

20th March 1937

# THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

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Volume III, 1937

*(15th March to 3rd April, 1937)*

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## FIFTH SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY 1937



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1937

# Legislative Assembly.

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## *Deputy President :*

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MR. MATHURADAS VISSANJI, M.L.A.

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# LEGISLATIVE ASSEMBLY.

Saturday, 20th March, 1937.

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

## MEMBER SWORN.

Mr. John Anderson Thorne, C.I.E., M.L.A. (Government of India: Nominated Official).

## QUESTIONS AND ANSWERS.

### CASE OF FRAUD IN THE LAHORE DIVISION OF THE NORTH WESTERN RAILWAY.

707. **\*Bhai Parma Nand:** (a) Will Government be pleased to state whether there was a case of fraud in the Lahore Division of the North Western Railway, in which an officer and his subordinates were involved, and that the officer responsible was let off with a transfer while the subordinate staff was punished?

(b) Is it a fact that another case of undue payment of Rs. 2,000 by the same officer to a certain doctor was detected, but the papers regarding the case are kept hanging for several months?

(c) Is it a fact that the officer is in the habit of signing blank cheques, which involves a loss of public money?

**The Honourable Sir Muhammad Zafrullah Khan:** I am collecting information and will lay a reply on the table of the House in due course.

### RECRUITMENT OF SOLDIERS IN THE ARMY AND MILITARY STATIONS, ETC.

708. **\*Babu Kailash Behari Lal:** (a) Will Government be pleased to state the total strength of the Indian military forces?

(b) How many military stations are there in India, and what is the number of military stationed in each military station?

(c) What is the number of soldiers recruited from each of the provinces of India?

(d) What is the number of soldiers recruited from Nepal, or from any other Indian States?

(e) Do Government make any distinction of martial or non-martial race in the matter of recruitment of soldiers from the Indian people?

(f) If the answer to the above be in the affirmative, which people in India are classed as martial?

**Mr. G. R. F. Tottenham:** (a) and (b). The information desired by the Honourable Member is contained in the return showing the actual strength of the Army and the Royal Air Force in India and the Indian Army List, copies of which are in the Library.

(c) and (d). I lay on the table a statement containing the required information, so far as it is available.

(e) I would refer the Honourable Member to the reply I gave to part (a) of starred question No. 649 on the 18th March.

(f) Does not arise.

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*Number of Soldiers recruited to the Indian Army from the various Provinces, etc., for the year ending 31st March, 1936.*

North-West Frontier Province . . . . .	952
Punjab . . . . .	11,442
United Provinces (including Delhi) . . . . .	1,347
Rajputana and Central India . . . . .	795
Bombay (including Sind) . . . . .	818
Madras . . . . .	542
Nepal . . . . .	1,679

Indian States—Separate figures not available.

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**Mr. S. Satyamurti:** May I know what are the main considerations which are borne in mind by the military authorities, in selecting the military stations and fixing upon the number of men in each station?

**Mr. G. R. F. Tottenham:** I could hardly answer that in reply to a supplementary question.

**Mr. S. Satyamurti:** May I know whether the wishes of the Local Governments are taken into account in deciding this question?

**Mr. G. R. F. Tottenham:** If any new military station were to be started, the wishes of the Local Government would certainly be taken into account, but there has been no question of starting a new military station for many years.

**Mr. S. Satyamurti:** With reference to the internal security forces which are maintained primarily for internal security, may I know whether the wishes of the Local Government are the primary factor in locating the stations and also in deciding upon the number of men in each station?

**Mr. G. R. F. Tottenham:** I think generally speaking that is correct.

**Mr. Ganga Singh:** May I know why the subjects of a Foreign State, the Gurkhas, are recruited when Government can get any number of men for the British army from British India?

**Mr. G. R. F. Tottenham:** I submit that question hardly arises out of the answer I have just given.

**Mr. Kailash Behari Lal:** May I know if there is any class of people in Bihar which is called as a martial class?

**Mr. President** (The Honourable Sir Abdur Rahim): That appears to have been answered the other day.

**BROADCASTING STATIONS IN INDIA.**

**709. \*Babu Kailash Behari Lal:** (a) Will Government be pleased to state how many broadcasting stations there are in India, and in which places?

