

Tuesday, 12th March, 1929

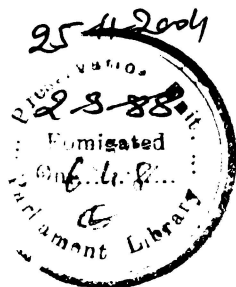
THE
COUNCIL OF STATE DEBATES

VOLUME I , 1929

(12th February to 12th April 1929.)

SIXTH SESSION

OF THE
SECOND COUNCIL OF STATE, 1929



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COUNCIL OF STATE.

Tuesday, 12th March, 1929.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

NUMBER OF MUSLIM AND NON-MUSLIM TEMPORARY ENGINEERS AND APPRENTICE ENGINEERS.

96. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: With reference to the reply to my question No. 134 in the Council of State Debates on 21st September, 1928, in Volume II, No. 6, will Government be pleased to state the number of Muslim and non-Muslim temporary Engineers and Apprentice Engineers, province by province (including the Delhi and North-West Frontier Provinces) ? with their percentage to the total in each case ?

THE HONOURABLE MR. A. C. MCWATTERS : The information required is given in the statement laid on the table.

Statement showing the number of Muslim and non-Muslim temporary engineers and apprentice engineers, province by province, with their percentage to the total in each case.

Province.	Temporary engineers.					Apprentice engineers.				
	Muslims.	Non-Muslims.	Total.	Percentage of Muslims.	Percentage of Non-Muslims.	Muslims.	Non-Muslims.	Total.	Percentage of Muslims.	Percentage of Non-Muslims.
Madras . .	..	..	..	..	..	..	1	1	..	100
Bombay . .	7	64	71	9.86	90.14	..	2	2	..	100
Bengal . .	..	4	4	..	100	..	..	..	..	..
United Provinces.	..	6	6	..	100	..	7	7	..	100
Punjab . .	18	73	91	19.78	80.22	3	13	16	18.75	81.25
Burma . .	..	39	39	..	100	..	3	3	..	100
Bihar and Orissa	..	..	..	..	..	..	1	1	..	100
Central Provinces.	..	4	4	..	100	..	..	..	..	..
Assam . .	..	2	2	..	100	..	..	..	..	..
N. W. F. P. . .	4	3	7	57.14	42.86	..	..	..	..	..
Delhi . .	..	7	7	..	100	..	..	..	..	..

NUMBER OF MUSLIMS, HINDUS AND SIKHS APPOINTED OR PROMOTED TO THE POST OF SUB-DIVISIONAL OFFICERS OR ASSISTANT ENGINEERS IN THE DELHI AND NORTH-WEST FRONTIER PROVINCES.

97. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Will Government be pleased to state the number of Muslims, Hindus and Sikhs, appointed or promoted to the post of Sub-divisional Officers or Assistant Engineers from February, 1928, to February, 1929, in the Delhi and North-West Frontier Provinces.

THE HONOURABLE MR. A. C. McWATTERS: Delhi—Muslim none, Hindu one, Sikh one. North-West Frontier Provinces—Muslims four, Hindu one, Sikh none.

ARTICLE IN THE "INQALAB" OF LAHORE REGARDING THE ESTABLISHMENT OF THE PUBLIC WORKS DEPARTMENT, DELHI.

98. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Has the attention of Government been drawn to an article published in the Urdu newspaper "Inqalab", Lahore, of 5th December, 1928, regarding the establishment of the Delhi Public Works Department and what action has been taken on it?

THE HONOURABLE MR. A. C. McWATTERS: The reply is in the negative.

DISCIPLINARY ACTION AGAINST SUB-DIVISIONAL OFFICERS AND SUBORDINATES OF THE PUBLIC WORKS DEPARTMENT, DELHI, WHO COLLECTED FUNDS FOR BARDOLI.

99. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: (a) Is it a fact that the Sub-divisional Officers and subordinates of the Delhi Public Works Department collected funds and sent them to Bardoli to help the Civil Disobedience Scheme?

(b) Is it a fact that the Officiating Chief Engineer, Delhi, communicated a proposal to the Government of India (between July and October, 1928) to dismiss under the Government Servants' Conduct Rules one of the Sub-divisional Officers who sent a subscription to Bardoli?

(c) If so, what disciplinary action has been taken against those Sub-divisional Officers and subordinates under the Government Servants' Conduct Rules?

THE HONOURABLE MR. A. C. McWATTERS: (a) Government are unable to say whether the fact is as stated.

(b) The Officiating Chief Engineer made no such proposal.

(c) Does not arise.

PROMOTION OF SUBORDINATES AS SUB-ENGINEERS AND TEMPORARY ENGINEERS, PUBLIC WORKS DEPARTMENT, DELHI.

100. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: With reference to the reply to my question No. 135 (c) in the Council of State Debates on 21st September, 1928, Volume II, No. 6, will Government be

pleased to state the names of the subordinates having qualifications equal to or lower than those of Pandit Udho Ram, who were promoted to the post of Sub-Engineers and Temporary Engineers in the Delhi Public Works Department?

THE HONOURABLE MR. A. C. MCWATTERS : None.

NUMBER OF ENGINEERS AND SUBORDINATES WORKING AS SUB-DIVISIONAL OFFICERS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

101. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : (a) Will Government be pleased to state the respective numbers of engineers and subordinates working as Sub-divisional Officers in the Delhi Public Works Department? (b) Are all Sub-divisional Officers (put on construction of buildings) bound to work alike in respect of supervision, designing and management of the work? (c) Is the qualification of subordinates working as Sub-divisional Officers equal to that of engineers as published in the "Gazette of India", No. 4, Part I of 1928?

THE HONOURABLE MR. A. C. MCWATTERS : (a) Engineers 4, subordinates 12.

(b) The work expected of Sub-divisional Officers in respect of supervision, designing and management of the work is in accordance with their aptitude.

(c) No.

NUMBER OF MUSLIMS AND NON-MUSLIMS APPOINTED AS SUBORDINATES, CLERKS AND DRAFTSMEN IN THE PUBLIC WORKS DEPARTMENT, DELHI.

102. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government be pleased to state the number of Muslims and non-Muslims appointed in the Delhi Public Works Department from February, 1928, to February, 1929, as subordinates, clerks and draftsmen?

THE HONOURABLE MR. A. C. MCWATTERS : Muslim one, non-Muslims five.

NUMBER OF WORKS ASSISTANTS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

103. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : (a) Will Government be pleased to state how many Works Assistants are serving in the Delhi Public Works Department? (b) Are their services secured on agreement? Is each of them appointed to look after a separate class of work? (c) What are their qualifications? (d) How many of them are working as Sub-divisional Officers? (e) Do they know Public Works Department accounts?

THE HONOURABLE MR. A. C. MCWATTERS : (a) Seven.

(b) Yes.

(c) Works Assistants are selected for their experience and knowledge of the practical working of their trades.

(d) None.

(e) They have sufficient knowledge for their duties.

NUMBER OF EUROPEAN EXECUTIVE ENGINEERS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

104. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Will Government be pleased to state the number of European Executive Engineers excluding electrical engineers serving in the Delhi Public Works Department?

THE HONOURABLE MR. A. C. MCWATTERS: None.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Why, Sir?

THE HONOURABLE MR. A. C. MCWATTERS: I shall have to examine that point, Sir. I only know there are none.

QUALIFIED MUSLIM CANDIDATES FOR THE POSTS OF ENGINEERS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

105. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: With reference to the reply to my question No. 101 in the Council of State Debates on 17th September, 1928, Volume II, No. 3, will Government be pleased to state (a) when the statement showing the names of the Muslim candidates is going to be laid on the table? (b) The year and post in which and pay on which Mr. Mohamed Hanif was appointed? (c) Whether Mr. Mohamed Hanif is working in any of the Divisions in the Delhi Public Works Department as an engineer? (d) If not, the year in which he left the Delhi Public Works Department? (e) Whether any of the Muslim registered candidates of the Delhi Public Works Department has been given a chance of appointment as an engineer after the appointment of Mr. Mohamed Hanif? (f) If not, why not?

THE HONOURABLE MR. A. C. MCWATTERS: (a) The statement was furnished to the Honourable Member demi-officially on the 18th September 1928.

(b) Mr. Mohamed Hanif was appointed in 1923 as a Temporary Engineer on a pay of Rs. 250 per mensem.

(c) No.

(d) He left the Delhi Public Works Department in the same year.

(e) No.

(f) There has been only one appointment of Temporary Engineer since 1923.

EMPLOYMENT OF BABU RUP NARAIN AS SUPERINTENDENT, W-III SECTION, CENTRAL OFFICE, PUBLIC WORKS DEPARTMENT, DELHI.

106. THE HONOURABLE MR. MAHMOOD SUHRAWARDY: With reference to the reply to my question No. 112 in the Council of State Debates on 17th September, 1928, Volume II, No. 3, will Government be pleased to state the result of the enquiry regarding Babu Rup Narain?

THE HONOURABLE MR. A. C. MCWATTERS: Further information was communicated demi-officially to the Honourable Member on the 20th September, 1928. A copy of the demi-official letter will be sent to him separately.

SAFEGUARDING OF THE CLAIMS OF MINORITY COMMUNITIES IN THE PUBLIC WORKS DEPARTMENT, DELHI.

107. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government be pleased to state :

(a) The number of Muslim Superintendents in the Chief Engineer's office, Public Works Department, Delhi.

(b) The number of Muslim Head Clerks and Accountants in the Delhi Public Works Department ?

(c) Percentage of Muslim and Indian Christian clerks in the Delhi Public Works Department ?

(d) Whether any step has been taken in the Delhi Public Works Department to prevent class monopoly and to safeguard the claims of minority communities ?

THE HONOURABLE MR. A. C. MCWATTERS : (a) None.

(b) Three.

(c) 23·5.

(d) There is no class monopoly, but in making appointments the claims of the minority communities are kept in view.

NUMBER OF MUSLIM DEALING ASSISTANTS IN EACH SECTION OF THE PUBLIC WORKS DEPARTMENT, DELHI.

108. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government be pleased to state (a) the number of Muslim dealing Assistants in each section of the Delhi Public Works Department ? (b) Whether it is a fact that some Muslim dealing clerks (assistants) are not given special increments ? (c) If so, why ?

THE HONOURABLE MR. A. C. MCWATTERS : It is presumed that the question refers to the Central Office of the Delhi Public Works Department. The reply is—

(a) Accounts Section, three ; Budget Section, two ; Works Section I, one ; Works Section II, nil ; Works Section III, one ; Accommodation Section, one ; Rent Section, one ; Establishment Section, nil.

(b) Yes.

(c) Because they are not considered worthy of them.

DISCIPLINARY MEASURES AGAINST CERTAIN CLERKS IN THE HEALTH OFFICE, NEW DELHI.

109. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will the Government be pleased to state what disciplinary measures have been taken against one Babu Jagmohan Nath Kaul, Head Clerk, and Babu Banarsi Dass, 2nd clerk, of the Health Office, New Delhi, in a fraud case which recently occurred in the Health Office, Delhi ?

THE HONOURABLE KHAN BAHADUR SIR MUHAMMAD HABIBULLAH : No disciplinary measures were taken as there was no case of fraud.

**FALL OF A PORTION OF A HEAVY STONE BRACKET FROM THE EAST SIDE PORCH
OF THE COUNCIL CHAMBER, DELHI.**

110. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : (a) Is it a fact that a heavy stone bracket fell down from the east side porch of the Council Chamber, Delhi, some months ago ? (b) If so, what was its cubical content and weight ? (c) What was the cost of replacing it and who is responsible for this ? (d) Is it a fact that this is the fourth fall of material from the Legislative Building ?

THE HONOURABLE MR. A. C. MCWATTERS : (a) A portion of the stone bracket fell from the east side porch of the Council Chamber.

(b) The piece which fell is no longer in existence, but its cubical content was about 2 cubic feet and weight about 3 maunds.

(c) The cost of replacing it was Rs. 77 and was paid by Government.

(d) The reply is in the negative.

