said that Sir William Manning mentioned in one of his despatches in 1922 that Indian Estate Labourers who migrate from India would be permitted to purchase and own lands. Obviously Sir William realised that 'it is the much maligned Ramaswami and Meenakshi' who together have made Ceylon what it is to-day.

But as I said before, the deadlock came when the Government of India took the decision to prohibit emigration of labourers from India. It was a wise decision on the part of the Government of India. What was the result? A meeting between the two Governments. And who asked for it? The Ceylon Government. But before Government accepted the proposal, the House was not consulted. Why? Why this secrecy—this refusal to consult this Legislature? Impossible demands were placed before the Government of India and it is regrettable that, in the heat of the moment, a most important privilege was surrendered by the Indians in Ceylon, at the

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pressing advice of the Government of India—namely, the right of participation by Indians who had settled in Ceylon, in the Land Settlement Scheme and employment under the Ceylonese Government. If I am wrong, I hope I will be corrected. But despite this, there was a breakdown of negotiations and the Ceylon delegation went back. I congratulate the Government of India on taking a firm stand although they did give in one or two most important matters.

The position was getting worse for Ceylon. The Governor wrote to the Governor General of India stating 'that moderate opinion in Ceylon regretted the breakdown of negotiations and that the Ceylonese Government was anxious to come to terms'. I want to know what is the value, force and strength of that moderate opinion. It is the term that is used so loosely by Governments, because from my enquiries I find that that moderate opinion is nothing but a term having no strength.

The Honourable Mr. M. S. Aney: I used the expression because it was used by His Excellency the Governor himself.

Lieut.-Colonel Sir Henry Gidney: I am not referring to what the Honourable Member said; I am referring to what the Governor said. That was why there was the second attempt at a rapprochement. We have spilt milk; let's spill no more. India is determined not to spill any more milk. We have suffered degradation in other parts of the British Commonwealth of Nations and we are not going to submit to any more. But whatever compromise we come to, let us see that Ceylon does not get the cream and India secure only the skimmed milk. One of the fears held by Ceylon is that Indians are said to have a commanding position in the Ceylon electorates and Legislature. It will surprise this House to know that in a House of 58 members Indians have only two elected and one nominated seats. Indians in Ceylon do not and cannot have any dominating voice in politics, and that reason put forward by the delegation is devoid of fact and truth. And, yet, the Indian labourer is most necessary to Ceylon. Why then does Ceylon want to sever connections with India after all these centuries against the advice of the Governor, against the finding of the Commission presided over by a great statesman and administrator. It is nothing, to my mind, but jealousy and prejudice, feelings which I hope a policy of give and take will eventually overcome. And are we going to be treated as social, industrial and political lepers in Ceylon, the same as we have suffered in Africa and are now asked to submit to Burma? I will not refer to Australia and New Zealand, because they have their own laws which I confess are equally humiliating and insulting to Indians, including Anglo-Indians. Can anyone deny that Ceylon must turn to India for its defence if attacked suddenly, although technically the defence of Ceylon is the concern of Great Britain? Ceylon's condition is such that she cannot have a Navy, an Army or an Air Force of her own. A dependent state like that ought not to have exhibited a spirit of intolerance towards the mother country, her closest neighbour. Indians in Ceylon, I venture to suggest, have the right to claim the same rights as Englishmen claim in India and Indians in England. They have vested rights in Ceylon, they have helped in developing the country to its present state of prosperity and India will have to help in the defence of Ceylon if attacked.

For similar reasons, we have recognised the rights of Britishers for no discrimination against them. Why not Indians in Ceylon.

But the Sinhalese knows in his heart of hearts that the moment Ceylon is attacked, India will rush to her defence within a few hours, for Ceylon occupies the same position to India as Ireland does *vis-a-vis* Great Britain. The enemy knows that Ceylon is a good jumping off ground for attack on India as Ireland is for an attack on Great Britain and that, therefore, India is bound to rush to the defence of Ceylon in any case. We cannot say that they do not understand the actual position and that it is the duty of the Ceylon Government to safeguard the interest of the masses of the people of Ceylon. Hitherto, it has been admitted that Indian labour was a necessity in Ceylon; if they do not want it now, they certainly have the right to say, "we do not want any more". But, if they want more in the future, it should be given on "our" terms. But, inasmuch as the labourers in the past have served Ceylon well, it is our duty to see that they are granted full rights of citizenship—just as Sir William Manning said in 1922; and Mr. Senanayak, himself, said in 1930 and we demand in this House today, and send as our minimum demands to Ceylon and Indian Governments.

The chief complaint about the agreement is the surrender of the rights of equal citizenship with the Ceylonese by two generations of Indians who have been resident in Ceylon. I refer to the loss to them of the right to participate in Land Settlement schemes financed by the Government of Ceylon and the right of employment in the Government of Ceylon. The surrender of this right was, I submit, forced from the Indian representatives, in the heat of the moment, and the desire, against time, to reach a compromised settlement by the Government of India's representative, Sir Girja Shanker Bajpai. The Delegation was working obviously against time, but one fact has been forgotten in the subsequent negotiations which took place. The entire negotiation which took place in 1940 was squashed when there was a breakdown. It was wrong of the Government to have taken up the attitude on the second occasion, that, because Indians in Ceylon surrendered that right in the first instance, they should not go back upon it. I feel that that point ought never to have been accepted as the "free" view of Indians in Ceylon. We have fully in mind what happened in Burma and I have a feeling that Sir Girja Shanker Bajpai working against his limited time was most anxious to effect these agreements before he left office. I here pay my tribute of respect and gratitude for his great public work. Sincere though he was in the belief that he owed it to his country to bring about a settlement of these two problems, I do feel he rushed through the whole matter and used his persuasive powers in order to bring about a conclusion of these negotiations which, at its best, can be called a compromise, not a settlement, not a report. Perhaps there was also the feeling in his heart that others who might follow him would not be able to grasp the situation as well as he and his delegation did and desired to conclude the agreement before he laid down the reins of office. I say again perhaps but I speak subject to correction and I offer these criticisms with all respect to and admiration of Sir Girja Shanker Bajpai.

I submit, therefore, that that clause which stipulates that only Ceylonese who have a domicile of origin in Ceylon shall have the right to participate in the Land Development Scheme and should be altered to

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include persons and children of persons who have a permanent domicile in Ceylon. I am glad to see that the European Group agrees with that. The stipulation "domicile" (a much abused and ill used word, used often to suit the conveniences of Government) "of origin", let us realise, will immediately exclude full rights of citizenship to Indian families although they might have lived in Ceylon for half a century and more. When I come to think of this, I am again reminded of the position which obtains in Africa and I am sorry the Government of India have been a party to this attempt to deprive these Indian families of their birthright, and making them 'lepers' in a country to which they had rendered immense services. Indeed, I believe this is what Sir Girja Shanker Bajpai, himself, originally demanded on behalf of Indians in Ceylon, but the introduction of the question of 'domicile of origin' as a qualification was, what I may describe, a cunning move on the part of the Ceylon delegation.

The other point which I desire to stress is that the Agreement provides in Part I, clause (3), that in the future proposals from the Government of Ceylon for the imposition of quotas together with the advice of the Immigration Board should be referred to the Government of India for "comment". Mark the word 'comment'. It is significant that the word is not 'approval'. I submit such a provision does not imply that there is to be an "agreement" or "approval" between the parties before such proposals are given effect to. We are simply asked to make comments. We know of what value these are. Every Honourable Member of this House knows that all comments submitted by the Government of India can be ignored by the Ceylon Government and the proposals put through without regard to our comments. Definite provision must therefore, be made in the agreement that all such proposals shall be put into effect only after the agreement between the two Governments have been reached. For, consultation leaves us in thin air. As participants, we should have an equal voice and this House demands it; otherwise let us chuck out this agreement lock, stock and barrel and let not our future generations rise and live to curse us for allowing a repetition of the insults and degradations we still suffer as Indians in Africa and other places. I do not wish to belabour the other points, except to say that, in the matter of franchise, it would seem that the agreement has curtailed the existing rights of Indians by extending the period of residence for a voter from five to seven years, a demand which finds no place even in the proposals put forward by the extreme Sinhalese delegate who was rude and crude enough to say that 'he would be happy when the last Indian left the shores of Ceylon'.

Sir, it is our duty to see that our countrymen, wherever they may be, and more so in a country which owes its very existence and prosperity to our services, are not insulted in the manner in which some of these Sinhalese politicians and even Ministers have, in the past, been doing. Ingratitude, I was about to say,—national suicide—cannot go to deeper depths. I do not wish to indulge in reprisals, for I put this down to ignorance, childishness, irresponsibility and jealousy.

But it has been suggested to me that if Ceylon does not realise its sense of responsibility and does not agree to modify the terms of the agreement, India should seriously and immediately consider the desirability of prohibiting the importation of copra—a Sinhalese owned industry which

solely depends on the Indian market. But as I said before, I do not believe in reprisals although it is one of the main ingredients of today's international policies e.g., United States of America, England towards Japan, Finland and *vice versa*, etc., and I sincerely hope that the Sinhalese will yet see reason and will not indulge in the suicidal policy towards which he has been drifting since 1930.

I am glad that this agreement has not been as yet accepted by the Government of India. Although I do not yet understand the implications of the Government initialling this agreement until my Honourable friend explained it to me. I am quite prepared to admit that the Indian Delegation which was a party to the Agreement consisted of persons of eminence and capacity, but let us also realise the background behind this Agreement; and the circumstances in which they concluded the Agreement. How in 1940, in the rush of the moment, the Indians in Ceylon agreed to the surrender of their fundamental right in an erroneous belief that everything would otherwise be lost. Let us realise that the signatories to the Agreement were naturally guided by that spirit of surrender on the part of the Indians in Ceylon itself. If we did so we would know, may be in a small measure, why they came to agree to those extraordinary terms. The fundamental rights must be restored before you recast the Agreement. We, in the House, demand it, and I believe my amendment points to and ensures such a compromise. Then and then only the Agreement will have been conceived in the correct spirit. Sir, I feel my sentiments and Indians' claims are fully embodied in my amendment. I may inform the House that I have just received a letter from the members of the Ceylon party now in Delhi and who represent the views in India in Ceylon asking that our deliberations today should be devoid of party factions. It should be done in such a manner that we would be able to agree to some common formula, some agreement which we can offer to the Leader of the House as the unanimous opinion of this House, whether it be called an "amendment" or a "Resolution" I care not, otherwise more harm than good will arise from a divided House detrimental to the interests of the people who are resident in Ceylon today and whose cause we are pleading and trying to protect. And it is for that reason, Sir, I am making this submission to the Government of India.

I do not wish to indulge in what would be called destructive criticisms, for after all my Party is not in destructive opposition to Government. Every Member of my Party is imbued with one desire and that is to be a constructive critic with a desire to help Government in all points. But when we find we are right and Government have not acted correctly, we are not afraid to tell them so. I, therefore, appeal to the Leader of the House and Member for Indians Overseas to ascertain the means by which we can arrive at a better understanding or let me call it a compromise. I suggest for his serious consideration and for the consideration of the House that there should be another meeting between the representatives of India and Ceylon, of course under the aegis of the Government of India, to reconsider this agreement in the light of the views expressed in this House and the views that will be expressed in the other House.

With these remarks, Sir, I beg of the House to accept my amendment clothed or unclothed of the unpleasant remarks that I have had to make in my speech but with the one desire and on this let me assure the House, on behalf of my Party, we are anxious to arrive at a common agreement

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with all Parties. In other words, as the Leader of the House said, let us come to a compromise amongst ourselves so that our opinions will go back to Ceylon full of weight, full of constructive ideas, and Ceylon will yet see that she is not treating us as fairly as we treat her.

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: Sir, geographically, Ceylon is a part of India. Ethnically, the populations of the two countries are the same, if we except the small Burgher population which is of a mixed stock. Culturally, there is affinity between India and Ceylon, for we all know that even in historical times Ceylon obtained her religion from India and the great bulk of the Ceylonese population is Buddhist. Now, why should there be, instead of unity, a feeling of disunion between the two countries? Even in modern times, goodwill and friendliness existed between these two countries. When Ceylon was annexed to India at the cost of the Indian exchequer the two countries remained on friendly relations for a long time. It was about twenty years ago that first signs of bitterness appeared among the Ceylonese people. In 1920, when the Emigration Act was being considered by the Central Legislature of India, the Government made it perfectly clear that the Indians would enjoy the same political rights as other classes of His Majesty's subjects. Sir B. N. Sarma, shortly afterwards, said the same thing. This view was expressed by Mr. G. N. Barnes. He observed:

"We are asked to send labourers to other parts of the British Empire..... Unless and until the Governments concerned issued Ordinances which distinctly proclaimed the perfect equality of status of the Indians with the other classes of His Majesty's subjects in those countries, we will not agree. To that policy the Government of India adhere now and it is because they follow that policy that they readily and willingly sought the co-operation of the legislature and have introduced this Bill."

That was said in 1921. And in Ceylon the Chief Secretary to the Government of that country said:

"I think I have said enough to make it clear to any impartial student of the history of this question that it was only after the Government of India had been given assurances that Indians in Ceylon enjoyed the same political rights at that time as other classes of His Majesty's subjects that they approved of the issue of the notification of 1923 permitting emigration to Ceylon and specifying the terms and conditions on which it would be allowed."

Then, in 1930, it was announced by the Colonial Secretary:

"His Majesty's Government wishes to make it clear that there is no intention of repealing or amending to the detriment of Indians any of the laws of Ceylon affecting their position or privileges."

Now, Sir, these were definite undertakings. Subsequently, the Government of Ceylon said that there were no definite undertakings and they were entitled to deal with the rights of the Indians as they liked. This was a wholly wrong attitude, and we all know that the Government of India was obliged to stop all emigration to Ceylon. That action on the part of the Government of India, backed as it was by the

Legislature, produced the desired effect. The Government of Ceylon now thought it necessary to come to an agreement with the Government of India. Last year, there were explanatory talks between the Delegation from Ceylon and the Government of India Delegation and at that time the attitude of the Government of India was definite and the Indian Delegation laid stress on two important points. In the first place, they said that "there should be full citizenship rights secured for all Indians of five years' residence in Ceylon who had permanent interests there", and, secondly, "those who do not complete five years' residence would be entitled to secure the same rights on fulfilment of the requirement". Now, these proposals were not acceptable to the Ceylon delegation and for the moment there was a break in the negotiations. The negotiations came to an end for the time being. Then the Government of Ceylon put forward an Ordinance in February, 1941. When this was done the Governor of Ceylon took a very firm stand against this Ordinance. He said, unless there was agreement between India and Ceylon it would be his duty to veto any piece of legislation which might be enacted, because he thought it his duty to stand by all the undertakings which had been given by Ceylon to India. When this was done, we in this House debated the question and we congratulated the Government of India on the firm stand taken by them, and we also thanked the Governor of Ceylon for the stand taken by him in defence of the undertakings between the two countries. Then, after a few months the Ceylon Government invited the Government of India to send a delegation to that island. It was on that express invitation that the Indian Delegation went to Ceylon, and, naturally, it was expected that the Government of Ceylon had modified their attitude and it was hoped that the negotiations would proceed on a more friendly basis. That, however, was not the case and it is surprising that the negotiations proceeded on the basis of the Ordinance which the Government of Ceylon wanted to enact and which it had been prevented from enacting by the definite pronouncement of the Governor of Ceylon. It is surprising that the Indian Delegation did not take up the firm stand which they had taken a few months before, but were prepared to give up the rights of Indians in Ceylon. That was a very humiliating sight for everybody to see. They arrived at certain agreed proposals which I shall presently examine. As some of the speakers have already spoken on this subject, I will not go into the details of the question but say a few words on each of these proposals.

The proposals are divided into six heads, and I will deal with these heads *seriatim*. The first is the question of the right of re-entry. Here, if you read the proposals and the draft ordinance, you will find that a number of categories are mentioned. A great deal of complexity and inconvenience will arise, apart from other objections, if all these categories are accepted by us. These should, therefore, be done away with. A simple criterion should be adopted. We have no objection to category I, where it is said that destitutes and other persons of a similar character would be shut out. But if we accept all the other categories the result will be that business interests of Indians in Ceylon will be greatly jeopardised and the property rights of Indians will be very adversely affected. Therefore, what we urge is that a general rule should be laid down to the effect that all Indians who have been in Ceylon on the date of the agreement should have an unrestricted right of re-entry into that country; and even if they leave that country for a period of more than one year they

[Dr. P. N. Banerjea.]

should be entitled to go back. This is a very important and fundamental principle on which we cannot make any compromise. In regard to this there is also the further question whether the distinction between domicile by choice and the rights of those persons who are permanently settled should not be put in the same category. Why should you have a different category for these two classes of persons? I should like also to mention in passing, that at the present moment if a visitor goes from India to Ceylon on a pleasure trip or for religious purposes, he is not required to take a passport; but in future, if these proposals are accepted, every visitor will have to get a passport with a visa and then be allowed to enter Ceylon.

The next head under which the proposals are put is that of 'Quota'. Here, again, different categories are to be found and these categories create a great deal of complexity and are likely to give rise to great inconvenience in practice. Administration will be very difficult if these categories are maintained. Therefore, we urge that all persons entitled to re-entry should be exempted from quota legislation and they should be free to change their accommodation, their employment, their masters, and so forth. The many distinctions that are made here should be done away with. They are not necessary and they are extremely vexatious.

Coming to the third head, namely, franchise, which in my view is very important. Some tests are laid down with regard to this matter, and if we accept the tests which have been laid down in the joint proposals, the result will be that the poorer people will be debarred from exercising their rights. Therefore, what is needed is that a simple machinery should be established and all persons should be raised to an equal footing. The tests should be the same for all. Fourthly, coming to registration, I am definitely of the opinion that there is no justification for it, and registration of Indians exclusively is not only humiliating and insulting to the self-respect of those Indians who live in Ceylon, but also to the self-respect of the entire Indian nation. Now, in this connection, may I ask if the nationals of other countries are to be registered? Are Europeans resident there to be registered? If not, why should there be such discrimination against Indians?

Sir F. E. James: If it is compulsory everybody is to be registered.

Dr. P. N. Banerjea: But is that clear from the Ordinance?

Sir F. E. James: You will find the reference to that in the draft Note on the Agreement.

Dr. P. N. Banerjea: The draft Note to the Agreement? I am afraid, my friend, Sir Frederick James, is mistaken. Sir, we cannot accept this registration proposal.

Fifthly, I pass on to status. Here we find that only certain categories of persons, namely, those who have only the domicile of origin will be entitled to appointments under Government and they will enjoy the benefits of the land development schemes, while others will be debarred from those privileges. Sir, is that right? Again, there is discrimination. You discriminate between those who possess domicile of origin and those who possess domicile by choice. Why should those who possess domicile

by choice and who are permanently settled in the country be debarred from the privileges of being appointed to Government offices and also from the privileges of the land development schemes? It does not appear to be at all fair. It is extremely inequitable. Therefore, Sir, we urge that Indians, other than those who are only temporarily settled there, should be entitled to enjoy all rights which are enjoyed by the Ceylonese people with regard to appointments under Government and also with regard to privileges in respect of the land development schemes

Sir F. E. James: May I interrupt my Honourable friend? If he will look at Part IV under Registration, he will see that it will be either voluntary or, if compulsory, it will be applicable to all residents in Ceylon, so that it will also include Europeans and others as well.

Dr. P. N. Banerjea: Well, if it implies that Europeans and Asiatics other than Indians are also to be registered, then, of course, it will be different, but I do not know whether that is given here in the draft Ordinance

Sir F. E. James: Yes.

Dr. P. N. Banerjea: In any case registration is unnecessary, as it is humiliating.

Now, Sir, as regards the appointment of Indians under the Ceylon Government, I may point out that the recommendation of the International Labour Organization of the League of Nations which in 1939 made the following recommendation:

"Foreigners authorised to reside in a territory with a view to employment and the members of their families authorised to accompany or join them should as far as possible be admitted to employment on the same conditions as nationals." With regard to restrictions on the families it is said that these restrictions should in certain cases cease to exist and in other cases be waived.

Lastly, Sir, with regard to the general provisions, I should like to point out that, while wives and children of Indians in Ceylon are given privileges of entry and so forth, other dependants of theirs are excluded. This is not right. We know that the joint family system exists among Indians, and there are persons other than wives and children who ought in fairness to have the privilege of accompanying them.

Now, Sir, it may be urged that Ceylon has the right to determine the composition of its population. Well, I admit that Ceylon possesses that right, but that right should be exercised with regard to the future and not with regard to the existing circumstances. Certain rights have accrued to Indians in Ceylon, and those rights cannot be taken away. If in future Ceylon desires to put restrictions on immigration of Indians as well as on other nationals, she will be entitled to do so; but we also would be entitled to control emigration from this country to Ceylon. There should be a reciprocal arrangement to that effect. They cannot say that they will admit Indians into Ceylon on their own terms, the humiliating terms offered by them. They cannot have it both ways.

[Dr. P. N. Banerjee.]

Sir, I have already said that India and Ceylon have many affinities,—of race, of culture and of geographical proximity: Besides these, there are also other affinities. Economically, Ceylon is largely dependent on India. Who is the best purchaser of Ceylon Copra? India. And since the commencement of the war, India has been purchasing almost the whole produce of Ceylon in this regard. As regards Defence, without the help of India, Ceylon cannot defend herself. It is desirable, therefore, to promote goodwill between the two countries to the greatest possible extent. But how can that be done? That can be done on the basis of justice and equity. Justice and equity require that Indians should be treated on a footing of equality with the inhabitants of that island. If any inferior status is given to Indians, there will be heart-burning, there will be ill-will, there will be animosity. I don't wish to throw out any hint as to the future action which may be taken by India, but Ceylon should remember that India can retaliate if she likes to do so.

Sir, the agreed proposals are unacceptable to the Indian people, and I hope and believe that this House will record its verdict that they are unacceptable to this House.

Then, what is there to be done? In my amendment I suggest that there should be further negotiations between the two countries. I further suggest that the Indian Delegation should negotiate with the Ceylon delegation after consulting the interests involved and with the advice of four elected Members of this House. If that is done, I believe the negotiations will have a much better prospect than the last negotiations had. These negotiations will inspire confidence in this country. Ceylon will know that behind the Government are the Members of the Legislature and Ceylon will be more careful in its dealings.

It is difficult to understand why there was a change in the attitude of the Government of India between February, 1941 and September, 1941. There are some people who suspect that that change was due to some hints which came from the British Government. I do not know whether that is true or not, but the belief is prevalent in this country that the British Government, in order to please peoples of other countries—Ceylon, Burma, and even Malaya—are prepared to sacrifice the interests of this country. It is incumbent on the Government of India to disabuse the minds of the people of this belief. Now that we have a Leader who is universally recognised as a man with an open mind and whose sincerity and earnestness are above question, I think that the state of affairs will be different and that in the future negotiations he will be able to give full satisfaction to this House and to the country.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): I rise to support the amendment of my Party Leader, Sir Henry Gidney. Much has already been said about the Indo-Ceylon agreement by the previous speakers, and as I am not in the habit of repeating the arguments put forward by others, I will be brief.

Sir, in the exploratory conference of 1940 we find that the Indian delegation lost a good deal of ground. Sir Frederick James mentioned here that the Indian Delegation generally took their initiative from the Standing Emigration Committee of this House. So, if Sir Frederick James had given an explanation why the Indian Delegation lost ground

in the explanatory conference, this House could have consoled itself that the reasons for which the Indian Delegation gave way were acceptable. Sir, when the exploratory conference began, the Indian Delegation, instead of insisting on the fulfilment of all the previous obligations and all the rights and privileges ensured by the Government of India and the Government of Ceylon, went the opposite way. To begin with, till the year 1930 there was no restriction between Ceylonese and Indians. Then they yielded on three points so far as they tampered with the rights of Indians in Ceylon. They agreed that a residence of five years would count towards full citizenship. There was no necessity at all as to why that condition was imposed unasked. So long the Indians in Ceylon did not feel any difference between permanent residents in the island and themselves. It was only in 1940 for the first time that the exploratory conference accepted the principle that Ceylon had a right to interfere with the citizenship of Indians in that island. In that conference, the questions of permanent residence, domicile, privileges, and such other things were brought up. It was very wrong on the part of the delegation to have yielded ground in that way. India was helpful to Ceylon all along. India has got to defend Ceylon in case any emergency arises. India has helped Ceylon in its present prosperity. What would have been her condition had Indian labour not assisted in developing the tea, rubber and other industries in that island? That would have remained a jungle island as before. The Indian Delegation could have easily maintained their position if they had decided not to yield ground. Once they began to yield in tampering with the rights of citizenship of Indians, they went further to please Ceylon, and agreed that the Indian citizens in Ceylon would not claim any appointment under the Government of Ceylon or any quasi-appointment under that Government. That is a stab in the back of India and the exploratory conference owes an explanation as to why they yielded in that matter.

Now, Sir, the Ceylonese delegation consisted of very sharp and intelligent people and they found that the Indian Delegation had gone on yielding and yielding. So they took up a stiff attitude. They said 'No, these concessions will not satisfy us. You must give us more or we go'. In that way, the negotiations broke down and the Ceylonese Delegation went away. Then, Sir, again these shrewd people have persuaded their Government to ask for the resumption of that conference and the Government of India made the mistake of selecting almost the same spokesman of the delegation which yielded ground in the previous conference. The result was that the spokesman went on yielding grounds after grounds and accepted so many humiliating terms, so far as this country is concerned, that nobody has got a word of praise for him. He agreed to ten categories for the entry of Indians in Ceylon. He had no business to do that.

An Honourable Member: Who is he?

Maulvi Abdur Rasheed Chaudhury: The spokesman of the Indian Delegation. I do not want to name him. The Government of India was in no compulsion to agree to these ignominious terms. Now, Sir, mischief was done at the time of the exploratory conference and what followed is only a step forward. In this agreement so many points humiliating to India have been agreed to that it simply makes one's blood boil

[Maulvi Abdur Rasheed Choudhury]

when one goes through the details of that agreement. So far as the entry of Indians is concerned, so many restrictions have been put there that it is next to impossible for Indians there to retain their citizenship if once they leave that island even for a short period. A category has been introduced by which an employee there can return to that island only if he agrees to have the same occupation or to serve under the same master. What does it mean? It means that the position of the Indians cannot be improved. Once a scavenger he has always to remain a scavenger. Once a cooly he must remain a cooly for ever. In this country, even in this sort of labour, those who work on rubber, tea and coffee plantations make fortunes. We have seen coolies becoming shop owners and head-men and so on but all this has been denied in the case of Indians in Ceylon. Another thing has been introduced by which a man has got to work under the same master. That is the most ignominious and inhuman thing. Suppose there is a domestic servant in one house. He enters service on Rs. 5 a month. He has to serve, under the same master as long as he remains in that island. What does it mean? He cannot change his master and he will have to remain satisfied with whatever his master gives. Here, in this 20th century, when there is so much talk of democracy and independence, fraternity and brotherhood, it is simply insulting to human nature to conceive of ideas like this.

Then, Sir, a good deal has been said about the question of franchise. As my friend, Mr. Jamnadas, has said, franchise is the test of national honour. Even under the existing franchise only two Indians could be returned to the State Council out of 50. The total population of that island is only 59 lakhs of which the Indian population is nine lakhs, roughly one sixth. On the population basis, Indians ought to be given something like six or seven seats but instead of that they have only two seats. Under the last two elections under the Donoughmore Constitution they could not return more than two members to the State Council. This franchise, according to this agreement is going to be curtailed and the House can easily understand what will be the position of the Indian members in that Assembly when their franchise is further restricted and when they cannot send a single member to the State Council. This is the most humiliating thing so far as Indians in Ceylon are concerned and, I think, we should utter a note of warning to the Government of India that they should not accept any such demand regarding the curtailment of the existing franchise.

Now, Sir, a good deal has been said about registration and I need not say much. I should repeat that registration is a very humiliating thing for the inhabitants of an ancient country like India. We have got a civilisation much older than other countries and we feel it ignominious to have ourselves registered in other countries. This is a thing on which the Government of India should not yield and should not accept the joint report of the Indian and Ceylon delegation. Ceylon must be grateful to India at least for two things. First of all, the Indians made Ceylon what it is now. The entire prosperity of Ceylon is due to Indian labour and to some extent to Indian capital also. Now, it will be ungrateful on the part of the inhabitants of that island to humiliate the people of this country, who are their benefactors. The second thing is—what is Ceylon—this petty

little island? They have got no defence force. If today it is attacked by the Japanese, India will have to go and defend it. They must be grateful to us at least for two things, that we have given them safety and we are protecting them; we are defending them and we have given prosperity to their country. This is the help which no nation can forget. Instead of humiliating us, they should thank us for this essential help. They should also remember that even now India is helping them a good deal. Ceylon, as is well-known, has got only two assets and one of them is copra. At this time of war, the only purchaser of copra is India. If we stop purchasing copra, the Governor of Ceylon will send us an invitation to change the terms of the agreement. But, Sir, our country is very big in comparison with this small island and we must be chivalrous and we must show them magnanimity. But in doing that, we are not to humiliate ourselves; that is a point on which we will never agree. So, whatever agreement is arrived at now, the self-respect of this country has to be taken care of. Only a little hint from the Government of India will make the Government of Ceylon yield almost what is demanded. But we are not going to demand anything and everything because, as I said, we must show our magnanimity to our little neighbours. If they still insist on humiliating us and if they still insist on enforcing those ten categories of domicile, non-domicile, registration, etc., then I give a notice of warning that even if the Government of India do not move in this respect, there will be motion after motion in the next Session of the Assembly to terminate this sort of agreement with Ceylon. We have got power of retaliation in our hands and we cannot be humiliated. Our self-respect cannot be sacrificed to please our neighbours. Sir, I support the motion.

Mr. M. Ghiasuddin (Punjab: Landholders): Sir, this is the first time I have the honour of addressing the House since the Honourable Leader of the House, who is in charge of this resolution has assumed office. I take this opportunity of extending a warm welcome to him on behalf of all Members who are present in the House and on behalf of myself and to all his colleagues who have taken office for most patriotic reasons at this critical juncture. I am sure it has been their wish to help the country to attain freedom and to help in defeating the forces of aggression and I wish them luck in both these objects. They are at the helm of affairs at a most critical time and I am sure they need all the good wishes and assistance of the non-official Members of this House, which we give them very readily.

As for this draft agreement, with your indulgence I would like to go a little back to trace the history of these negotiations. As the Honourable the Leader of the House has stated, the relations of Ceylon and this country have been of a very cordial nature and are of a very long standing. The presence of a large minority community there, known as Jaffna Tamils, who are really descendants of Indians and who have settled down in that island for a long time is proof positive that there was no limitation of immigration from this country to Ceylon. The members of that community are our cousins in the sense that they are the sons of India. They are a well-respected community and they are as much loyal to their island home as any other community is. Besides, it is a historical fact that the last independent king of Ceylon was an Indian and it was that man who was turned out when the European invaders came. I believe they were:

[Mr. M. Ghiasuddin.]
the Portuguese. Since those days up to the days of the Donoughmore Commission, the relations between India and Ceylon have been very cordial. The first rift in the lute was when the Donoughmore Report came out. Naturally, after that report the Ceylonese politicians had to say something to get a vote. So, that was the time when the anti-Indian feeling was excited and the Indians were represented to the Ceylonese populace as exploiters, and who go to that country only to get what they can without giving anything in return. Every honest man should know how false these charges are. The frame of mind of the Ceylonese these days is that Ceylon wants Indian labour and it will welcome Indian labour. But as soon as a labourer, who is at first a cooly, becomes a petty manager or attains even a slightly higher status, he at once becomes an exploiter and he is a man who is to snatch away bread from the mouth of the sons of their soil. I think it is the duty of the Government of India to tell the Ceylonese people that if they want our labour, it is not necessary that a labourer will always remain a labourer and not be in a position to improve his status. He becomes unpopular only because he tries to improve his status and that is a very unjust attitude to adopt. The Government of Ceylon are trying to force him not to improve his status.

Now, Sir, there are many other obvious defects in the draft Resolution. The one most obvious defect is the many classes and sub-classes into which the Indian population in Ceylon has been divided. It should be remembered that most Indians in that island are estate labourers and are ignorant people and it is very difficult for them to fight for their rights in courts of law and attain any improved status. For attaining these rights a complicated legal process is involved which even big lawyers find difficult to grasp. So, it is very difficult to expect these people to protect their own rights. The Indians in that island are divided into three categories. There are persons enjoying the domicile of origin, then comes the domicile of choice and then is the certificate of permanent settlement. Domicile of origin according to this agreement is enjoyed by a person born in Ceylon, one of whose parents also is born in Ceylon and furthermore will have to reside in Ceylon. One of the terms of the agreement states that the domicile of origin will have to be established according to the English law except for the purpose of franchise. As I pointed out before, how is a poor labourer going to establish domicile of origin according to English law. The lawyers who are present in this House well know how very complicated the English law is. Only in the matter of franchise, they have made the matter a bit easier. It is just, that persons born in Ceylon should have equal rights with citizens of Ceylon, and this constant recourse to law courts to establish one's rights is not very desirable.

After that we come to domicile of choice, that is conferred upon persons who have resided for five years in Ceylon and can prove to the satisfaction of a court from the mode of their living that they have made Ceylon their permanent home. Here again comes the expression 'to the satisfaction of the court'. After obtaining this privilege, all rights of citizenship are conferred upon them, barring Government service and the benefits of the colonisation scheme. Government service, in this connection, must be considered to include anything which is paid out of Government treasury. For instance, if a sweeper is sweeping roads, and if his

salary comes from the treasury, then he will be debarred from entering into that profession, however humble it may be. Again, he is also deprived of the benefits of the colonisation scheme. So, I think, very scant rights of citizenship remain.

The third category, is the holders of certificates of permanent settlement. This is conferred on Indians who have been resident for seven years out of twelve years ending December, 1945. This is one condition, plus furnishing proofs of means of livelihood, and if married, living with family in Ceylon and a declaration that he has intention of staying permanently in Ceylon. Now, Sir, the third condition that he should live permanently in Ceylon with his wife is a very difficult condition to comply with in certain cases. It is well-known that in our Indian families, sometimes the wife lives with the husband or with the husband's people. This will entail a great hardship if this condition is rigorously enforced. It is felt by Indians in Ceylon that this distinction between domicile of choice and the certificate of permanent settlement should be abolished. These categories must be combined and full rights of citizenship should be conferred on people after having proved on factual basis that their intention is to reside in Ceylon permanently.

Sir, much has been said about quotas and I would not like to go into them, but one thing I will point out and that is that Indians with residence of less than three years will remain perpetually slaves, they will have no freedom of changing their occupation or the choice of their employers. They will have to remain bondsmen of the same employer, not even their children can acquire the rights of citizenship and this is such a hard condition that is actually making them serfs. This draft agreement deserves condemnation on that account alone.

Sir, the Indian labourers went to Ceylon at the express invitation of that Government. In many cases, they were persuaded and even cajoled into going to Ceylon, they were given solemn promises and undertakings of legal and political rights and now those promises are thrown to the wind and any attempt to turn them out amounts to expropriation. One of the Governors promised Indian labourers the grant of settlement on land and this solemn promise has not yet been fulfilled. Why is this being done to India? We all know that Sir Edward Jackson, at one time the Attorney General of Ceylon, was appointed by the Ceylon Government to enquire into labour troubles and he, in his report, said, that the Indian community has caused no injury to Ceylon and that he was totally opposed to restriction on immigration. Why has this report not been accepted?

The last point is that it is not advisable to say anything about retaliatory measures. I hope the time will never come to take such measures. I wish and, I am sure, the whole House wishes that a proper settlement should be arrived at between the two countries, amicable and lasting and that no occasion should arise for retaliation.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I have a very strong grievance against the Government of India and their emissaries who wish to solve this problem which has arisen between India and Ceylon. They wish to follow the policy of appeasement. I

[Mr. Govind V. Deshmukh.]

wish they had taken up the stand which they did in November, 1940, and not yielded. The position then taken up was:

"Subject to the acceptance of the fundamental principle that full rights of citizenship over the whole political and economic field on a footing of equality with Ceylonese should be conceded to Indians resident in Ceylon on an agreed date, on their furnishing proof of residence for a prescribed period and of permanent interest, the Indian Delegation were prepared to consider any modifications in detail of their proposals that the delegation from Ceylon might put forward."

I am extremely sorry that this attitude has been given up, an attitude which rested on our self-respect, an attitude which gave us what we wanted—the political rights and the status we are clamouring for.

Well, Sir, these possessions who have taken up this attitude—whether it is Burma or Ceylon—are copying these methods of excluding Indians from Colonies, such as Kenya. In 1921, there was an agitation in Kenya against Indians curtailing their rights and that was very strongly resented in India and many representations were sent to England. They, amongst other things, wished to restrict immigration and not to allot highlands to the Indians. If you go through this particular Report you will find that the Ceylonese are also aiming at the same thing. They want to control immigration in such a way that, after some days, there would be absolutely complete prohibition of Indians entering into this Colony—Ceylon. Another thing is that as in Kenya they are preventing Indians from getting highlands, the counterpart of it here is that we—the Indians in Ceylon—are deprived the benefit of Land Development Ordinance. You see the Ceylonese are following the policy which was pursued by Kenya in 1921 and nothing was then done to redress our grievances—as a matter of fact things are getting worse and worse in Kenya now. The Ceylonese are stimulated to put their demands higher up. There is a degree to which statesmanship should be followed. But this policy of appeasement or statesmanship does not pay all the time and always. We cannot follow this policy *ad infinitum*. Sir, it will be remembered that up till 1930 we enjoyed this particular status which I have referred to in this passage which I read from this book, but afterwards we see that we are gradually yielding them ground. Under these circumstances the only thing that we can do when we do not intend to follow this policy of appeasement—and I request we should not follow this policy of appeasement—the only thing that we can do is to stand on this bed-rock which I have read from the Report of the Indian Delegation. We should take a stand on it and let the matters be settled in accordance with it.

The Report deals with such complications that it is very difficult for us to go through the details. I will not deal with the several items which are mentioned in this Report. These have been gone over by each and every individual speaker. It seems to me that it is useless for us to refer to our past connections, it is useless for us to say that they have derived their culture from us, it is useless to plead the justice of our cause or the helplessness of their defence of their country. They know all that. Nothing will help us. Nothing appeals in this world. If I may say so, after you get to a certain degree of statesmanship or diplomacy nothing succeeds but force.

His Majesty's Government is primarily responsible for the administration which is carried on in Ceylon. His Majesty's Government is also responsible after all for the Government which is carried on in London. If this Cabinet which takes the collective responsibility of managing administration in the Colonies and India cannot help us, well, who is going to help us? As a matter of fact, His Majesty's Government failed to help us at the time when the agitation was started in Kenya.

