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MADRAS LEGISLATIVE COUNCIL DEBATES

OFFICIAL REPORT

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(ii) Lam, Guntur district.

(iii) Kurukuppi, Bellary district.

(iv) Visakhapatnam, Visakhapatnam district.

(v) Koila, South Kanara district.

(vi) Tiruvazhankunnu, Malabar district.

(vii) Ootacamund, the Nilgiri district; (sheep farm) not yet established.

"(b) Except the Dairy-*cum*-Livestock farm at Visakhapatnam, the other farms are non-commercial ones, and the question as to whether they are being run at a loss or profit does not arise.

"As regards the Dairy-*cum*-Livestock farm at Visakhapatnam it is too early to judge, as profit and loss account has yet to be prepared and the exact position will be known only when the farm is well established."

SRI MOTHEY NARAYANA RAO: "May I know if there is a great demand for breeding bulls and the Government are not able to meet the demand?"

THE HON. SRI A. B. SHETTY:—"Yes, Sir. There is a great demand for breeding bulls. The Government will think of starting farms in other districts and also they are considering the starting of key village schemes."

SRI MOTHEY NARAYANA RAO:—"May I know how many farms will be started next year?"

THE HON. SRI A. B. SHETTY: "One farm each in the districts of South Kanara, Malabar and Kurnool have been sanctioned."

SRI P. R. [illegible]RMA:—"May I know on what consideration the farms are discriminated as commercial and non-commercial?"

THE HON. SRI A. B. SHETTY:—"The farms are meant principally for the purpose of supplying breeding bulls and for demonstration purposes. They are not run as dairy farms."

SRI MOTHEY NARAYANA RAO:—"May I know whether artificial insemination has been tried by the Government?"

THE HON. SRI A. B. SHETTY:—"Yes, Sir. It has been tried successfully at the Veterinary College. It has also recently been introduced in the Guntur Veterinary Hospital and Coimbatore Veterinary Hospital."

SRI MOTHEY NARAYANA RAO:—"If artificial insemination is successful, may I know whether there will be no need for breeding bulls and consequently whether there will be no farms?"

THE HON. SRI A. B. SHETTY: "Artificial insemination can only be done where there is sufficient cattle population and where facilities for cold storage exist."

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Rules for the grant of exemptions from the Madras Buildings (Lease and Rent Control) Act.

51 Q.—SRI MOTHEY NARAYANA RAO (on behalf of SRI B. Bhima Rao): Will the Hon. the Minister for Prohibition be pleased to state whether any rules have been made and published with regard to the grant of exemptions relating to Madras Buildings (Lease and Rent Control) Act; and if so, whether a copy of these rules will be laid on the table of the House?

THE HON. SRI N. SANJEEVA REDDI:—"No rules have been made or published. Each case is decided on its merits."

JANAB K. T. M. AHAMED IBRAHIM: "Are there any rules under which these exemptions are granted?"

THE HON. SRI N. SANJEEVA REDDI:—"Section 13 of the Madras Buildings (Lease and Rent Control) Act relates to exemptions. This section runs: 'Notwithstanding anything contained in this Act, the Provincial Government may, by notification in the *Fort St. George Gazette*, exempt any building or class of buildings from all or any of the provisions of the Act.' This was applied in rare cases where public interests warranted such exemption."

JANAB K. T. M. AHAMED IBRAHIM:—"May I know in how *many cases* exemptions already granted were cancelled?"

THE HON. SRI N. SANJEEVA REDDI:—"I think notice is necessary."

JANAB K. T. M. AHAMED IBRAHIM:—"May I know whether private buildings in the occupation of private persons have been exempted in the face of the authority given under this Act?"

THE HON. SRI N. SANJEEVA REDDI:—"I want the questioner to repeat his question so that I may answer."

JANAB K. T. M. AHAMED IBRAHIM:—"May I know whether any private building in the occupation of another private person has been exempted from the provisions of this Act wherein no public interest is involved?"

THE HON. SRI N. SANJEEVA REDDI:—"It is a very general question. If the hon. Member could give specific cases and put a separate question, I may be able to answer."

JANAB K. T. M AHAMED IBRAHIM:—"My question arises out of the answer given by the Hon. Minister. When he said that the Government have powers to exempt any building in public interest, I ask him whether there is any case where any building in which public interest is not involved has been exempted from the operation of this Act?"

THE HON. SRI N. SANJEEVA REDDI:—"I can only answer in general that where it is necessary, it will be considered, and exemption will be given if the individual's case also deserves consideration."

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The Agricultural Labour Enquiry.

*43 Q.—SRI P. R. K. SARMA (on behalf of Sri R. Suryanarayana Rao): Will the Hon. the Minister for Land Revenue be pleased to state—

(a) whether the Government have perused a telegraphic summary of the findings of the Agricultural Labour Enquiry conducted by the Government of India in the village of Vandalur in Chingleput district;

(b) whether the Government have asked for a fuller report;

(c) whether it is a fact that the conditions prevailing in Vandalur are typical of similar state of affairs existing in the other villages of the State;

(d) whether the Government have under consideration any proposals to secure appreciable improvement, at least in the course of some years, of the economic condition of villages; and

(e) whether a similar enquiry has been undertaken or is proposed to be undertaken in the villages coming under the Firka Development Scheme?

THE HON. SRI H. SITARAMA REDDI:—" (a) & (b) We have received a full report on the preliminary enquiry into the conditions of agricultural workers in Vandalur. This was done as a pilot scheme preceding a more comprehensive enquiry.

" (c) Conditions in any one village cannot be typical of all the villages in the State. To ascertain the prevailing conditions similar enquiries will be conducted in 84 villages in the State, selected on the principle of random sampling.

" (d) The Firka Development Scheme and Government Khadi Scheme have this object in view. Other measures can best be considered when the enquiry has been completed.

" (e) No Sir, but a scheme for a Socio-Economic Enquiry in selected firkas has been sanctioned by the Government."

SRI P. R. K. SARMA:—" May I know whether the enquiry at Vandalur was conducted independently by the Government of India or in association with the Government of Madras? "

THE HON. SRI H. SITARAMA REDDI:—" It is an independent enquiry by the Government of India."

SRI P. R. K. SARMA:—" May I know whether the Government of Madras will institute an enquiry into the other villages in the Firka Development Scheme, whether a questionnaire will be issued and whether Members of this House as well as some non-officials will be associated with the enquiry? "

THE HON. SRI H. SITARAMA REDDI:—" If the hon. Member is referring to my answer to clause (e), that is, about Socio-Economic Enquiry proposed to be conducted in selected firkas, I cannot say exactly now whether a questionnaire will be issued or not. I would suggest to the hon. Member to put a separate question on the matter."

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SRI P. R. K. SARMA:—" May I know whether the Government would be good enough to call for a full text of the report and supply it for the information of the Members of this House? "

THE HON. SRI H. SITARAMA REDDI:—" Sir, I have already said that we have received a full text of the report regarding the Vandalur enquiry."

SRI P. R. K. SARMA:—" May I know whether it will be furnished for the information of the hon. Members of this House? "

THE HON. SRI H. SITARAMA REDDI:—" I don't think it will serve any purpose, because it is one of the 84 villages that have been taken up as a sort of pilot scheme. It would be advantageous perhaps to supply to the hon. Members of this House more detailed information which we may get after some time."

SRI P. R. K. SARMA:—" May I know for information what aspects of agricultural labour problem were gone into by the Enquiry Committee of the Government of India? "

THE HON. SRI H. SITARAMA REDDI:—" I do not have all the details readily with me just now, but I can give the hon. Member an idea as to some of the important points gone into by the Committee. They are: method of cultivation, size of holdings, crops grown on wet lands, rainfall, livestock, price of foodgrains, existence of co-operative societies, wages of workers and several other details. If the hon. Member wants to have fuller details, then I should like to have notice."

Dairy farms in the State.

44 Q.—SRI MOTHEY NARAYANA RAO: Will the Hon. the Minister for Agriculture be pleased to state—

(a) the number of dairy farms in the State;

(b) the quantity of milk produced in the various farms respectively; and

(c) whether the Government are running them at a loss or profit?

THE HON. SRI A. B. SHETTY:—" (a) It is presumed that the question refers to the dairy farms run at Government cost and if so, there is only one such dairy farm at Visakhapatnam.

" (b) The dairy produced 71,558 lb. of milk during the month of January 1950.

" (c) It is too early to say whether the farm is running at a loss or profit as no annual balance sheet has yet been prepared."

SRI MOTHEY NARAYANA RAO:—" May I know whether the Government propose to start any more milk production societies or farms? "

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THE HON. SRI A. B. SHETTY :—" Co-operative organisations are running about 450 milk supply societies. We have such societies in most of the municipalities and also in panchayat board areas."

SRI MOTHEY NARAYANA RAO :—" May I know whether the Government propose to start more Dairy Farms in order to improve the cattle wealth of the State? "

THE HON. SRI A. B. SHETTY :—" There is no proposal to start more Dairy Farms."

Dispensaries or hospitals for some places in the City.

* 68 Q.—SRI S. A. S. RM. RAMANATHAN CHETTIYAR : Will the Hon. the Minister for Health be pleased to state whether there is any proposal before the Government to construct dispensaries or hospitals at Adyar, Thyagarayanagar and at Aminjikarai?

THE HON. DR. T. S. S. RAJAN :—" The answer is in the negative. There are Corporation dispensaries already at Adyar and Thyagarayanagar. The provision of dispensaries in the City is primarily a matter for the Corporation of Madras."

Opening of a Government Medical College at Kozhikode.

* 72 Q.—SRI S. A. S. RM. RAMANATHAN CHETTIYAR : Will the Hon. the Minister for Health be pleased to state whether there is any proposal before the Government at present to open a Government Medical College at Kozhikode in the near future?

THE HON. DR. T. S. S. RAJAN :—" The answer is in the negative."

[*Note.*—**An asterisk (*) at the commencement of a speech indicates revision by the Member.**]

II.—MESSAGE FROM THE GOVERNOR.

11-15 a.m. THE DEPUTY CHAIRMAN :—" I have to announce to the House that I have received the following message from His Excellency the Governor of Madras, dated the 23rd March 1950 :—

' In pursuance of Article 207, clause (3) of the Constitution of India, I, Krishna Kumarsinhji Bhavsinhji, Governor of Madras, hereby recommend to the Madras Legislative Council the consideration of the Madras Elementary Education (Amendment) Bill, 1950 '."

III.—MESSAGES FROM THE ASSEMBLY.

THE DEPUTY CHAIRMAN :—" I have to announce to the House that I have received the following message from the Hon. the Speaker, Madras Legislative Assembly, dated the 30th March 1950 :—

' In continuation of my message, dated 29th March 1950, I certify that the Madras City Municipal, District Municipalities

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and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950), is a Money Bill within the meaning of Article 199 of the Constitution of India '.

" I have to announce to the House the following message received from the Hon. the Speaker of the Madras Legislative Assembly, dated 31st March 1950 :—

' In accordance with rule 116 of the Madras Assembly Rules, I transmit a copy of the motion passed to-day by the Madras Legislative Assembly, desiring to obtain the concurrence of the Council in setting up a Joint Select Committee of the two Houses to consider the Madras Elementary Education (Amendment) Bill, 1950 (L.A. Bill No. 12 of 1950) :—

" That under rule 116 of the Madras Assembly Rules

(1) the concurrence of the Legislative Council be obtained in setting up a Joint Select Committee of both the Houses consisting of 18 members to consider the Bill (12 Members from the Assembly and 6 Members from the Council).

(2) the following Members of the Assembly be nominated as members of the Joint Select Committee :—

(1) The Hon. Sri B. Gopala Reddi.
(2) Sri K. Bhashyam.
(3) Sri K. Brahmananda Reddi.
(4) Sri Rokkam Ramamurthi.
(5) Sri K. P. Kamakshi Chettiar.
(6) Sri A. Vedaratnam Pillai.
(7) Sri M. Kumaran.
(8) Sri V. I. Muniswami Pillay.
(9) Sri K. Shanmugham.
(10) Begum Sultan Mir Amiruddin.
(11) Janab Abdul Khader Jamali.
(12) Janab Mohamed Abdul Salam." '

" I have also to announce to the House that messages have been received from the Hon. the Speaker of the Madras Legislative Assembly transmitting copies of the following Bills as passed by the Assembly on 31st March 1950 and signed by him :—

(1) The Madras Proprietary Estates' Villages Service and Hereditary Village Offices (Amendment Bill, 1950 (L.A. Bill No. 8 of 1950).	**For the concurrence of the Council.**
(2) The Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950).	
(3) The Madras Stamp (Amendment) Bill, 1950 (L.A. Bill No. 10 of 1950).	**For the recommendation of the Council."**

IV. GOVERNMENT BILLS.

(1) THE MADRAS ELEMENTARY EDUCATION (AMENDMENT) BILL, 1950 (L.A. BILL NO. 12 OF 1950).

THE HON. SRI B. GOPALA REDDI :—" Mr. Deputy Chairman, Sir, I move—

'*That this House concurs in setting up a Joint Select Committee of the two Houses consisting of 18 members (12 Members from the Assembly and 6 Members from the Council) to consider the Madras Elementary Education (Amendment) Bill, 1950, and that the following members of this House be nominated to the said Joint Select Committee :—*

(1) The Hon. Sri K. Madhava Menon,

(2) Dr. P. S. Srinivasan,

(3) Sri Mothey Narayana Rao,

(4) Sri M. Narayana Menon,

(5) Sri R. Suryanarayana Rao, and

(6) Mrs. Mona Hensman.'

" Hon. Members are aware that until 1940, the Government were under a statutory obligation to give to the local bodies a sum equivalent to the education cess they levy. During the Advisers' regime, in the year 1940, it was discontinued because the Government then felt that the local bodies might be permitted to enhance their education cess without the corresponding obligation on their part to pay an amount equivalent to the sum to which it was raised. So, from 1940 to 1950, the Government have been paying the local bodies what was due to them as per grants made in 1940, although the local bodies have enhanced the education cess during this period. But the Government were making; not content with the e grants, other contributions, though it was not a statutory obligation and this amount came to 176 lakhs of rupees as against 116 lakhs which we were obliged to pay had not the 1940 amendment gone through. Sir, there is a complaint that we are trying to stifle the local bodies. It is not true. Whereas we would be obliged to pay Rs. 160 lakhs to the local bodies on the basis of the enhanced education cess, we are actually paying 176 lakhs. Nevertheless, the local bodies are complaining that they have not enough money for the expansion of elementary education. It is in these circumstances, that the present Bill has been brought forward and we are taking more liability, as it were, on ourselves, to the extent of nearly 31 lakhs of rupees which we may have to pay to the local bodies over and above the 176 lakhs already mentioned. Formerly, the position was that whenever the local bodies applied to the Government for permission to enhance the education cess, the Government were reluctant to accede to their request, since they felt that they had also to contribute an equivalent sum. Therefore, the local bodies were getting neither a larger contribution from the Government nor were they permitted to increase the education cess. The position, however, changed later on and the local bodies have been enhancing the education cess so much so that in some districts it is now 37 pies, as against

an average rate of $3\frac{1}{2}$ pies. This is in a way advantageous to the local bodies concerned in that the State Government's contribution is not linked up with what is being collected by them. The present amendment is certainly an improvement upon the existing position. We are also taking advantage of this amendment to fix a maximum in respect of Government contribution, e.g., 9 pies where the cess is 18 pies and above. There is, further, a limit fixed for the local bodies to enhance their education cess, viz., 36 pies. After all, they cannot be permitted to enhance their cess indefinitely. Likewise, in the case of municipalities also, we seek to fix a ceiling, i.e., 5 per cent or so on property tax, etc. Besides, we are taking upon ourselves the obligation to contribute fifty per cent of their collections, which is a bigger liability. This does not mean, however, that we will be content with making these contributions. We will give something more if our finances permit. The object of the Motion is to have the details examined thoroughly and the Bill improved upon, if need be. With these words, Sir, I move the motion."

THE DEPUTY CHAIRMAN :—" The question is

'that this House concurs in setting up a Joint Select Committee of the two Houses consisting of 18 members (12 Members from the Assembly and 6 Members from the Council) to consider the Madras Elementary Education (Amendment) Bill, 1950, and that the following members of this House be nominated to the said Joint Select Committee :

(1) The Hon. Sri K. Madhava Menon,

(2) Dr. P. S. Srinivasan,

(3) Sri Mothey Narayana Rao,

(4) Sri M. Narayana Menon,

(5) Sri R. Suryanarayana Rao, and

(6) Mrs. Mona Hensman.' "

The motion was carried.