**NAMES OF THE ENGINEERS AND SUB-DIVISIONAL OFFICERS POSTED ON PRE-
SENT CONSTRUCTION WORK NOT BELOW ONE LAKH IN THE PUBLIC
WORKS DEPARTMENT, DELHI.**

111. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government be pleased to state the names of the Engineers and Sub-divisional Officers who are posted on the present constructions not below one lakh in the Delhi Public Works Department, with the names of the constructions ?

THE HONOURABLE MR. A. C. MCWATTERS : A statement giving the information asked for is being furnished to the Honourable Member.

**REVISION OF RATES IN THE APPROVED AGREEMENT OF SARDAR DHARAM
SINGH, CONTRACTOR OF GOVERNMENT HOUSE, NEW DELHI.**

112. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : (a) Has the officiating Superintending Engineer, 2nd Circle, revised the rates in the approved agreement of Sardar Dharam Singh, Contractor of Government House ? (b) Will this revision of rates effect a loss of about 4 lakhs to Government and profit to the Contractor ? (c) If so, will Government be pleased to state under what rule this revision of rates in an approved agreement is made ?

THE HONOURABLE MR. A. C. MCWATTERS : (a) No.

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

NUMBER OF CONTRACTS FOR WOODWORKS GIVEN TO SARDAR SUNDER SINGH.

113. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government be pleased to state the number of contracts for woodwork only given to S. Sunder Singh, Contractor, within the last three years and the name of the Executive Engineer recommending him ?

THE HONOURABLE MR. A. C. MCWATTERS : The number of work orders and contracts in the wood workshop given to S. Sunder Singh during the last three years has been 65 which represents 9 per cent. of the total number.

The wood workshop has been in the executive charge of the following officers :

Mr. T. S. Malik.

Mr. Mohammed Sulaiman.

R. S. Sham Lal.

SPECIAL PAY OF ASSISTANT DIRECTORS-GENERAL OF POSTS AND TELEGRAPHS.

114. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : (a) Is it a fact that the Assistant Directors-General in the office of the Director-General of Posts and Telegraphs get a special pay of Rs. 125—150 in addition to their super-Secretariat rate of pay, namely, Rs. 1,000—50—1,500 ?

(b) If so, will Government please say whether the conditions laid down in the Fundamental Rules governing the grant of duty allowance or special pay are fulfilled in the case of the Assistant Directors-General ? Has the Finance Department ever been consulted in the matter ? If not, why not ?

THE HONOURABLE MR. A. C. MCWATTERS : (a) Assistant Directors-General draw a special pay of Rs. 125 in addition to their pay of Rs. 1,000—50—1,500. One Assistant Director-General draws a special pay of Rs. 150 which he was drawing before the reduction in the special pay was effected.

(b) The replies to the first two parts of the question are in the affirmative. The third part does not arise.

PAY OF ASSISTANT DIRECTORS-GENERAL OF POSTS AND TELEGRAPHS.

115. THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Will Government please state (a) whether the scales of pay of the Assistant Directors-General of the Director-General, Posts and Telegraphs' office, have been fixed with reference to their Secretariat or super-Secretariat nature of work ?

(b) If so, does the same consideration apply in the case of the clerical staff ?

(c) If not, on what considerations was the pay of the Assistant Directors-General fixed at the same minimum of Rs. 1,000 and the same rate of increment of Rs. 50 as for Assistant Secretaries.

THE HONOURABLE MR. A. C. MCWATTERS : (a), (b) and (c). If the Honourable Member will refer to paragraph 25 of the Proceedings of the Standing Finance Committee, dated the 26th January, 1928, and paragraph 13 and item " E " of Appendix 1 of the Proceedings, dated the 28th January, 1927, he will find the information which he requires.

GRAVE APPREHENSION ABOUT THE COURSE OF EXCHANGE DURING THE YEAR.

116. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (on behalf of the Honourable Raja Moti Chand) : (a) Is Government aware of the grave apprehension which exists about the course of Exchange during the year in consequence of the rise in the Bank of England rate from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent. ? (b) What steps does Government propose to take to allay the apprehension and to steady the rate of exchange ?

THE HONOURABLE MR. E. BURDON : The Honourable Member has not explained the nature of the grave apprehension which is said to exist in regard to the course of exchange. If he will ask me a question in more specific terms and will give me due notice, I will do my best to answer it. On the present occasion all that I can say is that since the Bank of England rate was raised from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent., the market rate of exchange has varied between $1s. 5\frac{3}{4}d.$ and $1s. 6d.$ only while Government have been able to effect substantial remittances at not less than the latter rate. Government, as the Chief Currency Authority, will continue to take such steps as they deem to be suitable in order to prevent abnormal variations in the rate : in other words, to maintain stability.

UNCOVERED MONSOON BILLS HELD BY THE BANKS IN CALCUTTA, ETC.

117. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (on behalf of the Honourable Raja Moti Chand) : (a) Is Government aware of the fact that the Banks as a whole in Calcutta hold up to £5,000,000 of uncovered Monsoon Bills, which they bought on a basis of $4\frac{1}{8}$ ths per cent., and it is in this that the Banks have been most severely hit by the rise in the Bank of England rate ?

(b) Will Government be pleased to state whether there were full tenders at $1/5\frac{1}{4}$?

(c) Is Government going to reduce its buying rate for sterling below the $1s. 6d.$ level ?

THE HONOURABLE MR. E. BURDON : (a) Government have no information that the position of the banks as a whole in Calcutta is as suggested ; nor are they in a position to obtain accurate information on this subject.

(b) and (c). During the first two weeks of February a certain number of tenders at $1s. 5\frac{3}{4}d.$ were received and were rejected. Since then Government have been able to purchase the full amount required at $1s. 6d.$ and above. Government are not prepared to disclose now or at any time what their buying rate is to be. Clearly it would not be in the public interest for them to do so.

IMPORT OF FOREIGN WHEAT.

118. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (on behalf of the Honourable Raja Moti Chand) : Will Government be pleased to state what amount of foreign wheat has been imported into India from October 1928 to February 1929 ?

THE HONOURABLE KHAN BAHADUR SIR MUHAMMAD HABIBULLAH : From October 1928 to January 1929, 270,987 tons of wheat were imported into India. The figures for February are not yet available.