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

When measures after measures were passed in Kenya worsening our position nothing was done by His Majesty's Government, and when the Government of Kenya threatened His Majesty's Government nothing was said or done by them in our favour. When we see that His Majesty's Government cannot help us, when we see that negotiations which we are carrying on and under which we have yielded some ground do not help us, nothing remains. How long will you carry on this policy of appeasement? I am very sorry that I should strike a discordant note but in worldly affairs it is the only way to manage things. If I wish to pose as a good boy always then I have to forego sweets and all other things which as a matter of right should be coming to me, simply because I wish to be called a good boy. If the Government of India are anxious to get a certificate that they are a very good Government, they are a Government that is run on moderate lines, well, they have to forego the rights and privileges of Indians. I submit this is an intolerable position. As I have taken this attitude I consider it useless to go through all these various questions of franchise, status, quotas and several other things. We must take a stand that we shall not yield under any circumstances, and, as has been pointed out, we have two things in our hands. These two things can be wielded in our fight against them: one that we shall not supply labour and the other that we shall not purchase copra. It is necessary for them to dispose of the surplus copra in order that the Ceylonese may live comfortably in that island. So let us take a firm stand and let us not yield to these two things.

I think Burma and Ceylon are counting on one strategic position. They think that His Majesty's Government will always side with them. It is no use saying that Ceylon depends on us for her defence and we will deny that, and someone will come and occupy their colonies. They know very well, as much as we do, that we are bound to help them to defend their island. They will go ahead with this programme of theirs. They will say "If you do not wish to defend us, don't, but it is necessary for your own interest to defend us and, ultimately, yourself". So it is no use referring to the question of their defence or referring to other things. We must say that we take this stand, bereft of all restrictions and hedges—the stand which I have mentioned at the beginning of my speech—and we stick to it, and I should be very sorry if that stand is given up in the long run.

Khan Bahadur Mian Ghulam Kadir Muhammad Shahban (Sind Jagirdars and Zamindars: Landholders): Sir, it is becoming a fashion amongst the Empire countries, one after another, as it were to heap humiliations on this country. The problem of Indians overseas is almost

[Khan Bahadur Mian Ghulam Kadir Muhammad Shahban.]
as old as the problem of Indian swaraj. It is, however, more urgent. The only redeeming feature in this is that the Government and the European Members are one with the unanimous demand for holding prestige and the status of our nationals abroad.

Ceylonese, Sir, has the least justification to discriminate against this country. The cordial relations between India and that island is a matter of history. The affinity between the two countries is to be traced from dim pre-historic days. Indian capital, labour and enterprise have made the island what it is today. In no instance could it be definitely alleged by the Sinhalese that the Indians have encroached on their just and legitimate rights. The 8,00,000 Indians in Ceylon are mostly employed on the tea, and rubber estates at higher levels, where Sinhalese have so far not been willing to enter in any appreciable number. Indian traders and businessmen have built up their business only in such directions where there has not been any severe local competition. The Sinhalese traders and planters owe a heavy debt of gratitude to Indian bankers. It was the Indian bankers—the Nattukkottai Chettyars, I mean—that came to the rescue of the Sinhalese businessmen when they were refused accommodation by the banks.

It is very pertinent in this connection to recall the fact that the Indian labour migrated to Ceylon on the repeated demands and after obtaining specific assurances from the Government of Ceylon in regard to equality of status and rights with the Ceylonese. It was only some months ago early this year, that the Chief Secretary to the Ceylon Government stated in unequivocal terms as follows:

"I think I have said enough to make it clear to any important student of the history of this question that it was only after the Government of India had been given assurances that Indians in Ceylon enjoyed the same political rights at the time as other classes of His Majesty's subjects, that they approved of the issue of the notification of 1923 permitting emigration to Ceylon and specifying the terms and conditions on which it would be allowed."

It is very unfortunate that in spite of all the close ties that exist between the two countries and specific and repeated assurances that the Government of Ceylon should seek to embitter and endanger our relations. While I fully agree that the draft agreement with Ceylon is not so bad as that with Burma, I have to point out emphatically that it is only a shade less so.

The report of the Indian and Ceylonese delegations has rightly been styled as a "Pandora's Box". The amount of mischief that it could give rise to is simply enormous. The agreement divides Indians resident in Ceylon into a number of categories imposing multitudinous artificial restrictions on their employment and re-entry. In effect, the agreement refuses to recognise as citizens many Indians who have made the island their permanent home. The grant of whole citizenship rights has been restricted to only those who can establish a domicile of origin. Very few Indians will ever come under this qualification clause. A domicile of choice has been offered to other Indians. Domicile of choice has to be established in a court of law and it is seriously contended that it is not possible for many thousands of Indians, most of whom are illiterate to do so. The insincerity behind this clause is simply obnoxious. What is worse, even those who get a domicile of choice are not to get full citizenship rights, nor share in the benefit of the Land Development Ordinance.

nor be eligible for service under the Government of Ceylon. Those who can prove that they are long established in Ceylon and fulfil prescribed conditions are to be given what are called "Certificates of Permanent Settlement". Such certificates have very little value. Barely their right to reside in Ceylon and earn a living is conceded under these provisions. Again, such certificates are to be granted only to those who can prove that they can support themselves or have means of livelihood. In effect, this measure means that even if a person gets temporarily out of employment, his position is simply precarious. These precious certificates further would be rendered void if their holders stay away at any time from the island for a period of 12 months! The most nefarious part of these provisions is the disability that it imposes on the children of persons permanently settled up. Their children could acquire no definite status.

Indians residing in the island under three years and the future entrants, are constituted in a class of helots with no political rights in the country. Sir, I have only mentioned some of the very grave defects. I am sure, however, that with the Honourable Mr. M. S. Aney, the popular Indian Overseas Member, and with the sympathetic attitude of our Government, we would be able to convince the Ceylon Government of the rights and privileges of Indians over there. I do hope that fresh negotiations would be conducted under more auspicious circumstances and an agreement fully in consonance with the status and dignity of this country would be entered into.

Sardar Sant Singh: Sir, I intervene in this debate with a view to make a few observations which strike me as very necessary in order to reach certain definite conclusions. The Honourable the Leader of the House in his admirable speech gave us a very good piece of direction which is in the interests of India, Burma as well as Ceylon. It was only till lately that all these three parts were comprised in one country, namely, India. As a matter of fact, from their geographical positions, too, Ceylon, Burma and India constitute one country and as such it is in the interests of all that the economic and political problems that come up before these countries for their separate consumption should be treated as one consolidated whole. In this particular case, the grievance of Indians in Ceylon is directed against two Governments. First, is the grievance against the Government of India and secondly the grievance against the Government of Ceylon. As regards the grievance against the Government of India their position is that from very early stages the Government of India had very strong grounds to refuse to enter into any agreement with the Government of Ceylon. As early as June 1930, the Secretary of State for the Colonies in his telegram stated that "His Majesty's Government wishes to make it clear that there is no intention of repealing or amending to the detriment of Indians any of the laws of Ceylon affecting their position or privileges". That is a remark worthy of consideration in the present connection. In this remark the position of Ceylon and India has been defined in relation to each other. Later on, His Excellency the Governor of Ceylon in his message again repeated the same principle. The message has been read by the Honourable the Leader of the House when he introduced this motion; and I am not, therefore, going to repeat it. In that message too, the position taken up by the Governor of Ceylon was that unless the Government of India agree to certain changes being made, no changes will be sanctioned by him as a Governor of that colony. Similarly, when the people of

[Sardar Sant Singh.]

Ceylon tried to explain away this portion of His Excellency the Governor's message, by stating that these conditions or statements did not constitute undertakings on behalf of Ceylon to the Government of India, but they constituted only pieces of information. We do not know what the expression precisely means, we do not know what the Board of Ministers intended to convey by the expression pieces of information. But the Board did not accept the same as undertakings given to the Government of India. His Excellency the Governor was very clear on that point when he made a reply to this representation of the Board of Ministers. He said that:

"By virtue of Emigration Act India placed herself in the position of being able to assure to such of her nationals as emigrated to any country the political and other conditions which such Indians would enjoy there. Before allowing further emigration of assisted labourers to Ceylon plantations she accordingly addressed questions to the Ceylon Government in regard to *all classes* of immigrants on the replies to which depended her approval of such emigration. To maintain that the replies were mere statements of contemporaneous circumstances, and not undertakings as to the conditions which emigrants would enjoy here, is to stultify both question and answer, and to ignore the purpose of the Indian Emigration Act itself."

These are very clear expressions of views. So, when the Government of India decided to enter into an agreement with the Government of Ceylon, they forgot that they held very strong trenches in which they could have said that they did not want to make any changes in the political relations of Ceylon and India so far as emigration was concerned. But the Government of India did not take up that position. The Government of India agreed to enter into negotiations, and so the position which they could have taken up was not taken up.

The second grievance against the Government of India, which I can understand from the papers that have been supplied to us, is that the Delegation which entered into negotiations with the Government of Ceylon did not safeguard the interests of Indians in Ceylon to the extent they should have done. This is one part of the question. The second part of the question is about the Government of Ceylon. The Government of Ceylon and the Ceylonese Ministers should pay greater regard to their relations with India. After all, we belong to the same race and culture. I would not personally approve of any sanction being applied to our brothers who are living under similar circumstances as we do in India. So, so far as Ceylon is concerned, if our political separation has come about, time may come when our political separation may end in our political re-union. We should not forget that contingency which is likely to arise later on. With the world as it is today, with the forces of violence that have come into existence, and the military weapons that are actually being made use of in all the theatres of war in Europe, it is not too much to suppose that the time may soon come when all our neighbouring countries will have to unite against foreign aggression. In such a contingency Ceylon will not be able to defend herself without the help of neighbouring countries, like India. Therefore, Sir, I would draw the attention of those who are responsible for carrying on the administration in our sister country like Ceylon that they should not forget that though territorial nationalism has come into existence and we ourselves are actuated by that nationalism today, this territorial nationalism should not be allowed to go to that extent as to harm each other; particularly so when economic interests on a much bigger scale have to be defended against those aliens who have made

serious inroads upon our economic life. Emigration of Indians to Ceylon is not such a great economic danger compared to the other danger which is of a more lasting and permanent nature. Therefore, I would ask our friends in Ceylon not to be carried away by territorial nationalism against Indians. They should look to bigger political issues which are facing both the countries at the present time. We both are fighting for our freedom. Our struggle is still in its infancy, and we should not waste our energies in fighting each other, but we should direct our attention to secure our political emancipation at the first available opportunity. With this background, Sir, I would ask the Ceylon Government that they should, in dealing with this matter, consider the desirability of maintaining friendly relations with India, even though it may cost them a bit from an economic point of view.

Now, Sir, I come to the various items which are mentioned in the Joint Report. These have been commented upon by various speakers who have preceded me. I feel, in the first place, that those Indians who have settled there for a long time should have the same rights and privileges as other nationals who have settled there. To prescribe conditions of permanent domicile or of settlement and then placing the onus of proof on such illiterate immigrants which onus is difficult to discharge in a court of law will practically amount to expropriation of Indians from Ceylon. That should not be the case. The issue is very simple. Indians have been living in Ceylon for a long time, they were invited there to meet the needs of Ceylon, they developed that country to a large extent. Therefore, adequate and unrestricted facilities should be provided to such of the Indians who wish to make Ceylon their home. There are certain points which have been made, and rightly made, by some of the speakers during the debate, and one of them is, that India and Indians overseas are not enjoying that freedom which other nationals enjoy in those countries, and that gives us good cause for irritation when our own brothers in countries like Burma and Ceylon try to impose conditions upon Indians. I would ask that in coming to a settlement in any agreed formula, we should show toleration towards Ceylonese sentiment, and we should expect that Ceylon will also reciprocate the same sentiment towards us. In this House three Resolutions have been moved, but now I can say that both the Parties have come to an agreed formula which Sir Henry Gidney will place before this House

Mr. President (The Honourable Sir Abdur Rahim): I cannot allow any such amendment to be moved now. Unless the notice of such amendment is circulated. I cannot allow a fresh amendment to be moved at this stage. Unless the Parties agree, unless every Member agrees that it may be discussed, I cannot allow

Sardar Sant Singh: I do not think any Party objects to that.

Mr. President (The Honourable Sir Abdur Rahim): I do not know that

Lieut.-Colonel Sir Henry Gidney: On a point of explanation, Sir

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already spoken.

[Mr. Husenbhai Abdullabhai Laljee.]

and it is India and its taxpayer that has helped to keep a large standing army for the protection of colonies and islands far away from India but it has come to that it has been for the interests of everybody except we Indians. I do not want to take further time, but I do wish to say that the three amendments that have been placed before the House have been very carefully gone into. The object and principle is the same. In fact, I find there is very little difference, except in the wording. The principle enunciated in all these three amendments is the same. The points and details stated therein are also the same. The Honourable the Leader of the House has rightly put that this matter is one in which statesmanship is required and a cool mind and long vision to have further negotiation in the matter. The worthy leaders of the two Parties existing here have put their heads together and are preparing an amendment with the object of

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must confine himself to the amendment before the House. Notice must be given of all amendments.

Mr. Husenbhai Abdullabhai Laljee: The proposal that is put forward, our amendment which would be better than my amendment and I honestly feel it would be better than my own amendment.

Mr. President (The Honourable Sir Abdur Rahim): That may be so. It may be much better than yours.

Mr. Husenbhai Abdullabhai Laljee: Well, Sir, I should appeal to the Chair to give us sometime for all the Parties to meet . . .

Mr. President (The Honourable Sir Abdur Rahim): This day is set apart for this motion and another motion. I cannot disarrange the business of the Government. That is for the Government to decide.

Mr. Husenbhai Abdullabhai Laljee: I quite agree. If the Leader of the House agrees, then only you will agree.

In that case, I will continue with the few remarks that I have got yet to make. The point that I was making was that the Government should consider very seriously the proposition whether we should make any more agreement with Burma and Ceylon, or whether it would not be advisable that we should drop these and arrange at once employment for our people. I will say and I maintain that there is lot of employment for our people here, and we ought not to allow our people to go out. The people employed in tea and coffee estates in Ceylon are specialists and they form experienced labour and they should be very useful to our country. I should not like my countrymen to remain outside to be exploited by somebody else and put in a position of dishonour. The Government of India had no trouble so far as the Ceylon Government is concerned, right up to the year 1930. The troubles are of recent growth. We must blame ourselves also to a large extent for allowing these things to go on until 1940 when we took some definite

step. I do hope that so far as this country is concerned, we are not in need of anything from Ceylon or Burma. They have been with us. We have treated them fairly. We have no force behind us. There is no magistrate, police or military behind us to extract anything from these people. We have been living as brethren. We have been contributory to their prosperity. We cannot force anything out of them unduly. If even then we are not required we ought not to go a-begging. It is not that they do not want Indians. They want Indians as slaves. I cannot believe that they would enter into any agreement with us, if they can avoid it. The truth is that they want Indians as slaves and I feel we ought not and shall not allow that.

Who can deny that there is enough work in this country to absorb these few lakhs of our countrymen now remaining in Ceylon. We must be strong enough to deal with the matter fairly and squarely. We have been honourable friends with them and we do not want to part company with them but they must recognise our rights. Now, Sir, I remember one thing. There is a small island near Aden, a French possession called Dejebuti. The people who live there are of Arab origin. If a child is born there, he gets the right of citizenship and as such he is entitled to be elected President of the Republic of France. Then I ask why should the birthright of an Indian, whether he be in France, England or India or Ceylon or Burma, be treated differently?

Then there is another point also. We have seen that in lands belonging to France and England in African Ports, in the case of people living in one part of the British colonies and people living in the other part of the French colonies, if the children are born in one or the other places, they have the right of belonging to the country where they were born and when the child became a major, although he may be earning his bread in the other part of the country, he was called upon to serve the country of his birth. If that was the principle generally acted upon in all the civilised world, why should it be denied to Indians in Ceylon? The British Government is rightly entitled to call any Britisher for service, whether he be in India or anywhere, if he is born in England. They can conscribe him if conscription is ordered. In like manner, if an Indian has his child born in England, the same thing would apply to him in any other part of the country. That would be quite consistent with international and moral law. It is only in the case of Indians in Ceylon and Burma and colonies that this British Government which claims and rightly too that it stands for democracy throughout the world that an Indian subject is not to be accorded the status of a human being as understood in civilised world.

Then, another and a very important thing I want to say is this. I should like my friends in Ceylon and Burma to remember this. Besides the question of defence and all that is vital with regard to our Indian labour, they have got to remember that talking of Dominion Status or autonomy or any such thing would be an impossible thing with them, if they were not neighbours of India. They would be treated like the people in Aden or, if I may say so, as soon as the Andaman and Nicobar Islands are separated from India, they would be treated as the people of those Islands. Thanks to their being neighbours of India, they can speak of liberty. Ceylon, like Burma, is a small country with no army, no resources and yet claiming all the rights not only of autonomy but

[Mr. Husenbhai Abdullabhai Laljee.]

of Dominion Status and sometimes even more. This is all due to the fact that it is so near India. Let me tell them that it is in their interest that our country has never tried to conquer anybody outside its borders. Otherwise, Ceylon and Burma which were conquered in our name would never have been allowed to be separated so easily as was done in the Houses of Parliament. They were conquered by somebody in our name and yet when they wanted separation from us, we never raised any objection. Neighbours of this kind who have always come forward to do their best for them and who have treated them on terms of equality should not be treated in any way but on equal terms.

Now, so far as the imports and exports of this country are concerned, let me point out to this Government that the only thing that we should do is as they do not want our men, therefore, we do not want to take any of their raw produce. The greatest of their raw produce is the coconut which is worth a crore of rupees. We can very well replace it; we do not want it. But we also would tell them that we shall not allow our Government to make any agreement or international understanding whereby the quota of tea or coffee or sugar from India and tea, coffee and rubber from Ceylon is adjusted but that it should be broken off. It has been done for various reasons. In fact, my Government, in order to get for colonies and dominions more coffee quota or rubber quota or otherwise, have agreed to the export of sugar being stopped. Is that fair? Is that reputable? Still, we have yet made no distinction between an Indian and a Ceylonese and we have not taken up those matters seriously.

But after all is said and done and if we are going to be neglected and if we are not going to be treated as equals, then in that case I do hope that my Government will take at once even these economic measures into consideration and should see that in bringing about any agreements hereafter the interests of India and the interests of other Colonies will only be guided by the fact that the facilities that are allowed to Indians to live and to trade in those countries are also taken into consideration. In fact, in many places we have heard that when purchases have been made by one country from the other, clauses have been put in to the effect that they will have apprentices and that they will give a monopoly up to a certain quantity for years together to a certain country, and if the markets went down, they will give concessions and refund. All these considerations, when trade and other agreements are entered into by a civilized Government in the interests of their nationals, are taken into account. In any trade agreement that my Government has made with any foreign country, I have never found that any provision in this regard has been made for the nationals of this country. Take the trade agreement with Japan, Burma, Ceylon or any other country, no provision whatsoever has been made with regard to the status of the nationals of this country, far less for apprentices or others. If they are all going to have this sort of legislation, it will be our bounden duty to have such measures against them as also defence and others including economic taken in our own country. It does not lie with the Government to say that for any reason whatsoever we ought to give in everything and also the honour of the country. Throughout these negotiations we do not understand why all this hurry has taken place. A great war is going on and even in the midst of this great war agreements are being made

which affect very seriously the conditions of Indians in Burma, Ceylon and other places. This thing ought to be carefully considered. If the Government do think that there should be agreements made between the people of the Empire, let them be made on fair and equitable basis. Let the Government ask the Government at home to impress upon all the Dominions and Colonies and Islands to treat Indians as equals and I assure you that we shall always be glad to accord to them treatment as equals. I do hope that the Honourable the Leader of the House will assure us that the Government will do their level best to preserve our honour and to get us our equal rights which we deserve.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Mr. President, the story of Indians abroad is a story of humiliations, insults and continuous kicking by the outsiders. It is very good for the Government and we have to thank the Government because they have extended their hand and want to take us into their confidence. But I have been wondering as to what is that confidence that is being reposed in us. We are being asked as to what is our opinion with regard to the Indo-Ceylonese Agreement. The question is—What is Ceylon? Ceylon is a small island attached to India. Before it came under the domination of the British, it was part of India. Whatever improvements there are in Ceylon today were made from men and material of India. So far as the foreign policy or defence is concerned, Ceylon had neither the resources nor the material to be an independent country by itself. It was India and India alone of which Ceylon was a part, that helped to make Ceylon what it is today. We had lately a debate on Indo-Burma Agreement. I do not want to say anything about that. I say that instead of this Government asking us again and again as to what we thought of the Indo-Burma Agreement or the Indo-Ceylon Agreement, they should understand our point of view, that is that we should be treated as equals throughout the whole of Commonwealth, if there is any Commonwealth at all as is claimed by the Government. Have they come to any agreement so far as Ceylon is concerned, as to the British people who are going there? Have they come to any agreement with the Burma Government regarding the English people who are going there? Have they come to any agreement with the Australian Government for the army officers that the Government of India are recruiting to the Indian Army? Have they entered into any agreement with Canada so far as the British people are concerned? Now, Sir, they say it is a Commonwealth. If it is a Commonwealth, then all the Members of the Commonwealth must have equal rights. If Australians are recruited to the Indian Army as officers, then Indians must have the right to be recruited to the army in Australia. If we really claim that there is a Commonwealth, then there can be no question that all people living in that Commonwealth must be meted out equal treatment.

Now, Sir, we are asked as to whether this Agreement is acceptable to Indians or not. My submission is that this Agreement is a negation of the equality which Indians aspire and claim as residents of British India and as residents of the Commonwealth. Much argument is not needed to say that the humble position which they occupy in this Agreement cannot be tolerated. Instead of asking us to give detailed recommendations about particular agreements, the only way we can deal with the problem is that they solve the whole question of mutual rights and

[Qazi Muhammad Ahmad Kazmi.]

liabilities of the residents of the so-called British Commonwealth. If there is any complaint of exploitation, let that exploitation be stopped for ever. Let there be no exploitation by one member of the family of another member of the family. If it is going to be any mutual co-operation, then it must be established on that basis. But so far as Ceylon and Burma are concerned, and especially Ceylon, my view is that Ceylon is only a part of India. Irrespective of the fact that it is a part of the Commonwealth, it cannot be claimed that Ceylon is anything else but a part of India. It is for the Government of India to come to a definite conclusion that every Indian must be treated as a Ceylonese is to be treated by the Ceylon Government. How is it that after India expands, they make a separate Government for Ceylon; after India has expanded they made a separate Government for Burma and created new problems. These problems are all the creation of the Government themselves. Aden was formerly a part of India, recently they detached it from India and after the detachment of every part, new problems arise. Why do they not consider these problems before they separate these parts and give them power to make their own legislation or to carry on their work and business.

Sir F. E. James: Since my Honourable friend has detached himself from the Muslim League, he has also created a problem!

Qazi Muhammad Ahmad Kazmi: The Muslim League is not here today for me to address them.

So far as Ceylon is concerned, I do not think any problem exists. The question is how this powerful Government of India which do things with great force so far as Indians are concerned here in India do not take a strong attitude with regard to Ceylon. The Government of India look to what the Ceylon Government might say, whether they will accept or not accept the proposition put forward by them, and so on. Have not the Government of India got powers, have they not got the force behind them, I do not mean military power, I am referring to economic power, financial power to stop financial help to Ceylon in the form of taking its products. Ceylon is a very small place and it depends so much upon Indian capital and Indian labour for her prosperity. If India refused to accept exports from Ceylon, then Ceylon will be starved and all her financial prosperity will be gone.

Mr. President (The Honourable Sir Abdur Rahim): I must remind Honourable Members that this day has been set apart for two motions. The House has been discussing till now only one motion regarding the Ceylon Agreement. There is another motion which has not been moved. I do not know whether the Honourable the Leader of the House may not reply to the debate. He may or he may not. But anyway, I understand that it is the desire of the House that this debate should be concluded today.

Dr. P. N. Banerjea: No, Sir, the debate will continue tomorrow.

Mr. President (The Honourable Sir Abdur Rahim): It is for the Government to decide. The Government have not expressed any desire that the debate should be continued tomorrow.

Qazi Muhammad Ahmad Kazmi: I would not take up much of the time of the House. I will summarise my standpoint by saying that any agreement in which Indians are not given the same rights as those given to the people of Ceylon cannot be accepted. With these words, I support the amendment.

Some Honourable Members: The question be now put.

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

"That the question be now put."

The Assembly divided:

AYES—37.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Aiyar, Mr. T. S. Sankara.
Aney, The Honourable Mr. M. S.
Bewoor, Sir Gurusnath.
Boyle, Mr. J. D.
Buss, Mr. L. C.
Caroe, Mr. O. K.
Clow, The Honourable Sir Andrew.
Daga, Seth Sunderlal.
Dalal, Dr. R. D.
Dalpat Singh, Sardar Bahadur Captain.
Dehejia, Mr. V. T.
Gidney, Lieut.-Colonel Sir Henry.
Gwilt, Mr. E. L. C.
Ikramullah, Mr. Muhammad.
Imam, Mr. Saiyid Haider.
Ismail Ali Khan, Kunwar Hajee.
James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.

Kamaluddin Ahmed, Shams-ul-Ulema.
Kushalpal Singh, Raja Bahadur.
Lawson, Mr. C. P.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Mody, The Honourable Sir H. P.
Muazzam Sahib Bahadur, Mr. Muhammad.
Pai, Mr. A. V.
Rahman, Lieut.-Colonel M. A.
Raisman, The Honourable Sir Jeremy.
Scott, Mr. J. Ramsay.
Shahban, Khan Bahadur Mian Ghulam Kadir Muhammad.
Sivaraj, Rao Sahib N.
Spence, Sir George.
Sultan Ahmad, The Honourable Sir.
Thakur Singh, Captain.
Tyson, Mr. J. D.

NOES—14.

Abdul Rasheed Chaudhury, Maulvi.
Banerjea, Dr. P. N.
Chattopadhyaya, Mr. Amarendra Nath.
Dam, Mr. Ananga Mohan.
Das, Pandit Nilakantha.
Datta, Mr. Akhil Chandra.
Deshmukh, Mr. Govind V.

Ghiasuddin, Mr. M.
Lalchand Navalrai, Mr.
Maitra, Pandit Lakshmi Kanta.
Mehta, Mr. Jamnadas M.
Muhammad Ahmad Kazmi, Qazi.
Parma Nand, Bhai.
Sant Singh, Sardar.

The motion was adopted.

The Honourable Mr. M. S. Aney: My reply is very short and I do not think there is time enough to give a long reply and to detain the House. The debate has brought to notice the points to which the Honourable Members of this House take objection in the proposals which are under consideration of the House. Firstly, I find that serious objection has been taken by a certain Member for the period of franchise being raised in certain cases from five years to seven years. I also find that a good deal

[Mr. M. S. Aney.]

of grievance is felt by certain Members on the fact that the holders of a permanent certificate would not be entitled to the full right of citizenship; even their sons and grandsons are not entitled to the rights of citizenship. That is a point on which strong opinion has been expressed. Secondly, I find that some Members have echoed the opinion that the clause which purports to retain unamended all discriminatory legislation made in the past also calls for severe criticism. But they should also bear in mind one thing which is to their advantage; namely, the agreement provides for immunity from such legislation in future. The fact that that clause is there does not in the opinion of some compensate for the evil which exists in the form of retaining discriminatory legislation already made.

Then, I find that there is a good deal of complaint about quota system. Besides, the condition relating to the status of permanent certificate holders being lost owing to absence for twelve months from Ceylon is also criticised. Of course, there are other points, particularly the clause referring to registration. About this matter my friend, Dr. Banerjea, seems to be under a misapprehension. This clause relating to registration in the proposals is of an optional nature. It shall be made compulsory only if it is to be of a general nature applicable to all, but otherwise it is of an optional nature. These are some of the important points which strike me in the debate as calling for special notice. I can only say this much that Government have an open mind. It is for the House to make up their mind on any of the amendments they have discussed. Government Members shall not vote on the amendments and shall leave the House free to come to its own decision.

Mr. President (The Honourable Sir Abdur Rahim): Does the Honourable Member, Mr. Jamnadas Mehta, want the question to be put on his amendment?

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhamadan Rural): Yes, Sir.

Mr. Husenbhai Abdullabhai Laljee: On a point of order, may I submit, Sir, that the last amendment may be put first.

Mr. President (The Honourable Sir Abdur Rahim): No. The Honourable Mr. Mehta's amendment will come first.

The question is:

"That for the original motion, the following be substituted:

"That this Assembly is of opinion that the Joint Report of the Delegations of the Governments of India and Ceylon is a violation of the undertakings and promises assuring to Indians full rights of citizenships on a footing of equality with the indigenous population of the country, and unfairly discriminates against them in respect of—

- (1) entry,
- (2) franchise,
- (3) holding of lands,
- (4) employment, and
- (5) occupation,

and, particularly, with reference to the right of entry, in a manner which is humiliating to the self-respect of Indian nationals and injurious to their economic interests.

This Assembly is further of opinion that in the world crisis of the present War, the proposals formulated in the Report are highly prejudicial to the solidarity of the British Commonwealth.

This Assembly, therefore, recommends to the Governor General in Council not to implement the proposals made in the Report and to carry on, if necessary, further negotiations with the Ceylon Government, with a view to removing the discriminatory features of the said Report in consultation with the interests concerned and to the satisfaction of the Assembly."

The Assembly divided:

AYES—12.

Banerjea, Dr. P. N.
Chattopadhyaya, Mr. Amarendra Nath.
Dam, Mr. Ananga Mohan.
Das, Pandit Nilakantha.
Datta, Mr. Akhil Chandra.
Deshmukh, Mr. Govind V.

Lalchand Navalrai, Mr.
Maitra, Pandit Lakshmi Kanta.
Mehta, Mr. Jamnadas M.
Muhammad Ahmad Kazmi, Qazi.
Parma Nand, Bhai.
Sant Singh, Sardar.

NOES—15.

Abdur Rasheed Chaudhury, Maulvi.
Boyle, Mr. J. D.
Buss, Mr. L. C.
Ghiasuddin, Mr. M.
Gidney, Lieut.-Colonel Sir Henry.
Gwilt, Mr. E. L. C.
James, Sir F. E.
Kamaulddin Ahmed, Shams-ul-Ulema.

Kushalpal Singh, Raja Bahadur.
Laljee, Mr. Husenbhai Abdullabhai.
Lawson, Mr. C. P.
Miller, Mr. C. C.
Scott, Mr. J. Ramsay.
Shahban, Khan Bahadur Mian
Ghulam Kadir Muhammad.
Sivaraj, Rao Sahib N.

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The next one is the amendment moved by Dr. Banerjea

Dr. P. N. Banerjea: Sir, I ask for leave to withdraw my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Has Dr. Banerjea the leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Sir Abdur Rahim): The next one is by Mr. Husenbhai Abdullabhai Laljee: The question is:

"That for the original motion, the following be substituted:

"That this Assembly after having taken into consideration the Joint Report of the Delegations of the Governments of India and Ceylon, is of the opinion:

- (i) that Indians in Ceylon on the prescribed date of agreement and those who have been residents in Ceylon within a specified period before the date of the Agreement should have freedom of entry into Ceylon and no regional and occupational restrictions should be imposed upon them and that they should be entitled to full rights of citizenship on completion of the prescribed period;
- (ii) that, for the future, provisions are made for entry and occupations so that the trade interests of Indians are safeguarded and that unskilled labourers permitted to emigrate are assured of freedom of movement and choice of employment and opportunity to acquire full citizenship rights."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 18th November, 1941.

LEGISLATIVE ASSEMBLY.

Tuesday, 18th November, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

FIRMS SUPPLYING TENTAGE TO THE SUPPLY DEPARTMENT.

190. *Sardar Sant Singh (on behalf of Sir Abdul Halim Ghuznavi): (a) Will the Honourable Member for Supply please state the names and places of business of the firms which have supplied tentage to the Supply Department during the War?

(b) How many of them carry on business in Northern India, *i.e.*, the Punjab, Rajputana, United Provinces, Bihar and Bengal, and how many of them carry on business in Bombay and the neighbouring districts?

The Honourable Sir H. P. Mody: (a) A statement is placed on the table.

(b) Of the 57 contractors mentioned in the statement, 43 carry on business in Northern India as defined in the Honourable Member's question.

Statement showing Names and Places of Business of Suppliers of Tentage.

Names and Addresses of firms.

Places of Business.

Upper India.

- | | |
|---|-------------------------|
| 1. Messrs. H. Chiraghdin Mohd. Din & Sons, 146, Ravi Road, Lahore | Lahore. |
| 2. Messrs. Rooldoo Mohd. Din & Co., 10, Circular Road, Lahore | Lahore. |
| 3. Messrs. H. Nizamudin & Sons, Post Box 169, Ganga Ashram Bldg., Ravi Road, Lahore | Lahore. |
| 4. Messrs. Udham Singh Ghulam Mohammed Ltd., 22, Empress Road, Lahore | Lahore. |
| 5. Messrs. H. Ghulam Mohiuddin & Sons, 64, Circular Road, Lahore | Lahore. |
| 6. Messrs. Syed A. & M. Wazir Ali & Sons, "Ashiana", Lahore | Delhi and Ferozepore. |
| 7. Messrs. Dalchand & Sons, Ferozepore | Fazilka and Ferozepore. |
| 8. Messrs. Jamaluddin & Sons, Basti Nau, Jullunder City | Jullundur. |

Names and Addresses of firms.	Places of Business.
<i>Upper India.</i>	
9. Messrs. K. D. Bootasingh & Co., Saidpuri Road, Rawalpindi	Rawalpindi.
10. Messrs. Delhi Cloth & General Mills Co. Ltd., Delhi	Delhi, Lyallpur and Cawnpore.
11. Messrs. R. B. S. Narain Singh & Sons, 2, Curzon Road, New Delhi	Delhi Shahdara.
12. Messrs. R. B. Bootasingh's Sons & Co., Roshanara Mansions, Roshanara Road, Subzimandi, Delhi	Delhi.
13. Messrs. R. B. Melaram's Sons & Co., Roshanara Road, Delhi	Delhi.
14. Messrs. K. B. Raja Akbar Ali & Sons, 5, Barakhamba Road, New Delhi	Delhi.
15. Messrs. Padam Chand & Co., "Anarbagh", Roshanara Road, Delhi	Delhi.
16. Messrs. D. M. Malik & Co., Post Box No. 20, Delhi	Delhi.
17. Messrs. Delhi Tent & General Manufacturing Co., 12, Curzon Road, New Delhi	Delhi Shahdara.
18. Messrs. Birla Cotton Spinning & Weaving Mills Ltd., Delhi	Birla Lines, Delhi.
19. Messrs. Bootasingh Mookerjee & Co. Ltd., Scindia House, Connaught Circus, New Delhi	Delhi.
20. Messrs. Bashesharnath & Co., 15, Barakhamba Road, New Delhi	Delhi and Cawnpore.
21. Messrs. S. Surjit Singh, 18, Hailey Road, New Delhi	Meerut.
22. Messrs. K. S. Malik & Sons, 36, Queensway, New Delhi	Meerut.
23. Messrs. H. Bevis & Co., Cawnpore	Cawnpore.
24. Messrs. Muir Mills Co. Ltd., Cawnpore	Cawnpore.
25. Messrs. Elgin Mills Co. Ltd., Cawnpore	Cawnpore.
26. Messrs. Cawnpore Dyeing & Cloth Printing Co. Ltd., Cawnpore	Cawnpore.
27. Messrs. India Supplies, Kamla Tower, Cawnpore	Cawnpore.
28. Messrs. Jawahar Tent Factory, Agra	Agra.
29. Messrs. Pooranchand & Co., Government Contractors, Agra	Agra.
30. Messrs. Shiamlal Chimanlal, Bansdarwaza, Agra	Agra.
31. Messrs. Kedarnath Shubkaran, Belanganj, Agra	Agra.
32. Messrs. Lakmichand & Co., Daulat Nivas, Agra	Agra.
33. Messrs. Equipment Supply Syndicate, Lucknow	Lucknow.
34. Messrs. R. C. Cotton Mills Ltd., Talkatora, Lucknow	Lucknow.
35. Messrs. Superintendent Central Jail, Fatehgarh	Fatehgarh.
36. Messrs. R. B. Anandswarup & Sons, Muzaffarnagar	Muzaffarnagar.
37. Messrs. Grant Choudhri Bharat Singh & Co., Scindia House, Connaught Circus, New Delhi	Muttra.
38. Messrs. Indian Suppliers Ltd., Nai Sarak, Clock Tower, Delhi	Tundla, U. P.
39. Messrs. Madhoprashad Manmohan Das, Rani Mandi, Allahabad	Allahabad.
40. Messrs. Bengal Tent Factories Ltd., 100, Clive Street, Calcutta	Calcutta.
41. Messrs. Karam Chand Thaper & Bros. Ltd., 5, Royal Exchange Place, Calcutta	Calcutta.

Names and Addresses of firms.	Places of Business.
<i>Upper India.</i>	
42. Messrs. N. Hasan & Sons, Ali Manzil, Fraser Road, Patna	Patna.
43. Messrs. Rampur Tent & Army Equipment & Co., Rampur	Rampur.
<i>Central India Area.</i>	
1. Messrs. Bombay Tent Co., Taj Mahal, Bhopal	Bhopal.
2. Messrs. Gwalior Leather Factory, Tannery & Tent Factory, Morar, Gwalior	Morar, Gwalior.
3. Messrs. Modern Tent Manufacturing Co., (Alwar) 11, Curzon Road, New Delhi	Alwar.
4. Messrs. Kalyanmal Mills Ltd., C/o Messrs. Wallia Bros., Delhi, 108, Daryaganj	Indore.
5. Messrs. Rajkumar Mills Ltd., C/o S. Pratap Singh, 31, Connaught Circus, New Delhi	Indore.
<i>Bombay & South India.</i>	
1. Messrs. Malakram Daulatram, 7, Hailey Road, New Delhi	Bombay.
2. Messrs. M. Allahbux & Co., Sir Vithaldas Chambers, Apollo Street, Fort, Bombay	Bombay.
3. Messrs. Ladha Singh Bedi & Sons, 4, Boat Club Road, Poona	Poona.
4. Messrs. Hooseinbhoj Abdullahbhoj Laljee & Co., Naisari Buildings, Fort, Bombay	Poona.
5. Messrs. K. M. D. Thackersey, C/o Thackersey & Co., Apollo Street, Fort, Bombay	Poona.
6. Messrs. Sholapur Spinning & Weaving Co., Ltd., Sholapur	Sholapur.
7. Messrs. K. B. Ahmed Alladin & Co., Alladin Buildings, Secunderabad (Deccan)	Secunderabad.
8. Messrs. The South India Corporation, Mattancheri, Cochin (S. India)	Cochin.
9. Messrs. Aspinwall & Co. (Travancore) Ltd., Alleppey, Malabar Coast, South India	Alleppey.

TRANSFER OF THE SECTIONS OF THE PURCHASE ORGANISATION OF THE SUPPLY DEPARTMENT DEALING WITH TENTAGE TO BOMBAY.

191. *Sardar Sant Singh (on behalf of Sir Abdul Halim Ghuznavi): (a) Will the Honourable the Supply Member please state whether it is a fact that the sections of the Purchase organisation of the Supply Department dealing with tentage have been transferred to Bombay, and if so, what are the reasons for the transfer?