DR. V. K. JOHN :—" Sir, there was a ruling given some time ago that the House could discuss the general principles of such Bills . . . ."

THE DEPUTY CHAIRMAN :—" The Motion was put before the House and I declared it carried only after a pause. The hon. Member could have taken advantage of that pause if he had intended to speak."

THE HON. SRI B. GOPALA REDDI :—" The Bill is only going to a Select Committee. The hon. Member will have ample opportunity to speak when the Bill comes up again before the House with the entire report of the Select Committee."

DR. V. K. JOHN :—" Sir, I remember we had a ruling that even at this stage we are entitled to a discussion of the principles underlying the Bill. I never knew that you were putting it to the vote of the House. I thought it was a Motion for the Bill being taken into consideration."

THE DEPUTY CHAIRMAN :—"After putting the Motion before the House, I sat down and allowed some time for hon. Members to speak. The hon. Member did not rise up then."

THE HON. DR. T. S. S. RAJAN :—"The Leader of the Opposition came late to the House and he has missed the bus. The whole question is over. The Motion was put to the vote of the House and carried."

DR. V. K. JOHN :—"I wanted to say only this much on the Bill, Sir. In view of Article 45 of the Constitution of India, we should not tinker with this problem of Education. We must have a comprehensive Bill to implement Article 45 which says that within a period of ten years we should have all boys and girls up to 14 years properly educated. This is all I wanted to say before the Bill could go before the Select Committee. I hope the Select Committee will see to it that the Bill is so amended as to implement Article 45 of the Constitution. It should enable the Government to introduce free compulsory education within the course of ten years."

(2) THE MADRAS JUTE (CONTROL OF PRICES AND SALES) BILL, 1950 (L.A. BILL NO. 4 OF 1950).

THE HON. SRI C. PERUMALSAMI REDDI :—"Mr. Deputy Chairman, Sir, I move—

'*That the Madras Jute (Control of Prices and Sales) Bill, 1950** *(L.A. Bill No. 4 of 1950), as passed by the Legislative Assembly be taken into consideration.*'

The necessity for this piece of legislation is fully explained in the statement of objects and reasons given in the Bill."

The motion was put and carried.

Clauses 2, 3, 4, 5, 6, 7, 8 and 9 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI C. PERUMALSAMI REDDI :—"Sir, I move—

'*That the Madras Jute (Control of Prices and Sales) Bill, 1950, be passed into law.*'"

THE DEPUTY CHAIRMAN :—"Motion moved—

'That the Madras Jute (Control of Prices and Sales) Bill, 1950, be passed into law . . . .'"

11-30 a.m. DR. V. K. JOHN :—"Sir, I want to make a few general observations. Surely this is a Bill which seeks to control the price and sale of jute in the Madras State. I have been saying in this

* Printed as Appendix I on pages 699-700 infra.

House and that too very often that whenever you have a control Bill, when you introduce control on anything, you must also have a plan to decontrol because the object of control should be decontrol. Now, I ask the Government whether they have a plan to decontrol that which we are now seeking to control? I have not heard anything from the Hon. Minister. He did not say anything at all whether the Government hoped that in the course of a short period they will be able to repeal this Act and decontrol what is now controlled as a consequence of measures adopted and steps taken by this Government. Have the Government anything in view, any plan, any measure in view, by which they will decontrol what is going to be controlled now? Sir, you will find that according to clauses 8 and 9 the punishment for offences under this Act will be imprisonment for a term which may extend to three years. Government take a serious view and a serious punishment is provided for. Have Government thought of producing jute in the State? (The Hon. Sri C. Perumalsami Reddi: 'Yes, Sir.') I was told the other day that the Travancore and Cochin Union is making an experiment in this behalf. Now, I want to know whether the Government of Madras have drawn up any plan for the production of jute. Have they surveyed the area under jute in this State? Have they found out any area in this State where jute could be raised successfully? How many years will it take to produce jute in this State? Have the Government any idea at all about what the consumption of jute and jute products is in this State for the last ten years? When the Government comes forward with a control measure providing for imprisonment for infringement of the provisions under the Act, I expect the Government to know what exactly is the quantity of jute that is required in this State and how it is proposed to produce that quantity and when this Act will either be repealed or will be a dead letter. The Hon. Minister does not feel that he should tell the House and the people through this House of the measures Government propose to adopt to produce jute in this State, how they propose to succeed in their efforts and how long it will take? In every case where the Government introduce a measure of control, let them be aware that control and blackmarket go together; that is in every case where they introduce control in any matter that touches the freedom of the individual; they should come forward at the same time with a plan and a programme as to how to effect decontrol and how long it would take. After this popular Government came into power we have passed dozens of Acts controlling the activities of individuals and other control measures such as the control of rent and accommodation in the City of Madras and elsewhere in the State. This was intended to be on the Statute Book for only two years, as a temporary measure, but it was extended and still extended and we do not see the end of it simply because the Government have not adopted any measure to decontrol what they have controlled. They are satisfied with control and give some kind of patronage with the result that people suffer. I am only giving an instance in the matter of housing as to how the Government are acting. The Act was passed in the year 1946 and during

[Dr. V. K. John] [4th April 1950

these four years, Government ought to have at least constructed houses for their own employees. This they have not done. In the same way, Sir, Government are under the impression that every measure of control should continue for ever, for ages and for all times. There are no principles underlying these measures. I, therefore, ask the Hon. Minister at least to explain now at the third reading stage whether the Government have any idea in their mind of introducing decontrol, to scrap this control measure in a short period of time. I expect the Hon. Minister will give some idea and mention it to the House, or it may be he has no idea and he will not mention anything."

THE HON. SRI C. PERUMALSAMI REDDI :—"The control is introduced because of difficulty in getting jute. As soon as the position eases, we will decontrol it. As for production of jute in this country, Mr. John raised the same point as he did now on 26th November 1949 when the Jute Goods Control Act was under discussion. (Interruption.) The Hon. Mr. Madhava Menon replied that we are taking up lands for jute cultivation and we were going to have more jute in course of time."

DR. V. K. JOHN :—"The Hon. Minister is reading . . . ."

THE HON. SRI C. PERUMALSAMI REDDI :—"I am quoting from his speech. As soon as the position eases, jute will be decontrolled again."

THE DEPUTY CHAIRMAN :—"The question is—

'That the Madras Jute (Control of Prices and Sales) Bill 1950, be passed into law.' "

The motion was carried and the Bill was passed into law.

(3) THE MADRAS CO-OPERATIVE LAND MORTGAGE BANKS (AMENDMENT) BILL, 1950 (L.A. BILL NO. 6 OF 1950).

THE HON. SRI K. CHANDRAMOULI :—"Sir, I move—

'*That the Madras Co-operative Land Mortgage Banks (Amendment) Bill, 1950 (L.A. Bill No. 6 of 1950)* as passed by the Legislative Assembly, be taken into consideration.*'

"The main object of the Bill is to give effect to the recommendations of the Malabar and the South Kanara Land Mortgage Banks Committees, 1937, and the Madras Committee on Co-operation, 1939-40, with a view to facilitating the working of land mortgage banks in the Malabar and in the South Kanara districts.

"The Central Land Mortgage Bank issues debentures on the security of the mortgages and other assets transferred to it by the primary land mortgage banks. Such mortgages and assets are now transferred to the Central Land Mortgage Bank by means of registered documents. This not only involves some expenditure

* Printed as Appendix II on pages 701-704 infra.

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and trouble to the primary land mortgage banks but also adds to the delay in the disbursement of loans to the individual borrowers. To obviate all this, a new section (23-A) is proposed to be added by clause 4 of the Bill, so as to provide that these mortgages and assets shall be deemed automatically to have been transferred to the Central Land Mortgage Bank. The probable loss of revenue to the Government in the shape of registration fees is estimated at Rs. 19,000 per annum.

"Clause 6 of the Bill gives effect to the recommendation of the Malabar Land Mortgage Banks Committee that the special provision contained in existing section 32 be extended to families governed by the Marumakkattayam, Nambudri and Aliyasantana laws. Section 32 as proposed to be amended also makes it quite clear that, if a loan is granted by a mortgage bank for improvement of agricultural land or of methods of cultivation and the purchase of land, the mortgage executed by the borrower shall be deemed to have been executed by him for a purpose binding on all the members of the family, whether they are majors or minors.

"New Section 32-A inserted by clause 7 of the Bill, contains certain special provisions relating to mortgages by tenants in Malabar. The new section requires a mortgage bank to give notice in writing to the landlord both before and after granting the loan. It also requires the landlord to give not less than 15 days' notice to the mortgage bank before instituting a suit for bringing the tenant's holding to sale for default in payment of rent or for evicting him. The tenant is precluded from surrendering his holding and also from dealing with it in any other manner without the previous permission of the mortgage bank. The mortgage bank is given the right to recover the monies due to it from the tenant out of the compensation deposited in court under the Malabar Compensation for Tenants' Improvements Act, 1899. The bank is also given the right to renew the tenancy, if the tenant does not do so and also to pay the rent or michavaram due to the landlord, if the tenant commits default in making such payment. Any renewal fee, rent or michavaram paid by the bank will form part of the principal money due under the mortgage and the bank will, in such cases, be also entitled to recover the whole of its money by the sale of the holding.

"The other clauses of the Bill, namely, 2, 3, 5 and 8 are consequential.

"There are now six land mortgage banks in Malabar and South Kanara but they are not functioning satisfactorily, largely on account of the land tenure and the personal laws prevailing in the two districts. I hope that, as a result of the passing of this Bill, the state of affairs will be remedied and that the system of land mortgage banks will work more successfully in the West Coast.

"I now commend the Bill for the consideration of the House."

THE DEPUTY CHAIRMAN :—" Motion moved—

'That the Madras Co-operative Land Mortgage Banks (Amendment) Bill, 1950 (L.A. Bill No. 6 of 1950), as passed by the Legislative Assembly, be taken into consideration.' "

DR. V. K. JOHN : " Mr. Deputy Chairman, Sir, I must compliment the Hon. Minister Mr. Chandramouli for clearly explaining the scope of the provisions of the Bill. As far as the Bill goes and to the extent it goes, I do not think anyone can take any serious objection. But, Sir, here again I do not think the Government have taken a very comprehensive view of the subject. Land mortgage banks in the State play a very useful part or they are expected to play a much more useful part in future. The Hon. Minister himself said that certain banks did not function as efficiently as they were expected to function. I would suggest to the Government to have a comprehensive survey made of the function of the land mortgage banks and the scope of their activities, and
11-45 a.m. how far they help in the production of food by the agriculturist. The Government have Rs. 33 crores in the Reserve Fund. Let them make a comprehensive survey of the scope of the land mortgage banks in the State and divert a substantial portion of the Reserve Fund for helping the land mortgage banks, and through the land mortgage banks the agriculturists in the State. A comprehensive survey should be made as early as convenient and a comprehensive Bill introduced so that these banks may function efficiently and with ease. They must have sufficient funds to satisfy the demands of the people who want to take advantage of the opportunities they offer. I ask the Hon. Mr. Chandramouli who is very much interested in the working of the land mortgage banks to take up a comprehensive survey all over the State and introduce a comprehensive Bill which will be of great assistance to the agriculturists. Let not the Government keep all this money in the Government of India securities; let them divert a substantial portion of this reserve to the nation-building activities, one of which is to help the agriculturists through the land mortgage banks. I make this suggestion, Sir, in all humility."

THE HON. SRI K. CHANDRAMOULI :—" Sir, it is true that there are some sections in the present Act which are not suitable to modern times and which may be a little bit obstructive also for the granting of long-term loans. That is why the Government have placed the whole matter before the Advisory Council and I am sure it will take up the matter very soon. It ought to have been taken up to-day, but due to unavoidable circumstances, the meeting has unfortunately been postponed to a later date. When the Advisory Council meets and takes the whole Act into consideration, all possible healthy and progressive suggestions will be incorporated and placed before the House. Meanwhile, Sir, this is an urgent matter. It has already been long delayed and that is why I have been forced to take up the matter immediately without waiting for the Advisory Council, as this has already been approved by the Advisory Council and the

several committees. In the proposed amendments, we are also considering the question of enhancing the financial provisions for the bank, the Reserve Fund and other things. I may assure Dr. John that we will take up all the suggestions and see that a comprehensive Bill is brought before the House. All healthy suggestions will be taken into account. In the meanwhile, I request the House to take up this Bill."

THE DEPUTY CHAIRMAN : " The question is—

'That the Madras Co-operative Land Mortgage Banks (Amendment) Bill, 1950 (L.A. Bill No. 6 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.' "

The motion was carried.

Clauses 2, 3, 4, 5, 6, 7 and 8 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI K. CHANDRAMOULI : " I move, Sir—

'That the Bill be passed into law.' "

THE DEPUTY CHAIRMAN : " The question is—

'That the Madras Co-operative Land Mortgage Banks (Amendment) Bill, 1950, be passed into law.' "

The motion was carried and the Bill was passed into law.

(4) THE MADRAS PROPRIETARY ESTATES' VILLAGE SERVICE AND HEREDITARY VILLAGE OFFICES (AMENDMENT) BILL, 1950 (L.A. BILL NO. 8 OF 1950).

THE HON. SRI H. SITARAMA REDDI : " Sir, I move—

'That the Madras Proprietary Estates' Village Service and Hereditary Village Offices (Amendment) Bill, 1950 (L.A. Bill No. 8 of 1950)[a], *as passed by the Legislative Assembly, be taken into consideration at once.'*

" The object of the Bill is to take power to the Government to disqualify a village officer who has been dismissed from office from getting into office again. Under the existing provisions of the Act, it is quite possible for a man who has been a village officer in any village and who has been dismissed to be reappointed again under section 10 because of his hereditary right to the office in another village. Cases came up before the Government where a person who acted as village officer committed misappropriation and was dismissed but he was qualified for re-appointment as he was the next heir to the last holder of the office. It is necessary in the interests of administration to disqualify such persons. The object of the Bill that has been brought before the House is to take the necessary power."

[a] Printed as Appendix III on page 704 infra.

THE DEPUTY CHAIRMAN : "Motion moved :

'That the Madras Proprietary Estates' Village Service and Hereditary Village Offices (Amendment) Bill, 1950 (L.A. Bill No. 8 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.' "

DR. V. K. JOHN : "Sir, I want to say a word about the manner in which this Bill has been brought before the House. We established a convention that when an existing Act is amended, the Bill amending the existing Act should give side by side the sections of the existing Act which are being amended. That convention has not been followed here. I do not know whether anybody in this House now knows what is there in section 10 of the existing Act. The Hon. Minister said that the Bill was intended to take power for the Government for a certain powers from this House. We are an obliging Legislature—the Council as well as the Assembly—and the Hon. Minister will get the power. But for the convenience of the hon. Members of the House, particularly of those who are not lawyers and who may not be able to get at the Act, it is advisable and it will be in keeping with the convention we have established, if the relevant provisions of the existing Act proposed to be amended are printed side by side."

THE HON. SRI H. SITARAMA REDDI :—"Sir, the Bill as printed and circulated to the Assembly has got all the sections which the hon. Member has referred to. I have got a copy of it with me. I do not know how it happens that in the Bill that has been circulated to this House, a portion of it has been omitted. I believe that copies of that Bill have been circulated to hon. Members of this House also. Most probably the hon. Member has left it in his house."

THE DEPUTY CHAIRMAN :—"The question is :

'That the Madras Proprietary Estates' Village Service and Hereditary Village Offices (Amendment) Bill, 1950, be taken into consideration at once.' "

The motion was carried.

Clauses 2 and 3 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI H. SITARAMA REDDI :—"I move, Sir :—

'That the Bill be passed into law.' "

THE DEPUTY CHAIRMAN :—"The question is :

'That the Bill be passed into law.' "

The motion was carried and the Bill was passed into law.

(5) THE MADRAS TENANTS AND RYOTS PROTECTION (AMENDMENT) BILL, 1950 (L.A. BILL NO. 9 OF 1950).

THE HON. SRI H. SITARAMA REDDI : "Sir, I move :

'That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950) [a], *as passed by the Legislative Assembly, be taken into consideration at once.'*

"Sir, the Bill is mainly intended to remove certain anomalies and hardships which result from the operation of the Madras Tenants and Ryots Protection Act, 1949 and also to extend the continuance of the Act up to 7th October 1951. In the Act as it stands, the stay of a suit for eviction of a tenant is subject to the tenant depositing a certain amount of rent within two months from the date of institution of the suit. It was felt that the object of this provision would be defeated if the landlord by some device or other got the service of notice of the suit on the tenant delayed by two months. Now it is proposed to amend the Act in such a way that time is allowed for the tenant to deposit rent two months after the service of notice and not two months after the institution of the suit, so that the tenant may not suffer due to any mischief that may be done by one party or the other.

