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OF THE

FIFTH LEGISLATIVE ASSEMBLY,
1936



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Legislative Assembly.

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Deputy President :

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MR. ABDUL MATIN CHAUDHURY, M.L.A.

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MAULVI SYED MURTUZA SAHIB BAHADUR, M.L.A.

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

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LEGISLATIVE ASSEMBLY.

Tuesday, 1st September, 1936.

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

QUESTIONS AND ANSWERS.

INSTRUMENTS OF ACCESSION FOR INDIAN STATES TO JOIN THE FEDERATION.

25. **Mr. S. Satyamurti** : Will the Honourable the Law Member be pleased to state :

- (a) whether the Instruments of Accession for Indian States to join the Federation are now ready for being considered by the Indian Princes ;
- (b) if they are not ready, when they are expected to be ready ;
- (c) how many Princes have expressed their readiness to join the Federation ;
- (d) whether there are any negotiations going on between the Princes and the Government as to the solvency of the Federation before the Princes decide to join the Federation ;
- (e) the approximate date when the Federation is expected to function ; and
- (f) whether any definite steps are now being taken to expedite the Federation, and if so, what they are ?

The Honourable Sir Nripendra Sircar : (a) and (b). The draft general clauses of the Instruments of Accession have been transmitted to the Princes.

(c) The Government of India are not in a position to answer this question at this stage.

(d) No.

(e) It is not possible to say at this stage the date when the Federation will begin to function.

(f) Special Officers have been appointed who will visit the Indian States in order to elucidate such points of doubt or difficulty as the Rules may encounter in their consideration of the Draft Instruments of Accession, and to enable them to arrive at a decision as soon as practicable.

Mr. S. Satyamurti : May I know whether the published text of the Instruments of Accession published in some newspapers is correct ?

Sir Aubrey Metcalfe : Yes, Sir, I think it is certainly correct.

Mr. N. M. Joshi : May I ask whether the Members of the Legislature will be supplied with copies ?

Sir Aubrey Metcalfe : A press communiqué has been issued on the subject. I see no objection to a copy being laid on the table of the House. It certainly will be, if required.

Mr. M. Ananthasayanam Ayyangar : Have any of the ruling princes suggested any modifications ?

Sir Aubrey Metcalfe : That, again, is a point which cannot be answered at the present stage.

Mr. S. Satyamurti : With regard to the answer to clause (d), may I know if this matter has not yet been taken up, or whether it has been taken up but negotiations have been stopped ?

The Honourable Sir Nripendra Sircar : Does the Honourable Member mean whether the Government of India have considered this question at all or whether it has been taken up with the Princes ?

Mr. S. Satyamurti : I mean whether it has been taken up with the Princes.

The Honourable Sir Nripendra Sircar : I think my answer covers that. It is in the negative.

Mr. S. Satyamurti : My question is this. My Honourable friend knows that the Princes made it a condition of joining the Federation that they should be satisfied that the Federation would be a solvent Federation. May I know whether the Princes have been satisfied on that matter, or whether the question has not yet been taken up, and it will be taken up later on ?

The Honourable Sir James Grigg : Is it not a question of the Princes being satisfied by the existing facts and law and distribution of revenues ? There is no question of negotiations about that. The Princes have got to satisfy themselves from the known facts whether the Federation is likely to be solvent or not. And, excluding the constitution of the new Legislatures, most of the facts are before the Princes.

Mr. S. Satyamurti : But do the Princes realise, as I am sure Government do realise, that some of them want big slices of customs revenue, and they have got five crores already ? May I know what is the effect of this continual drain upon the Central finances, on the possible solvency of this Federation ?

The Honourable Sir James Grigg : As regards the first part of the question, the existence of the problem in regard to the maritime States is well known. I hope,—I will not go beyond that,—that that problem is on the way to a satisfactory solution.

Mr. S. Satyamurti : Will the House be consulted at any stage before further surrenders of Central revenues are made to the Princes ?

The Honourable Sir James Grigg : Surrenders beyond what they are now getting ?

Mr. S. Satyamurti : Yes.

The Honourable Sir James Grigg : I cannot give any pledge about that. But my personal intention is that there shall not be any further surrenders.

Mr. N. M. Joshi : May I ask whether the people in British India will be consulted about the terms on which the Instruments of Accession of these States will be accepted by the British Government ?

Sir Aubrey Metcalfe : It will not be possible to consult the people of British India on negotiations which will take place between the Crown and the States ?

Mr. N. M. Joshi : May I ask whether the people of British India will be consulted after the terms of the Instruments of Accession have been approved by the British Government ?

Sir Aubrey Metcalfe : They will certainly be informed. I do not see how they can be consulted after the terms have been settled.

Mr. S. Satyamurti : On a specific question, may I ask whether, in regard to the various reservations which these Princes are entitled to make with regard not only to Federal subjects but also the manner of the execution of the Federal laws in their States, this House will ever be given an opportunity of advising the Crown as to whether those reservations are consistent with any plausible Federation at all ?

The Honourable Sir Nripendra Sircar : I cannot make any definite promise now. That situation may never arise.

Mr. S. Satyamurti : May I know whether the Princes are not given full permission in each case to make reservations of both the kinds I mentioned, that is, subjects as well as the manner of execution of Federal laws ?

The Honourable Sir Nripendra Sircar : That is true ; they can make any reservations they like, but we are not bound to accept those reservations.

Mr. S. Satyamurti : Therefore, may I know if, before the Crown which is the authority under the Government of India Act, decides either to accept or not to accept those reservations in respect of the Princes as a class or individually, this House will ever be consulted and its opinion taken on the point, as to how far these reservations are consistent with any kind of Federation ?

The Honourable Sir Nripendra Sircar : We cannot make any promise beforehand. It will depend on what reservations they want and whether a situation will arise in which it will be necessary to consult this House. I make no promise that the House will be consulted.

Mr. S. Satyamurti : Will the Government of India get an opportunity of advising the Crown on this matter ?

The Honourable Sir Nripendra Sircar : I hope they will.

Mr. Lalchand Navalrai : With regard to clause (e), may I know whether the information in the press that the Federation will function from April, 1938, has any foundation ?

The Honourable Sir Nripendra Sircar : I said that it is not possible to say from what date it will function. The Honourable Member is at liberty to draw his inference, but there is no justification for saying that it is bound to function from the 1st April, 1938.

Mr. T. S. Avinashilingam Chettiar : May I know whether they are negotiating with the Princes as a whole in a body or with individual Princes ? Will there be different Instruments of Accession for each Prince or one Instrument for all the Princes ?

The Honourable Sir Nripendra Sircar : The negotiations must be with individual Princes.

Mr. T. S. Avinashilingam Chettiar : But are the negotiations with the Princes as a body or with each individual Prince ?

The Honourable Sir Nripendra Sircar : As separate and distinct limbs of one body.

Mr. N. M. Joshi : How do the Government of India propose to protect the interests of British Indians in these negotiations with these Princes ?

The Honourable Sir Nripendra Sircar : The Government of India will take as much care as possible to protect them.

Mr. S. Satyamurti : With reference to the answer to clause (f), may I know if these officers, who have been deputed to tour these various States, are touring on behalf of His Excellency the Viceroy, or on behalf of the Government of India ?

Sir Aubrey Metcalfe : They are being deputed by the Crown.

Mr. M. Ananthasayanam Ayyangar : Are active steps being taken to make the Federation function by the 1st April, 1938 ?

The Honourable Sir Nripendra Sircar : Active steps are being taken to make it function as soon as possible.

Mr. S. Satyamurti : With reference to the answer just given by the Foreign Secretary, may I know whether the Crown acts through the Government of India in this case, or acts only through the Viceroy ?

Sir Aubrey Metcalfe : That is rather a difficult constitutional question of which I should like to have notice.

Mr. S. Satyamurti : May I ask my Honourable friend, the Law Member, who cannot ask for notice over a constitutional question like this (Laughter), whether the negotiations, now going on through these gentlemen, who have been deputed, are carried on on behalf of the Government of India ?

The Honourable Sir Nripendra Sircar : Opinion expressed off-hand is not of much value, but subject to that I should say that they are acting on behalf of the Crown.

Mr. President (The Honourable Sir Abdur Rahim) : The Chair would like to make a suggestion, as regards questions of this character on important matters of policy which are brought to the notice of the House, that the Government might well consider whether instead of

categorically answering the question in its separate sub-divisions, they might make a comprehensive statement which might elucidate the entire position.

Mr. N. V. Gadgil : Have promises been made to various Princes for retrocession of territory in order to induce them to join the Federation ?

Mr. President (The Honourable Sir Abdur Rahim) : I think the matter has been pursued enough. Next question.

COMMITTEE TO CONSIDER AMENDMENTS TO INSURANCE LEGISLATION.

26. ***Mr. S. Satyamurti :** Will the Honourable the Law Member be pleased to state :

- (a) whether the Committee to consider amendments to insurance legislation in the country has been appointed ;
- (b) if so, what the composition and the terms of reference of the Committee are ; and
- (c) if the reply to part (a) be in the negative, when the Committee is proposed to be appointed ?

The Honourable Sir Nripendra Sircar : (a) No.

(b) Does not arise.

(c) Early in November next. I may be allowed to add that if my friend will make an inquiry, whether outside the House or by a short notice question, say, in the last week of this month, I shall be able to inform the House of the composition of this Committee.

FIXATION OF TIME FOR ELECTION TO THE PROVINCIAL LEGISLATURES.

27. ***Mr. S. Satyamurti :** Will the Honourable the Law Member be pleased to state :

- (a) whether certain Provincial Governments have tentatively fixed February, 1937, as the time of election for the Provincial Legislatures ;
- (b) whether Government are aware that the Assembly will then be sitting in Delhi ; and
- (c) whether Government propose to take steps to see that the elections are held in January and completed before the Delhi Session of the Assembly starts ?

The Honourable Sir Nripendra Sircar : (a) and (b). Yes.

(c) The tentative programme for elections has been fixed by Local Governments with due regard to all the circumstances. Government therefore regret that they are unable to issue any directions to the Local Governments in the matter.

Mr. S. Satyamurti : Are Government considering, or will they consider any possible steps which may be taken to avoid the results of those elections being announced at the time when this Assembly is sitting, consequently causing inconvenience to all parties concerned ?

The Honourable Sir Nripendra Sircar : I can assure my Honourable friend that this is one of the matters which the Local Governments have been asked to consider.

Prof. N. G. Ranga : Will the Government of India be pleased to postpone the assembling of this House till the last week of February in order to enable all parties concerned here to play their part in the country during the elections ?

The Honourable Sir Nripendra Sircar : Strictly speaking, that will depend on the action of the Governor General, and not of the Government of India.

Mr. T. S. Avinashilingam Chettiar : Will the Government of India so advise the Governor General ?

The Honourable Sir Nripendra Sircar : If their advice is sought or if it is necessary.

RAIL-ROAD COMPETITION.

28. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

(a) whether any conclusions have been reached in the matter of dealing with the Rail-Road competition ;

(b) whether any arrangements will be made by which all communications or inland communications, waterways, rail and road, will be co-ordinated, so as to get maximum revenue to the State, and maximum comfort and ease to the users of the inland transport ; and

(c) if not, why not ?

The Honourable Sir Frank Noyce : (a) A copy of the Concise Statement of Policy embodying the various measures recommended by the Transport Advisory Council in July last for dealing with Rail-Road competition has been placed in the Library.

(b) The Transport Advisory Council and Provincial Boards of Communication have already been created with a view to securing the co-ordination of the development of various forms of transport, including waterways.

(c) Does not arise.

Mr. S. Satyamurti : In this co-ordination, are these two objects kept in mind, which are referred to in clause (b)—maximum revenue to the State and maximum comfort and ease to the users of the inland transport ?

The Honourable Sir Frank Noyce : Yes : I think it is safe to say that these considerations are being borne in mind.

Mr. S. Satyamurti : May I know whether in trying to achieve these two objects, Government are conscious of the fact that the financial interests of the provinces and of the Centre come into conflict perennially, and are they considering this question of reconciling this conflict with a view to obtaining these results ?

The Honourable Sir James Grigg : As far as the present situation is concerned, the matter is definitely regulated by the Government of India Act, 1935, and it will have to be a matter of experience to see whether any further provisions are necessary in course of time.

Mr. S. Satyamurti : Have Government examined the question that they can go round and round, and appoint as many committees as they like, but as long as the provinces have got the financial results from the use of roads and the Centre has got to depend on the railways, this clash will continue ?

The Honourable Sir James Grigg : Yes : there is that apparent clash of interests : on the other hand, the provinces are dependant on the financial stability of the Centre for a part of their revenues, and, in the course of a very few years, the conflict between the interests of the provinces and the Centre will not be so great as it might appear to be now.

Mr. M. Ananthasayanam Ayyangar : In the composition of the transport authority or board or road committees, is any representation given to bus service owners ?

The Honourable Sir Frank Noyce : I think the best answer I can give at the moment is that the House will have a full opportunity of discussing that question in connection with the Motor Vehicles (Amendment) Bill, which will probably be taken up in the course of the next day or two.

USE OF BROADCASTING STATIONS FOR POLITICAL PROPAGANDA.

29. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

- (a) whether any rules have been laid down for political speeches being broadcast from the Indian Broadcasting Stations ;
- (b) under what rule or authority, His Excellency the Viceroy's speech was broadcast soon after his arrival in Delhi ;
- (c) whether Government have under contemplation schemes by which leaders of parties will be allowed to use the broadcasting stations for political propaganda, as is done in England, especially on the eve of elections ;
- (d) whether there are any rules for the kind of speeches to be broadcast, and if so, what the rules are ; and
- (e) whether there is any censor or censors on these speeches ; if so, why ?

The Honourable Sir Frank Noyce : (a), (c) and (d). I invite attention to the Honourable Mr. Clow's speech in this House on September 25th last year in reply to a speech of the Honourable Member. Government adhere closely to the policy indicated therein and have recently issued orders that no election manifestoes or speeches or extracts therefrom shall be broadcast.

- (b) Under the authority of His Excellency the Viceroy.

(c) Arrangements exist under which the Controller of Broadcasting satisfies himself, in consultation, if necessary, with the Governments concerned that the requirements of the Government of India are being fulfilled.

Mr. S. Satyamurti : May I ask for some elucidation of the answer to clause (b), as to what is the authority under which His Excellency's speech was broadcast? What is the section of the Government of India Act which gives him power to deliver a broadcast speech, although Government say no political speech should be broadcast?

The Honourable Sir Nripendra Sircar : May I raise a point of order? Is a discussion of this subject permissible having regard to the rule at page 20 of the Manual? This is a question as to the conduct of the Governor General in delivering a political speech—whether he had any business to broadcast the speech, and so on. The rule says: "A member while speaking shall not reflect upon the conduct of His Majesty the King or the Governor General, etc., etc."

Mr. President (The Honourable Sir Abdur Rahim) : The Chair understands it does not necessarily contain any reflection on the Governor General.

Mr. S. Satyamurti : I am not questioning the Governor General's right to speak.

Mr. President (The Honourable Sir Abdur Rahim) : So far as the question is concerned, that can, the Chair thinks, be answered without implying any reflection on the Governor General.

The Honourable Sir Nripendra Sircar : I am not objecting to that, but to the supplementary.

Mr. President (The Honourable Sir Abdur Rahim) : You need not answer the supplementary question.

Mr. S. Satyamurti : Subject to your ruling, Sir, I am not reflecting upon the conduct of the Governor General. I am simply asking for elucidation of the answer, under what authority the Government of India allowed that speech to be broadcast.

The Honourable Sir Frank Noyce : My answer is that I am not prepared to discuss the action of His Excellency the Viceroy.

Mr. S. Satyamurti : I am asking about the action of the Government of India. His Excellency is not running the Broadcasting: the Honourable Member is. We are paying for it. I am asking under what authority this speech was allowed to be broadcast.

The Honourable Sir Frank Noyce : I have nothing to add to the answer I have already given.

Pandit Sri Krishna Dutta Paliwal : As regards part (d) of the question, may I know if the speeches have been classified into friendly and unfriendly speeches?

Mr. President (The Honourable Sir Abdur Rahim) : That cannot be allowed.

Mr. M. Ananthasayanam Ayyangar : Have Government considered the desirability of making this a commercial service—that whoever pays may be allowed to broadcast, provided it is not seditious?

The Honourable Sir Frank Noyce : I can assure my Honourable friend that, as long as I am in charge of broadcasting, his suggestion will not be accepted.

Mr. M. Asaf Ali : With reference to part (e), may I know if it is not a fact that there is a system of censoring, first by the Controller or Station Director, and then by the Home Department—in fact by the Central Intelligence Bureau ?

The Honourable Sir Frank Noyce : It is not a fact.

Mr. M. Asaf Ali : May I know why manuscripts are required to be submitted a week before they are actually spoken through the microphone ?

The Honourable Sir Frank Noyce : That obviously is a desirable procedure : and it applies not only to talks delivered by non-officials, but also to talks delivered by officials.

Mr. M. Asaf Ali : Is it a fact or is it not, that certain speeches broadcast from the Delhi station have actually been sent for by the C. I. B. or the Home Department ?

The Honourable Sir Henry Craik : No ; it is not.

Mr. Lalchand Navalrai : May I know if these political speeches are broadcast in the United Kingdom ?

The Honourable Sir Frank Noyce : I believe there is a relaxation of the strict rule in regard to political speeches at election time in the United Kingdom.

Mr. Lalchand Navalrai : May I know why there should be any difference in India ?

The Honourable Sir Frank Noyce : Because the conditions in this country are not similar to those in the United Kingdom.

Mr. S. Satyamurti : With reference to the answer to clause (e) of the question, may I know what was the test that was usually applied by the Department in dealing with these speeches ?

The Honourable Sir Frank Noyce : Commonsense, I think, Sir.

Mr. S. Satyamurti : Is my friend so sure of possessing it in his Department ?

(No answer.)

MAKING OF THE POSTAL DEPARTMENT PARTLY A COMMERCIAL AND PARTLY A SERVICE DEPARTMENT.

30. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

(a) whether Government have considered or are considering the question of making the Indian Postal Department partly a commercial and partly a service department ;

(b) if not, when they propose to consider the same ;

(c) whether they have come to a final conclusion on the contribution for repairs and renewals, and whether they propose to reduce it ; and

- (d) whether they are considering the question of reducing the post-card to half anna in view of the great demand both in the House and in the country ?

The Honourable Sir Frank Noyce : (a) and (b). I am not quite sure what the Honourable Member means by 'partly a commercial and partly a service Department', but if the suggestion is that the Posts and Telegraphs Department should get a subsidy from general revenues, Government are not contemplating any such step.

(c) I would refer the Honourable Member to paragraph 25 of the speech made by the Honourable the Finance Member in introducing the budget proposals for 1936-37, and to my own speech in this House on the 20th March, 1936.

(d) I would refer the Honourable Member to my speech in this House made on the 20th March, 1936, and would add that the question cannot be taken up until there is a substantial improvement in the financial position of the Department.

Mr. S. Satyamurti : Have Government considered or will they consider that the Posts and Telegraphs Department, apart from doing service to the people for which they get remuneration, helps in the spreading of enlightenment and knowledge in this country, and to that extent will Government consider the question of turning a part of the Posts and Telegraphs Department into a service department, not paying its way, but that the general taxpayer may subsidise it till the finances improve ?

The Honourable Sir Frank Noyce : I think, Sir, that consideration has already been borne in mind. If my Honourable friend will examine the rates in regard to newspapers, he will see that we lose on every newspaper that we carry. The rates for newspapers have been fixed with the consideration which he has mentioned in mind and we are disseminating knowledge—at least, I hope so.

Mr. S. Satyamurti : Will Government lose on the half-anna post-card also ?

Prof. N. G. Ranga : Will Government consider the advisability of asking for a subsidy from the general revenues for extending rural postal service ?

The Honourable Sir James Grigg : That is provided for each year. In the budget presented by my Honourable colleague, a certain amount is provided for the extension of postal facilities in rural areas. In other words, although certain parts of the postal service are not remunerative, there is no question whatever of Government subsidising the service as a whole.

REPORT OF SIR OTTO NEIMEYER.

31. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

- (a) when copies of Sir Otto Neimeyer's report were made available to the Press and the people of this country ;
 (b) whether the evidence before Sir Otto Neimeyer will be published ;

- (c) whether public opinion was sought upon this matter at any stage ;
- (d) whether opinions of the Local Governments and of the Government of India were forwarded to the India Office ;
- (e) whether any Legislature, Provincial or Central, was consulted ;
- (f) if not, why not ;
- (g) whether final orders on the Report have been passed ;
- (h) whether it is intended to make the Revenue Reserve Fund a permanent feature of the Government of India finance ;
- (i) whether it is intended that there should be no reduction in the military expenditure ;
- (j) whether they propose to keep the surcharges on income-tax and super-tax, if so, whether they will be at the present level or at a higher level ;
- (k) whether they propose to keep the other surcharges also ; and
- (l) when, in the expectation of the Government of India, the Provinces will begin to get their share of the income-tax ?

The Honourable Sir James Grigg : (a) 1st May.

(b) No.

(c) By the Provincial Governments yes and in any case a good deal of public advice was proffered voluntarily.

(d) and (g). I would refer the Honourable Member to the White Paper containing the views of the Provincial Governments, the Government of India and the Secretary of State.

(e) and (f). Some of the Provincial Governments certainly did consult their Legislatures.

(h), (i), (j), (k) and (l). I cannot anticipate the next Budget, and still less subsequent Budgets.

Prof. N. G. Ranga : Are Government aware of the considerable public opinion in the country against the withdrawal of surcharges on income-tax and super-tax before the other surcharges are withdrawn or remitted ?

The Honourable Sir James Grigg : I have heard the Honourable Member himself expressing that opinion, and if he represents considerable public opinion, then we are aware of it.

Mr. S. Satyamurti : With reference to the reply to clause (b) of the question, may I know the reason why the monosyllabic " No " is given to it ?

The Honourable Sir James Grigg : To the best of my belief, a large part of the evidence was oral. The discussions took place on the basis of their being private, and I think that in any case, it would be misleading, if only the written memoranda were to be published, of the rest no record whatever was kept.

Mr. S. Satyamurti : Will the written memoranda be published ?

The Honourable Sir James Grigg : No, Sir.