(b) What is the principle of providing more than one broadcasting station in certain provinces and none in some others?

(c) Have Government obtained figures as to how many persons have got radio receivers in each province to take advantage of the broadcasting?

**The Honourable Sir Frank Noyce:** (a) The All India Radio maintain three stations at Delhi, Calcutta and Bombay.

(b) The location of new Broadcasting Stations has been decided with reference to density of population, linguistic factors and possibility of providing programmes, the object being to provide as good a service as can be given within the resources available to the greatest possible number of people.

(c) Yes. A statement giving the required information is laid on the table of the House.

*Statement showing the total number of Broadcast Receiver Licences issued during the Twelve Months ending January 1937 in the different Provinces in India.*

Name of Province.	Number of licences.	Remarks.
Bengal . . . . .	10,420	
Assam . . . . .	658	
Bombay . . . . .	13,759	
United Provinces . . . . .	2,482	
Punjab . . . . .	4,889	
North-West Frontier Province . . . . .	611	
Central Provinces . . . . .	878	
Bihar and Orissa . . . . .	971	Figures for Bihar and Orissa are not available separately.
Madras . . . . .	2,728	
Burma . . . . .	1,097	
Sind and Baluchistan . . . . .	1,227	
Total . . . . .	39,720	

## CONTROL OF MUSEUMS IN INDIA.

710. \***Babu Kailash Behari Lal:** (a) Will Government be pleased to state if the museum building in Calcutta belongs to the Government of India?

(b) Are the museums in the capital town of each province under the control of the Provincial Government, or the Government of India?

(c) Do Government incur expenditure over any of the museums in the Provincial capitals? If so, what is the nature of the expenditure?

**Sir Girja Shankar Bajpai:** (a) I take it that the Honourable Member refers to the Indian Museum buildings at Calcutta. These buildings vest in the Trustees of the Museum who are a body corporate under the Indian Museum Act, 1910.

(b) Museums in capital towns of the Provinces are under the control of the Provincial Governments.

(c) The Government of India make grants to the Trustees of the Indian Museum because the exhibits of this museum have been mainly built up with the aid of the Government of India and the institution is of all-India importance. They do not incur expenditure on any other museums in Provincial capitals.

## EXEMPTION OF THE MEMBERS OF THE INDIAN LEGISLATURE FROM TAKING LICENCE FOR THEIR ARMS.

711. \***Babu Kailash Behari Lal:** (a) Will Government be pleased to state if it is not a fact that under the Indian Arms Rules, 1924, the Members of the Indian Legislature are exempted from taking licence during their tenure of office and six months thereafter?

(b) What is the principle underlying this rule of exemption during the tenure of office only?

(c) Does this condition hold good in respect of other officials who are granted exemption similarly?

(d) Will Government please state if on the expiry of six months after the tenure of office of a Member of the Central Legislature, licence for the possession of arms is granted to him on the mere application for the same?

**The Honourable Sir Henry Craik:** (a) The answer is in the affirmative.

(b) The principle is to grant the privilege to the holder of the office and not to the individual.

(c) Yes, with the difference that in the case of other officials the exemption ceases as soon as the official vacates his office.

(d) According to the Home Department Resolution No. 2125-C, dated the 21st March, 1919, persons of approved character and status are entitled to receive licences for the possession of rifles (other than those of prohibited bores) and smooth bores on mere application and without previous enquiry. Past membership of the Indian Legislature is ordinarily regarded as a qualification entitling a person to this privilege.

**GRACE MARKS ALLOWED TO CANDIDATES FOR RECRUITMENT AS INSPECTOR RAILWAY MAIL SERVICE.**

**712. \*Mr. D. K. Lahiri Chaudhury:** (a) Will Government please state on what authority can the Head of a Circle allow grace marks to candidates for recruitment as Inspector, Railway Mail Service, and what are the principles on which grace marks are given?