"There is also another clarification sought to be made. The two years' rent referred to in section 4 (2) is the rent for the two years immediately preceding the date of service of notice of the suit and it is desirable to make it clear in regard to future deposits.

"There is another clause introduced which makes provision for all suits and proceedings (including proceedings in execution) for eviction, or for the sale of the holding, which are not covered by the existing sub-section (2) of section 4. The new provision thus makes the Act complete.

"Now it may be taken advantage of only when there is a suit for eviction. It has been made to cover all suits and proceedings (including proceedings in execution) for the sale of the holding.

"There is another clause which makes provision for enabling a tenant or ryot to pay to the landlord or deposit in court two years' rent in cases where suits or proceedings have not been instituted against him. It was found that it was necessary to enable the tenant to deposit two years' rent so that he may not necessarily wait till the suit is filed. That will give him the necessary help. There is another clause which makes the necessary consequential changes. The Statement of Objects and Reasons furnished to the Members gives the details. I move, Sir, that the Bill be taken into consideration."

THE DEPUTY CHAIRMAN : "Motion moved : 12 noon.

'That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.' "

[a] Printed as Appendix IV on pages 705–706 infra.

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DR. V. K. JOHN : " Mr. Deputy Chairman, Sir, this Bill is evidence of the fact that Government are unable to go deep into any matter, and they want an Act passed last year, in 1949, to be amended in 1950. The Madras Tenants and Ryots Protection Act was passed in 1949, and yet in 1950, they want to amend it. The Government say they have now discovered that the Act was badly drafted and not fully considered. When the Bill was brought before the House they would not accept any amendment by the Opposition; the Opposition therefore did not bring forward any amendment, and the Bill as introduced by the Government was passed into law. Now however the Government find that it has many defects. Although it is always good to accept one's faults when one makes mistakes, it is not creditable for a Government which spend crores of rupees on their staff to find the necessity for amending an Act which was passed a few months ago. The Hon. Minister for Land Revenue did not tell us whether any new circumstances have arisen after the passing of the Act to necessitate an amendment; he simply said that Government have discovered the defects in the Act. He seems to take credit for the fact that he has discovered mistakes. As I have said on the floor of the House, we are all human, we do make mistakes and it is certainly honest on our part to admit those mistakes; it is prudent to correct those mistakes as is sought to be done now, but if one persists in one's mistakes; it is stupid. Very often Government persists in their mistakes; only, in this case they have tried to correct them. I would ask them to be a little more careful when they introduce a Bill, to see that the provisions are gone into more fully, that they do not take the time of the House with Bills badly drafted, but bring in only such Bills as have been carefully drafted, and let there be no occasion hereafter for a Bill passed in one year to be amended the next year.

" This is also evidence of the fact that the Government move very slowly. The idea of the Government, when the Act was passed in 1949, was to have a temporary provision expiring on the 7th October 1950; but now they want to extend that period to 1951. The Government have not been able to introduce a comprehensive Bill. Why? Because the Government machinery moves very slowly and sometimes it does not move at all. I ask the Hon. Minister to supply the Government departments with plenty of oil, so that they can apply that oil to the machinery. It would appear that for all of us there are 24 hours in the day, but Government have only 12 hours, and so they want double the time to do anything. Why should they want an Act passed in 1949, to expire on the 7th October 1950 to be extended for another year, up to 7th October 1951?

" Again, Sir, I say this is a very bad record for the Government. The Hon. Minister did not tell this House why the Government were unable to carry out their original intention to have a comprehensive Bill introduced and to allow this temporary Act to expire on the date originally fixed, viz., 7th October 1950. As I said, the reason is that the Government move very slowly and sometimes they do not move, and very often they even go

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backward. The Government in all these things are in a mess. It is not creditable for any Government to say that they cannot do anything within the time expected; either the expectation was wrong or something must have happened meanwhile for them not to go further. As I said, this is not creditable to the Government at all. I expect the Hon. Minister to tell the House and the public why the Government are moving so slowly.

" The next criticism I want to make is this: I feel that next year we will have another Bill to extend the Act for another year. I am afraid the Government still want to keep the relationship between landlord and tenant perpetually. I feel it is an economic waste to do so; it will be very much better for Government to introduce a Bill by which a cultivating tenant will have the option to purchase by paying annuities the rights of the landlord. Let there be no intermediary between the Government and the cultivator of the soil and let not the Government be influenced by intermediaries. As I said the other day, the Government are going to give Rs. $12\frac{1}{2}$ crores away for the benefit of intermediaries who are non-cultivating tenants, by the abolition of the zamindaris. I say this Government are very much influenced by the intermediaries who are not cultivators themselves, who do no useful function at any rate most of them in regard to agriculture. The Government should therefore look at the question on merits and see that all intermediaries are removed, so that a measure of this kind which is nothing more than a measure to regulate the relationship between landlord and tenant need not be brought before the House in the future at all."

* SRI M. NARAYANA MENON : " Sir, the Leader of the Opposition proposes drastic measures and wants to have enactments brought up without giving sufficient time to the Government for consideration. Even when very unimportant matters are brought before the House, the Leader of the Opposition insists that Government should take care, probe into everything, find out all the ins and outs and then bring forward measures before the Council; but when a measure affecting the entire landholders in the country and the tenants is to be brought in, the Leader of the Opposition wants that it should be brought forward very soon and that time should not be wasted, as if the landlords and tenants did not continue on good terms for the past millennium in the country. I would therefore request the Government to consider the matter of the relationship between landlord and tenant very carefully ... ."

DR. V. K. JOHN : " What is the meaning of the word 'million,' Sir? "

SRI M. NARAYANA MENON : " I said millennium — there is some difficulty somewhere. I request the Government to consider carefully the question of landlord and tenant, taking sufficient time to study the question and not act in an impulsive manner as suggested by the Leader of the Opposition — even if there be political motives to be taken into account and also to see that the system of landlord and tenant is put on a proper

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basis—that the landlord may not perish and the tenant also may prosper. If possible let both prosper. Such a Bill should naturally take some time for preparation. There have been certain agrarian committees whose reports probably some of the Members here may have read but the public may not have read because the reports have not been published as yet. Let the reports be published first, let the public be given sufficient time to consider the whole question; and when the Bill is prepared, it is absolutely necessary that the Bill should be published and time should be given to the public, so that all the provisions may be thrashed out by them and their considered opinion may be given to us on the Bill. I believe the Leader of the Opposition wants to say something about the Government even with reference to an amendment which is good. He himself admits that the amendment is good; and yet when it is brought before the House he says: 'You were wrong; why should you be wrong?' Sir, the Leader of the Opposition also goes wrong many a time; the Government also may go wrong many a time; but when the Government bring in a Bill which rectifies certain errors. . . ."

DR. V. K. JOHN:—"You may also be wrong in saying it!"

SRI M. NARAYANA MENON:—"But I am not wrong now, I may tell you."

DR. V. K. JOHN:—"But does the hon. Member admit, Sir, he has been wrong at any previous time?"

SRI M. NARAYANA MENON:—"Yes, many a time, but now I am not wrong."

DR. V. K. JOHN:—"Will he tell us when he will be again wrong?"

SRI M. NARAYANA MENON:—"I am no astrologer and I cannot say when I will go wrong. This Bill, Sir, I submit, is a very important Bill. As a lawyer, I have known some defects pointed out in courts and the Leader of the Opposition also must have known some of the defects, if he has had cases from Malabar. The rectification therefore is very proper here. The High Court has stated that there were some mistakes in the Act and the Government have followed the correct procedure here in rectifying the mistakes and amending the Act. Though it is late, the amendments are good; we may be late in certain matters, but let the provisions be good."

*THE HON. SRI H. SITARAMA REDDI:—"Sir, I have not much to add to the reply that has been already given to the hon. Leader of the Opposition. He referred to the comprehensive Bill and he was very anxious it should be brought up very early. Sir, the Bill is being drafted and it is going to be brought forward very early. I suppose at that time the hon. Leader of the Opposition will not stand up and say that it has been brought up in haste and that it contains defects. He also mentioned, Sir, that Government are very careless and I think he even used the words 'stupid' sometimes. I do not know to whom it applies." (Laughter.)

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DR. V. K. JOHN:—"Not to the Hon. Minister."

*THE HON. SRI H. SITARAMA REDDI:—"Anyway, there is nothing wrong in correcting a mistake, and as a lawyer, he knows that sometimes the best drafted Act when it goes before a Court of Law and is analysed by eminent lawyers, is found to contain certain defects; and it is quite necessary that the Government should rectify the mistakes or defects in the interests of the public. Such a measure should not therefore be called wrong, and I am sure the hon. Member did not mean it."

DR. V. K. JOHN:—"I said, to rectify a mistake was prudence, but to persist in it was wrong."

THE HON. SRI H. SITARAMA REDDI:—"Anyway, we have known the hon. Leader of the Opposition to persist in making criticisms in regard to any Bill, whether it is good, bad or indifferent. I am sure, Sir, when the comprehensive Bill comes, it will contain provisions which will not evoke such criticism from him. I am glad to see even in this case he had not any adverse criticism to make, except perhaps to give a sort of general advice as to how the Government should conduct themselves. We have been accustomed to receive such advice quite occasionally from the Leader of the Opposition. I now move, Sir, that the Bill be taken into consideration at once."

THE DEPUTY CHAIRMAN:—"The question is:

'That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.'"

The motion was carried.

Clauses 2, 3 and 4 were put separately and carried. 12-45 p.m.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI H. SITARAMA REDDI:—"Sir, I move—

'*That the Bill be passed into law.*'"

THE DEPUTY CHAIRMAN:—"The question is:

'That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950), as passed by the Legislative Assembly, be passed into law.'"

The motion was carried and the Bill was passed into law.

(6) THE MADRAS CITY MUNICIPAL, DISTRICT MUNICIPALITIES AND LOCAL BOARDS (AMENDMENT) BILL, 1950 (L.A. BILL NO. 5 OF 1950).

*THE HON. SRI K. CHANDRAMOULI:—"Sir, I move—

'*That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950)*[a], *as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.*'"

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[a] **Printed as Appendix V on pages 707–709 infra.**

[Sri K. Chandramouli] [4th April 1950

"Sir, the City Municipal Act, 1919, the Madras District Municipalities Act, 1920 and the Madras Local Boards Act, 1920, provided for the levy by local bodies of a duty on certain transfers of immovable property, such as, sales, gifts and mortgages with possession. Transfers of immovable property by way of exchange are not covered by the existing provisions in these Acts. There is a tendency on the part of the public to evade the duty on instruments of sale by drawing up, instead, instruments of exchange, whereby the ownership of immovable property of considerable value is transferred for a consideration made up of a small piece of immovable property and a large amount of cash. It is therefore proposed to bring transfers by way of exchange also within the scope of the duty. Perpetual leases of immovable property are not covered by the sections as they stand. But as such leases are very common, especially in the South Kanara district, it is proposed to bring such leases also within the scope of the levy of the duty under the District Municipalities Act, 1920 and the Madras Local Boards Act, 1920. These are the two points covered by the Bill. So, Sir, I move that the Bill may be taken into consideration."

THE DEPUTY CHAIRMAN :—" Motion moved

'That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.' "

DR. A. LAKSHMANASWAMI MUDALIYAR : " Sir, I would like to have some clarification with regard to the Bill which is certified by the Hon. Speaker as a Money Bill. So far as I can see, Article 199 (1) of the Constitution says :

'For the purposes of this Chapter, a Bill shall be deemed to be a Money Bill if it contains only provisions dealing with all or any of the following matters, namely:—

(a) the imposition, abolition, remission, alteration or regulation of any tax . . .'

" Then, Sir, clause (2) of Article 199 says :

'(2) A Bill shall not be deemed to be a Money Bill by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licences or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration, or regulation of any tax by any local authority or body for local purposes.'

" Sir, as I understand, this City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950, comes under the provisions of clause (2) of Article 199 of the Constitution and not under Article 199 (1) (a), because it provides for regulation of a tax, etc. The Hon. Minister said that the Act does not provide for the imposition of this tax, but owing to certain lapses which have been found it is necessary to fill up the gaps. I would like to know whether there is a possibility of giving some lead as to what are Money Bills and whether the amendment does not imply certain provisions for increase or decrease of certain assessments made by municipalities. My point is, so long as the District

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Municipalities Act is concerned, it [illegible] Bill in the sense in which Money Bill [illegible] Chairman has ruled on a previous [illegible] introduced was a Money Bill and [illegible] moved. Now, I want some clarification [illegible] Bill and what is not a Money Bill. Here, I [illegible] another Bill which is likely to be moved [illegible] Madras Stamp (Amendment) Bill, according [illegible] proposed to increase the stamp duty from [illegible] is not called a Money Bill, since there is no Certificate from the Speaker. At any rate in regard to that Bill, I [illegible] whether [illegible] is a Money Bill or not. In the absence of such a certificate [illegible] be necessary to say so. In the copy of the St[illegible] Bill which has been supplied to me, there [illegible] certificate [illegible] the Speaker attached to it. (An hon. Member : " It has been certified by the Hon. Speaker as a Money Bill ".) [illegible] Sir, the question arises as to what are the particular Bills that can come under the term ' Money Bill '. I am raising this point for the purpose of elucidation from you. Can a Bill which [illegible] amendment to an existing Act, which covers only certain [illegible] be brought under ' Money Bill ' ? If so, what is the effect of clause (2) of Article 199 of the Constitution which definitely [illegible] that it cannot come under ' Money Bills ' if it is a question of raising a tax by local authority. I seek your enlightenment on this, Sir."

THE HON. SRI K. CHANDRAMOULI : " Sir, I may point out that in this Bill, we are not amending the clauses which are already in existence, but we are adding certain new clauses. Since the hon. Member, Dr. Lakshmanaswami Mudaliar, has raised the point, I am clarifying the position."

DR. A. LAKSHMANASWAMI MUDALIYAR : " Sir, the Bill begins by saying, ' Whereas it is expedient further to amend the Madras City Municipal Act, 1919 [illegible] ' "

THE HON. SRI K. CHANDRAMOULI : " It is no doubt an amending Bill, but it is not amending the existing provisions of those Acts, but we are only adding certain new sections."

(At this stage Mr. Chairman occupied the Chair.)

SRI M. NARAYANA MENON : " Sir, I have not got a copy of the old Act and so I would like to know whether it is proposed to make any alteration in the old section, section 135, of the City Municipal Act, with reference to the rate of duty that is proposed to be levied. For instance, section 135 which this Bill proposes to substitute, states : ' at such rate as may be fixed by the State Government not exceeding 5 per centum . . . ' I want to know whether ' not exceeding five per centum ' is to be in addition, or whether it is in the old section itself? But, whatever, it is, I wish to point out one thing. Suppose, there is to be a sale of immovable property for a lakh

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of rupees. Of course, stamp duty has to be paid. If five per cent is sought to be levied as from the date of this new Act, then the present purchaser of the property will have to pay Rs. 5,000 in addition to the stamp duty already paid by him. Is that the meaning. I want an explanation from the Government as to whether that is the meaning or anything else? I do not know whether such a huge amount is sought to be levied either from the transferee or transferor of immovable property."

Dr. A. Lakshmanaswami Mudaliyar :—" Sir, may I put my difficulty now that you are here. Of course, I do not want a ruling from the Chair because I know when once the Speaker has given a ruling it is final, but I want an exposition on this occasion, because we should know what is it that a Money Bill means. Sir, on the last occasion, you rightly pointed out, what was introduced was a Money Bill and so no amendment could be moved. Here is an amendment to the City Municipal Act, the Madras District Municipalities Act and the Madras Local Boards Act. My submission, in the first instance was, that an amending Bill cannot be regarded as a Money Bill, even though there may be provisions in it which may vary certain levels of taxation. Here, I would like to refer to Article 199 (2) of the Constitution which says :

'A Bill shall not be deemed to be a Money Bill by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licenses or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration or regulation of any tax by any local authority or body for local purposes.'

This Bill, I think, is for the alteration or regulation of a tax levied by local bodies and it can definitely be put down under Article 199 (2) of the Constitution. So, it is not a Money Bill and I want a clarification from you, Sir."

The Hon. Sri H. Sitarama Reddi :—" Sir, I would like to draw the attention of the hon. Member . . ."

Mr. Chairman :—" Who is the Hon. Minister in charge of this Bill?"

The Hon. Sri H. Sitarama Reddi :—" My Colleague, Sir, but I would like to point out so far as the Revenue portion of it is concerned. May I draw the attention of the Chairman to the next clause, i.e., clause (3) of Article 199 which says :

'If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not, the decision of the Speaker of the Legislative Assembly of such State thereon shall be final.'