Mr. S. Satyamurti : With reference to the answer to clause (h) of the question,—I am not asking for any budget secrets,—I am simply asking whether the Honourable the Finance Member has considered, whatever the contributions may be annually, whether they propose to make the Revenue Reserve Fund a permanent feature of the Government of India finance ?

The Honourable Sir James Grigg : I cannot say. You cannot make a Revenue Reserve Fund without money. I have devoted some money to it from last year's surplus, but one swallow does not make a summer, and one Finance Member cannot make a permanent feature.

Mr. S. Satyamurti : Have the Government of India considered that among the many recommendations of Sir Otto Neimeyer, there is one which says that the rich people in this country do not pay as much as they should ?

Mr. M. Ananthasayanam Ayyangar : Is it not a fact, Sir, that on the 23rd of April last, that is on the very day on which the last Session of the Assembly came to a close, Sir Otto Neimeyer's Report was printed ?

The Honourable Sir James Grigg : Yes, but that is a very common method employed when these large distances are involved. When there is a question of simultaneous publication in England and India, the Indian copy is almost invariably set up on the basis of a provisional copy in which subsequent corrections can be made. There is nothing very surprising in that.

Mr. M. Ananthasayanam Ayyangar : If that was so, why was it not made available for discussion ?

The Honourable Sir James Grigg : Because the actual date was settled by the Secretary of State with regard to the programme of the British Parliament to whom the Report was made.

Mr. S. Satyamurti : Did not the Government of India communicate to His Majesty's Government, as it undertook to do on the floor of this House, the desire of this House that, if possible, it should be given an opportunity to discuss the Report, before the Parliament passed final orders ?

The Honourable Sir James Grigg : I think the Honourable Member begs the question. A full report of the discussion which took place in this House was forwarded to London, and the Honourable Member's intense desire and his henchmen's intense desire for a discussion was communicated to them. The Government of India did not enlarge those two desires into a general desire.

Mr. M. Ananthasayanam Ayyangar : Could not the Government of India have extended the last session by a week so as to enable this House to discuss this matter and send its own opinion ?

The Honourable Sir James Grigg : The Governor General could have done it.

Mr. M. Ananthasayanam Ayyangar : Did the Government communicate the intense desire of this House to discuss the Report on the floor of this House ?

The Honourable Sir James Grigg : No, Sir, because there was no such desire.

Mr. M. Ananthasayanam Ayyangar : Was not such a desire made clear on the floor of this House ?

The Honourable Sir James Grigg : I have already said that two swallows do not make a summer.

Mr. S. Satyamurti : On that point, I want to make a submission, Sir. If my memory serves me correctly,—if I am wrong, I may be corrected,—when a notice of adjournment motion was given, a statement was made on behalf of the Government that they would communicate to the Secretary of State that this House wanted an opportunity to discuss the Report.....

Mr. President (The Honourable Sir Abdur Rahim) : The answer has been given already. We do not want to have a discussion on it again.

QUESTION OF THE RAILWAY FINANCE.

32. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

(a) whether he has examined the question of the Railway Finance from the point of view adumbrated in Sir Otto Neimeyer's Report, and whether he has come to any tentative conclusions thereon ;

(b) whether he has placed them before the Railway Board ;

(c) if so, what the results are ?

The Honourable Sir James Grigg : I regret I am unable to make any statement on this subject at present.

Mr. S. Satyamurti : May I know when the Government will make a statement on this subject ?

The Honourable Sir James Grigg : As soon as I possibly can.

Mr. S. Satyamurti : Does the Honourable Member realise that this House has a right to be taken into confidence on this matter ? Does he realise that the Railways are losing 5 to 6 crores of rupees a year, and the Government are doing nothing in the matter ?

The Honourable Sir James Grigg : Certainly, they are considering this matter.

FLOATATION OF LOANS.

33. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member be pleased to state :

(a) when he proposes to float the loans this year ;

(b) whether he has considered the conversion of the outstanding loans, in view of the cheap interest on money loan ; and

(c) whether there is any proposal to raise any loans in the near future for starting capital works to relieve unemployment ?

The Honourable Sir James Grigg : (a), (b) and (c). A Rupee loan has already been raised and the terms and results have been published in the Press. As regards the question of further loans, whether for conversion or other purposes, I am unable to make any statement.

Mr. S. Satyamurti : Are the Government aware that this is an auspicious time for raising loans ?

The Honourable Sir James Grigg : We do not raise loans merely in order to spend them.

Mr. S. Satyamurti : I am asking about clause (c) of the question ?

The Honourable Sir James Grigg : That must be mainly the concern of the provinces. Some of the provinces are raising loans, I believe.

Mr. S. Satyamurti : Will the Government of India also consider the question of usefully spending some money in that direction ?

The Honourable Sir James Grigg : Not on unremunerative projects.

Mr. S. Satyamurti : Have they examined all remunerative ones ?

The Honourable Sir James Grigg : It will be very rash to say that I have examined every scheme, foolish or otherwise, which may be adumbrated.

Mr. S. Satyamurti : When money is cheap, and when unemployment stares us in the face, the Government ought to tackle this problem ?

The Honourable Sir James Grigg : Wise schemes, both in connection with Railways and Posts and Telegraphs, are considered, and if they are remunerative, they are adopted without any difficulty. I think if the Honourable Member asks the Railway Member or the Member in charge of Posts and Telegraphs, he will see that the Finance Department have not turned down one single wise capital scheme.

Mr. M. Ananthasayanam Ayyangar : With respect to the answer to part (a) of the question, may I ask the Honourable Member if there is a proposal to raise a loan for the purpose of terminating the lease of the Madras and Southern Mahratta Railway ?

The Honourable Sir James Grigg : I must have notice of that question. In any case I believe there are questions down on that point to my Honourable friend, the Commerce Member.

Pandit Lakshmi Kanta Maitra : May I know if relief of unemployment is a matter of concern to the Government of India ?

Mr. President (The Honourable Sir Abdur Rahim) : The Chair cannot hear what the Honourable Member says.

Pandit Lakshmi Kanta Maitra : May I know from the Honourable Member if relief of unemployment is a matter of concern to the Government of India ?

The Honourable Sir James Grigg : It depends upon whether the Honourable Member means it in a moral sense or a technical sense. In a technical sense it is not and in a moral sense it is.

Pandit Lakshmi Kanta Maitra : Is it purely a provincial matter, and the Government of India have got nothing to do with it ?

The Honourable Sir James Grigg : Almost entirely a provincial matter.

Mr. President (The Honourable Sir Abdur Rahim) : It is wandering a little too far. Next question.

NOTICE OF TERMINATION OF THE OTTAWA TRADE AGREEMENT.

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

- (a) whether notice of termination of the Ottawa Agreement has been given by His Majesty's Government ; if so, on what date ;
- (b) if not, why not ;
- (c) the reasons for the delay in giving notice ;
- (d) what the terms of the notice are ; and
- (e) whether a copy of the notice will be placed on the table of the House ?

The Honourable Sir Muhammad Zafrullah Khan : (a) Notice of termination of the Ottawa Trade Agreement was given on behalf of the Government of India on the 13th May, 1936.

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

(d) and (e). The notice was given in a communication addressed to the Secretary of State for India. It is not the practice to place copies of such communications on the table of the House.

Mr. S. Satyamurti : Have Government any objection on the merits, apart from non-conformity, to place the communiqué on the table of the House ?

The Honourable Sir Muhammad Zafrullah Khan : I am not willing to place the communiqué on the table of the House.

Mr. S. Satyamurti : May I know the cause of this unwillingness ?

The Honourable Sir Muhammad Zafrullah Khan : It is not in the public interest.

Mr. S. Satyamurti : Is there any catch in that communiqué ?

The Honourable Sir Muhammad Zafrullah Khan : There is no catch in that communiqué.

Mr. M. Ananthasayanam Ayyangar : Is a copy placed in the Library of the House ?

The Honourable Sir Muhammad Zafrullah Khan : No.

Mr. M. Ananthasayanam Ayyangar : Why not ?

Mr. President (The Honourable Sir Abdur Rahim) : It has been answered. Next question.

NEGOTIATIONS FOR BILATERAL TRADE AGREEMENTS.

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

- (a) whether, in pursuance of the Resolution of the Assembly on Ottawa Agreement, negotiations have been set on foot with other countries for bilateral trade agreements on the basis of reciprocity ;
- (b) if so, with what countries ; and
- (c) if not, why not ?

The Honourable Sir Muhammad Zafrullah Khan : (a), (b) and (c). Negotiations have been set on foot with His Majesty's Government in the United Kingdom with a view to the conclusion of a trade agreement in replacement of that concluded at Ottawa in 1932. Consideration of the question of trade agreements with other countries must await the result of these negotiations.

Mr. S. Satyamurti : May I know whether the Government of India have considered that this House by a very large majority passed a Resolution asking the Government to give notice of termination of the Ottawa Agreement and start negotiations for bilateral trade agreements with all countries, with a view to reciprocal trade advantage ?

The Honourable Sir Muhammad Zafrullah Khan : Yes.

Mr. S. Satyamurti : May I know then why Government are carrying on negotiations only with the United Kingdom, and not with other countries, with whom India has substantial trade relations ?

The Honourable Sir Muhammad Zafrullah Khan : It would not be feasible to start negotiations simultaneously with all countries with which India carries on trade.

Mr. S. Satyamurti : Do Government realise that a concluded trade agreement between the United Kingdom and this country may affect adversely the possibility of bilateral trade agreements between this country and other countries ?

The Honourable Sir Muhammad Zafrullah Khan : It may or it may not.

Mr. S. Satyamurti : In negotiating this agreement, will Government keep in mind that the negotiations or the final stage thereof must not adversely affect the possibility of advantageous agreements for this country with other countries ?

The Honourable Sir Muhammad Zafrullah Khan : Government will keep in mind the consideration that it does not disadvantageously affect India's position with regard to trade agreements with other countries.

REDRESS OF THE GRIEVANCES OF THIRD CLASS PASSENGERS.

36. ***Mr. S. Satyamurti :** Will the Honourable Member for Railways be pleased to state :

(a) whether he has considered the cut motion to the Railway Budget carried by the House for the redress of third class passengers' grievances ;

(b) what steps he has taken in pursuance of that cut motion ; and

(c) if no steps have been taken, why not ?

The Honourable Sir Muhammad Zafrullah Khan : (a) Yes.

(b) and (c). The suggestions made during the course of the debate on the cut motion traversed, as the Honourable Member is aware, a very large field of that part of railway administration which is concerned with the improvement of facilities and the provision of amenities for third class passengers. These matters are constantly under review, in one form or another, and the progress made from year to year is

reviewed in the Railway Board's Annual Report. At I explained in my reply to the debate on the cut motion, many of the suggestions made, and most of which Government accept in principle, depend for their being put into effect on the extent to which funds become available. In regard to other points bearing on grievances of third class passengers, e.g., the necessity for courteous treatment, etc., the attention of Railways has been, or is being, called to the views expressed by Members during the debate with a view to their taking such action as conditions on their systems will permit.

Mr. S. Satyamurti : Is this ideal third class carriage now on any line in this country ?

The Honourable Sir Muhammad Zafrullah Khan : Which one ?

Mr. S. Satyamurti : The one that was exhibited to us in the Delhi Session.

The Honourable Sir Muhammad Zafrullah Khan : Whether any of them has been introduced on any railway ? No.

Mr. S. Satyamurti : May I know the reason for this delay ?

The Honourable Sir Muhammad Zafrullah Khan : The reason is the question of finance for one thing, and the design has not yet been finally settled.

Mr. S. Satyamurti : Do Government realise that they are moving in a vicious circle, to say that we cannot improve third class amenities unless funds come and that third class passengers won't come, unless there are amenities ?

The Honourable Sir Muhammad Zafrullah Khan : It is not a vicious circle. For instance, I am hoping that if this House passes the Bill put forward before it as regards ticketless travel, more funds may become available. (Laughter.)

The Honourable Sir Henry Craik : Hear, hear.

Mr. S. Satyamurti : I am asking in spite of the Honourable the Home Member's hear, hear.

The Honourable Sir Henry Craik : Am I not entitled to say hear, hear ?

Mr. S. Satyamurti : May I invite the Commerce and Railway Member to ask my Honourable friend's co-operation in detecting corruption among railway servants and may I ask him to put on the C. I. D. against them ?

The Honourable Sir Muhammad Zafrullah Khan : Government have taken into consideration all the time the question of checking corruption among railway servants.

Prof. N. G. Ranga : How long will it take the Government to consider the advisability or not of putting these particular improved railway carriages on the rails ?

The Honourable Sir Muhammad Zafrullah Khan : As soon as the design has been finally settled and when funds permit for renewal of carriages, to the extent to which funds permit, they will be renewed.

Prof. N. G. Ranga : Who is examining this design ? We were told that the Central Advisory Committee had to approve of it, that has been done, and who is now examining the design ?

The Honourable Sir Muhammad Zafrullah Khan : Suggestions were made and those suggestions have to be taken into consideration by the technical side.

Mr. S. Satyamurti : Can Government give one single step taken by them to improve the lot of third class passengers since that cut motion was passed ?

The Honourable Sir Muhammad Zafrullah Khan : If the Honourable Member will be satisfied with one single concrete step.....

Mr. President (The Honourable Sir Abdur Rahim) : The Chair does not think that that can be allowed. Next question.

FINANCIAL POSITION OF THE RAILWAYS.

37. ***Mr. S. Satyamurti :** Will the Honourable Member for Railways be pleased to state :

- (a) whether he has considered the cut motion to the Railway Budget censuring the bad financial position of the railways ;
- (b) what steps have been taken or are proposed to be taken to improve the finance of the railways ;
- (c) what are the steps taken to increase the income of the railways ;
- (d) what steps have been taken to reduce the expenditure of the railways ;
- (e) whether he proposes to consider the abolition of the Lee Concessions ;
- (f) whether he proposes to cut the salary of the highly-paid officers ;
- (g) whether he proposes to abolish free railway travel for several officers ;
- (h) whether he proposes to amalgamate the different railway systems for reducing expenditure ; and
- (i) if not, why not ?

The Honourable Sir Muhammad Zafrullah Khan : (a) Yes.

(b), (c) and (d). Railway Administrations are carefully considering possibilities of increasing revenues by altering tariffs. As regards expenditure, the various job analysis organisations on the different railways are continuing to function, and various retrenchments of staff have been given effect to and are under consideration on various railways.

(e), (f) and (g). Government have no such proposals under consideration.

(h) I would refer the Honourable Member to the reply I gave to Mr. N. V. Gadgil's question No. 315 on the 12th February, 1936.

(i) Does not arise.

Mr. S. Satyamurti : Do Government realise that on the report of their own Financial Commissioner of Railways, which the Auditor General has accepted as sound and which the Government, I am told, have also accepted, they have got to make up a leeway of about ten crores of rupees a year, before the railways can become solvent on a really commercial basis ?

The Honourable Sir Muhammad Zafrullah Khan : Government are aware of all the reports that have been made about the financial situation with regard to railways.

Mr. S. Satyamurti : Have Government any idea as to the savings they expect, for example, in the course of this or the next financial year, by way of retrenchment ?

The Honourable Sir Muhammad Zafrullah Khan : I could not give any exact figures at the moment.

Mr. S. Satyamurti : May I know whether Government are aware that their proposals for increasing freights and fares have met with almost universal opposition from all interests concerned ?

The Honourable Sir Muhammad Zafrullah Khan : Well, there has been a certain amount of criticism, yes, from various quarters, but the whole system is being adjusted with the object of making up the deficit and not pressing too harshly upon trade interests.

Mr. S. Satyamurti : With reference to the answer to clauses (e) and (f) of this question, may I know the reasons why Government do not propose to even consider the abolition of Lee concessions or the proposal to cut down the salaries of highly paid officers ?

The Honourable Sir Muhammad Zafrullah Khan : This matter was raised during the debate on the Railway Budget last Session and I put forward the considerations which weighed with me in that respect.

Mr. S. Satyamurti : Do Government realise that they can make by a reasonable cut, more than Rs. 1½ crores a year by way of saving ?

The Honourable Sir Muhammad Zafrullah Khan : No. I did explain then that that was not correct and that the greater part of the saving would come from people who were drawing salaries of less than Rs. 100 a month, and that sort of retrenchment was violently opposed by Honourable Members opposite.

Mr. S. Satyamurti : With reference to the answer to clause (g) of the question, may I know why they should not abolish free railway travel for several officers and make them pay ?

The Honourable Sir Muhammad Zafrullah Khan : So far as Government officers outside the Railway Department are concerned, they pay for their travel ; either Government pays or they pay themselves.

Mr. N. V. Gadgil : What is the decided policy of the Government governing the reduction of staff in order to secure a reduction in expenditure ?

The Honourable Sir Muhammad Zafrullah Khan : The policy governing the reduction of staff is, for instance, where as the result of job analysis it is found by a redistribution of jobs that fewer people can turn out the same amount of work which had been distributed among

a larger number of people, reduction can be carried into effect. Again, as a result of lesser traffic offering on the railways and a reduction in the activities of various workshops and so on, retrenchments are being made.

Mr. N. V. Gadgil : Has that not resulted in reducing the low paid staff ?

The Honourable Sir Muhammad Zafrullah Khan : It results in reducing whatever category of staff is retrenched owing to the reduction in the activities of the department.

Prof. N. G. Ranga : Is it not a fact that since 1929, as many as 160 thousand low paid staff have been retrenched ?

The Honourable Sir Muhammad Zafrullah Khan : I cannot say whether the figure mentioned by the Honourable Member is correct.

Prof. N. G. Ranga : Arising from the answer given by the Honourable Member to parts (b) and (c) of this question, are we to understand that the Railway Department are considering the question of raising any further railway fares and freights.

The Honourable Sir Muhammad Zafrullah Khan : The whole question is under consideration, as I have said in reply to the question.

STATE CONTROL OF THE BENGAL AND NORTH WESTERN RAILWAY AND THE MADRAS AND SOUTHERN MAHRATTA RAILWAY.

38. ***Mr. S. Satyamurti :** Will Government be pleased to state :

- (a) whether they have considered the Resolution of the House, recommending the taking over of the management of the Bengal and North Western Railway and the Madras and Southern Mahratta Railway ;
- (b) what steps have been taken in pursuance of the Resolution ; and
- (c) if nothing has been done why not ?

The Honourable Sir Muhammad Zafrullah Khan : The question is still under the consideration of Government.

Mr. S. Satyamurti : May I know whether the Government will consider, from the point of view of saving of expenditure, this question of amalgamation, as one which will go a long way towards easing the difficult financial situation of the railways ?

The Honourable Sir Muhammad Zafrullah Khan : As I explained during the last Session, that is a possibility which the Government are considering at the present moment.

Mr. S. Satyamurti : When is the last date for giving notice to these railways ?

The Honourable Sir Muhammad Zafrullah Khan : 31st December, 1936.

Mr. S. Satyamurti : Have not Government taken the matter into consideration yet ?

The Honourable Sir Muhammad Zafrullah Khan : Government are actively considering this question.

Mr. M. Ananthasayanam Ayyangar : Are Government also considering the question of the amalgamation of the Madras and Southern Mahratta Railway with the South Indian Railway ?

The Honourable Sir Muhammad Zafrullah Khan : One difficulty in regard to the question of amalgamation in this case is that the contracts of the two companies are not co-terminous.

Mr. M. Ananthasayanam Ayyangar : May I know what then is under consideration ?

The Honourable Sir Muhammad Zafrullah Khan : A good many aspects of this question are under consideration. The question which the Honourable Member has propounded is also under consideration.

ENCOURAGEMENT TO THE COTTAGE AND SMALL INDUSTRIES.

39. ***Mr. S. Satyamurti :** Will the Honourable Member for Industries and Labour be pleased to state :

- (a) whether Government have considered the Resolution of this House asking them to encourage cottage and small industries ;
- (b) whether they have taken any steps, in pursuance of that Resolution, to take a general survey of the cottage industries throughout the country ;
- (c) whether they will take immediate and effective steps in this direction ; and
- (d) if not, why not ?

The Honourable Sir Muhammad Zafrullah Khan : (a), (b), (c) and (d). The position of the Government of India was explained to the House in the observations made by the Honourable the Industries and Labour Member and myself when the Resolution was being discussed. The Government of India have considered the matter further and have decided to forward a copy of the Resolution to the Local Governments as it deals with a matter lying peculiarly within the sphere of responsibility of Provincial Ministers.

Mr. S. Satyamurti : With reference to the answer to clause (b) of the question, may I know whether the Government of India will consider themselves taking, or advising Provincial Governments to take, a general survey of cottage industries throughout the country with a view to their development on sound and proper lines ?

The Honourable Sir Muhammad Zafrullah Khan : I do not think that a mere general survey of cottage industries throughout the country would serve any useful purpose.

Mr. S. Satyamurti : In view of the fact that the objects of Government and this side of the House are the same in regard to the development of cottage industries, may I know whether Government will do everything in their power to help them and develop them ?

The Honourable Sir Muhammad Zafrullah Khan : As I have said this matter was fully explained in the speeches of my Honourable

colleague in the Industries and Labour Department and myself when the Resolution was under discussion.

Mr. S. Satyamurti : May I know if Government will consider the withdrawal of the circular prohibiting Government servants from co-operating with Mahatma Gandhi's All-India Village Industries Association, with a view to get a push given to these cottage industries, with the help of the most powerful man in India ?

The Honourable Sir Muhammad Zafrullah Khan : Will the Honourable Member put down a specific question as to the particular circular he has in mind ?

Mr. S. Satyamurti : The Hallett Circular.

The Honourable Sir Muhammad Zafrullah Khan : That circular gave no such prohibition.

Mr. S. Satyamurti : May I know whether that circular does not prohibit the co-operation of district officials and other Government officials with the Village Industries Association in the work of promoting the cottage and village industries ?

The Honourable Sir Henry Craik : The circular contained no final instructions on that subject and the subsequent circular which the Honourable Member did not succeed in securing did not contain any such prohibition.

Mr. S. Satyamurti : Is it the position now that district officials are free to co-operate in the matter ?

The Honourable Sir Henry Craik : The position is that if any requests are made for co-operation, and none has as yet been made to my knowledge, the district officer would refer the question to his Local Government.