NUMBER OF DECCANI MUSSALMANS EMPLOYED IN THE DIFFERENT INDIAN REGIMENTS.

119. THE HONOURABLE MR. MAHMOOD SUHRAWARDY (on behalf of the Honourable Sir Ebrahim Haroon Jaffer) : Will Government be pleased to state :

(a) The number of Deccani Mussalmans employed in the different Indian regiments in India ;

(b) Whether they intend to reduce this number ;

(c) If so, why ;

(d) Whether they have issued any fresh instructions to abolish the existing Deccani Muslim companies from the Mahratta regiments ; and

(e) Whether they will place a copy of such instructions on the table ?

THE HONOURABLE MR. H. G. HAIG : His Excellency the Commander-in-Chief being unavoidably absent from Delhi, I will, with your permission, Sir, answer this question on his behalf :

(a) Approximately 1,400.

(b) and (c). There is at present no intention of reducing the number of Deccani Mussalmans serving in the cavalry. As regards infantry, there is a proposal to reorganize Indian infantry battalions to conform with the reorganization of British Infantry battalions. If this proposal is carried out, there will be a reduction of the Deccani Mussalmans serving in regular infantry battalions, as of certain other classes. As an anticipatory measure a slight reduction of certain classes in infantry battalions has been ordered.

(d) As I have already indicated, Government are considering certain proposals.

(e) Government do not propose to lay any papers on this subject on the table.

BILL TO AMEND SECTION 44 OF THE CODE OF CIVIL PROCEDURE.

120. THE HONOURABLE MR. MAHMOOD SUHRAWARDY (on behalf of the Honourable Sir Ebrahim Haroon Jaffer) : Will Government be pleased to state :

(a) What were the reasons for dropping the Bill brought in the Legislative Assembly and published in the *Gazette of India*, dated 1st March, 1924, further to amend section 44 of the Code of Civil Procedure, 1908 ;

(b) Whether one of the reasons was that the balance in favour of decree-holders in the United Kingdom over decree-holders in India would be so considerable that the proposed measure cannot be said to provide a reasonable degree of reciprocity ;

(c) What steps they have so far taken to remove this objection ; and

(d) Whether they intend to re-introduce the Bill after removing the objections raised by the last Select Committee on 17th February, 1925 ?

THE HONOURABLE MR. H. G. HAIG : (a) The Honourable Member is referred to the Report of the Select Committee, dated 17th February, 1925, which recommended that the Assembly should not proceed further with the Bill.

(b) Yes.

(c) and (d). The difficulty pointed out by the Select Committee can be met only by an amendment of the English law which, as the Honourable Member will understand, the Government of India have no power to effect.

ADDITIONAL EXPENDITURE IN CONNECTION WITH THE SITUATION ON THE
AFGHAN FRONTIER.

121. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (on behalf of the Honourable Raja Moti Chand) : Will Government be pleased to state (a) what additional expenditure has been necessary to meet the situation on the Afghan frontier owing to the internal troubles in that country ?

(b) What appropriations, if any, have been made from the savings of the other departments for the requirements of the Foreign Department ?

THE HONOURABLE MR. C. C. WATSON : The information is being collected and will be supplied to the Honourable Member in due course.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE
TABLE.

SECRETARY OF THE COUNCIL : Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table copies of a Bill further to amend the Indian Tariff Act, 1894, for certain purposes, which was passed by the Legislative Assembly at its meeting held on the 6th March, 1929.

RESOLUTION *RE* DEDUCTIONS WHEN DETERMINING INCOME-TAX
OF LOSSES INCURRED BY PERSONS WHO STAND SURETY OR
LEND MONEY.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to move the Resolution which stands in my name and which reads as follows :

"This Council recommends to the Governor General in Council that if any person who is not a regular money-lender stands surety for another person or lends money and incurs loss thereby, such loss be allowed as a deduction when determining his income-tax."

Sir, I would draw the attention of this House to the exemptions under section 4, sub-clause (3) (vii), of the Income-tax Act, which reads as follows :

"Any receipts not being receipts arising from business or the exercise of a profession, vocation or occupation which are of a casual and non-recurring nature or not by way of an addition to the remuneration of an employee....."

I am sorry to find, Sir, that a narrow construction has been put upon the wording employed in the aforesaid section. It has been held by various High Courts in India that howsoever remotely connected with business any casual profit or gain might be, it can be taken into consideration for the purposes of assessment. For the sake of illustration I will take the case of Sir Purshotamdas Thakurdas of Bombay *versus* the Commissioner of Income-tax, Bombay. The question arose whether the sum of Rs. 1,88,750 received by Sir Purshotamdas on account of his remuneration for selling the stock of cotton of a particular firm and distributing the same amongst the creditors was liable to assessment. The High Court of Bombay held that the amount

was liable to be assessed under the provisions of the Income-tax Act. It was not denied that Sir Purshotamdas Thakurdas was not a receiver by profession or vocation. He was doubtless a great Bombay merchant, and by virtue of his position as such he was entrusted with this work. Although this isolated transaction was wholly unconnected with his business, it was held as taxable. I do not question the decision of the Bombay High Court ; rather it supports me inasmuch as it was clearly held that even though it was a single transaction standing by itself, neither preceded nor succeeded by any similar item, it was held to be taxable. This inference was drawn from the reading of section 4 (3) (vi), which says that "it must not be arising from business". I emphasise the word "business", and would draw the attention of Honourable Members to the omission of the letter "a" before "business". I give below a quotation from the ruling 318 of 1925 of the Bombay High Court :

"It has been argued for the assessee that these receipts do not arise from business, that business connotes continuity and that only the receipts arising from a business which is carried on continuously can be assessed. But the section refers to receipts arising from business and not to receipts arising from a business. The definition of 'business' in section 2 (4) is as follows :

'business includes any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture'

and consequently it is not necessary that the receipts should arise from a business continuously carried on during the year to make them liable to assessment. Even if they arise from a single adventure in business they would be liable to be taxed."