(b) Are Government aware that the system of giving grace marks obtains in all the Universities in India?

(c) If the reply to the above be in the affirmative, are Government also aware that the decision to give grace marks with regard to any particular University Examinations is given effect to in the case of all candidates without any discrimination, whatsoever?

**The Honourable Sir Frank Noyce:** (a) Government are not aware that heads of circles allow grace marks in connection with the examination mentioned by the Honourable Member. There are no orders requiring heads of circles to allow grace marks.

(b) The practice varies in different universities in India.

(c) Does not arise.

**Mr. D. K. Lahiri Chaudhury:** May I know from the Honourable Member if any grace marks were given to certain individuals?

**The Honourable Sir Frank Noyce:** I should require notice of that question. I have said that Government are not aware that heads of circles allow grace marks.

**Mr. D. K. Lahiri Chaudhury:** Is it a fact that some marks were allowed to certain individuals?

**The Honourable Sir Frank Noyce:** I have said that I have no knowledge of any such case. If my Honourable friend wants information with regard to any specific case, he should put down a question on the subject.

**DEBARRING OF GOVERNMENT SERVANTS FROM JOINING POLITICAL BODIES OR ASSOCIATIONS.**

**713. \*Seth Govind Das:** (a) Is it a fact that Government have amended the Government Servants Conduct Rules debarring Government servants from paying subscription to or from attending meetings of associations which are political in character?

(b) Will Government be pleased to state whether they have ever defined the words "Political Association"? If not, will they be pleased to state how they differentiate between political and non-political associations?

(c) Will Government be pleased to state whether the Anglo-Indian and domiciled European Association is a political association? If not, what are the reasons for Governments' holding this Association as a non-political body?

(d) Is it a fact that this Association fights for more political rights for its members by way of extension of the rights of the community in having more representation in the Legislatures and services?

(e) Will Government be pleased to state which of the following associations are considered to be political, which Government servants are precluded from joining or paying subscriptions to:

1. Anglo-Indian and domiciled European Association;
2. Arya Samajists Associations or Organisations;
3. Anjuman-i-Islam;
4. Hindu Sabha;
5. Liberal Federation; and
6. Servants of India Society?

**The Honourable Sir Henry Craik:** (a) Yes: but the rules which were recently revised do not specifically mention political associations.

(b) No. The intentions of Government are sufficiently clear from another rule—namely rule 22 of those applicable to services under the control of the Secretary of State in Council.

(c) and (d). I understand that this Association has for its main purpose the moral and material progress of the Anglo-Indian community. Membership of the Association does not permit any Government servant to take part in any political activity.

(e) The Government have had no occasion to consider specifically whether any of the organisations mentioned as Nos. 2 to 6 in the question come within the prohibition.

**Mr. S. Satyamurti:** Will Government consider the cases of these and similar associations, so as to have a rule of uniform application?

**The Honourable Sir Henry Craik:** I have said that the Government had had no occasion to consider specifically whether any of the organisations mentioned as Nos. 2 to 6 in the question come within the prohibition. Presumably, no Government servant has ever joined any of these associations. If he has, it has not come to the knowledge of Government.

#### INCREASE IN THE PRICE OF PAPER MANUFACTURED IN INDIA.

**714. \*Seth Govind Das:** (a) Are Government aware that the price of paper manufactured in India has been considerably raised by the factories established in India, and if so, is there no provision by which the price of articles which receive protection can be regulated and fixed? If not, do Government propose to take action by which the price of Indian manufactured paper may be standardised, so long as the industry is protected by tariff wall?

(b) Will Government be pleased to state the number of paper factories in India and the number which is run with major portion of Indian capital and with Indian management, and the number with majority of European shareholders and European management?

(c) Are Government aware that since the protective duty has been introduced a large number of paper factories have been started with major portion of European capital and European management? If not, will Government be pleased to state the number of paper factories in India working with major portion of, or solely with European capital and with European management and the ratio such number of factories bears to the number of paper factories with Indian capital and Indian management?