Mr. S. Satyamurti : Will the Honourable Member place a copy of the circular on the table ?

The Honourable Sir Henry Craik : He will not.

Mr. T. S. Avinashilingam Chettiar : May I know whether this question of encouraging cottage industries will be considered in the recent negotiations with Japan and India ?

The Honourable Sir Muhammad Zafrullah Khan : The question of cottage industries will not be overlooked.

Prof. N. G. Ranga : Has any additional assistance been given to the handloom weaving industry since the date when the Resolution was passed ?

The Honourable Sir Muhammad Zafrullah Khan : I am not aware of any additional assistance. I presume the Honourable Member's question refers to the Government of India.

Prof. N. G. Ranga : Is it not a fact that several representations from various parts of India have been made by the handloom weavers, both to the Government of India as well as to the Provincial Governments for additional assistance ?

The Honourable Sir Muhammad Zafrullah Khan : So far as the Provincial Governments are concerned, obviously I cannot say. So far

as the Government of India are concerned, I should require notice of the question.

UNIVERSITY TRAINING CORPS.

40. **Mr. S. Satyamurti** : Will the Army Secretary be pleased to state :

- (a) what is the sanctioned strength of the University Training Corps of all the Universities in India ;
- (b) the actual strength of the University Training Corps on the latest date for which figures are available ;
- (c) the number of applications received from Universities for increase of the University Training Corps in strength and number of facilities ;
- (d) whether any such applications have been received from the Madras University, directly or through the Inter-University Board for the increase in strength and number of the University Training Corps, or for facilities ;
- (e) what the decision of Government on that request is ; and
- (f) what is the attitude of Government towards such requests now ?

Mr. G. B. F. Tottenham : (a) and (b). The Honourable Member's attention is invited to page 34 of the "Return showing the actual strength of the Army and Royal Air Force in India on 1st April 1936". A copy of this book is in the Library of the House.

(c) and (d). Government have not received any applications recently from individual Universities, but not long ago the Inter-University Board recommended the formation of University Training Corps units at universities where they do not exist at present.

(e) and (f). Government have the whole question under examination. Subject to the limitations necessarily imposed by financial considerations, they are not opposed to the extension of University Training Corps where they can be satisfied that full advantage will be taken of the facilities provided, but they consider that the first step must be to improve the training in the existing units.

Mr. S. Satyamurti : May I know whether any attempts are being made by the Government to improve the training in the existing University Corps ?

Mr. G. B. F. Tottenham : We have made several efforts. We have introduced a new syllabus of training for the University Training Corps. We have endeavoured to make it more interesting and instructive. Army Headquarters have also issued special instructions to all Commands asking them to take special interest in the matter and to afford all the assistance and encouragement they can.

Mr. S. Satyamurti : May I know what are the relevant financial considerations ? I am asking whether there is any maximum figure prescribed by the Army authorities for expenditure on this item or whether they will consider all requests, subject to the conditions laid down by the Army authorities, for expansion ?

Mr. G. R. F. Tottenham : There is no maximum limit imposed. It is a matter of what can be afforded from year to year. As the Honourable Member is aware, the expenditure on these University Training Corps is not met from the Defence budget in the ordinary way. It is met from a special civil grant for the purpose.

Mr. S. Satyamurti : Will the Army authorities approach Government for an increase in this grant, if they are satisfied that there is a genuine demand, as I know there is in Madras ?

The Honourable Sir James Grigg : The grant has been under-spent every year of its existence.

Sardar Mangal Singh : Is it not a fact that several applications from colleges have been refused for constituting these Training Corps ?

Mr. G. R. F. Tottenham : I have already answered that question.

Prof. N. G. Ranga : Is it not a fact that the Andhra University made a representation a good many months ago ? May I know at what stage the matter stands, and what action has been taken ?

Mr. G. R. F. Tottenham : We have received no application from the Andhra University within the last year that I am aware of.

Prof. N. G. Ranga : The Honourable Member stated on the floor of the House last Session that they have received such an application and it was under the consideration of the Government of India. I would like the Honourable Member to further enlighten the House at what stage that application stands in the pigeon holes and what decision has been arrived at ?

Mr. G. R. F. Tottenham : We are not examining new applications from individual Universities at the present moment. As I tried to explain, we are trying to improve the system of training in the existing corps before we consider the question of starting new corps in places where they do not exist at the present moment.

Mr. T. S. Avinashilingam Chettiar : Is it not true that last year the same Honourable Member replied that the reason why the University Training Corps was not extended was want of "finance" ?

Mr. G. R. F. Tottenham : I cannot remember ; I should require notice.

Mr. S. Satyamurti : Is the Honourable Member aware of the fact that the grant has been under-spent year after year, and if so, can he say why ?

Mr. G. R. F. Tottenham : I know that until quite recently the grant was under-spent, mainly owing to the fact that a large part of the Corps was under-strength.

Mr. S. Satyamurti : May I know whether it is a fact that certain requests were turned down on account of the want of finance and at the same time the grant remained under-spent ? May I have some explanation of the discrepancy ?

Mr. G. R. F. Tottenham : We have not dealt with individual applications from that point of view. The general position has been that the grant has been under-spent because many of these Corps were under-strength and therefore the full amount of the money provided was

not actually required, but we have not on that account dealt with individual applications from other Universities.

Mr. S. Satyamurti : Why should not the Government of India deal with these applications ? Who deals with them ?

Mr. G. R. F. Tottenham : They are dealt with by the Government of India in the Defence Department.

Mr. S. Satyamurti : I want to know who is the authority which deals with these individual applications.

Mr. G. R. F. Tottenham : They are dealt with by the Government of India in the Defence Department.

Mr. S. Satyamurti : That is my Honourable friend ?

Mr. G. R. F. Tottenham : Yes.

Mr. S. Satyamurti : Has my Honourable friend turned down any request from individual applicants for the creation of a fresh corps or the extension of an existing corps, and, if so, on the ground of finance ?

Mr. G. R. F. Tottenham : We have turned down any extension during the last few years partly on the ground that there was a very difficult financial position in existence, and also because a large part of the corps was under-strength and, therefore, if we proposed to provide more money, we thought it would be wasted. The two factors were combined in our decision.

Mr. S. Satyamurti : All applications were turned down on both these grounds, that is, want of finance and the fear that the money would be wasted, or only on the ground of finance ?

Mr. G. R. F. Tottenham : They were turned down on both the grounds. We are now hoping that the University Training Corps will be making a greater success of it and in that case we shall consider the matter on its merits in future.

Mr. S. Satyamurti : With finance at your disposal, did you turn down a request on the ground of want of finance in a single case ? Or it was not on the ground that the money would be wasted ?

Mr. G. R. F. Tottenham : That was the main ground.

Mr. M. Ananthasayanam Ayyangar : What facilities or what opportunities are afforded to persons, after training is over, for practice ?

Mr. G. R. F. Tottenham : The Honourable Member is aware that he has got a separate question on the paper on that subject and it will come on in the course of the next month or so.

Captain Sardar Sher Muhammad Khan : Does my Honourable friend know that in connection with the competitive examination candidates have complained that their scientific training clashes with the military training and that it is not any lack of desire on the part of the army authorities to facilitate the training of the students but that it is the educational authorities who do not like them to go in for military training as that clashes with the scientific training of students ?

Mr. G. R. F. Tottenham : That has been mentioned by the Public Service Commission in their report, but I do not think it quite arises

out of this question. What the Honourable Member has said is, however, more or less correct.

Mr. S. Satyamurti : Is the Honourable Member aware that many universities, for example, Calcutta and Madras, are giving all reasonable facilities for boys in the matter of the University Training Corps, in the matter of getting special marks or getting exemptions in other ways ?

Mr. G. R. F. Tottenham : I am aware of that, but the fact remains that certain individual candidates have complained that they were unable to take science subjects in their universities and to join the University Training Corps at the same time.

Mr. S. Satyamurti : Are the Government of India aware that the Calcutta University have introduced military science as a subject of study in the University, and that the Madras University, as I know to be the case, gives every facility to students who want to join the University Training Corps ?

Mr. G. R. F. Tottenham : Yes. I was referring to other kinds of science. I am quite aware that the Calcutta University have started this new course of military science and the military authorities in Calcutta are working in close collaboration with the University on that subject.

Mr. S. Satyamurti : Will Government consider these requests more favourably in the future, now that finance is available, and there is a genuine desire on the part of students to join the University Training Corps ?

Mr. G. R. F. Tottenham : I have already stated the policy in reply to a question. I said that Government, subject to the limitations necessarily imposed by financial considerations, are not opposed to the extension of the University Training Corps.

Mr. S. Satyamurti : There is money enough.....

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

POSITION OF INDIANS IN IRAQ.

41. ***Mr. S. Satyamurti** : Will Government be pleased to state :

- (a) the latest position with regard to Indians in Iraq ; and
- (b) whether they are being treated on the same basis as other British subjects in Iraq ?

Sir Aubrey Metcalfe : (a) The position remains as described in my reply to Mr. Satyamurti's short notice question No. 1798 answered on the 23rd March, 1936. No action has as yet been taken by the Iraq Government under the Law for the restrictions of trades to Iraqis, which, as I previously explained, does not become operative until Regulations are issued under Article II ;

(b) Yes.

RESERVATION OF THE KENYA HIGHLANDS FOR EUROPEANS AND POSITION OF INDIANS IN FOREIGN COUNTRIES.

42. ***Mr. S. Satyamurti** : Will Government be pleased to state :

- (a) the latest position with regard to the reservation of Highlands in Kenya for Europeans ; and

(b) whether they propose, from time to time, to issue communiqués explaining the position of Indians in Kenya and other countries outside India ?

Sir Girja Shankar Bajpai : (a) The attention of the Honourable Member is invited to the statement of the Secretary of State for the Colonies reported in the proceedings of the House of Commons for the 9th July—a copy of which will be found in the Library of the House.

(b) The Honourable Member's suggestion is in accordance with Government's existing practice.

Mr. S. Satyamurti : May I know how much, as a matter of fact, of these Highlands has been reserved for Europeans already ?

Sir Girja Shankar Bajpai : Well, Sir, so far the Order in Council has not issued.

Mr. S. Satyamurti : I am asking whether, as a matter of fact, apart from the statutory recognition of this right of reservation, how much of these Highlands has been reserved for Europeans.

Sir Girja Shankar Bajpai : I was speaking from memory but I think I stated in reply to my Honourable friend's adjournment motion of last year that actually 12,000 square miles had been alienated for European settlers.

Mr. S. Satyamurti : Has there been any increase since then ? If so, how much ?

Sir Girja Shankar Bajpai : As far as I know, the Carter Commission recommended that the total area to be covered by the Order in Council should be 16,000 square miles, but how much the Secretary of State is going actually to include I cannot say.

Mr. S. Satyamurti : Do Indians get any chance in the Highlands at all ?

Sir Girja Shankar Bajpai : As the Honourable Member is probably aware already, the administrative practice is that Indians are not allowed to take up land.

Mr. S. Satyamurti : Will the Government of India take up this matter with His Majesty's Government, and see that they ought not to have this administrative discrimination against His Majesty's Indian subjects, as we are proudly called on Coronation occasions ?

Sir Girja Shankar Bajpai : In 1923, when this controversy was acute, the Government of India made their position absolutely clear. Practically I think he would agree that the present would have been hardly the occasion not merely for asking that what are administrative restrictions should not become statutory restrictions but also for asking that the existing administrative restrictions should disappear.

Mr. S. Satyamurti : Why not ask for more ? Now that the Government of India are at one with us on the question of not having a statutory recognition, why not ask for more ?

Sir Girja Shankar Bajpai : I have already stated that the Government of India propose to re-open this matter when a suitable opportunity occurs.

BILL AFFECTING INDIANS PASSED IN IRAQ.

43. ***Mr. T. S. Avinashilingam Chettiar** : Will Government state :

- (a) whether any Bill affecting Indians has been recently passed in Iraq ;
- (b) what is the result of the Bill over the Indian residents in Iraq ; and
- (c) the latest situation in the matter ?

Sir Aubrey Metcalfe : The attention of the Honourable Member is invited to the reply given by me to Mr. Satyamurti's question No. 41.

Mr. M. Ananthasayanam Ayyangar : Have any representations been made since the passing of the Act regarding the restriction of the rights of Indians there ?

Sir Aubrey Metcalfe : All representations were made before : nothing has happened since the Assembly was last in session.

Mr. M. Ananthasayanam Ayyangar : Does the Honourable Member remember that during the last Assembly Session he made a statement here that in connection with any statutory measure that should be passed by the Iraq Government a representation would be made after considering whether the Bill affects Indians or not ?

Sir Aubrey Metcalfe : All possible representations have already been made ; we cannot make more representations until something more happens.

ACTION TAKEN ON THE RESOLUTION *re* OTTAWA TRADE AGREEMENT.

44. ***Mr. T. S. Avinashilingam Chettiar** : No. 44† :

I want to put this question as regards clause (d) only.

The Honourable Sir Muhammad Zafrullah Khan : I have already answered that in answer to questions by Mr. Satyamurti, Nos. 34 and 35.

Mr. T. S. Avinashilingam Chettiar : May I know if it is the case that there are no negotiations going on with any country except Japan and England now ?

The Honourable Sir Muhammad Zafrullah Khan : Yes, that is the position.

LOSS OF INDIAN LIVES OR PROPERTIES IN THE ITALO-ABYSSINIAN WAR.

45. ***Mr. T. S. Avinashilingam Chettiar** : Will Government state :

- (a) whether any Indian lives or properties were damaged or lost in the recent Italo-Abyssinian war ;
- (b) if so, to what extent ; and

†**Mr. T. S. Avinashilingam Chettiar** : Will Government state :

- (a) what action they have taken over the Resolution on the Ottawa Pact passed in the Assembly last Session ;
- (b) whether notice of termination has been given to Great Britain ;
- (c) whether negotiations for bilateral agreements with other countries have been started with any foreign countries ; and
- (d) if so, with what countries and with what results ?

(c) in case where Indian life or property has been lost, whether any compensation was asked or secured ?

Sir Aubrey Metcalfe : I have here a statement, Sir, giving the facts in some detail which I propose to lay on the table ; if you wish me to read it out, it will take a few minutes, but I shall, of course, be very glad to do so.

Mr. President (The Honourable Sir Abdur Rahim) : Yes.

Sir Aubrey Metcalfe : As far as is known there was no loss of life among the British Indian community in Abyssinia since the commencement of hostilities in October, 1935.

As regards loss of property during the war the bombing of Jijiga by Italian aircraft on the 23rd and 24th March, 1936, is reported to have resulted in damage, amounting approximately to 150,000 Maria Theresa Dollars, to the property of British merchants. (The Maria Theresa dollar was worth about 2 shillings before the war and depreciated to M. T. \$13.50 = £1 in August, 1935. Its present value is not known.) Again during the bombing of Harar on the 29th March it does not appear that any damage was done to the property of British Indian merchants.

So far as the period between the disappearance of Ethiopian control in Addis Ababa and the arrival there of the Italian forces is concerned, serious rioting and looting broke out in the town, and the plan which had previously been prepared for the protection of British subjects and foreigners in Addis Ababa was put into operation. The majority of the British Indian community, numbering about 500 persons, were given shelter in the compound of the British Legation. Others, however, preferred to remain in their own premises and these put up a very stout resistance in defence of their property.

During this period of interregnum rioting and looting also broke out at Harar, where His Majesty's Acting Consul rendered valuable service in protecting the lives and property of British Indian subjects.

His Majesty's Chargé d'Affaires at Addis Ababa has reported that some 350 statements have now been filed at His Majesty's Legation by British subjects and protected persons in respect of losses suffered during the period of the rioting. The total amount is valued at approximately M. T. \$2,250,000 in Addis Ababa alone. Similar statements are being prepared under the direction of His Majesty's Acting Consul at Harar. The matter is under consideration by His Majesty's Government in the United Kingdom, but in view of the disappearance of the Abyssinian Government and of the fact that it would be difficult to prove Italian liability in respect of losses suffered prior to the Italian occupation of Addis Ababa, the prospects of securing any compensation are remote.

MOTIONS FOR ADJOURNMENT.

WITHDRAWAL OF THE GOVERNMENT OF INDIA FROM THE LEAGUE OF NATIONS.

Mr. President (The Honourable Sir Abdur Rahim) : Notice has been
12 Noon. given of an adjournment motion by Mr. Satyamurti to consider :

" The failure of the Government of India to take steps to withdraw from the League of Nations, in view of the failure of the League in the Italo-Ethiopian War."

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : As we are tabling a Resolution on this subject, I do not propose to ask the leave of the House to move this adjournment motion.

REFUSAL OF THE BRITISH DELEGATION IN ADDIS ABABA TO GIVE PROTECTION TO THE INDIANS THERE.

Mr. President (The Honourable Sir Abdur Rahim) : There is another motion of adjournment of which notice has been given by Mr. Avinashilingam Chettiar, the subject of which is "the refusal of the British delegation in Addis Ababa to give protection to the Indians there". Does the Honourable Member propose to move it ?

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : Sir, I do not propose to move it.

INTRODUCTION OF THE SYSTEM OF NOMINATION IN THE SELECTION OF CANDIDATES FOR THE INDIAN CIVIL SERVICE IN ENGLAND.

Mr. President (The Honourable Sir Abdur Rahim) : There is another motion of adjournment standing in the name of Mr. Chettiar, *viz.*, to consider "the Secretary of State's introduction of the system of nomination in the selection of candidates for the Indian Civil Service in England". That has already been discussed.

SIR OTTO NEIMEYER'S REPORT.

Mr. President (The Honourable Sir Abdur Rahim) : Mr. Satyamurti has given notice of another motion of adjournment which relates "to the failure of the Government of India to provide an opportunity for the Assembly to express its opinion on Sir Otto Neimeyer's Report, before the Parliament passed final orders thereon". Does the Honourable Member wish to move it ?

Mr. S. Satyamurti : Sir, it is a dead horse, and I do not propose to kick it.

Mr. President (The Honourable Sir Abdur Rahim) : Mr. Ayyangar has also given notice of a similar motion of adjournment.

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : Sir, I do not wish to move it.

SHIFTING OF THE PROVINCIAL HEADQUARTERS OF ORISSA FROM CUTTACK.

Mr. President (The Honourable Sir Abdur Rahim) : Pandit Nilakantha Das has given notice of an adjournment motion which relates to "the attempt made by Government to shift the Provincial Headquarters of Orissa from Cuttack". Does the Honourable Member wish to move it ?

Pandit Nilakantha Das (Orissa Division : Non-Muhammadan) : Sir, I do not wish to move it at present.

ABOLITION OF THE TARIFF BOARD.

Mr. President (The Honourable Sir Abdur Rahim) : Mr. Satyamurti has given notice of another motion of adjournment which relates to "the

abolition of the Tariff Board by the Government of India". Does the Honourable Member wish to move it?

Mr. S. Satyamurti : Yes, Sir, I ask for leave to move that motion.

Mr. President (The Honourable Sir Abdur Rahim) : Has the Honourable Member the leave of the House to move this adjournment motion?

(No objection was taken.)

The motion will be taken up at 4 o'clock.

THE ARYA MARRIAGE VALIDATION BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Dr. N. B. Khare (Nagpur Division : Non-Muhammadan) : Sir, I present the Report of the Select Committee on the Bill to recognise and remove doubts as to the validity of inter-marriages current among Arya Samajists.

THE INDIAN RAILWAYS (AMENDMENT) BILL.

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume discussion of the Bill further to amend the Indian Railways Act, 1890.

Mr. Lalchand Navalrai (Sind : Non-Muhammadan Rural) : Sir, I addressed the House yesterday on this Bill which is called the ticketless travel Bill, and made myself very clear to the House that this Bill is too drastic and too unsuitable, and, therefore, it should be thrown out at this stage. In putting my reasons yesterday, I showed to the House how extraordinarily stringent and how risky this Bill is, and I would go to the extent of saying that if it is passed, how insulting it would be even to *bonâ fide* travellers. Yesterday, the last issue, that I took up, was with respect to the claim of the railways that by passing this stringent and extraordinary measure the economic position of the railways will improve and they will be able to increase their revenue. I submit that this is a wholly untenable position that the Railway Administration has taken. I do not think it is reasonable to expect that that would be a tenable position, and I hope the House will consider whether on that ground they should give sanction to this Bill.

Now, Sir, there are two classes of people who are the greatest sinners in respect of travelling without ticket. The first class are the mendicants, and the second class is the railway staff itself. Taking the first category of ticketless travellers first, I do not think the Railways would be justified in saying that these mendicants who travel without tickets will, on account of this stringent Bill under which they may be sent to jail, not travel by the railways. So long as India has got these mendicants—and it is very hard for that class to die—and unless and until they stop their avocations and religious ways, I do not think you can compel them not to travel by railways by measures such as this. Now, Sir, on this point my Honourable friend, the Railway Member, must be knowing and they

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must have the figures, because I find there are certain questions put on that subject that it is quite true that it is this mendicant class mostly that travels without ticket. They have not been able up to this time, by using the provisions of the Railway Act, to prevent them from travelling, and I think that these stringent provisions will also not help them much. Under the present Act, what they have been doing is this. They have actually been taking these people to the Magistrates, and many of them are not able to pay the money and they are allowed to go, but they are willing to go to the jail. If there is any doubt on that point, I will clear it by the authority which I think cannot be disputed. That authority is the Railway Magistrate giving the opinion. Yesterday, a point arose whether there were any Railway Magistrates. It is true that Railway Magistrates are appointed by the Local Government as any other Magistrates are appointed, but they are called Railway Magistrates, and the feeling in the public mind is that, because they are Railway Magistrates, therefore they are likely to favour the Railways. At any rate, these Railway Magistrates are on occasions taken to the railway station and they hold their Court there, in the station premises. Surely there is bound to be a feeling in the minds of the public that they will not get proper justice at the hands of these Railway Magistrates. Coming to the point of opinion of the Railway Magistrates, I would draw the attention of the House to page 1 of Part I of the Volume of Opinions. There you find, the First Class Railway Magistrate, Ajmer, says :

“ The persons who generally travel without tickets belong to the mendicant class, and, in these hard days of unemployment, they would welcome the short term imprisonment which would give them food with a little labour.”