Further on, Sir, in the same judgment the Honourable Judges ruled :

"We are clearly of opinion therefore that the remuneration earned by the assessee owing to his having been appointed under a power of attorney by Umar Subhani to realize the cotton which he had purchased must be construed as receipts arising from business and is therefore liable to taxation. There is no need consequently to consider the arguments of the Commissioner with regard to the meaning of the word 'business' or the casual or the English authorities which have been cited before us. The answer to the reference will be that in our opinion the receipts in question are not entitled to be exempted from taxation."

I would particularly ask the House to note that "business" has been defined in the Act as "any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture". It is obvious, therefore, that it is not necessary that receipts should arise from business continuously carried on throughout the year to make them liable to assessment. Even if they arise from a single transaction or adventure in business, they are liable to be taxed. Since the passing of that judgment, the Income-tax authorities have begun to tax such casual receipts however remotely connected they may be with business. But on the analogy of the ruling quoted above, casual loss should also be allowed. This is the object of my Resolution, which can for the sake of discussion be divided into two parts. Firstly, when a person stands surety for another for some consideration, and secondly, without it. In the start of a business or profession there is no regularity in the transactions. If a sufficiently large number of transactions turn out to be lucrative, that encourages the man and he follows it. That is the every-day experience of the business world. Supposing in an endeavour to find whether such a job as standing surety for another suits one or not a loss is sustained by him, then surely such a loss should be set off against his income because to the extent of that loss his income has diminished because that

[Rai Bahadur Lala Ram Saran Das.]

income only is to be charged to tax which is arrived at after defraying expenses and such losses, *vide* section 24 (1) which reads as follows :

“ Where any assessee sustains a loss of profits or gains in any year under any of the heads mentioned in section 6 he shall be entitled to have the amount of the loss set off against his income, profits or gains under any other head.”

There is no denying the fact that the loss so incurred is not in any way connected with domestic expenses or affairs. It is an endeavour, pure and simple, and if unfortunately the transaction turns out to be a bad one, the fact remains that the loss is one which should be set off against the income. It is generally the case that consideration for standing surety is only obtained from such persons whose business respectability the surety does not hold in high esteem. Whether one obtains consideration or not is immaterial. It solely rests on the respectability and soundness and the want of it. A business man has these considerations while hazarding his money in this manner, for no action is at all a gratuitous performance ; if any, it is in the business world. Even when no consideration is obtained ultimate gain is in view. Neither in the Indian Income-tax Act nor in the English Act is any distinction made between an income from a legal or illegal source, moral or immoral trade. I will read a paragraph from page 128 of Mr. Aiyangar's commentary on Income-tax (Partridge V. Mallandaine 1886-18 Q. B. D.-276) :

“ As presumably profits from any kind of gambling, legal or illegal.”

THE HONOURABLE THE PRESIDENT: Order, order. I think the Honourable Member is rather getting away from his point. I cannot see what the question of illegality or legality of income or immorality or morality of the source of income has to do with the Resolution which he is now proposing to the House.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: I am trying to impress on the House that tax is imposed even on illegal or immoral income.

THE HONOURABLE THE PRESIDENT: That is no argument whatever in support of the Honourable Member's proposition.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Very well, Sir ; then I will not cite that ruling in detail.

Under the Indian Income-tax Act the heads of income, business, professional earnings and other sources mentioned in this section and dealt with in sections 10 to 12 correspond generally with what is dealt with by Schedule D of the English Act, so that the Act is concerned with income even of a mendicant or a prostitute. How very hard and unjust it is to decline to set off the losses of a businessman who earns purely from business already being followed or intended to be adopted. In my Resolution, Sir, I have taken a particular case. When any person stands surety for another, whether with or without consideration, his liability becomes co-extensive with him (the original debtor) and; supposing he has to make good the loss to the original creditor owing to his (principal's) becoming incapable of paying the loss so paid should be allowed as a legitimate deduction against his assessable income. The Resolution which I have moved before this House for consideration further seeks that if an assessee who is not a regular money-lender incurs loss by lending money,

such loss should be allowed as a deduction. This part of my Resolution is based on the converse of the Bombay High Court judgment in the case of Sir Purshotamdas Thakurdas of Bombay. As profits from a single transaction are liable to assessment so a transaction unfortunately resulting in loss is on the same footing. The interest if received by such a money-lender will be liable to assessment according to the ruling 125 of the Chief Court of Oudh, published in the All-India Reporter, March 1929, page 125. In this case money-lending was not the business of the assessee; nevertheless on a construction of section 4 (3) (vii) it was held that interest received by the assessee is liable to assessment. It is not therefore too much to expect the Government to issue instruction to the Income-tax Commissioners to allow such casual losses also to bring the practice into harmony with each other. The interpretation put upon section 4 (3) (vii) by the High Court is final and cannot be questioned even by the Finance Department. After all, whether a man is a regular money-lender or not, his investments are as if it were the stock in trade of a business man; should he lose any part of it, his income is diminished to that extent. It is therefore to be set off.

In conclusion, I have to point out that this disparity of treatment of such transactions when the question of income comes in is being keenly felt by the assessee. This hardship and discontent should be removed forthwith. The feeling of discontent is genuine, because in business connections one has at times to stand surety or do such acts to help a brother in the profession or expect the same treatment from another in his own time of need. This sort of practice is not unknown to the business world and exists among the trades and professional men. Surely such a loss is distinguishable from a private loss of capital or profits. By making such good relations with business men, he sows the seed for obtaining help in his business, if he so requires. If he gets the help, it gives steadier and longer life to his business. As regards the second part of the Resolution, the proposition is quite clear and needs no further explanation beyond what I have already said. I therefore, Sir, commend this Resolution to the acceptance of the House.