**The Honourable Sir Muhammad Zafrullah Khan:** (a) Government's attention has been drawn to the upward movement in the price of paper and they are watching the situation. There is no provision authorising Government to regulate and fix the sale price of articles which are protected. I would, however, refer the Honourable Member to section 4 of the Indian Tariff Act, 1934, which prescribes the action that can be taken during the currency of a period of protection in regard to a protective duty that has become excessive for the purpose of securing the protection intended to be afforded by it to a similar article manufactured in India.

(b) and (c). The information asked for is being collected as far as possible and will be placed on the table of the House in due course.

**Seth Govind Das:** With regard to the protection given to different industries, have Government taken any care to compile statistics showing the external capital which they have allowed to enter India for the establishment of different factories in India?

**The Honourable Sir Muhammad Zafrullah Khan:** That, I am afraid, does not arise out of this question.

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#### UNSTARRED QUESTIONS AND ANSWERS.

##### REMOVAL OF CERTAIN DRIVERS FROM SERVICE IN DISREGARD OF SUBSIDIARY RULES FRAMED BY THE AGENT, EASTERN BENGAL RAILWAY.

**100. Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the statements laid on the table of this House to unstarred question No. 155 on the 27th February, 1936, and to the reply to unstarred question No. 28 given on the 15th September, 1936, respectively, that it is obligatory on the Agent of the Eastern Bengal Railway and his subordinate officers to observe the rules framed by the Railway Board and the Subsidiary Rules framed by the Agent, is it a fact that these rules have been disregarded by the gazetted officers of the Railway?

(b) If the answer to part (a) be in the negative, is it a fact that three Drivers employed under the District Loco. Superintendent, Calcutta, have been removed from service under orders of gazetted officers who were not empowered to remove them?

(c) Is it a fact that the aggrieved servants have appealed to the Agent, pointing out that they had been removed from the service on the orders of gazetted officers who were not delegated with the powers to remove them? If so, what action has been taken by the Agent?

(d) Do Government propose to take disciplinary action against the gazetted officers responsible for removing employees from the service when they were not empowered to do so? If not, why not?

(e) Do Government propose to take disciplinary action against the gazetted officers responsible for declining to take action on the appeals submitted by the aggrieved employees against their removal from the service and to restore the men to their former posts? If not, why not?



**The Honourable Sir Muhammad Zafrullah Khan:** I am collecting information and will lay a reply on the table of the House in due course.

#### DISPOSAL OF APPEALS AGAINST ORDERS OF DISCHARGE OR DISMISSAL ON STATE RAILWAYS.

**101. Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the reply given in this House on the 8th October, 1936, to unstarred question No. 94, will Government please state:

- (i) whether the District Officers under the old organisation were delegated with powers to discharge employees; if so, whether such powers were limited to subordinate staff in receipt of pay below a certain amount; if so, what amount;
- (ii) whether any specific orders were issued during the period of re-organisation of the East Indian Railway on a divisional system of operation to the Divisional Superintendents, empowering them to discharge subordinate employees in receipt of pay of over Rs. 100; if so, when they were issued and in what manner they were communicated to the staff; and
- (iii) when the staff were advised that the Agent would entertain appeals regarding dismissals, discharge, and forfeiture of gratuity and in what manner?

(b) Is it a fact that the district system of operation, in so far as establishment matters were concerned, was in force till such time as the delegation of powers conferred under Circular No. 449, dated the 14th September, 1925, came into force?

**The Honourable Sir Muhammad Zafrullah Khan:** I am collecting information and will lay a reply on the table of the House in due course.

#### RECRUITMENT OF GUARDS TO THE GAZETTED SERVICE ON THE EASTERN BENGAL RAILWAY.

**102. Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the reply given in this House to unstarred question No. 96 (c) on the 8th October, 1936, will Government please state whether direct recruitment to the gazetted service on the Eastern Bengal Railway is made to the junior scale or to the senior scale?

(b) If direct recruitment is made to the junior scale of gazetted officers on the Eastern Bengal Railway, will Government please state why a distinction is made in the case of guards on that Railway who are recruited direct to class "B", the senior class?