Well, Sir, can there be any other authority better than this against this Bill ? Now and then the Honourable Member in charge of Railways says that he will postpone—even today he said—the convenience of third class passengers unless money is made available to him by the passing of this measure. Is it possible that any money will come from these ticketless travellers in sufficiently large amount, so that the railways will be able to improve the convenience of third class passengers ? (Interruption.) I have mentioned two classes of ticketless travellers. If there is a third set of ticketless travellers, let my Honourable friend mention that. Perhaps he has experience of them, being himself a ticketless traveller. Anyway, the point is, there are two sinners. I submit it is raising false hopes to believe that money will be raised on account of this stringent measure. I need not labour that point any further.

I will now refer to another opinion on page 20, the opinion given by the Passenger and Traffic Railway Association, Bombay. They say :

“ Scrutinizing the causes of ticketless travelling in India, we find that the economic situation and utter poverty of the country are bound to be the chief causes of inducement to many ticketless travellers, who out of sheer necessity have to move from one place to another, and being situated in such a poverty stricken condition have no other alternative but to travel without ticket. Whilst my Committee would not like to encourage such travelling, they would at the same time like to point out that this is unavoidable evil and it is bound to continue until the economic situation in the country improves.”

On this point there is another difficulty which would also go to lessen the income from the railways. If the railways introduce such stringent

punishment for ticketless travel, then every respectable man would think whether it is worth his while to travel by railway or whether he could not more conveniently travel by motor buses. Every respectable man will consider seriously before allowing himself to travel by railway with the possible chance of his being handcuffed at the discretion of the railway servants and being brought before the Railway Magistrate for trial. How can railway travel be popular ? I submit that if this measure is passed in its present form, the people would much rather take to motor travelling against which there is already a lot of complaint from the railways, because it affects their revenues. The railways might perhaps say that it is not possible to travel long distances in motor lorries and therefore the travelling public will perforce travel in railways for long distances. But it is not all long distances that pay the railways more. It is only the smaller distances that pay more and for these smaller distances you will be driving the passengers to motor service. It is therefore quite plain that the income for railways will not increase.

With regard to the point that the railway officials are the sinners in this respect, I submit it has been made clear that railway servants do travel without tickets. Not only that. The railway servants have a fellow feeling amongst their own folk. If a ticket examiner goes and finds that there are certain relatives of a railway official travelling without tickets, he passes them on and at the next checking station the other ticket examiner also passes them on and in this way these people reach their destination without tickets. This has been found out to be the practice. Why don't you check this evil practice ? Why don't you put more responsibility on your staff than to enact a measure like this against the travelling public ? This is a very unpopular measure. At any rate to a commercial concern like the railways, this measure will give a great blow. On this point, I will again refer to the list of opinions at page 33, the opinion of the Karachi Indian Merchants Association and they say :

" It cannot be denied that to a large extent the railway employees are responsible for ticketless travelling and arrange in advance for the travelling of their relatives and friends without proper tickets or connive at such travelling. Then again there are *bona fide* cases where persons have to travel without tickets owing to want of time to obtain tickets or heavy rush at the ticket window."

I, therefore, submit that the House should take into consideration all the points I have raised and decide whether it is not worthwhile to throw out this Bill at this stage.

Coming to the Statement of Objects and Reasons attached to the Bill, this is what is said :

" Although railways have provided an elaborate and expensive organization for the checks of tickets both at stations and in trains, the number of cases detected of passengers travelling without proper tickets has tended to increase."

Now, is it the elaborate establishment that will give the relief ? It is only that staff which feels the responsibility and does the work properly and checks and detects properly that can stop the mischief. Then it is said :

" Experience has shown that any expenditure incurred on additional checks by the appointment of more travelling ticket checkers results in an increase of revenue proportionate to the increase of expenditure."

That may be true, but who says that there should be an increase of checkers ? If the present people do the work diligently and do not violate

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the rules, the present establishment would be sufficient. But the important fact is lost sight of that it is the railways themselves who are responsible for allowing these people to travel without tickets because their approaches to the station are not barricaded at all and they only put up a board at some distance, "Trespassers will be prosecuted". That board people do not even care to look at and they get in. If there is an easy way to go to the station, you do not go by a long zig-zag route. If you see the stations you will find that even the railings on the platforms are not complete. Some portions are open so that they can go to the yard and the lines. It is therefore necessary that these measures should be adopted rather than be in a haste to pass this Bill. You should wait for some time and if all these suggestions which are being made prove unavailing, then come in and ask for a measure. Specially when the Federation is coming in and a railway authority is going to be established, why not wait till then instead of teasing people and exposing them to all sorts of insults? It would not therefore be right to pass this drastic Bill.

Then, Sir, coming to the provisions, I should like to quote some of the opinions received. First I will not quote the opinions of non-official bodies, but of Government officials of high status and responsibility. The District and Sessions Judge of Delhi says on page 2, paragraph 2 :

"The proposed amendment in section 131 of the said Act is likely to lead to an abuse of powers by inferior railway officers."

This is what we have been arguing and putting before the House. He continues :

"It is a matter of daily occurrence that the illiterate passengers are harassed and women annoyed in particular by the railway staff."

This is the opinion of a responsible officer, and I do not think the officials or the Railway Board can deny this state of affairs. They know that what is said here is absolutely correct. He concludes :

"It would be unwise to arm them with more powers."

After an opinion like this there should not be any persistence in getting the Bill passed through this House.

The next opinion is also that of an official. At page 5, this is the opinion of the District Magistrate of Karachi :

"The object of the proposed amendment is to give powers to railway servants and other persons to arrest persons travelling without ticket and produce them before a magistrate for being dealt with according to law."

I have been saying since yesterday that the present law is sufficient to deal with this evil. He says also :

"As sufficient and necessary provisions exist in section 113 of the Act for recovery of dues and also in section 132, there is hardly any reason why this section should be amended as proposed as it is likely to cause harassment to the public."

On page 4, this is the opinion of the Bar Association of Karachi :

"The amendment of section 112 as proposed in the Bill is in some respects far too drastic and beyond the present requirements. The provisions with regard to presumption of guilt and the burden of proof put on persons found without a ticket, are likely to work very serious hardship in *bond fide* cases, such as that of a person having lost his ticket, etc. My Committee therefore do not approve of the provisions relating to presumption."

Then on page 19 you find the opinion of the Maharashtra Chamber of Commerce, Bombay. They say :

"The Committee of this Chamber have carefully considered the proposed amendment and its objects and I am to state that although they think that the evil of ticketless travel exists, they consider that the same is unduly exaggerated. The Committee do not therefore favour the drastic measures contemplated. They are opposed to giving the power of arrest to railway servants as proposed by the amendment of section 131 of the existing Act. Instead the Committee suggest that railways should exercise greater checks on the admission of passengers to railway platforms, and they believe that if this is done there will be considerable reduction in the number of those who enter trains without tickets. A careful watch from the offside of trains, while they are stopping at stations, will also be useful."

Then I come to section 131. Present section 131 provides for a person who has travelled without a ticket though he has not done so fraudulently or dishonestly, and they make it a cognisable offence. Now, they wish to add a proviso that if a person travelling without a ticket has obtained a certificate from a railway servant, then the provisions of this section will not apply to him. As regards these certificates, experience has shown that it is not possible to obtain these certificates from the guard who is in charge of the train at the moment, and that is so because at several stations the train stops only for a very short time : as soon as the train stops it whistles again to start and in two minutes it is off. How is the guard to be reached ? Even for any other urgent business he is hard to reach. How then is he going to give a certificate ? If he is asked two or three stations later, he will refuse to give it. How is that difficulty to be got over ? Another point is that whenever guards give certificates they are snubbed for giving many.

Therefore, I submit that this provision will not in the least remove the difficulties of the people and will be too offensive.

Coming to section 132, it will be found that formerly if a man travelled without a ticket and made himself liable under section 113, an arrest could be made only when there was reason to believe that he would abscond or his name and address are unknown and he refuses on demand to give his name and address....

The Honourable Sir Muhammad Zafrullah Khan (Member for Commerce and Railways) : "or"—there is something more.

Mr. Lalchand Navalrai : Or there is reason to believe that the name and address given by him is incorrect. That is quite true. That means that if a man does like that he will not be found and will abscond. But now what are you doing ? You are giving power under this section that he should be arrested. "If there are reasonable grounds for believing that except by his arrest he cannot be placed before a Magistrate without undue delay, trouble or expense". This is too wide. Is it not giving a blank cheque in the hands of the railway official ? The official may say that the man could be brought up at once and prosecuted and punished then and there. He might also say that there may be trouble in securing the man afterwards and he should be punished there and then. Then as regards expense, supposing the man belongs to a particular place which may or may not be far off : the only means of bringing him to court will be by summons : he could then come and explain. I submit that this addition gives very wide powers to subordinate railway officials.

[Mr. Lalchand Navalrai.]

The Bill is, therefore, such that we should not countenance it and we should not be a party to it. I suggest there should be no haste. These arrangements and regulations should be made in such a way as to make railway subordinates really responsible. If after full inquiry the opinion of the people is found to be that there should be a more stringent amendment than the present Act, then it could easily be done. I also submit that the Local Governments under the new constitution will be different from the Local Governments now and their opinion will be the opinion of the people. On that ground also there should be no haste in the passing of this Bill. Even as regards these certificates, discretion has been given to the persons concerned to issue certificates or not. Sub-clause (2) of clause 2 says that a railway servant may grant a certificate to the passenger. We have been complaining that it is not possible to get the certificate even now. What is the good of putting in that proviso? On all these grounds, I would urge upon the House to throw out this Bill.

Sir Abdul Halim Ghuznavi (*Dacca cum Mymensingh : Muhamadan Rural*) : Sir, there are two motions before this House,—one is for a Select Committee, and the other is an amendment by my Honourable friend, Dr. Ziauddin, that the Bill be circulated for the purpose of eliciting opinion thereon. Sir, I oppose the second motion, and I shall give my reasons. I find my Honourable friend, Dr. Ziauddin Ahmad, is not here—(*Some Honourable Members* : “ Oh, he is just behind you.”) When my friend made his motion yesterday, I think he was not in possession of the opinions that have already been collected by the Government of India on this Bill. If he were in possession of those opinions, I feel sure, he would not have made the motion he made yesterday for circulation of the Bill, because the Government have already obtained opinions for and against the measure, and no useful purpose would be served by circulating the Bill over again for getting opinions.

Then, my next point is this. This Bill was discussed in Delhi by the Members of the Central Advisory Committee on Railways. Generally the Members agreed, though various objections were raised. Some of those objections were partly explained, but as I said, the Members were generally in favour of the introduction of a Bill of this nature, and that is the reason why this Bill was introduced. The Members of the Central Advisory Committee are elected Members of this House. They have to look after the interests of the Railways on behalf of this House. All of them expressed their opinions, except the Congress Members, and such objections as were formulated personally by the latter were mostly removed. Then the Committee had the opportunity of discussing the various clauses of this Bill with the Agents of Railways who were asked to attend a particular meeting, and they were asked to explain the necessity for enacting this measure. After the Bill was thoroughly discussed in the Central Advisory Committee, the Railway Member introduced this Bill in this House. Therefore, I say that this Bill has not been thrust upon us without any previous intimation as was pointed out by some speakers. If there are any clauses which some Honourable Members think are somewhat stringent, they can certainly be discussed in the Select Committee, they can be amended so as to meet the general wishes. One of the Honourable Members, I think my friend Dr. Ziauddin

Ahmad, asked what was the necessity for this Bill ? He said that he had travelled widely and he could not think of any other country where they had such a Bill as this. Then he compared Germany.....

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : On a point of personal explanation, Sir. What I said was that the system of checking tickets in Germany was more perfect than in India and that the avenues of tightening it were not considered by the Committee of which my friend was speaking.

Sir Abdul Halim Ghuznavi : I was coming to that point. I agree that the system of checking tickets is not right, it is not so perfect as it is in Germany. There nobody can enter the train without showing the ticket to the Conductor, no person without a ticket will be allowed to enter the corridor train without showing a ticket. There are no corridor trains in this country.....

Mr. N. M. Joshi (Nominated Non-Official) : There are a few.

Sir Abdul Halim Ghuznavi : In foreign countries, there is a Conductor to see that the man who gets into the train has a ticket with him. Then it was stated that a proper checking system was not introduced in this country. My friend forgets the fact that this question of ticketless travelling has been under the consideration of the Government for the last 15 years or more. And what did they do a few years ago to prevent ticketless travelling on the Indian Railways ? They introduced in 1924 what is called the Crew system,—and we all know what the introduction of the crew system meant to the Railways. It meant purchasing a certain number of Punching Machines,—the Mohendra-Hayman Punch was a very heavy load on the Railways. Those machines are still in existence. After the introduction of the crew system, a large number of crew was travelling with the trains for checking tickets. That crew system did not succeed in stopping effectively ticketless travelling, and so it had to be abandoned, but still the punching machines remain, because we find in certain stations the crew coming round to check tickets and complaining that their hands are aching. Probably the fellow who introduced these machines had something to do with the Oriental Balm, because these punching machines are so heavy that a bottle of Oriental Balm also will have to be supplied to the crew to stop their handaches.

Then, Sir, another suggestion was made by my friend, Mr. Lalchand Navalrai, that railings could be put up all round the stations. How can you prevent ticketless travel by putting up railings round the stations ? There are a number of openings on the stations alongside the roadways.

An Honourable Member : Then close them.

Sir Abdul Halim Ghuznavi : It was found in the Central Advisory Committee that it was not possible to do that. Besides that, the amount of money required to have railings round all stations in India will be considerable. This is India, and not England or Germany. Look at the number of small stations, roadside stations. Every half mile or a mile you have a station. (*Some Honourable Members* : "Not at all.") If not half a mile, I will prove it is a mile.

Pandit Nilakantha Das (Orissa Division : Non-Muhammadan) : It is only near Howrah, and nowhere else in India.

Sir Abdul Halim Ghuznavi : Two or three miles—there are hundreds of stations. (Some Interruptions.) If this goes on, I will bring the time tables and prove that you are shaking your heads for nothing. My Honourable friend, Mr. Sri Prakasa, says, you are doing so much for this ticketless travel, what about overcrowding of your compartments? You do not prosecute railways for overcrowding, whereas you prosecute the bus when it is overcrowded. Overcrowding in trains does not endanger human life. (Some Honourable Members : "Yes.") Let me complete my sentence.

Pandit Nilakantha Das : Do you remember the Moplah trains ?

Sir Abdul Halim Ghuznavi : That was 20 years ago, and I shall give you an instance of the Bengal Nagpur Railway, it is your Railway by which you travel. A bus can endanger human life in this sense that it may overturn if you overload it. As regards this overcrowding, the Railway Board circularised their railways to take a census of third class passengers and find out if there has been overcrowding, and I believe that they also said that when they discussed this particular question of overcrowding the members of the Railway Standing Finance Committee from the particular province should be invited to the meeting of the Advisory Committee, and I was invited by the Bengal Nagpur Railway last month to attend one of those meetings. This is the result. It shows that overcrowding is disappearing, and on the top of that, the East Indian Railway has started reservation of third class berths, which shows that overcrowding has almost disappeared.

Some Honourable Members : No.

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhar-madan Rural) : Because there has been a theoretical provision !

Sir Abdul Halim Ghuznavi : You will find third class carriages marked there, reserved for third class passengers. This is the result on the Bengal Nagpur Railway. The census was taken on a particular date just to find what was the position, whether there was overcrowding at all, and if there was, why it was so. It was found that No. 10, Puri Passenger was overcrowded on three occasions. Naturally, my Honourable friend, Pandit Nilakantha Das, will appreciate why they took a census of the Puri Passenger. Puri is a holy place where a number of pilgrims go.

Pandit Nilakantha Das : In that line overcrowding is less and less now.

Sir Abdul Halim Ghuznavi : If that is admitted, I won't take the time of the House by reading out these statistics, and so on. We have been told that this very drastic measure will keep away those mendicants and *fakirs* who travel without tickets.... (An Honourable Member : "Who said that ?") One of the arguments was that if this drastic measure was passed they would not travel and the railways were not going to make any money, and what was the use of this Bill.

Mr. Lalchand Navalrai : At any rate, I did not say that.

Sir Abdul Halim Ghuznavi : I have not said that you said.

The Honourable Sir Muhammad Zafrullah Khan : There is no allegation that all untenable arguments are used only by the Honourable Member.

Mr. Lalchand Navalrai : I think the Honourable Member might allow me to say that he is looking at his own mirror.

The Honourable Sir Muhammad Zafrullah Khan : I was looking at the Honourable Member.

Sir Abdul Halim Ghuznavi : Sir, we are not concerned whether the railways will make more money or not. What we are concerned with is to prevent the ticketless travellers from travelling....

An Honourable Member : With what object ?

Sir Abdul Halim Ghuznavi : Certainly, ultimately they will make money.

The Honourable Sir Muhammad Zafrullah Khan : Either make money or less overcrowding.

Sir Abdul Halim Ghuznavi : It is not only mendicants who travel without tickets, but there are many others, and very respectable people too.

An Honourable Member : Members of the railway staff.

Sir Abdul Halim Ghuznavi : Apart from members of the railway staff, there are others too. All that the Railway Member wants us to do is, let us go to the Select Committee and discuss the various clauses. If you agree there, well and good, if you do not, then the House can throw out the Bill. But why do you object to the Bill going to a Select Committee ? Sir, I support the motion for a Select Committee.

Pandit Nilakantha Das : Sir, I did not like to make a speech, but wanted to ask a few questions. But now that points from the proceedings of the Central Advisory Council for Railways have been raised, I should like to enlighten the House that the Advisory Council was sitting in Delhi when this Bill had been introduced in this House, and that in the Advisory Council the general opinion was that it would not be proper to embarrass the House by discussing the Bill in the Advisory Council at one and the same time, and so the discussion in the Advisory Council was stopped. But there were some points only casually raised during the course of informal conversation about the relevant statistics to which I am coming.

The main object of the Bill seems to be, not money, for it is only .5 per cent. of the travellers that are given here as ticketless travellers, and I shall show you just now that most of this .5 per cent. have actually paid, and paid with penalty. So, there is no question of money. The object may be either to prevent ticketless travel altogether by making the administration of this business awfully terrific to the customer, or it may be to create a moral and ethical atmosphere in the country by altogether preventing all defrauding in this ancient sacred land of India. I do not know what it is, but if we go by statistics, the only figures given to us here are 23 to 29 lakhs or 25 lakhs a year on the average of passengers who travel without tickets. The same figures were also given in the Central Advisory Council. I then wanted to know as to how many,

[Pandit Nilakantha Das.]

out of these 25 lakhs, ultimately went off without payment, for it was said that this number, i.e., 25 lakhs, represented the total of all travellers who had boarded the train ticketless. From how many then was fare or fare with penalty realised afterwards, was the question. The Railway Board had no reply, for they did not care to know or enquire this important aspect of the question. Then the question was asked to the Agents, one by one. They were asked to give the number of passengers who actually defrauded, did not pay and gave the slip or ultimately went to jail. For in the ordinary course of things in a railway system, there must be a half per cent. or even one per cent. ticketless travellers as a matter of course.

The Honourable Sir Muhammad Zafrullah Khan : Why ?

Pandit Nilakantha Das : If somebody comes at the last moment and the train is steaming off, he will have to get in without
1 P.M. a ticket and he will be a ticketless traveller. He will get into the train, and then he will pay.

The Honourable Sir Muhammad Zafrullah Khan : If he pays up, there will be no prosecution.

Pandit Nilakantha Das : But that is not the point here. Out of these 25 lakhs who were ticketless travellers, out of this number, which is so alarming to you, you just tell me how many did not actually pay. That is the relevant point. I was saying, when I asked this question to the Agents, no Agent could make a reply. Only one Agent, the Agent of the Bengal and North Western Railway told me that 90 per cent. of his number, which was a lakh or two of this 25 lakhs, have paid. This Bengal and North Western Railway is not a Government line and we have always raised the question in this House over and over again that this line is more mismanaged than any other line in this country. So, I presume that in every other line more than 95 per cent. of these ticketless passengers did actually pay ; so 95 per cent. of these 25 lakhs of passengers actually pay. They do not defraud. Then, what does this 25 lakhs mean here ? That is what I want to know. You should tell us how many passengers are actually out to defraud the railway administration in this country. If that number be one lakh or two lakhs in this vast land of India, with its vast business, is any Bill at all called for.

New opinions have been collected on this Bill. Whatever opinions have been collected have been collected on this fallacious and misleading figure. This does not indicate anything. In any case there will be ticketless travellers. As a matter of fact there are many opinions on the subject and some of them have been read. They simply corroborate the common knowledge that the railway administration is more corrupt than any other commercial administration of the Government. It is a fact and there is no denying it. I shall give you one instance as regards goods traffic. The goods clerk in a particular station used to charge one rupee per bag of rice or a certain fixed quantity, I don't exactly remember. A new man came and he charged 8 annas for the same quantity. This was bribe. The officer was approached by some public men. He came to inquire. I am not giving the name. This is a particular instance which I know. Of course our people are also to blame in this giving of bribe.

But I maintain they are victims to a system. However, some merchants who were actually paying the bribes said "This man is very good. We used to pay one rupee but he charges only 8 annas. Why do you inquire into these things? Then our business will not go on smoothly." That official did not know what to do. He said people are satisfied and say that otherwise their business will not go on smoothly. So, almost in every station this is going on. The more officers you will engage to check this ticketless travel, more bad money goes to the pockets of these officers in the way of illegal gratification. They take one rupee and relieve the passenger of, say, Rs. 5. Why don't you expurgate your own administration of these people just as the postal administration has done. There is no corruption there. You just take advice from them and find out what they are actually doing. You must tell the House what measures you are adopting actually to make your own administration clean.

The Honourable Sir Muhammad Zafrullah Khan : What does the Honourable Member suggest?

Pandit Nilakantha Das : I cannot suggest unless we sit together across the table. We may devise measures in the Advisory Council.

The Honourable Sir Muhammad Zafrullah Khan : That is what I am wanting you to do—sitting across the table.