THE HONOURABLE MR. E. BURDON (Finance Secretary): Sir, I cannot believe that by his Resolution my Honourable friend contemplates that if I, being a member of the Indian Civil Service and not being a regular money-lender, back a friend's bill and have to meet the bill owing to my friend's default, I should be allowed exemption from income-tax in respect of that amount of my salary which I have to set aside in order to meet the loss. As I say, I cannot believe that that can be my Honourable friend's intention, and I infer that it is not from certain observations which dropped from him in the course of his speech. I think he must recognise—and I am sure at any rate the House will recognise—that a concession such as I have just described would be unreasonable and that no sensible income-tax law would contain provisions of such a nature. My Honourable friend, I think, limits his contention to cases in which an individual, in pursuance of any of the business activities by means of which he earns his living, stands surety for some other individual or for some firm or company and has to pay the sum which he has guaranteed; in such cases exemption from income-tax should be allowed. Actually, my Honourable friend must know that in general principle the law as it stands at present allows what he is asking for. He has, however, been disturbed by the fact that in certain concrete cases a judicial tribunal has agreed that the loss should not be allowed as a deduction for the purpose of determining income-tax, on the ground that standing surety was not part

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of the regular business of the claimant. That is, I presume, why my Honourable friend in the wording of his Resolution has adopted the phrase " who is not a regular money-lender ". In view of these legal decisions, he wishes to have it established by law that a man may lend money in the way of business without being a regular money-lender. Really, however, he seeks to circumscribe the discretion of the assessing authorities and of the courts in their judgment on a matter of fact ; and he has drawn his Resolution so widely that it covers the cases even of people who do not lend in the way of business at all but merely as a matter of accommodation between friends. Now, Sir, from this account of the matter, it will be evident to the House at once that the Honourable Member is asking for something which he has not actually expressed and which in the nature of things it would be rather difficult to secure to him, however willing one might be to meet the point which he has raised. And here I should like to quote a passage from a judgment of the High Court of the Punjab which will, I think, make it clear beyond all doubt that the account I have given of the matter is correct :

" It appears that the petitioners have got a branch of their business at Bombay. There they stood surety for another firm. That firm became insolvent with the result that the petitioners had to pay the sum of Rs. 25,000. It has been held by the Income-tax Officer that the loan for which the petitioners stood surety had nothing whatever to do with the petitioners' business. The petitioners stood surety in order to do friends of theirs a kindness. It is unfortunate that they have been called upon to pay up for their friends, but inasmuch as this standing of surety was not in the course of the petitioners' business, it cannot be said that the loss was incurred in connection with the petitioners' business. The refusal to allow this amount to be deducted from the total income was, therefore, perfectly correct. "

Now, Sir, as I have said, the law on the subject is not in general principle against the limited purpose of my Honourable friend, as I conceive that limited purpose to be. The law provides that expenditure which is necessary for the earning of profits taxed may be deducted from the taxable income. The law also provides that, as the object in view is to tax income and not capital, capital expenditure is not admissible for deduction from taxable income. These, Sir, are the two principles of law which are relevant to the present discussion, and I take it that it will be generally agreed by my Honourable friend the Mover as well as by the rest of this Council that there is no need to disturb either of these two principles in any way. Under these principles, if standing surety is a person's business or part of his business, the loss that may arise out of standing surety will, under sections 10 and 13 of the Income-tax Act be automatically deducted from the person's taxable income to the extent that the loss is not a capital loss. Take, for example, an insurance company which does " fidelity " business. There can be no dispute as to the eligibility of such a company to deduct from its taxable profits such monies as it has to pay on account of claims. It trades in standing surety, and the loss would be trading loss and not loss of its capital. Similarly, if an individual habitually stood surety for others or underwrote any liability in return for consideration in some shape or form, there is little doubt that the loss that might occasionally arise out of the business of standing surety or of underwriting would be allowed as a deduction from taxable profits. But where standing surety is not the business or part of the business of the assessee, the loss cannot and should not be deducted from the person's taxable profits. In truth, Sir, my Honourable friend's difficulty arises not out of the law, but out of the application of the law in cases in which he thinks a wrong view has been taken of the facts, and I do not think myself that it is practicable to meet this point either by an amendment of the law or otherwise. I do not think

it is practicable. Whether it is a case of framing a statutory provision or framing general executive instructions, all that it is practicable to do is to prescribe that, when certain facts have been established as facts, then the legal consequences, the action to be taken, the processes that come into play, shall be such and such. But it is not practicable to prescribe that the deciding authority whoever he may be, that is to say, the authority responsible for the assessment of income-tax or the judicial tribunal hearing an appeal, shall take a particular view of the facts. My Honourable friend has incidentally in my opinion exposed the inherent weakness of his case by his use of the phrase "who is not a regular money-lender", for neither the law nor any other mode of definition with which I am acquainted lays down, nor does it seem to be possible to lay down precisely, who should be deemed to be a regular money-lender, and who shall not be deemed to be a regular money-lender. This, however, is rather beside the point. What we have to look to is whether it would be practicable to make more specific and less general the principle of law which lays down that only expenditure that is necessary for the earning of the profits under taxation may be deducted from the taxable income. I, Sir, have no doubt in my own mind that it is not practicable to reduce the generality of this provision. That, I think, must be allowed to stand as it is, and we must continue in this matter, as it is necessary in so many other matters to leave it to the responsible authority to decide in individual cases on the question of fact, which has first to be decided before the law can be applied.

And now, Sir, I shall meet my Honourable friend even more closely. It is not our intention that it should be held that because a man does other things besides money-lending and only lends money or stands surety occasionally, losses incurred as a result of standing surety should not be reckoned as business expenses. I can readily conceive of a case in which a man's whole business, that is to say, the means by which he earned his livelihood, consisted of a considerable number of diverse activities, one of them being readiness to finance on occasion people of good standing by backing their bills or endorsing their *hundis*. In such cases I can see quite clearly that it would be in accordance with the provisions of the law, which I have mentioned more than once, that losses arising out of the endorsement of *hundis* should be treated as business expenses for the purposes of the Income-tax law. It would be a question of fact in each case, and, as I said, the manner in which the question of fact is to be decided in each case cannot be prescribed in detail either in the Income-tax Act or in the executive instructions which we issue under the rules which we frame under that Act. I think perhaps the House would like to hear what the executive instructions are which we have already incorporated in the Income-tax Manual on the question under discussion. The instructions are to the following effect :

"Money lent out on interest is the stock-in-trade of a money-lender or banker and the loss of such stock-in-trade can clearly be regarded as a trading loss like the loss of the stock-in-trade of any other trader where the loss is not covered by insurance. In settling claims of this nature the question has always to be considered whether money-lending is or is not part of the business of the trader in question. The investment of savings or occasional loans made to acquaintances cannot be considered to be loans made in the course of trading."