(b) Is the Honourable Member aware that this transfer is likely to cause great inconvenience and hardship to suppliers of tentage who carry on business in Northern India, and has caused widespread disappointment among them?

(c) Will the Honourable Member please state how much of the Dosootie cloth required for the fabrication of tents for which orders have been placed with the contractors by the Supply Department has been

supplied by mills situated in Northern India, i.e., the Punjab, the United Provinces, Bihar and Bengal, and how much of it has been supplied by the mills situated in Bombay and the neighbouring districts?

(d) In view of the consideration referred to in parts (a) and (b) of the question, will the Honourable Member please state whether he is prepared to re-transfer the sections dealing with tentage to Delhi?

The Honourable Sir H. P. Mody: (a) Yes. The reason is that tentage is a relatively small part of the Supply Department's requirements of cotton textiles, and when it was found expedient to transfer the Cotton Textiles Directorate to Bombay, it was thought unwise to dissociate the tentage section from it.

(b) I am aware that the transfer is disliked by Northern India interests, but as decisions relating to the award of contracts for the supply of tentage continue to be made at Delhi, the transfer should not cause any special inconvenience or hardship to suppliers who carry on business in Northern India.

(c) Owing to the fact that some orders cover complete tentage and others fabrication from material supplied by Government, it is impossible to state the proportions supplied from different areas.

(d) The change has only just been made, but I am prepared to consider the matter when the new organization at Bombay has settled down to its work.

Sardar Sant Singh: Will the Honourable Member please state if it is a fact that about 80 per cent. of the tentage is done in Northern India?

The Honourable Sir H. P. Mody: I have already answered that question. I am placing a statement on the table which will show that a great deal of tentage is being manufactured in Northern India.

ASSAMESE ON THE ASSAM-BENGAL RAILWAY.

192. *Mr. Ananga Mohan Dam: (a) Will the Honourable Member for Railways and Communications state the total number of employees, both in the superior and inferior cadres, of the Assam-Bengal Railway?

(b) How many of them are from the Province of Assam, stating separately the numbers of the Surma Valley and Assam Valley employees?

The Honourable Sir Andrew Clow: (a) On 31st March, 1941, there were 16,967 employees.

(b) I have no information.

ASSAMESE IN THE POSTS AND TELEGRAPHS DEPARTMENT IN THE ASSAM PROVINCE.

193. *Mr. Ananga Mohan Dam: Will the Honourable the Communications Member state the total number of gazetted and ministerial employees from the Surma Valley and the Assam Valley in the Province of Assam in the Posts and Telegraphs Department?

The Honourable Sir Andrew Clow: 924.

EXPEDITING CONVEYANCE OF MAILS BETWEEN SYLHET AND SHILLONG.

194. *Mr. Ananga Mohan Dam: (a) Will the Honourable the Communications Member state what has been done for expediting conveyance of mails between Sylhet and Shillong?

(b) Is the present motor service between Sylhet and Shillong unable to carry mails?

The Honourable Sir Andrew Clow: (a) Endeavours are being made to restore the arrangement for the conveyance of mails by motor between Sylhet and Shillong in consultation with the Provincial Government and the Provincial Transport Authority.

(b) No.

Mr. Lalchand Navalrai: May I know from the Honourable Member if he is aware of the fact that mails in Shillong are reaching now on the third day?

The Honourable Sir Andrew Clow: I know they are slow; I am not sure of the exact time.

Mr. Lalchand Navalrai: But why is the motor service between Sylhet and Shillong practically stopped?

The Honourable Sir Andrew Clow: I think if the Honourable Member will refer back to Maulvi Abdur Rasheed Chaudhury's question No. 53 asked a year ago, he will find a reply.

The Honourable Mr. M. S. Aney: May I ask the Honourable Member when he last visited Shillong?

GAZETTED AND MINISTERIAL OFFICERS IN THE SUPPLY DEPARTMENT.

195. *Mr. Ananga Mohan Dam: (a) Will the Honourable Member for Supply be pleased to state the total number of gazetted and ministerial officers in the Department of Supply from different Provinces?

(b) How many of them are Hindus and Muslims?

(c) How many of them are from the Province of Assam?

The Honourable Sir H. P. Mody: (a), (b) and (c). The information is being collected and will be placed on the table of the House when ready.

INCONVENIENCES BY PRESENT ARRANGEMENT OF SUPPLY OF WAGONS REGARDING SUPPLY OF COAL.

196. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable the Railway Member be pleased to state if he is aware of the inconveniences caused by the present arrangement of supply of wagons regarding supply of coal on the allotment on *pro rata* basis made against indents by collieries for up and down stations only?

(b) Is the Honourable Member aware of the fact that by this arrangement, speculators have great opportunities to sell coal at higher prices to factories and mills, which run short of coal due to poor supply of wagons?

The Honourable Sir Andrew Clow: (a) No.

(b) I am not satisfied that this system lends itself more to such speculation than any other system short of complete control over sales.

Babu Baijnath Bajoria: Is the Honourable Member aware that there is a shortage of wagons for coal supplies to Calcutta?

The Honourable Sir Andrew Clow: My information at the moment is that the shortage is not acute.

PRIORITY SUPPLY OF WAGONS TO COAL CONSUMING INDUSTRIES.

197. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Does the Honourable the Railway Member propose to arrange supply of wagons by reverting to the system of priority supply of wagons to every coal consuming industries, viz., cotton and jute mills, chemical works, tea gardens, foundries, brick-fields, etc., under classes A, B, C, D and E:

A. Public utility,

B. Shipment Bunker,

C. Mills,

D. Tea Gardens,

Chemical Works,

E. Brick-fields—Soft coke depot holders,
as was done during the last Great War?

(b) Does the Honourable Member propose to enquire into the difficulties inherent in the present method of wagon supply and take steps to improve it without delay?

The Honourable Sir Andrew Clow: (a) No: I understand that the priority supply of wagons during the last war was not quite as stated by the Honourable Member.

(b) This question has been and continues to be under constant examination and all possible steps are being taken to maintain the coal wagon supply at the maximum.

POSITION OF MUSLIM CLERICAL EMPLOYEES OF THE ASSAM BENGAL RAILWAY ON AMALGAMATION WITH EASTERN BENGAL RAILWAY.

198. ***Maulvi Abdur Rasheed Chaudhury:** (a) Will the Honourable Member for Railways be pleased to state how many Muslim and Hindu employees in the clerical cadre have been recommended to be taken in service from the present incumbents of Assam Bengal Railway on the proposed amalgamation of Assam Bengal Railway and Eastern Bengal Railway from the 1st January, 1942, and how many Hindu and Muslim employees have been excluded from the recommendations?

(b) Would the recommendation for the Muslim employees be less than the percentage fixed by Government?

(c) If so, are Government prepared to make up the percentage?

The Honourable Sir Andrew Clow: (a) I have no information but understand that the total number of staff who are not to be re-employed immediately will not be large.

(b) I have no particulars, but instructions will be issued that communal proportions now subsisting should not be disturbed by any reduction that may be necessary.

(c) It is proposed to place all those who cannot be offered re-employment on a waiting list. They will be given preference for employment in future vacancies on the Bengal and Assam Railway. There would appear to be no necessity to take any other special measures.

LEVELLING OF SCALES OF PAY, ETC., ON AMALGAMATION OF ASSAM BENGAL AND EASTERN BENGAL RAILWAYS.

199. ***Maulvi Abdur Rasheed Chaudhury:** (a) Will the Honourable the Railway Member please state whether it is a fact that the scales of pay and grade of the Eastern Bengal Railway clerical cadre are more than those of the Assam Bengal Railway?

(b) If so, does the difference remain after the amalgamation, or is it to be removed to bring the scales of pay and grade of both the Railways to the same level, after they are under the same administration?

The Honourable Sir Andrew Clow: (a) There appear to be rather more grades on the Eastern Bengal Railway than on the Assam Bengal Railway.

(b) The staff of the Assam Bengal Railway will continue to retain their present scales of pay after amalgamation.

INTRODUCING ON ASSAM BENGAL RAILWAY THE SAME CATERING SYSTEM AS PREVAILING ON STATE RAILWAYS.

200. ***Maulvi Abdur Rasheed Chaudhury:** (a) Will the Honourable the Railway Member be pleased to state whether the same policy will be followed and the same rules will be introduced in the Assam Bengal Railway as are prevailing on the other State Railways in India in respect of catering system in general and Indian stalls and refreshment rooms in particular?

(b) If the answer to part (a) above be in the negative, will the Honourable Member be pleased to state the reason therefor?

The Honourable Sir Andrew Clow: (a) and (b). The question has not been considered in detail. The policy at present applicable to State Railways has been evolved in the light of conditions on those railways and while the Government of India are not aware of any reason why the broad principles should not be applicable to other railways, they are anxious that the taking over of new railways should involve as little dislocation as possible and that methods which have proved satisfactory there should not be altered merely for the purpose of securing uniformity.

REMOVAL OF THE OFFICES OF HEADS OF DEPARTMENTS OF ASSAM BENGAL RAILWAY FROM CHITTAGONG TO CALCUTTA.

201. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable the Railway Member be pleased to state if it is a fact that the offices of the Heads of all departments of Assam Bengal Railway will be removed from Chittagong to Calcutta? If so, why?

The Honourable Sir Andrew Clow: Yes, because the Assam Bengal Railway will be amalgamated with the Eastern Bengal Railway and it is considered advantageous that the Headquarters of the combined undertaking should be in Calcutta.

REMOVAL OF THE OFFICES OF HEADS OF DEPARTMENTS OF ASSAM BENGAL RAILWAY FROM CHITTAGONG TO CALCUTTA.

202. *Maulvi Abdur Rasheed Chaudhury: (a) Will the Honourable the Railway Member please state if Government have considered the effect of this removal of offices of Heads of departments upon the importance and growth of Chittagong Port?

(b) Do Government consider this removal will best serve the public interests?

The Honourable Sir Andrew Clow: (a) and (b). The answer is in the affirmative.

NON-PROVISION OF QUARTERS TO THE CIRCLE SERVICE TELEGRAPHISTS.

203. *Maulvi Abdur Rasheed Chaudhury: Will the Honourable Member for Communications please state:

- (a) whether it is a fact that circle service telegraphists are not provided with quarters, and they are not paid any house rent;
- (b) whether quarters are provided or in the absence of them house-rent is paid to general service telegraphists;
- (c) whether it is a fact that circle service telegraphists are liable to be called to duty at any hour of the day and night like general service telegraphists; and
- (d) if so, what is the reason for this discrimination in the matter of housing and house rent?

The Honourable Sir Andrew Clow: (a), (b) and (c). Yes.

(d) The conditions of employment of the two categories are different. The provision of free quarters, or house rent in lieu thereof, was a condition of employment of General Service Telegraphists who are liable for service anywhere within His Majesty's Indian territories. Since 1930, however, no recruitment has been made on this basis. Circle Service Telegraphists are liable for service within the limits of a Postal Circle and may be called upon to proceed temporarily to any place in India only in special circumstances. They are not entitled to free quarters or house rent.

†Answer to this question laid on the table, the questioner having exhausted his quota.

RULES REGULATING SENIORITY ON EAST INDIAN RAILWAY.

204. *Qazi Muhammad Ahmad Kazmi: Has the attention of the Honourable Member for Railways been drawn to Memorandum No. 8 of the East Indian Railway Muslim Employees' Association, Moradabad? If so, will the Honourable Member be pleased to enquire and state:

- (a) whether the Honourable Member has ascertained from the East Indian Railway administration about rules regulating seniority enforced on that railway and whether the same will be placed on the table of this House; if not, why not;
- (b) whether it is true that there are no fixed rules regulating seniority and that they are often varied to suit individual cases; and
- (c) whether Government propose to take steps so that standard and fixed rules of seniority are promulgated and no departure is made from them and that they are also made available to every staff?

The Honourable Sir Andrew Clow: I have seen the Memorandum referred to.

(a) The answer is in the negative. The seniority of non-gazetted staff is a matter of detailed administration lying within the competence of General Managers.

(b) As regards the first part it is not practicable to frame a rule applicable to all groups, classes and grades and under all circumstances; as regards the second part I have no reason to believe that the facts are as stated by the Honourable Member.

(c) Government have no such orders in preparation. I would add that I believe that staff are normally aware of the method by which seniority is determined.

RULES REGULATING SENIORITY ON EAST INDIAN RAILWAY.

205. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Railway Member please state whether it is a fact that the Agent, East Indian Railway, issued general rules regulating seniority under his Minute Sheet No. A. E. 2178 on the 22nd September, 1933?

(b) Is it a fact that under the Note to Rule 1 of the said Rules, the pay of an individual is to be taken into account in determining seniority when he is given more than the minimum of the post?

(c) Is it a fact that, according to the above note if a Station Master drawing Rs. 110 pay is transferred as a Guard in the co-ordinated scale of Rs. 90—10—180, he is to be placed senior to those guards who are drawing less than Rs. 110, irrespective of the length of service in the grade or class? If not, what is the actual application of the said note?

The Honourable Sir Andrew Clow: (a) A circular was issued on that date, but I do not know if it applied to all Departments.

(b) Yes.

(c) The seniority of non-gazetted staff is a matter within the competence of General Managers, and on the basis of such information as is at my disposal I cannot advise on individual cases of this kind.

STAFF ON TEMPORARY PANEL FOR KUMBH MELA ON MORADABAD DIVISION
1938 ABSORBED IN PERMANENT POSTS.

206. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Railway Member please state whether it is a fact that in reply to unstarred question No. 75, it was declared in this House on the 12th March, 1940 that none of the staff in the temporary panel for Kumbh Mela of 1938 was absorbed against a permanent vacancy, whereas, as per Divisional Superintendent, Moradabad letter No. 3/25/29-E, dated 7/8 June, 1940, some of the candidates were actually taken from that panel and provided against permanent vacancies?

(b) If the reply to the above be in the affirmative, will the Honourable Member please clear the point and state whether his reply in this House was correct, or what the Divisional Superintendent, Moradabad, has stated, is correct?

The Honourable Sir Andrew Clow: I have called for information and a reply will be laid on the table of the House in due course.

FIXATION OF PAY OF RETRENCHED STAFF RE-APPOINTED IN THE COMPILATION
SECTION, NORTH WESTERN RAILWAY.

207. *Bhai Parma Nand: (a) Will the Honourable Member for Railways be pleased to refer to the statement laid on the table of the House on the 11th February, 1941, in reply to part (d) of starred question No. 99, asked by me on 15th February, 1940, and to the orders issued by the Railway Board in paragraph 3 of their letter No. 1635 E. G., dated the 30th December, 1932, under which only such temporary staff who had put in less than one year's service at the time of discharge, was not allowed the benefit of old scales of pay on re-appointment, and state whether it is a fact that the retrenched staff of Compilation Section, North Western Railway, who are not allowed the concession of old scales of pay, had put in more than one year's continuous service prior to retrenchment?

(b) Is it a fact that in the office of the Chief Accounts Officer, North Western Railway, the staff having more than one year's continuous service prior to retrenchment, have been allowed old scales of pay without taking into account the nature of temporary post held by them at the time of their retrenchment?

(c) Is the Honourable Member now prepared to entertain their claim for old scales of pay? If not, will the Honourable Member be pleased to make a further statement clarifying the position?

The Honourable Sir Andrew Clow: (a) Not only temporary staff who had put in less than a year's service at the time of discharge but also temporary staff who, though they had put in more than a year's service, had been engaged for purely temporary purposes or temporary special jobs and whose services were terminated in the ordinary course, on the cessation of their temporary work were governed by the orders of the Railway Board referred to by the Honourable Member. The staff of the Compilation Section, North Western Railway come under the latter category.

(b) Yes, but this was done erroneously owing to a misinterpretation of the orders.

(c) No. I may explain that the intention of the Railway Board was that the expression 'staff engaged for purely temporary purposes' used in their orders should include staff engaged for purely temporary vacancies such as those arising from leave, deputation, etc. This was correctly understood by all the railway administrations in respect of staff under their control including the staff in the Compilation Section on the North Western Railway who were under the control of the General Manager, at the time of retrenchment. The Accounts Department and some of the other offices, however, misinterpreted the orders and allowed old scales of pay to their staff. Thus in a number of cases old scales were erroneously given and the Railway Board, after careful consideration, decided not to reopen them. This does not, however, justify the orders being now erroneously applied to other cases.

DAILY OR WEEKLY HOURS OF EMPLOYMENT FOR TRAIN CLERKS AND HEAD
TRAIN CLERKS ON NORTH WESTERN RAILWAY.

208. *Babu Baijnath Bajoria: (a) Will the Honourable the Railway Member please state whether any daily or weekly hours of employment for train clerks and head train clerks are fixed by the North Western Railway administration?

(b) If so, what are the hours, and if not, are Government prepared to fix them now?

(c) Are Government aware that in the Multan Division no working hours are fixed for the head train clerks, and they are required to be on duty all day long throughout the week?

(d) Are the working hours of the staff mentioned checked by the Labour Supervisory staff? If not, will it be done now?

The Honourable Sir Andrew Clow: (a) The answer is in the affirmative as regards train clerks. Head Train Clerks do not come within the scope of the Hours of Employment Regulations as they are supervisory staff.

(b) The hours of work have been fixed within the limits prescribed in sections 71C(1) and (2) of the Indian Railways Act, 1890.

(c) As stated in the answer to part (a), the Hours of Employment Regulations do not apply to Head Train Clerks who are supervisory staff, but they do not work all day long throughout the week.

(d) The answer to the first part is in the affirmative as regards train clerks; the second part does not arise.

HILL ALLOWANCE TO THE POSTAL EMPLOYEES AT SHILLONG.

209. *Mr. Ananga Mohan Dam: Will the Honourable the Communications Member state why the hill allowance of the postal employees at Shillong has not been re-introduced?

The Honourable Sir Andrew Clow: Because the grounds on which it was withdrawn are still applicable.

UNSTARRED QUESTIONS AND ANSWERS.

DEARNESS ALLOWANCE TO CERTAIN RAILWAY EMPLOYEES AT DEHRA DUN.

69. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways be pleased to enquire and state whether it is a fact that certain Railway employees stationed at Dehra Dun on the East Indian Railway submitted to the Secretary, Government of India, Railway Board, a printed representation regarding dearness allowance in July 1941?

(b) If so, what action has been taken on it?

The Honourable Sir Andrew Clow: (a) The answer is in the affirmative.

(b) No action was taken on this memorial but the scale of allowances has recently been enhanced.

ZONE ALLOWANCE TO CERTAIN INFERIOR STAFF AT DEHRA DUN AND COMPLAINT *re* DELAY IN DISPOSAL OF APPEALS IN MORADABAD DIVISION.

70. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways please state whether it is a fact that Electric and Medical inferior staff stationed at Dehra Dun have submitted a representation regarding the Zone Allowance paid at Dehra Dun to certain other employees?

(b) Is it a fact that they have not received any reply to their representation?

(c) Are Government aware that there is a common complaint in the Moradabad Division regarding abnormal delay in the disposal of appeals and even in most cases non-receipt of any reply thereto?

The Honourable Sir Andrew Clow: (a) and (b). I have not previously heard of this representation but am prepared to accept the Honourable Member's statements and to forward a copy of his question and this answer to the General Manager.

(c) No.

COMPENSATION TO RAILWAY LINE STAFF FOR WORKING ON GAZETTED HOLIDAYS.

71. Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways please state whether it is a fact that clerks attached to the Divisional Offices are classed as Railway servants for all purposes where privileges of passes, hours of employment, Wages Act, provident fund and gratuity, are concerned?

(b) Is it a fact that, over and above, they are allowed all gazetted and local holidays which the line staff are not permitted to avail?

(c) Is the Honourable Member prepared to consider the question of compensating the line staff by enhancing their leave, or by allowing them extra wages for working on gazetted holidays? If not, why not?

The Honourable Sir Andrew Clow: (a) and (b). Yes.

(c) No. The pay assigned to particular work must be taken as fixed with reference to the conditions of service, of which the men are aware at the time they are appointed.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred question No. 65 asked by Mr. Lalchand Navalrai on the 13th November, 1940.
CREATION OF NEW INDUSTRIES OR WORKSHOPS ON PERMANENT BASIS AND GOVERNMENT SUBSIDY THEREON.
A statement showing the number and situation of new industries or workshops created after the War, either by Government or private concerns, otherwise than for war purposes.

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	Surgical Gut manufacture.	Kollegal, Coimbatore district.	MADRAS. Started before the war, but developed very considerably since the outbreak of war. 1940	Government	..	Not possible to say in the present stage of development of the industry.	8
2	Fish liver oil manufacture.	Calicut, Malabar district.	1940	Do.	..	Do.	
3	Fruit canning.	Kadyam, East Godavari district.	1940	Private concern.	None	..	
4	Waterproof packing paper.	Madras.	1940	Do.	Do.	..	
1	Mansuri & Sons, Pickers Manufacturing Factory. Manufacture of Pickers.	Outside Gate, near Government Excise warehouse. Ahmedabad.	BOMBAY. 1940	..	..	..	
2	Chandabhai Bros. & Co.'s Pickers Manufacturing Factory. Manufacture of Pickers.	Outside Gate, Ahmedabad.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BOMBAY— <i>contd.</i>				
3	Sunderdas Saw Mill. Assembling Department for ammunition and boxes.	1st floor, Atlas Mill, Dockyard Road, Bombay.	1940	..	..	..	
4	Textile Engineers, Ltd. Engravers of copper rollers for calico printing.	105, Sion Matunga Road, Bombay.	1940	..	..	..	
5	Nutbolts Co. Nuts, bolts, screws, etc., manufacture.	Victoria Bunder Road, Sassoon Dock, Colaba Causeway, Bombay.	1940	..	..	..	
6	Bombay Steel Wire Products Co. Drawing mill steel wires by mild process.	Lal Chimney, Lamington Road, Bombay.	1940	..	..	..	
7	Ordnance Clothing Factory. Army clothing.	Modern Mills, 1st floor, Jacob Circle, Bombay.	1940	..	..	..	
8	H. Fillunger & Co. Sodium, Barium & Chrome salts manufacturing.	Near Meyer Sassoon Mills.	1940	..	..	..	
9	B. Rich Mueller & Co. Manufacture of shuttles.	Mogal Lane, Mahim, Bombay.	1940	..	..	..	

10	Star Bakelite Co. Small articles to be pressed on hand presses.	257, Lohar Street, Dhoobi Talao, Bombay.	1940	..	..	..	
11	Indian Insulator Co. of India. Mixing woodwool, cement and chloride.	Bombay—15.	1940	..	..	..	
12	Tent pins and poles Manufactures. Tent pins and tent poles manufacture.	Dhaku Prabhu Wadi, Ghorupdeo, Bombay.	1940	..	..	..	
13	Kohinoor Electro Gilders. Electro plating and polishing.	Khetwadi, 10th Lane, Bombay.	1940	..	..	..	
14	Patel Products Manufacturing Co. Confectionery manufacturing.	Elphinstone Bridge Road, Tribhuvandas Malvi Estate, 9-E., Parel Road, Bombay.	1940	..	..	..	
15	Ruston & Hornsby (India), Ltd.'s Engineering Works. General Engineering.	91, Sayani Road, Dadar, Bombay.	1940	..	..	..	
16	Modern Home Ltd. Furniture manufacture.	Framji Petit Mill compound, Reay Road, Darukhana, Bombay.	1940	..	..	..	
17	Husseini Metal Rolling Mills. Manufacture of brass circles.	Tambawala Properties, Reay Road, Bombay.	1940	..	..	..	
18	Firestone Tyre & Rubber Co. of India, Ltd. Preparation of materials for rubber tyres and tubes.	Hey Bunder Road, Sewri, Bombay.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BOMBAY— <i>contd.</i>				
36	Allabux & Co. Tents manufacture.	Atlas Mill Compound, Reay Road, Mazagaon, Bombay.	1940	..	..	..	
37	Khan & Co. Tents manufacture.	Globe Mill Lane	1940	..	..	..	
38	Bombay Tent Co. Tent manufacture.	Colaba (next to Bombay silk mill), Bombay.	1940	..	..	..	
39	Morariji Goculdas Mills. Tents manufacture.	Parel, Bombay	1940	..	..	..	
40	Thackersey Mooljee & Co. Tents manufacture.	16, Apollo Street, Fort, Bombay.	1940	..	..	..	
41	Hussainbhoy Laljee & Co. Tents manufacture.	Hornby Road, Fort, Bombay.	1940	..	..	..	
42	Bhandari Weaving Mill Handloom Weaving.	Madhavbag, near Motibag, Malegaon.	1940	..	..	..	
43	Golden Weaving Factory. Handloom Weaving.	Malegaon City	1940	..	..	..	

44	The Aziz Silk Factory. Handloom Weaving.	Hatim Mill Com- pound, Lal Dar- waja, Surat.	1940	..	..	..
45	The Vasant Weaving Fac- tory. Handloom Weaving.	Ranpura, Raibag, Surat.	1940	..	..	..
46	The Hind Fabrics Weaving Factory. Handloom Weaving.	Ditto . .	1940	..	..	..
47	Sanmukhlal Jakisondas Silk Weaving Factory, No. 2. Handloom Weaving.	Inderpura, Golvad, Surat.	1940	..	..	..
48	Khumchand Gulabchand Handloom Factory. Handloom Weaving.	Sisorda . .	1940	..	..	..
49	Ambica Dal Factory Handloom Weaving.	Surat . .	1940	..	..	..
50	Modern Textile Factory. Handloom Weaving.	Salabatpura, Main Road, Surat.	1940	..	..	..
51	Dullabham Ramjibhai Weaving Factory. Hand- loom Weaving.	Surat . .	1940	..	..	..
52	Bunbi Silk Factory. Hand- loom Weaving.	Do. . .	1940	..	..	..
53	Lokseva Weaving Mills. Handloom Weaving.	Limb (Satara Dist.).	1940	..	..	..

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BOMBAY—contd.				
54	Umreth Handloom Factory. Handloom Weaving.	Umreth (Dist. Kaira)	1940	..	..	..	
55	Bhagwandas Nathubhai Weaving Factory, No. 2. Handloom Weaving.	Begampur, Danapith, Surat.	1940	..	..	..	
56	Modern Textile Factory. Handloom Weaving.	Salabatpura, Surat	1940	..	..	..	
57	Nagindas Uttamram Tarawala Weaving Factory. Handloom Weaving.	Sagrapura, Bathila Street, Surat.	1940	..	..	..	
58	Hannanta Sidappa Jana Handloom Factory. Handloom Weaving.	745, Ganj Peth, Poona.	1940	..	..	..	
59	Yellappa Narsappa Jakkani Handloom Factory. Handloom Weaving.	30, Jodbhavi Peth, Sholapur.	1940	..	..	..	

60	Sayanna Bugauna Diddi Handloom Factory. Handloom Weaving	367, Sakhar Peth, Sholapur.	1940	..	..	..	
61	Rajayya Narsayya Pulli Handloom Factory. Handloom Weaving.	Daji Peth (Pachha), Sholapur.	1940	..	..	..	
62	Dubayya Shivayya Dikonda Handloom Factory. Handloom Weaving.	Ditto	1940	..	..	..	
63	Shivayya Gaurayya Buram Handloom Factory. Handloom Weaving.	Ditto	1940	..	..	..	
64	Sundrayya Lachinarsu Yel-dandi Handloom Factory. Handloom Weaving.	Ditto	1940	..	..	..	
65	Balaya Parsharam Bhairi Handloom Factory. Handloom Weaving.	86, Raviwar, Sholapur.	1940	..	..	..	
66	Mallaya Puchayya Galpalli Handloom Factory. Handloom Weaving.	149, Raviwar, Sholapur.	1940	..	..	..	
67	Ashappa Rajingu Kantam Handloom Factory. Handloom Weaving.	170, 179 and 180, Raviwar, Sholapur.	1940	..	..	..	
68	Bhumayya Dubayya Gangshetti Handloom Factory. Handloom Weaving.	266/12, Raviwar, Sholapur.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
				BOMBAY—contd.			
69	Vyankayya Lingaya Shirshe, Weaving Factory. Handloom Weaving.	111, Raviwar, Sholapur.	1940	..	..	..	
70	Vithoba Vyankappa Nisam Handloom Factory. Handloom Weaving.	266/11, Raviwar, Sholapur.	1940	..	..	..	
71	Ramaya Lachmaya Padlal Handloom Factory. Handloom Weaving.	Bhawanrushi Peth, Sholapur.	1940	..	..	..	
72	Yenkayya Bhumayya Bolabattini Handloom Factory. Handloom Weaving.	Vithal Peth, Raviwar, Sholapur.	1940	..	..	..	
73	Narayan Sayanna Palli Handloom Factory. Handloom Weaving.	1292, Pachha, Yellam Peth, Sholapur.	1940	..	..	..	
74	Narsaya Ramaya Ankaram Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
75	Iravaya Lingaya Chitkul Handloom Factory. Handloom Weaving.	124, Raviwar, Sholapur.	1940	..	..	..	
76	Lachimnarsu Mallaya Rachha Handloom Factory. Handloom Weaving.	258/12, Raviwar, Sholapur.	1940	..	..	..	
77	Buchayya Bugayya Igga Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
78	Krishnaya Shivayya Madur Handloom Factory. Handloom Weaving.	513, Sakhar Peth, Sholapur.	1940	..	..	..	
79	Dattatraya Ramaya Yerla Handloom Factory. Handloom Weaving.	95, Raviwar, Sholapur.	1940	..	..	..	
80	Tukaram Ramaya Yerla Handloom Factory. Handloom Weaving.	120, Raviwar, Sholapur.	1940	..	..	..	
81	Narayan Narsappa Myana Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
82	Ramaya Narsaya Bolli Handloom Factory. Handloom Weaving.	858, Pachha, Bhawanrushi, Sholapur.	1940	..	..	..	
83	Ramaya Yankayya Madur Handloom Factory. Handloom Weaving.	32, Daji Peth, Sholapur.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BOMBAY— <i>contd.</i>				
84	Bhangarayya Sangayya Mugdhal Handloom Factory. Handloom Weaving.	79, Pachha Peth, Sholapur.	1940	..	..	..	
85	Erayya Mallayya Paskanti Handloom Factory. Handloom Weaving.	852, Pachha Peth, Sholapur.	1940	..	..	..	
86	Raimallu Rajanna Dudam Handloom Factory. Handloom Weaving.	1292, Pachha Peth, Sholapur.	1940	..	..	..	
87	Muttayya Balram Dasri Handloom Factory. Handloom Weaving.	1300, Pachha Peth, Sholapur.	1940	..	..	..	
88	Bhagayya Rajram Konda Handloom Factory. Handloom Weaving.	1320, Pachha Peth, Sholapur.	1940	..	..	..	
89	Yankappa Nagappa Ogu Handloom Factory. Handloom Weaving.	1368, Pachha Peth, Sholapur.	1940	..	..	..	
90	Azayya Yenkeyya Adam Handloom Factory. Handloom Weaving.	19/10, Madam Peth, Sholapur.	1940	..	..	..	
91	Narayan Tukaram Makam Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
92	Narayan Narayya Myana Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
93	Buchayya Ramayya Gad-dam Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
94	Durgayya Bharmayya Tum-ma, Handloom Factory. Handloom Weaving.	565, Sakhar Peth, Sholapur.	1940	..	..	..	
95	Mallayya Rajmallu Yemul Handloom Factory. Handloom Weaving.	186, Raviwar Peth, Sholapur.	1940	..	..	..	
96	Yallayya Rajamallu Yemul Handloom Factory. Handloom Weaving.	227, Raviwar Peth, Sholapur.	1940	..	..	..	
97	Yankappa Lachmayya Gundlapalli Handloom Factory. Handloom Weaving.	266/15, Raviwar Peth, Sholapur.	1940	..	..	..	
98	Ramayya Lachmayya Putta Handloom Factory. Handloom Weaving.	266/21, Raviwar Peth, Sholapur.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BOMBAY— <i>contd.</i>				
99	Vyankayya Papayya Nakka Handloom Factory. Handloom Weaving.	356/1, Jodbhavi Peth, Sholapur.	1940	..	..	..	
100	Narsayya Shingarayya Bundi Handloom Factory. Handloom Weaving.	357-A, Jodbhavi Peth, Sholapur.	1940	..	..	..	
101	Venkappa Gelanna Zuzar Handloom Factory. Handloom Weaving.	Shikalkargalli, Sangamner.	1940	..	..	..	
102	Blau Bapu Padamshali Handloom Factory. Handloom Weaving.	Navaghargalli, Sangamner.	1940	..	..	..	
103	Bina Handloom Factory. Handloom Weaving.	4238, Rangeigalli, Gaurighumat, Ahmednagar.	1940	..	..	..	
104	Narsappa Gelanna Zunzar Handloom Factory. Handloom Weaving.	Shanwar Bazar, Sangamner.	1940	..	..	..	

105	Belayya Ramayya Zunzar Handloom Factory. Handloom Weaving.	Shokarkargalli, Sangamner.	1940	..	..	..	
106	Lingappa Irappa Bhaital Handloom Factory. Handloom Weaving.	508, Topkhana, Ahmedabad.	1940	..	..	..	
107	Mangesh Narayan Mazumdar Handloom Factory. Handloom Weaving.	Ankola . . .	1940	..	..	..	
108	Chunilal Harjiwandas Dhamanwala Sagrapura Weaving Factory. (Silk weaving). Handloom Weaving.	Sagramyura, Hira Modi Street, Surat.					
109	Hatimbhai Fazulbhai Muchhala Weaving Factory. (Silk weaving). Handloom Weaving.	Zalawad Tekra, near Danapith, Surat	1940	..	..	..	
110	The Chunilal Dahyabhai Weaving Factory. (Silk weaving). Handloom Weaving.	Sagrapura, Hanuman Darwaja, Surat.	1940	..	..	..	
111	The Surat Silk & Tussore Weaving Factory. (Silk weaving). Handloom Weaving.	Mahidharapura, Tekrai, opp. Varia Sheri, Surat.	1940	..	..	..	
112	Peermohamed Noormohamed Weaving Factory. (Silk weaving). Handloom Weaving.	Tilak Maidan, Surat.	1940	..	..	..	
113	B. V. Weaving Works. (Silk weaving). Handloom Weaving.	Behind Burupvi Bhagol, Khaswala Street, Surat.	1940	..	..	..	

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1	2	3	4	5	6	7	8
114	Khoomchand Gulabchand Handloom Weaving Factory. (Silk weaving). Handloom Weaving.	Sisorda (via Navsari).	BOMBAY— <i>contd.</i> 1940	..	..	..	
115	Somayya Yenkeyya Pamul Handloom Factory. Handloom Weaving.	1351, Pachha Peth, Sholapur.	1940	..	..	..	
116	Irayya Gopayya Bolabatti Handloom Factory. Handloom Weaving.	1349, Pachha Peth, Sholapur.	1940	..	..	..	
117	Bhumayya Balayya Adheli Handloom Factory. Handloom Weaving.	1356, Pachha Peth, Sholapur.	1940	..	..	..	
118	Ambaji Channappa Bamdayal Handloom Factory. Handloom Weaving.	360, Jodhbhavi Peth, Sholapur.	1940	..	..	..	
119	Sayanna Narayan Madur Handloom Factory. Handloom Weaving.	119, Shanwar Peth, Sholapur.	1940	..	..	..	

120	Kistayya Bankayya Gajul Handloom Factory. Handloom Weaving.	244, Raviwar Peth, Sholapur.	1940	..	..	..	
121	Lachmayya Narsayya Ippakaila Handloom Factory. Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
122	Ramakant Pandurang Mureshwar Handloom Factory. Handloom Weaving.	Bankikodla	1940	..	..	..	
123	Golden Weaving Mill, (sari manufacturing). Handloom Weaving.	Malegaon, Nasik	1940	..	..	..	
124	Diamond Weaving Mill, (coloured sari weaving). Handloom Weaving.	Sangameshwar Road, Malegaon, Nasik.	1940	..	..	..	
125	Rayon Weaving Works. Handloom Weaving.	Old Bombay Suryodaya Mills, Tardeo, Bombay.	1940	..	..	..	
126	Chimanlal T. Patel Silk Weaving Factory. Handloom Weaving.	Tardeo, Bombay	1940	..	..	..	
127	Jambhari Weaving Mills. Handloom Weaving.	Jambhari Post Saitavada, Taluka, Ratnagiri.	1940	..	..	..	
128	Ramayya Chinappa Michapalli Handloom Factory. Handloom Weaving.	1154, Bhayani Peth, Poona City.	1940	..	..	..	

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1	2	3	4	5	6	7	8
114	Khoomchand Gulabchand Handloom Weaving Factory. (Silk weaving). Handloom Weaving.	Sisorda (via Navsari).	BOMBAY—contd. 1940	..	..	..	
115	Somayya Yenkeyya Pamul Handloom Weaving.	1351, Pachha Peth, Sholapur.	1940	..	..	..	
116	Irayya Gopayya Bolabatti Handloom Weaving.	1349, Pachha Peth, Sholapur.	1940	..	..	..	
117	Bhumayya Balayya Adheli Handloom Weaving.	1356, Pachha Peth, Sholapur.	1940	..	..	..	
118	Ambaji Channappa Bamedayal Handloom Weaving.	360, Jodhbhavi Peth, Sholapur.	1940	..	..	..	
119	Sayanna Narayan Madur Handloom Weaving.	119, Shanwar Peth, Sholapur.	1940	..	..	..	

120	Kistayya Bankayya Gajul Handloom Weaving.	244, Raviwar Peth, Sholapur.	1940	..	..	..	
121	Lachmayya Narsayya Ippakaila Handloom Weaving.	Daji Peth, Sholapur.	1940	..	..	..	
122	Ramakant Pandurang Mureshwar Handloom Factory. Handloom Weaving.	Bankikodla	1940	..	..	..	
123	Golden Weaving Mill, (sari manufacturing). Handloom Weaving.	Malegaon, Nasik	1940	..	..	..	
124	Diamond Weaving Mill, (coloured sari weaving). Handloom Weaving.	Sangameshwar Road, Malegaon, Nasik.	1940	..	..	..	
125	Rayon Weaving Works. Handloom Weaving.	Old Bombay Suryodaya Mills, Tardeo, Bombay.	1940	..	..	..	
126	Chimanlal T. Patel Silk Weaving Factory. Handloom Weaving.	Tardeo, Bombay	1940	..	..	..	
127	Jambhari Weaving Mills. Handloom Weaving.	Jambhari Post Saitavada, Taluka, Ratnagiri.	1940	..	..	..	
128	Ramayya Chinappa Michapali Handloom Weaving.	1154, Bhavani Peth, Poona City.	1940	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
				BOMBAY—concl'd.			
129	Ramayya Chinappa Mithapalli Handloom Factory. Handloom Weaving.	491, Ganj Peth, Poona City.	1940	..	..	..	
130	Balayya Ranayya Alshetti Handloom Factory. Handloom Weaving.	266/18, Raviwar Peth, Sholapur.	1940	..	..	..	
131	Chandraya Narsaya Shripati Handloom Factory. Handloom Weaving.	266/20, Raviwar Peth, Sholapur.	1940	..	..	..	
132	Bhumayya Ragayya Shripati Handloom Factory. Handloom Weaving.	266/21-23, Raviwar Peth, Sholapur.	1940	..	..	..	
133	Narsayya Baswayya Akubattini Handloom Factory. Handloom Weaving.	266/22, A. B. Raviwar, Sholapur.	1940	..	..	..	
134	Bhumayya Koheri Durgundi Handloom Factory. Handloom Weaving.	202/3, Sakhar Peth, Sholapur.	1940	..	..	..	
135	Chandulal Manchharani Weaving Factory. Handloom Weaving.	Falaswadi, Delhi Gate, Surat.	1940	..	..	..	