Pandit Nilakantha Das : By this Bill, you are making the administration terrific to the people. You are preventing people from travelling in the train and naturally they will take to road motor and it is only this year that in order to combat motor competition you are devising a very queer and interesting thing. You are going to purchase some light engines in countries other than India. What is the use? If you take to means like this, you will simply make the administration terrific and you will drive passengers to road motors and you will then say again that, on account of this road-motor competition, you lose money. You have deficit budgets. You will not only purchase light engines abroad, but may then come to this House and ask this House to pass legislative measures to prevent people from travelling in road motors. They will be bound to travel in trains. If in this way you want to run the administration of this country, we do not know where we stand. I do not know whether this branch of the administration under one of our own people is going to be made more and more terrific at a juncture like this. It is being said that the country is being given autonomous government. I want you to tell me how many are defrauding you and what you are doing to expurgate your own administration of these nuisances which are more responsible than the passengers for this ticketless travelling. We know what these third class passengers are. You will simply terrify them and corruption will grow from bad to worse. As a matter of fact, I know one instance of this ticketless travelling. A marriage party was going from one station to another. Some private telegrams or telephones passed between the two station masters and about 30 people were allowed without ticket. At the destination station only three men were charged fare with penalty and the station masters pocketed Rs. 20 or Rs. 30 in the bargain and the whole party was let off. Do you know, how many like these three ticketless travellers have been there to give you 25 or 29 lakhs? Why don't you look at this aspect of the question? You want to make your own officials so many policemen, and you make

[Pandit Nilakantha Das.]

the offence cognisable and you throw the onus on the poor passenger to prove that he was not defrauding the Railways. This is not the way. Fraud, if there is any, is encouraged by your own officials. Where are the facts and statistics again to show that men are actually defrauding you and the fraud is unavoidable by a better control of your own employees? Therefore, I say, "withdraw the Bill altogether, devise other measures, and those measures should first be intended to make your own administration clean, just as during the last twenty-five years and particularly during the last five years your colleague in charge of the Postal Department has been able to make his Department almost clean".

Mr. R. F. Mudie (Government of India : Nominated Official) : The main argument, Sir, against this Bill is that it is too drastic, and that in some ways, which I am not clear about, it will harass innocent travellers. The Honourable Member for Railways made it perfectly clear that Government have no intention of harassing innocent persons.

Prof. N. G. Ranga : (Guntur *cum* Nellore : Non-Muhammadan Rural) : It is only an assurance.

The Honourable Sir Muhammad Zafrullah Khan : No, no.

Mr. R. F. Mudie : I do not think that our natural anxiety to protect innocent people should blind us to the actual facts of the present situation. The attention of the Honourable Members of this House was called to section 132 of the Railways Act. If that section is carefully read, it will be seen that there is no reason why anyone should buy a ticket at all, except possibly a platform ticket. (*Prof. N. G. Ranga* : "Oh, oh!") All he has to do is to give a false name and address, and practically nothing can happen to him at all. That provision is very widely known and very widely taken advantage of.

Pandit Govind Ballabh Pant (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : Does not the section lay down that if a railway officer or police officer thinks that a particular name and address is not correct, he may arrest that man and place him in custody?

Mr. R. F. Mudie : If a man gives his name as Nur Muhammad or Rahim Bux and says he comes from Cawnpore or Calcutta, it is quite impossible for the ticket collector to disbelieve him. If he does and his name is really Rahim Bux, he lays himself open to a suit for malicious prosecution or wrongful arrest. It is quite impossible to do so : and the proof that it is impossible is that in the year 1934, the last year for which I have got full statistics, 30,000 people gave false names and addresses.

Pandit Lakshmi Kanta Maitra : All over India?

Mr. R. F. Mudie : Yes.

Mr. M. Asaf Ali (Delhi : General) : How was it discovered?

Mr. R. F. Mudie : Because they were not found at these addresses when looked for.

An Honourable Member : Were effective steps taken to trace them?

Mr. President (The Honourable Sir Abdur Rahim) : Let the Honourable Member go on.

Mr. R. F. Mudie : The question of wrong names and addresses is not really a financial one, it is a moral one. Any Act which deliberately puts a premium on cheating must be a bad one. As long as such an Act is in force, it is useless to take the advice which one Honourable Member gave yesterday and, instead of passing this Bill, to plaster our railway carriages with pious mottoes. It is no use to put up notices on carriages "Honesty is the best policy", when clearly the best policy is to give a wrong name and address. I should like Honourable Members to just bear that figure of 30,000 persons who gave false names and addresses in mind.

Pandit Lakshmi Kanta Maitra : On a point of information. Will the Honourable Member kindly say.....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can put his question after Lunch. The House is adjourned till half past two.

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

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

Mr. R. F. Mudie : Just before we adjourned, I was asked the number of passengers who travel by train each year. I believe the number is about 400,000,000. I give that as a present to my Honourable friend, and he may also accept, by way of commission, the 30,000 who gave false names and addresses.

Pandit Lakshmi Kanta Maitra : To what period does this figure relate ?

Mr. R. F. Mudie : It is the general average. I have not looked up the figures. Then, we are told that, when it suits our book, we say that the Railway Department is a business department and at other times we bring forward legislation which is contrary to that principle. I do not think that this legislation at least is contrary to that principle. How would business flourish in a country in which you could go into a shop and pick up an article that you wanted and walk out with it ? If the shop keeper were greedy enough to ask the price, you simply turn to him and say : " My name is Jones, and I live in London. If you want the price, just apply to the nearest Magistrate, and he will get the price from me and also fine me if he can." That is the law as regards railways at present. If a man gets into a train, you cannot turn him out of the carriage ; he is bound to continue the journey and you are bound to let him travel whether he pays or not. He can turn round to you and say : " Collect it from the Magistrate." We are trying to end that state of affairs, and we are not proceeding on unbusinesslike lines.

Then, Sir, as regards those who travel without tickets. We have been told that they are mostly beggars and that, after all, it is everyone's business to be charitable and every business contributes to charity and as these poor beggars live on charity, why should they not travel on railway charity ? That is one argument. Another argument is that most ticketless travellers are railway employees and the cure for that was to put fences round railway station presumably to keep the railway employees

[Mr. R. F. Mudie.]

out of the station ! But the bulk of those who are detected by travelling ticket collectors are neither mendicants nor railway servants. Last year, excluding beggars, 17½ lakhs people were detected, of whom 17 lakhs paid on demand fare and excess. These 17 lakhs of people certainly had the money on them. Possibly a considerable number of them were unable to obtain tickets. I do not deny it. But you must also admit that a great number of these 17 lakhs had gambled and lost. They took a chance and, when they were caught, they paid the fare and excess. Then, Sir, there were 75,000 who did not do that. Of these, as I have said, 30,000 gave false names and addresses and they were not mendicants. 30,000 were made to pay the fare and excess by the Magistrate. That is to say, they had the money but would not pay except under compulsion. 15,000 were fined. I do not see that in our Bill there is any fear for the *bona fide* traveller. The whole object of the Bill is to ensure that a man who neither takes a ticket nor pays his fare to the travelling ticket inspector shall not travel by the railway. If that is an absurd proposition, then certainly there is an end to business principles. We were told yesterday by two Honourable Members—one of whom disclaimed any knowledge of civilized countries—that in no civilized country was there such a Bill. Well, in South Africa, in Kenya, in Ceylon, in the Malaya States and in Siam, in all these countries.....

Mr. M. Asaf Ali : Any European country.

Mr. R. F. Mudie :—South Africa is a *quasi*-European country—unless you buy your ticket or unless you pay your fare, you are liable to conviction by a Magistrate. In the United Kingdom you are liable to be removed from the railway carriage. If Honourable Members will look at our Bill, that is what we propose to do in sub-section (3) of section 112. That is not the present law. The present law, as we are advised, is that you cannot remove a person from a railway carriage who has not paid his fare and who refuses to do so. That is the present law in India. That, Sir, is the basis of our Bill. That is all I have to say about the Bill, but Sir, there was one accusation made yesterday which had nothing to do with the Bill, but about which I want to say something. It was an accusation against a Magistrate whom I happen to know. There were two accusations which were brought against him. One was that he resigned his post of Honorary Magistrate because his free pass was cancelled. I have it on very good authority that that was not the case. His magistracy was resigned owing to a disagreement with the District Magistrate and not with the railway. The other accusation was about dishonouring of women. On that point, too, I believe, the Honourable Member was misinformed. I happen to know the Magistrate, and so I do not believe it.

Pandit Lakshmi Kanta Maitra : Mr. Deputy President, the motion before the House is the reference to a Select Committee of the proposed amendment of the Indian Railways Act. The purpose which this Bill is designed to serve is to tackle the problem of ticketless travel. We are given to understand that this problem is assuming formidable proportions of late. Fortunately, just now we had a speech from the Treasury Bench from my Honourable friend, Mr. Mudie, who was pleased to give some figures. The figures, however, indicate that the problem is not assuming

so serious a proportion as the Honourable the Railway Member would have us believe. At the time of moving his amendment, Dr. Ziauddin Ahmad, whom I do not find just now in his seat, told us that the total percentage of ticketless travellers in this country averages about .5 per cent., that is to say, less than $\frac{1}{2}$ per cent. But from the figures which have just now been given by my Honourable friend, Mr. Mudie, I am inclined to believe that it is not even a decent fraction of an integral number. After all he has just now told us that 400 million people travel in railways in the course of a year on an average. Out of these 400 millions, less than 18 lakhs—17 $\frac{1}{2}$ lakhs to be precise—have paid fares and excess. Then there are 30,000 people, who are vagrants and beggars from whom nothing could be realised.

Mr. R. F. Mudie : Beggars and vagrants are excluded from the figures given.

Pandit Lakshmi Kanta Maitra : All right. Fifteen thousand were made to pay fines. I ask the House seriously to consider where is the case for the Honourable the Railway Member to say that ticketless travel has grown to formidable proportions or rather has assumed proportions which require drastic remedies such as he has proposed by this amendment of the Railway Act. There have already been several speeches on this side of the House and Honourable Members have described the various aspects of this proposed amendment. I heard only one speech from an elected Indian Member—I think it was Sir Abdul Halim Ghuznavi, whom I do not find here now in his seat—who seems to support this measure. Barring him, up till now, we have not come across a single Indian elected Member who had a kind word to say about this Bill. Be that as it may, we must first of all view this Bill from the point of view of principle, for at the very outset I must tell the Honourable Member for Railways that so far as we are concerned, we never encourage ticketless travel. We are quite at one with him when he is out to check this mal-practice or corrupt practice, but our only difference with him is as to the method of approach and the means which he suggests and the remedies he proposes. This Bill, by the proposed amendment of section 112 of the Railway Act, in the first place, seeks to introduce a very dangerous principle and I believe any lawyer Member in this House who has read this provision will recoil with horror at the proposal that the onus in a criminal case should lie not on the prosecutor but on the man who is held up for trial. Sir, the corner stone of British criminal jurisprudence in this country is, as everyone knows, the presumption of innocence of the accused until the actual guilt is brought home to him and it is on this salutary principle that criminal administration of justice in British India has gone on for nearly a century. It is a tragic irony of fate that it after all fell to the lot of an Indian lawyer Member who is now a new recruit to the executive Government for the first time to introduce this principle which is revolting to all lawyers and to all notions of criminal jurisprudence in this land. That is really a misfortune. There had been his predecessors and so far as I know they had not been lawyers, but it never struck them to introduce a piece of legislation embodying such a vicious principle. After all may I ask the Honourable Member for Railways why should he claim for his railway company a special privilege which is not enjoyed by any other prosecutor in this land? Sir, it will not do to forget that the transaction with the railway is purely on a contractual basis. It is a

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contractual obligation between a class of persons and a system of carriers. I can understand that in all such transactions resting on a contractual basis, civil liability can accrue, but why should he foist on us in this Bill a criminal liability unless and until the guilt or intent to defraud is established? The prosecutor will be at perfect liberty to come forward and say, here is a man coming forward with dishonest motives, that he is trying to use these public carriers with intent to defraud, without paying the legal fare and as such he makes himself liable to penalties. He cannot assume that the person is guilty. It is not to be presumed that he is a dishonest fraudulent man unless his wicked intent is proved in accordance with law. It is for the prosecution to prove the dishonest intention and fraud. Is it not very difficult for a man to prove the negative? I believe it is much more difficult for a man to prove that he is not dishonest or fraudulent than for one to prove that he is so. For instance, there is a respectable gentleman, he has no intention to defraud the railway, he comes up to the station at the last moment. I am not referring to those high paid officials who go about in saloons and who have every comfort at their disposal, the saloons being brought to the platform long before the time of the departure of the train. I am referring to the ordinary travellers. You will find often that a respectable gentleman, he is not a dishonest man to all intents and purposes, comes to the station at the nick of time just a few minutes before the scheduled time for the departure of the train, it may be he goes to the booking clerk and gives a ten rupee note for purchasing a ticket costing 12 annas. The booking clerk says he has no change. The poor man cannot afford to miss the train. He has to go immediately on business. If that man is detected on his way without having a ticket, he will say, "I came at the nick of time, I could not buy the ticket, because the booking clerk had no change for a ten rupee note". Then, the railway officials will say: "look here, here is a man decently dressed, he wants to defraud the railway company by giving lame excuse." Thus there will be a great howl created. If that man is hauled up in a Court, he will be presumed to be guilty. How can he prove that he is an honest man, that he had no intention to defraud the railways? To shift the onus of proof in such a case from the prosecution to the accused will be tantamount to a denial of his defence. How can any right thinking man accept that position? It is preposterous.

Supposing I am coming to Kalka or to some other distant place, can I expect a fellow passenger always to be with me to give evidence that I boarded the train at a particular station, that I had told him the facts, that I had no intention to defraud the railway, that I had such and such difficulties which stood in the way of my purchasing a ticket? This is ridiculous and absurd. The Burma Government characterises it as indefensibly drastic. I think that is a correct characterisation of this provision, and the Honourable Member cannot expect any Member on this side of the House to support a Bill which is based on such an obnoxious principle and which is subversive of all established principles of criminal jurisprudence as it obtains in this country.

In this connection, I will tell another thing. I think Dr. Ziauddin pointed out that in emergent circumstances we can of course think of shifting the burden of proof from the prosecution to the accused. But

where is that emergency here ? I am not talking here of such measures in the provinces. If it had been Bengal and if the Honourable Member had brought forward a Bill like that in the Bengal Legislative Council of course he would have got some supporters, because in that province people are made to swallow any amount of nonsense under the bogey of terrorism, under cover of combating terrorism. There in Bengal we have got a law that whoever possesses anything, some poem or book which in the opinion of Government is seditious, then it must be presumed that he intended to possess it for the purpose of furthering terroristic activities until he proves the contrary, which is impossible. You bring some commodity from the market ; something is tied with a newspaper and in the newspaper there is some eulogy of some terrorist or any other matter objectionable in the opinion of the Government. You unwittingly bring that and some people come in and say that you are possessing it for furthering terroristic activities, and you are quietly lodged in the jail by an obliging magistrate. So it is possible there ; and everything has to be tolerated so long as the spectre of terrorism dangles before the vision of the authorities there. But here I have not yet got the full figures from the Honourable Member. He has not given province by province or railway by railway what is the percentage of ticketless travel in the different systems of railways. Only he has given some very vague data ; sometimes 25,00,000, sometimes 29,00,000, sometimes 23,00,000. That is all the figures that he has given us about ticketless travel. And my Honourable friend, Pandit Nilakantha Das, very pertinently asked what out of this was the actual percentage of people who wanted really to defraud the railways. No answer was forthcoming. As a matter of fact we heard just now from my Honourable friend, Mr. Mudie, that very many people actually paid the fare and the excess. So I submit that this is a measure which we cannot support on this ground, anxious though we are equally with the Honourable the Railway Member to stop ticketless travel. It will not do for the Honourable Member to say that his railway administration is absolutely faultless. I say his administration lends itself to corruption and ticketless travelling. Some of my friends have given innumerable instances of incompetency and inefficiency on the part of the railway staff. I will give one concrete instance. In the amendment to section 68 you propose that a railway officer *may* grant a certificate to a passenger. In Bengal suddenly the railway administration abolished the system of issuing a guard's certificate to passengers.

Prof. N. G. Ranga : In other provinces also.

Pandit Lakshmi Kanta Maitra : I am coming to that. Abruptly a notification was issued by the Eastern Bengal Railway administration that on and from a certain date guards are not empowered to issue certificates to passengers who want to notify to them that for certain reasons they could not buy a ticket and they would be prepared to pay for it later on. This power of granting a certificate was withdrawn. I brought up the matter and had a discussion over it on the floor of this House and, Mr. Deputy President, you will kindly bear with me a few minutes while I place before you the answer which the Financial Commissioner of Railways gave to a question I asked in the Delhi Session of the Assembly in 1935,—starred question No. 1640. I asked :

“(a) Is the Honourable Member in charge of Railways and Commerce aware of a recent notification issued by the Eastern Bengal Railway.....discontinuing the issue of guard's certificates ?

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(b) Has a similar notification been issued on other railways ?

(c) Is the notification referred to in part (a) issued with the sanction or approval of the Railway Board ?

(d) If the answer to part (c) be in the affirmative, will Government be pleased to state the reasons for this measure ?

(e) If the answer to part (c) be in the negative, are Government prepared to consider the desirability of rescinding the same ?

Mr. P. R. Rau replied :

" (a) Yes. The notification withdraws from the railway staff the authority they previously had to grant permission to passengers to travel without a ticket, but authorises the guard to issue a certificate for the purpose of extending a ticket beyond the station for which it was originally issued and making a ticket already issued as available for travelling in a higher or lower class.

(b) Government are not aware of similar notification on other Railways, but they believe that the only other principal Railways which permitted a passenger to obtain a guard's certificate to travel without a ticket were the Burma, East Indian and Great Indian Peninsula Railways.

(c) No. The Railway Board's sanction was not necessary.

(d) and (e). The Agent, Eastern Bengal Railway, states that the system of guards issuing certificates to passengers travelling without tickets was stopped in 1932 on the southern (suburban) section as an experimental measure, and in 1933, over the rest of the suburban section, as it was found that it was facilitating fraudulent travelling and interfering with the normal duties of guards. As the experiment proved successful, the Agent decided that the system should be discontinued over the entire Eastern Bengal Railway system. Government do not consider that there is any justification for their intervention."

Then I followed it up with a supplementary question. I asked :

" Does the Honourable Member realise that there are generally many *bond fide* cases where people have to travel without tickets, not from any dishonest motive, but because of the fact that often they do not get any change at the railway station, and that if the railway guard does not issue certificates, they are thus penalised for travelling without tickets ? Does the Honourable Member realise that in many cases people who are *bond fide* passengers cannot get change from the railway stations and it is thus only that they cannot at the last moment buy tickets, and that it is because the guards are being deprived nowadays of the power of issuing certificates that they have to travel without tickets ? "

Mr. P. R. Rau replied :

" I realise that there may be individual cases of inconvenience of that sort, but my Honourable friend must also realise that that system does lend itself to fraudulent practices and corruption."

Here we find in the amendment that the guard may issue a certificate, and I am pointing out cases in the whole of the Eastern Bengal Railway administration where even if I were willing to pay the legitimate fare and to have a guard's certificate the guard will not give me the certificate. The result has been that there have been too many cases of penalising of honest passengers ; and I can tell you from my own personal experience that many highly placed Government officials also have been victims of that. Under the Government Servants' Conduct Rules they cannot approach me direct but I got reports from other people because outside they think we are big men. But when we put a question here, we are met with the reply : " That does not arise ", " The matter has been referred to the railway administration ", or " The Honourable Member may refer to me any specific case of hardship, and I will see what can be done ", and

so on. Later on, I pursued the matter further, and, at a meeting of the local Advisory Council, I was told that the old system has again been revived. That shows that so far as the Eastern Bengal Railway and other railways are concerned, even if the passengers went to the guard and asked him for a certificate they could not get them, though the circular said they could. Can it therefore be seriously contended that these people were really cheats? I say if you give this power into the hands of these people, it will open the door to corruption and vice and all sorts of oppressive tactics. We cannot allow that. We cannot allow travelling ticket examiners and checkers and even railway porters and others to go on harassing and humiliating passengers in that way. We know how people, especially ignorant villagers and women who have frequently to travel by railway—we know what sort of treatment they get at the hands of the railway people, especially the third class passengers; and if we put this additional weapon in the hands of the railway people, then God help them. I say it will not help the railways to increase their revenues. It will defeat its very purpose. It will scare away people who will take to other systems of transport. Travel by rail will be more and more unpopular and there will be consequent loss of revenue.

In addition, you make it a cognisable offence; and an honourable
 3 P.M. member gave an analogy of a man purchasing in a shop and not paying. I say that is something absolutely different. After all we believe in the homely maxim that prevention is better than cure. You first exhaust all the remedies to stop ticketless travel, and then come to us and say "We have tried all means at our disposal. We have tried all remedies and we have failed: we are coming now for these extraordinary remedies". My friend, Sir Halim Ghuznavi, was telling us that it is not possible to fence railways: that the railway stations were situated one or two miles or half a mile away from each other. But that is no justification. Give greater facilities for the issue of tickets. If my honourable friend will only go to any big railway station where third class tickets are sold, he will find that there are one or two counters for second and first class passengers—they issue tickets probably for half a dozen passengers: whereas two or three third class counters have to deal with about two thousand people: these booking clerks are human beings, they cannot cope with the rush and they have to make up their accounts: the people are in a sheer fright to buy tickets. Personally if we see a set of people thronged near a third class counter where tickets are sold, we will be simply scared away: it is a life and death struggle and only that man can succeed who has wonderful strength and endurance, because buying a ticket at one of these railway counters is really a question of trial of strength. So I say, give him greater facilities. See to it that these ticketless travellers cannot enter the railway precincts or railway carriages. Take all possible precautions and then see if this abuse is not reduced to a minimum. At present we cannot say that you are looking to that aspect of things. This morning in reply to a question about the amenities of third class passengers we were naively told that so far as that part of the resolution relating to courtesy was concerned, that has been forwarded: in other words, the whole railway administration has been advised to be a bit courteous to people who pay them for their services and who finance the railway system. This is all that the railway administration has been able to do after the passing of the cut motion. Year in and year out at the time of the railway budget we move these cut motions, of which this third

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class travel is one of the important subjects, and suddenly the railway authorities are roused from their sleep and make pompous promises and hold out pious hopes and then allow their feelings to go to sleep for another twelve months till the next budget comes round.