This has been certified by the Speaker as a Money Bill."

Mr. Chairman :—" That, I think, has already been referred to by the hon. Dr. Lakshmanaswami Mudaliyar. But, what is the clarification which the hon. Dr. Lakshmanaswami Mudaliyar wants, I am not quite sure. The point raised by the hon. Member seems to be how in spite of clause (2) of Article 199

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this has been certified as a Money Bill. That seems to be the substance of the point raised by the hon. Member, but who can answer that."

Dr. A. Lakshmanaswami Mudaliyar :—" My point is simply this. We are handicapped because the Hon. Speaker has certified it as a Money Bill. On the last occasion I raised the point, as also other Members, whether under clause (3) of Article 199 it is for the Speaker to certify only when that issue is raised or automatically a certificate should issue on many of the Bills. It may be a subject of final decision by the Speaker, but is it intended that you are ruling out the possibility of the subjects being raised here, in view of clause (3) of Article 199 which says :

'If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not . . .'

I submit that it is right on the part of this House to go into the question, adduce arguments to show that in its opinion it is not a Money Bill, and then only it will be right for the Speaker to sit in judgment and hear all aspects of the question and decide whether it is a Money Bill. If a certificate is attached in advance to every Bill saying that it is a Money Bill, then one particular right that is conferred on the Members of this House under Article 199 (3) of the Constitution would have been negatived. I would like to know from you, Sir, whether that is the intention of the Constitution." 12-30 p.m.

Sri S. B. Adityan :—" Might I know, Sir, what is the procedure adopted for certification of Bills as Money Bills by the Speaker; what steps are taken by him in that direction; does he consult the Chairman or any Department of Government; and if so, which Department. It would be a welcome information to the House if you will let us know what procedure is adopted by the Speaker."

Mr. Chairman :—" I feel that the point raised by Dr. Lakshmanaswami Mudaliyar is a very relevant one. It ultimately lies with the Speaker. The opinion of this House I am sure is entitled to be considered by whoever is the authority to decide whether a Bill is a Money Bill or not. The Constitution definitely says : 'If any question arises . . .' I do not think that that question arises for the Budget because it deals with money and there is no necessity for the Council to go into that question then. It appears to me that it is a very relevant point that Dr. Lakshmanaswami Mudaliyar has raised and I should think that the only way to decide the question is by means of a request to the Speaker for a small conference so that we may decide upon the procedure to be followed in future and how this question ought to be decided. I do not have any information how it is decided; I have not been consulted in the matter and I am sure none of our Members was consulted. Perhaps he is being guided by the office or by the Legal Department or by the department which has control of the Bill and if they recommend perhaps the Speaker signs the certificate; I do not know. So far as the provisions of Article 199 are concerned, it is a Money Bill which deals with all or any of the following matters, namely, imposition, abolition, alteration or regulation of any tax and the provisions of this Bill pertains to the imposition of a duty on instruments specified in the Bill. This is an amendment of the old section; it will be a tax upon instruments."

DR. A. LAKSHMANASWAMI MUDALIYAR:—"Anything pertaining to municipalities comes under Article 199 (2)."

MR. CHAIRMAN:—"It is an alteration of the existing provisions."

*DR. V. K. JOHN:—"The position under the Constitution of India is very simple. There is a special procedure in respect of all Money Bills provided for under Articles 198 to 201. If it is a Money Bill, it shall be transmitted to the Legislative Council for its recommendations only and if we do pass it or do not send it with our recommendations within fourteen days, it is deemed as passed. The power of the Legislative Council in respect of Money Bills is very much restricted and is much less than the powers it enjoys in respect of other Bills. Article 199 defines what is a Money Bill. In Article 199 (3), it is said:

'There shall be endorsed on every Money Bill when it is transmitted to the Legislative Council under Article 198 . . .'

and in this case his endorsement is obligatory. But the language of Article 199 (3) is somewhat different and it says:

'If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not, the decision of the Speaker of the Legislative Assembly of such State shall be final.'

I feel, Sir, that he can give the decision only if a question arises. As Dr. Lakshmanaswami very legitimately pointed out, this Bill might come under Article 199 (2) and not under Article 199 (1). Therefore, the question arises whether this is a Money Bill and whether we are to give our recommendations or we can pass it in the ordinary manner. When that question is raised somebody has to decide . . ."

MR. CHAIRMAN:—"The Bill is transmitted to the House under Article 199 (4) and along with that the certificate must also come."

*DR. V. K. JOHN:—"That is what I am saying, Sir. What has come here is not after the question has arisen but it is a certificate which has come under Article 199 (4). Suppose, Sir, we here say that this is not a Money Bill . . ."

MR. CHAIRMAN:—"After this certificate?"

*DR. V. K. JOHN:—"It has to be referred to the Speaker for his decision. He is the person who has power to decide if

it is a Money Bill or not and he can only decide after the question has been raised and who can raise such questions here, except this House. Supposing we do not raise the question at all, the certificate remains and we send merely the recommendations under Article 198. But if the question is raised here, it has to be decided by some constituted authority and that constituted authority is the Speaker and his decision is final. If the Speaker gives his decision on the character of the Bill on which the question arises, it is final; he has not given a decision yet as the question has not been raised. I say, Sir, that decision is under Article 199 (3). The question has now only arisen. Dr. Lakshmanaswami has raised the point."

MR. CHAIRMAN:—"Can it not be that Article 199 (3) contemplates the question being raised not necessarily in the Council but in outside offices also; the question can be raised even in the Assembly."

*DR. V. K. JOHN:—"Yet, it is so. If a question has arisen and he has given a decision, that decision is final. We have got now only a certificate and it is not stated in it that the question has arisen and the Speaker's decision is this; that has not been communicated to you. If it has arisen, the decision may be in the nature of a ruling and it need not be by way of a certificate on the Bill."

MR. CHAIRMAN:—"Article 199 (1) (a), (b), (c) refers to imposition by the State, whereas Article 199 (2) refers to imposition by local bodies."

*DR. V. K. JOHN:—"It is an imposition by the local bodies under the authority of the State. Article 199 (2) says that the Bill shall not be a Money Bill by reason only that it provides for the imposition, abolition, remission or alternation or regulation of any tax by any local authority."

MR. CHAIRMAN:—"But the words 'by reason only' are there; the point raised by Dr. Lakshmanaswami Mudaliyar is that if it comes under Article 199 (2), it cannot be called a Money Bill."

DR. V. K. JOHN:—"That, I submit, is not a frivolous contention and Article 199 (2) has been quoted in support of the proposition that we must have all the privileges which we have in respect of Bills which are not money Bills and we raise the question. When the question is raised—and normally it will be raised only here and not anywhere else because it affects only this House and does not affect the other House—natural justice demands that the man who raises the question must be heard; the Speaker who is the judicial authority must give notice to the person who has raised it and hear him before he comes to a decision. I submit, Sir, that the certificate which we have on the Bill is a certificate under Article 199 (4) and it is not a certificate based on a decision arrived at after the question has arisen under Article 199 (3). The question has been raised; it must go for his decision and he must give his decision and that will be final."

12-45 p.m. SRI S. B. ADITYAN :—" Sir, supposing it is open to this House to raise the question of certificate, that is, whether it is given rightly or wrongly, then, it means, it will be open to any member of the Council to raise the question whether the certificate is issued rightly or wrongly, and send the Money Bill back to the Assembly. That cannot be right; and it cannot be the case, for it amounts to this: it is within the competence of this Council to hold up Money Bills. So, I submit, once a certificate has been given, it is not at all proper for this House to discuss the matter further and open the question of validity of it. If it is to be allowed to be questioned here in the manner in which it is sought to be done here now, that is, by allowing any member to raise it, then, further business of this House could be suspended by any member, even by a back-bencher, and the business of this House could never be finished."

DR. V. K. JOHN :—" Sir, I don't think any distinction is made here about one being a back-bencher and a front-bencher. Sir, I hold, if the principle is right, it is open to this House to stop the further consideration of the Bill. I am in full sympathy with the learned doctor, because in this particular case there are points which show that there can be no further discussion of it now."

SRI S. B. ADITYAN :—" When a question is raised at some stage about the validity of the certificate . . ."

MR. CHAIRMAN :—" By whom? "

SRI S. B. ADITYAN :—" Probably by the Chairman or some member of the Council, that stage should be before the Bill is introduced in the Council. You should settle the procedure in regard to this with the Speaker. Any way, that consideration should be made before the certificate is given by the Speaker. Once the certificate is given and the Bill comes before the Council, then it should be treated as a Money Bill, and the question of validity of it should not be opened, further consideration of the Bill should not be suspended and the whole thing sent back to the Assembly. For, you remember, Sir, the other day a Money Bill had to be passed on the last day of the month, and suppose one member of this House had questioned the validity of it and on that basis, that Bill had to be sent back to the other House, what would have become of that Bill. So, Sir, I submit, when once the Speaker had issued a certificate about a Money Bill, discussion on the validity or otherwise about it cannot be allowed in this House. For future guidance, you may have a talk about it with the Speaker about procedure and so on."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sir, I am not concerned with the passing of this Bill or its procedure. I am only concerned with the particular article in the Indian Constitution Act. It is a misfortune that this Bill has been brought in the House in this manner. In fact, I can refer to many other conundrums in the course of the discussion of this Bill. The Article says :

'If any question arises whether a Bill . . . is a Money Bill or not, the decision of the Speaker . . . shall be final.'

Final in what respect? When is it called final? Is he the only person authorized to decide the question. For generally we say a thing is final, when it is not appealable. Now, Sir, after listening to the speech of Dr. V. K. John, I submit that the Bill may be referred back to the Speaker in the light of discussion that has taken place here and he be requested to state whether this is a money Bill as contemplated in Article 199 (3)."

MR. CHAIRMAN :—" I do not think that question arises now; for I do not think there is a motion like that before the House."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" I am sorry, I raise this question. I request you to communicate with the Speaker for consideration of my point."

DR. V. K. JOHN :—" I entirely support it."

SRI M. NARAYANA MENON :—" Sir, I submit, under section 199 (4) . . ."

DR. V. K. JOHN :—" Say Article 199 (4)."

SRI M. NARAYANA MENON :—" Yes, under Article 199 (4); and now you are quite right and I am quite wrong. (Laughter.) Under Article 199 (4), certificates are to be given by the Speaker of the Legislative Assembly on two occasions: once when the Bill is sent to the Legislative Council and another time when it is presented to the Governor for assent. On these two occasions, the Speaker has to certify. Now, in the present case, the Bill has been sent to this Council with the certificate that it is a Money Bill; and he has done it under Article 199 (4). Suppose this question of Money Bill was not raised in the Assembly, is there a necessity to affix a certificate when that Bill is sent to this House? "

MR. CHAIRMAN :—" Article 199 (4) answers the point. Now my point is are we precluded from raising this question, when that question has not been raised in the Assembly? "

SRI M. NARAYANA MENON :—" The only opportunity when we can raise this point is when the Money Bill is brought before this House. Sir, it is a matter of reconciling things. According to me there is scope in the Act for us to raise it. The

Bill then should go back to the Speaker; he revises the certificate and returns the Bill to this House. The first certificate may not mean much. The second certificate is final."

MR. CHAIRMAN :—" So far as the Opposition is concerned, they want to refer the Bill to the Speaker, irrespective of the fact whether he revises or not the certificate.

" Now, the question may arise in two ways; one, inside this House and the other, outside this House, when it comes to me or the Secretariat office. The office, after raising the point, submits it for orders to the Speaker, and he gives his decision; then it is sent to me, and it is open to me to refer it back to the Speaker. Now, in this case, no such thing has happened. Now, does clause (3) of Article 199 preclude any member of this House raising this question. If according to you, certificate given under clause (4) is final, nobody can raise this question of certificate."

SRI M. NARAYANA MENON :—" Under clause (3) the question may arise in the Assembly or in the Council."

MR. CHAIRMAN :—" You agree it can be raised in the Council? "

SRI M. NARAYANA MENON :—" Yes. According to me only when the certificate is given by the Speaker."

MR. CHAIRMAN :—" Who will raise it? "

SRI M. NARAYANA MENON :—" Any member may raise it; otherwise, what is the meaning of the words ' if any question arises '. Perhaps the Bill may have to be referred to the Speaker again. He considers all the matters; he may then say it is not a Money Bill; then it comes up for our consideration here."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sir, you will find under Article 199 (4) the Speaker has to give a certificate, first, when he refers the Bill to this House, and again, when he presents the Bill to the assent of His Excellency the Governor. That certificate is the final certificate. Now, it is open to me, not a member of this House, but as a public citizen, to tell him not to give his assent to the Money Bill, inasmuch as it contravenes some of the provisions of the Consti-
4 p.m. tution Act. So, the certificate given by the Speaker will not be a final certificate. If it is not a final certificate with reference to His Excellency the Governor, I submit it cannot be a final certificate even with regard to this House."

MR. CHAIRMAN :—" I do not quite follow. The certificate given is under sub-clause (4)."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sub-clause (4) says ' there shall be endorsed on every Money Bill

when it is transmitted to the Legislative Council under Article 198, and when it is presented to the Governor for assent . . .' "

MR. CHAIRMAN :—" How can the hon. Member object to that at that stage? "

DR. A. LAKSHMANASWAMI MUDALIYAR :—" When it is presented to the Governor, any public citizen is entitled to approach His Excellency the Governor and say ' these are the clauses in regard to the certificate issued by the Speaker ', and the Governor may ask the Speaker what he has got to say on the Bill."

MR. CHAIRMAN :—" If it has not been decided under clause 3."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" My submission is that if at that stage the Speaker can be asked to revise his decision and give a decision whether it is a Money Bill or not, when it comes to the Council, this House can do the same and ask the Speaker for a final decision, even though he has given a certificate."

SRI N. RANGA REDDI :—" Sir, under Article 196, the legislative powers of the Council and the Assembly are co-terminous except in regard to Money Bills. Any Bill can be introduced in the Legislative Council or in the Legislative Assembly, but with regard to Money Bills and other financial Bills, they can be introduced only in the Assembly. With the certificate of the Speaker, the present Bill comes before the Council for discussion. If in the Council a Bill is introduced for the first time the question might arise whether it is or is not a Money Bill. In that case that point will have to be referred to the Speaker of the Legislative Assembly. In that way the question can arise, and the decision of the Speaker will be final. But after a Bill has already been introduced in the Assembly . . ."

MR. CHAIRMAN :—" That is one of the ways in which it can arise. But how does the hon. Member say that that is the only way in which it can arise? "

SRI N. RANGA REDDI :—" There is no other way."

MR. CHAIRMAN :—" The hon. Member is perfectly right when he says that when a private Member has brought in a Bill, the Government may raise an objection and say that that is a Money Bill, and that the Speaker's decision on it is final. But how does the hon. Member say that that is the only way in which the question can arise? "

SRI N. RANGA REDDI :—" When once the Speaker certifies that it is a Money Bill, we cannot go behind it."

MR. CHAIRMAN :—" I am sure Mr. Ranga Reddi understands the point under discussion. The question that has now arisen is 'Do you say that Dr. Mudaliar is within his rights in raising this question or not'. There are so many ways of questions being raised. Now the hon. Member has raised the point 'it has been certified by the Speaker to be a Money Bill; but I think that certivcate is wrong; really it is not a Money Bill; it is covered only by clause (2); so, it should not be treated as a Money Bill, but it must be considered as an ordinary Bill'. This is the point. Does the hon. Member say that Dr. Mudaliar is within his rights or not in raising this question? "

SRI N. RANGA REDDI :—" Sir, with due deference to Dr. Mudaliar, I submit that the point has to be decided only by the Speaker whether it is a Money Bill, and his decision is final. It does not leave room for anyone to challenge his decision. Even in a court of law, it cannot be challenged. The Speaker may have given a wrong decision, but there is no remedy."

SRI S. B. ADITYAN :—" Sir, the whole thing centres round this, namely, how is this question to be raised. I mentioned that it was not open to any hon. Member to raise this question and then immediately consider the point raised."

MR. CHAIRMAN :—" How is it to be raised? Is it open to any hon. Member to raise it or not? "

SRI S. B. ADITYAN :—" Assuming that it is open to a Member to raise this point—I am conceding that for the moment—and then to say that there is a way to raise this question by putting forward . . . (Interruption.) Sir, you have already ruled that in cases of Money Bills, certain amendments could be moved so long as the direction of the money is not altered. You have already ruled that it will be open to hon. Members to move amendments. If any hon. Member wishes to raise the question whether it is a Money Bill or not, then he should move an amendment, the amendment should be put on the agenda, and he should move an amendment saying that the consideration of the Bill be adjourned and referred back to the Speaker."