136	Tulsidas Chunilal Ghariwala Weaving Factory. Handloom Weaving.	Salabtpura, Tad-neali Sheri, Surat.	1940	..	..	..	
137	Singapuri Weaving Factory. Handloom Weaving.	Salabtpura, Balabhai Sheri, Surat.	1940	..	..	..	
138	Dhanarull Silk Mill. Handloom Weaving.	Vanachha Road, Surat.	1940	..	..	..	
139	Rajanna Shivarayya Kurpatti Handloom Factory. Handloom Weaving.	491, Ganja Peth, Poona.	1940	..	..	..	
140	Vyankat Krishnayya Sunam Handloom Factory. Handloom Weaving.	565, Ganja Peth, Poona.	1940	..	..	..	
141	Vyankappa Govindappa Jana Handloom Factory. Handloom Weaving.	752, Ganja Peth, Poona.	1940	..	..	..	
				BENGAL.			
1	Razak Hosiery Mills (Mill)	32, Ezra Street, Calcutta.	9-9-39	Private	..	..	No case of Government assistance or subsidy has been reported and hence the question of costs does not arise.
2	Jannabhum Cotton Mills, Ltd., Cotton Mills.	2, Chittaranjan Avenue, Calcutta.	18-9-39	Public	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1		3	4	5	6	7	8
			BENGAL— <i>contd.</i>				
3	Snow White Food Products Co., Ltd., manufacture Chemical and Pharmaceutical goods, oils, etc.	21, Rupchand Roy Street, Calcutta.	25-9-39	Public	..	..	
4	Mautri Machinery Factory, Ltd., Engines, Machinery, Turbines, Tanks, etc.	8, Royal Exchange Place, Calcutta.	28-9-39	Private	..	..	
5	Neo-Chemicals Ltd., Chemical and Medical preparation of every kind.	20-A, Southern Avenue, Calcutta.	28-9-39	Public	..	..	
6	Ghosera Jute Press Ltd., Presses of Jute, Jute cuttings, etc.	4-B, Clive Buildings, Calcutta.	3-10-39	Private	..	..	
7	Ram Krishna Iron Works Ltd., Iron Founders, Mechanical Engineer and Manufacturers of cast iron.	56, Chashadhoba para Lane, N. Bantra, Howrah.	3-10-39	Do.	..	..	
8	Minima Manufacturing Co., Ltd., Electro-plating, Painting and Printing on metals and sheets.	20, Strand Road, Calcutta.	3-10-39	Do.	..	..	

9	Assam Bengal Salt Co., Ltd., Salt manufacture.	5, Hastings Street, Calcutta.	5-10-39	Public	..	..	
10	Bangeswari Hosiery Mills, Ltd., Hosiery manufacturing.	Ganguli Bagan Lane, Hooghly.	6-10-39	Private	..	..	
11	The Bangalore White Lead Syndicate, Ltd., Chemical manufacturers and also Chemists and Druggists.	8, Clive Street, Calcutta.	10-10-39	Do.	..	..	
12	Dearboru Chemicals (India), Ltd., Chemical manufacturers and also Chemists and Druggists.	12, Esplanade Mansion, Calcutta.	11-10-39	Do.	..	..	
13	Calcutta United Printers, Ltd., Printers, Publishers and Stationers.	46, Moti Seal Street, Calcutta.	11-10-39	Do.	..	..	
14	Art Press Ltd., Printers, etc.	20, British Indian Street, Calcutta.	13-10-40	Public	..	..	
15	Bharat Potteries, Ltd., Manufacturing Fire bricks and silica bricks, etc.	1, British Indian Street, Calcutta.	16-10-39	Do.	..	..	
16	Salter & Laboratory, Ltd., Salt manufacturing on commercial scale and its bye-products.	2, Royal Exchange Place, Calcutta.	16-10-39	Do.	..	..	
17	Provincial Electric Supply Corporation, Ltd., Electrical energy for all purposes.	97, Clive Street, Calcutta.	30-10-39	Do.	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BENGAL—contd.				
18	Kishorilal Chowdhury's Bhutnath Office (1939) Ltd., Manufacture of perfumed, scented and medicated hair oils, etc.	64, Bowbazar Street, Calcutta.	1-11-39	Private	..	..	
19	Dutta Bros. (Caterers) Ltd., Manufacturing Bread, Biscuits, etc.	5, Fariapukur Street	7-11-39	Do.	..	..	
20	Ramsahaimull More Ltd., Business of manufacturers, Spinners, Weavers of Jute, etc.	7-G., Clive Street, Calcutta.	8-11-39	Do.	..	..	
21	Continental Iron & Steel Works Ltd., Iron Founders, and manufacturers of machinery and implements of all kinds.	100, Clive Street, Calcutta.	9-11-39	Public	..	..	
22	National Bolt & Rivets Ltd., Manufacturers of bolts, nuts, rivets, machinery, etc.	233, Belilious Road, Howrah.	16-11-39	Private	..	..	
23	Shree Radha Kanta Rice Mills Ltd., Rice Mill.	28-A, Galiff Street, Calcutta.	17-11-39	Do.	..	..	

24	Dwarika Dairy Ltd., to undertake dairy and poultry farming.	89, Harrison Road, Calcutta.	17-11-39	Public	..	..	
25	Vharat Electric Supply Corporation Ltd., to supply electric light and power.	35, Sovabazar Street, Calcutta.	17-11-39	Private	..	..	
26	The Nanupur Firms and Fisheries Ltd., farming and Planting business.	Nanupur, Chittagong	22-11-39	Public	..	..	
27	Benode Behari Cotton, Woollen Mills Ltd., Spinners' and weavers of cotton, wool, etc.	P-6, Mission Row, Calcutta.	22-11-39	Do.	..	..	
28	Textile Products Ltd., to carry on the business of ginning, spinning, weaving or manufacturing and dealing in cotton wool, etc.	38, Strand Road, Calcutta.	22-11-39	Do.	..	..	
29	National Model Industries, Ltd., to manufacture utensils, fancy goods, fittings, machines and its parts, appliances and the like from brass, bell metal and other metals for household, office, hospital and public use.	5, Cornwallis Street, Calcutta.	25-11-39	Do.	..	..	
30	Lux Lamps Ltd., Electrical and Mechanical.	1 and 2, Old Court House.	27-11-39	Do.	..	..	
31	Instruments manufacturers Ltd., Manufacturers and Repairers of instruments, apparatus, equipments & accessories.	19, Strand Road, Calcutta.	2-12-39	Do.	..	..	

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1	2	3	4	5	6	7	8
32	National Celluloid Manufacturing Co., Ltd., Manufacturing sheets, rods, pipes, combs, etc.	3, Mangoe Lane, Calcutta.	BENGAL—contd. 7-12-39	Private	..	..	
33	South Badina Coal Co., Ltd., Colliery proprietors coal dealers and coke manufacturers, etc.	4, Mandeville Gardens, Ballygunge.	7-12-39	Do.	..	..	
34	North Badina Coal Co., Ltd., Colliery proprietor coal dealers and coke manufacturers, etc.	4, Mandeville Gardens, Ballygunj.	7-12-39	Do.	..	..	
35	Heavy Chemical and Industries Ltd., Chemical manufacturers.	15, Clive Row, Calcutta.	12-12-39	Public	..	..	
36	India Dairy and Poultry Farms, Ltd., business of dairy farming poultry farming, fisheries, etc.	22, Canning Street, Calcutta.	15-12-39	Do.	..	..	
37	Sunderban Agricultural farms, Ltd., to carry on the business of agriculture, plantation, fishery, dairy, poultry, etc.	85, Bow Bazar Street, Calcutta.	16-12-39	Private	..	..	

38	Presidency Edge Tools Co., Ltd., Ironfounders manufacturers of machinery, tools, implements, etc.	2, Mangoe Lane, Calcutta.	20-12-39	Public	..	..	
39	Vishnupur Electric Supply and Industrial Development Co., Ltd., to supply electrical energy for all purposes.	97, Clive Street, Calcutta.	22-12-39	Do.	..	..	
40	Himalaya Ayurved Works, Ltd., to manufacture and sell all sorts of medicines.	Jalpaiguri	2-1-40	Do.	..	..	
41	Auto Storage Battery Co., Ltd., to manufacture and deal in dry cell Batteries and accumulators.	16/1, Akur Dutta Lane, Calcutta.	4-1-40	Private	..	..	
42	Chotanagpur Industries, Ltd., manufacturing bob-bins, handles and furnitures, wood products of every kind.	25, Swallow Lane, Calcutta.	8-1-40	Do.	..	..	
43	The Rainbow Chemicals, Ltd., manufacturers of chemicals, drugs, acids, etc.	6, Tilak Road, Calcutta.	15-1-40	Public	..	..	
44	The Garnet Sports, Ltd., manufacturers of sports and athletic goods.	47, Zakaria Street, Calcutta.	26-1-40	Private	..	..	
45	The Pekoe Chemicals Ltd., Business of manufacturing and industrial chemists.	2, College Square, Calcutta.	29-1-40	Do.	..	..	
46	National Drug Co., Ltd., Chemists and Druggists.	36, Dharrumtala, Calcutta.	2-2-40	Public	..	..	

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1	2	3	4	5	6	7	8
			BENGAL—contd.				
47	The Radha Film, Ltd., Cinematograph producers.	1, Cullen Place, Howrah.	3-2-40	Public	..	..	
48	The Standard Paint Works, Ltd., Manufacturers of all kinds of paints, oils, varnishes, etc.	44, Beadon Street, Calcutta.	9-2-40	Private	..	..	
49	New India Baling Co., Ltd., Jute pressing, etc.	8, Royal Exchange Place, Calcutta.	12-2-40	Do.	..	..	
50	Jhajha Cement Industries, Ltd., Manufacturers of lime, cements and building materials.	220/A, Rash Behari Avenue, Calcutta.	21-2-40	Do.	..	..	
51	International Remedies, Ltd., Chemists and Druggists.	8-B, Lal Bazar, Bikaner Buildings, Calcutta.	1-3-40	Do.	..	..	
52	Hindusthan Rubber Works, Ltd., Manufacturers of all kinds of rubber and rubber sheets.	14, Ballygunj Station Road, Calcutta.	1-3-40	Public	..	..	
53	Industries Corporation of Bengal, Ltd., Manufacturing and dealing in Hosiery.	6B, Waverly Lane, Top Flat, Calcutta.	2-3-40	Private	..	..	

54	Visva Bharati Ayurved Chemical Works, Ltd., Chemists, druggists and dealer in ayurvedic medicines.	86, Doctor Durga Charan Banerjee Road, Calcutta.	6-3-40	Public	..	..	
54-A	Jute Baling and Trading Co., Ltd., Jute pressing etc.	8, Baniatola Lane, Calcutta.	9-3-40	Do.	..	..	
55	Sunderban Chemicals Ltd., Manufacturers of soda ash, caustic soda, bleaching powder, etc.	12, Dalhousie Square, Calcutta.	8-3-40	Do.	..	..	
56	Jessore Hosiery Rice and Oil Mills, Ltd., to establish hosiery, rice and oil mills.	Magura, Jessore	8-3-40	Do.	..	..	
57	Standard Metal Industries, Ltd., Manufacturers and dealers in nibs, pins, clips, etc.	11, Rajani Bhattacharjee Lane, Calcutta.	8-3-40	Private	..	..	
58	Jalpaiguri Rice Mills and Trading Corporation, Ltd., Rice Mills.	Jalpaiguri	9-3-40	Public	..	..	
59	East End Glass and Industries, Ltd., Manufacturers of glass and glass ware.	Seraiganj, Pabna	9-3-40	Do.	..	..	
60	Singhal Bros. Ltd., Extracting oils from mustard seeds, rape seed, etc.	67/26, Strand Bank Road, Calcutta.	9-3-40	Private	..	..	
61	Randhir Kumar Singh & Co., Ltd., Manufacturers and refiners and dealers in sugar and molasses, etc.	4, Ram Kumar Rakhit Lane, Calcutta.	12-3-40	Do.	..	..	

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1	2	3	4	5	6	7	8
			BENGAL— <i>contd.</i>				
62	The Abubakkar Siddique Cotton Mills, Ltd. Manufacturing of cloth, spinning and ginning of cotton.	7-A, Bentick Street, Calcutta.	13-3-40	Public	..	..	
63	Madaripur Electric Supply Co., Ltd. Business of electric light and power.	Madaripur	13-3-40	Do.	..	..	
64	Shree Ram Krishna Mills, Ltd. Business of pressers of mustard seed, linseed, ground nut.	4, Jagamohan Mallik Lane, Calcutta.	13-3-40	Private	..	..	
65	The Proja Bandhu Sugar Mills, Ltd. To deal in sugar, sugar-beets, sugar-cane, molasses, etc.	Kishoreganj	13-3-40	Public	..	..	
66	New Tropical Remedies, Ltd., Chemists and druggists.	41/58-A, Bangur Road, Calcutta.	16-3-40	Private	..	..	
67	Medical Products Manufacturers. To manufacture syringes and all sorts of medical appliances.	140, Cornwallis Street, Calcutta.	26-3-40	Do.	..	..	

68	James Murray & Co., Ltd. Business of manufacturing and consulting ophthalmic opticians.	5, Old Court House Street, Calcutta.	26-3-40	Do.	..	..	
69	R. B. Rodda Co., Ltd. Business of arms and armaments manufacturers and dealers.	2, Wellesley Place, Calcutta.	29-3-40	Do.	..	..	
70	The Neo Salt Works Ltd. To manufacture various kinds of salts.	84-A, Clive Street, Calcutta.	29-3-40	Public	..	..	
71	The Union Chemical Industries, Ltd. Manufacturers of disinfectants, chemicals, drugs, etc.	27, Ahiripukur 1st Lane, Ballygunge, Calcutta.	29-4-40	Private	..	..	
72	Prabartak Furnisher Co. Business of manufacture and dealers of furniture.	61, Bowbazar Street, Calcutta.	2-5-40	Public	..	..	
73	Latex Treatments, Ltd. To manufacture and deal in all non-conducting, insulating compounds, appliances, water-proofs and waterproofing compositions.	8, Clive Row, Calcutta.	3-5-40	Private	..	..	
74	Eastern Cotton and Hosieries, Ltd. Manufacture of jersey, socks and all kinds of hosiery products.	45/B, Ram Kamal Street, Calcutta.	6-5-40	Public	..	..	
75	The Engineering and Electrical Industries (India) Ltd. Manufacture electrical machines of all types and capacity.	14, Hare Street, Calcutta.	10-5-40	Do.	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BENGAL—contd.				
76	Ayurveda Pratisthan, Ltd. To prepare ayurvedic medicines.	31, Prasanna K. Tagor St., Calcutta.	10-5-40	Public	..	..	
77	The Eastern Salt Works, Ltd. Manufacturing salt and its bye-products.	Maizbhandar Manjil, Pathantolly, Chittagong.	13-5-40	Do.	..	..	
78	Pioneer Products, Ltd. To manufacture all kinds of perfumeries chemical soaps.	5, Mangoe Lane, Calcutta.	15-5-40	Private	..	..	
79	New Drugs, Ltd. Manufacture pharmaceutical products.	227, Chittaranjan Avenue, Calcutta.	22-5-30	Public	..	..	
80	Bengal Jute Mill Co., Ltd. Manufacturer, balers and pressers of Jute, Jute cutting.	61, Harrison Road, Calcutta.	30-5-40	Do.	..	..	
81	Pioneer Drug and Chemical Works, Ltd., Chemical manufacturing.	225, Bagnari Road, Calcutta.	31-5-40	Private	..	..	
82	Job Press (Delhi), Ltd. Printers and Publishers.	60/3, Dharamtolla Street, Calcutta.	1-6-40	Do.	..	..	

83	Pure Joyrampore Coal Co., Ltd. Colliery proprietors and coke manufacturing.	14, Clive Street, Calcutta.	4-6-40	Do.	..	..	
84	Shree Krishna, Ltd. Iron founders and manufactures of galvanised iron.	192, Cross Street, Calcutta.	4-6-40	Do.	..	..	
85	The Talking Picture and Record Manufacturing Co., Ltd. Manufacturing gramophone records, etc.	2, Cooper Lane, Calcutta.	8-6-40	Public	..	..	
86	Bharat Salt, Ltd. Salt manufacturing.	1, British Indian St., Calcutta.	8-6-40	Do.	..	..	
87	The Tippera Dairy Farm, Ltd. Dairy business.	Comilla, A. B. Ry.	11-6-40	Do.	..	..	
88	Dassuagor Cotton Mills, Ltd. Cotton Spinners and dealers.	30, Strand Road, Calcutta.	14-6-40	Do.	..	..	
89	The New Cinema Film Corporation, Ltd. Film manufacturing.	19, Strand Road, Calcutta.	26-6-40	Do.	..	..	
90	Shudur Farmaries, Ltd. Business of agriculture and horticulture.	32, Akhay K. Mukherji Road, Bhowanipur, Calcutta.	27-6-40	Do.	..	..	
91	Scientific Glass Blowers Ltd. Manufacture, refine, prepare all kinds of glass and glass blowers.	126/D, Raja Dinendra Street, Calcutta.	27-6-40	Private	..	..	
92	The Monotype Eastern Co., Ltd. Printers, lithographers, engravers and type founders.	8, Waterloo Street, Calcutta.	28-6-40	Do.	..	..	

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1	2	3	4	5	6	7	8
				BENGAL—contd.			
93	The Scientific Agriculture and Industries, Ltd. to plant and cultivate all kinds of food-stuff, oil seeds, etc.	202, Bowbazar Street, Calcutta.	3-7-40	Public	..	..	
94	The Ram Krishna Flour Mill, Ltd. Flour, ata, mustard oil, etc.	98/4, Clive Street, Calcutta.	13-7-40	Do.	..	..	
95	The India Tube Co., Ltd. (Transferred from the Punjab). Manufacture all kinds of galvanised tubes, tubes of iron, steel, etc.	Victoria House, Chowringhee Square, Calcutta.	16-7-40	Do.	..	..	
96	Variety Pictures, Ltd. Produce films.	63, Dharamtolla Street, Calcutta.	26-7-40	Do.	..	..	
97	The Northern Bengal Engineers and Manufacturing, Ltd. Engineering, etc.	Kurseong, Darjeeling	29-7-40	Do.	..	..	
98	India Rolling Mills, Ltd. Manufacture of aluminium brass, copper and other metal sheets.	6-A, Halsi Bagan Road, Calcutta.	9-8-40	Do.	..	..	

99	Bengal Electric Supply Corporation, Ltd. Electrical energy for all purposes.	17, Mangoe Lane, Calcutta.	9-8-40	Do.	..	..	
100	The Bholia Electric Supply Co., Ltd. Electrical energy supplying.	2/24-B, Kankulia Road, Ballyganj, Calcutta.	13-8-40	Do.	..	..	
101	The Vita-food Manufacturing Co., Ltd. Manufacture chemical foods, baby foods, malted foods, etc.	137, Bowbazar Street, Calcutta.	14-8-40	Do.	..	..	
102	Gaya Art Press, Ltd. Printers, lithographers, etc.	50/C, Keshab Ch. Sen Street, Calcutta.	23-8-40	Private	..	..	
103	The Narsingdi Electric Supply Co., Supplying electrical energy.	Narsinghdi, Dacca.	24-8-40	Public	..	..	
104	Farmers' Preserve Works, Ltd. To manufacture, sell and export butter and dairy farm products.	47, Chittaranjan Avenue, Calcutta.	29-8-40	Private	..	..	
105	The Bengal Tent Factories, Ltd. Manufacturers of ropes, newars and tent components, etc.	57, Grand Hotel, Chowringhee, Calcutta.	2-9-40	Public	..	..	
106	The Ayurved Laboratory, Ltd. Ayurvedic medicine manufacturer.	Monoharpur, Comilla.	6-9-40	Do.	..	..	
107	Hardware Products, Ltd. To manufacture hardware products of all descriptions.	9-A, Dalhousie Square, Calcutta.	19-9-40	Do.	..	..	
108	Colours and Chemicals, Ltd. Manufacture of varnishes, dry colours, chemicals, etc.	8/1, Gurudas Dutt Garden Lane, Calcutta.	19-9-40	Private	..	..	

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	2	3	4	5	6	7	8
			BENGAL—contd.				
109	General Chemical Industries, Ltd. Chemical manufacturers.	16/1, Akrur Dutta Lane, Calcutta.	19-9-40	Private	..	..	
110	Pratap Film Corporation, Ltd. Film producers.	14, Bentick Street, Calcutta.	19-9-40	Do.	..	..	
111	The Hindusthan Pharmaceutical Works, Ltd. Chemicals manufacturers.	151, Raja Rajendra Lal Mitter Road, Calcutta.	20-9-40	Do.	..	..	
112	Metropolitan Chemical Industries, Ltd. Chemicals manufacturers.	36, Dharamtolla Street, Calcutta.	23-9-40	Public.	..	..	
113	Banga Assam Krishi Silpa Pratishthan, Ltd. Dairy farm, horticulture development.	Bhairab Bazar, Mymensingh.	27-9-40	Do.	..	..	
114	Bharat Fishery and Poultry Co., Ltd. Fishery cultivation.	14, Clive Row, Calcutta.	28-9-40	Do.	..	..	
115	Sepulchre Bros. (Cal.), Ltd. Manufacture glass and glass plates, etc.	4, Mission Row, Calcutta.	28-9-40	Private	..	..	
116	United Cotton Mills, Ltd. Cotton mills.	Puran Bazar, Chandpur, Calcutta.	30-9-40	Public	..	..	

117.	Chemical House (India), Ltd. Manufacturers of oils, soaps, heavy chemicals, etc.	8, Royal Exchange Place, Calcutta.	4-10-40	Do.	..	..	
118	Hindusthan Paper and Board Mills, Ltd. Manufacture paper, board and pulp.	14, Hare Street, Calcutta.	19-10-40	Do.	..	..	
119	Movi Technique Society, Ltd. Film producers, etc.	1, Moti Seal Street, Calcutta.	19-10-40	Private	..	..	
120	The Central Glass Industries, Ltd. Glass manufacturing.	60/3, Barrackpore Trunk Road, Calcutta.	21-10-40	Public	..	..	
121	Waldies Industries, Ltd. Manufacturers of lead piping and lead products.	8, Clive Street, Calcutta.	22-10-40	Private	..	..	
122	Standard Salt Co., Ltd. Salt manufacturing.	32, Upper Circular Road, Calcutta.	23-10-40	Public	..	..	
123	Shree Bajrang Electric Steel Co., Ltd. Manufacturing of rods, steel, brass bolts and nuts, etc.	21/B, Canning Street, Calcutta.	26-10-40	Do.	..	..	
123-A	Sree Beharji Mills, Ltd. Flour and Oil mills.	163, Cotton Street, Calcutta.	26-10-40	Do.	..	..	
124	Eastern Glass Works, Ltd. Manufacturing glass.	55, Chalapathi Road, Calcutta.	28-10-40	Private	..	..	
125	Sree Padma Hosiery Mills, Ltd. Hosiery manufacturing.	102/B, Clive Street, Calcutta.	29-10-40	Public	..	..	
126	East India Salt Co., Ltd. Salt manufacturing.	84-A, Clive Street, Calcutta.	29-10-40	Do.	..	..	

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1	2	3	4	5	6	7	8
			BENGAL—contd.				
127	American-Research Homeopathic Society Ltd., Manufacturing homeopathic medicine.	6, Hare Street, Calcutta.	5-11-40	Public	..	..	
128	Mahsakti (Usadhalaya) Ltd., Ayurvedic medicine and chemical manufacturing.	Madaripur, Faridpur.	7-11-40	Do.	..	..	
129	The Hardware Stores Ltd., Manufacturers of general hardware goods.	79, Clive Street, Calcutta.	12-11-40	Private	..	..	
130	The India Colour Manufacturing Co., Ltd., Pigment and dry colours of all kinds.	46, Dharamtolla Street, Calcutta.	13-11-40	Public	..	..	
131	Sara Ice Factory, Ltd., Ice manufacturing.	Sara, Pabna	20-11-40	Private	..	..	
132	Sree Honuman Steel Rolling Mills Co., Ltd., to erect rolling mills for the purpose of rolling and melting iron and steel and other metals.	144/145, Jogendra Nath Mukherjee Road, Howrah.	21-11-40	Public	..	..	
133	National India Industries, Ltd., Ice manufacturing.	84-A, Clive Street, Calcutta.	25-11-40	Do.	..	..	

134	Kalyan Weaving Mills Ltd., Weaving, spinning and ginning.	14, Clive Street, Calcutta.	28-11-40	Private	..	..	
135	Bengal Waterproof Works (1940) Ltd., Water proof manufacturing.	Panihati, 24-Parganas.	29-11-40	Public	..	..	
136	Ganges Engineering Works Ltd., Manufacturing implements and machinery.	144 & 145, Old Ghusury Road, Howrah.	7-12-40	Do.	..	..	
137	East End Pharmaceutical and Chemical Works Ltd., Manufacturing medicine, chemical instruments and other medical requisites.	52/1, Wellesley Street, Calcutta.	9-12-40	Private	..	..	
138	Rumela Works Ltd., Perfumeries, toilet goods manufacturing.	13, Beadon Street, Calcutta.	10-12-40	Do.	..	..	
139	Kutchhi & Co. Ltd., Manufacture hats, caps and other kinds of head dresses.	13, Mullick Street, Calcutta.	10-12-40	Do.	..	..	
140	Maipit Salt and Chemicals Ltd., Salt manufacturing.	86, Chowringhee Road, Calcutta.	11-12-40	Public	..	..	
141	Khushiram Murarilal Ltd., Jute pressing, etc.	21-B, Canning Street, Calcutta.	12-12-40	Private	..	..	
142	A. B. N. Ltd., Glass manufacturers.	20-C, Southern Avenue, Ballygani, Calcutta.	12-12-40	Do.	..	..	
143	Bengal Ingot Co. Ltd., Manufacturers of locomotive and motor engineering, etc.	5, Hyde Road, Calcutta.	13-12-40	Do.	..	..	

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1	2	3	4	5	6	7	8
		BENGAL—contd.					
144	Elton Chemical Works Ltd., Chemists and Druggists.	84-A, Clive Street, Calcutta.	18-12-40	Public.	..	..	
145	Matri Sakti Ousadhalaya Ltd., Manufacturing Ayurvedic medicine.	Bhojeswar, Faridpur	19-12-40	Do.	..	..	
146	Industrial Chemical Enterprises Ltd., Acids, chemicals etc. manufacturing.	22, Beerpora Lane, Dum Dum, 24-Parganas.	20-12-40	Private	..	..	
147	Standard Biscuit Co. Ltd., Manufacturing biscuits, etc.	47-A, Chittaranjan Avenue, Calcutta.	23 12-40	Public.	..	..	
148	Aryasthan Salt Works Ltd., Salt manufacturing.	5 & 6, Hare Street, Calcutta.	23-12-40	Do.	..	..	
149	Electrical-works of the East Ltd., Manufacturers of apparatus and things required in connection with the generation, distribution and employment of electricity.	108, Vivekananda Road, Calcutta.	6-1-41	Private	..	..	
150	Bengal Tannery Ltd., Leather goods manufacturing.	Firinghee Bazar, Chittagong.	8-1-41	Public.	..	..	

151.	Swarupananda Industries and Ayurved Ltd., Manufacturing ayurvedic medicine.	Feni, Noakhali	8-1-41	Do.	..	..
152	Drugs and Chemicals (Calcutta) Ltd., Manufacture drug, soap, chemical, oils, etc.	3, Set Bagān Road, Ghugudanga, 24-Parganas.	13-1-41	Private	..	..
153	Maharani Textiles Ltd., Hosiery manufacturing.	P.14, Benick Street, Calcutta.	13-1-41	Public	..	..
154	The Bharat Battery Manufacturing Co. Ltd., Manufacturing Battery, components and accessories of all descriptions.	P. 1/A, Rash Behari Avenue, Ballyganj, Calcutta.	20-1-41	Private	..	..
155	Western-Bengal Co. Ltd., Jute pressing, etc.	61, Harrison Road, Calcutta.	27-1-41	Public	..	..
156	Northern Bengal Jute Trading Co. Ltd., Jute pressing.	8-A, Beniatola Lane, Calcutta.	27-1-41	Do.	..	..
157	Eastern Bengal Jute Trading Co. Ltd., Jute pressing.	61, Harrison Road, Calcutta.	27-1-41	Do.	..	..
158	Charnagurie Trading Co. Ltd., Jute pressing.	8-9, College Square, Calcutta.	27-1-41	Do.	..	..
159	Lily Industrial and Pharmaceutical Products Ltd., Manufacturers of Industrial and Pharmaceutical products.	17/3, Mudiali Road, Kalighat, Calcutta.	29-1-41	Private	..	..
160	The United Provinces Tannery Co. Ltd., Manufacturing leather goods.	26-C, Creek Row, Calcutta.	29-1-41	Do.	..	..

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1	2	3	4	5	6	7	8
			BENGAL— <i>concd.</i>				
161	United Medical Stores Ltd., Chemists and Druggists.	16, Bonfields Lane, Calcutta.	31-1-41	Private	..	..	
162	Jagabandhu Chemical Works Ltd., Manufacture all sorts of chemical and pharmaceutical articles and goods.	2, Ramkrishna Lane, Calcutta.	5-2-41	Do.	..	..	
163	Samuel Fitze (Factory) Ltd., Manufacturers of textile goods.	26, Chowringhee Road, Calcutta.	6-2-41	Do.	..	..	
164	Calcutta National Engineering Works Ltd., Engineering Works.	209-B, Lansdown Road, Calcutta.	6-2-41	Public	..	..	
				UNITED PROVINCES.			
1	<i>Non-seasonal.</i> The Ganesh Glass Works, Bangle Factory.	Firozabad (Agra)	21-9-39	Private	..	..	
2	J. K. Iron & Steel Co. Ltd.	Cawnpore	21-9-39	Do.	..	..	
3	Bhatia Safe Works	Do.	7-10-39	Do.	..	..	
4	Mohd. Hanif Shaukatli, Bangle Cutting Factory.	Firozabad (Agra)	8-11-39	Do.	..	..	
5	Eastern Tobacco Co. Ltd.	Allahabad	8-11-39	Do.	..	..	
6	The Hindustan Tanneries Ltd.	Cawnpore	1-12-39	Do.	..	..	
7	Krishna, Bangle Cutting Factory.	Firozabad (Agra)	11-1-40	Do.	..	..	
8	Sobha Ram Sri Ram Dal Flour and Ginning Factory.	Anola (Bareilly)	11-1-40	Do.	..	..	
9	Industrial Mills	Farrukhabad	11-1-40	Do.	..	..	
10	Manikchand Gopi Nath, Brass Rolling Mills.	Do.	11-1-40	Do.	..	..	
11	The New Hindustan Sugar Mills.	Turkhalava (Gonda)	11-1-40	Do.	..	..	
12	Lakshmi Narain Parnanand Cotton Waste Factory.	Cawnpore	31-1-40	Do.	..	..	
13	Pearl Products Ltd.	Do.	12-2-40	Do.	..	..	
14	Military Dairy Farm	Allahabad	16-2-40	Government	..	..	
15	Cawnpore Plate Mills	Cawnpore	26-2-40	Private	..	..	
16	Prakash Engineering Co. & Rolling Mills.	Agra	18-3-40	Do.	..	..	
17	Ishwari Pd. Vishwa Nath Pd., Gold Thread and Kalabattu Manufacturing Factory.	Benares	18-3-40	Do.	..	..	
18	Military Dairy Farm	Kolsi (Dehra Dun)	18-3-40	Government	..	..	

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1	2	3	4	5	6	7	8
UNITED PROVINCES—contd.							
<i>Non-seasonal—contd.</i>							
19	Jaswant Straw Board	Meerut .	18-3-40	Private	..	..	
20	Kishore Rice Mills .	Saharanpur .	18-3-40	Do.	..	..	
21	Ajudhia Sugar Mills Work-shops.	Raja-ka-Sahaspur (Moradabad).	8-4-40	Do.	..	..	
22	The Balanco Works .	Benares .	12-4-40	Do.	..	..	
23	Krishna Knitting Works .	Lucknow .	2-5-40	Do.	..	..	
24	Plywood Products .	Sitapur .	2-5-40	Do.	..	..	
25	Eastern Tanneries, Ltd. .	Cawnpore .	3-5-40	Do.	..	..	
26	M/s. R. B. Salig Ram & Sons, Railway Lime Kiln.	Lucknow .	3-5-40	Do.	..	..	
27	The Reliance Brushware .	Latouche Road, Cawnpore.	4-5-40	Do.	..	..	
28	Military Engineering Services, Power House.	Jhansi .	7-5-40	Government	..	..	
29	Jhansi Co-operative Oil Mills and Industries, Ltd.	Civil Lines, Jhansi .	17-5-40	Private	..	..	

30	Sainik Press .	Kaserat Bazar, Agra	25-5-40	Do.	..	..	
31	The Modern Press .	Namak-ki-Mandi, Agra.	15-6-40	Do.	..	..	
32	Jitendra Oil Mills .	Maniganj, Farrukhabad.	18-6-40	Do.	..	..	
33	The General Manufacturing Co.	Sonarpura, Benares	4-7-40	Do.	..	..	
34	Tara Printing Works .	Kamachha, Benares City.	19-7-40	Do.	..	..	
35	M/s. Chhote Lal Jagan Nath Pd., Oil Mills.	Bharthana, Etawah	2-8-40	Do.	..	..	
36	The Central Press, Ltd. .	Ram Narain Bazar, Cawnpore.	5-8-40	Do.	..	..	
37	M/s. G. McKenzie & Co. (1919), Ltd.	94, The Mall, Lucknow.	5-8-40	Do.	..	..	
38	Himaliya Works .	Station Road, Moradabad.	12-8-40	Do.	..	..	
39	Shree Madhav Mills, Ltd. .	Bhagwatiganj, Balrampur, Gonda.	20-8-40	Do.	..	..	
40	M/s. Siva Narain Dal, Rice and Flour Mills.	Do.	24-8-40	Do.	..	..	
41	Kallumal Data Ram Glass, Bangle Cutting Factory.	Chandwargate, Firozabad (Agra).	29-8-40	Do.	..	..	
42	Kishan Lal Gulzari Lal, Bang's Cutting Factory.	Gher Bohran, Firozabad, Agra.	30-8-40	Do.	..	..	
43	Triloki Chandra Radhey Shyam, Bangle Cutting Factory.	Hundawala Mohalla, Firozabad, Agra.	6-9-40	Do.	..	..	

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1	2	3	4	5	6	7	8
UNITED PROVINCES—contd.							
<i>Non-seasonal—contd.</i>							
44	Nadir Bux Karim Bux, Glass Bangle Cutting Factory.	Mohalla Chairimaran, Firozabad.	23-9-40	Private	..	..	
45	Shri Visheshwar Press	Bula Nala, Benares.	26-9-40	Do.	..	..	
46	Indian Law House	Zero Road, Allahabad.	2-10-40	Do.	..	..	
47	Forward Glass Works	Firozabad, Agra	4-10-40	Do.	..	..	
48	Prem Tannery	Cawnpore	14-10-40	Do.	..	..	
49	Mathur & Manzoor, Ltd.	G. T. Road, Cawnpore.	14-10-40	Do.	..	..	
50	Balrampur Raj Electric Supply Department.	Balrampur, Gonda	14-10-40	Do.	..	..	
51	The Modern Printing Works	Allahabad	15-10-40	Do.	..	..	
52	The Indian Trading Tannery.	Jajman Road, Cawnpore.	17-10-40	Do.	..	..	
53	Jyotish Prakash Press	Kal Bharon, Benares	21-10-40	Do.	..	..	
54	Hardware Section, Model Industries.	Dayalbagh, Agra	26-10-40	Do.	..	..	

55	Shri Durga Oil and Rice Mills.	Haldwani, Naini Tal	26-10-40	Do.	..	..	
56	Jain Rolling Mills	Cawnpore	26-10-40	Do.	..	..	
57	Ratee Ram & Sons	Cawnpore	6-11-40	Do.	..	..	
58	Radha Govind, Oil and Flour Mills.	Muttra	7-11-40	Do.	..	..	
59	Haji Abdullah Brass Works	Aligarh	8-11-40	Do.	..	..	
60	Agra Brush Factory	Agra	16-11-40	Do.	..	..	
61	Raj Engineering Iron and Brass Works.	Sitapur	12-11-40	Do.	..	..	
62	Bharat Printing Press	Vishnupuri, Aligarh	29-11-40	Do.	..	..	
63	Technological Institute Workshop.	Cawnpore	7-12-40	Government	..	..	
64	Bishambhar Dayal Shir Niwas, Glass Bangle Merchant.	Firozabad, Agra	2-12-40	Private	..	..	
65	Bansal Press	Chhipitola, Agra	2-12-40	Do.	..	..	
66	Hindustan Development Co.	Benares	2-12-40	Do.	..	..	
67	Majidi Press	Patkapur, Cawnpore	2-12-40	Do.	..	..	
68	General Engineering Works	Mohniganj, Lucknow	2-12-40	Do.	..	..	
69	Allahabad Foundry and Flour Mills.	Allahabad	3-12-40	Do.	..	..	
70	Onkar Press	Do.	3-12-40	Do.	..	..	
71	Empire Press	Do.	3-12-40	Do.	..	..	

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1	2	3	4	5	6	7	8
	UNITED PROVINCES—contd.						
	Non-seasonal—contd.						
72	Sharma Sharma & Sons, Engineering Works.	Chhipi Tank, Meerut	3-12-40	Private	..	..	
73	Agarwal Press . . .	Sheo Charan Lal Road, Allahabad.	3-12-40	Do.	..	..	
74	Art Printing Press . .	The Mall, Mussoorie	3-12-40	Do.	..	..	
75	Mofsalite Printing Works.	Do.	3-12-40	Do.	..	..	
76	Vidya Vilas Press . . .	Gopal Mandir, Benares.	3-12-40	Do.	..	..	
77	Khoshrubagh Ice Factory	Karelabagh Road, Allahabad.	3-12-40	Do.	..	..	
78	Nazir Khan, Bangle Cutting and Flour Mills.	Firozabad, Agra	5-12-40	Do.	..	..	
79	Ramkishore Ram Gopal Hathraswala, Bangle Cutting Factory.	Do.	5-12-40	Do.	..	..	
80	Ram Singh, Bangle Cutting Factory.	Chandwargate, Firozabad, Agra.	5-12-40	Do.	..	..	
81	Munnihal, Bangle Cutting and Flour Mills.	Firozabad, Agra	5-12-40	Do.	..	..	