So, I submit that having regard to the obnoxious character of this Bill, the power which it gives to the railway employees to bodily remove persons if necessary from carriages and send them to jails, I am inclined to think that no elected Indian should willingly lend support to the Bill. It is not a question of sending it to Select Committee, because that will commit us to the principle of the Bill. This Bill is so drastic and obnoxious and punitive that we should throw it out even at this stage.

Sir, a good deal has been said about the integrity, probity and otherwise of the railway employees. I shall give the reason why I am so much against giving more power to the railway officials. Several cases have been narrated by Honourable Members of this House as to how passengers are being treated by railway servants. I will place this one case before Honourable Members : it is the judgment of a criminal Court where a highly respectable Indian gentleman was harassed and put on trial and was ultimately acquitted. From that you will be able to gather how the railway employees, beginning from top to bottom, are behaving with respectable people. I have got a copy of the judgment ; and if the Honourable the Railway Member wants it I shall be glad to give it to him. I shall read only portions from it. This was a case against one Mr. K. M. Pandit, son of Mr. K. C. Pandit, manager of the Bank of Bihar, Patna, who is also a member of the Calcutta Advisory Committee of the East Indian Railway. This Mr. K. M. Pandit is a young distinguished technologist, a highly educated man and a great grandson of the late Shambu Nath Pandit of hallowed memory, a late puisne judge of the Calcutta High Court : this gentleman was travelling on the 29th September, 1934, by the 10 Down Express from Dehri on Sone to Sone East Bank : he wanted to buy a second class ticket. The booking clerk told him that no second class ticket was available, not even blank tickets were to be found. So the gentleman boarded the train informing the guard and travelling ticket examiner and he went to Sone East Bank. There he paid the booking clerk two annas as non-booking excess charges. There he got intimation from a friend that he was to proceed straightaway to Patna. He went up to the railway booking office and wanted an inter-class week end ticket from Sone East Bank to Patna. He was told that no week end inter class ticket could be had—there was no stock of those tickets. Therefore, he had to buy a third class week end ticket. On arriving at Patna this gentleman had the hardihood, I may say, to write to the Divisional Superintendent that it was purely for lack of proper arrangements for selling tickets that he was forced to travel in a lower class and that the railway had to suffer some loss and that he had also to feel considerable inconvenience on the journey ; and he requested the railway authorities to see to it that better arrangements for sale of tickets are made and that no such inconvenience was caused to the travelling public in future. This brought all the trouble. A sort of perfunctory inquiry was held by the railway authorities and they at once informed him that as he could not buy a second class ticket it stood to reason that he travelled from Dehri on Sone to Sone East Bank without a ticket and that he must have travelled second class as he could not get a ticket when

he wanted it and therefore three annas was due from him. A good deal of correspondence passed between the parties and ultimately the matter came up to Court and this gentleman who was proceeding to England was hauled up to stand his trial before the railway magistrate in his Court at Sasaram. There was a protracted trial and there was an honourable acquittal of the accused. I will merely read a few sentences from the judgment of the learned Magistrate to show the conduct of the railway officials, the zeal with which they fought out the case for a paltry sum of three annas, and how a highly respectable youngman was humiliated, harassed, persecuted :

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

"The complaint by Pandit of not getting a second class ticket at Dehree on the particular night and not getting an inter class week end return at Sone East Bank for the destination of Patna Junction and in not getting a receipt for the sum of two annas paid as non-booking excess charge at Sone East Bank and his consequent discomfort of being forced to travel in a lower class were practically given a go by and great fuss was made over the alleged non-payment of second class fare from Dehree to Sone East Bank."

He has thoroughly disbelieved the witnesses, particularly one Balapat Rai, who was the travelling ticket checker who was travelling with this train and who was later on charged with the duty of helping in the prosecution. About this Mr. Balapat Rai, the learned Magistrate says :

"This witness prevaricates to the specific question as to if he had any printed second class ticket for Sone East Bank at that hour."

This class of witnesses we shall have to deal with when we are hauled up in Courts of justice, and the onus will be on us. The witness does not even say if he had a second class printed ticket at that hour. Then came the evidence of the guard, and about this gentleman, the learned Magistrate says :

"Incidentally this guard should be told that he is not following Rule 88 (B) quoted on page 126 of April 1935 East Indian Railway Time Table (4 annas edition). As he says he does not give the passenger the certificate, but gives it to a railway servant. When a passenger gets into a train without a ticket for some reason and informs the guard, he is entitled to the certificate. The guard also explains that he does not accompany a passenger of this type at the next station for purchasing a ticket owing to insufficiency of time."

It was complained that "I was forced to travel without a ticket after informing the T. T. E. and Guard". It was this complaint that brought about the whole trouble on the head of the accused. It was the complaint that "the interpretation that has been put on it by the railway administration and the C. S. I. that it means that the accused travelled in a second class compartment does not hold water".

It is a lengthy judgment and I do not wish to read it in detail, but later on the learned Magistrate remarks :

"The Enquiry Report of Balapat Rai should not have been accepted by his superior officers. The complainant was not examined, and yet his report was accepted and acted upon. The responsibility is not of the Enquiring Officer but of the authorities that accepted it without looking into it scrutinisingly. Then started a series of correspondence, and yet in spite of the refusal of the Pandit to pay up, it did not strike the railway authorities that there should be a thorough inquiry in the matter. On presumption alone the accused has been prosecuted..... There is no doubt that the accused has been put to a considerable amount of expenses and harassment and vexation. Probably if the railway authorities had handled the matter more

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carefully and particularly had a more thorough inquiry made, the case would have been avoided."

This is how a highly respectable Indian citizen was treated by the railway authorities.....

The Honourable Sir Muhammad Zafrullah Khan : What is the date of that judgment ?

Pandit Lakshmi Kanta Maitra : It is dated 13th August, 1935. It was delivered by the 1st Class Magistrate of Sassaram, Mr. P. C. Roy Choudhury.

The Honourable Sir Muhammad Zafrullah Khan : What is the title of the case ?

Pandit Lakshmi Kanta Maitra : The title is—East Indian Railway *versus* K. M. Pandit under section 112 of the Railways Act.

I hope the Magistrate will not be sacked.

Now, Sir, this is how a respectable Indian passenger was treated by the East Indian Railway authorities. With such cases before us, how can you give power in the hands of people like ticket collectors, guards, inspectors and all sorts of people to prosecute passengers ? This youngman had to suffer so much harassment, persecution and loss all due to the vindictiveness of the railway officials. I may inform the House incidentally that this gentleman had also to cancel his passage to Great Britain. In the face of such cases, does the Honourable the Railway Member want to assure us that these provisions would be so manipulated and so put into operation that there will be no hardship ? Without meaning any disrespect to my Honourable friend, I may tell him that these assurances from high personages have no meaning and significance so far as we are concerned. The sacred promises and pledges of even the King Emperor are not honoured in this country. I know on one occasion when passing a punitive measure Lord Sinha gave an assurance that such and such law would be operated in such a manner as not to interfere with the legitimate activities of the people. We know how things have turned out. When the Bengal Criminal Law (Amendment) Act was passed, assurances were given in the Bengal Legislative Council that the law would be operated in such a way as not to interfere with the legitimate activities of the people, but we all know how things are going on today in Bengal. When the Criminal Law Amendment Act was passed as a temporary measure for 3 years, we know what kind of assurances were given, and we know how those assurances were treated in actual practice. Therefore, Sir, it is no use trying to convince us by honeyed words.

Another point which was resented by my friend was when it was said that most of the passengers who travelled without tickets were either railway servants or Government servants. That might be overstating the case, but if the Honourable Member will take us into his confidence, which I know he never will, except uttering a few words of promises, we can tell him that people like us, who are more or less of a locomotive disposition, whenever board a second class compartment, in passenger or express trains, invariably find several people occupying the seats. In most cases they happen to be pass holders, and in some cases they buy tickets from Calcutta to Burdwan or some short distance, so that if they take an Express at Howrah at night, they can put down the safety clutch and quietly move

on to Moghal-Serai. When we people who pay full legitimate fares, ask them to make room for us, they generally turn a deaf ear, although they have not paid for their tickets. Of course, if the passenger who enters the compartment happens to be a European, the case is different,—these pass holders are careful enough to make room for them readily. This is how things are going on. Sir, in reply to a question which I put last year, my Honourable friend, Mr. Tottenham, who is now busy reading something, stated that some ranks of military officers are entitled to travel in a higher class than that for which the actual fare has been paid. I followed it up by a supplementary and asked what was the reason why certain ranks of military officers were entitled to travel in 1st class when they have paid the fare of a lower class, and the reply was that it has been the long practice and Government saw no reason to interfere with it. We are told that a man who pays second class fare is entitled to travel by 1st class because he happens to belong to Mr. Tottenham's department, and he is not to be treated as a ticketless traveller or fraudulent traveller. In face of these things we are asked to believe that we Indians are such a lot that we are given to ticketless travel.....

The Honourable Sir Muhammad Zafrullah Khan : There are so many concessions given by the Railways and those who take advantage of them are not described as fraudulent travellers.

Pandit Lakshmi Kanta Maitra : I am extremely sorry for the analogy that my friend gives. He seeks to defend what is morally indefensible.

The Honourable Sir Muhammad Zafrullah Khan : When a military officer who is entitled to a concession travels in a higher class than the class for which he pays the fare, he does so under the rules. He pays his fare and obtains a warrant or a ticket entitling him to travel in a higher class than the class for which he has actually paid the fare.

An Honourable Member : Without paying for it ?

The Honourable Sir Muhammad Zafrullah Khan : There is not the slightest justification for saying that he is travelling fraudulently. He takes advantage of a concession which is given to him, just as a concession is granted to the public on the occasion of holidays whereby by paying the fare for a lower class they obtain a ticket for a higher class.

Pandit Lakshmi Kanta Maitra : I am thankful to the Honourable the Railway Member for the light that he has thrown on this apparently unpalatable question. After all, I am glad he has come to the rescue of my Honourable friend, Mr. Tottenham, who has been sitting tongue tied because he has no answer to give. We are to understand that simply because some rule has been made, therefore it is no fraud that he does not pay actually for the tickets. So, if a rule is made tomorrow that all Government supporters and sympathisers, loyalists are entitled to travel first class with third class tickets, they will not be regarded as ticketless passengers, as the illegal ticketless travel has been legalized by this fiat. A funny argument indeed, and with this kind of argument we are asked to support the motion. If this is the mentality behind this measure, I should ask my Honourable friends not to support it. From every point of view I am inclined to think that this is a most outrageous and atrocious measure. It militates against all fundamentals of criminal jurisprudence in this country. It seeks to put a premium on the

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inefficiency, incompetence and dishonesty of railway employees. If passed it will open the door to corruption and blackmail and all manner of corrupt practices, and I would ask the House and every Honourable Member of it to throw out the Bill. (Applause.)

The Honourable Sir Nripendra Sircar (Law Member) : After the enthusiasm of my Honourable friend, Pandit Lakshmi Kanta Maitra, my remarks will be rather dull and flat, because I want to confine myself to only one point of principle of law which he has raised. My Honourable friend was rather eloquent and he did not spare my colleague, the Honourable the Commerce Member, in describing his surprise that an Indian lawyer should think of destroying the very foundation of the principles of criminal jurisprudence by throwing the onus on the accused.

Pandit Lakshmi Kanta Maitra : In a case under the Railways Act.

The Honourable Sir Nripendra Sircar : In a case under the Railways Act, yes. That is the point on which I want to address the House. When my Honourable friend stated that a person must be deemed to be innocent until the contrary is proved and that the onus is on the prosecution to prove that the man is guilty, he laid down the maxims very correctly. But maxims of general application have got to be applied to concrete facts of a situation. If I may remind my Honourable friend of two more maxims, viz., that during the course of a trial the burden of proof, the onus, shifts from time to time, and the second, that after all the evidence has been laid and produced before the Court the question of onus is wholly immaterial.

Pandit Lakshmi Kanta Maitra : I was talking of initial onus.

The Honourable Sir Nripendra Sircar : If my Honourable friend will not interrupt me, I am thinking of the initialness too. What is the initial onus which has been thrown by this proposal ? If a person enters in contravention of section 68 any carriage on a railway, he shall, unless he satisfies the Court that he had no intention to defraud the railway administration, be punished with imprisonment, etc. Let us take a concrete view of things. The man has been put up in a Court and he has been charged with travelling without a ticket, and let us see what happens if this law is enforced. What has the prosecution initially to prove ? It has to prove that a person entered in contravention of section 68—therefore, it is up to the prosecution, before it can turn to the next sentence and discuss the question of onus—it is up to the prosecuting officer to prove that there has been a contravention of section 68. What is the contravention of section 68 ? Section 68 is this :

“ No person shall, without the permission of a railway servant, enter any carriage on railway for the purpose of travelling therein as a passenger unless he has with him a proper pass or ticket.”

Therefore, to prove contravention of section 68, he has got to prove that here is a person who entered the railway carriage without the permission of a railway servant and holding no ticket. Therefore, the initial onus is on the prosecution to prove that he has broken or contravened section 68 by not taking the permission and by not having a ticket.

(Professor N. G. Ranga interrupted.)

If my Honourable friend, Professor Ranga, will not interfere, especially as it is not a labour question. Now, we have arrived at the stage where the prosecution has proved that the accused entered a carriage without getting permission from the railway and without having a ticket. Let us stop there. That is the stage which has been reached. What are the circumstances? Here is a man who has been proved not to have a ticket; it has been proved, that he never took permission. On whom should the onus be for proving that, as a matter of fact, that there was no intention to travel without a ticket in the sense in which it will amount to an offence? May I remind this House of an Act which has been in existence from 1872, the Indian Evidence Act, and let us see what is the position there. Section 106 says:

"When any fact is specially within the knowledge of any person, the burden of proving that fact is upon him."

An Honourable Member: Then why this section?

The Honourable Sir Nripendra Sircar: I shall answer that question in a minute. That rather cuts away your argument that something is happening which is so horrible that it does not happen in Great Britain, it does not happen in Africa, it does not happen in Zululand.

Pandit Lakshmi Kanta Maitra: Because it makes some difference in this section.

The Honourable Sir Nripendra Sircar: Do not interfere with my civil liberty of speaking. (Laughter.)

Mr. President (The Honourable Sir Abdur Rahim): The Chair thinks the Honourable Member ought not to interrupt.

The Honourable Sir Nripendra Sircar: In those circumstances, on whom is the onus of proving that there were special circumstances which would induce the Court to hold that he was justified or that he was compelled, whatever the position may be, to enter the carriage without asking permission and without having a ticket. One would have thought that under section 106 the position was perfectly clear, but as further argument, may I read to this House illustration (b)?

"A is charged with travelling on a railway without a ticket. The burden of proving that he had a ticket is on him."

Why is it not up to the accused to prove that fact? Because of the salutary rule of law that the facts which compelled him to enter the railway carriage without asking for permission or without getting a ticket are specially within his knowledge. Therefore, illustration (b) is only common sense—if he is travelling in a railway carriage without a ticket the burden of proving that he had a ticket is on him.

Mr. Lalchand Navalrai: What about fraud?

Mr. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): It is different from intending to travel without a ticket.

The Honourable Sir Nripendra Sircar: What about fraud? I do not know who is the fraud. (Laughter.)

Mr. Lalchand Navalrai: The Honourable the Law Member knows it. What I meant to say is this—what is to be proved is this, that he fraudulently got in, and that does not come under section 106.

Mr. N. V. Gadgil : Once he was your host. (Laughter.)

The Honourable Sir Nripendra Sircar : Sir, I am reminded that my Honourable friend, Mr. Lalchand Navalrai, was once my host. I can assure the House that in his capacity of my host he was not a fraud. (Laughter.) So far as this section is concerned, my Honourable friend will kindly attend to the wording of this section. Remembering that he has taken over an hour and fifteen minutes in his speech I assume he must have read the section some time or other : " If a person enters in contravention of section 68 any carriage of a railway, he shall unless he satisfies the Court that he had no intention to defraud the railway administration be punished with imprisonment which may extend to two months."

Mr. Lalchand Navalrai : Where is the intention of fraud ? What has he got to prove ? Who must prove it ?

The Honourable Sir Nripendra Sircar : I hope my friend will not go on making pointless points. I have been interrupted. No one is in a hurry. Nor am I. We reached the stage where it has been proved that the man entered in contravention of section 68. That is to say, some railway officer has led evidence to show that the man did not ask for permission and he had no ticket. Then may I draw my friend's attention to illustration (b) once more because as I have read it only twice probably my friend has not appreciated it. Illustration (b) says : A is charged with travelling on a railway without a ticket. The burden of proving that he had a ticket is on him. Why is the burden thrown on him. I am coming to the question of fraud in a minute. The burden is on the accused and not on the prosecution because the facts must be within his special knowledge—that is to say whether he arrived there at such a time that there was no time to buy a ticket or that his purse was in the possession of a servant who was lagging behind or whatever the excuse or justification may be. Those must be facts within his knowledge. What more is the prosecution going to do except proving ' Here is a man who never took our permission and who has no ticket '. It is up to the accused to explain having regard to the circumstances which have been proved as to why he is without a ticket and why he did not ask for permission. I am assuming that the prosecution has proved that he has contravened section 68. He shall then satisfy the Court that he had no intention of defrauding. How can he satisfy the Court that he had no intention to defraud ? Surely by proving facts which will explain that his presence in the railway carriage without a ticket was consistent with honest motives, which means that he can offer his explanation as to why he was unable to buy a ticket or to take permission. For instance, he may prove that there was nobody there and that he was rushing to enter the train and that he could not take permission and so on. There will be hundred ways of proving his innocence but supposing he offers no proof of any kind, the Court is left in the situation that he has not taken permission, has not got a ticket and has no explanation to offer. What inference would the jury be entitled to draw. If I may say so with respect, the mistake which my friend, Pandit Maitra, is making is by not noticing that the initial onus is on the prosecution. They have got to start by proving contravention of section 68. I notice the vigorous shake of the head of my Honourable friend there but in spite of that, I am confident in expressing my own opinion. The prosecution cannot proceed a step without proving

that there has been contravention of section 68. What happens if the prosecution does not lead evidence that he has entered in contravention of section 68 ?

Mr. Sri Prakasa (Allahabad and Jhansi Divisions : Non-Muhamadan Rural) : Will all ticketless travellers have the Law Member for their defence ?

The Honourable Sir Nripendra Sircar : All ticketless travellers cannot have the Law Member as their advocate. They cannot afford it. I may proudly proclaim to the House that at one time Mr. Sri Prakasa was my client and I remember very gratefully what I received from him.

Mr. S. Satyamurti : Was he a ticketless traveller ?

The Honourable Sir Nripendra Sircar : No.

Mr. Sri Prakasa : For the sake of old days, will he not give in now ?

The Honourable Sir Nripendra Sircar : I do not know what my friend wants, I am still grateful to him for what I received. Now, Sir, Mr. Satyamurti, if I may say so with respect, put a very pertinent and legitimate question. That is to say, if under section 106, you can arrive at the same result, why then this amendment at all. If merely on the strength of 106 you cannot arrive at the result then what is the difference which is being created by this section. I do not think that at any time I wanted to mislead the House by saying that no change is being effected by section 112. If any one has taken me in that sense, then I must correct him. Under general principles of law taken with section 106, want of permission and of ticket having been proved, the accused should be called upon to show how it happened. Existing section 112 requires something more to be done by prosecution. Section 112, therefore, does not conform to general principles of law, whereas the amended section does. That is what I have been wanting to tell the House.

My friend, Pandit Maitra, expressed the view that there has been a violent departure from the principle of criminal jurisprudence. I can assure the House that there is no departure from any of the recognised principles of criminal jurisprudence whereas existing section 112 involves such a departure. Under the proposed law a *prima facie* case having been made out against the accused he has got to give his explanation as to why he was there without a ticket and without permission. After all the evidence has been led, it will be for the magistrate either to disbelieve him or to believe him. My Honourable friend, Pandit Lakshmi Kanta Maitra, has been referring to so many maxims of jurisprudence, and perhaps he will be reminded of one of the maxims in Broom that there is such a thing as *Res ipsa loquitur*,—that there is such a thing as “a thing speaks for itself”. You can draw legitimate inferences from a situation until the ordinary inference has been rebutted. Now, Sir, what is the inference to be drawn ? If a man has no ticket, if a man has obtained no permission, and then he says, “I shall offer no explanation”, and makes no attempt to explain the circumstances, what more should the prosecution be asked to do ? I would now ask my friend, Pandit Maitra, to imagine that he has been briefed for the Crown,—which is possible. What is he going to do ? After proving absence of ticket and permission what more evidence should be lead ? Remember, Sir, that you have already proved, to start

[Sir Nripendra Sircar.]

with, that he had no ticket, he had no permission. Now, Pandit Maitra has got to prove, under the present section, further, that the accused had intention to defraud. What are the facts he is going to prove? All the facts of the situation are known only to the accused. Common sense requires that prosecution should not be asked to prove anything further, if the accused does not explain his conduct.

Pandit Lakshmi Kanta Maitra : Is much left to be proved after that? After the fact is found that the man entered the railway compartment without any permission, and then that he had no ticket, if that is done according to the law which is proposed, the whole case for the prosecution is finished?

The Honourable Sir Nripendra Sircar : Take it under the ordinary law as it stands. The prosecution has proved that the man entered the compartment without permission, without a ticket, and, after that, what more is there for the prosecution to prove, but for the wording of the existing section? What further evidence should Pandit Maitra be required to lead.

Pandit Lakshmi Kanta Maitra : By his conduct. The prosecution would have to prove that this man had some dishonest motive about him. By some conduct prior to his coming to the compartment and by subsequent conduct, his intent or character can be established. That is what is always done: and if you once concede that that fails, that that is not sufficient to prove, then the prosecution will lose and there is no help for it.

The Honourable Sir Nripendra Sircar : I am very much obliged to my Honourable friend.

Pandit Lakshmi Kanta Maitra : May I make my position clear?

The Honourable Sir Nripendra Sircar : I think it is as clear as mud. My friend says, "from his previous conduct, from his subsequent conduct"; but, surely, the previous conduct must be a matter particularly within his own knowledge.

Pandit Lakshmi Kanta Maitra : It may be also within the knowledge of the prosecution.