You will see, Sir, that in these instructions there is no reference to regular money-lending. Now, Sir, the purpose of these instructions which I have just read is merely to expound the law for the guidance of Income-tax Officers and I shall be very much surprised if the Council were to consider that the exposition given is unreasonable or likely to be oppressive in its effects.

[Mr. E. Burdon.]

For the reasons which I have given, Sir, I must oppose the Resolution. In its terms, as I said at the beginning, it has a much wider significance than that which, I believe, my Honourable friend really wishes to express, and even if we limit the significance so as to provide for only those cases in which money-lending, though occasional, is carried on as part of regular business, that would not, as I have explained, necessarily have the effect of requiring Government to make any change in the existing law and practice, and thus my friend's point would not really be met. In the circumstances, Sir, I think the Council will recognise that it is quite impossible for Government to accept the Resolution or seem, by doing so, to accept any particular implication. Sir, I oppose the Resolution.

THE HONOURABLE MAJOR NAWAB MAHOMED AKBAR KHAN (North-West Frontier Province: Nominated Non-Official): Sir, as a matter of fact, the imposition of income-tax and super-tax as provided by the Income-tax Act, 1922, is proving a source of trouble to all those concerned, and I think I have the support of a good many Members of this Honourable House in saying that there is a general desire throughout the length and breadth of India for some reasonable reduction in the existing rates of these taxes as well as the modern method of assessment of the officials concerned. Indeed, it is a pity that not even the slightest reduction in the rates of these taxes as provided by the Income-tax Act, 1922, has so far been considered worth allowing for, although a reasonable reduction in their rates is an urgent necessity of the moment. Besides this, the Income-tax authorities have their own way of making assessments which could rightly be characterised as highly excessive and without any justification, for these are merely based on conjecture or hearsay. The process adopted by the Department of Income-tax is coercive since the assessee has not been allowed any right of appeal against the assessments except before an officer of the Department and the final authority is vested in the Commissioner of Income-tax.

THE HONOURABLE THE PRESIDENT: Order order. The Honourable Member's speech will be quite in order when the Finance Bill comes before this House. It is not in order on the present Resolution.

THE HONOURABLE MAJOR NAWAB MAHOMED AKBAR KHAN: Well, Sir, I will leave that. I think my Honourable friend Lala Ram Saran Das is quite correct in bringing forward this Resolution. He is justified in moving the Resolution for, when the Income-tax Act provides for the assessment of income-tax and super-tax on income accrued in the case of an assessee it fairly stands to reason that in case of his undergoing a deficit, the amount of such deficit ought to be allowed for while determining his income for purposes of assessment. The demand is quite reasonable and it is hoped that every Member will support it, for, when the income of a person is open to assessment of income-tax and super-tax there is no reason why he should be debarred from deducting his loss from the assessable income. It is absolutely in fair justice that a man's income liable to assessment should be determined after allowing him all the losses incurred by him either by standing surety for another person or lending money or spending the same in the shape of *chaukidhari* in order to secure his property yielding his income liable to assessment.

With these remarks, Sir, I strongly support the Resolution of my friend the Honourable Lala Ram Saran Das.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Sir, my friend the Honourable Mr. Burdon was first rather suspicious whether my implication also included a member of the I. C. S. He corrected himself later on.....

THE HONOURABLE MR. E. BURDON : A member of the I. C. S. who is not a regular money-lender, Sir.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : I know, Sir, that no member of the I. C. S. is allowed to enter into any business, and so, I think the I. C. S. ought not to have come into the discussion at all. However, Sir.....

THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Why I. C. S. ? No Government official is allowed.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : No Government servant.

THE HONOURABLE MAJOR NAWAB MAHOMED AKBAR KHAN : Civil servant.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Army officers are to be excluded he thinks. The Honourable Mr. Burdon, Sir, has referred to the judgment of the Lahore High Court. I have got that judgment before me, but I did not refer to it because I thought of leaving it to my Honourable friend to do so and to show how conflicting are the rulings of the High Courts on the subject. In this ruling, Sir, the Honourable the Judges of the Lahore High Court say as follows. This is Judgment No. 168 of 1926. In this, Sir, it is said :

"It appears that the petitioners have got a branch of their business at Bombay. There they stood surety for another firm. That firm became insolvent with the result that the petitioners had to pay the sum of Rs. 25,000. It has been held by the Income-tax Officer that the loan for which the petitioners stood surety had nothing whatever to do with the petitioners' business. The petitioners stood surety in order to do friends of theirs a kindness. It is unfortunate that they have been called upon to pay up for their friends, but inasmuch as this standing of surety was not in the course of the petitioners' business, it cannot be said that the loss was incurred in connexion with the petitioners' business. The refusal to allow this amount to be deducted from the total assessable income was, therefore, perfectly correct."

Then, further on, they say :

"One question alone was raised in the application to this Court under Section 66 (3), and it seems to me that had the Commissioner confined his reference to the point raised before this Court objection could not have been taken to his action. As he has, however, stated the case on the other question I think it necessary to dispose of it.

In this connexion an examination of the proceedings shows that the enquiry was not a cursory or a summary one. The Income-tax Officer called for the accounts and after an examination of them, etc., etc."

This judgment, Sir, conflicts with the Bombay High Court judgment, which I quoted. In that case, Sir Purshotamdas Thakurdas was held by the High Court to be doing a casual transaction in acting as receiver which was not his regular job. The High Court held that even this occasional transaction of a man who was not a regular trader in a certain particular line was liable to assessment. The judgment of the Lahore High Court is conflicting. There

[Rai Bahadur Lala Ram Saran Das.]

is, Sir, another case of the Oudh High Court reported in A. I. R. 1929, Oudh 125. The Chief Justice and Justice Srivastava say :

"This is a reference to the Chief Court from the Commissioner of Income-tax under the provisions of section 66, Act II of 1922."

After setting out the questions to be answered, they say :

"The receipts in question were certainly not receipts arising from business or the exercise of a profession, vocation or occupation, nor were they by way of addition to the remuneration of an employee. But they were not of a casual and non-recurring nature. In these circumstances the exception does not apply and they are assessable to income-tax."