82	Mohd. Yaqub, Bangle Cutting and Flour Mills.	Do.	5-12-40	Do.	..	..	
83	Dwarka Das Kishanlal, Bangle Cutting Factory.	Do.	5-12-40	Do.	..	..	
84	Abdul Ghani, Brass Works	Jaiganj, Aligarh	5-12-40	Do.	..	..	
85	M/s. J. H. Johnson & Co. (The Pioneer Lock Works.)	Aligarh . . .	5-12-40	Do.	..	..	
86	The Shyam Press . . .	Do.	5-12-40	Do.	..	..	
87	Abdul Rahman Khan, Polishing Factory.	Chhapeti Road, Aligarh.	5-12-40	Do.	..	..	
88	Abdul Hakeem, Brass Polishing Works.	Do.	5-12-40	Do.	..	..	
89	The Indian Electric Engineering and Ginning Works.	Aligarh . . .	5-12-40	Do.	..	..	
90	Agarwal Press . . .	Parrhatta Bazar, Hathras.	5-12-40	Do.	..	..	
91	Ismail Khan, Brass Polishing Works.	Tankanpara, Aligarh	5-12-40	Do.	..	..	
92	Nandy & Bros. . . .	4, Crosthwaite Road, Allahabad.	6-12-40	Do.	..	..	
93	Hindi Press	Allahabad	6-12-40	Do.	..	..	
94	Nasrat Iron Works . .	Do.	6-12-40	Do.	..	..	
95	Karnyogi Press, Ltd. . .	Do.	6-12-40	Do.	..	..	
96	The Standard Engineering Works.	Do.	6-12-40	Do.	..	..	

No.	1	2	3	4	5	6	7	8
		Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created. (Registered).	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
		UNITED PROVINCES—contd.						
		<i>Non-seasonal—contd.</i>						
97		Jagat Press . . .	Allengani, Allahabad	6-12-40	Private	..	..	
98		The Kala Press . . .	Allahabad . . .	6-12-40	Do.	..	..	
99		Rohilkhand Industries, Ltd. or Kodeshia Engineering Works.	Bareilly . . .	6-12-40	Do.	..	..	
100		Ram Chand Lachmandas, Ice Factory.	Do. . .	6-12-40	Do.	..	..	
101		U. P. Motor Service Station	Benares Cantonment	6-12-40	Do.	..	..	
102		Shanker Motor Works . .	Lazarus Buildings, Benares Cantonment.	6-12-40	Do.	..	..	
103		Gita Dharma Press . . .	Sakshi Vinayat, Benares.	6-12-40	Do.	..	..	
104		The National Press . . .	Latouche Road, Cawnpore.	7-12-40	Do.	..	..	
105		City Press . . .	Meston Road, Cawnpore.	7-12-40	Do.	..	..	

106	Onkar Press . . .	Near Kamla Tower, Cawnpore.	7-12-40	Do.	..	..	..	
107	Ramdass Press . . .	Chatai Mohal, Cawnpore.	7-12-40	Do.	..	..	..	
108	M/s. Majid & Brothers . .	Lucknow . . .	7-12-40	Do.	..	..	..	
109	The Prakash Ice Factory . .	Do. . .	7-12-40	Do.	..	..	..	
110	The Victor Ice and Flour Mills.	Do. . .	7-12-40	Do.	..	..	..	
111	The Nami Press . . .	Do. . .	7-12-40	Do.	..	..	..	
112	M/s. Ranchand Laxmandas, Ice Factory.	Do. . .	7-12-40	Do.	..	..	..	
113	The United Motors . . .	Do. . .	7-12-40	Do.	..	..	..	
114	Sahitya Mandir Press . . .	Do. . .	7-12-40	Do.	..	..	..	
115	Lucknow Garage . . .	Do. . .	7-12-40	Do.	..	..	..	
116	Haji Abdul Rahman, Engineering Works.	Meerut . . .	9-12-40	Do.	..	..	..	
117	Ram Swarup Jhaboomal, Engineering Works.	Do. . .	9-12-40	Do.	..	..	..	
118	Mohammad Khan, Motor Garage and Workshops.	Meerut Cantonment	9-12-40	Do.	..	..	..	
119	Jagan Nath Umrao Singh, Engineering Works.	Meerut . . .	9-12-40	Do.	..	..	..	
120	Union Motor Works . . .	Circular Road, Meerut.	9-12-40	Do.	..	..	..	
121	Sital Kanhaiya Brass Works.	Imanganj, Mirzapur	9-12-40	Do.	..	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created. (Registered.)	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
UNITED PROVINCES—contd.							
Non-seasonal—contd.							
122	Punnu Lal, Brass Works	Dunking-ganj, Mirzapur.	9-12-40	Private	..	..	..
123	Prag Distilled Water Ice Factory.	Moradabad	9-12-40	Do.	..	..	..
124	Abdul Rahman Jamal Uddin, Utensil Polishing Works.	Do.	9-12-40	Do.	..	..	..
125	Electro-plating Fancy Warehouse.	Moh. Thatheri, Moradabad.	9-12-40	Do.	..	..	..
126	General Electro-plating and Polishing Works.	Moradabad	9-12-40	Do.	..	..	..
127	Hari Har Press	Chattia Bazar, Mutttra	10-12-40	Do.	..	..	..
128	Agarwal Press	Do.	10-12-40	Do.	..	..	..
129	General Steel Rolling Mills	Chakrata Road, Saharanpur.	10-12-40	Do.	..	..	..
130	Md. Umar's Workshop	Moh. Mubarak Shah, Saharanpur.	10-12-40	Do.	..	..	..
131	Shanti Press	Fazlur Rahman Road, Saharanpur.	10-12-40	Do.	..	..	..

132	Jagdish Rulling Mills	Juhi, Cawnpore	10-12-40	Do.	..	..	..
133	Oriental Engineering Co.	Opposite Water Works Gate, Cawnpore.	14-12-40	Do.	..	..	..
134	Rahman Electroplating Works.	Moh. Bhatti, Moradabad.	18-12-40	Do.	..	..	..
135	Abdul Majid, Flour Mills and Polishing Factory.	Naj-ka-Katra, Moradabad.	18-12-40	Do.	..	..	..
136	Bhargava Printing Press	Moradabad	21-12-40	Do.	..	..	..
137	Shanker Glass Works	Agra Darwaza, Firozabad, Agra.	6-1-41	Do.	..	..	..
138	Seth Bijlaj Pyari Lal Paliwal, Cutting Factory.	Chair Boharan, Firozabad.	6-1-41	Do.	..	..	..
139	Sarawati Glass Works	Bag Parsi, Firozabad, Agra.	6-1-41	Do.	..	..	..
140	Kohinoor Case Board Saw Mill Co.	P. O. Haldwani, Naini Tal.	6-1-41	Do.	..	..	..
141	Amrit Banaspati Co., Ltd.	Ghaziabad, Meerut	6-1-41	Do.	..	..	..
142	Bharat Glass Works	Firozabad, Agra	7-1-41	Do.	..	..	..
143	Shri Gopalji, Rice, Dal, Flour and Oil Mills.	Bhagwatiganj, Balrampur, Gonda.	7-1-41	Do.	..	..	..
144	Abdul Ghani & Sons.	Tamoli Para, Ali-garh.	15-1-41	Do.	..	..	..
145	Fyzabad Water Works	Fyzabad	21-1-41	Do.	..	..	..
146	S. Atma Singh & Sons	Cawnpore	23-1-41	Do.	..	..	..

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created. (Registered.)	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
		UNITED PROVINCES—contd.					
	Non-seasonal—contd.						
147	Engineers' Co-operation	14/68, The Mall, Cawnpore.	30-1-41	Private	..	..	
148	M/s. Rama Iron Works	Dankaur Railway Station, Bulandshahr.	30-1-41	Do.	..	..	
149	Rajendra Motors	128, Mall, Cawnpore	7-2-41	Do.	..	..	
150	Shree Durga Glass Works	Firozabad, Agra	7-2-41	Do.	..	..	
151	M/s. Chaturbhuj Jagdish Chandra Oil Mills.	G. T. Road, Ghaziabad, Meerut.	7-2-41	Do.	..	..	
152	New Agarwal Glass Works	Hanuman Gali, Firozabad, Agra.	12-2-41	Do.	..	..	
153	S. N. Anand & Bros.	14/5, Civil Lines, P. O. Box 105, Cawnpore.	15-2-41	Do.	..	..	
154	Kamla Glass Works	Katra Sunaran, Firozabad, Agra.	19-2-41	Do.	..	..	
155	Chiranjee Lal Pyare Lal, Glass Bangle Cutting Factory.	Station Road, Firozabad, Agra.	20-2-41	Do.	..	..	

156	Har Prasad Electric Press	Bulandshahr	20-2-41	Do.	..	..	
157	Krishna Iron Foundry	Raipurwa, Cawnpore.	6-1-41	Do.	..	..	
158	Well Boring Division Workshop.	Allenganj, Cawnpore.	6-1-41	Government	..	..	
159	Farrukhabad Ice Factory	Badpur, Farrukhabad.	21-1-41	Private	..	..	
160	Star Motors	Rajpur Road, Dehra Dun.	21-1-41	Do.	..	..	
161	Prag Distilled Water Ice Factory.	16, Jagatganj, Benares.	21-1-41	Do.	..	..	
162	Jain Electroplating Works	Sasni Gate, Aligarh.	21-1-41	Do.	..	..	
163	Adhikar Press	Arya Nagar, Lucknow.	7-2-41	Do.	..	..	
164	United Engineering Co.	Chandausi, Moradabad.	14-2-41	Do.	..	..	
165	Hindi Sahitya Press	3, Crosthwaite Road, Prayag, Allahabad.	15-2-41	Do.	..	..	
166	Moolchand Liladhar, Bangle Cutting Factory.	Chapetti, Firozabad	17-2-41	Do.	..	..	
167	Kanti Press	Maitha, Agra	17-2-41	Do.	..	..	
168	Amba Prasad Jain & Co.	298, G. T. Road, Meerut Cantonment.	17-2-41	Do.	..	..	
169	Gas and Metal Operators	14, Shivpuri Factory Area, Cawnpore.	17-2-41	Do.	..	..	
170	National Chrome Plating Works.	Aligarh	28-2-41	Do.	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created. (Registered.)	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1		3	4	5	6	7	8
	<i>Non-seasonal</i> —concl'd.	UNITED PROVINCES—concl'd.					
171	Radha Govinda Press	49, Hewett Road, Allahabad.	28-2-41	Private	..	..	
172	Cawnpore Welding and Motor Works.	Lewysloyd Road, Cawnpore.	28-2-41	Do.	..	..	
173	<i>Seasonal.</i> Seramau Khandasar Works	P. O. Jugrajpur, Pilibhit.	6-1-41	Do.	..	..	
174	Bharpurwa Khandsari Sugar Factory.	Bharpurwa, P. O. Kindarpatti, Gorakhpur.	7-1-41	Do.	..	..	
175	Agarwal Ginning Factory	Belanganj, Agra	7-1-41	Do.	..	..	
176	The Lord Krishna Sugar Mills, Ltd.	Saharanpur	13-10-39	Do.	..	..	
177	The Shiromani Sugar Mills	Khalilabad, Basti	11-1-40	Do.	..	..	
178	M/s. Churni Lal Onkarnal, Cotton Ginning Factory.	Gunjdandwara, Etah	3-12-40	Do.	..	..	
179	Govind Ginning Factory	Jalesar Town, Etah	3-12-40	Do.	..	..	
180	Jagannath Pd. Ram Pd., Ginning Factory.	Do.	31-1-41	Do.	..	..	

PUNJAB.							
1	The Indian Cereal Products Company,—Wheat starch manufacturers.	Lyallpur	1940	Private	Nil	..	
2	Sargodha Oil Mills— (i) Cotton seed oil and cake. (ii) Toria oil and cake.	Jahania Mandi, Multan.	1940	Do.	Do.	..	
3	Chanchal Singh, Oil Mills— (i) Cotton seed oil and cake. (ii) Toria oil and cake.	Khanewal, District Multan.	1940-41	Do.	Do.	..	Under completion—some portion working.
4	Rose Foundry,—Motor jacks.	Rawalpindi	1940	Do.	Do.	..	
5	Sehgal and Company,—Scientific instruments, hand tools and sheet metal work, etc.	Do.	1939-40	Do.	Do.	..	
6	R. S. Obra and Sons,—Wood wool.	Do.	1940	Do.	Do.	..	
7	Narco Metal Works,—Cycle parts.	Jhelum	1940	Do.	Do.	..	
8	Cawnpore Leather Stores, Suitcase metal fittings.	Rawalpindi	1940	Do.	Do.	..	
9	Eagle Scale Works— (i) Medicine—chip boxes. (ii) Card board—pill boxes.	Sialkot City	1940	Do.	Do.	..	
10	Suddal and Company— (i) Ice cream freezers. (ii) Fruit juice machines.	Do.	1940	Do.	Do.	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			PUNJAB— <i>contd.</i>				
11	M. Rajput Brothers— (i) Gas lamps. (ii) Cycle parts. (iii) Hinges.	Kotli Loharan, near Sialkot.	1940	Private	Nil	..	
12	Vir Metal Works,—Hinges, handtools, carpenter's sledge hammers, ball pin hammers, screw drivers, chisels and gauges.		1940	Do.	Do.	..	
13	Dalmia Cement Works,—Cement.	Dandot, District Jhelum.	1940	Do.	Do.	..	
14	M/s. Amritsar Industrial Works,—Ammonium Chloride.	Islamabad, Amritsar	1940	Do.	Do.	..	
15	M/s. National Glass Works,—Manufacture of medicinal bottles.	Haripur, Amritsar	1940	Do.	Do.	..	
16	M/s. Karamchand Ghan-sham Das, Printing and Finishing Works,—Printing and finishing of textiles.	Amritsar	1940	Do.	Do.	..	

17	M/s. New Commercial Mills,—Manufacture of textile fabrics.	Amritsar	1940	Do.	Do.	..	
18	M/s. Beharilal Balkishen Dada Factory,—Chaff cutters and nuts.	Jullundur City	1940	Do.	Do.	..	
19	M/s. Bombay Brass Works,—Brass cocks and irons.	Do.	1940	Do.	Do.	..	
20	M/s. Sant Mills,—Chaff cutters blades.	Do.	1940	Do.	Do.	..	
21	M/s. Watkins Mayer and Company,—Electrically welded drums.	Do.	1940	Do.	Do.	..	
22	Jullundar Tannery Works,—Manufacture of tanned leather.	Jullundar	1941	Do.	Do.	..	
23	General Workshop, Suranussi,—school slates.	Jullundar District	1941	Do.	Do.	..	
24	Wool Carding and Teasing Station.	Kulu	1940	Government	..	Rs. 14,613.	
25	Indian Plywood Industries,—Plywood.	Shahdara, Lahore	1940	Private	Nil	..	
26	Punjab Flour and General Trading Company,—Felt cloth.	Do.	1940	Do.	Do.	..	
27	M/s. Deen & Sons,—Cycle rims.	Lahore	1940	Do.	Do.	..	
28	M/s. J. N. Sharma & Sons,—Galvanised buckets and petrol drums, etc.	Do.	End of 1939	Do.	Do.	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			PUNJAB— <i>contd.</i>				
29	Ashok Manufacturing Company, Ltd.,—Brass castings and allied articles.	Mughalpura, Lahore	1940	Private	Nil.	..	
30	Metal Industries,—Clasp knives.	Lahore Cantonment	1940	Do.	Do.	..	
31	Steel Sons Manufacturing Company, Ltd., Cycle parts.	Do.	1940	Do.	Government have sanctioned a subsidy of Rs. 5,000.	..	
32	Piyare Lal & Sons, Ltd.,—Motor bus bodies.	Do.	1940	Do.	Nil.	..	
33	Anand Automobiles,—Motor bus bodies.	Lahore	1940	Do.	Do.	..	
34	Devi Chand Khanna & Sons,—Sawyers of wood.	Do.	1940	Do.	Do.	..	
35	M/s. Kaithal Chemical Works,—Sal ammonia.	Kaithal	End of 1939	Do.	Do.	..	
36	M/s. Steel Rolling Mills,—Steel bars and rods.	Ludhiana	End of 1939	Do.	Do.	..	
37	Bharat Starch and Chemical Products, Ltd.,—Starch.	Abdullepur	End of 1939	Do.	Do.	..	

38	Wool Finishing Centre	Panipat	1940	Government	Do.	Rs. 49,410.	
39	Central Pottery Factory	Shahdara, Lahore	1940	Do.	Do.	Rs. 19,089.	
			BIHAR.				Refund of duty allowed soda as consumed.
1	The Bihar Glass and China Clay Factory.	P. O. Colgong, District Bhagalpur, E. I. R.	October 1939	Private	Technical advice	..	
2	Tin Can Manufacturing Co. for manufacturing tins, etc.	P. O. Sahibganj, District Santhal Parganas, E. I. R.	1939-40	Do.	Do.	..	
3	Shree Shiva Parbati Mills for manufacturing small pieces of brass-sheets, brass utensils, etc.	P. O. Sultanganj, District Bhagalpur, E. I. R.	1940	Do.	Do.	..	
4	Dr. Mahesh Prasad Sharat, Medical stores.	Bhagalpur, E. I. R.	1940	Do.	Loan of Rs. 500 given under State Aid to Industries Act, 1923.	..	
5	Radio fitting and repairing workshop.	Grand Road, Dinapur, Patna.	1940-41	Do.	Technical advice	..	
6	Hospital and Electrical equipments, Manufacturing Workshop.	Kadamkuan, Patna	1940-41	Do.	Do.	..	
7	Electro plating workshop	Patna	1940-41	Do.	Do.	..	
8	Biscuit and confectionary works.	Patna City	1940-41	Do.	Do.	..	
9	Fluid Manufacturing Industry.	Gaighat, Patna	1940-41	Do.	Do.	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
			BIHAR—contd.				
10	Graphite Manufacturing Workshop.	Giridih, Manbhum.	1940-41	Private	Technical advice	..	
11	Candle Manufacturing Industry.	Jehanabad, Gaya.	1940-41	Do.	Technical advice and a loan of Rs. 500 given under State Aid to Industries Act, 1923.	..	
12	Skin and Hide Tanning Industry.	Dhongawan, Gaya.	1940-41	Do.	Technical advice	..	
13	Scent Manufacturing Industry.	Kako, Gaya.	1940-41	Do.	Do.	..	
14	Hand Weaving Silk Industry.	Nerut, Patna.	1940-41	Do.	Do.	..	
15	Dal splitting industry of M/s. Ramchandrar and Ramcharitar Sahu.	Dolha, Gaya.	1940-41	Do.	Do.	..	

Cement.		ASSAM.					
1	Assam Bengal Cement Co..	Chhatak P. O. Sylhet	Registered as a "Factory" on 16-4-40 (Hopes to start manufacture from April 1941.)	Private	No subsidy or financial help.	Cost not known. Not created by Government.	Not a new industry as lime has been made by private kilns at Chhatak for scores of years. It is the first modern plant for cement in Assam.
Textile.							
2	Jalali Hosiery Mills.	Kajitola, P. O. Sylhet.	4-9-40	Do.	Do.	Do.	The first hosiery factory in Assam.
Saw Mills.							
3	Sylhet Timber Supply Co..	Church Road, P. O. Sylhet.	4-9-40	Do.	Do.	Do.	None of the following are new industries. Some of them are new factories but some have been in existence for some time but not hitherto been reported or been registered by the Chief Inspector of Factories.

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
	<i>Printing Presses.</i>			ASSAM—contd.			
4	The Sakti Press	Zindabazar, P. O. Sylhet.	2-12-40	Private	No subsidy or financial help.	Cost not known. Not created by Government.	
5	Sadasiva Printing Presses.	Purnanda Road, P. O. Dibrugarh.	10-9-40	Do.	Do.	Do.	
	<i>Rice and/or Oil Mills.</i>						
6	Lakshminarayan Rice and Oil Mills.	P. O. Tangla.	4-9-40	Do.	Do.	Do.	
7	Mahabir Rice Mill	Gamini, P. O. Halem	4-9-40	Do.	Do.	Do.	
8	Mohanlal Mahachand Rice and Oil Mills.	P. O. Tezpur	2-12-40	Do.	Do.	Do.	
9	Mangilal Rangopal Rice Mill.	P. O. Khowang Ghat	2-12-40	Do.	Do.	Do.	
10	Basugaon Rice Mill	P. O. Basugaon	4-9-40	Do.	Do.	Do.	
	<i>Tea.</i>						
11	Rangoan T. E. Factory	P. O. Goreswar	4-9-40	Do.	Do.	Do.	
12	Nagengunge T. E. Factory	P. O. Bokajan	4-9-40	Do.	Do.	Do.	

13	Durgabari T. E. Factory	P. O. Kakajan	2-12-40	Do.	Do.	Do.	
14	Krishna Sushabini T. E. Factory.	P. O. Khoirabari	2-12-40	Do.	Do.	Do.	
15	Anandabari T. E. Factory.	P. O. Hoogrija	6-5-40	Do.	Do.	Do.	
16	Kashikata T. E. Factory	P. O. Bihupuria (North Lakhimpur).	2-12-40	Do.	Do.	Do.	
	NORTH-WESTERN FRONTIER PROVINCE.						
1	Frontier Sugar Mills and Distillery, Ltd.	Takht Bhai, Mardan	1940	Private	..	..	
	CENTRAL PROVINCES AND BERAR.						
1	Dhanji Deoji & Sons, Granite Factory.	Maranzari, District Betul.	14-10-39	Private	Nil	..	
2	The National Trading Company, for extraction of linseed fibre from linseed straw.	Nagpur	27-4-40	Do.	Do.	..	
	SIND.						
1	Steel Scrap Rolling Mill attached to B. R. Herman & Mohatta, Ltd.	Karachi.	1-2-41	Private	..	..	
2	Rolling Mill attached to M/s. Ishardas Ramchand & Sons, Khori Garden.	Do.	August 1940	Do.	..	..	
3	Radio Lamp Works, for the manufacture of electric bulbs.	Do.	Beginning of 1940.	Do.	..	..	

No.	Name and nature of new industries and/or workshops created after the outbreak of the war.	Where situated.	When created.	Government or private concerns.	Kind of help or subsidy given to private concerns, if any.	Cost of those created by Government, if any.	Remarks.
1	2	3	4	5	6	7	8
1	Rama Chandra Rice Mill	Village Patpur, Ph. Haveli Basta, P. S. Basta, District Balasore.	ORISSA. 26-9-39	Private	Nil	..	Steam Engine.
2	Sree Hanuman Rice Mill	Village Binotora, P. S. Chandbali.	1-9-40	Do.	Do.	..	Do.
3	The Laxmi Rice Mill	Chandbali	1-9-40	Do.	Do.	..	Do.

Information promised in reply to starred question No. 11 and unstarred question No. 3 asked by Mr. Muhammad Azhar Ali on the 27th October, 1941.

EXAMINATION IN TELEGRAPHY HELD AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI, IN 1941.

Starred No. 11.—(a) An examination was held on the 11th and 12th August 1941.
(b) Candidates who sat for the examination and failed were not, I believe, re-examined.

(c) Government are informed that some candidates who owing to nervous exhaustion did not sit for the papers on the dates mentioned were asked to come on 13th August and those that appeared were then given papers.

(d) The answer to the first part is in the negative, the other parts do not arise.

CERTAIN BOOK PUBLISHED BY RAI SAHIB LAKSHMAN PRASAD, SUPERINTENDENT, RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

Unstarred No. 3.—The book has not been prescribed for the courses in the school.

Information promised in reply to unstarred questions Nos. 12, 13 and 15 asked by Pandit Lakshmi Kanta Maitra on the 27th October, 1941.

APPOINTMENT OF A MUSLIM CATERING CONTRACTOR FOR HINDU STUDENTS AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

No. 12.—(a) The attached table gives the required information.

(b) Government have no information of the reasons for the appointment of the present contractor, but have no reason to believe that he has not fulfilled the terms of his contract.

(c) There is no record of any such incident, or of any complaint to this effect and Government have no reason for supposing that such an incident occurred.

(d) 1925; papers are not available to show whether the contract was advertised for or not.

Statement showing percentage of students of different communities who attended the school of Transportation, Chandausi, during 1938, 1939, 1940 and up to September 1941.

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Courses.	1938		1939		1940		Jan. to Sept. 1941.		Remarks.
	Hindus.	Mus- lims.	Euro- peans, Anglo- Indians, etc.	Hindus.	Mus- lims.	Euro- peans, Anglo- Indians, etc.	Hindus.	Mus- lims.	
1. Probationary officers . . .	60	20	33.4	33.4	33.3	33.3	33.3	33.3	33.3
2. Junior officers . . .	100	..	83.3	83.3	..	..	..	..	..
3. Telegraph instructors . . .	..	..	..	..	..	..	..	..	..
4. Transportation Inspr. . .	..	..	..	..	..	..	..	..	..
5. Asstt. Head Signallers . . .	86.1	13.9	..	53.4	..	56.2	38.4	7.7	53.9
6. Transportation, Com- mercial and Engineer- ing Apprentices . . .	..	..	85.4	..	19.4	..	82.6	17.4	..
7. Senior Asstt. Station Masters . . .	12.5	7.5	..	..	33.3	11.1	48	24	28
8. Junior Asstt. Station Masters . . .	80.4	19.6	..	37.8	19.5	34.1	42.9	19.1	38
9. Goods clerks . . .	..	..	90.8	1.4	11.2	..	91.7	17.3	1
10. Coaching clerks . . .	88.8	21.2	..	..	21.6	..	78.2	12.8	..
11. Signallers . . .	80.2	19.8	..	..	20.3	0.8	74.4	21	4.6
12. Ticket checking and ticket collecting staff . . .	..	..	88.5	..	22.3	..	81.7	18.3	..
13. Probationary Asstt. Station Masters . . .	80.8	19.2	..	..	34.8	16.3	56.7	35.2	8.1
14. Probationary Com- mercial clerks . . .	..	..	78.7	1.1	32.6	0.8	67.6	21.6	8
15. Switchmen . . .	85.7	14.3	..	4.6	16.6	..	70.5	29.5	2.2
							80.2	17.6	

LEGISLATIVE ASSEMBLY

[18TH Nov. 1941]

STATEMENTS LAID ON THE TABLE

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MESSING RATE FOR PROBATIONARY ASSISTANT STATION MASTERS AND COMMERCIAL CLERKS AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

No. 13.—No records are now available to show how this rate was reached. It is not possible to cite a prevailing market rate as meals of this type are not provided in a similar manner in markets in the locality. The charges at Moradabad refreshment room for similar meals would be considerably higher, but this hardly affords material for a fair comparison.

RATES FOR ARTICLES OF FOOD AT THE EAST INDIAN RAILWAY SCHOOL OF TRANSPORTATION, CHANDAUSI.

No. 15.—No records are now available to show how the rates of Rs. 3 and Rs. 1-12-0 were reached. Government understand that they have been in force for a number of years.

MESSAGE FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, the following Message has been received from the Council of State :

"I am directed to inform you that the Council of State, at its meeting held on the 17th November, 1941, agreed, without any amendment, to the following Bills which were passed by the Legislative Assembly at its meetings held on the 10th and 11th November, 1941, namely :

- (1) A Bill further to amend the Aligarh Muslim University Act, 1920, for a certain purpose; and
- (2) A Bill to alter the constitution of the Board of Trustees of the Port of Madras."

REPORT OF THE PUBLIC ACCOUNTS COMMITTEE.

Mr. President (The Honourable Sir Abdul Rahim): The Honourable Sir Jeremy Raisman. Report of the Public Accounts Committee.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I understand that there is a general desire that today should be devoted to Mr. Joshi's Resolution. I am prepared not to move my motion, unless, with your permission, if it should so happen, which I do not expect, that there would be time later in the day, I might move it later.

Some Honourable Members: No, next Session.

The Honourable Sir Jeremy Raisman: If it is preferred that the motion should stand over till next Session, I will not move it at all today.

RESOLUTION RE RELEASE OF POLITICAL PRISONERS.

Mr. N. M. Joshi (Nominated Non-Official): Sir, I beg to move :

"That this Assembly recommends to the Governor General in Council that he should take steps, in agreement with Provincial Governments, for the immediate and unconditional release of prisoners detained in prisons and for the removal of restrictions imposed on some persons regarding their movements or actions, where the

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detention or restriction was due to holding or expressing opinions which in the opinion of Government were prejudicial to the conduct of the war, or on charges for actions connected with industrial disputes, whether the detention or restriction was with or without trial under the Defence of India Act or under the ordinary law."

Mr. President (The Honourable Sir Abdur Rahim): I find that there is an amendment in the name of Pandit Lakshmi Kanta Maitra. Does he want to move it?

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Yes, Sir.

Mr President (The Honourable Sir Abdur Rahim): I will now put the Resolution. Resolution moved:

"That this Assembly recommends to the Governor General in Council that he should take steps, in agreement with Provincial Governments, for the immediate and unconditional release of prisoners detained in prisons and for the removal of restrictions imposed on some persons regarding their movements or actions, where the detention or restriction was due to holding or expressing opinions which in the opinion of Government were prejudicial to the conduct of the war, or on charges for actions connected with industrial disputes, whether the detention or restriction was with or without trial under the Defence of India Act or under the ordinary law."

Pandit Lakshmi Kanta Maitra: Sir, I beg to move:

"That the words 'in agreement with Provincial Governments' be omitted."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That the words 'in agreement with Provincial Governments' be omitted."

Mr. N. M. Joshi: Sir, the Resolution which I have moved is of great importance and full of potentialities, if properly responded to, for the good of this country. However, the proposal made in my Resolution does not need a long speech. I shall, therefore, content myself with a brief statement in support of it.

My Resolution first seeks to secure the release of those people whom I, for brevity's sake, may describe as political prisoners, who are detained in jails because either their very presence is dangerous or their actions are regarded as prejudicial to the war by the Government. I, secondly, seek the removal of restrictions imposed upon some persons on account of their movements or actions being considered by the Government as prejudicial for the effective conduct of the war. Within the scope of my Resolution I include those who are dealt with, either with trial or without trial, either under the Defence of India Act or under the ordinary law of the country.

I first seek relief for those who are dealt with for expressing opinions which are regarded by Government as being prejudicial to the conduct of the war, whether the expression of opinion was by speech or by writing. In this category I include all those who have expressed their opposition to the war as war involves violence, as well as those who have expressed their opposition to the war, not because war involves violence but because under the present political condition of subjection of India they think that participation by India in this war will not be in the interests of India as they feel doubtful that even if India participates in the war in her present condition, India's full freedom may not be guaranteed in the future. This

latter class of people are not against participation in the war if India is guaranteed full freedom in the future and a national Government is established immediately.

The second class of persons for whom I seek relief by this Resolution are the communists whose very presence is regarded by Government as dangerous. In this class Government also includes revolutionaries and those who are merely suspected as being communists or revolutionaries. Long before the war Government had declared the communists as being outside the shelter of the law, and soon after the war was declared they reiterated their determination to give no quarter to the communists. I have already said that Government have included in this category, not those who are members of the communist party, but people who are not communists but are considered to be revolutionaries, and Government is not content to put in detention those who are members of the communist party or who are members of the revolutionary party, but also those whom Government merely suspect, by police report, to be either communists or revolutionaries. All these people are put in detention without trial.

Then, Sir, I seek relief for a third class of political prisoners. That class consists of people who have taken part either in the *kisan* or the labour movement. You know, Sir, immediately after the war prices began to rise in India. The cost of living increased and there was discontent among the working classes and the *kisans*. In order to secure compensation for the dearness, there were struggles made by the working classes and by the *kisans*. In this struggle a number of well wishers of the *kisans* and the workers took part and the Government thought it undesirable to have struggles in the country at this time and have put people under detention. Some of these people were detained with trial but most of them were detained without trial. These are the three classes of persons for whom my Resolution seeks relief. It is difficult to give an exact estimate of the persons who are within the scope of my Resolution. As regards the number of persons who are satyagrahis, those authorised by Mahatma Gandhi to make some speech in opposition to the war and Congressmen who have expressed their opposition to the war, not being specifically authorised by Mahatma Gandhi, I estimate that the number of such people who have been detained after trial as being between 3,000 and 5,000. In reply to my question recently asked, the Honourable the Home Member stated that the number of people who are detained without trial in this country is more than 1,300. Similarly, in reply to one of my questions, the Honourable the Home Member stated that the number of those people who are not imprisoned but on whom restrictions have been imposed as regards their movements and actions is about 2,000. You will thus see that the number of people who come within the scope of my Resolution is a very large one.

My reasons for asking the House to support my Resolution and asking the Government to accept my proposals fall in two groups. My first reasons are that the release of political prisoners is necessary in the interest of the fundamental rights of civil liberties, in the interests of justice and fair play, in the interests of feelings of humanity. Sir, we have been told that this war has been undertaken by various Governments for the protection of democracy. I hold that the first and the basic principle of democracy is tolerance of opposition. Without the acceptance of this principle, democracy cannot exist. I therefore feel that if any section of the population

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of this country is opposed to India's participation in the war, those people must be permitted to say so, especially as India has been involved in this war without the consent of the people in this country. Sir, admitting the need for special restrictions on the civil liberties of the people in war times, I feel that these restrictions must be confined to only few things, such as spread of false news regarding war or giving information to the enemy or I may even agree to restriction being placed on the civil liberties of the people against language of violence, language of exaggeration and provocation but, Sir, the Government of India and the Local Governments have gone too far in restricting the civil liberties of the people even if we admit that there may be special restrictions in war time. In England, there is a Defence of the Realm Act under which some people have been deprived of their freedom even without trial but we must remember England had entered war with the consent of Parliament. The condition of England, secondly, is different from the condition of India. In England bombs are actually being dropped. Fortunately for us India is somewhat distant from the zone of actual war. (Interruptions.) We shall consider when we come nearer to the war zone. Moreover, considering these circumstances, the number of people who are dealt with under the Defence of Realm Act is much smaller than the people detained in India. Then, Sir, the English people have provided a safeguard for those people who have been detained without trial by appointing an advisory committee and as a matter of fact my information is that out of 1,500 people dealt with under the Defence of Realm Act on the advice of the Advisory Committee more than 600 persons have been given their freedom.

The Honourable Mr. M. S. Aney (Leader of the House): Does the Advisory Committee tender advice for release as well as detention of the prisoners also?

Mr. N. M. Joshi: They advise generally speaking for giving freedom to the people who have been detained. If you have read this morning's papers and also papers for a few days previously, you will find that the Members of Parliament are working hard to secure the privilege of the scrutiny of a judicial tribunal for those people who have been deprived of their liberty under the Defence of Realm Act. Sir, in India, there is no such safeguard.

Then, Sir, I ask for the release of the detenus and the other prisoners on the ground of justice and fair play. It is true that the satyagrahi utters a few sentences in opposition to the war but Mahatma Gandhi has made it quite clear that it is not his intention to embarrass the Government under the present circumstances. The satyagrahis have no intention to embarrass the Government at all. They simply content themselves by uttering a few words in opposition to war. I feel it is wrong and unjust to detain these people in jail. The Government of the North-West Frontier Province did not imprison these people and no harm has come to that province. I, therefore, feel that the imprisonment of the satyagrahis is not in accordance with the principles of justice and fair play. Even taking for granted that the satyagrahis and other Congress speakers and other speakers have committed some technical offence or even otherwise, the punishment given is far too severe and much beyond the requirements of

justice and such punishments are given without any consideration for humanity.

Take, for instance, the punishment given to Pandit Jawahar Lal Nehru. I consider that punishment to be barbarous. Punishments of 18 months and even of one year, I consider as too harsh. Then, Sir, those people who are kept in jail are not even humanely treated. Recently the Legislative Assembly had an occasion to discuss the hunger-strike at Deoli and we all know that Government detains people without trial and without providing for their families who have been deprived of their bread-winners. Moreover, where is the justice in putting people in jails without trial for merely holding opinions? We may hold whatever opinions we like, but so long as we do not express them, there can be no offence. I feel that it is absolutely wrong and against justice and fairplay to detain people in jail without trial for merely holding opinions. Government are not content by detaining people without trial for an indefinite period but they go further and imprison people or put restrictions on them on mere suspicions based upon police reports.

I also ask where is the justice in putting in jails those people who help the working classes and the *Kisans* in securing fair wages and fair return for their labour. I recognise that strikes and *Kisan* struggles during the war are inconvenient. If that is so, the Government of India and the Provincial Governments must take upon themselves the responsibility to secure fair wages for the workers and fair return for the *Kisans*. Then, I ask, is there any humanity in imprisoning people without trial who are more than 70 years old? I ask whether there is any humanity or even chivalry in imprisoning women with young children without trial. If a woman does something wrong, it is necessary that you should at least put her on trial, and it is wrong, if she has got young children, to put her in jail without trial.

The second group of my reasons for asking the release of political prisoners is of political wisdom. The greatest need of this country as well as the need of other countries at this critical juncture is peace and tranquillity in the country, freedom from discontent and freedom from bitterness. This atmosphere of friendliness and peace does not at present exist in India. The very fact that thousands of people have been put in jail shows that there is discontent and bitterness in the country. The very fact that seven of the Provincial Governments in the country are not functioning and the very fact that this Legislative Assembly itself is not functioning fully and adequately show that there is discontent in the country. I, therefore, feel that efforts must be made to secure peace and contentment and freedom from bitterness. It may be said that the Government of India had made some negotiations with the political leaders in this country and the negotiations had failed. It may be said that the Government of India have made the announcement of August, 1940. But it has been admitted by all political parties in this country that the August announcement fell short of the expectations of the people of this country. It may be said that the Executive Council has been recently expanded. It is a step in the progressive direction but it has not given satisfaction to the progressive elements in this country. Even the Liberal Party is not satisfied; even Sir Tej Bahadur Sapru is not satisfied. They all have demanded that the Government of India must be nationalised in order that people of this country should be able to take whole-hearted part in

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the present war. I therefore feel that, although Government may have failed in the past in their efforts to have a political settlement to resolve the political deadlock, they must make another effort. Even if that other effort fails, they must continue to make efforts.

I know that the Government of India hold that these political deadlocks and the bitterness in the country and the discontent in the country have not affected their war effort. But even the Government of India will admit that if the political deadlock is resolved and if there is peace, contentment and freedom from bitterness in this country, the effort which they are putting forth today will be multiplied several times. I, therefore, feel that we must take steps to bring about an atmosphere of peace and an atmosphere of friendliness in this country. I admit that the proposals which I am making will not be enough to bring peace in this country, will not be enough to resolve the deadlock and will not be enough to bring about a political settlement. But I hold that the proposals which I am making by my Resolution are a necessary preliminary to bring about a friendly atmosphere in this country. I, therefore, feel that the proposals which I am making will be accepted by this House and will also be accepted by the Government.