The Honourable Sir Nripendra Sircar : It may be, but is not likely to be, but it must be always within the knowledge of the accused.

(Interruption.)

There has already been one interruption; one will do at a time, let him get a chance.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member (Pandit Lakshmi Kanta Maitra) himself has spoken for a considerable time, and he should not go on making these interruptions.

The Honourable Sir Nripendra Sircar : I do not desire to repeat especially as I find my friend getting rather unhappy (*Pandit Lakshmi Kanta Maitra :* "Not at all."), but I wanted to know what else would the prosecution do, and the answer I got was—"previous conduct, subsequent conduct".

Mr. M. Asaf Ali : May I have a little bit of information ? I should just like to know the exact importance and significance of this sentence : " he shall, unless he satisfies the Court that he had no intention to defraud the railway administration . . . " What is the significance of it if nothing further is to be done ? In any case, you have got to prove all that you have said to prove a *prima facie* case, and, after that, the accused enters on his defence. Then what is the significance of it ? Why have it at all ?

The Honourable Sir Nripendra Sircar : Perhaps I have not sufficient intelligence to follow my Honourable friend's point.

Mr. M. Asaf Ali : Perhaps I too have not sufficient intelligence to follow my Honourable friend's point.

The Honourable Sir Nripendra Sircar : The second stage is that the onus having now been thrown on the accused, he has got to satisfy the Court that he had no intention of defrauding. But he can do that in one hundred and one ways of which I gave some illustration. For instance, he can adduce evidence to show that, as a matter of fact, as I said, there was no time for him to buy a ticket, that there was no time to ask for permission, that there was no officer from whom he could get the permission, etc. If he does not lead that evidence or evidence of some other kind,—I cannot conceive of all possible situations on the spur of the moment,—he leads no evidence to rebut the situation which has been created by proving a contravention of section 68, then he will be hit by clause 112 as proposed. My Honourable friend, Mr. Asaf Ali's question was—what is the significance ? It is this, that a point of time has arrived in the prosecution when it will be up to the accused to show why he was there without a ticket and without permission. That he can do in any way he likes.

Prof. N. G. Ranga : He can do that even now.

The Honourable Sir Nripendra Sircar : Of course he can do it now. If that is so, I will put the question which my Honourable friend, Mr. Satyamurti, put to me, " then what is your objection ? "

Mr. S. Satyamurti : I have one question to ask, if you will turn to section 112 of the Railways Act as it stands today :

" If a person, with intent to defraud a railway administration,—

(a) enters in contravention of section 68 any carriage on a railway "

Then follows the other portion. That is the fundamental difference.

Today the prosecution has got to prove not only entry but also intent to defraud. The Bill now merely wants the prosecution to prove " entry " in contravention of section 68 and then puts on the defence of the accused the entire responsibility for proving no intent to defraud.

The Honourable Sir Nripendra Sircar : I would remind my friend and the House that I did not suggest that section 112 as it exists today is the same as section 112 which is sought to be amended. I never suggested that. What I wanted to say was that even under the new section 112 as amended, the initial onus is on the prosecution to prove a contravention of section 68. Up to that, it is common. Then I submitted that this is different from the situation now existing under section 112.

[Sir Nripendra Sircar.]

It is a departure from section 112 which is a departure from the situation arising under general law, what I do not admit is that there is no destruction of the fundamental principle that the prosecution has got to prove this case. The prosecution shifts the onus by proving contravention of section 68—and thus discharging the initial burden.

Mr. S. Satyamurti : How about the Criminal Law Amendment Act ?

The Honourable Sir Nripendra Sircar : If my friend thinks that a reference to the Criminal Law Amendment Act will give him a couple of extra votes, I do not mind, but that is wholly irrelevant. There the opinion of the executive prevails and not of the Court. Here the Court, after hearing evidence, will have to come to a conclusion. I would submit to this House, Sir, that as a matter of fact no violent change is being made by the amendment proposed of section 112 because even in the amended section we are starting from the situation which arises after the prosecution has proved that this man has entered the carriage without a ticket. That is all I want to say, Sir, and the repetition of my arguments had been forced on me by interruptions.

Qazi Muhammad Ahmad Kasmi (Meerut Division : Muhammadan Rural) : Sir, I have very carefully heard the analysis by the Honourable and learned Law Member regarding the present section of the Railway Act and the amended one. Before proceeding with the merits of the Bill further, I want to express before the House my doubts regarding the construction that has been put by the learned Honourable Member.

So far as I have been able to understand, we can very briefly put the reasoning of the Law Member like this : that in so far as the section is concerned there has been some change, because previously it was for the prosecution to prove that the man entered the railway compartment with the intention to defraud. By the present change in the section only one part will have to be proved by the prosecution that he entered without a ticket and the other part will have to be proved by the accused that he entered the compartment without any intention to defraud the railway. He says that by splitting up this burden of proof which lies on the prosecution today into two parts he is putting one part on the prosecution and changing over the other part to the accused, and therefore the principles of criminal jurisprudence are not at all encroached upon. As a matter of fact, the principle of the current jurisprudence is that the law presumes that the accused is innocent and the Honourable the Law Member says that it is also followed in the new enactment. I submit that, as far as the first part is concerned, that of being found in a railway compartment without a ticket, it is perfectly correct that the prosecution will have to prove it. As to that part, there may be a number of exceptions according to the law itself. According to the law, a passenger might have entered the train without any ticket, because he has got some privileges or he has got any licence or oral permission of the guard or something of that kind. Now, merely the fact that he entered the compartment is not the real question at issue. It is the condition in which the person is found. In fact, there may be no question of onus so far as his being found in the train without a ticket is concerned. It is the circumstances in which the person

has been found and there can be no question of onus so far as that part is concerned. Now, we come to the second part whether he wanted to defraud the railway by entering without a ticket. I beg to submit that being found without a ticket in a railway compartment can never lead to the conclusion that the person has gone to defraud the railway. The very idea of fraud is different in the case of the railway. A person may want to get some money from some other person and he may defraud him. But in the case of the railway a person boards the train not with the intention of defrauding it but with the intention of travelling. Travelling is the intention and the fact whether he could get a ticket or not or whether he could pay for the travelling or not is a subsidiary question which has to be determined by the Court. So, to say that the mere fact of his entering in the compartment amounts to fraud or raises a presumption of fraud is not correct. The mere fact of his entering the compartment without a ticket raises the presumption that he intends to travel, not that he wants to defraud the railway. By boarding the train without getting any ticket, a person never means to get any money. He does not get any money. What he does is only to save the money. So, to use the word "defraud" in the sense in which the Law Member has been using it cannot be applied to the travelling by railway because any person who goes to the railway goes only for the purpose of travelling. He does not get anything by doing so : at the most he saves something.

Now, I submit, some distinction must be drawn between trying to save some money and trying to obtain some money from the railway. It may be contended that he does not get any money from the railway, but takes the service from the railway. Yes, it is so, but before the prosecution can charge him that he is criminally liable they will have to prove that he had sufficient leisure, that he was strolling on the railway platform and was on the look-out to get stealthily into a railway compartment or something of that kind. Thus, Sir, there are two principles which are involved in the motion before the House. One is this of shifting the onus while the other is that by this Bill they are turning a purely civil liability into a criminal liability. This Bill stands as No. 12 on the Agenda for today and if you just reverse number 12, you will get 21. This is the number of another Bill which is appearing on the Agenda of today which provides for the practical abolition of civil imprisonment for debts. What I mean to say is that we in this Assembly have got to consider on one and the same day two Bills, in one of which we are trying to change a civil liability into a criminal liability and at the same time we have to consider another Bill in which we want to abolish civil imprisonment for civil liabilities. It is a very important matter which we have got to consider, namely, how far it is consistent for the same Assembly on the same day to consider two Bills, in one of which we want to abolish a civil imprisonment for civil liabilities whereas in the other case which affects only a few corporations, only a few companies or State Railways, we have got to abolish that principle altogether and change an ordinary civil liability into a criminal liability. There is no harm if the Government come forward today with a law and try to change our old conceptions of civil jurisprudence and criminal jurisprudence. I will have no hesitation in considering it if the Government Members bring forward a law of that kind. But these little encroachments on the principles of jurisprudence, one after the other, without considering the whole thing

[Qazi Muhammad Ahmad Kazmi.]

cannot be tolerated by any person who has got any idea of the principles of jurisprudence so far as it prevails at present in this country.

Now, Sir, I come to the merits of the Bill, as to how far the railways will be successful in getting a larger amount of revenue by this enactment. We are not told either by the Commerce Member or other Members who have supported the Bill if they are going to reduce the number of ticket examiners or ticket checkers that they have already got on the railways and in that way succeed in saving a large amount of money. If they are going to reduce the railway checking staff, I do not think they will succeed in saving much because even with the best law, even with the most terrifying law, if we have not got a sufficiently large number of checking staff.....

(It being Four of the Clock.)

Mr. President (The Honourable Sir Abdur Rahim) : **Mr. S. Satyamurti.**

MOTION FOR ADJOURNMENT.

ABOLITION OF THE TARIFF BOARD.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) :
4 P.M. Sir, I beg to move that the House do now adjourn.

The specific matter I am bringing up is the abolition of the Indian Tariff Board. I do not use that word in a technical sense. I am grateful to the Government for not raising any technical objection this morning. Of course, the Government cannot permanently abolish this Tariff Board. At some time or other, they will have to appoint a Tariff Board for some enquiry or other. But my point is this : that, as a result of the recent acts of commission and of omission of the Government of India, a genuine apprehension has been created in the minds of the Indian public, especially of the Indian commercial and industrial public, that the policy of the Government of India, which has been in favour of what is called discriminating protection as laid down by the Indian Fiscal Commission and accepted by the Government of India, is undergoing a subtle and a bad change for the worse. I do not want to be personal. But my Honourable friend, the Finance Member, believes in calling a spade a spade and not a useful agricultural implement. I share the same fault with him.

The Honourable Sir James Grigg (Finance Member) : Not a fault.

Mr. S. Satyamurti : He has made no secret of his opinion that this policy of protection is no good for this country, that we are making the consumers pay unnecessarily, and that if the revenues of the country are ever to improve and that if we are to get sound finance for this country, we must give up this policy of protection. Now, Sir, frankly I see the Roman hand of the Honourable the Finance Member behind this new attitude or change in the attitude of the Government of India towards this policy of discriminating protection. The Government have wound up this Board, or they have disbanded this Board, and I suggest that that means a warning to Indian industrialists and to Indian commercial magnates and to the Indian public generally that the policy of

discriminating protection will no longer hold the field, but that the Griggian philosophy of free trade for all countries except his own, especially for India, should hold the field.

The Honourable Sir Muhammad Zafrullah Khan (Member for Commerce and Railways) : May I ask the Honourable Member to specify what is the specific matter of urgent public importance to which he is drawing attention. I am merely asking what specific point I shall have to meet. Will he kindly specify that ? He can give any arguments he likes in support of it.

Mr. S. Satyamurti : I am grateful for this friendly interruption. The point I want to be assured of, and I want the public of this country to be assured of, is that the Government of India still stand committed to the policy of discriminating protection at least as laid down by the Fiscal Commission, and that the disbanding of the last Tariff Board does not mean any change in that policy. I would add that we were hoping that, although this Tariff Board had had recesses from time to time, the Government of India would soon appoint a permanent Tariff Board.

An Honourable Member : A judicial body.

Mr. S. Satyamurti : Fully judicial in the sense of the status of High Court Judges, independent of the executive, whose future will not depend upon the favours of the Secretary of State or of the Government of India. I want to draw the attention of my Honourable friend, I am sure he knows it almost by heart, but still I merely want to draw the attention of the House to the recommendation of the Indian Fiscal Commission in paragraph 302 :

“ We have made it clear throughout our Report that the successful working of the scheme of protection we have recommended depends on the existence of a thoroughly competent and impartial Tariff Board. The Board must be one which will command the confidence of the country, and must be above suspicion of any subservience to particular interests.”

Sir, the Honourable the Finance Member influences the Commerce Member in many ways, will he at least allow the Commerce Member to listen to what I am reading ? The Tariff Board report goes on :

“ It is evident that the Board must be a permanent body. Consistent decisions and continuity of policy are of primary importance, and these cannot be secured except from a permanent Board. We therefore rule out at once any idea of such an organisation as has been set up in the United Kingdom to deal with enquiries under the Safeguarding of Industries Act..... No arrangement of this kind would give the continuity which is essential to the Tariff Board we contemplate.”

That is my first point, that we were hoping that the Government would set up a permanent Board. I deprecate very strongly the idea of these *ad hoc* committees appointed for particular industries, and for particular enquiries. I want to make no personal remarks, but I think the recent appointments have shown that it is not the competence of the person to advise on the industry, it is not his knowledge, it is not his position, but something else—I will not characterize that—which weighs with the Government in making these appointments. It seems to me, therefore, and the whole House will agree with me, whether they accept the entire policy of protection or not, that, if there is to be a policy of protection in this country, it ought to be on the advice of a competent, impartial, judicially-minded body, which will command the confidence of all interests concerned, and of the country as a whole. *Primâ facie*,

[Mr. S. Satyamurti.]

ad hoc bodies are peculiarly unfitted for this task. We want men who are competent, who are independent, and who have security of tenure, and who can therefore advise without fear or favour of any interest or of the Government.

My second point is this. I can understand my Honourable friend saying, how can you have a continuous Tariff Board, if there are no materials for enquiry? I will answer him. I am sure my Honourable friend has read paragraph 306 of the Indian Fiscal Commission Report. I will only read just two or three items of inquiry, which they have recommended to the Tariff Board :

"To watch the effect of protective duties or other measures of assistance on industries; to review periodically the results of such protection on each industry, and to make recommendations when necessary for the modification or withdrawal of protection."

Have the Government got any machinery to continually watch the effect of protective duties? It is not enough to have *ad hoc* committees to report whether protection is to be given or not to be given, and then leave it to the Government to forget completely the report made by them or to give effect to the report. It is not that the Tariff Board should be completely ignored, until another fresh enquiry starts for protection for some other industry. What the Fiscal Commission contemplated and in our opinion very rightly so, was a continuous watch on the effects of protective duties or other measures of assistance on industries. I am sure the Honourable the Commerce Member will agree with me that you must have a competent body.....

The Honourable Sir James Grigg : You do not want a Commission to tell you that.

Mr. S. Satyamurti : My Honourable friend is so self-confident that he wants nobody to advise him. If dumping is taking place on a large scale, who is to watch it? Who is to consider and watch the effects of protective duties or the excise duties on industries? You have got the sugar excise duty, the match excise duty, the kerosene excise duty. Surely, you want a competent body to watch the effect of these excise duties on Indian industries and "to consider to which articles preferential rates of import duty in favour of United Kingdom might be extended and what the preferential rates should be". Even this, although I do not agree with them, should be done by a continuous body with a permanent tenure instead of *ad hoc* committees, which are appointed to recommend what preferential rates ought to be given to British products. The Tariff Board Report further says :

"To watch generally the effects of the tariff policy on the cost of living, to study the tariff systems of other countries, to investigate questions in connection with the treatment of Indian products by foreign countries and the advisability of taking any retaliatory action in special cases, to investigate any complaints regarding combinations of manufactures to the detriment of the Indian consumer and to make recommendations for any necessary action."

I am sure, there are many other items and I am also sure that my Honourable friend will agree with me that these are individual items which can give a continuous, important and strenuous work to any competent body like a permanent Tariff Board.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : What is the point at issue just now? These paragraphs have been quoted from the Tariff Board Report very often on the floor of the House. I myself quoted them half a dozen times. I should like to know what is the question of recent occurrence. This thing has been happening for the past twelve years. I am in entire agreement with my Honourable friend, Mr. Satyamurti, on principle, but it cannot be a subject for motion for adjournment.

Mr. S. Satyamurti : Sir, I think I have made my point clear. My point is that this disbandment of the last Tariff Board means giving up the recommendations of the Fiscal Commission to have a permanent Tariff Board, to do all these things which I have enumerated just now. My Honourable friend, Dr. Ziauddin Ahmad, might have quoted this, ever so many times. Let him vote with me this time, it will have a more telling effect, than when he was quoting these when he was in a minority. Let him vote with me and he will see the effect on the Government.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : Was the last Tariff Board, which has just been disbanded, performing all the functions which the Honourable Member was referring just now?

Mr. S. Satyamurti : That is my complaint. My complaint is that there should not be these *ad hoc* Tariff Boards, but a permanent Tariff Board discharging all these functions.

The Honourable Sir Muhammad Zafrullah Khan : The point being put forward is not the failure of Government to set up a permanent Tariff Board, but to draw attention to the abolition of the Tariff Board.

Mr. S. Satyamurti : Which signifies to him, and which ought to signify to every Honourable Member of the House, that Government have washed their hands off this recommendation of the Fiscal Commission, and have given up this idea of establishing a permanent Tariff Board.

The Honourable Sir Muhammad Zafrullah Khan : There has been no change in Government policy with regard to these Boards at all, as I shall explain later on.

Mr. S. Satyamurti : I shall listen with great interest to what he has got to say, but, in the meantime, let me point out to this House that the point of my motion is that this disbandment or abolition (as I call it) means the giving up permanently by Government of the idea of setting up a permanent Tariff Board. Then, Sir, when this question of the adoption of a policy of protection came up before the Assembly in 1923, Sir Charles Innes who was then the Commerce Member said :

" We must be able to rely on the Board for a perfectly impartial investigation of all relevant facts before it makes its recommendations. That is the first essential. The Board must be entirely impartial. No extraneous considerations of any kind must enter into its composition ; and that is why I hope the House will not think that I am casting any reflection upon the Indian Legislature if I say that the Government feel that they must retain in their own hands the duty, or rather the responsibility, of appointing this Board. They cannot delegate that duty to anyone. They cannot trust to election even by the Indian Legislature."

I agree, but I want Government not to trust to nominations being made from time to time. Let them nominate once and for all, give them a life tenure, and then only you can get a satisfactory Tariff Board, on whose recommendations you can act and in whose recommendations the

[Mr. S. Satyamurti.]

public will have confidence. Now, Sir, I merely want to know whether this latest act of Government means any change in the policy of Government.

The Honourable Sir James Grigg : Which act is the Honourable Member referring to ?

Mr. S. Satyamurti : My Honourable friend knows it better, than I can describe.

The Honourable Sir James Grigg : But why not specify it ?

Mr. S. Satyamurti : I have specified it in the motion, that is to say, your failure to appoint a permanent Tariff Board as evidenced by the recent act of disbanding the last Tariff Board and saying that you will appoint another Tariff Board, only when the need for an inquiry arises. And, in this matter, I am supported by the opinion of all Indian commercial interests in this country. It is not as if I alone, a layman, have taken fright. I am sure my Honourable friend has in his possession representations from commercial bodies against this idea of dropping a permanent Tariff Board. And in the *Indian Finance*,—I know the Honourable the Finance Member does not like it but I rather like it,—in the *Indian Finance* of the 20th June the talented editor has referred to this under the heading “ Tariff Board in liquidation ”.

“ A short report from Simla brings the news that the Government of India have decided to disband the Tariff Board..... ”

The Honourable Sir James Grigg : That is just about as accurate as articles by that fellow usually are.

Mr. S. Satyamurti : I thought Sir Muhammad Zafrullah was the Commerce Member, but I live and learn.

The Honourable Sir James Grigg : You will not learn anything from that stuff.

Mr. S. Satyamurti :

“ and that orders have been despatched to the President and the Members. The lack of work for the Board for a few months to come has sufficed to impel Government to what we consider a momentous step. It is true that the Tariff Board has not, of late, been so popular as in the past ; but we are sure that the public is hardly prepared for this unceremonious end to an institution, which is, after all, the pivot of our policy of discriminating protection.”

I want to put to the Honourable the Commerce Member one simple question. Is there or is there not any change in the policy of Government ? And why did not Government accept the recommendation of the Indian Fiscal Commission to appoint a permanent Tariff Board, which will command the confidence of this House and of the public in India and will discharge the many important functions recommended to be assigned to them by the Indian Fiscal Commission. That is the purpose of my motion. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim) : Motion moved :

“ That the Assembly do now adjourn.”

The Honourable Sir Muhammad Zafrullah Khan : Sir, I have a feeling, as a matter of fact I am almost certain, that this motion owes its origin to certain rumours published in the press which were subsequently

contradicted, but which nevertheless have caused a certain amount of misapprehension in some quarters. There are two specific matters on which the Honourable Member who has moved the adjournment of the House has asked for assurances from me. Before I give him those assurances let me explain the position. The Tariff Board up to now has always been continued on a temporary basis in this sense that every year a grant is obtained for the expenses of the Tariff Board. It is sometimes exceeded in which case a supplementary grant is asked for ; in other years it may not be spent in its entirety because the Tariff Board may not have enough work to sit throughout the year. Each Tariff Board is set up to investigate certain specific matters. Those matters are referred to the Tariff Board by a Resolution of the Commerce Department. The Tariff Board so set up has no authority to go beyond the inquiry which is entrusted to it. As soon as that inquiry is completed, the Tariff Board becomes *functus officio*. It has sometimes happened that to the same Tariff Board, that is to say, to a Board composed of the same members as a previous Board, some further inquiry is remitted for investigation. Sometimes the personnel of the Board is changed either completely or to some extent ; but the arrangement all the time has been that the Tariff Board is there for the purposes of a particular inquiry. Now, Sir, on previous occasions it has happened that when a certain inquiry has been completed and there is no further inquiry pending in the Commerce Department to be referred to the Board for investigation, the Board having come to an end and having become *functus officio* is not immediately reconstituted. This is all that happens. Sometimes the Board is immediately reconstituted for the purpose of undertaking further inquiries which are remitted to it by the department, and sometimes it is not immediately reconstituted. There is never any abolition of the Tariff Board or any disbandment of the Tariff Board as my Honourable friend has phrased it ; and that is the situation today. Previous Tariff Boards have, on completing their inquiries, become *functus officio*. The last Tariff Board has also become *functus officio*. Sometimes the interval between two Boards has been very small ; sometimes two Boards have continued without any interval at all. Sometimes the interval has been as much as several months ; but the extent of the interval has made no difference whatsoever to the constitution or the functions of the Tariff Board. I hope I have made that perfectly clear.