MR. CHAIRMAN :—" Let us agree that what you say is correct. But then what is my position in that case? When he moves the amendment, am I or am I not to allow it to be discussed whether it is a Money Bill or not? "

SRI S. B. ADITYAN :—" There is no such amendment now."

MR. CHAIRMAN :—" The hon. Member is too technical. Let us discuss all aspects."

DR. V. K. JOHN :—" Particularly, when it concerns the privileges of this House."

MR. CHAIRMAN :—" The point is, is it open to any hon. Member after it is certified under clause (4), to raise the question or not."

THE HON. SRI K. CHANDRAMOULI :—" After the certificate by the Speaker, hon. Members of this House either individually or collectively, including, with due deference, the Chairman have no right to discuss whether it is a Money Bill or not. But Dr. Lakshmanaswami Mudaliyar raised one point, namely, whether any individual citizen, when this Bill goes to His Excellency the Governor for assent, cannot raise this question. An individual citizen may then raise this question. But as far as this House is concerned, the decision of the Speaker is final, and it must be followed."

SRI N. RANGA REDDI :—" Even with regard to the point raised by Dr. Lakshmanaswami Mudaliyar, I submit that when once the Speaker has certified it as a Money Bill, his decision is final. His certificate is final, and it cannot be challenged."

MR. CHAIRMAN :—" That is the obvious point which all of us know."

DR. V. K. JOHN :—" Sir, I have been submitting that the Speaker's certificate is not a decision. The decision is under clause (3). Now, when a Money Bill is introduced by the Government in the Legislative Assembly, and is passed there, the Speaker is bound to certify it as a matter of course. He has no discretion in the matter. He does not come to any decision. The Bill is introduced in the Assembly, passed there, and it comes here with the certificate of the Speaker that it is a Money Bill. It is discussed here and it goes back to the Speaker for decision when the question arises. Mere certificate is no decision. On the question being raised whether it is a Money Bill or not, the Speaker has to certify. Therefore, hon. Members saying that the Speaker has already come to a decision and he has certified that it is a Money Bill, and that when once he has come to a decision under clause (4), clause (3) never comes into operation, is, I submit, wrong."

MR. CHAIRMAN :—" The clause may come into operation even otherwise."

DR. V. K. JOHN :—" The Constitution puts on him a responsibility to give a certificate, which he should give, whenever a Money Bill is passed in the other House. This certificate is given under clause (4). He has not come to a decision under clause (3). If it is a decision under clause (3), it is final, and nobody can question that. A certificate is given under the provisions of the Constitution whenever a Money Bill is introduced by the Government and passed in the Assembly. The Speaker is not deciding the question between two contending parties, one party raising the question that it is not a Money Bill and the other saying that it is a Money Bill. When that question arises, it goes to the Speaker for decision. But *no Member can contend* that when once the Speaker gives a certificate, that certificate is his final decision."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sir, may I quote the analogy of the Chairman of the Legislative Council? Private motions are allowed by you. You think they are in order. When they are being debated, it is open to any Member to question whether they are in order or not. Although you have originally certified that they are in order, when the discussion arises out of a motion of a Member whether it is in order, and points are raised on it, it is for you to give a final decision whether they are in order or not. Likewise, if a Money Bill is certified, and questions arise under clause (3), it is analogous to the position of the Chairman of the Legislative Council or the Speaker of the Legislative Assembly, who originally allows a motion on the *apriori* ground that it is *in order*, but who subsequently in the wake of the discussions and the arguments that have been put forward, revises his decision and rules it out of order. The same procedure might be applied here."

THE HON. DR. T. S. S. RAJAN :—" May I suggest, Sir, that the Bill may go on, and the question decided later."

SRI S. B. ADITYAN :—" I suggest that we get on with the work. If hon. Members want to raise this question, they should have raised this with reference to the point of procedure."

MR. CHAIRMAN :—" Why is the hon. Member so anxious?"

SRI S. B. ADITYAN :—" I am raising a point of order, which I am entitled to."

MR. CHAIRMAN :—" I know your point, but why should you be so anxious? The Leader of the House is making a suggestion, and I am considering that. I am of the same opinion as he is. But why should you be so anxious, I do not understand. Why should you be so very hasty in this matter?"

DR. V. K. JOHN :—" He is the Whip, Sir."

MR. CHAIRMAN :—" Dr. John, you have got some help from a friend who draws your attention to the word '*introduced*' occurring in the words 'if any question arises whether a Bill introduced in the Legislature of a State . . .' The question arises only after the Bill is introduced."

1-15 p.m. DR. V. K. JOHN :—" May I read to you, Sir, Article 198 (1) which says 'A Money Bill shall not be introduced in a Legislative Council.'? The wording used is 'shall not be introduced'. Now the Bill has been introduced and the question arises whether it is actually a Money Bill or not. According to clause (3) of Article 199, the decision of the Speaker of the Legislative Assembly shall be final in this matter."

MR. CHAIRMAN : " I suppose the Leader of the Opposition means 'Bill introduced in the Council'."

DR. V. K. JOHN : " Yes, Sir. You please see clause (3)."

MR. CHAIRMAN : " It refers only to a case which has been referred to the Speaker."

DR. V. K. JOHN : " Yes, Sir."

MR. CHAIRMAN : " The discussion may go on. I will consider this point and give a ruling. Mr. Narayana Menon, have you finished?"

SRI M. NARAYANA MENON : " I have finished, Sir."

DR. V. K. JOHN : " The only difficulty will be this. If you will decide that this will only relate to a Bill for the first time introduced in the Council, not coming from the Legislative Assembly, then the procedure laid down in Article 198 (1) will apply, that is, we only make a recommendation. Therefore, I suggest that you may give the ruling now. If, however, it is approved, this question will be carried to the Speaker for decision. If that be so, there is no point in our discussing this as a Money Bill because as a Money Bill, our powers are restricted."

MR. CHAIRMAN :—" What is the difference between a recommendation and an amendment? This is not a question of only power. If it is the Appropriation Bill, no amendment can be moved which will have the effect of varying the amount, etc. But this is a regular Money Bill. So, Article 198 ought to apply. The hon. Members can, therefore, move amendments. But they will be called 'recommendations' and not 'amendments'. There is no other difference."

DR. V. K. JOHN :—" We must follow Article 198 so far as procedure in respect of Money Bills is concerned. Suppose it is not a Money Bill. Suppose we decide it must go to the Speaker, and the Speaker says that it is not a Money Bill. In that case, if we had proceeded under Article 198, the Bill will not become an Act."

MR. CHAIRMAN :—" My point so far as the procedure is concerned is this. When an ordinary Bill is introduced, the House has the power of moving amendments. If a Money Bill is introduced, this House is said to have the power of making a recommendation. The recommendation also must be passed on to the Speaker or the other House. Instead of calling it an amendment, we call it a 'recommendation'. What is the difficulty in this? In both the cases there is an amendment or recommendation. Both must be accepted by the other House. Practically speaking, there does not seem to be much difference in the whole discussion proceeding. The hon. Members are entitled to move amendments. Only they will be called 'recommendations'. This is not like Article 204. There it is an

Appropriation Bill and no amendment can be proposed which will have the effect of varying the amount or altering the destination of any grant made.''

DR. V. K. JOHN :—'' I shall also give a point in support of what you are saying. Article 198 (3) says :

'If the Legislative Assembly accepts any of the recommendations of the Legislative Council, the money Bill shall be deemed to have been passed by both Houses *with the amendments recommended by the Legislative Council* and accepted by the Legislative Assembly.'

So, the Constitution itself thinks that the *recommendation* of the Legislative Council is an amendment. You will see, Sir, it is said 'with the amendments recommended by the Legislative Council'.''

MR. CHAIRMAN :—'' That is true. What is the Article that the Leader of the Opposition is reading? ''

DR. V. K. JOHN :—'' I am reading clause (3) of Article 198 to support your suggestion that there is not much distinction between a recommendation and an amendment. The word 'amendment' comes in there. So, the recommendation itself is in the nature of an amendment.''

MR. CHAIRMAN :—'' Yes. The Hon. Minister may make his motion.''

THE HON. SRI K. CHANDRAMOULI :—'' I have already moved, Sir.''

MR. CHAIRMAN :—'' Is the Hon. Minister going to reply to the discussion? ''

THE HON. SRI K. CHANDRAMOULI :—'' I have already told you what I had to say, Sir. The Bill may be left as it is and after the lapse of fourteen days, it will automatically become law.''

MR. CHAIRMAN :—'' Is that all? Can the question be put to the vote of the House? ''

DR. V. K. JOHN :—'' Yes, Sir.''

MR. CHAIRMAN :—'' The question is

'That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950), as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.' ''

The motion was carried.

MR. CHAIRMAN :—'' Does the hon. Member Dr. Lakshmanaswami Mudaliyar want to move any amendment? ''

DR. A. LAKSHMANASWAMI MUDALIYAR :—'' I only wanted to move that in new clause 110-A (*b*) proposed to be

substituted by clause 4 of this Bill, the words 'three per centum' may be substituted for the words 'five per centum'. But you will rule it out of order.''

MR. CHAIRMAN :—'' Not under Article 198. It will be ruled out of order only under Article 204 because there it is an Appropriation Bill. It is only in the case of an Appropriation Bill that the hon. Members are not entitled to move any amendment which will vary the amount or alter the destination of any grant made. But under Article 198, the House can make any recommendation.''

DR. V. K. JOHN :—'' In the case of the Appropriation Bill, not only the Legislative Council but the Legislative Assembly also cannot make any amendment.''

MR. CHAIRMAN :—'' Yes, that is true.''

DR. V. K. JOHN :—'' But here we can make any recommendation.''

MR. CHAIRMAN :—'' Because this is a Money Bill, the House can make any recommendation.''

Clauses 2, 3 and 4 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

MR. CHAIRMAN :—'' The second reading of the Bill has been passed. What does the Hon. Minister propose to do now? ''

THE HON. SRI H. SITARAMA REDDI :—'' Sir, under Article 198 (5), if a Money Bill passed by the Assembly and transmitted to the Council for its recommendations is not returned to the Assembly within a period of fourteen days, it shall be deemed to have been passed by both Houses at the expiration of the said period in the form in which it was passed by the Assembly. Now the Council does not make any recommendation. It has accepted the provisions of the Bill. So, I suggest that it need not be transmitted to the Assembly.''

MR. CHAIRMAN :—'' The Article says that 'if a Money Bill passed by the Legislative Assembly and transmitted to the Legislative Council for its recommendations is not returned to the Legislative Assembly within the said period of fourteen days . . .' So, if the Bill is not returned to the Assembly, it will mean that the Council is not able to dispose of it.''

THE HON. SRI H. SITARAMA REDDI :—'' It means that it does not make any recommendation.''

MR. CHAIRMAN :—'' If the Council discusses the matter and is not able to dispose of it, that is, is not able to take a decision on it, then no recommendation goes to the Assembly and after the lapse of fourteen days it automatically becomes law.''

DR. V. K. JOHN :—" I think the procedure surely will be for the Hon. Minister to move that the Bill be passed into law."

MR. CHAIRMAN :—" There is no doubt about that. But the Government want to see that it does not go back to the Legislative Assembly. They have decided that it will automatically become law. I do not agree with the Government. It is not a case where the Council is not making any recommendation or has not disposed of the matter. The Council is prepared to dispose of the matter. If the Hon. Minister is not going to make a motion for the third reading of the Bill, the Bill will lapse."

THE HON. SRI H. SITARAMA REDDI :—" May I suggest for your consideration, Sir, that under clause (5) of Article 198 the transmitting of the Bill to the Legislative Assembly will arise if any special recommendation is to be made? Now that the Bill has been accepted by the Council in the form in which it was passed by the Assembly, there is no need to return the Bill to the Assembly. As it has been accepted, the Bill will automatically become law at the expiration of fourteen days. I suggest that you may kindly examine that issue."

MR. CHAIRMAN :—" Then what is the purpose of discussing the Bill here? The whole thing will become a farce. The Hon. Minister will see that this House is sitting here, has considered the matter and is prepared to send it back to the Assembly with the recommendation that it be passed into law. That is the recommendation of this House. In fact, that is the motion which the Hon. Minister ought to make. As the Finance Minister moved the other day in the case of the Appropriation Bill, the Hon. Minister should move that this Bill be sent back to the Assembly with the recommendation that it be passed into law without any amendment. Clause (5) of Article 198, according to me, does not apply in the present case, for the House is prepared to dispose of the matter and make a recommendation. It is only if for some reason the House is not able to dispose of the matter within the period of fourteen days that it can be said that the Bill will automatically become law."

THE HON. SRI H. SITARAMA REDDI :—" Since the House has agreed to all the clauses, I think you can say that there is no need to recommend the Bill to the Legislative Assembly. This House has got the right not to recommend it. I hope you will examine it and allow the Bill to become law automatically."

MR. CHAIRMAN :—" This House has got the right not to recommend the Bill as passed by the other House. It can recommend to the Assembly that this Bill may not be passed into law. The other House may accept it or reject it. But here the House is prepared to recommend that the Bill may be passed in its present form."

* DR. V. K. JOHN :—" Sir, the Hon. Mr. Sitarama Reddi's difficulty is this. Article 198 (2) speaks of some recommendation of the Council which can be either accepted or rejected by the Assembly. He says that we do not send any recommendation. Our recommendation is that the Bill be accepted as it is. It is not a recommendation according to him. Some recommendation has to be made which has to go to the Legislative Assembly for acceptance or rejection; the Hon. Minister's point is that we are not making any recommendation and there is nothing for the Assembly to accept or reject. So, he thinks that it need not be sent back to the Assembly."

MR. CHAIRMAN :—" What does clause (5) say? "

* DR. V. K. JOHN :—" Clause (5) says that if we do not make any recommendation within fourteen days, it will automatically become law."

MR. CHAIRMAN :—" If we do not make any recommendation . . . ."

DR. V. K. JOHN :—" That is true."

MR. CHAIRMAN :—" Are we not making any recommendation? You simply leave it at that."

* DR. V. K. JOHN :—" The point appears to be that when we make no recommendations, there is nothing for the Assembly to accept or reject. Now, we are not making any recommendation. Therefore we need not send it to the Assembly. After all, according to clause (5) of Article 198, the Bill will become law after the period mentioned in this clause. As we are not making any recommendations now, what has the Assembly to do? Technically, we are not making any recommendation. I think this seems to be the Government's view. But whatever it is there is clause (5)." 1-30 p.m.

MR. CHAIRMAN :—" The point is, are we to return the Bill to the Assembly or not."

* DR. V. K. JOHN :—" According to the Hon. Minister, we are not to send the Bill. I think we may not make a recommendation. But now the second reading of the Bill has been over. The Government know that we do not make any recommendations. As we do not make any recommendation, there is nothing for the Assembly either to accept or reject anything under Article 198 (2). Even if this Bill is not remitted back to the Assembly, under clause (5), it is going to become law."

THE HON. SRI H. SITARAMA REDDI :—" I think clause (5) provides for such a thing. Otherwise, there is no necessity for that clause."

MR. CHAIRMAN :—" According to me, clause (5) is intended to cover cases when the House is not able to come to a decision or is not able to make up its mind on any particular matter within 14 days."

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* DR. V. K. JOHN :—" With great respect to the interpretation given by you, Sir, that Clause (5) relates *to cases mentioned* by you, I may point out that now that we are not making any recommendation, this will become law automatically *under* this clause."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Even though we *did not propose* any change or alteration in the Bill or any amendments that we may consider necessary, yet our sending back the Bill to the Assembly saying that it may be accepted as it is, is itself a recommendation. *Moreover Article* 200, makes the position clear. It says that all Bills passed by the Legislative Assembly of a State or, in the case of a State having a Legislative Council, has been passed by both Houses of the Legislature of the State, shall be presented to the Governor . . . ."

MR. CHAIRMAN :—" Having considered that, are we to say that we have not passed this Bill. But there is a proviso to this Article, namely, 'Provided that the Governor may, as soon as possible after the *presentation to him* of the Bill for assent, return the Bill if it is not a Money Bill . . . .' Both the Money Bills and ordinary Bills must be passed by both the Houses of Legislature before they go up to the *Governor*."

* DR. V. K. JOHN :—" According to Article 198, we can make some recommendation or other and let the Assembly accept *it or* reject. Otherwise it becomes a mere farce."

MR. CHAIRMAN :—" If we are *not returning* the Bill, it only means that we are not able to come to a decision on this point."