Mahatma Gandhi recently issued a statement not approving of the move which I had made to bring a Resolution in this Legislature for discussing the question of the release of political prisoners. I never sought Mahatma Gandhi's approval for my Resolution when I gave notice. Moreover, I did not expect Mahatma Gandhi to approve of my Resolution. Mahatma Gandhi has stated very clearly times without number that his Satyagraha movement is intended for achieving self-government for India and he will continue that movement till self-government is achieved. Sir, I myself do not take a very tragic view of the statement issued by Mahatma Gandhi. Mahatma Gandhi, in my judgment after having read and re-read his statement, is not opposed to the release of political prisoners. In my judgment, he holds that these prisoners were detained unjustly. If that is so, how could he be against the release of political prisoners? The very fact that Mahatma Gandhi makes it quite clear that he will resent if only one section of the political prisoners is released and people are not released shows that he is in favour of their release. He only insists that not one section, not only the Satyagrahis, but even the detenus who have been imprisoned without trial shall be released. I agree with Mahatma Gandhi in this. It will not be enough if the Government of India merely releases the Satyagrahis. I value the freedom of the detenus, the communists and others as much as I value the freedom of the Congressmen. I, therefore, feel that the Legislative Assembly will accept the proposal which I have made. May I hope that even the Government of India will accept my proposal in the interests of civil liberties of the people of this country, in the interests of justice and fairplay, in the interests of humanity and as a measure of political wisdom.

Pandit Lakshmi Kanta Maitra: Mr. President, Sir, my object in moving this amendment is not to whittle down, restrain or modify or qualify in any way the scope of the operation of this Resolution. My idea is to remove a misconception which prevails in the minds of many that the Central Government, as such, is not legally competent to release

prisoners convicted for political offences or persons convicted under the Defence of India Act or persons whose liberties have otherwise been regulated by the Provincial Governments. With the proclamation of a state of emergency in India by the Governor General, following the declaration of war, under section 102 of the Government of India Act, the Central Legislature is at once empowered to make legislation in respect of all matters where previous to the declaration of the emergency, the Provincial Legislatures only had the jurisdiction. That is to say, under section 102 of the Government of India Act, all bar is removed so far as the Central Government is concerned, and this Legislature is empowered to make legislation in respect of all matters. Section 313 of the Government of India Act provides that executive powers are coterminous and coextensive with the powers of the Legislature. So, the position is this. Section 102 of the Government of India Act read with section 313 of the Government of India Act makes it perfectly clear that it is absolutely within the competence of this Legislature and for the matter of that, the executives of this Central Government, to take any steps that they consider necessary in the field of administration. Therefore, Sir, the argument that the Central Government alone is not competent to release prisoners convicted or detained by Provincial Governments is not sound. I cannot go now into this aspect of the legal question at any great length, as I have very little time at my disposal and so I leave it at that.

My other object in moving this amendment is that it might facilitate the work of the Central executive in carrying on the work of release if they are so minded, and that the approval or the consent of the Provincial Governments would not be required legally. I would suggest that the course of consulting the Provincial Governments should not be resorted to.

Coming now to the subject matter of the Resolution, my Honourable friend, Mr. Joshi, has detailed at considerable length the categories of prisoners that are sought to be covered by this Resolution. Sir, various legal questions are involved in every class or category of such prisoners. It is the peculiar misfortune of this country that its legislators have got to come to the Legislatures, year after year, and even, Session after Session, to ask the executives to restore to individuals, civil liberties which they have curtailed or which have been curtailed under orders from them. I do not remember on how many occasions in this Assembly we had asked the Government to release political prisoners or to ameliorate their lot or to make the conditions of prison life better and so on and so forth. In connection with this Resolution, several matters have to be carefully considered. There are the satyagrahi prisoners to begin with and as the House knows very well, the *modus operandi* of these prisoners is that they send a simple notice to the District Magistrate that they would offer satyagraha, on such and such day and at such and such time, by shouting anti-war slogans.

"Na Ek Bhai, Na Ek Pie De Ke Madad Karna."

which means, "Don't help either with a brother or with a pie".

Well, the District Magistrate is posted with this information beforehand and before the gentleman walks out of his house to shout the slogan he is quietly lodged in jail. In some cases these people had to shout the slogans at Railway level crossing or other obscure places where even none were

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present to hear them; all the same they were clapped into jail. I wonder how the Government, realistic as they are, could indulge in this kind of pastime of imprisoning people for such innocuous things. Recently, this matter, after one long year, came up before two Provincial High Courts and their Lordships held that such an act was not an offence at all under the Defence of India Act. I put questions to the Honourable the Home Member some time back whether in view of these clear decisions of the High Courts, the Government would immediately release these people. The reply was the same, "it is in the hands of Provincial Governments". That is a position which I do not accept, that is a position which I challenge. The Government of India are perfectly entitled, they are perfectly competent to take action themselves, unless, of course, they mean to shirk their duty in this respect. Many satyagrahi prisoners have been released by now not as a result of any action on the part of this Government, but because their periods of sentences have expired.

Take the other class of prisoners called the detenus. In their case, they were not even subjected to any procedure in the nature of a trial. Detention without trial is a principle so odious to civilised notions of justice that one cannot find language strong enough to condemn it. In India it is a common practice, whether in war time or peace time, to detain people in jail without giving them any opportunity to prove their innocence. Sir, I know it will be argued that in time of war, this practice is followed everywhere, even in Great Britain. May I tell the Honourable the Home Member that the position is not so bad in Great Britain? Even in the last war the *DORA*—the Defence of the Realm Act—was not so severe in its operation.

What is the offence of these people who are detained in jail without trial? Are they guilty of any terroristic activities? Is there any charge to that effect? What is the charge-sheet against them? They are at best philosophical anarchists, philosophical revolutionaries, who have done nothing in the nature of an overt act. All over the civilised world there is a section of philosophical anarchists and revolutionaries and I do not know if they are touched by their Governments. Tolstoy was one of the greatest of such anarchists in the world; but in these cases the Government have not been able to prove anything against them. The Government only allege that these detenus are connected with something which Government do not want to disclose. There used to be an argument in old days that these people were communists or had communistic leanings. The other day I asked the Honourable the Home Member, now that Russia is your ally and you are out for all aid to Russia, why are you keeping these people further in detention when they had only communistic leanings or leanings towards the Russian system of politics? No reply was forthcoming. This shows that Government are not at all sincere in their own professions of sympathy and support for Russia. In the absence of any overt act prejudicial to the safety of the state how can you keep these people indefinitely in jail?

Sir, recently I read a very interesting and illuminating article written by Harold Laski in which he details the conditions prevalent in England during this war. I will cull out one or two sentences to show the state of affairs there. He says that since the outbreak of this war 1,600 people all told had been detained under the law of detention there out of which 700 have been subsequently let off. Of the rest, about 400 are of

German origin and of Italian origin, and there are 500 others whose sympathies are doubtful because they were members of political bodies which supported either Hitler or Mussolini. But, every person so interned has the right of appeal before an advisory body which is presided over by no less a personage than the eminent Liberal lawyer Norman Birkett and it is on his advice that the Home Secretary in Great Britain is taking action on these cases of detention. There have been only four cases,—I ask the particular attention of the Honourable Members of the Treasury Benches to this,—where persons have been convicted of hindering the prosecution of the war. In two of them the sentence was imprisonment for three months and in two others fines were imposed. Contrast that position in England, with the situation in this country. Pandit Jawahar Lal Nehru gets a sentence of four years imprisonment for making a speech in India. But in Britain—in the actual field of war—for giving hindrance to the prosecution of the war a man is let off with a fine only. And ten thousand miles away from the scene of operations, here, in India, a leader of the eminence and standing of Jawahar Lal is ruthlessly sent to jail for four years for making a speech. Every decent Englishman should hang down his head in shame at this monstrous and barbarous sentence passed by a British Court of Justice in India.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Pandit Lakshmi Kanta Maitra: I have little time at my disposal to go into all the matters referred to in that article. Harold Laski concludes:

"Our civil liberties remain despite our national danger a secure fortress. Twenty-six people are imprisoned, 900 people detained and only two papers suppressed."

And he boasts:

"Set that record against the record of any other State, belligerent or neutral, and I think we are entitled to be proud of the comparison."

This being the position in Great Britain, may I ask the Members of the Government here to ponder over the situation calmly and tell us here and now if they are going to change their old path, if a change has come over them and if they are prepared now by some graceful act to create an atmosphere in this country as a result of which co-operation of the people at large with Government may yet become possible? The solution lies in their hands. If they can rise equal to the occasion, if they can shake off their old prejudices and if they can even now make a dignified gesture, nothing will be lost but something may be gained. Sir, I support the Resolution with my amendment.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, may I make a suggestion? I think Government should intervene at this early stage to indicate their views. That may save a lot of unnecessary talk and discussion.

The Honourable Mr. M. S. Aney: The amendment has just been moved and there may be others to speak before Government express their views.

Mr. President (The Honourable Sir Abdur Rahim): The suggestion has been made, and it is for Government to decide what course they will adopt.

The Honourable Sir Reginald Maxwell (Home Member): Sir, I will speak before Lunch.

Sardar Sant Singh (West Punjab: Sikh). Sir, I intervene at this early stage because I feel that this is neither the time nor the occasion for an appeal to the sense of justice, humanity and fair-play of Government. I do not agree with the Mover of the Resolution that the demand is entirely based upon these sentimental grounds. At the same time I cannot help saying that this argument of humanity, justice and fair-play is put forward where there is no other argument to meet the case of the opponents. I will place a simple and square argument before the House, before Government and before the European Group particularly, so that we may face the issue directly. My argument is this that we have reached a stage in the political and constitutional development of this country when the release of prisoners is urgently called for, not in the interests of the prisoners alone but in the interests of the new expanded Government itself. That is the issue I want to place before the House. The British Government have decided to expand the Executive Council. Eminent men, men enjoying the confidence of at least a considerable number of people have accepted office. Is it or is it not fair that that should be accompanied by a new political gesture by which the country should feel that really the British Government in India mean to place trust in the people of India in the prosecution of this war? That is a business proposition; and I appeal not to any higher or nobler sentiments but to the self-interest of the Indian Government themselves. We are passing through very critical times; we are daily reminded of the dangers that are threatening this country; we are daily told that people should come together and try to save this country from outside aggression. These are the ideas or reasons that we come across daily in every newspaper in this country and also in broadcasts from the B. B. C. and other places. Is it consistent that with these dangers before us,—if they are real,—Government should still continue to rule this country by bureaucratic methods and not proceed on practical statesmanship? Are the Government in India satisfied with the present position of political deadlock or do Government mean to go ahead and remove this deadlock if they think that a constitutional advancement is going to take place in this country and the expanded Council is one means out of many yet to come as an indication and evidence of that mind of Government? Will they go ahead and take this second step in that direction by releasing the political prisoners so that the proper hopeful atmosphere may be created in this country?

Sir, the Standing Committee of the Non-Party Leaders Conference at Allahabad, of which I have the privilege to be a member, considered this question from all points of view, and I think I will be justified in reading the conclusions arrived at by that Standing Committee as late as the 1st of November last, in which on this point it is said:

"The Committee are also strongly of the opinion that the policy which the Government have hitherto followed in regard to political prisoners should undergo a change and that those who are in detention and those who have been imprisoned for acts not involving violence should be released. Such a gesture is necessary in order to create an atmosphere in which political questions can be discussed without passion or prejudice and in a spirit of helpfulness."

So much on this question, Sir. I think this is the best stand that can be taken up for urging the Government to consider this Resolution with

a favourable mind and approach this question from that angle. It is alleged—and I am afraid it has affected the judgment of some people—that Mahatmaji in his recent statement has said that he will neither appreciate nor respond to this gesture. I think it is not a new thing which Mahatmaji has said. Mahatmaji holds, and in my personal interview with him in last July he told me and he is sticking to that argument, that he will not like Congressmen to wish much less to demand the release of political prisoners. It is not his programme. But when I asked him whether I will be embarrassing him by giving notice of a Resolution for the release of political prisoners, in his very clear manner he added that 'if you believe that it will bring some good to the country it is your duty to do so'. Well, it was after that interview that I sent a similar Resolution for the release of political prisoners though it did not come in the ballot, but I am glad that this Resolution has found a place in the ballot and has given us an opportunity to discuss this question. Mahatmaji's position is entirely different; he believes in higher things. We cannot entirely agree with him. But his view point in this matter should not carry that weight which seems to have carried with some of the Members of Government. I really am in disagreement with Mahatmaji on many points. I really cannot understand the wisdom of letting the seven Provinces to be governed by bureaucracy and not by members of the opposition when they resigned from Government. If the Congressmen did not care to hold offices in those seven provinces where the Congressmen were in majority, there does not seem to be any reason why the members of opposition, though in minority, should not have been allowed by Congressmen to carry on the Government in these provinces. Certainly they would have been better than the bureaucratic Government under section 93 of the Government of India Act which is being carried on in those Provinces now. But the Congressmen think otherwise. 'Either we must rule' or 'none else' is their idea. We disagree with them.

The empty Benches in this House are a clear indication of that. But we are here and our very presence in this House, in spite of the major parties absenting themselves, shows that we are not in agreement with the Congress politics and the Muslim League politics on this issue. We want to carry on the parliamentary system of Government and to give fight, where fight is necessary, to the Government in power. But at the same time we think it our duty to press forward those measures in which we believe lies the good of our country. This is one of those. We want complete nationalisation of the Government of India on principle. Nobody can have any objection to it. The Prime Minister of the United Kingdom may say that "we have obligations arising out of our long connection with India". They are bound to say so long as the power is in their hands. Our duty is that we should say that long obligations rather make it incumbent upon you in your own interest and to maintain your own existence that you should nationalise the Government of India through and through. I will not take much time of the House. I will approach the question straightaway. Is it or is it not in the interest of the Government of India itself, is it or is it not in the interest of the existence of the British Empire that they should reconcile Indian opinion in this matter? If it is in their interest, then in the name of that self-interest I appeal to the Government to accept this Resolution. I believe in no humbug of 'humanity, fair play, or justice' I will not appeal to them in the name of justice—because I know the governments do not believe in that. None of these persons

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believe in that sentiment. It is a womanly sentiment and let that sentiment be dropped once and for ever. I say, look at it from your point of view, from the point of view of self-interest that by reconciling India do you or do you not stimulate your war effort? Win the confidence of the people of this country and then go ahead. I know there are many differences of opinion. I say that persons without trial should not be kept in jail, but we know that in the best days when there was no war, when there was complete peace, that Bengal Regulation III of 1818 still stood and they never repealed it. During the best days when they wanted to reconcile Indians in the political atmosphere, they did not repeal Regulation III of 1818 and still there are persons who are detained for over 17 or 18 years under that Regulation. There are repressive regulations still existing. Detention without trial on principle is absolutely unknown to a healthy system of Government. But, unfortunately, we have got it. I assure the Government that they will be running no risk by releasing these political prisoners. War effort will not be obstructed by their release. Rather an atmosphere will be created which will be very helpful to the Government if they mean to advance the constitutional position in this country. With these words I support this Resolution.

The Honourable Sir Reginald Maxwell: Sir, I must in the first place, and more particularly with reference to Pandit Lakshmi Kanta Maitra's amendment, make it clear where the responsibility for taking action under this Resolution would lie. Persons serving sentences awarded by the Courts are imprisoned not, of course, by order of the executive government but on warrants issued by the Courts themselves, which the executive authority is bound by law to execute. Any remission of such sentences can be effected only by an order of the Provincial Government concerned under section 401 of the Criminal Procedure Code, which, as adapted in the 1935 constitution, gives no powers in this connection to the Central Government as such. The action, if any, will, therefore, have to be taken by the Provincial Government responsible for law and order in that area. In the case of persons detained or restricted by executive order under Rule 26 of the Defence of India Rules, Rule 26 gives concurrent authority to the Central and Provincial Governments to pass orders. But no power is given to the Central Government to cancel orders issued by a Provincial Government and the cancellation of any such order would, therefore, similarly, be a matter for the Provincial Executive authority.

Whether in the case of persons convicted or detained, therefore, the Central Government would have direct authority to carry out this Resolution only in respect of persons sentenced, detained or restricted under orders for which the Central Government is also in the position of a Provincial Government, that is to say, in Chief Commissioner's Provinces. As I shall show presently, the number of persons affected by this Resolution, who belong to such areas, constitutes a very small minority indeed. It is wrong to assume, as is so generally done, that the Central Government has the sole responsibility for the administration of the Defence of India Rules and for all action, whether judicial or otherwise, which may have been taken thereunder. The Defence of India Act does not itself alter the structure of the Government of India Act or the division of executive responsibilities between the Central and the Provincial Governments. The fact that the Central Government has passed legislation under

a proclamation of emergency dealing with provincial subjects makes no difference as regards the allocation of executive authority after powers have thus been lawfully conferred; and in using such powers the Provincial Governments have their own responsibility to discharge.

It will readily be seen by the House how impossible it would be in war to require all action under the Defence of India Rules to be taken by or referred to the Centre. The powers were conferred on provinces to deal with any emergency arising out of the war at any time. Any other course, that is, to require the Centre to take action itself, would in practice have involved complete centralisation, a thing which would have defeated the whole object and scheme of the Act and Rules and could not possibly be contemplated in war. Indeed, had not Mr. Joshi's Resolution contained the words "in agreement with Provincial Governments", it would have been necessary to take this Resolution as applying only to Chief Commissioner's provinces. Since, however, his main purpose is to raise questions of general policy, I am prepared to deal with these matters as an all-India question, subject to a clear understanding on the question of where executive responsibility actually lies. I must, however, make it clear that as regards its information about action taken in Governor's provinces, the Central Government possess only such information as is ordinarily supplied by the Provinces for general purposes and we cannot possibly be held answerable for every detailed action taken by Provinces under their own lawful powers.

Now, I come to the question of what categories of persons are covered by this Resolution. The Resolution by its terms is confined to cases where the action taken has been due to holding or expressing opinions prejudicial to the conduct of the war or on charges for actions connected with industrial disputes, and since it asks for release it applies only to persons in jail or under restriction at the present moment. Assuming that it is intended to apply to persons undergoing sentences imposed by the Courts, although the word used in the Resolution was, I think, 'detained', the number of convicted persons in jail on the 1st October—I am afraid that is the latest date up to which I have complete statistics,—was 7,216 under all the various rules, including, of course, those dealing with non-political offences. The total number of those detained under Rule 26 for all purposes on the same date was 1,759. I think that the House will admit that these are not large figures after two years of war among a population of 400 millions, especially in a country where not all persons see eye to eye with Government. The Resolution by its terms would apply only to certain categories among the numbers which I have mentioned; and I will go through these categories. The first category is that of persons convicted by Courts and still serving sentences; and as I said before I can only give figures for persons serving sentences on the 1st October. On that date there were 5,655 persons serving sentences in consequence of conviction for offences in connection with the civil disobedience movement. The number has been falling rapidly since June last, owing to the expiry of sentences, premature releases by provincial authorities, and the fall in the number of fresh convictions. The number still serving sentence for offences of this character would probably be well under 5,000. Of the 33 *ex-Premiers* or Ministers, who went to jail, only eight, so far as I know, are still there and of these, three who were detained without trial are likely to be released shortly. So much for persons convicted in connection with civil disobedience.

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LEGISLATIVE ASSEMBLY

[18TH NOV. 1941]

[Sir Reginald Maxwell.]

Then, there were other persons convicted by Courts for offences of what I may generally describe as a political character—that is the word used by Mr. Joshi. These were, on the date in question, about 1,300. The exact figure cannot be given since we only know that, other than Satyagrahis, the balance of persons convicted under the Defence of India Rules and still serving sentences on the 1st October was 1,561. Of these it can be assumed from the information available that about one-third were convicted of offences not falling within the scope of the Resolution, such as sabotage, trading with the enemy, entry into prohibited places, unlawful drilling, breach of coin and currency regulations and so forth. Of the 1,300 persons who may thus be serving sentences on the 1st October for offences of a political character, we cannot say, without examining each judgment, whether the offence would fall within the scope of Mr. Joshi's Resolution, that is, holding or expressing opinions or actions in connection with industrial disputes. But it is certain that since I have already excluded all genuine Satyagrahis from this category, the offences were of a grave character and went far beyond the expression of mere theoretical opinions. For instance, a number of persons were convicted for speeches intended to interfere with the recruitment for the army,—an offence definitely aimed against the Defence of India, or again, for attempts to stir up enmity between classes, and there were many other cases in which the speeches were full of violent sentiments and were intended to stir up active opposition to the war effort. I could quote instances,—I have them here,—but I have already quoted certain speeches in reply to a debate at the last Session, and it is not my intention to call up bitter memories.

Now, I come to the category of persons detained under Rule 26 and remaining under detention on the 1st October. The total number 1,759 which I have already mentioned, includes 310 *Goondas* who were detained by the Bengal Government for reasons of security in connection with the black-out, and these do not fall within the scope of the Resolution. The number with which the Resolution might be concerned on the 1st October is, therefore, 1,449. Now, these persons on the date in question consisted firstly, of 493 Satyagrahis. As I explained at the last Session the usual policy was to place Satyagrahis before the Courts after commission of the offence, but in certain large towns Provincial Governments were of the view that disorder might result from allowing the offence to take place in public in the circumstances of that time, and they anticipated it by preventive detention. In addition, the Government of the United Provinces, where the movement was on a larger scale than elsewhere, found it necessary to use Rule 26 against a number of organizers, that is to say, persons who were organizing a constant supply of Satyagrahis while keeping behind the scenes themselves. It was after action was taken against such persons that the supply of Satyagrahis in that province began to dwindle. Both these classes of cases differ from the ordinary run of persons detained in that, firstly, no question of the ground of detention arises since the activities were avowedly for the purpose of getting into the prison or supplying other persons for that purpose and, secondly, the detention is not indefinite. The Bombay Government have already been releasing the persons detained on the basis of the sentences which they would probably have received if they had been convicted of the offence at that time, and the United Provinces Government have been reviewing

cases with the object of releasing those whose continued detention is not now necessary. This category, then, of persons detained on account of Satyagraha, although in any case it would soon disappear, may be included for practical purposes in that of Satyagrahis convicted by the Courts. That is to say, all Satyagrahis can be considered together as a class.

That reduces us to the following number of persons detained who are really affected by Mr. Joshi's Resolution, namely, communists, revolutionaries and others numbering 956 on the 1st of October. The great majority of these have been detained by order of the Provincial Governments. The Government of India have issued only 33 orders under Rule 26, most of which have been special cases of a non-political character such as suspected Nazi agents and so forth, but these are all included in the figure of 956. One might say that of those 956, probably not more than 930 or so would come within the political category. I shall allude elsewhere to the general reasons which have made it necessary to detain these persons. Most of them do not strictly fall within the terms of the Resolution, since their work is underground and they do not give open expression to their opinions. All I need say here is that their detention is due, not to the holding or mere expression of theoretical opinions, but to the pursuit of revolutionary methods for attaining their objects.

Now, I come to the third category of persons referred to in the Resolution, that is, persons restricted as regards their movements or actions. The total number of orders of this kind now in force, so far as I can ascertain it, is 844 only, and of these 366 orders were passed for what might be classified as political reasons, and the remaining 478 orders were passed for reasons connected with the maintenance of public order. I might say that a great majority of these orders were passed in Bengal, and particularly in Calcutta, where they have their own problems to deal with. However, restrictive orders usually belong to one or other of two classes. They may be orders externing a person from a province to which he does not belong and restricting him to his own province: this is on the principle that each province can best supervise its own suspects; or, again, restrictive orders may be passed as an alternative to detention for other reasons. Restriction in those cases is merely a milder form of action than detention. These restrictive orders are largely of a temporary character and cannot be reviewed in detail now. Many of them were passed in Bengal to deal with bad characters during the black-out. Probably very few of the persons restricted would fall strictly within the scope of Mr. Joshi's Resolution.

Now, Mr. Joshi has added a separate category for persons convicted or detained in connection with industrial disputes, but in reality no such category exists. Participation in industrial disputes is not an offence under the ordinary law or the Defence of India Rules unless other circumstances are present, and all the persons comprised within this part of the Resolution who are in custody for any reason must necessarily fall within one or other of the categories I have already mentioned. Some will come under the head of communists and revolutionaries who have been detained for seeking to promote mass disorder. Others may possibly fall within the category of persons convicted by Courts for offences not connected with civil disobedience as such; for instance, violent anti-war speeches such as those delivered in Bombay during the textile strike of 1940. It is not, therefore, necessary or even possible to give separate consideration to this class of cases. I can only give certain details which

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are available in connection with persons who were dealt with for participation in industrial disputes, who, as I have already emphasised, are already included in one or other of the other categories. I understand that the total number of persons detained without trial—excluding certain districts for which information is not available, but not a large area—the total number of persons detained without trial since the beginning of the War has been 58, and the number of those still under detention is only 33. Restrictive orders have been passed in 225 cases, of which 210 were in Calcutta, and the number still under restriction is 204, that is, including 190 in Calcutta. The number of persons convicted for offences in connection with industrial disputes stands at 1,026, excluding three provinces however, and of those, the number still in jail is only 46.

An Honourable Member: All over India?

The Honourable Sir Reginald Maxwell: Yes, excluding the Punjab, the Central Provinces and Bihar, for which the numbers would not in any case be large. To sum up, therefore, the total number of persons who might possibly be affected by Mr. Joshi's Resolution would, on the 1st October, have consisted of 6,148 persons convicted or detained in connection with the civil disobedience movement, about 1,300 other convicted persons, about 950 other persons detained, and about 366 persons restricted for political activities. There would have been only about 200 persons on that date among all these whose release from imprisonment, detention or restriction would have been within the executive authority of the Central Government if Mr. Joshi's Resolution had been accepted in full.

Now, Sir, I wish to speak to the House about the general policy which has been followed in regard to the use of the Defence of India Rules or the ordinary law against activities prejudicial to the conduct of the war. The main part of Mr. Joshi's Resolution deals with the holding or expression of opinions. I must point out, in the first place, that no one has been or ever would be convicted or detained or restricted merely on account of his holding certain opinions. In every case where action has been taken, it has been taken for something much more than the mere holding of an opinion, and where this consists of the expression of an opinion, it must be remembered that liberty of speech is necessarily more limited in war than in peace. Where the national existence is at stake, the State must claim the right of regulating individual liberties in the interests of national survival, and this principle applies to many activities other than speech. I may remind the House of a quotation which was given by the then Leader of the House in the debate on the Defence of India Bill on the 8th September, 1939. It was a quotation from a speech of Mr. Winston Churchill in the House of Commons. I will read the quotation:

"This is a war to establish and revise the stature of man. Perhaps it may seem a paradox that a war undertaken in the name of liberty and right should require as a necessary part of its process the surrender for the time being of so many valuable liberties and rights. We are sure that these liberties will be in hands which will not abuse them and which will cherish and guard them and we look forward to the day confidently when our liberties and rights will be restored to us and when we shall be able to share them with people to whom such blessings are known."

The Leader of the House repeated this assurance on behalf of the Government. Why I mention it here is in order to remind the House

that it has always been recognised that the limitation of individual liberties is an unwelcome but necessary concomitant of war. Now, I may remind the House of another observation made by the Leader of the House in the debate on the Defence of India Amendment Bill 1940, on the 2nd April, 1940. Referring to allegations that the provisions of the rules are being used with reference to labour disputes and political disputes, he said:

"I may draw the attention of Honourable Members to the fact that disorder on a large scale or the immediate apprehension of disorder on a large scale directly affects conditions relating to the successful prosecution of the war."

Sardar Sant Singh: But we did not agree with that observation. We never agreed even then.

The Honourable Sir Reginald Maxwell: But you passed the Bill.

Sardar Sant Singh: I took exception to it then, at that time.

The Honourable Sir Reginald Maxwell: We may now see how the principle which I have just quoted applies to the actual situations with which Government have had to deal since that speech was made. Memories are short, but I need not do more than remind the House of the war situation in Europe as it stood in the middle of 1940.

An Honourable Member: We do not know even now.

The Honourable Sir Reginald Maxwell: The subsequent gradual improvement in the situation and the growing sense of security may have dulled recollection of the dangers which we then had to face or the nearness of the war as it then seemed to India. We may yet have to face similar or even worse situations, and it would be a grave failure in its duty if Government were to discuss this or any other question on the assumption that any interference with India's war effort, however slight, could be ignored. In 1940, the imminence of danger was present to every one's mind. Let us first consider some of the factors then existing which had an important bearing on the successful prosecution of the war. I will take, first, the industrial field and deal with the underground efforts then going on to paralyse the war effort through disturbance in this field. It must be remembered that the war was the opportunity which the communists had been waiting for, and if there is any doubt on this point, I can quote from a circular issued in 1938 by the Communist Party of India and published in the *Communist*.

Pandit Lakshmi Kanta Maitra: Your friend now!

The Honourable Sir Reginald Maxwell: It reads:

"In the event of another war, if we are prepared and steeled to struggle it will be necessary for Britain to retain in India a large force of troops. In the last war India was kept quiet with a paltry number of troops. This was because our leaders betrayed us and turned into imperialists and because the workers were not ready and organised. This time it will be a different story. By strikes, by refusal to recruit, by refusal to co-operate in raising funds, by a general and militant campaign of resistance developing into open opposition and seizure of power we can so cripple the war machinery of imperialism as to undermine its whole basis."

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That is the quotation. I quoted from another communist publication, the *Proletarian Path*, in a debate on this subject during the last Session, and I have ample material here to illustrate the general aims of the Communist Party in India and the methods which they wish to pursue. Here is a selection of them. But I will not inflict any more now on the House.

Pandit Nilakantha Das (Orissa Division: Non-Muhammadan): Are they all anonymous?

The Honourable Sir Reginald Maxwell: They are the official publications of the Communist Party.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Are they available to the public?

The Honourable Sir Reginald Maxwell: They are circulated secretly. (Interruptions.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

The Honourable Sir Reginald Maxwell: The efforts of the communists were particularly active in the critical times of 1940. From their underground organisation they were flooding the country with a most dangerous propaganda designed to prepare the way for a general strike and conditions of general disorder. Quantities of this material were intercepted *en route* and that is how we got these, and we, therefore, have a good idea of its volume. This propaganda was not ineffective. It is only necessary to remember the Bombay Textile Strike of 1940 to understand the effect on the war output and the likelihood of disorder which these insidious efforts might create. The object of the communists is not to find a means of settling industrial grievances but to foment strikes and to keep them alive as long as possible. As a means of illustrating the effectiveness of this propaganda I can give some figures about industrial disputes in 1940 and 1941. In 1940, there were 322 disputes involving 4,52,539 men and the number of days lost was 75,77,281. We have not of course got the whole figures of 1941 yet but for the first two quarters of 1941, the number of disputes was 189 but the number of men involved was only 90,108 for half a year and the number of days lost was 13,98,048.

Sardar Sant Singh: On a point of information. May I ask whether this was due to war or was it due to other causes?

The Honourable Sir Reginald Maxwell: I am not giving way. It will be evident to this House that in so far as this propaganda is effective, it must, in the words which I have quoted from the Leader of the House, directly affect conditions relating to the successful prosecution of the war. I do not say that the improvement in the position has resulted only from the action taken by Government to deal with communist leaders but the object of Government was to disorganise the arrangements for the distribution of propaganda, in which the persons detained were very largely

engaged. It must be clear to the House by this time that communist activities do not consist merely of the holding or expression of theoretical views. They are out for action ultimately leading to mass violence. Not only so but their proposal was to give direct assistance to the enemy in the event of hostilities reaching India. A Communist circular dated the 13th May, 1941, contains instructions:

"To get information about places where there are hidden ammunition factories and forts and to mark those places for destruction, government stores included;"

"To come into contact with military men and preach dissatisfaction against the Government and the war through them and to investigate ammunition factories through them;"

"To appoint such workers who can create dissatisfaction and hatred against the Government effectively in the public and can prepare the masses for revolution and destroy the present system of Government."

There are many other instructions of the same general character. But in case any doubt should be felt about the nature of these activities, I may quote one instruction which reads:

"To appoint active and clever detectives for fifth column work during the war."

This circular was, of course, issued before Russia became our ally but that their attitude has not changed since can be seen from this quotation from a pamphlet issued in July, 1941:

"The Communist party declares that the only way in which the Indian people can help in the just war which the Soviet is waging is by fighting all the more vigorously for their own emancipation from the Imperialist yoke. Our attitude towards the British Government and its Imperialist war remains what it was. We must continue, nay, intensify our struggle against both."

An Honourable Member: What is this quotation from?

The Honourable Sir Reginald Maxwell: This is from a pamphlet with the emblem of the hammer and the sickle and entitled 'The Soviet-German War'. It may be admitted that not all the persons who have been detained as security prisoners under orders of the various Provincial Governments were full communists. There are revolutionary socialists whose theoretical views may not be exactly the same but what matters is that the methods by which they seek to obtain their ends and their attitude towards the war are practically indistinguishable from those of the Communist Party and are calculated to help the aims of the latter. In the letters of Jai Prakash Narayan which have already been made public, there is a passage in his note on the war, which reads:

"Our attitude should be that we sympathise fully with Russia but are helpless to do anything about it. At the same time our opposition to Britain's war and our national struggle should continue and all our class movements."

And at the end of his report for Purshottamdas Tricumdas there is the significant sentence:

"What about the Cawnpore strike? Was it our show? What has been its result? Good or bad for us?"

In other words, the fomenting of a strike which might seriously have interfered with the war output was regarded merely as a matter of party advantage. And if there is still any doubt about the real danger in our

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midst, the information just made public about the whereabouts and activities of Subhas Chandra Bose should convince every one that Government have to take precautions against a real Fifth column in this country. I am dealing here only with the justification for the action taken by the Central and Provincial Governments in dealing with an agitation of this kind and my object is to show to the House that no Government which means to do its utmost for the successful prosecution of the war, as this Government means to do, can permit or could ever have permitted activities which are definitely intended to obstruct the war effort or to promote conditions of disorder in these critical times. It is not a case of preventing legitimate activities in connection with industrial disputes. It is a case of stopping efforts which make the strike an end in itself and which seek by this and similar means to create conditions of mass disorder regardless of the assistance which success in these efforts would give to the Nazi powers. That detention is necessary to prevent such activities will, I think, readily be granted. The main point on which Government have to satisfy themselves is that the individuals detained are persons who have been actively engaged in the furtherance of objects such as I have mentioned. This is a matter falling peculiarly within the knowledge of the Provincial Governments who have passed those orders. I am sure that they have used their powers with discrimination and it would be altogether wrong to assume that either the Central Government or the Provincial Governments have less regard for the principle of individual liberty than we all of us have here as individuals. We are waging a war for liberty and freedom and are concerned to suppress only those who are working not indeed for individual liberty, but ultimately, in the help which they would give to our enemies, for the enslavement of all mankind.

No one will be kept in detention for longer than seems to be necessary and it is recognised that some periodical re-examination of these cases is desirable. As regards the way in which this should be done, something must be left to the discretion of Provincial Governments who, I am assured, are giving full attention to the matter. But I think this House may rest assured that we are as much concerned as they are that the grounds of detention in every case should be adequate and should be re-examined by very high authorities at suitable intervals.

An Honourable Member: Have they yet been examined?

The Honourable Sir Reginald Maxwell: I come now to another factor which in the middle of 1940 threatened to operate against the successful prosecution of the war. I refer to the Civil Disobedience Movement. This movement was ostensibly launched in order to assert liberty of speech and it therefore comes fully within the scope of Mr. Joshi's Resolution. I have explained that by far the greater number of persons serving sentences or detained who would be affected by this Resolution consists of those who have taken part in this movement. Let us before considering the action taken once more carry our minds back to the war situation as it existed in 1940. In that situation Mr. Gandhi demanded "the right to preach against war as war or participation in the present war". In a letter released to the Press on the 30th September, 1940, His Excellency informed Mr Gandhi that he and his followers could have the same liberty of speech,

neither more nor less, as that accorded to conscientious objectors in the United Kingdom. That was explained as follows:

"While the conscientious objector is absolved from the duty of fighting and is allowed even to profess his faith in public, he is not permitted to carry his opposition to the length of endeavouring to persuade others, whether soldiers or munition workers, to abandon their allegiance or to discontinue their effort."

In dealing with this matter, His Excellency said:

"You made it clear to me that you would not regard a treatment of that nature as adequate in the conditions of India and that you regarded it as essential that in India the Indian objector, either to all war as such or to the participation of India in the present war, should be untrammelled in the expression of his views. It emerged further from our conversation that while you would not yourself preach to workers engaged on war work at the actual works, in the endeavour thereto dissuade them from working on war equipment, you would regard it as essential that it should be open to Congressmen and non-Congressmen alike to deliver addresses and otherwise to call upon people throughout the country to refrain from assisting India's war effort in any way which would involve India's participation in bloodshed."

The letter goes on:

"I felt bound to make it clear to you that action such as you suggest would certainly amount not only to the inhibition of India's war effort but to that embarrassment of Great Britain in the prosecution of the war which the Congress state that they are anxious to avoid."

Mr. Gandhi replied:

"It was never contemplated to carry non-embarrassment to the point of self extinction."

Nor, indeed, does it appear that this was his object since in his address to the All-India Congress Committee on the 15th September, he had said:

"I should be untrue to all of them (*that is, his supporters*) if at this time I said 'no embarrassment' to the British. I must not repeat parrot-like 'no embarrassment'."

And again:

"I would be perfectly untrue to myself if I hid myself in Sevagram and said: No, I have told you 'no embarrassment'."

I am not concerned here to argue about the rights and wrongs of this policy or to what extent it has been carried out. I am only concerned to bring out the point that in the face of this demand supported by a threat of civil disobedience and by a flood of other statements which appeared in the press at that time, Government were bound to take this threat seriously and could not have allowed the movement to develop unchallenged up to the point at which the Congress would have gained complete liberty to interfere with the war effort. No Government with a sense of its responsibility could have allowed a movement to develop with the avowed object of persuading people to withhold all support from the war. Had they done so, the situation would undoubtedly have deteriorated still further and persons would have felt at liberty to go about the country persuading recruits not to enlist in the army or seeking to promote strikes in industries concerned with the war output. Many of those who are now serving sentences have been convicted for these or equally serious offences which went far beyond the limits of what I might call simple civil disobedience. I must make it clear that political or any other motives cannot be regarded as an extenuation of offences deliberately calculated to impair the war resistance of the country or to undermine its war effort. War is too serious a thing. The various Governments in India, then, were only doing their plain duty when they placed such offenders before the court.

[Sir Reginald Maxwell.]