Now, Sir, with regard to the two specific questions put to me. Before, however, I go on to that, may I draw the attention of the House to the note that was published in some of the organs of the press with regard to the misapprehension that had been caused ? It is a note issued by the United Press and published among other newspapers in the *Hindustan Times* of the 27th June 1936, explaining that nothing had occurred on this occasion which had not occurred on previous occasions ; that is to say, that the situation was as I have tried to explain it and that previous intimations in the press to the contrary were based upon some misapprehension. Now, Sir, the recent occurrence, which when analysed comes only to this that the particular inquiry which was remitted to the Tariff Board having been completed the Tariff Board has for the moment become *functus officio*, does not indicate any change of policy whatsoever on the part of Government. Government adhere to the policy of discriminating protection laid down by the Fiscal Commission subject to the conditions which the Fiscal Commission have attached to the exercise of that policy.

[Sir Muhammad Zafrullah Khan.]

The second assurance which has been asked for from me is practically the same assurance. My Honourable friend wanted me to say whether this did not mean that Government had altogether veered away from the policy of referring inquiries to the Tariff Board when occasion arose and whether the recent disbandment, as he called it, of the last Tariff Board does not mean that there are going to be no further Tariff Boards for the purpose of making these inquiries. That again is not so. As I have explained, if the question is only one of the intention of Government, Government's intentions in these two respects have undergone no change whatsoever.

Mr. B. Das (Orissa Division : Non-Muhammadan) : Sir, I listened with profound disappointment to the speech of the first non-official Indian Commerce Member about the protection policy and the present policy of the Government of India with regard to the existence of the Tariff Board. My Honourable friend, Mr. Satyamurti, read out a passage, oft quoted on the floor of this House, of Sir Charles Innes : but when Sir Charles Innes propounded that principle he was of one mind ; and when he appointed the first Tariff Board he appointed one of the *ex-members* of this House and had to go back on his own words. So that, although the first Tariff Board existed for five years, subsequent Commerce Members went to appointing *ex-members* of this House as members of the Tariff Board, and in the end membership of the Tariff Board became just a patronage of the Government of India. The Honourable the Commerce Member contested that the Tariff Board had no work and so Government could abolish the Tariff Board and appoint a new Tariff Board or revive the old Tariff Board. But that was not the original idea of the Government of India when Sir Charles Innes framed his first proposal of the Tariff Board. If we try to read through the lines of the Commerce Member, he wants the Indian industrialist to come with begging bowls to the Commerce Department where a particular industry or certain industries need protection, and then if the Commerce Member thinks it right, he would revive the Tariff Board and ask the Tariff Board to inquire if that particular industry needs protection. But those of us who gave evidence or took interest in the Fiscal Commission's Report and subsequently in the establishment of the Tariff Board, we expected that the Tariff Board would be a permanent tariff tribunal under the Government of India. We expected that the Commerce Department instead of being a suppliant before the Board of Trade in England would develop into a Board of Trade of the Government of India and that the Finance Member would refer to this Tariff Board more and more in order to establish a scientific tariff policy. My Honourable friend, Mr. Satyamurti, quoted an instance whether excise duties are rightly levied on the industries or whether they are wrong. The Honourable the Finance Member may be an authority on finance, but he is not an authority on fiscal policy or fiscal matters. He must have expert assistance and those of us who were in an optimistic frame of mind seven or eight years ago expected that the Tariff Board would soon develop into a permanent expert body which would not only inquire into the little or big grievances of Industrial India—whether Indian or European—but that the Government of India would take assistance from the Tariff Board over their fiscal policy. But the Government of India in other departments have

always shirked the Commerce Department and have never taken any assistance. Why were the original principles laid down by Sir Charles Innes not followed up? I would have expected my Honourable friend, the Commerce Member, would have explained why this brake was put slowly on the work of the Tariff Board and in the end members were recruited to the Tariff Board in whom the public had no confidence: even this House had no confidence in some of the members. If they were experts, this House would have had confidence in them, as Government should have confidence in them. The very fact that Government have to change members after members every three months or six months—and not every five years or seven years as it happened when Mr. Kale and Sir George Rainy were members of the first Tariff Board—shows that even the Government has no confidence in the members. Therefore, what this House wants and what I think is the view point of the industrial community in India—and even I think my Honourable friends of the European group would like to have—is that there should be a permanent Tariff Board consisting of experts, not men temporarily recruited and temporarily taken under the protection of Government only to be given another job in another place. These experts should not only devote their time to those subjects which the industrial community will bring before the Government but that they should examine the taxation policy of Government and devise a scientific basis of taxation. The Government of India should have a co-ordinated fiscal policy, and the Finance Member, in spite of the high credit which he preaches so much owing to the flight of gold away from India to Europe would soon be forced, if Federation does not step in and he washes his hand off it, to devise and evolve a scientific policy of taxation; and for that he needs experts; and for that he need not import experts from outside: he should have a permanent tariff board of super experts who will give him the necessary advice here; and if they are real experts, their secrets should not go out to the public and the Finance Member need not get frightened that such and such an inquiry is being made by the Government of India which might upset the Calcutta or Bombay markets and allow gamblers on the stock exchange to gamble. Therefore, I support wholeheartedly the adjournment motion. I believe the Government have failed not today, but continuously. Their action has deteriorated day after day and at the moment they have no uniform policy. The policy laid down by the first Commerce Member has been given the go-by: whether by the present Commerce Member or by the present Government of India is for the Honourable Commerce Member to find out from the archives of the Commerce Department and of the Government of India.

Dr. Ziauddin Ahmad: Sir, I have discussed this very same topic not less than half a dozen times during the last six years. The fact is that the Government of India never accepted the recommendations of the Fiscal Commission about the appointment of a permanent Tariff Board. They have been guilty of this not recently, but they have been guilty of it during the past 14 years, and, therefore, I thought that this was a subject fit for a Resolution, and not for an adjournment motion. The subject is not a topic of recent occurrence. We have debated it several times. As the subject has now been brought before the House, I do not hesitate to express my own opinion on it. The Government have adopted a policy of appointing *ad hoc* Commissions for a definite purpose and abolishing them when no longer required. They never accepted the recom-

[Dr. Ziauddin Ahmad.]

recommendations of the Fiscal Commission of appointing a permanent Board. To my mind, there are two defects in the system now being followed by the Government which I have repeatedly pointed out on the floor of the House. The first defect is that in the investigation of the same problem, they appoint a different set of personnel who do not know all the internal sides of the same question. I have mentioned this fact in connection with the textile industry. The Government appointed a number of Tariff Boards one after another to discuss the textile industry, and I may be able to expose the discrepancies in the recommendations of the Tariff Boards on some later date when I have no time restrictions. One Board recommended import duty in terrestrial figures something like 5 to 15 per cent. while another Board recommended the import duty in celestial figures, something like cent. per cent. or 120 per cent. Thus there has not been continuous policy on account of the frequent changes in the personnel. I must also add that the members appointed to the Board from time to time were not always suited for the work which they had to perform. The recommendation of the Tariff Boards, as pointed out in the first paragraph, chapter VII has never been accepted by the Government of India, and we cannot raise the issue after fourteen years in a motion of adjournment.

The second defect in the working of the Government of India's *ad hoc* Tariff Board is that it had no opportunity to see the effect of their own recommendations. Now, these Boards make recommendations, but the members go out of office, they have no chance to see whether their recommendations have proved to be useful, whether the protection was excessive. I discussed some of those points in detail in connection with the steel industry. We gave a protection to the steel industry. I have said that the protection was excessive. On account of excessive protection the value of the shares has gone up. I have now put a question which will probably come up tomorrow, I find that the dividend which the Tata Company have paid this year is 9 per cent. on 1st Preference shares, 14 per cent. on second Preference shares, 7½ per cent. on deferred shares. I think the Tariff Board or some machinery in the Commerce Department ought to have been there to examine periodically the effect of the excessive protection. The same is the case with regard to the sugar industry. We have given protection to sugar industry, and there exists no machinery to watch the effect of the protection given to the industry; they have no means to test whether the essentials on which protection was granted are being duly observed. Will the industry be able to stand on its own legs and will the industry pay back to the consumers the increased cost of living? The increased cost is a loan given by consumers on the security of the Government. They have no means of examining periodically whether after the grant of protection the industry is able to stand on its own legs or not. Therefore, I entirely agree on these two grounds that it would have been much better had there been a permanent Tariff Board, and appointed 12 years ago in the year 1924. It is an old story. It is not a matter of recent occurrence.

As regards the general question of protection which has also been introduced in the course of this discussion, I have my own personal opinion, and I do not hesitate to express it, even if I happen to be in a

minority of one. I am in favour of protection, provided the protection is for the people of India, and not for the capitalists of India. We should give protection to cottage industry, if the protection is intended only for the mill industry for the benefit of capitalists at the sacrifice of the cottage industry, and consumers, then I would oppose it tooth and nail.

Then, again, Sir, a new problem has arisen during the last three years and it did not exist at the time the Fiscal Commission wrote its report. The problem is that in recent years the prices of agricultural products have gone down enormously and the prices of manufactured articles have gone up comparatively. I gave certain figures on the last occasion, and whenever there is a full dress debate, I shall repeat those figures, but it is a fact that the price index of agricultural products has gone down, while the price index of manufactured articles is going up, and if the Government continued to adopt the policy of protection which they have been following for the last few years, then the effect on the poor agriculturist will be something inconceivable. Sir, 70 per cent. of the people of this country live on land, and they will suffer enormously. There exists at present maladjustment of prices between manufactured articles and agricultural products and the maladjustment will become more acute if the Government continued its present policy of protection. High tariff on manufactured articles will adversely affect the peasants who get less for what they produce and pay more for what they purchase. The entire Tariff requires reconsideration. Therefore, the fundamental problem before us is not so much as to grant protection to certain industries as to raise the price level of agricultural products. It is the problem of all problems. The subject, as I said, is not for a motion for adjournment.

Prof. N. G. Ranga (Guntur *cum* Nellore : Non-Muhammadian Rural) : Sir, I rise to support the adjournment motion, because I am in favour of the appointment of a permanent Tariff Board so that it may be able to discharge the functions which the Indian Tariff Commission wanted it to discharge. It was not only, Sir, to protect and help the producer and the industrialist of this country that a permanent Tariff Board was recommended, but also to look after, to watch continuously, the effects of the protection granted by the Government of India, not only to the industries sought to be protected, and also to other industries which were likely to be affected either adversely or favourably, and also the consumers who are to pay and foot the bill as far as this protection is concerned. Even on the last occasion when I had an opportunity of speaking on this topic, I mentioned the anxiety of the consumers to see to the appointment of a permanent Tariff Board so that their interests could be protected and watched continuously by the Tariff Board. But, Sir, till now the Government of India have not accepted the recommendations of the Tariff Commission for the creation of a permanent Tariff Board. Now we are told by the Honourable the Commerce Member that he has not seen any urgent necessity for continuing the last Tariff Board or for appointing another Tariff Board and therefore he abolished it before another body could be created. Sir, if really the recommendations of the Tariff Commission are to be given effect to, I do not understand why he should not appoint a permanent Tariff Board. Sir, I will take the case of the Indian Railway Rates Advisory Committee. Only half a dozen cases are referred to that body every year,

[Prof. N. G. Ranga.]

and yet there is a permanent Advisory Council consisting of 2 or 3 highly paid members, and Government has not thought fit to abolish that body, but have thought it fit to spend money by keeping those members in their places, because the Government have realised the necessity for a such permanent body. I feel, Sir, there is even a greater necessity for a permanent Tariff Board to discharge important functions of not only affording protection to those of the industries which are really in need of protection, but also to look to the effects of the protection upon the consumers as well as upon the producers of subsidiary industries.

I do not know why Government wishes to play these silly jokes upon the Indian public by appointing their bosom friends from time to time whenever it suits them as Special Tariff Boards, Normal Tariff Boards and so on, and by ceasing to keep any Tariff Board in existence so that any really deserving industry may come forward with an application for protection. I know, Sir, that the Finance Member is rather afraid that if there is a permanent Tariff Board, he will be receiving more and more applications for protection, and so he thinks, the best thing will be not to have it at all, but to keep in reserve their power whether or not to constitute a new Tariff Board, they want to reserve to themselves the power whether or not to refer to a new Tariff Board any particular application sent up by any particular industry for protection. Sir, I am personally very much opposed to this discretionary authority that the Government of India reserves for itself, namely, whether to allow any particular application for protection to be placed before a Tariff Board or not, and even if they are to come to the conclusion that a *prima facie* case is made out for protection for a particular industry, the Government reserves to itself the power to decide what sort of Tariff Board they should appoint, and what sort of people are to be appointed as its members. We know only too well, and it has been stated by one or two Honourable Members on the floor of this House today, that the Government have not been quite happy in the choice of its members for the successive Tariff Boards. Very often the choice has gone to those people who favoured the Government case, and more often Government tried to help its own bosom friends and, therefore, the Tariff Boards came into existence. Sometimes the interval between one Tariff Board and another was made shorter in order to suit the convenience of some members of the Tariff Board. I know on reliable authority that many of the members of the Tariff Board were not quite happy about the way and the manner in which the Government of India had treated them. Under these circumstances, I think that it is but legitimate that we should try and condemn this Government for its failure to appoint a permanent Tariff Board and for its failure to accept the function that the Indian Fiscal Commission had wanted them to discharge.

In support of my plea, I wish to mention one or two specific cases. Take the case of the Sugar Protection Act. They wanted to protect the sugar cane cultivators, and according to the Act the provincial Governments were authorised to fix a minimum price for sugar cane in order to protect the cultivators there. But we find that in very many provinces the provincial Governments have failed to fix this minimum price on some pretext or other, and the Government of India says that it is not responsible.

for any such thing as it is left to the provincial Governments and, therefore, they shall shift for themselves. What has been the result of this particular Sugar Protection Act? Surely a mushroom growth of sugar manufacturing factories all over the country, but it is the sugar manufacturers who have been benefited and not the sugar cane growers. Only the other day at question time the Honourable Secretary for the Department of Education, Health and Lands said that they were trying to give bonuses to the Sugar Cane Growers' Association in order to help them to get a fair price but that he was sure that they were getting more than the minimum price, and he was satisfied with the refusal of the Madras Government to fix a minimum price. I can assure him and this Government that this is not the case in the Madras Presidency and that growers have been grumbling loudly and vehemently against the failure of the Madras Government to fix the minimum price, and they have seen in their own experience that they were not able to get even the ordinary minimum price.

Take the handloom weavers. Two Tariff Boards have mentioned that the protection that has been offered to the textile industry has had an adverse effect upon the handloom weavers. These are two joint producers for textile products, the millowners on the one side and the handloom weavers on the other. Because the millowners have been strong and influential and powerful with the Government of India they were supposed to have made out a *prima facie* case for protection to the industry, and successive Commerce Members have constituted successive Tariff Boards and helped them in every possible way. But now the handloom weavers have been clamouring for protection for the last one year. All over India there has been set afoot a large agitation and representations have been made to the Government of India to appoint a special Tariff Board in order to see how far they have been affected adversely by the textile import duties that we have in this country. Yet the Honourable the Commerce Member insists upon a *prima facie* case being made, and even after it has been made, it must be made to his satisfaction. Even thereafter, only if he thinks it necessary he will constitute a special Tariff Board. Even then he must find suitable people, and these suitable people must be somewhere or other in the whole of India, and if they behave themselves properly they will be promoted either to London or to heaven. (Laughter.)

There is again the match excise duty. We have been protesting against this duty. This match protection has been taken advantage of by only foreigners in this country and we have no safeguard against any such thing. We do not gain anything from it but we do lose very much by this match excise duty as well as by the match protection duty. Both these duties are being paid by the consumers, and the Indian producers are not benefited. Is it not the duty of a permanent Tariff Board to watch the effects of those two duties? But who is to watch the effects of these two duties if there were to be no permanent Tariff Board? Is it the duty of the Honourable the Commerce Member, or is it the duty of the Honourable the Finance Member, I do not know. They themselves cannot say that it is their duty.

My Honourable friend, Dr. Ziauddin, has referred to the effects of this protection on the cost of living and on prices. It is true that the agricultural prices of this country have been going down to a very much

[Prof. N. G. Ranga.]

greater extent than the prices of manufactured goods, and in that way the agriculturists have been drained in more than one way in an invisible fashion. The Honourable the Finance Member is very glad that I have made that remark, but he must also be glad and he must also be willing to agree with us in our plea for the appointment of a permanent Tariff Board to see that the consumers for whom he grows eloquent from time to time whenever it suits his convenience are safeguarded and their interests are properly protected.

The Honourable the Commerce Member suggested that we should try to get into touch with the textile millowners and get into a conference with them to get them to agree to some sort of compromise so that it might be possible for him to further the efforts of the handloom weavers. We did meet, we did not agree and we made a report to the Honourable the Commerce Member. And the handloom weavers all over India have been asking for protection against millowners who are protected by the Government of India and my Honourable friend, Sir Muhammad Zafrullah Khan. Everybody is in favour of affording protection to some Indian industry as against other countries, but even there the Honourable the Finance Member in league with the Honourable the Commerce Member has succeeded in bringing down the textile duties in order to help Lancashire, but he will not raise his little finger to help the handloom weavers. If it is a case of Indian *versus* British, the Honourable the Finance Member is quite awake, but if it is a case of some Indians as against other Indians he becomes thoroughly impartial in order to help and please my Honourable friend, Sir Muhammad Yakub, who is not in his seat today. The Honourable Sir Muhammad Zafrullah Khan has at least to justify his position as an Indian and see that justice is done as between two classes of people, one group of producers as against another group of producers, one class of industrialists as against the whole general public. For all these reasons I condemn this Government and I hope the House will join with me in condemning this Government for its continued failure to appoint a permanent Tariff Board which can discharge its work in a completely judicial and independent fashion.

Some Honourable Members : Let the question be now put.

Maulana Shaukat Ali (Cities of the United Provinces : Muhammadan Urban) : May I ask, through you, the Honourable the Mover of this motion, after the promise made by the Honourable the Commerce Member that he will consider it sympathetically, to withdraw his motion ?

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : The first fruits of the policy of discriminating protection are, I believe, well known to the House, and I need hardly remind the House that it is since the inauguration of that policy that India has steadily, until certain recent events to which I cannot help referring, marched on to what it ought to be, a self-sufficient country, having regard to its natural resources both in the matter of men and in the matter of means. At the same time, I must confess that during the last two years I have noticed several instances in which that policy has not been as efficiently and as satisfactorily applied as it ought to have been. It is both in its affirmative and negative aspect that I refer to this matter. There are instances known where Tariff Boards were in the first instance

appointed but their reports had been rejected in a manner and under circumstances which I do not think do very much credit to those who appointed them or who studied those reports themselves. The House being powerless to compel the Government to accept those recommendations, matters have had to be left where they were and more often than not in the matter of discriminating policy we have had to be content with half a loaf instead of no bread but so long as this is clearly understood, what I am now observing will then be fully appreciated. There also have been cases where a proper case has been made out for an examination whether or not a particular industry requires protection and if so to what extent. Those recommendations have also been turned down. It is therefore in both senses that the policy which was inaugurated under happy auspices with perfectly *bona fide* intentions, entirely in the interests of this country, has of late received a set back and therefore the House need not be surprised at the apprehensions which were expressed by my Honourable friend, Mr. Satyamurti. For it is obvious that in one sense it is possible to say that a Board is not abolished on the ground that it has always been appointed from time to time, but the interval was long, but so far as a layman is concerned, he looks upon one continuous thing as an institution and the other as a mere *ad hoc* creation. An institution has undoubtedly a great value and we have every hope and we had every hope that if a Tariff Board had been appointed in terms recommended by the Fiscal Commission there would have been not only a continuity of policy but in all probability (though legally there might still be a right), the Government would not have been able to turn down requests for the appointment of a Tariff Board for the examination of questions which were submitted to them, for there would have been an available and an existing body. There is less excuse for turning down such requests. If a permanent body existed, it is equally clear that, having regard to the policy, the manner in which rejections have taken place would also to a large extent have been tempered notwithstanding the irresponsibility of the Government to which I have been frequently treated. None the less, there are two assurances given by the Honourable the Commerce Member today which, speaking for myself at all events, have heartened me considerably. The first assurance to the House is that the fact that the *ad hoc* committee that was appointed, having served its time, that is to say, having served its purpose, was not required to continue should not lead to any inference being drawn from it adversely affecting the intentions of Government in the prosecution of the policy which was laid down—of discriminating protection subject to the conditions mentioned in that behalf. The next thing he said was that the mere discontinuity from time to time or the intervals, longer or shorter as they happen to be between several appointments, ought not to indicate that if there is a greater and a continuous demand for the examination of certain questions, the fact that there was a longer interval before would not stand in the way of the Government appointing a Board as reasonably frequently as may be required by the conditions of the industry a Board for the examination of their case for protection. In the light of these assurances, I fully recognise the limitations of a motion of this character, for it is easy to agree or to differ by attaching different meanings to the same word. That appears to be to a certain extent the defence of the Government on this occasion. If you mean by abolition the entire disappearance of a system by which protection was examined and given, our answer is in the negative, that our

[Mr. Bhulabhai J. Desai.]

policy has not changed but I prefer, to take the statement to be the same in spirit as in letter—a *bona fide* assurance to this country, which it had many reasons to doubt—not the intentions of any individual member of Government but the policy of the continuation of discriminating protection. Recognising, therefore, the limitations of a motion of this kind and having regard to the assurances, the subject whether or not there ought to be a permanent Board might well be, I quite concede, the subject of a Resolution but while I say that, I wish to say one word lest I should be misunderstood. I fully appreciate that even if this House carried a Resolution we know how those Resolutions have been dealt with. We have been told that the policy of non-co-operation was futile. I have had a lesson to learn that the policy of co-operation has turned out to be worse than futile. None the less we shall continue to do our duty so long as we are in this House and if a Resolution is required we shall table it for the acceptance of the House, if for no better purpose than to call attention to what we deem to be an urgent duty to be performed. Having regard to those circumstances I would certainly request my friend, Mr. Satyamurti, not to press this motion any further.

Mr. S. Satyamurti : I agree to withdraw this motion.

The motion was, by leave of the Assembly, withdrawn.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 2nd September, 1936.