I should like my friend the Honourable the Finance Secretary to reconcile these judgments. My Honourable friend says that in case there is a loss in endorsing a *hundi* that loss will certainly be deducted when the tax is assessed. In regard to that I should like him to quote the page of the Income-tax Manual from which he has cited a quotation so that I may be in a better position to deal with that point. As far as I understand, those instructions are rather ambiguous, and, in view of these two or three judgments which have been cited, they are apparently interpreted differently. Then, Sir, my friend said that if Government acceded to my request it would involve a lot of cases which do not deserve the consideration which I seek—for example, the case when one helps a friend, and so on. I think, Sir, that that objection can be met by inserting an exception clause into the amended section saying that on transactions which are purely done as a matter of obliging some friend or in the way of helping an insolvent no deduction will be allowed. I am simply taking a case in which a man starts money-lending, for instance, and until he becomes a regular money-lender he ought not to be debarred from being allowed the losses in the assessment of his income. I have already said that a start has to be made at some time, but until long after the start a man cannot be classified as a regular business man in that particular line. I have also said that in business many trading firms do oblige each other by endorsing their *hundis*, which is equivalent to their standing surety, because the endorsing of a *hundi* means that if the drawer does not pay the endorser will be held liable. I think my case is quite clear, and I want to remove a hardship which the business people feel. Therefore, Sir, I put this Resolution before the House for their favourable consideration.

THE HONOURABLE MR. E. BURDON : Sir, from my Honourable friend's further observations I am confirmed in my belief that he only means his Resolution to apply to business transactions. He has suggested that if we amend the law in any way, we might put in an exception clause which would except the cases of loans to friends and acquaintances. But I think he overlooked the fact that in the executive instructions which are already issued and which I read out, this exception already exists :

"The investment of savings or occasional loans made to acquaintances cannot be considered to be loans made in the course of business."

Now, Sir, these executive instructions and my previous observations make it perfectly clear that the present position is that trading losses, business losses, are allowed as a deduction. The provision of law is formulated in a slightly different way. The loss must be a loss incurred in connection with the earning of the profits which are to be taxed. That is the present position, and I really cannot see why any one should desire any more lenient provision for assessment than that. As regards the conflicting rulings of the various High Courts to which my Honourable friend referred, I am afraid I cannot see that the rulings, in the true sense of the word, are in conflict. To start

with, the ruling of the Bombay High Court which my Honourable friend first quoted and the ruling of the Punjab High Court which I went on to quote myself not merely deal with different cases but they deal with cases of a different kind, and finally in each case the issue was one of fact. It is impossible in such circumstances to say that the two Judgments are in any way in conflict. They were dealing with entirely different matters. There is nothing whatsoever to show that if the Bombay High Court, instead of dealing with the case of Sir Purshotamdas Thakurdas' occasional gains had been dealing with the occasional losses of the gentleman whose case was tried by the Punjab High Court, they would not have come to exactly the same conclusion on the question of fact as the Punjab High Court.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: The Bombay High Court differentiated "business" from "a business" and they said the definition is defective.

THE HONOURABLE MR. E. BURDON: I am afraid, Sir, I am not prepared to argue that particular point. I have already made it clear that under our own conception of the law and under the executive instructions which we have issued to assessing officers we look to losses incurred in the way of business. It is a question of trading losses or business losses, or, as I have already said, when it is more precisely defined it is expenses or losses incurred in the process of earning the income which is to be taxed. I do not think I need say anything more: and I must continue to oppose my Honourable friend's Resolution.

THE HONOURABLE THE PRESIDENT: The question is:

12 NOON.

"That the following Resolution be adopted, namely:

'This Council recommends to the Governor General in Council that if any person who is not a regular money-lender stands surety for another person or lends money and incurs loss thereby, such loss be allowed as a deduction when determining his Income-tax.'

The Council divided.

AYES—12.

Akbar Khan, The Honourable Major Nawab Mahomed.
Govind Das, The Honourable Seth. Khaparde, The Honourable Mr. G. S. Mahendra Prasad, The Honourable Mr. Mukherjee, The Honourable Srijut Lokenath.
Padshah Sahib Bahadur, The Honourable Saiyed Mohamed.
Ram Saran Das, The Honourable Rai Bahadur Lala.

Ramadas Pantulu, The Honourable Mr. V.
Rama Rau, The Honourable Rao Sahib Dr. U.
Rampal Singh, The Honourable Raja Sir.
Sinha, The Honourable Mr. Anugraha Narayan.
Umar Hayat Khan, The Honourable Colonel Nawab Sir.

NOES—15.

Assthana, The Honourable Mr. Narayan Prasad.
Basu, The Honourable Rai Bahadur Suresh Chandra.
Braidwood, The Honourable Mr. H. L. Burdon, The Honourable Mr. F. Charanjit Singh, The Honourable Sardar. Clayton, The Honourable Mr. H. B. Graham, The Honourable Mr. L. Habibullah, The Honourable Khan Bahadur Sir Muhammad.

Haig, The Honourable Mr. H. G. Irving, The Honourable Mr. M. Magbul Husain, The Honourable Khan Bahadur Sheikh.
McWatters, The Honourable Mr. A. C. Natesan, The Honourable Mr. C. A. Suhrawardy, The Honourable Mr. Mahmood.
Weston, The Honourable Mr. D.

The motion was negatived.

STATEMENT OF BUSINESS.

THE HONOURABLE KHAN BAHADUR SIR MUHAMMAD HABIBULLAH (Leader of the House): Sir, the Council will meet on the 18th and 20th instant for the transaction of non-official business. On Tuesday, the 19th, I will make a motion regarding the Standing Committee to advise on questions of emigration in the Department of Education, Health and Lands. A motion will also be made by the Honourable Sir Geoffrey Corbett that the Indian Tariff (Amendment) Bill, copies of which have been laid on the table to-day, be taken into consideration, and, if that motion is carried, he will also move that the Bill be passed. I am not yet in a position to say whether there will be any business for the Council on Saturday, the 23rd, but will make a further statement in the course of next week.

The Council then adjourned till Eleven of the Clock on Monday, the 18th March, 1929.