But in dealing with the civil disobedience movement many offences committed by ignorant or unimportant persons were ignored, and I am entitled to say—and I think all fair critics will admit—that the policy followed has not been vindictive and that Government have not taken more action than was necessary to assert the very vital principle involved. It is due very largely to the steady pursuit of that policy that we have a calm atmosphere in which to consider this Resolution today. But the House will already have appreciated that this is a matter in which the Provincial Governments are closely concerned and the Resolution itself recognises this fact by recommending that steps should be taken in agreement with them. Conditions are not the same in all provinces. Very far from it. And the general agreement which the Resolution postulates must in the nature of things take account of local differences and require some time to reach, if it is to be reached at all. It will readily be seen that in these circumstances Government are not in a position, as the immediate result of this debate, to anticipate the outcome of these consultations or at this stage to commit themselves or the Provinces to any particular course of action. The whole matter needs further careful consideration; but I am able to assure the House on behalf of Government that this consideration will be given without unnecessary delay and in a sympathetic spirit. I hope that in the light of this assurance Mr. Joshi will not think it necessary to press his Resolution further today.

I have only one word more before I have done. I believe that the country as a whole is tired of unrealities and only wants to get on with the war. Those who have not surrendered their judgment to others do not really want to see their country stripped bare by marauding armies or sympathise with those who, for whatever object and whether openly or secretly, are adopting a course of action which, if successful, can only help Hitler. They believe in the future which lies open to India in a world no longer ruled by fear and they know that those who are helping towards that future are not those who recite slogans in which most of them do not believe but those who are enhancing the world repute of India on the battlefield. Government have been asked to allow liberty of speech. But I would suggest that what people in this country really need is a little more liberty of thought. I would say to them: You can get that for yourselves. Use it wisely.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, we have had a very lucid lecture just now by the Honourable the Home Member, if I may say so, for our information. When major questions like the one for creating a peaceful atmosphere in the country are concerned, these legal technicalities should be brushed aside. In the course of the speech it has transpired that the Government of India themselves have jurisdiction over certain detenus or prisoners. It has also transpired that the Government of India have concurrent jurisdiction over certain prisoners and detenus. My simple question to the Government of India is this: Will you set an example by exercising your jurisdiction in freeing these people? Will you set a good example to the provinces or not? When this Resolution was moved by my friend, Mr. Joshi, he laid stress on the emotions of justice, humanity and civil liberty thinking that these will be aroused in the Government of India. I think he should have profited by his experience up till now. He has already moved several Resolutions of this nature and he should have known that

these are not the considerations which will appeal to this Government. It has been said that the Government of India, while dealing with these persons, has not been vindictive. Well, Sir, it is common knowledge that the detenus are vindictively treated,—they are very badly treated. We find that there is a good deal of discontent in the Provinces. We all know what sort of treatment these detenus get in this country. I will not go through the whole list of complaints. But compare the treatment meted out to these detenus in India with the treatment given to the detenus in England. I have got with me an extract from a weekly paper—*John Bull*—and this extract is dated the 30th August, 1941. Please see the attitude adopted towards British men and women who are interned and compare it with the treatment given to the detenus here:

"Detained in an internment camp at Peel, Isle of Man, are 500 British born subjects. They are detained on the order of the Home Secretary under section 18(b) of the Defence Regulations. By their proclaimed or suspected sympathies they are deemed to be a danger to the country. How do they live? How are they treated? Well, if I wanted to make sure that I was alive at the end of this war and to live well, and feed well without doing a stroke of work for the duration of hostilities; if I wished to play tennis, to sun-bathe and to go swimming; to walk in delightful country, then I should get myself detained under section 18(b) and respectfully request to be placed in the detention camp for British subjects at Peel, Isle of Man."

Well, Sir, look at the treatment which our detenus are receiving here and then see whether the treatment is not vindictive. Let me read a little more of this extract:

"Retaining to all intents and purposes, their civilian rights, they receive normal rations and their relations and womenfolk descend on the island, buying up all available tinned foodstuffs and causing a shortage among the civilian population. They even hire cars to tour the island and buy their provisions in the different towns. Meat, bacon and eggs are unrationed on the Isle of Man, hence the large quantities of these vital foods which find their way into the camp."

It is not half a banana per detenu per day of which so much was made here by the Honourable the Home Member to show that the detenus were treated leniently:

"Newspapers have reported many cases of luxury feeding. One woman recently arrived with six chickens, 3 lbs. tomatoes, 5 lb. bacon, three dozen eggs and a roast of beef. Another detainee received fifteen dozen eggs."

Compare the food given to the detenus here in India with this treatment. Again:

"Not only are the British subjects idle, but some are insolent to their guards. One man complained to a guard that the noise of his footfalls was keeping him awake and told him to stop."

Does anything like this happen at Deoli?—

"Officers and senior N. C. O.'s entering the compound for occasional searches have been met with boos and insulting remarks. It was formerly the practice of some of these people to watch the changing of the camp guard and to hurl insults at the soldiers, but apparently they grew tired of this."

There is a long list here, but I think this valuable authentic information ought to dispel doubts as regards the treatment or restriction put upon the detainees in England. They enjoy if anything more liberty, if anything more favours than the civilians in England enjoy. They receive much better treatment, they receive much more preferential treatment than the detenus here. Am I not then justified in saying that the treatment given to the detenus here is vindictive? I do not know how it can very well lie

[Mr. Govind V. Deshmukh.]

in the mouth of any person to say that it is not so. The demand for release has not been put forward by the prisoners themselves. Have the prisoners asked for their release? The detainees also have not put forward the demand for their release. It is a demand which has emanated from an esteemed person like Sir Tej Bahadur Sapru. This demand formed the subject of a Resolution at the Non-Party Leaders Conference at Bombay. Are these persons not interested in the prosecution of the war? They have solemnly declared several times that their intention is to stimulate war efforts. These are persons who know their countrymen very well and they feel that they are handicapped in their promotion of war efforts if a step like this is not taken by the Government and thereby created a healthy atmosphere. As I have said these persons who are detained in jail do not themselves ask that they should be released, they are ready to suffer.

It was also said that Mahatma Gandhi's statement would be referred to and that the Government would rely on that statement and not release the satyagrahi prisoners,—release the prisoners without expecting any gesture on his part to help persons such as Sir Tej Bahadur and others—and they are many to help you in the prosecution of this war. I suggest you have to take this step of releasing the prisoners as a war measure, I may tell you that this demand is made for the release of prisoners not to hamper war efforts but to promote war efforts. This is absolutely necessary to prosecute the war to a successful conclusion. I am afraid the Government take the opposite view. I submit that in order to promote war efforts, a step like this should be taken. It appears to me that this Government cannot move out of their rut. They are thinking and arguing in what one may describe in the old phrase, iron, wooden and ante-diluvian ways. I am asking this Government to take a little risk. Be bold. After all, if the Government should release the satyagrahi prisoners, what will happen? You already see that there are more persons outside the jail who can raise this slogan against war, than there are inside the jail. They do not raise any anti-war slogans. Thus you find that there are many persons outside the jail who are not against this war. Will this release of prisoners then affect your war efforts? I submit the logic ought to drive you to the conclusion that you should take this bold step of releasing these prisoners. I urge upon this Government to take this risk. Just think of the conditions which prevailed when you put these persons in prison or under restraint. Have these not changed? At that time there was no anti-Fascist movement which is gathering in volume and intensity; at that time the Labour Unions did not pass resolutions supporting war efforts. Now you find a totally different atmosphere created by these organisations. They all want to promote war efforts. Russia was not your ally then. Do you know that after Russia joined the war as the ally of Britain, these organisations have taken a different view about the war? Give them a chance to respond to the new situation arising after Russia has joined you. You should take this risk and see for yourself as to which way they would follow. Unless you take risks, you are not likely to profit. It is a common saying, no risk, no gains. A moment comes in the lifetime of an individual when risks have got to be taken and in the lifetime of a Government as well, such risks have to be taken. If you look to what is going on in the theatres of war, even men like Mr. Chamberlain who were cautious had to give way and make room for men

like Mr. Chamberlain. He now takes risks and does not follow the old orthodox cautious ways. You have to take bold and quick steps and you cannot walk with a tardy and hesitant pace.

Sir, another thing that I have to say is this. If you release these prisoners and detenus, as I have said, nothing worse can happen. But if you continue to keep them under restraint, what will happen? You know they are fasting; and if the fast continues and some of them were to expire, what would be the reaction in the country? At present, the public is with you and want to promote your war efforts, but if such a thing were to happen what would be their reaction? It cannot be favourable. And the psychological effect of your failure to take the step suggested by Mr. Joshi would be harmful to the conduct of the war. I, therefore, appeal to Government to take a broad view and not to rely on technicalities. You can certainly exercise concurrent jurisdiction over certain prisoners and detenus; at least in those cases you should release them. Set a good example to be followed by the provinces. I am sure the Provincial Governments are merely waiting for the Government of India to take action. We were told by the Honourable Member just now to have liberty of thought suggesting thereby that we were not thinking for ourselves but we were dominated by others. I ask the Government of India to show the liberty to think and act for themselves without dictation or suggestion from His Majesty's Government overseas. I wish Government to exercise freedom of thought and action to take the step recommended in the Resolution to promote the war effort with which good intention Mr. Joshi has moved it and I hope the House will support it.

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.

Rao Sahib N. Sivaraj (Nominated Non-Official): Sir, the Honourable the Mover of the Resolution was very careful in the choice of his words in framing this Resolution, and there is no wonder that the Honourable the Home Member was inclined to agree not merely to his wordings but also to the object which he has in view. I find, Sir, that the Resolution as it stands—whatever result it may have in its practical application and whatever be the number of prisoners that may get the benefit of the application of this Resolution—the Resolution as it stands ought to command the support and the approval of this House. In his introduction, the Mover said that the object he had in moving the Resolution was to see that, a better atmosphere and a more harmonious set of conditions were brought into existence for the purpose of the solution of the constitutional deadlock, and incidentally he suggested, that it will effect a great improvement in the war efforts of India. Sir, there can be no doubt that the Allies—both America and England—originally found it very difficult to cope with the aggression of the Nazi machine and it is only recently and latterly that they have been able to find their feet and meet the enemy on level ground. Much less can the Government of India be said to be in a position to match the German aggression. Sir, I think, it would not be far wrong for those who have studied the methods of the Government of India to suggest that the Government of India are really rickety old

[Rao Sahib N. Sivaraj.]

machines which, during their career, have acquired more of snobbishness than of efficiency. But in order to make the Government of India fit enough to carry on its proper work in the prosecution of the war as against German aggression, it requires more than merely detaining or imprisoning a number of people who hold and express opinions against the prosecution of the war as war, or against the participation of India in this war for constitutional reasons, because, in effect, as the Government have admitted and even as the Secretary of State and the public opinion in England has given expression to, India has done exceedingly well in the matter of war efforts. In fact, encomiums are given to India from day to day in the British Press and probably also in America.

That being so, Sir, I do not find that this so-called agitation against participation in the war has in any way affected the actual prosecution of the war. Indeed it is my opinion,—as it is the opinion of many who are interested in seeing that England carries on this war to a successful conclusion and people like me who are interested in helping the Britisher to the greatest possible extent—that we are handicapped by the actions of the Britishers themselves in this country. We feel that in many places the Britishers and the Government act in such a way as to make many Indians feel that this war is entirely their own war and that Indians have very little or nothing to do with it. If I may use the phrase, they have acquired a new kind of arrogance, which I might call the 'war arrogance', which has, unfortunately, been imparted to certain classes of people even in India also—people who are called the martial classes for instance, and the Anglo-Indians. Now, Sir, some of us really feel sorry that the Britisher in India is not able to understand the feelings and sentiments of quite a large number of people who, unlike the Congress or the Muslim League, do not declare that they are against this war, or do not declare that they will not co-operate in the efforts of the British Government. There is a large number of people who would like to help in the war efforts but who are discouraged from doing so by this fact. It is there that, I think, the war efforts in India suffer a great deal. Moreover if the object of the Resolution, as I feel it ought to be and as I think most Members in this House feel, is to create a better atmosphere for making a greater war effort in India, I think, Sir, this Resolution is welcome. No doubt the Honourable the Home Member was kind enough—for which we are grateful to him—to give us in detail all the facts and the difficulties that he himself feels in the matter of the application of this Resolution, but what is aimed at in this Resolution, as I gather, is to get the Government to show their anxiety to do certain things, and to show a gesture towards the public in order to get them to co-operate in these war efforts. It is a difficult matter no doubt for anybody to say definitely what exactly will be the result after this Resolution is given effect to by the Government, but it is left for others to decide whether they will take advantage of any action as is promised by the Honourable the Home Member in pursuance of this Resolution. But it is our duty here to point out to the Government, particularly as it is constituted now, that facing as they do two difficult problems, namely, the prosecution of the war so far as the external affairs go and internally the solving of the constitutional deadlock, the Government of India as it is constituted at the present moment must give a chance to itself by taking such a step as the one that is suggested by this Resolution. I am anxious that this Government—which has on its body

a number of distinguished and well-known Indians who have been known for their long and continued service in the cause and the welfare of the people of this country, Indians who are known for their capacity and experience, men who are known generally for their goodwill and good judgment—that this Government ought to have a clean slate to start with.

Whether we can justify it by reason or not, it is unfortunate that the fact that there are a number of men who for their political opinions are today in jail, should weigh against the present Government. In order in the first place that it should not be so, I welcome this Resolution. In the second place, I think, as the Honourable the Home Member in his speech has in a way suggested, there has been a considerable change as far as one could see in the attitude of mind of a number of people in our country with regard to this Satyagraha and the Satyagrahi prisoners. Many feel that after all it is a blind alley; and again with the fact that India is getting nearer and nearer the danger zone of the war, there is a still greater number of people who feel that whatever happens something ought to be done immediately to see that as great a number of people in India are brought to realise the realities of the danger and consequently to take part in all the war efforts.

I think I am voicing the opinion of those who generally could not get a command of the vociferous press but who all the same can have a large influence on public opinion in this country, when I say that if the Government can show to the public a reorientation of its policy with regard to questions like the release of these political prisoners the public will in their turn be able to help the Government in all its efforts to prosecute the war. With these few words, I welcome this Resolution.

Mr. L. C. Buss (Nominated Non-Official): Mr. Deputy President, I listened to the speech of Mr. Joshi with great care but with increasing wonder at its lack of reality and its academic flavour. He seems to have overlooked the fact that the countries of the Commonwealth are engaged in a life and death struggle on an issue on which the civil liberties of its people depend. If this war should end in defeat there would be no civil liberty in this country in the sense in which Mr. Joshi understands it. Therefore, the first plain assumption is that whatever criticism there may be of India's constitutional position, an issue which carries little significance with our enemies, India in common with the other parts of the Commonwealth, with Russia and the other Allies and Free people who are with us, is fighting for its existence and for the continuity of free institutions.

All parties in this country have openly said that their sympathies are with the Allies and that they wish the defeat of the Fascist and Nazi enemies. Indeed the Satyagraha movement of Mr. Gandhi is, we are told, a token of protest for the cause of freedom of speech conducted in such a manner as to cause the least embarrassment to the authorities. Can it be said that any of the actions which have led to the detention of the people whom Mr. Joshi now wishes to release can have any other effect than obstruction to the active pursuance of the war effort? Mr. Joshi has said that one of the main characteristics of democracy is the tolerance of opposition. He has also admitted the necessity for certain restrictions on civil liberties in war time. But he, surely, knows that even the most democratic countries will not tolerate opposition of a nature which hinders the prosecution of the war or embarrasses the authorities who are responsible for the prosecution of the war effort. And he, surely, also will admit that

[Mr. L. C. Buss.]

it is justifiable in times of emergency to restrict the civil liberties of the individual so as to prevent any movement which is of direct or indirect assistance to the enemy. And who can say who listens to the German and Italian broadcasts that the movement, limited as it is, is not providing valuable material to the enemy?

We have been told that because Russia is now our ally we should give freedom to communistic activities in this country. But that is entirely beside the point. The real test is: does a particular activity, directly or indirectly, impede the war effort and what does Russia do with those who, whatever their political views are, are guilty of any action which is hindering Russian resistance?

We yield to none in our wish to take every action which will induce full co-operation in the war effort but if such action is to be taken as a sign of weakness and merely as an opportunity for resuming activities on a larger scale which are damaging to the war effort we cannot admit of such action. If releases are merely to result in re-arrests they are abortive and we can admit of no relaxation in measures designed to suppress all anti-war activities. But if releases will in any way open the door to the mobilisation of all Indian parties behind India's war effort then they may be justified. We recognise that this is a responsibility of the Executive Council which is now a predominantly Indian body representing important elements in Indian public life. We are confident that they will apply this one test to the problem now before them and we have full confidence in their ability to judge the situation fairly.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I rise to give my whole-hearted and emphatic support to this Resolution. It appears to me that this Resolution is absolutely harmless. It does not ask that detenus or prisoners convicted for anything connected with violence should be released. The Resolution is very simple and will not be prejudicial to the interests of the Government. It asks that those political prisoners who have been detained for acts or expressions which were non-violent should be released. The second thing asked is that those who have been incarcerated without trial should be released. Further, it is said that those who are called Satyagrahis, who have given expression to certain slogans here and there in a most desultory manner, I should say, should be released. Lastly, the Resolution asks that those connected with industrial disputes, where the actions were non-violent, should be released.

Now, Sir, it appears to me that the issue is very simple, and the issue is whether in consideration of certain new conditions having come into existence, I mean a new atmosphere having come into existence, these prisoners should or should not be released. Sir, I heard with rapt attention the Honourable the Home Member's speech. He gave us, as he usually does, a long history as to how these people were incarcerated, he showed us how these prisoners behaved and why they have been detained till now, but we did not hear from him any reference to the changed atmosphere. Sir, the present situation has changed considerably. If we go into the history of the whole case, much will have to be said to show whether Government are right in detaining these people or not, and it would raise a big controversy. The Honourable the Home Member gave us an exhaustive list of

actions that were committed by these people, but we have also on the other side the opinion of the public and public men to prove that everything was not above board, and that the actions taken by Government were not fully justified. With regard to the treatment given to these people, it is also open to challenge. We find that prisoners at Deoli Camp have gone on hunger strike. Hunger strike is an extreme step taken by prisoners when they have exhausted all other resources for remedying their grievances, and the fact that these prisoners at Deoli Camp had to resort to hunger strike clearly shows that their grievances are such that they cannot tolerate the trouble any more otherwise one would not like to lose his life. On that point it is very regrettable the Government have not said a word, they are callous and indifferent to the demands of these prisoners. They do not care whether these prisoners live or die. That is not the attitude one would expect from the changed atmosphere. The change in the present atmosphere needs that a favourable gesture should be made to the country. The past is past. What is asked in this Resolution is that in view of the change in the atmosphere, Government should show a spirit of conciliation and get the co-operation of the people.

When I came this time I thought over this question of the release of prisoners. I put certain questions to the Honourable the Home Member on the 29th of October, 1941. My object in asking that question was this. In view of the fact that H. E. the Viceroy's Cabinet has been expanded, and in order to create more confidence in the public and to secure their co-operation, Government should release the political prisoners who are now in jail. That was the view of not only myself, but it was also the opinion of certain Members of the Parliament, which was reflected in the question raised there. It was suggested there that the Rt. Honourable Mr. Amery should consider, if not a general amnesty, at least a substantial release of prisoners, and to make it clear to the Indian National Congress and the Muslim League that if at any time they desired to accept seats in the Viceroy's Council, opportunities will be provided for them to take such seats. Therefore, my object in supporting this Resolution is that, a step has been taken by Government, which was not expected from that wooden Government, I should call it, before. It is only on account of the war that a step has been taken in expanding the Viceroy's Cabinet. That is some gesture to show that the Government's mood has changed to some extent. We know that the previous Cabinet was very hard on this question. It was not sympathetic on matters like these. They wanted to do everything by sheer repression. Sir, in no country in the world the people have been brought round by adopting a policy of repression. It is only by means of conciliation and co-operation that the ends of good Government can be secured, otherwise the administration is bound to come to a stop. But the policy of the old Cabinet was one of repression, they wanted to exhaust and exercise all their authority in any manner they thought best, and therefore they incarcerated people in jail. But they never gained their object in that manner. Therefore, Sir, I suggest that the time has now come, when the Viceroy's Council has been expanded, that the Government should make a gesture to the country. The Indian Members who are in the new Cabinet have to show to the country what they are doing

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got only one minute more.

Mr. Lalchand Navalrai: Is it so? I have not said even one-fourth of what I had to say. Now, Sir, what I submit is this, that in consideration of the expansion of the Cabinet which now contains so many Indians, the atmosphere having changed both here as well as in England, the atmosphere having become clearer now, Government should show greater regard for public opinion. Sir, we find the *Hindustan Times* has reproduced an extract from an article in the *Manchester Guardian*. In a leader on Monday last, the *Manchester Guardian* says this:

"The British Government, the Viceroy and those Indians who aim at finding a way through will all have to take action together. Reports from India say that there is now a strong nucleus of leaders who are anxious for an interim settlement, great constitutional problems being left until the war ends. It is not disputed both in the Congress and in the Moslem League that there are many who desire to reach such an agreement. There are also many who desire to assist India's contribution to the war in a cause which they recognize as their own. None can assert that the new attempt at an 'interim' settlement will succeed; there are large difficulties. But there is a chance—increased by our having given the Indians more power at the Centre in July—and we should seize it."

"The *Manchester Guardian* in a leader makes a plea for the release of political prisoners, declaring: 'Government—and Mr. Amery, who once held the view that the major parties must agree before anything more could be done—must now help India, whatever the discouragements, to overcome its own disunities. It would be thoughtless to say that Government did nothing after the August proposals. It sent many Congress leaders and their supporters to prison, including Pandit Nehru. It is a waste of time to demonstrate that Pandit Nehru was justly sentenced for disaffection. He, like others imprisoned, said things so that the law would be compelled to imprison him.'

But to imprison an Indian leader is not an adequate method of giving his country the freedom we have promised. In acting with the many Indians aiming to make a fresh effort for peace in India we should give the effort a chance by releasing Pandit Nehru and 'political prisoners' in order to encourage a spirit of reconciliation from the start. With such a gesture the attempt may succeed—otherwise, it will fail. Our duty is to give conciliation a chance—a chance of life."

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's extended time is over.

Mr. Lalchand Navalrai: I have done, Sir. Therefore, my humble submission is this. I know the Government is sympathetic to a certain extent and that action will be taken without unnecessary delay. But that is not a definite one. I hope the Honourable the Home Member will make up his mind along with his colleagues to do something very soon and in a very definite manner.

Qazi Muhammad Ahmad Kazmi: The Honourable the Home Member, in his detailed speech, supplied the House with many facts and figures which show their point of view. I am grateful to him for that, but I think that he will also patiently consider the point of view from which we look at those facts and figures.

Now, in the whole story that has been told us by the Government, the principal part has been omitted namely, as to who was responsible for bringing about this condition of deadlock. The Congress Governments were working in seven provinces when the war began. The Central Assembly was working with its full quota of numbers without any boycotts when the war started. There were encomiums showered upon the Congress Ministers for the work that they were doing, and the Government had full confidence in them. It was at that time that unfortunately the war broke out in Europe. Till that time there was no question of distrust of those

Congress Ministers or of the Congress Governments. Then comes in a stage where people start asking Britain as to what were its war aims. And the necessity of asking for those war aims arose, because Britain herself declared that the war aims were the liberation of the conquered peoples. But the statements of British statesmen indicated that they meant the liberation of the conquered nations of Europe only, and that created a suspicion in the minds of Indians as to why Indians had been forgotten in this connection. It was that suspicion that compelled patriotic people in India to stand up and ask Government as to what were the war aims and whether India was to be liberated after this war or not. But the first indication that India had was that India was dragged into the war without consulting anybody. That gave them an idea that Britain had no intention to free the Indian people from their clutches even if they won the war. That was the chief reason. If you omit that reason, you cannot understand the true position. It is with that background that you must look at the whole question. You yourself have refused to concede Indians Dominion Status even after a period of two years after the war. Indians had a very sad experience of British statesmen. The British gave something as the goal of India in the preamble of the Act of 1919, but when the bigger Act of 1935 was enacted, there was a difference of opinion as to what should be enacted in the preamble of the Act with the result that a very novel experiment in legislation was undertaken; the Act came into being without a preamble. If we have got that suspicion, it is for the Government to remove that suspicion. It is for the Government to come forward openly and say, that they have the intention of treating Indians in the same way in which they are going to treat all the other nations of the world.

Only very recently we had the question of the Atlantic Charter. There are all sorts of ingenious explanations given, that if we had been included in the Atlantic Charter we might probably have lost all we have already got by the great declaration of August 1940. But I say, if Indians are fools enough to neglect the great offer of August 1940 and insist on the smaller powers of the Atlantic Charter,—if they are such fools and you are wise men, then you could have said, "I never thought that you were such fools to insist on the Atlantic Charter being applied to you. Come along, it will apply to you." They should have said, "You are fools. You do not understand, you do not appreciate, you do not realise what you are doing. We have given you so many things in 1919 and 1935, we are giving you every day something, and still you want the Atlantic Charter. That Charter is only for a few conquered nations of Europe whose liberty has been taken away by Hitler,—the promise we have made to them is a conditional one. It is only if we succeed against Hitler that we will restore their liberty, but in your case, whether we win or lose, you are in our hands, we will give you liberty whether we win or lose". If you come forward and explain the position in that way, probably Indians will say, "See. Our masters are treating us in a very sympathetic manner." No, nothing of the kind is done. You say "Atlantic Charter will not apply. We cannot make any promise of Dominion Status." Then Indians say, "We do not want Hitler to win, we only want to have the power to say what we feel"—and thus create a cause of action. That cause of action is a slogan.

The Honourable the Home Member was pleased to say that His Excellency the Viceroy gave Indians the same right as the conscientious objectors have got in England. I perfectly appreciate that point of view. But has the Honourable Member ever considered that the slogan that is uttered by

[Qazi Muhammad Ahmad Kazmi.]

Congress people when they are sent to jail is anything more than what conscientious objectors can say in England? Even if that slogan cannot be repeated,—if the conscientious objector cannot say, war is bad, there is no sense in being a conscientious objector. You yourself say, "You have the right of being a conscientious objector", but at the same time, when the person comes to exercise that right, you arrest him. You arrest not only people who want to exercise that right. You say preparation is also wrong. Not only that. Under the Defence of India Rules as put into actual practice, even intention is made punishable and people are sent to jail for sending notices to magistrates. Fortunately, some cases were brought to the notice of the Lahore High Court and there it was ruled that it cannot be considered a preparation and that it was only an intention and I am glad that the Punjab Government appreciated the point and released the prisoners. But look at your own conduct. What about the United Provinces Government? Have you got no trust in the Lahore High Court? If the Government really thought that the Lahore High Court wrongly decided the point, could not the matter be decided by some higher authority? One High Court has decided that mere intention is not penal and is not punishable. Could not the other Governments release with good grace the prisoners who were sentenced for giving notices? I am glad that after Allahabad High Court expressed a similar view the Government of the United Provinces have come to the same conclusion but what about the other Governments? We have brought this repeatedly to the notice of the Honourable the Home Member and the Government Benches. Could they not, with good grace, have brought this to the notice of the other Provincial Governments, depending upon the ruling of the High Court and pointing out that the sentences are illegal and that the prisoners should, therefore, be released by means of an executive order. Whatever may be the position of the Provincial Governments, I say, Sir, that it is the Central Government which is really responsible. It is they who have got to exercise this prerogative. The Provincial Governments did not make the Defence of India Rules. The Provinces did not pass the Defence of India Act. The Provinces definitely say that it is the Government of India who are responsible for making the Act. May we point out that the Honourable Member has repeatedly given an undertaking to the House that every care will be taken in the application of those rules. Is it not, therefore, the duty of the Government of India to interfere and at least bring to the notice of the Governments in the Provinces this interpretation of the law—that the sentences were invalid and that these prisoners must be let off?

Now, I beg to submit that if these prisoners are still kept in jail after this ruling of the High Court, they will be kept in unlawful custody and who will be responsible for this wrongful custody. Of course, you will have the necessary protection under the Judicial Officers Protection Act, so long as the action is *bona fide*. When it is pointed out that the action is wrong, then it becomes *mala fide* and the custody becomes wrongful custody. Of course, we know that it is not possible for us to face this mighty Government and poor litigants have very little chance as against the Government. I do not know the exact legal position. The Government might have had some justification for keeping these men in custody before the ruling of the Lahore High Court was given but what justification have they got after the ruling was given? All such persons are entitled to compensation for wrongful custody.

Now, Sir, that is so far as the position of satyagrahis is concerned. What have the Government done? By their conduct, they have made even the co-operating people their enemies. They have sent them to jail and put them to all sorts of troubles there till their health is failing them. They come out physical wrecks when they come out from the jail. You may have A. class and B. class but all the same the Government have been forced to release some of the prisoners on account of their bad health, which was brought about solely on account of the conditions and circumstances with which they were surrounded in jails. With regard to the satyagrahis at least, is it not proper that the Government, at least during war time, should try to win back the hearts of those who were co-operating with them at one time? Government really in their heart of hearts believe that these men who have gone to jail are in favour of Hitler? Do they really consider that these men want to embarrass them? Whatever the Government may say, it is to the credit of these men that this satyagraha movement has not been extended into one of mass civil disobedience and if the Government will look into the matter, they will find that the person who is responsible for not making this a mass civil disobedience is Mahatma Gandhi.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got one minute more.

Qazi Muhammad Ahmad Kazmi: I will now take up the case of those who are said to have communistic or socialistic ideas. The Honourable Member has read out certain passages from pamphlets. I think in his earlier days the Honourable Member must have occupied some judicial position.

An Honourable Member: Yes, he did.

Qazi Muhammad Ahmad Kazmi: As a judge is it not his duty to see as to what was the origin of those passages which he read out? What is the value of the papers he read out to us? We do not know who the writer was, who the printer was and who published the pamphlet. I would ask the Honourable Member to recall his earlier days and tell us what he would have said, if a man was prosecuted on such evidence before him. Would he send any man to jail on such evidence? He would have said, "These are worthless papers. I am not going to believe this, simply because a hammer and sickle are printed on the pamphlet". He would ask for evidence as to who has written it. I could produce such letters and such pamphlets and say

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Qazi Muhammad Ahmad Kazmi: One minute more. What I mean is that the case against these detenus is based not even on hearsay evidence but suspicion and even supposing it is real evidence, it is only evidence of intention, not preparation. They say 'we will do this or that'. That does not come under any law. You have not found any ammunition in the houses of these Communists. If you have then you may find them guilty of preparation. Mere expression of one's ideas cannot be regarded as culpable under any principles of jurisprudence.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Qazi Muhammad Ahmad Kazmi: I have finished. I say, Sir, that you have no evidence against any of these men who have been imprisoned. The Resolution is a very modest one and I hope the Government will accept it.

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

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadan Rural): I must thank the Honourable the Home Member for giving me a chance to discuss the matter that is before the House and in reply to his reply to my question on this subject, last morning. I have got a list of persons who were anti-Fascists and who are in jail. I shall name them. Surendra Nath Panday, Virendra Nath Panday and Manilal Panday of Cawnpore; Shivnath Pathak of Gorakhpur; Malayakrishna Brahmachari of Gaya (detained in Deoli jail); Bhupendranath Sanyal of Allahabad (detained in Agra jail); Bharat Bhushan (detained in Fatehgarh jail); K. P. Bhatkar of Bombay (detained in Thana jail); Haripada Goswami, arrested in Munshigunj on 8th November, 1941, under Press Act.

All these persons were really preaching anti-Fascism and to add to that they are now preaching co-operation with Government. But in spite of that they are kept in jail along with the other prisoners for whom we are pleading today. Sir, we are not pleading for these prisoners because they are anxious to come out. These prisoners are the off-spring of the past movements that have come over this land. Movements after movements have come and gone and today we find several categories of prisoners kept in jail either as detenus or as State prisoners or convicted prisoners. In order to meet this situation, my Honourable friend, Mr. Joshi, has moved this Resolution which is absolutely innocuous, inoffensive and moderate. In the fitness of things and in fitness of time he moved the Resolution. The Resolution says:

"Unconditional release of prisoners detained in prisons and for the removal of restrictions imposed on some persons regarding their movements or actions, where the detention or restriction was due to holding or expressing opinions which in the opinion of Government were prejudicial to the conduct of the war, or on charges for actions connected with industrial disputes, whether the detention or restriction was with or without trial under the Defence of India Act or under the ordinary law."

Sir, the Defence of India Act is a very expansive net and it can take into itself any number of prisoners of any kind. These prisoners, to whatever category they may belong, are thirsting for freedom. Just as the Britisher has a right to fight for freedom, the Indian has also a right to fight for his freedom. If liberty is not a crime in Europe or in America, why should it be a crime in India? Only the other day on the occasion of the Armistice day anniversary, President Roosevelt said:

"We now know why liberty is worth defending as those alone whose liberty is lost can know it. We would have known why tyranny is worth defeating as only those whom tyrants rule can know."

India has been under the British rule for about 200 years and there has been for some years an upheaval and people have been inspired to fight for freedom. All these years, the British Government have found all sorts of old Regulations, new Ordinances and Criminal laws to stop that movement in any way and anyhow they liked. The sense of justice or

fairness is not there. In their own self-interest, they want to keep down 400 millions of people under their heels. That is the only law which has led the British Government to keep India still a slave country. But the present situation has changed India. Although India is even today under the same distress and the same stagnation, yet she has an interest which is similar or identical with the interests of the British.

Sir, today England has become an ally of Russia which was never dreamt of and could not be dreamt of one year ago. In spite of that, if these young men who have got the inspiration of communism from the books that came from Russia and if they who are today professing to be communists without having any arms and without having any connection with the red army, why should they be incarcerated? In proroguing the old Session of Parliament on November the 12th, His Majesty the King Emperor said:

"I heartily welcome as ally the great Union of the Soviet Socialist Republics. The heroic resistance of the armies of the Soviet Union has won my deepest admiration. In co-operation with the United States of America my Empire is affording the Soviet Union all possible assistance against the common foe."

I cannot say that Stalin entered into the war in expectation of alliance with America or England. He must have prepared himself for the struggle. He knew what Hitler meant and today the Soviet Russia has shown to the world what stuff they are made of. There the people are fighting for their ideology and for their country and not for vested interests. And we find that His Majesty, our King Emperor and Mr. Roosevelt have sent their messages on the anniversary of the Revolution of Russia vindicating Revolution thereby. These are the three great comrades today: Our King Emperor, Mr. Stalin and Mr. Roosevelt are the trio to make the new order. Here we stand today to vindicate the communists who are rotting in jail simply because of their communistic philosophy and not because they were taking any active action against the Government. Printed papers without any signature and without the name of the publisher have been placed before us and we are told that they should be taken seriously. I take it only as a stunt. It is a pity that today they have got another stunt and that is regarding Subash Chandra Bose being in Berlin. It is said that he has entered into a pact with Hitler and he will come back as a conquering hero to India. I do not think he is such a timid or a brainless fellow. As a patriot he had his own ideas of serving his country and I cannot believe that he will think of coming back as an enemy of India. Fascism or Nazism we do not want to be the 'future' politics of India.

The Honourable Sir Reginald Maxwell: Does the Honourable Member know that the presence of Subash Chandra Bose in Berlin has been admitted on the Italian and German Radios?

Mr. Amarendra Nath Chattopadhyaya: We must hear him speak to know the voice.

The Honourable Sir Reginald Maxwell: The Berlin Radio says, he is going to speak.

Mr. Amarendra Nath Chattopadhyaya: Sir, the mistake that was committed by the Government by leaving Rash Behari Bose in Japan, or to have left Raja Mahendra Pratap to remain out of India, I am afraid the

[Mr. Amarendra Nath Chattopadhyaya:] The same mistake will be committed again, and after the war they will not be allowed to come here if the third patriot is in fact in Berlin. With regard to the present question, it is a question which Government should solve today and now. We have heard the Honourable the Home Member speak that he is going to get some high judicial officers to make periodical examinations of the cases of prisoners. Sir, this is the same old old story which we have been hearing from 1905 onwards, when certain eminent persons from Bengal had been deported under Regulation III of 1818. We heard the same story repeated year after year. Whenever there was a question of release of prisoners, these examinations are promised; in fact such examinations never take place and even if the cases are examined, the recommendations of the Judges are never given effect to. The present situation does not require any examination of the case of prisoners. At present India is co-operating with Great Britain from every point of view. India is helping England with men, money and supply and in these circumstances, if a few young men who are now in jail are released India will not suffer and the British Government will not suffer from that. To get the goodwill of all people it is incumbent upon Government to decide it once for all now.

As the House is aware, we have been pleading with the Government year after year for the release of the political prisoners. The Honourable the Home Member gives the same tale. We go on fighting here without any effect. We do not want to plead for them any more. We want that they must be released. Of course, we have no sanction behind us, we cannot force the hands of Government but justice requires it, fairness requires it, liberty requires it, the liberty of people to speak, the liberty of people to work and to associate with others in the country demands the release of these prisoners. I hope the Honourable the Home Member will rise up to the height and I hope the new expanded Council will have the courage to see that, Sir, the time is propitious to release these political prisoners. I support.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official): Sir, every question has two sides. On this Resolution many Honourable Members have advanced their views only on one side. So, I am going to express my opinion on the other side of it. I would have been very glad to support Mr. Joshi's Resolution, if I knew that it would serve any useful purpose. In my opinion, it will not do anything useful to the country at all for the following reasons. I think as everybody knows, what do the prisoners do? What they did, they did with the idea that they were doing useful work in the cause of the country out of patriotic motives. That is what they think of their action. They have been praised by the Press and by a number of people for their action. Now, the result is this. They have not changed their ideas or their attitude. If they are released today, what would be their attitude the next morning. They would desire to repeat it and do the same thing.

Some Honourable Members: No, they won't do so.

Major Nawab Sir Ahmad Nawaz Khan: Let us wait and see. Those prisoners after their release will do the very things which they did before. At that time the Provincial Governments and the executive would see the same danger as they saw before. The High Courts or the executive would

have to apply the same law again which they applied before, no matter whether the law in the opinion of some of these Members is defective or good. That is altogether another question. What the law is, that will be used again with the result that within a week's time, all those who have been released will go back into the jail.

Some Honourable Members: No, no. Are you a prophet?

Major Nawab Sir Ahmad Nawaz Khan: Past experience shows what they will do again (Interruptions). There is no use of crying "no", "no". There is no necessity to be a prophet for this. Will it not be childish to see that only for eight days this jugglery should be played on the public? I quite agree with Mahatma Gandhi when he foresaw the uselessness of this kind of release and he very wisely said that he would neither appreciate this thing nor would he request for that. If Mahatma Gandhi had requested, then it would have been worth the while of the Government to consider the request, and it would have been worth the while of the new Indian Members of the expanded Council of H. E. the Viceroy to support such a request and to use their best influence to get these prisoners released. These Honourable Indian Members of the expanded Council could have then said with great force, "a high and good leader like Mahatma Gandhi is making this request and he will appreciate the action of the Government and so the prisoners should be released".

An Honourable Member: Is not Mr. Joshi high enough?

Major Nawab Sir Ahmad Nawaz Khan: What Mr. Joshi is, everybody knows.