* THE HON. SRI H. SITARAMA REDDI :—" *If you feel* that the Bill has been discussed in this House, and if it is proposed not *to remit it back to the other House*, it is open to this House to withhold or send back the Bill to the other House. *If I* may say so, the mere fact that this will go to the other House and passed as it is does not in any way affect the position."

MR. CHAIRMAN :—" We cannot help it."

THE HON. SRI H. SITARAMA REDDI :—" *The matter* is left to this House. It is within the power of this House either to send or not to send the Bill back to the other House. That is all that I am trying to submit. If this House wants that this Bill need not go back, *it may be* passed into law. Anyway this House has got a right to send or not to send back the Bill. *It is entirely* open to this House. But I should submit one thing and that is, there is clause (5), under which the Bill will become law at the expiry of 14 days."

MR. CHAIRMAN :—" I quite *agree with* the Hon. Minister. But there must be a motion of this House that this need not be sent to the Assembly. Now we have to decide whether this must be returned or need not be returned. We have finished the second

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reading *of the* Bill. There is to be a motion that the Bill may be sent back for acceptance by the other House with any recommendation that may be *considered* necessary, or there is to be a motion that the Bill need not be sent back."

SRI S. B. ADITYAN :—" I think that the motion suggested by you can be moved *on* some other day. It is not necessary that we should move that motion on the same day only after the second reading is over, and after the Bill has been considered clause by clause. This has not been included in the Agenda. The motion that the Bill be passed into law or be sent back to the Assembly is not in the Agenda. If such a motion is considered necessary, this could be put up in the Agenda for some other day. I suggest that as such a *motion* is not in the Agenda for to-day, it need not be considered now."

* DR. V. K. JOHN :—" There is another matter also to be considered in this connection. Have we any jurisdiction to send the Bill. I am not saying this as a sort of argument. I want the House to consider whether, when we do not make any recommendation, we have jurisdiction to send back this Bill to the Legislative Assembly. Our mere returning the Bill with the remark that the Bill be accepted is not a recommendation. In such a case Article 198 (2), may not be attracted at all and automatically Artical 198 (5), might be attracted and Hon. Sitarama Reddy's motion may be right."

MR. CHAIRMAN :—" There is no motion as such."

* DR. V. K. JOHN :—" I mean Hon. Sitarama Reddy's suggestion. Or, the Government might move that this need not be returned as we have no recommendation to make."

MR. CHAIRMAN :—" The point raised by Mr. Adityan has also to be considered. Anyway I leave it to the Government. This is a matter for the legal pandits to consider whether the thing has been properly done."

* DR. V. K. JOHN :—" Dr. Lakshmanaswami Mudaliyar has suggested that even though we may not move any amendment, still we can recommend that the Bill be passed as it is. If that is your interpretation also, I think we could send it under Article 198. Even then, there is the point to be considered whether we have jurisdiction to do so."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" The only point that I would suggest to be moved is that consideration of the Bill be adjourned to a later date. This will cover clause (5) also. It is not open to them to say at this stage that they do not want any decision of the House. The decision of the House is a positive decision with or without alterations in the Bill. Therefore when once you have gone through the Bill clause by clause and the [illegible] accepted them, it would be [illegible] if we now say in the third reading stage that the House will not come to a decision in the matter."

MR. CHAIRMAN :—"The idea is that third reading is unnecessary. The second reading of the Bill is over without any amendments. It means that the Bill is passed. Anyhow I leave it to the Government. Let it be clearly understood that I am not at all compelling the Government to come to any particular conclusion. I only want them to examine whether the thing has been properly done. As I said this is a matter for the Government to decide."

[illegible] K. JOHN :—"The Government's difficulty [illegible] that this Bill has been passed in the Assembly already and when the Council is not making any definite recommendations, there is no necessity for sending it back to the Legislative Assembly. It is perhaps [illegible] waste of time and money of the Legislature. That seems to be the view of the Government."

SRI K. NATARAJAN :—"Article 196 (2) says :

'Subject to the provisions of Articles 197 and 198, a Bill [illegible] passed by the Houses of the Legislature of a State having a Legislative Council unless it has been agreed to by both Houses [illegible] amendment or with such amendments [illegible] without [illegible].'

What is the position [illegible] must be a resolution of either [illegible] Here [illegible] of having moved [illegible] accepted [illegible] resolution of either [illegible]

MR. CHAIRMAN [illegible] However I wish [illegible] were [illegible] be three [illegible] second stage and third [illegible] third stage is unnecessary [illegible] This is the point [illegible]

[illegible] K. JOHN [illegible] with regard to Money [illegible]

MR. CHAIRMAN [illegible] other Bill [illegible] Money Bills and [illegible] that in the case of [illegible] second reading [illegible]

[illegible] K. JOHN [illegible] the matter, Sir." [illegible]

MR. CHAIRMAN :—"I am not concerned in the matter and I don't know if the privilege of the House is involved in this matter. My opinion is that this is a matter which the Government should [illegible] because it might affect [illegible] of [illegible] the Government to consider and

satisfy themselves if the present position is quite sufficient and even without a third reading of the Bill, and even without the Bill being sent back to the Assembly by the Council, the Bill would become law. I think the Government would be well-advised to examine the position rather carefully. Just for the sake of preventing the Bill from going back to the Assembly, if they want to stop here, and by this if there were any lacuna left in the passage of the Bill, then it is the look-out of the Government."

SRI K. NATARAJAN :—"What is the difficulty of the Government and how are they handicapped in the matter. Even according to some of the Articles of the Constitution the Bill need not go to the Assembly and still it can become law."

THE HON. SRI H. SITARAMA REDDI :—"This is a matter in which the House has to make a decision."

MR. CHAIRMAN :—"Where does the decision of the House come in? There is no motion before the House. Only when there is a motion there could be a decision of the House. If it was an ordinary Bill there would have been no difficulty. As this is a Money Bill, if it is thought that it should be stopped here, then it is a matter for the Government to consider."

THE HON. DR. T. S. S. RAJAN :—"I want this to be decided before we go for lunch. The question whether third reading of the Bill ought to be proceeded with or not may be decided now."

MR. CHAIRMAN :—"It is a matter for the Government to decide."

THE HON. DR. T. S. S. RAJAN :—"I think with regard to this Bill such action as may be considered necessary may be discussed with you and the Speaker of the Assembly so that there could be . . . ."

MR. CHAIRMAN :—"We are not on that point now. The point is, in the case of Money Bills, after the second reading is over, whether a motion for the third reading of the Bill or for sending back the Bill to the Assembly should be moved or not. I would like to repeat that it is a matter for the Government to consider and to come to a conclusion. If the Government want to have the third reading of the Bill there ought to be a motion for [illegible]. If they do not want to have the third reading of the Bill and [illegible] to send it back and want to stop here, then also there [illegible]."

[illegible] DR. T. S. S. RAJAN :—"I suggest, Sir, that the [illegible] now before we adjourn for lunch." 1-45 p.m.

[illegible]MAN :—"[illegible] Leader of the House makes a [illegible] it."

[illegible] BANDHAMOULI :—"Sir, I would like [illegible] On the part of the [illegible] necessity for a [illegible] motion. We [illegible] Government [illegible] should be no third [illegible] feel that [illegible] proper [illegible] reading."

MR. CHAIRMAN :—" Why is the Hon. the Minister worried about the Opposition? The Opposition will take care of itself."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" I beg to make this appeal to you, Sir. Let this not be made a precedent for future Bills."

MR. CHAIRMAN :—" I now adjourn the House to meet again at 2-45 p.m."

The House then rose for lunch.

(After lunch—2-45 p.m.)

(7) THE MADRAS STAMP (AMENDMENT) BILL, 1950 (L.A. BILL NO. 10 OF 1950).

* THE HON. SRI H. SITARAMA REDDI :—" Mr. Chairman, Sir, I move—

'*That the Madras Stamp (Amendment) Bill, 1950 (L.A. Bill No. 10 of 1950)*[a] *, as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.*'

Under Article 38 of Schedule I-A to the Indian Stamp Act, 1899, an instrument of partition is chargeable with stamp duty for the amount of the value of the separated share or shares of the property to which the instrument relates. Clause (*b*) of the proviso under that article, however, states that where land is held on Revenue Settlement for a period not exceeding thirty years and full assessment is paid, the value of such land for purposes of stamp duty shall be calculated at not more than five times the annual revenue. The Government consider that as the value of land has increased enormously, the value of the land referred to in the proviso should be calculated at twenty-five times the annual revenue for the purpose of determining the stamp duty. The Bill is intended to achieve this object.

" Sir, so far as non-ryotwari lands are concerned the stamp duty payable in the matter of partitions, is calculated with reference to the market value of the land while ryotwari lands are enjoying a concession in that they have had to pay only five times the annual revenue. Now it is proposed to make this five into twenty-five times the annual assessment. Even then, it will be found that stamp duty in this case is considerably lower than what is being charged in respect of non-ryotwari lands. As such, the Bill seeks to enhance the stamp duty in respect of ryotwari areas in relation only to partition deeds."

MR. CHAIRMAN :—" I do not find any copy of the original Act which is sought to be amended . . . ."

DR. V. K. JOHN :—" They have circulated it in the Assembly, Sir, and not here."

MR. CHAIRMAN :—" I think while amendments are proposed, copies of original sections which are to be amended are usually supplied to Members."

[a] Printed as Appendix VI on page 709 *infra*.

* DR. V. K. JOHN :—" Sir, that was the convention established. This morning, before you came, I protested against the action of the Government in not having circulated the original sections. They were circulated in the Assembly."

THE HON. SRI H. SITARAMA REDDI :—" They were supplied to hon. Members here."

MR. CHAIRMAN :—" Side by side with amendments, it was the practice to supply the original sections also."

MR. CHAIRMAN :—" Motion moved—

'That the Madras Stamp (Amendment) Bill, 1950 (L.A. Bill No. 10 of 1950), as passed by the Legislative Assembly and transmitted to the Council be taken into consideration'." 3 p.m.

* DR. V. K. JOHN :—" Mr. Chairman, Sir, I must protest against this enhancement of stamp duty which I call unconscionable. The original words were ' at not more than five times ' and the substitute words are ' at 25 times ' and not ' at not more than 25 times ' but ' at 25 times '. This is an unconscionable raising of stamp duty. I think Madras State wants to give a lead in raising of stamp duty. I think Madras State wants to give a lead in point of view of taxation. I think this is the highest taxed State in the whole of India. The other day the Hon. the Finance Minister himself stated in his budget speech that the Madras State is the highest taxed State, as regards taxation on motor vehicles. I am asking whether there is anything in which the Ministers can say that the tax in Madras State is less than the tax in any other State or it is at least equal to the tax levied in any other State in India. Under every item it is more and I said the other day that on account of the sales-tax even the beggar's bowl is taxed in the Madras State. In this State, every man is a tax payer and every other man is a tax gatherer also.

" Now you have the stamp duty raised to 25 times. For what purposes is it being raised? Is it done in any other part of the Indian Union? In fact you are amending an All-India Act which no doubt you are entitled to. Are not the conditions in other States also the same? Has not the value of property gone up in other States also? The point is, having gone on with their fads and having to spend crores of rupees, they are trying to catch at the last straw. They are trying to gather revenue from every [illegible] and this is the last straw. The original wording in the Act is ' not more than five times.' This can be even less than five times. The amendment seeks to fix it at 25 times. It gives no [illegible] to the Government. This Government are collecting money to be wasted and the people are oppressed with taxation to an extent unknown in the history of the State. I protest against the raising of the stamp duty."

* THE HON. SRI H. SITARAMA REDDI :—" I want to clear one point immediately. This increase will apply only to deeds of partition. Even to-day lands which are not in ryotwari areas are

paying the stamp duty on the market value. It was suggested that these lands also should be made to bear equally the burden with other landowners because after all it was a concession enjoyed for several years—65 years. It was thought that the incidence of taxation must be equal. Then it was felt that if we have to take into consideration the market value of the ryotwari lands various enquiries and valuation have to be made and several officers will have to be appointed for each district and the value itself might be the subject of dispute. To avoid this and make things easy it was suggested that it may be 25 times the assessment. Even then, as I have already said, the incidence of taxation will be comparatively less because it will be much less than the market value. I think this is a very fair tax, for those in ryotwari areas have been paying very much less than those in other areas. That is why this amendment has been brought forward. One hon. Member was saying that Government have wasted or lost crores of rupees and what to clutch at every thing and they try to collect tax. We have lost money in a good cause and we do not regret it and there is nothing wrong in a State collecting money equitably if it is for the good of the people. I am glad I will be able to get it and it is going to be collected in an equitable way. There is nothing inequitable about this taxation."

MR. CHAIRMAN :—" The question is—

'That the Madras Stamp (Amendment) Bill, 1950 (L.A. Bill No. 10 of 1950), as passed by the Legislative Assembly and transmitted to the Council be taken into consideration '."

The motion was carried.

Clause 2 was put and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI H. SITARAMA REDDI :—" Sir, with your permission may I just move this motion, namely—

'*That the Bill as passed by the Assembly be approved*'."

DR. V. K. JOHN :—" Government seem to have different procedure for different Money Bills."

MR. CHAIRMAN :—" During lunch interval we had a discussion, myself, the Law Secretary, and the Hon. Minister. I was of the impression that the third reading stage is a valuable right given to the House. It is not to be taken away in the Money Bills. What is done in the Money Bills is that you make a recommendation. That we are making a recommendation comes only in the third reading stage. It may come in other cases in the second reading stage by means of recommendations and amendments to the various provisions which might be moved and the various provisions changed as it is done in other cases when the Bill is moved, and passed into law. It is open to the opposition to say ' We oppose the Bill.' The Opposition can oppose the Bill being passed into law and vote it down. Such a kind of Bill is not come here. So we thought in that

small conference that there should be a motion of the kind referred to by the Hon. Minister, not like the ' Bill being passed into law ', or ' approved without any recommendation as passed by the Assembly.' It is open to you to vote it down, if you like. It is not being returned to the other House without a recommendation but is being approved as passed by the other House. If the Opposition is so inclined they can object and vote down the motion. That I think is a valuable right which this House ought to have. So we came to the agreement that such a motion should be made. That is the stage of the motion."

DR. V. K. JOHN :—" May I enquire, Sir, under what provision of the Constitution it is being done?"

MR. CHAIRMAN :—" All Bills ought to be passed by both the Houses. In the case of Money Bills it is only a recommendation. You make a recommendation and send it to the other House. Otherwise you pass it. That is all. The only change I see is that instead of calling them as amendments they call them as recommendations. That is all the change I see.

" That is the interpretation that I would like to put on the Bill. It is for you and the Government to consider what should be done and then arrive at a decision."

DR. V. K. JOHN :—" According to Article 198 of the Constitution after a Money Bill has been passed by the Legislative Assembly of a State having a Legislative Council, it shall be transmitted to the Legislative Council for its recommendations and the Legislative Council shall within a period of fourteen days . . . "

MR. CHAIRMAN :—" I shall make myself more clear. I would like the hon. Member to read Article 196 (2). This is the general provision. But Article 198 says that if it is a Money Bill you don't pass amendments but send it back and call it recommendation. If we don't make any recommendations we simply pass it. They wanted to make some change in the wording, that is all. We may even say we approve of it."

SRI S. B. ADITYAN :—" Will it not be better to use the same word used in the Constitution, namely, ' Agreed ' instead of saying ' approved '."

MR. CHAIRMAN :—" The hon. Member may tell that to the Hon. Minister. I have no objection. It is not going back to the Assembly."

DR. V. K. JOHN :—" What I thought was, according to Article 198 we have to make a recommendation and if we make recommendations, the Assembly will either accept or reject any of the recommendations. If we don't make any recommendations then we do not return it to the Assembly at all."

MR. CHAIRMAN :—" What is the final opinion of the hon. Member?"

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DR. V. K. JOHN :—" My final opinion is, having made no recommendations it does not go. I do not know whether you want a resolution at all."

MR. CHAIRMAN :—" I am not at all worried by all this. My point is to accept the principle that every Bill should be read thrice and the final opinion is the opinion given at the third reading. Even though you may not move amendments and agree to the provisions as they are in the second reading it is open to you to throw out the Bill in the third reading. My question is whether we should have such a right or not. According to Article 196 which applies to all Bills, no Bill will be deemed to have been passed unless it is
3-15 agreed to by both the Houses. In the case of Money Bills, if this
p.m. House makes any recommendation it will go back to the other House. That House may accept it or reject it. Article 198 does not say that a Money Bill should not be passed by this House if it agrees to it. If this House does not agree and if it wants to make a recommendation, then it can send it back to the other House. If this House does not want to make a recommendation, it can pass it."