What is now this Resolution? If somebody presses the Government to release these prisoners merely for the sake of their pleasure, nobody will be thankful, because neither the Congress nor Mahatma Gandhi nor any other responsible class of people who can deliver the goods would be thankful or responsible for the future good conduct of the prisoners. Nobody here has any authority to speak on behalf of the prisoners. If the prisoners would have expressed their regret and if they had said they were wrong, it would have been a great consolation to Government and it would be a guarantee to the Government that these prisoners, once they are released, will not commit the same mistake again and everybody would have pressed the Government that it was the right time to show their generosity or clemency or any other epithet you would like to use. But the case at present is different. Neither Honourable Members of this House, nor even in some cases the Central Government are the best Judges of the local dangers; it is only the local officers and the Local Governments who will be in a position, on the materials before them, to judge the local situation and dangers properly. The men on the spot are the real men who know these things. How can you give assurance to Local Governments that if these prisoners are released, there will be peace, there will be smooth working and there will be no sort of obstacle placed in the way of day to day administration or in the way of proper war efforts. Under these circumstances it will be seen that there is no use of blaming the Central Government that they send directions for oppression to Local Governments. As my Honourable friend, Mr. Joshi, himself admitted, that in my Province, the North-West Frontier Province, the Government

[Major Nawab Sir Ahmad Nawaz Khan].

is pursuing an altogether different policy suited to the needs and circumstances of that province. There have been no arrests, or there have been very few arrests in the North-West Frontier Province. This policy has the entire approval of the Central Government. The Central Government have given full powers and full freedom to Local Governments to do what they think best in the interest of the public safety of the respective provinces. If there had been one uniform policy useful to all provinces then all the Provincial Governments would have followed that policy. What guarantee is there that the release of the prisoners would satisfy those Governments? For instance, if you appoint your agent on your estate is it right for you to pass orders direct without consulting him? What guarantee is there either from the point of view of these Local Governments or the prisoners themselves that what was committed before will not be repeated again.

Another point is this. Nowadays there are two well-known national organisations in India, the Congress and the Muslim League. None of these has given any guarantee on behalf of the detenus or the prisoners that if on the representation of the much-talked Indian Members of the expanded Council they are released they shall not commit what they did before. Even if they do give a guarantee and assurance to the Viceroy or to the Government of India, I am cent per cent sure that these things will be repeated again and these new Honourable Members will be ashamed of any assurances that they may give. It may be, that at one time they were our leaders but in organised bodies in India the leaders are not always followed. When Mahatma Gandhi was a guest in my humble house, Allahnawaz Castle, Dera Ismail Khan, I had a talk with him one day about this; and he told me that it often happened that he held views on a certain thing which he believed to be right but that when he put it to his council they disagreed, and he had to yield for the sake of the organisation. So the best thing is now not to press for their release but to see that the Provincial Governments are not paralysed now that the war is so near to India. I candidly admit that there might be a few cases of injustice, and I know personally that on account of personal jealousies and hostilities people have entangled their enemies. But these cases must be very rare. The question of treatment by the Provincial Governments is another point. Take any country in Europe, whether under a democracy or dictatorship. There is a real and sincere national government in every country in Europe. It is not like India where there are so many religions, castes, creeds, colours, cultures and habits. But in any country of Europe you see that when any minority with an idea of patriotism if opposes the war, the members of that party are interned and imprisoned and in Germany many people have even been beheaded, if the press news are correct. Thank God, no political prisoner has been beheaded here. Take any advanced country in Europe or America or even Asia, where the people belong to the same race as their ruler is and where any one with a patriotic motive has preached against the war. How does that country treat those speakers? After all even if you do away with the present law you will have some law, whether English or American or German or Swedish; and no law will allow you, in time of war, to stand up and indulge in irresponsible and unreasonable talk or other actions against the prosecution of the war.

Sir, Mr. Joshi is a friend of mine and I am sorry I have to oppose his Resolution on the grounds that I have given. I could give many other arguments too but they may give rise to communal or racial or provincial questions which I wish to avoid. I will only say that it is not a wise policy nor proper time to change the old policy and therefore I oppose the Resolution and I hope Mr. Joshi will appreciate the viewpoint of the other side stated by me.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, I am glad that the detailed statement of the Honourable the Home Member has put a stop to all the gossip and the rumours and prophecies to the effect that now there is a real change of heart on the part of Government and that a general amnesty will be declared by the Home Member today. The Honourable the Home Member has stated that for the detention and imprisonment of the political prisoners in the provinces the Government of India are not so much responsible; he is prepared to take responsibility only for the administered provinces and not for provinces under Governors. This will not stand the test of criticism even for a moment. The Government of India have initiated the entire movement, and the entire system of repression, and it is no use saying that for the repression in the provinces they are not responsible. If that were so, why do we find a detenu from Bengal living in a distant part of India and the detenus from the different provinces huddled together in the Deoli camp and other camps? Certainly if the Government of India had no responsibility the Government of Bengal could not have sent detenus to Deoli and the Punjab Government could not have sent detenus to Vellore camp. Sir, we are not prepared to believe that the Government of India have got no responsibility for the detenus in provinces.

The Honourable the Home Member has classified the political prisoners and detenus in three broad classes: revolutionaries, communists and others. He has not expressed what is meant by 'others', so I need not be a thought-reader and find out what he had in his mind about the class called 'others'. As he has definitely said about revolutionaries and communists, let me take up these two categories. So far as the revolutionaries are concerned, we know that there is no revolutionary in this country. A country where people are afraid of handling a gun, a country where people are afraid to hear a gun-shot cannot have anything like a revolutionary movement. Now, Sir, the Honourable the Home Member has said that among the revolutionaries class there are as many as thirty-three ex-Premiers and Ministers of this country. Well, Sir, we know many of these ex-Premiers and Ministers as they are friends of one or the other Member of this Honourable House, and we know what they are. At the most these Ministers and ex-Premiers aspire for something like Dominion Status. If that aspiration is called a revolutionary movement, I must say that the Honourable the Home Member has got to put a distinct meaning to the word 'revolutionary' in his new dictionary. Speaking of these thirty-three gentlemen who have been classed as revolutionaries, I must say, Sir, that they are the most cultured and the best intellectuals in this country. They have never been to any revolutionary camp; they have never seen what revolution is. In fact there has been no revolution in this country, after the mutiny. So, to apply the word 'revolutionary' to these intellectuals is a misnomer.

Mr. M. Ghiasuddin (Punjab: Landholders): Nobody described them as revolutionaries.

Maulvi Abdur Rasheed Chaudhury: The Home Member did. He did not describe 'others'. Now, Sir, coming to the next category of communists, who are these? Even if they be communists, what is their position now? Why should they suffer imprisonment and detention now? They might be in sympathy with the Russian Government. That is their fault. But, Sir, the Government of Russia is in alliance with the Government of Britain and the Government of India, so if the Russian system is now the favourite of our administration, why the people having sympathy for the Russian system should be kept in imprisonment? Now, Sir, speaking plainly it comes to this. The Government of India are in friendship and alliance with Russia; our detenus are in sympathy with Russia; if the Government of India imprison those who have communist ideas and keep them under detention what about them? Why should the Government not come under the same category? I think, if the Russians are really the Allies of the Government of India, our detenus who hold the same views should also be the Allies of the Government of India. Sir, our detenus are kept in prison simply because they have had sympathy with Russia, but those days are gone. The Government of India are in sympathy with Russia, so why should they not be released now? I do not see any reason why they should be detained in jail any longer.

Coming to the question of deadlock. After the declaration of August 8th, it was expected that the Government of India would show a real change of heart and would create an atmosphere of confidence so that the people might come forward to give their quota and help in the war effort. But, Sir, from the treatment they have meted out to the people of this country, it is evident that they do not care for our confidence and our support. What happened immediately after the declaration of the war? The Government of India showed a change of heart by imprisoning and detaining our best men, our patriots, in jail. The offence for which our patriots have got sentence of three years imprisonment, four years imprisonment and five years imprisonment, is punished with only a petty fine in Great Britain, as has been explained by many speakers. Is this a change of heart? Is this the way to expect confidence from the people of this country? Then, Sir, so far as the political prisoners are concerned, there is some justification for the imprisonment of those who have had regular trials. For good or bad, they have been found guilty and they have been imprisoned. Government can say that the Courts of Justice have awarded punishments to them.

But, Sir, what about those who have been detained without trial, and among them, as the Mover of the Resolution has said, there are women with babies in their lap. There are old men of 71 detained without trial. What is the meaning of these detentions? How can an old man of seventy be a terror and a source of trouble to this mighty Government? How can a woman with a baby in her arms be a terror to this mighty Government? Why, for what ulterior purpose are these people penalised? There must be something wrong somewhere either in the policy or in the method of administering the policy. In the North-West Frontier Province we find that there are no political detenus. That Government did not put anybody either in prison for crying anti-war slogans or other

innocent things, but has anything happened there? This has not gone out of the control of the Government of India. But why is another method applied in other provinces and as many as 7,000 people or more suffering imprisonment, some without trial and others after trial? . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Maulvi Abdur Rasheed Chaudhury: This is not the way to seek our co-operation and help. You gag all the best men in the country and you want better results. Within your memory Russia did the same thing—all the best Generals were executed there and we find the result now: where are they? They are being trampled under foot by another mighty power. The same thing will happen here in our country. All the best brains are being put behind prison walls and then who is going to help you? . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Maulvi Abdur Rasheed Chaudhury: You must really have a change of heart. You must release all the political prisoners. Take us into your confidence and once you do that you will find that you are a match for the entire world; you can challenge the power of the entire world if India is at your back. Sir, I support the Resolution.

Mr. Ananga Mohan Dam (Surma Valley cum Shillong: Non-Muhamadan): Sir, I rise to give my whole-hearted support to the Resolution which ought to command the support of the whole House and of the country outside. I know what detention without trial means, and I can quite understand the mentality of those who are behind the prison bars. We have heard of the treatment meted out to them from Mr. Joshi and also from others who have given a detailed description. Not only this, but there is another kind of rigour which is applied to them—they are not allowed to write letters to their friends and relations in the proper way, neither do the letters they get reach them in the proper way. Here I will show you a letter written to Mr. Joshi—not a single line is readable. This is written by Prof. Ranga, a Member of this Assembly. It is censored in such a way that it cannot be read at all. You can understand from this one instance the treatment that is meted out to all these people . . .

An Honourable Member: Place it on the table.

Mr. Ananga Mohan Dam: This detention without trial is a thing against which our innate sense of justice and fairplay revolts. We cannot understand why such a thing should be applied to detain us. In the ordinary course of things, we see that when a man is brought before the Court as accused, his guilt has to be proved by the other party, whereas, in the case of detenus, he has to prove his innocence himself—it is not for the other party to prove his guilt. In these days of advancement of thought, when people have got freedom of speech and opinion, these young men are treated in this horrible way. Not only that; but the Defence of

[Mr. Ananga Mohan Dam.]

India Act is stricter in its application in India than in England where the actual war is going on. Right-thinking Englishmen who are for the new order hold that a man shall not be imprisoned for a longer period than six days without being charged with an offence against the law, nor for more than three months without being brought up for public trial. But what is the case in India? In India, without any trial they are suffering for months after months, years after years, behind the prison walls. This is as regards detention without trial.

But there is another class of prisoners who have been punished for preaching their anti-war slogans. What does it mean? Some young men give out their opinions, express their sentiments and feelings. Is this a crime against the Government of India? Is this a thing which can affect or harm the Government of India in any way? I do not think so. But these young men have been detained and imprisoned for their anti-war slogans. Has this in any way affected the war measures? India is giving her men and money to the best of her capacity. Our soldiers are fighting in the front; her monied men are contributing according to their capacity, and even poor people are contributing their money. Have these slogans in any way slackened the war effort of the people of India? I do not think so. But still all these impressionable young men and young men in their teens have been imprisoned, without any justification and without trial, for shouting these slogans.

Then come the sympathisers with Communism. These young men behind the prison walls cannot be called full-fledged Communists; they have no direct connection with the Red Army and Russia, nor with any active organisation in Russia; they only read some books and have some ideas and express their sympathy with those ideas. Even in England we have got sympathisers with Nazism; even in America we have got sympathisers with Nazism; but has the American Government or the English Government punished them for entertaining those opinions alone? I do not think so. But here this Government of India are punishing these young men only for entertaining particular opinions. In criminal law, the intention is not punished, but the act is punished. Here, however, even the intention is punished, though the act is absent.

Sir, in these days, when England and India are co-operating more and more in their war efforts, when Mr. Churchill, the Prime Minister of England, asked the English people the other day that they should extend their comradeship and brotherhood to New Zealand, Australia and Canada, is this the time in India to stick to stereotyped process of administration of law and justice? Sir, I think the time has come when the Government of India should do their duty to India in a manner so that the whole country may be satisfied, so that there may be a spirit of conciliation displayed, so that there may be a real gesture from the Government, so that there may be a good response from the whole country in furtherance of the war efforts. Sir, these young men being actuated by a feeling of patriotism preached what they thought proper on their part, what they thought would be for the benefit of the country and for the good of society, and that cannot be described as a crime. Even if these hundreds of young men, whose description we got this morning from the Honourable the Home Member, are let loose in the country, this will not in the least affect this vast continent of India in any way, they will not be able to prejudice the interests of Government either. If

these few young men are let loose, is it really suggested that the whole of the mighty British Empire will crumble to pieces? I don't think so. Sir, this is a time for England to show her goodwill towards India, and through such goodwill, she can secure the hearty co-operation of the people of this country, and, in proof of such goodwill, it is only right that these hundreds of young men, the flower of the youth of the country, who are behind the prison bars without trial in many cases, should be forthwith released. With these few words, Sir, I support this Resolution.

Mr. N. M. Joshi: Mr. President, at the end of this debate, I propose to make only a few remarks. On the whole, Sir, there has been a general support to the Resolution which I had moved this morning; except my friend, the Nawab Saheb from the North-West Frontier, nobody opposed the proposals I have made

Sardar Sant Singh: They never release in the North-West Frontier Province people without ransom.

Mr. N. M. Joshi: Sir, it is a matter of disappointment to me that although I had given notice of my Resolution a long time ago, the Government of India have still been considering the question stated in my Resolution. If they want more time, I am afraid we shall have to wait. There is no method by which we can force them to come to a conclusion within the time we want them to do. The Honourable the Home Member also stated that he was considering the question sympathetically . . .

An Honourable Member: And that without unnecessary delay.

Mr. N. M. Joshi: And there will be no unnecessary delay in coming to a decision. I hope, Sir, that the Government of India's sympathy will be very broad sympathy and that they will come to a right, wise and speedy decision.

Sir, the speech made by the Honourable the Home Member disappointed me as I have said already, and it disappointed me specially as regards his remarks about communists and revolutionaries. I am afraid, Sir, that the Honourable the Home Member does not still appreciate the difference between putting a man in jail or putting restrictions on him after trial, and putting a man in jail or putting restrictions on him without trial. He said that these communists and revolutionaries do not stop at merely expressing certain opinions, and he read out something from some printed matter showing that the communists have got some plans for taking action in certain matters. Well, Sir, I am a fairly close student of happenings in India, and I have not yet heard of any rebellion having taken place or any riots having broken out or any serious trouble having taken place as a result of the writings of these people. I am not saying that the writings have been manufactured by anybody or they are not really the writings of these communists, but the fact remains that no action has taken place in pursuance of those writings. He said that strikes have taken place, and that those strikes are a part of the revolutionary plans. I do not agree with him, Sir. I am a fairly close observer of the strikes that take place in India. He mentioned the strike that took place last year in Bombay and said that it was a part of that plan. Sir, the Honourable the Home Member does not reside in Bombay, while I do

The Honourable Sir Reginald Maxwell: On a point of personal explanation, Sir. I did not make such a statement. I said the strike was being fomented by persons who had those plans.

Mr. N. M. Joshi: So long as a strike is an economic strike, it does not matter who foments it. If the object of the strike was to secure fair wages for the workers, if the promoter of the strike was a communist or somebody else, it does not matter at all. The strike was an economic strike; the wages had not risen in Bombay to the level of the rise in prices. That is a fact, and, therefore, if the workers wanted a rise in their wages, what were they to do but to go on strike? If the Government of India had taken upon themselves, as I said this morning, the responsibility to see that wages rose in consonance with the rise in prices, in consonance with the profits which the industries made, then, Sir, the need for strikes would disappear. I have seen some other strikes in Bombay, strikes in the soap industry, oil industry and so forth. It is only for the contractor to Government to wire to the Government of India that he will not be able to supply the goods which are necessary. Then there comes the Government to put the man in jail without inquiry, whether the demand for rise in wages was just or not. As a matter of fact, I shall give some information to the Honourable the Home Member, that as a result of almost every strike in Bombay that has recently taken place, wages have risen. Therefore, it is quite clear that the Government of India have taken no responsibility on themselves to see that the workers do get fair wages, and so long as the Government of India does not take that responsibility, there will be strikes, and the Government of India will be taking sides with the capitalists if they prevent the people from helping the workers in securing fair wages.

Sir, I generally study the list which Government publish from time to time regarding people who are put in jail without trial. I know of several people who have been detained without trial. As a matter of fact, my two last visits to Deoli have given me sufficient knowledge about the people who are detained without trial. My friend, Mr. Chattopadhyaya, read out a list of people who are followers of Mr. M. N. Roy who insist upon every Indian co-operating with the Government unconditionally. One of them sent me a letter asking me to tell the Home Member that he is a follower of Mr. M. N. Roy and he should not have been put in Deoli. Then, Sir, I know of several people, and I shall mention only a few. I know my friend, Mr. Nimbkar, had renounced his communist faith ten years ago, and just before he was arrested he was actually opposing the communists in Bombay in the Girni Kamgar Union where he was working. Sir, he has been arrested. I can give several instances of people where people who were arrested were not communists, they had not made any speeches in opposition to the war effort, and those people are today rotting in jail.

The Honourable the Home Member stated that this Government and the Provincial Governments would review the cases periodically. I thought he mentioned that the cases were being reviewed by a high authority. I do not know who that high authority is whether it is the Governor or whether it is the Adviser, or it is a High Court Judge. But so long as the man who is detained does not get a hearing and so long as the judgment is based only on police reports there is not going to be any justice. The man must have a chance of clearing himself, a chance

of knowing what the police has said about him, or somebody else has said about him. But, unfortunately, the Honourable the Home Member did not make any mention as to the procedure which will be followed.

I do not wish to take up much time of the House, but it is necessary for me to state that in view of the fact that the Government of India have not yet made up their mind and they perhaps want more time, in view of the fact that the Honourable the Home Member at least says that the Government will consider the case sympathetically and come to a decision without undue delay, I have no other course but to give another chance, some more time to the Government of India to come to a decision, and I hope that they will come to a right and wise decision. But, Sir, I shall make one promise to the Government of India. So long as not only the satyagrahis, not only the other Congressmen, but even the communists and revolutionaries who are rotting in jail without trial are not released, I for one and I hope many other Members of this House, will continue this agitation not only in this House but even outside till justice is done to these people. (Interruption.) It is not a threat; it is only a mention of my intention. I hope I shall have the strength and the will power to follow up my intention. Hoping that good will come out of my withdrawal of the Resolution, I ask leave of the House to withdraw my Resolution, and wait for some time till Government publish their intentions to the public.

The Resolution was, by leave of the Assembly, withdrawn.

The Assembly then adjourned *sine die*.

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Facilities for — in and outside India to the staff of the Imperial Veterinary Research Institute. 601.

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SUBORDINATE CADRE—

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SUBORDINATE OFFICE(S)—*contd.*

Question *re*—
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SUBORDINATE SERVANT(S)—

Question *re* classification of certain — as inferior servants on the North Western Railway under the revised rules. 504-05.

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Abolition and reductions of posts in the Transportation — and Inferior service in the Karachi Division of North Western Railway. 748-49.

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SUBSIDY(IES)—

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SULTAN AHMAD, THE HONOURABLE SIR—

Code of Civil Procedure (Amendment) Bill—

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Code of Criminal Procedure (Amendment) Bill—

Motion for leave to introduce. 106.

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Question *re* officers and ministerial staff of the Department of Communications and its attached and subordinate offices who moved up to Simla last — and expenditure incurred in the move. 24.

SUNDAY NEWS—

Motion for Adjournment *re* statement made in the — of the United States of America regarding the Holy Prophet of Islam. 423-24, 455-62.

SUPERANNUATION PENSION RULES—

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SUPERINTENDENT(S)—

Question *re*—

Certain book published by Rai Sahib Lakshman Prasad, —, Railway School of Transportation Chandausi. 18-19, 1011.

Communal composition of officers and — in the Supply Department. 514-15.

Extensions of service to —. 49.

Issuing of instructions to the North Western Railway Administration for holding only one selection in the Divisions for recruitment to posts controlled by the Divisional —. 750-51.

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Question *re*—

Appointments in the Indian Stores and — in connection with war supply. 52.

Communal composition of officers and superintendents in the —. 514-15.

Firms supplying tentage to the —. 935-37.

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SUSPENSION(S)—

Question *re* — of railway employees and the working of the Payment of Wages Act. 420-21.

SWEEPER(S)—

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SYLHET—

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SYRIAN CAMPAIGN—

Question *re* percentage of, and casualties in, the Indian army in the African, —, Iraqi and Iranian campaigns. 469-70.

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TARIFF LIST(S)—

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See "Officer(s)".

TECHNICAL POST(S)—

Question *re* — in the Government of India Secretariat and Attached and Subordinate Offices not subject to the orders regarding communal reservations. 668-73.

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Non-provision of quarters to the Circle service —. 942.

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TELEGRAPHS ENGINEERING DIVISION—

Question *re* muslims appointed to certain posts in the Delhi —. 342.

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Question *re* examination in — held at the East Indian Railway School of Transportation, Chandausi, in 1941. 17, 1011.

TELEPHONE(S)—

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TELEPHONE EXCHANGE(S)—

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TENDER(S)—

Question *re* desirability of further extension of the time of legal — of the Victoria coins. 881.

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TENT(S)—

Question *re*—

Desirability of using short staple cotton yarn of a small coast for ropes and *newars* for — for the army. 747.

Supply of ropes and *newars* to the army for —. 746.

TENTAGE—

Question *re*—

Firms supplying — to the Supply Department. 935-7.

Transfer of the Sections of the Purchase organisation of the Supply Department dealing with — to Bombay. 937-8.

TENURE POST—

See "Post(s)".

TERMINATION—

Question *re* dates and procedure for — of catering contracts held by Ballabhdas Eshwardas. 422-23.

TERRITORIAL FORCE—

Question *re* officers resigning. Commissions in the 12th and 13th Malabar Battalions, Indian —. 57.

THEFT(S)—

Question *re* — and burglaries in New Delhi. 57-59, 62-67.

THIRD CLASS—

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TICKET(S)—

Question *re* stoppage of the Dushera holiday return — on North Western Railway. 738-39.

TICKET CHECKING BRANCH—

Question *re* vision test failed Station Masters and Assistant Station Masters employed in — of Moradabad Division. 49.

THE MINES MATERNITY BENEFIT BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I introduce the Bill to regulate the employment of women in mines for a certain period before and after childbirth and to provide for payment of maternity benefit to them.

THE WEEKLY HOLIDAYS BILL.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Commerce Member): Sir, I introduce the Bill to provide for the grant of weekly holidays to persons employed in shops, commercial establishments, restaurants and theatres.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): Sir, I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is: "That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1898."

The motion was adopted.

The Honourable Sir Sultan Ahmad: Sir, I introduce the Bill.

THE CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL.

The Honourable Sir Sultan Ahmad (Law Member): Sir, I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment).

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment)."

The motion was adopted.

The Honourable Sir Sultan Ahmad: Sir, I introduce the Bill.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I do not want to move my motion* today.

"(1) *That Mr. A. C. Datta be appointed to the Select Committee on the Bill to simplify the procedure in appeals to the Federal Court in place of the Honourable Mr. M. S. Aney whose seat on the Committee has become vacant,

(2) that the Honourable Mr. M. S. Aney be re-appointed to the Committee in place of the Honourable Sir Reginald Maxwell, and

(3) that Dr. F. X. DeSouza be appointed to that Committee in place of Mr. R. A. Gopalaswami who has ceased to be a member of the Assembly."

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of the Honourable Sir Sultan Ahmad, Mr. J. F. Sheehy, Mr. C. W. Ayers, Mr. T. Chapman-Mortimer, Mr. Husenbhai Abdullabhai Laljee, Babu Baijnath Bajoria, Khan Bahadur Sir Abdul Hamid, and the Mover, with instructions to report on or before the 5th November, 1941, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The mention of Income-tax amendment Bills is liable to arouse emotions similar to those which arise in the dentist's chair, but I would remind the House that even the dentist occasionally performs operations or processes which are soothing and relieving rather than painful or exasperating, and I think I am right in claiming that this measure is mainly a measure which will have the effect of soothing the feelings of the taxpayer rather than otherwise. One of the most important clauses of this Bill is one which alters the basis

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): You are referring to clause 8.

The Honourable Sir Jeremy Raisman: I am referring to clause 10. I was about to say that one of the most important clauses is one which alters the basis of liability to income-tax in relation to income arising or accruing in Indian States. When the Act was amended in 1939 by the adoption of the residence basis, all income accruing or arising in an Indian State became liable to tax in the hands of a person ordinarily resident in British India; and in the case of a person resident but not ordinarily resident, all such income arising from a business, profession or vocation controlled or set up anywhere in India, that is, including the States, became so liable. At the time when this increase in the scope of the tax was made, the Indian States themselves had not adopted the residence basis and it was not anticipated that they would. I think it is right to say that we did not perhaps visualise clearly the effects of such a step on the part of the States. The problem has now arisen in a practical form owing to the adoption of residence basis by certain States. While our law remains unaltered, it is somewhat difficult for us to object to States following our example in adopting this basis, nor can we, without causing great hardship to the taxpayer refuse to make arrangements with such States for double income-tax relief. But the result of such arrangements will be exceedingly serious to our revenue. I cannot give even an approximate estimate of the amount involved, but our examination of the position has made it clear that the amount of revenue which we should have to forego by reducing the scope of the charge, as we now propose in this Bill, is small in comparison with the amounts we might have to pay out in double income-tax relief if we adhere to the residence basis in the case of States. We have, therefore, endeavoured now, in modification of the previous policy to arrive at a basis which can serve as a firm basis for double income-tax relief arrangements with the States.

We feel that if we get back on to this basis, we can take a perfectly logical and fair line with the States. We can say to them, if you do not trench on our fiscal jurisdiction any more than we do on yours, then this is the basis on which we are prepared to give double income-tax relief arrangements. In other words, any State which goes no further beyond

[Mr. Govind V. Deshmukh.]

people, that the people should with enthusiasm come forward and offer themselves either as doctors or as soldiers or emergency commissioned officers or as technicians. To win over the people, let me say this. I echo the resolutions passed and the speeches made and the points emphasised at the Non-Party Leaders' Conference at Poona to the effect that unless political prisoners are released and a declaration about the status of India, national as well as international—unless a declaration like this is made immediately that within so many years after the war we shall have that status, enthusiasm could not be evoked. Let me say this because it has been said not merely by the Non-Party Leaders' Conference, but even by the Anglo-Indian papers. Take the *Times of India*. I have found many a time the Editor saying therein that the suggestion is a good suggestion and he sees no reason why the declaration should not be immediately made that after so many years the status of India will be the status of self-governing colonies. He says there should be a recognition, there should be a declaration immediately in how many years India will attain Dominion Status after the war. There was also the statement made by Sir Sikandar Hayat Khan who said that if such a statement was made immediately fixing period about India's status there would be great enthusiasm. There was the Indian Christians' Conference which passed a resolution on similar lines. All these bodies reflect public opinion. Nobody is interested in saying that we should not help the Government. All these bodies are keen on helping but when they go out and meet their constituents they have to tell them what we are fighting for. So, unless this declaration is made and the other defects are removed, one would not see great enthusiasm in the country. Everybody who resents the Governments' attitude of want of proper response, everyone, who says that is no sufficient response on the part of the Government, yet says, we shall help the Government, we shall help the Government. That is the resolution passed by everybody, but because such a body has passed such a resolution the Government should not think that the response from the people is satisfactory, they should realise that the response given by the people is capable of being expanded, that there can be a greater response. You can get many more millions of men. The war is getting nearer, and, if, unfortunately, the war comes nearer, then it will be the twelfth hour and not the eleventh hour. In the case of France you were prepared to make a sort of Anglo-French Union and constitution, Mr. Churchill never cared whether the House of Commons should meet and whether the Prime Minister should make a statement and get that declaration ratified by the House; emergency requires that such steps as are required for appealing to the people of that particular country or your allies—such steps ought to be taken.

In conclusion, Sir, I would say that there should be a proper procedure followed by this Committee as regards the agenda, and the subjects to be discussed. If it is merely going round and seeing the ordnance factories and there is nothing else to be done, then there would not be even among those members of the Committee any zest left to go round. If they are taken after a period of some months, and people are very inquisitive, they may make inquiries and come to know how far we have advanced but that is not the thing. As war is coming nearer and nearer, you must repeat the consultations as frequently as possible and not have them only once in three months or six months. With these words, I support the motion.

ELECTION TO THE DEFENCE CONSULTATIVE COMMITTEE

Sir Gurunath Bewoor: When I moved what appeared a perfectly simple motion, I never expected to have a debate upon it of such length. This however merely indicates the very keen interest which this House takes in all matters relating to the defence of India, especially at a time of such emergency and crisis as we are in. Sardar Sant Singh accused me of not having made a somewhat long speech explaining what the committee is intended to do.

An Honourable Member: We want a long speech from you.

Sir Gurunath Bewoor: I know my friend, Sardar Sant Singh, is a great student of politics and I expected that he would have read all about this committee when it was announced in the public Press and the procedure which we intended to follow to fill up the membership of the committee, pending the meeting of the Legislature. Perhaps it has escaped his attention and I think I cannot do better than read out a small portion of what was then published.

It was then announced that the committee is a Departmental Committee of the Defence Department. It would be presided over by His Excellency the Commander-in-Chief and will meet whenever called by His Excellency but not less often than once a quarter. Its proceedings will be formal and strictly confidential. The agenda will be circulated beforehand to members of the committee and its meeting on each occasion will be opened by a statement on the war situation by the Commander-in-Chief. The object of the committee was explained as being the anxiety of His Excellency the Commander-in-Chief to establish a direct contact with representatives of the Legislatures and the committee will be constituted for the time being only with the help of the Party Leaders but as soon as the Legislatures met a motion would be made for its election. The Commander-in-Chief was confident that he would receive valuable advice on matters affecting defence from the non-official representatives and will in his turn be able to give them a regular appreciation of the situation and keep them confidentially informed in a way which will assist them in the performance of their public duties.

Sir, the committee will undoubtedly give great help to the Defence Department and we are anxious to utilise their advice in all matters in which we feel that they are qualified to advise. It is quite understood that they would not be able to advise us on many matters such as military operations and things of that kind but there are numerous matters in which their advice would be extremely useful. It is not possible to give an exhaustive list of what those matters are but various matters might arise from time to time, in which we would feel that their advice would be extremely useful.

Then, Sir, I have been asked what is the relationship between the National Defence Council and the Defence Consultative Committee. The names of these two bodies should be sufficient to explain the difference. One is a committee of the Members of the Assembly and of the Council of State. The other is a body which is constituted by His Excellency the Viceroy and contains representatives from all over India including the Indian States. This has nothing to do with the Defence Department. As regards the numbers we have already taken into consideration the great interest which members take in matters of defence and that is why this

TINNEVELLY—

Question *re* recent tour — by the Director General of Archaeology. 814-15.

TOUR—

Question *re* recent — to Tinnevely by the Director General of Archaeology. 814-15.

TOWN(S)—

Question *re* applications for explosives licenses from certain —. 141.

TRADE(S)—

Question *re* steps for development of the Indian Mercantile Marine for participation in the coastal and overseas —. 818-19.

TRADE MARKS (AMENDMENT) BILL—

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TRAFFIC SECTION—

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TRAIN(S)—

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TRAIN CLERK(S)—

See "Clerk(s)".

TRAINING—

Question *re* preference to members of the minority communities in the matter of — for higher appointments on Railways. 18.

TRANSFER(S)—

Question *re*—
Carrying of confidential papers of their office with them by Government officers on —. 680.
— of certain areas under the control of the Cantonment Board to that of the Municipal Board, Allahabad. 659.
— of postmen and packers from the Lucknow Head Post Office to outstations. 411-13.
— of the Sections of the Purchase Organisation of the Supply Department dealing with tentage to Bombay. 937-8.

TRANSFER TO REVENUE RESERVE FUND—

Demand for Excess Grant in respect of —. 834-35.

TRANSPORTATION—

Question *re*—
Appointment of a Muslim catering contractor for Hindu students at the East Indian Railway School of —, Chandausi. 1011-12.
Certain book published by Rai Sahib Lakshman Prasad, Superintendent, Railway School of — Chandausi. 1011.
Commercial Group Staff *vis-a-vis* the — staff on East Indian Railway. 47.
Examination in telegraphy held at the East Indian Railway School of —, Chandausi, in 1941. 17, 1011.
Messing rate for probationary Assistant Station Masters and commercial clerks at the East Indian Railway School of —, Chandausi. 1013.
Monthly amounts paid to the Catering Contractors, Messrs. Hazir and Company, by the East Indian Railway School of —, Chandausi. 22.
Rates for articles of food at the East Indian Railway School of —, Chandausi. 23, 1013.
Reports against bad articles of food served by Messrs. Hazir and Company, Catering Contractors, East Indian Railway School of —, Chandausi. 23.
Statutory Rule making certain promotions on East Indian Railway dependent on the passing of the Senior Assistant Station Masters' Refresher Course at the Railway School of —, Chandausi. 21-22.

TRANSPORTATION SERVICE(S)—

Question *re* abolition and reductions of posts in the — Subordinate and Inferior services in the Karachi Division of North Western Railway. 748-9.

TRAVELLING ALLOWANCE(S)—

See "Allowance(s)".

TREASURER—

Question *re* ordinance transferring powers of the — to the Registrar of the Delhi University. 131.

TRUST(S)—

Question *re* "public Educational — Limited", Simla.—338-41.

TYRES EXCISE DUTY, BILL—

See "Bill(s)".

TYSON, MR. J. D.—

Oath of office. 807.

U**UMAR ALY SHAH, MR.—**

Question *re*—
Enhancement in the passage fare charged from the Indian Haj pilgrims. 51.
Muslim percentage in the Imperial Council of Agricultural Research schemes. 56.
Paucity of Muslims in the staff of the Imperial Veterinary Research Institute. 56.
Permanent Muslim Veterinary Inspectors in the Imperial Veterinary Research Institute. 57.

UNION(S)—

Question *re* booklet "Rejoinder" issued by the Indian Posts and Telegraph —, Karachi. 415-16.

UNITED PROVINCES—

Question *re*—
Cases of removal of the efficiency bar of Income-tax Officers in the Central Provinces and the —. 682.
Certain Income-tax Officers stopped at the second efficiency bar in the —. 342.

UNITED STATES OF AMERICA—

See "America, United States of".

UNIVERSAL EXHIBITION—

See "Exhibition(s)".

UNIVERSITY(IES)—

Question *re*—
Ordinance transferring powers of the Treasurer to the Registrar of the Delhi —. 131.
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V**VACANCY(IES)—**

Question *re*—
Change in procedure for appointment to clerical — in the Imperial Veterinary Research Institute. 602-03.
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Question *re* permanent Muslim — in the Imperial Veterinary Research Institute. 57.

VETERINARY RESEARCH INSTITUTE—

Question *re*—
Change in procedure for appointment to clerical vacancies in the Imperial —. 602-03.
Facilities for studies in and outside India to the staff of the Imperial —. 601.
Officiating appointments of Muslims to gazetted posts in the Imperial —. 600-01.
Procedure for selection of candidates for clerical vacancies in the Imperial —. 601-02.
Scholarships for studies in the Imperial —. 601.
Supersession of the claims of certain Muslim candidates for appointment in the Imperial —. 600.

VICTORIA COIN(S)—

Question *re* desirability of further extension of the time of legal tender of the —. 881.

VISION TEST—

Question *re* — failed Station Masters and Assistant Station Masters employed in Ticket Checking Branch of Moradabad Division. 49.

VOLUNTEER(S)—

Motion for Adjournment *re* banning of Khaksar —. 144, 178-86.

W**WAGE-GROUP(S)**—

Question *re* — on the railways. 752-53.

WAGON(S)—

Question *re*—
Inconveniences by present arrangement of supply of — regarding supply of coal. 939-40.
Priority supply of — to coal consuming industries. 940.

WAITING ROOM(S)—

Question *re* lack of suitable — in the Income-tax Offices in Sind and Baluchistan assessment range. 465.

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Legislation prohibiting land alienation except at fair market price and execution of mortgage decrees during the —. 582.
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WAR AIM(S)—

Question *re* recent Anglo-American Declaration *re* the Allies —. 134-35.

WAR ALLOWANCE—

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WAR MATERIAL(S)—

Question *re* steps for full exploitation of the resources in the Madras Presidency for supply of —. 506-07.

WAR NEWS—

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WAR REQUIREMENTS—

Question *re* lists of —, articles manufactured and drugs produced in India. 263.

WAR SUPPLY(IES)—

Question *re* appointments in the Indian Stores and Supply Departments in connection with —. 52.

WAR TIME INDUSTRIES—

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WATER—

Question *re* refusal of the Cantonment Board, Allahabad, to give — connections to houses in the Cantonment Area. 658-59.

WATER CHARGE(S)—

Question *re* — levied on the Duffries' quarters in Ali Ganj Area. New Delhi. 816-17.

WATER RATE(S)—

Question *re* filtered — charged by the Delhi and New Delhi Municipal Committees. 587.

WATERMAN(MEN)—

Question *re* double duty imposed on — and sweepers at roadside stations on North Western Railway. 750.

WEEKLY HOLIDAYS BILL—

See "Bill(s)".

WIREMAN(EN)—

Question *re* — in the Electrical and Provincial Divisions, Central Public Works Department. 60.

WITHDRAWAL(S)—

Question *re* — of compensatory allowance from postal staff at Karachi. 421.

WOMAN(MEN)—

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WOOLLEN BLANKETS—

See "Blanket(s)".

WORK(S) MISTRY(IES)—

Question *re* — appointed on the North Western Railway. 38.

WORKER(S)—

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Manual and non-manual — in the Departments of the Railways. 752.
Monthly one-day rest for the intermittent — on North Western Railway. 749-50.

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Demand for Excess Grant in respect of —. 835.

WORKING EXPENSES MAINTENANCE OF STRUCTURAL WORKS—

Demand for excess grant in respect of —. 835.

WORKSHOP(S)—

Question *re* creation of new industries or — on permanent basis and Government subsidy thereon. 947-1010.
Statement(s) (laid on the table) *re* capital statements, balance sheets and profit and loss accounts of State Railways in India, including the balance sheet and the profit and loss account of Tatanagar —, 1939-40. 526.

WORKSHOP APPRENTICE(S)—

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WRITING PAPER—

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Y**YARN**—

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