* DR. V. K. JOHN :—" But why should we lose the right of discussing it, Sir?"

MR. CHAIRMAN :—" That is what I am saying, but the Hon. the Leader of the Opposition seems to oppose it."

* DR. V. K. JOHN :—" We have a right to take up the third reading also. Instead of moving that the Bill be passed into law, let the Government say that they do not make any recommendation and the Opposition may say that we make a recommendation that the Bill be rejected."

MR. CHAIRMAN :—" Is the hon. Member suggesting any changes in the wording of the motion, e.g., ' I move that this House approves of the Bill as passed by the Assembly.' Whether it is in this form or in the other form, this House can throw it out, if it likes."

* DR. V. K. JOHN :—" I thought that the wording in Article 198 was ' recommendation '."

MR. CHAIRMAN :—" We are not making any recommendation under Article 198."

* DR. V. K. JOHN :—" The Opposition might make a recommendation that the Bill be rejected. I am only saying this as a student of the Constitution and not as the Leader of the Opposition. The word used in Article 198 is ' recommendation '."

MR. CHAIRMAN :—" We are not acting under Article 198; we are only acting under Article 196. Only under Article 198, we must make a recommendation."

* DR. V. K. JOHN :—" We cannot escape Article 198 when a Money Bill comes. Article 196 is subject to Article 198. The only way to proceed under Article 198 is to have a motion by the Government that ' we make no recommendation to the Assembly.' It will

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சே. எண் :

ப. எண் :

வழங்கிய நாள். (1)	திரும்பிய நாள். (2)	வழங்கிய நாள். (1)	திரும்பிய நாள். (2)
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S.F. 259A-6—1,00,000—30-1-84.

NOTICE.

...ons may be obtained in the United Kingdom ... the office of the High Commissioner for ...e, Aldwych, London, W.C. 2 or through any give an opportunity to the Opposition to say ' We reject it.' I am only on the form of it. Article 198 does not envisage or anticipate or provide for a motion for acceptance. It provides only for a motion that no recommendation is made."

MR. CHAIRMAN :—" Article 198 does not provide for a motion without any recommendation. Now we are not making any recommendation under Article 198. This is a Bill all the same. The House must approve or disapprove of it. Under Article 196, it is open to the House, during the third reading stage to say ' We approve of the Bill ' or ' We do not approve of the Bill '."

DR. V. K. JOHN :—" We must make rules as to what kind of motion should be made."

MR. CHAIRMAN :—" What is the procedure to be adopted to-day? "

DR. V. K. JOHN :—" To-day it is a matter of form."

MR. CHAIRMAN :—" As regards the exact form, we may discuss it later. This may not be taken as a precedent.

" The question now is that the House approves of the Bill as passed by the Assembly."

SRI B. NARAYANASWAMI NAYUDU :—" Sir, I am surprised that the Hon. the Revenue Minister says that he is not ashamed of this Bill. I ask, Sir, ' Is he ashamed of any Bill? ' What is the practical proposition before the House? It is this. The zamindari tenant has been paying stamp duty on the market value of the property. The ryotwari tenant has been paying five times the assessment. Now it is proposed to increase this to 25 times the assessment. There are families and families and partition deeds have to be drawn up for one acre, two acres, five acres and 100 acres. What is the stamp duty proposed? Should he not be ashamed that partition deeds should be charged stamp duty at 25 times the assessment? If the assessment is Rs. 10, the stamp duty will be Rs. 250, yet the Hon. the Revenue Minister says that he is not ashamed of this legislation. What is the justification for it? He says that the zamindari tenant pays a higher rate. Is that rate equitable? I can understand the lowering down of the taxation, but I cannot understand the levelling up of taxation. The Hon. Finance Minister in his Budget Speech said that he was not levying any fresh taxation this year. But what is this taxation for? For what purpose do the Government want this money? The necessity for this taxation measure should be stated openly and justified in this House and approved by this House. Has the Hon. Minister stated any purpose for which this taxation is required, a taxation which goes to the root of the society, affecting the lowest and the highest? This does not give any relief to the zamindari tenant at all. What is the election pledge of the Congress? They said that they would do everything for the zamindari tenant. They are not doing anything for the zamindari tenant, but they want to take him as an example for putting additional taxation on other

THE MADRAS LEGISLATIVE COUNCIL.

Tuesday, the 4th April 1950.

The House met in the Council Chamber, Fort St. George, at eleven of the clock, the Deputy Chairman (SRI K. VENKATASWAMI NAYUDU) in the Chair.

STARRED QUESTIONS.

I. QUESTIONS AND ANSWERS.

Census of the population.

39 Q. SRI MOTHEY NARAYANA RAO : Will the Hon the Chief Minister be pleased to state—

(a) whether it is a fact that census will be taken shortly;

(b) if so, when the enumeration is to be started;

(c) whether any instructions have been issued as to the method of taking census; and

(d) whether the census of Andhras will be taken separately?

THE HON. DR. T. S. S. RAJAN (on behalf of the Hon. the Chief Minister) : " (a) A census of the population of India will be taken during the year 1951.

" (b) The Government of India have notified that the reference date for the census will be sunrise on the 1st March 1951. The enumeration will begin twenty days earlier to this date, i.e., from the 9th February 1951.

" (c) The answer is in the negative. The instruction will be finalised shortly by the Registrar-General, Government of India.

" (d) In the census questionnaire, there are two questions, one relating to the mother tongue of the individual enumerated and the other to any Indian language spoken by the individual other than his or her mother-tongue. The census will cover every man, woman and child throughout India, irrespective of regional or linguistic considerations, and there will be no separate census of persons belonging, or claiming to belong, to any linguistic group or region."

Cattle-breeding farms in the State.

40 Q. SRI MOTHEY NARAYANA RAO : Will the Hon. the Minister for Agriculture be pleased to state

(a) the number of Government cattle-breeding farms in the State and the places where they are situated; and

(b) whether they are run at a loss or profit?

THE HON. SRI A. B. SHETTY :—" (a) Seven, Sir.

" They are stationed at—

(i) Hosur, Salem district.

[Sri K. Chandramouli] [4th April 1950

been classified and half-yearly rates of the tax leviable have been prescribed in rule 8 of Schedule IV to the Madras City Municipal Act, 1919.

"Prior to 1st April 1942, the maximum profession tax leviable per person per annum was Rs. 1,000 in Madras City. The Constitution of India provides for the levy of profession tax at a maximum rate of Rs. 250 per person per annum. Consequent on the increase in the maximum rate from Rs. 50 to Rs. 250 per annum, it has been proposed to revise the existing classification of assessees and the rates of maximum half-yearly tax leviable on each class. A draft of the proposed rule was duly published in the *Fort St. George Gazette* for general information and communicated to the Corporation of Madras for its opinion.

"The Corporation of Madras suggested certain revised rates which were higher than those proposed by Government. In consultation with the Mayor and the Commissioner and after considering the suggestions received in this regard, the rates have been revised. The revised rates of profession tax which I am now proposing for adoption are slightly lower than those suggested by the Corporation, but in respect of some classes higher than the rates proposed for mufassal municipalities and local bodies. I request the House to accept the motion."

3-30 p.m. MR. CHAIRMAN :—" Motion moved—

'That the following draft of a rule proposed to be made by His Excellency the Governor of Madras in exercise of the powers conferred by section 347 of the Madras City Municipal Act, 1919 (Madras Act IV of 1919), altering Schedule IV to that Act be approved :—

DRAFT RULE.

In the said Schedule, for rule 8, the following rule shall be substituted, namely :—

"8. Persons shall be assessed by the commissioner to the profession tax under the following classes on a scale to be determined by the council from time to time :—

Provided that such scale shall be subject to the maximum specified against each class :

Provided also that the proportion which the tax on any class bears to the minimum income of that class shall in no case be smaller than the proportion which the tax on any lower class bears to the minimum income of such lower class :—

4th April 1950] [Mr. Chairman]

Class.	Half-yearly income.	Maximum half-yearly tax. RS.	A.	P.
I	More than Rs 15,000	125	0	0
II	More than Rs. 12,000 but not more than Rs. 15,000.	100	0	0
III	More than Rs. 9,000 but not more than Rs. 12,000.	75	0	0
IV	More than Rs. 6,000 but not more than Rs. 9,000.	50	0	0
V	More than Rs 4,800 but not more than Rs. 6,000.	37	8	0
VI	More than Rs. 3,000 but not more than Rs. 4,800.	18	0	0
VII	More than Rs. 1,800 but not more than Rs. 3,000.	9	0	0
VIII	More than Rs. 1,200 but not more than Rs. 1,800.	6	0	0
IX	More than Rs. 600 but not more than Rs. 1,200.	3	0	0"'"

DR. V. K. JOHN :—" Sir, I give my support to this resolution. It is a very equitable measure; but I wish the Government had accepted the recommendations of the Corporation and provided for a higher rate of taxation. Of course they could not go over the limit fixed by the Constitution. The measure is also welcome from the point of view of casting the burden on those who can afford to bear it. I think every taxation measure should be such that those who can afford to pay should be taxed more and I am glad that in this rule the maximum rate is fixed for those who can afford to pay, i.e., that those who get more than Rs. 15,000 income should pay Rs. 125. I strongly welcome this measure, although I regret the Government could not accept the recommendations of the Corporation fully. The Corporation wants a lot of money for providing various amenities which the Government ought to be responsible for. I am glad the Government have at least come forward with this measure. The other day the Corporation recommended that it might be allowed to discharge debts at 7 and 7½ per cent rates of interest—usurious rates of interest—when they have the money; but the Government would not allow that to be done and the Corporation, I am told, is losing Rs. 24 lakhs on this account. Now, I am glad the Government have shown this small mercy by allowing the Corporation to collect from those who can afford to pay, a small profession tax which for many years had been kept at a very low level by a measure of taxation by the Centre. Sir, I welcome this measure."

The motion was put and carried.

MR. CHAIRMAN :—" The House will now stand adjourned *sine die*."

VI. PAPERS LAID ON THE TABLE OF THE HOUSE.

I. Bills passed by the Assembly and received therefrom in the Council :—

(1) *The Madras Jute (Control of Prices and Sales) Bill*, 1950 (*L.A. Bill No. 4 of* 1950).

(2) *The Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill*, 1950 (*L.A. Bill No. 5 of* 1950).

(3) *The Madras Co-operative Land Mortgage Banks (Amendment) Bill*, 1950 (*L.A. Bill No. 6 of* 1950).

(4) *The Madras Proprietary Estates' Village Service and Hereditary Village Offices (Amendment) Bill*, 1950 (*L.A. Bill No. 8 of* 1950).

(5) *The Madras Tenants and Ryots Protection (Amendment) Bill*, 1950 (*L.A. Bill No. 9 of* 1950).

(6) *The Madras Stamp (Amendment) Bill*, 1950 (*L.A. Bill No. 10 of* 1950).

II. G.O. No. 373, Finance, dated the 29th March 1950, relating to the Schedule of the Second Supplementary Statement of authorized further expenditure for 1949–50 as authenticated by His Excellency the Governor.

APPENDIX I.

[Vide item IV (2) at page 654 supra.]

L.A. BILL No. 4 OF 1950.

(As passed by the Assembly.)

A Bill to provide for controlling the prices and sales of jute in the State of Madras.

WHEREAS it is necessary to provide for controlling the prices and sales of jute in the State of Madras: It is hereby enacted as follows :—

Short title, extent and commencement.

1. (1) This Act may be called the Madras Jute (Control of Prices and Sales) Act, 1950.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force at once.

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context—

(*a*) "jute" means the fibre of any plant belonging to any species of the genus *corchorus* and commonly called pat, kosta, nalia or bimalipatam and includes the fibre of the plant *hibiscus cannabinus*, commonly called mesta :

(*b*) "pucca bale" means a package containing any jute or jute cuttings (whether containing any waste product or moisture or not) pressed by any hydraulic or power-driven machinery and commonly known in the jute trade as a pucca bale :

(*c*) "raw jute" means jute which has not been subjected to any process of spinning or weaving and includes jute or jute cuttings, whether loose or packed in bales or drums and whether containing any waste product or moisture or not ;

(*d*) "surplus raw jute" means raw jute in the possession or control of any person in excess of the quantity for which he holds for the time being a valid export licence under the Imports and Exports (Control) Act, 1947 :

Central Act XVIII of 1947.

(*e*) "waste product" means strippings, odd filaments or fragments, droppings, sweepings or other waste products of jute, and includes articles commonly known in the jute trade as *hiji biji*.

Maximum prices.

3. (1) The State Government may, by notification in the *Fort St. George Gazette*, fix the maximum prices which may be charged for pucca bales, or for surplus raw jute (not being pucca bales).

(2) Different maximum prices may be fixed under sub-section (1)—

(*a*) for pucca bales, according to the quality, variety or trade description of the jute or jute cuttings contained therein ; and

(*b*) for surplus raw jute (not being pucca bales) according to the quality, variety or trade description thereof.

APPENDIX II.

[Vide item IV (3) at page 656 supra.]

L.A. BILL No. 6 OF 1950.

(As passed by the Assembly.)

A Bill further to amend the Madras Co-operative Land Mortgage Banks Act, 1934.

Madras Act X of 1934.

WHEREAS it is expedient further to amend the Madras Co-operative Land Mortgage Banks Act, 1934, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Short title.

1. This Act may be called the Madras Co-operative Land Mortgage Banks (Amendment) Act, 1950.

Madras Act X of 1934.

Amendment of section 4 Madras Act X of 1934.

2. In section 4 of the Madras Co-operative Land Mortgage Banks Act, 1934 (hereinafter referred to as the said Act)—

(i) in sub-section (1), clause (*a*), after the word "transferred", the words, figures and letter "or deemed under the provisions of section 23-A to have been transferred" shall be inserted;

(ii) in sub-section (2), for the portion commencing with the words "the total amount due on the mortgages" and ending with the words "subsisting at that time", the following shall be substituted, namely:

"the aggregate of (*a*) the amounts due on the mortgages, and the value of the other assets, transferred or deemed under the provisions of section 23-A to have been transferred by the mortgage banks to the Central Mortgage Bank and subsisting at such time and (*b*) the amounts paid under the mortgages aforesaid and remaining in the hands of the Board or of the Trustee at that time".

Amendment of section 5 Madras Act X of 1934.

3. In section 5 of the said Act, after the word "transferred" in the second sentence, the words, figures and letter "or deemed under the provisions of section 23-A to have been transferred" shall be inserted.

Insertion of new section in Madras Act X of 1934.

4. In Chapter V of the said Act, before section 24, the following section shall be inserted, namely:

Mortgages executed in favour of mortgage bank, etc. to stand vested in Central Mortgage Bank.

"23-A. The mortgages executed in favour of, and all other assets transferred to, a mortgage bank by the members thereof shall, with effect from the date of such execution or transfer, be deemed to have been transferred by such mortgage bank to the Central Mortgage Bank."

Prohibition of sales and purchases at prices exceeding the maximum prices.

4. No person shall sell, or agree to sell, or offer to sell, and no person shall buy, or agree to buy, or offer to buy, any pucca bale or any surplus raw jute (not being a pucca bale) at a price exceeding the maximum price fixed therefor under section 3.

Power of State Government to issue directions in respect of surplus raw jute.

5. The State Government may, by order in writing, direct any person having any surplus raw jute in his possession or control, to sell such surplus raw jute or any portion thereof to any specified person or persons at a price not exceeding the maximum price fixed therefor under section 3.

Power to require information, etc.

6. The State Government may, by order—

(*a*) require any person to give any information in his possession with respect to any business in jute carried on by him or by any other person;

(*b*) authorize any officer to inspect any books or other documents belonging to or under the control of any person and relating to any business in jute, or cause any such books or documents to be inspected;

(*c*) authorize any officer to enter and search any premises and seize any pucca bales or surplus raw jute in respect of which he has reason to believe that any provision of this Act has been, is being, or is about to be, contravened, or to cause such entry, search and seizure to be made.

Delegation of powers.

7. The State Government may authorize any officer to exercise any power conferred on them by section 5 or section 6.

Penalties.

8. Whoever—

(*a*) contravenes any of the provisions of this Act or any order made thereunder, or

(*b*) when required by any order made under clause (*a*) of section 6 to give any information, refuses or fails to give such information or gives any information which is false in any material particular and which he knows or has reason to believe to be false, or does not believe to be true, or

(*c*) conceals, destroys, mutilates or defaces any book or document of the nature referred to in clause (*b*) of section 6, or

(*d*) voluntarily obstructs any officer in the exercise of his powers under this Act

shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

Offences by corporations.

9. Where a person committing any offence punishable under this Act is a company or an association or a body of persons, whether incorporated or not, the director, manager, secretary, agent or other principal officer managing the affairs of such company, association or body shall be deemed to be guilty of such offence.

[4th April 1950

Amendment of section 31, Madras Act X of 1934.

5. In section 31 of the said Act, for the words "Notwithstanding the transfer of a mortgage by a mortgage bank to the Central Mortgage Bank", the words, figures and letter "Notwithstanding that a mortgage executed in favour of a mortgage bank has been transferred, or is deemed under the provisions of section 23-A to have been transferred, to the Central Mortgage Bank" shall be substituted.

Substitution of new section for section 32, Madras Act X of 1934.

6. For section 32 of the said Act, the following section shall be substituted, namely :—

Special provisions for mortgages executed by managers of joint Hindu families, karnavans of Marumakkattayam tarwards or tavazhis or of Nambudri Illoms, etc.

"32. (1) Where a mortgage executed in favour of a mortgage bank either before or after the passing of this Act is called in question on the ground that it was executed, by the manager of a joint Hindu family or the karnavan of a Marumakkattayam tarwad or tavazhi or of a Nambudiri illom, or the manager of a Thiyya or Ezhava family, or the ejaman or ejamanthi of an Aliyasantana family, for a purpose not binding on the members thereof, whether majors or minors, the burden of proving the same shall, notwithstanding any law to the contrary, be on the party raising it.

(2) A mortgage executed in favour of a mortgage bank by the manager of a joint Hindu family or the karnavan of a Marumakkattayam tarwad or tavazhi or of a Nambudri illom or the Manager of a Thiyya or Ezhava family or the ejaman or ejamanthi of an Aliyasantana family shall be binding on the members thereof, whether majors or minors, if the loan secured by the mortgage was granted for any of the following purposes, namely :—

(*a*) the improvement of agricultural land or of the methods of cultivation ; and

(*b*) the purchase of land."

...sertion of ...w section ...-A, ...adras Act ... of 1934.

7. After section 32 of the said Act, the following section shall be inserted, namely :—

...ecial ...ovisons ... mort...ges by ...nants in ...alabar.

"32-A. Where a tenant in the district of Malabar mortgages his holding in favour of a mortgage bank, the following provisions shall apply so long as the mortgage subsists, notwithstanding anything to the contrary contained in the Malabar Tenancy Act, 1929, or in the Malabar Compensation for Tenants Improvements Act, 1899 :—

...dras Act ...V of ...30. ...dras Act ...f 1900.

(1) Both before and after granting the loan secured by the mortgage, the mortgage bank shall give notice in writing to the landlord of the tenant, and if such landlord is himself the tenant of another landlord, also to that landlord, and likewise to every superior landlord from whom interest in the holding is derived, up to and including the janmi.

4th April 1950]

(2) Every landlord to whom notice is given under clause (1) shall give not less than fifteen days' notice in writing to the mortgage bank before instituting a suit for bringing the holding of his tenant (whether such tenant be the mortgagor or a superior landlord) to sale for default in payment of rent or michavaram or for evicting such tenant from the holding.

(3) The tenant who has mortgaged the holding to the mortgage bank shall not, except with the previous permission of the bank, surrender his holding or any part thereof to his landlord or deal with it in any other manner, and no such transaction entered into by the tenant without such permission shall affect in any way the interest of the bank in the holding.

(4) In a suit for eviction instituted against the tenant who has mortgaged the holding to the mortgage bank, the bank shall, on application to the court in which the suit is instituted, be entitled to be paid out of the amount of compensation, if any, deposited in court under sub section (1), (2) or (3) of section 6 of the Malabar Compensation for Tenants Improvements Act, 1899, the moneys due to the bank under the mortgage.

Madras Act I of 1900.

(5) If, on the expiry of the tenancy of the tenant who has mortgaged the holding to the mortgage bank, the tenant does not renew the tenancy, the bank shall be entitled to obtain a renewal of the tenancy on behalf of the tenant and any renewal fee paid by the bank shall be added to the principal money due under the mortgage.

(6) If the tenant who has mortgaged the holding to the mortgage bank makes default in the payment of any rent or michavaram due to his landlord, the bank shall be entitled to pay the same to the landlord and the amount so paid shall be added to the principal money due under the mortgage.

Explanation.—In so far as the rent or michavaram is payable in kind, the mortgage bank shall have the right to pay the value thereof calculated in accordance with sub-section (2) of section 51 of the Malabar Tenancy Act, 1929.

Madras Act XIV of 1930.

(7) Where the mortgage bank pays any renewal fee, rent or michavaram under sub-section (5) of section (6), it shall be entitled to regard the whole of the mortgage money as having become payable and, after giving a reasonable opportunity to the tenant to repay the whole of the said money or such portion thereof as may be determined by the bank, to bring the holding to sale under the provisions of Chapter IV of this Act.

Explanation.—In this section, the expressions 'tenant', 'holding', 'landlord', 'janmi', 'rent', 'michavaram', 'renewal' and 'renewal fee' shall have the same meaning as in the Malabar Tenancy Act, 1929." Madras Act XIV of 1930.

Amendment of section 38, Madras Act X of 1934.

8. In section 38, clause (*c*), of the said Act, after the word "transferred", the words, figures and letter "or deemed under the provisions of section 23-A to have been transferred" shall be inserted.

APPENDIX III.

[Vide item **IV** (4) **at** page **659** supra.]

L.A. BILL No. 8 OF 1950.

(As passed by the Assembly.)

A Bill further to amend the Madras Proprietary Estates' Village Service Act, 1894, and the Madras Hereditary Village Offices Act, 1895.

WHEREAS it is expedient further to amend the Madras Proprietary Estates' Village Service Act, 1894, and the Madras Hereditary Village-offices Act, 1895, for the purposes hereinafter appearing; It is hereby enacted as follows:— Madras Act II of 1894. Madras Act III of 1895.

Short title.

1. This Act may be called the Madras Proprietary Estates' Village Service and Hereditary Village-offices (Amendment) Act, 1950.

Amendment of Madras Act II of 1894.

2. In the Madras Proprietary Estates' Village Service Act, 1894— Madras Act II of 1894.

(1) in section 10, sub-section (1), clause (ii), after sub-clause (*e*), the following sub-clause shall be added, namely:

"(*f*) has been dismissed from any post under the Government on any ground which the Revenue-officer in charge of the division or the District Collector considers sufficient to disqualify him for holding the office.";

(2) in section 11, sub-section (1), for the words, brackets and letters "sub-clauses (*c*) and (*e*)" the words, brackets and letters "sub-clauses (*c*), (*e*) and (*f*)" shall be substituted.

Amendment of Madras Act III of 1895.

3. In the Madras Hereditary Village-offices Act, 1895, in section 10, sub-section (1), **clause** (ii), after sub-clause (*e*), the following sub-clause shall be added, namely:— Madras Act III of 1895.

"(*f*) has been dismissed from any post under the Government on any ground which the Collector considers sufficient to disqualify him for holding the office."

APPENDIX IV.

[Vide item **IV** (5) at page **661** supra.]

L.A. BILL No. 9 OF 1950.

(As passed by the Assembly.)

A Bill to amend the Madras Tenants and Ryots Protection Act, 1949.

Madras Act XXIV of 1949.

WHEREAS it is expedient to amend to Madras Tenants and Ryots Protection Act, 1949, for the purposes hereinafter appearing; It is hereby enacted as follows:—

1. This Act may be called the Madras Tenants and Ryots Protection (Amendment) Act, 1950. Short title.

Madras Act XXIV of 1949.

2. In section 1, sub-section (3) of the Madras Tenants and Ryots Protection Act, 1949 (hereinafter referred to as the said Act), for the words, figures and letters "shall remain in force up to and inclusive of the 7th October 1950", the words, figures and letters "shall remain in force up to and inclusive of the 7th October 1951" shall be substituted. Amendment of section 1, Madras Act XXIV of 1949.

3. In section 4 of the said Act— Amendment of section 4, Madras Act XXIV of 1949.

(i) (*a*) in sub-section (2) for the words "the date of institution of the suit", the words and brackets "the date on which notice of the suit was served on him by the Court (which service shall be the duty of the Court)" shall be substituted;

(*b*) in the same sub-section, for the words "an amount equivalent to rent for two years", the words "an amount equivalent to rent for two years immediately preceding the date aforesaid" shall be substituted;

(ii) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(2-A) In the case of a suit or proceeding for the sale of a holding to recover rent, or of a proceeding in execution of a decree or order obtained in any such suit or proceeding, or of a proceeding in execution of a decree or order for eviction, where the decree or order provides for the payment of rent—

Madras Act XVII of 1946.

(i) if the suit or proceeding was instituted before the commencement of the Madras Tenants and Ryots Protection (Amendment) Act, 1950, and no deposit has been made in pursuance of section 4, sub-section (3) of the Madras Tenants and Ryots Protection Act, 1946, the tenant or ryot shall deposit in Court for payment to the landlord, within two months from such commencement, (*a*) the amount claimed in the suit or proceeding or the amount payable under the decree or order, or (*b*) the rent for two years immediately preceding such commencement, whichever is less, or

(ii) if the suit or proceeding is instituted after such commencement, the tenant or ryot shall deposit in Court for payment to the landlord, within two months from the date on which notice of the suit or proceeding is served on him by the Court (which service shall be the duty of the Court), (*a*) the amount claimed in the suit or proceeding or the amount payable under the decree or order, or (*b*) the rent for two years immediately preceding the date aforesaid, whichever is less, together with such interest as may be payable under law, custom, or agreement up to the date of deposit.

(2-B) Where, before the institution of any suit or proceeding of the description referred to in sub-section (1) a tenant or ryot has paid to the landlord or deposited in Court for payment to him, an amount equivalent to the rent for two years immediately preceding the date of payment or deposit or to the rent due up to such date, whichever is less, together with such interest as may be payable up to such date, under law, custom or agreement, and has continued to pay or deposit as aforesaid each year's rent, within a period of two months from the date on which it accrued due, the tenant or ryot shall not be liable to make the deposit referred to in sub-section (2), or sub-section (2-A)." :

(iii) in sub-section (3) –

(*a*) for the word, brackets and figures "sub-section (2)," the words, brackets, figures and letter "sub-section (2) or (2-A)" shall be substituted ;

(*b*) for the words "the tenant," the words "the tenant or ryot" shall be substituted ;

(iv) in sub-section (5), for the words, brackets and figures "sub-sections (2) and (4)," the words, brackets, figures and letters "sub-sections (2), (2-A), (2-B) and (4)" shall be substituted ;

(v) in sub-section (6), for the words, brackets and figures "sub-section (2) or sub-section (4)," the words, brackets, figures and letter "sub-section (2), (2-A) or (4)" shall be substituted ;

(vi) in sub-section (7), for the words, brackets and figures "sub-section (2) or sub-section (4)," the words, brackets, figures and letters "sub-section (2), (2-A), (2-B) or (4)" shall be substituted.

[A]pplication [of] section 4 as [am]ended to [ex]isting [suits] [bef]ore [am]endment. **4.** Section 4, sub-section (2), of the said Act, as amended by this Act, shall apply to every suit of the description referred to in that sub-section which stood stayed at the commencement of this Act and in respect of which a period of four months from the date of institution of the suit had not expired at such commencement ; but the amendments made to that sub-section by this Act shall not be deemed to have applied to, or to affect the validity of, any deposit made or deemed to have been made before the commencement of this Act.

APPENDIX V.

[Vide item IV (6) at page 665 supra.]

L.A. BILL No. 5 OF 1950.

(As passed by the Assembly.)

A Bill further to amend the Madras City Municipal Act, 1919, the Madras District Municipalities Act, 1920, and the Madras Local Boards Act, 1920.

Madras Act IV of 1919. Madras Act V of 1920. Madras Act XIV of 1920. WHEREAS it is expedient further to amend the Madras City Municipal Act, 1919, the Madras District Municipalities Act, 1920, and the Madras Local Boards Act, 1920, for certain purposes ; It is hereby enacted as follows :

Short title. **1.** This Act may be called the Madras City Municipal, District Municipalities and Local Boards (Amendment) Act, 1950.

Substitution of new section for section 135, Madras Act IV of 1919. **2.** For section 135 of the Madras City Municipal Act, 1919, the following section shall be substituted, namely :–

Method of assessment of duty on transfers of property. "135. The duty on transfers of property shall be levied–

Central Act II of 1899. (*a*) in the form of a surcharge on the duty imposed by the Indian Stamp Act, 1899, as in force for the time being in the State of Madras, on every instrument of the description specified below, which relates to immovable property situated within the limits of the City ; and

(*b*) at such rate as may be fixed by the State Government, not exceeding five per centum, on the amount specified below against such instrument :

Description of instrument.	Amount on which duty should be levied.
(i) Sale of immovable property.	The amount or value of the consideration for the sale, as set forth in the instrument.
(ii) Exchange of immovable property.	The value of the property of the greater value, as set forth in the instrument.
(iii) Gift of immovable property.	The value of the property, as set forth in the instrument.
(iv) Mortgage with possession of immovable property.	The amount secured by the mortgage, as set forth in the instrument."

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Substitution of new section for section 116-A of Madras Act V of 1920.

3. For section 116-A of the Madras District Municipalities Act, 1920, the following section shall be substituted, namely :— *Madras Act V of 1920*

Method of assessment of duty on transfers of property.

"116-A. The duty on transfers of property shall be levied—

(a) in the form of a surcharge on the duty imposed by the Indian Stamp Act, 1899, as in force for the time being in the State of Madras, on every instrument of the description specified below, which relates to immovable property situated within the limits of a municipality; and *Central Act II of 1899.*

(b) at such rate as may be fixed by the State Government, not exceeding five per centum on the amount specified below against such instrument :

Description of instrument.	Amount on which duty should be levied.
(i) Sale of immovable property.	The amount or value of the consideration for the sale, as set forth in the instrument.
(ii) Exchange of immovable property.	The value of the property of the greater value, as set forth in the instrument.
(iii) Gift of immovable property.	The value of the property as set forth in the instrument.
(iv) Mortgage with possession of immovable property.	The amount secured by the mortgage, as set forth in the instrument.
(v) Lease in perpetuity of immovable property.	An amount equal to one-sixth of the whole amount or value of the rents which would be paid or delivered in respect of the first fifty years of the lease, as set forth in the instrument."

Substitution of new section for section 110-A of Madras Act XIV of 1920.

4. For section 110-A of the Madras Local Boards Act, 1920, the following section shall be substituted, namely :— *Madras Act XIV of 1920*

Method of assessment of duty on transfers of property.

"110-A. The duty on transfers of property shall be levied—

(a) in the form of a surcharge on the duty imposed by the Indian Stamp Act, 1899, as in force for the time being in the State of Madras, on every instrument of the description specified below, which relates to immovable property situated in the area under the jurisdiction of a local board; and *Central Act II of 1899.*

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(b) at such rate as may be fixed by the State Government, not exceeding five per centum on the amount specified below against such instrument :—

Description of instrument.	Amount on which duty should be levied.
(i) Sale of immovable property.	The amount or value of the consideration for the sale, as set forth in the instrument.
(ii) Exchange of immovable property.	The value of the property of the greater value, as set forth in the instrument.
(iii) Gift of immovable property.	The value of the property as set forth in the instrument.
(iv) Mortgage with possession of immovable property.	The amount secured by the mortgage, as set forth in the instrument.
(v) Lease in perpetuity of immovable property.	An amount equal to one sixth of the whole amount or value of the rents which would be paid or delivered in respect of the first fifty years of the lease, as set forth in the instrument."

I certify that this is a Money Bill.

J. SIVASHANMUGHAM PILLAI,
Speaker.

APPENDIX VI.

[Vide item IV (7) at page 688 supra.]

L.A. BILL No. 10 OF 1950.

(As passed by the Assembly.)

A Bill further to amend the Indian Stamp Act, 1899, in its application to the State of Madras.

Central Act II of 1899. WHEREAS it is expedient further to amend the Indian Stamp Act, 1899, in its application to the State of Madras, for the purpose hereinafter appearing; It is hereby enacted as follows :—

1. This Act may called the Madras Stamp (Amendment) Act, 1950. *Short title.*

Central Act II of 1899. 2. In the Indian Stamp Act, 1899, in Schedule I A, in the entries in the second column relating to Article 38, in clause (b) of the proviso, for the words "at not more five times" the words "at twenty-five times" shall be substituted. *Amendment of Schedule I-A, Central Act II of 1899.*

I certify that this is a Money Bill.

J. SIVASHANMUGHAM PILLAI,
Speaker.

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