(c) Is it a fact that there are numerous guards on that Railway who are on the maximum pay of the lower class "A" for several years and to whom promotions to class "B" are denied, because it carries a higher pay, but who are utilised to officiate in senior appointments as Assistant Station Masters, Yard Foremen, etc.? If so, do Government propose to give these employees the same opportunities for advancement by promoting them to class "B"? If not, why not?

**The Honourable Sir Muhammad Zafrullah Khan:** (a) Direct recruitment to superior services on the State-managed Railways is normally made in the junior scale.

(b) Recruitment to the superior services and subordinate services is governed by different sets of rules. Recruitment to the category of guards is governed by rules 15 to 18 of the Rules for the recruitment and training of subordinate staff on State-managed Railways, a copy of which is in the Library of the House.

(c) Government have no information. I may, however, add that the matters mentioned by the Honourable Member relate to detailed administration and are entirely within the competence of the Agent. I am, however, sending a copy of the question to the Agent for such action as he may consider necessary.

#### FIXATION OF TIME-LIMIT FOR DISPOSAL OF APPEALS OF SUBORDINATE RAILWAY STAFF.

103. **Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the reply given in this House to unstarred question No. 172 on the 16th October, 1936, that no time limit has been fixed by the Railway Board for the appellate authorities to dispose of an appeal, are Government aware that, due to no such restrictions being applied, there are serious delays in replying?

(b) Is it a fact that all departments have a personnel section which deals with all establishment questions and that the Agent has a personnel section under the charge of a Deputy Agent to deal with establishment matters including appeals regarding discharge or dismissal from the staff?

(c) Do Government propose to examine, as examples of serious delays, cases Nos. 341-E/308 and 341-E/642 of the Eastern Bengal Railway?

(d) Do Government propose to issue instructions fixing a time limit for the disposal of appeals against discharge or dismissals?

**The Honourable Sir Muhammad Zafrullah Khan:** (a) Government have no reason to believe that the facts are as stated by the Honourable Member.

(b) Presumably the Honourable Member is referring to the Eastern Bengal Railway. If so, there is a common establishment section in the Headquarters Office under the charge of a Deputy Agent (Personnel), but all establishment matters including appeals are dealt with by the departmental officers concerned. In other offices, there are separate departmental establishment sections.

(c) No. These are matters of detailed administration entirely within the competence of the Agent to whom a copy of the question is being sent for such action as he may consider necessary.

(d) Government do not consider this is necessary.

#### LEVY OF INCOME-TAX FROM THE STAFF EMPLOYED IN THE ANGLO-INDIAN AND DOMICILED EUROPEAN ASSOCIATION, CALCUTTA.

104. **Mr. Amarendra Nath Chattopadhyaya:** (a) Is it a fact that the Income-tax Department, Calcutta, have exempted the staff employed in the Anglo-Indian and Domiciled European Association, Calcutta, and in receipt of pay which is taxable from the payment of income-tax? If not, will Government please state:

(i) whether it is a fact that the staff in receipt of pay on which income-tax is leviable, have been employed and are still in employ in the said Association;

- (ii) whether income-tax has been recovered from them during the last three years; if so, from how many employees;
- (iii) whether income-tax has been recovered from those pensioners of Government who are employed by the said Association and who are in receipt of pay and/or honorarium or allowances;
- (iv) whether the Treasurer of the said Association is a Government servant;
- (v) whether the accounts of the said Association are placed monthly before the governing body and passed by them;
- (vi) whether income-tax has been levied on the *Anglo-Indian Review*; and
- (vii) whether the *Anglo-Indian Review* is the property of the said Association or of a private person?

(b) Do Government propose to take any action against the Income-tax Department for the leakage of revenue?

**Mr. A. H. Lloyd:** Information has been called for but not yet received, and whatever can be disclosed without an infringement of section 54 of the Indian Income-tax Act, 1922, will be embodied in a reply to be laid on the table of the House in due course.

#### GRANT OF UNRECORDED LEAVE ON THE EASTERN BENGAL RAILWAY.

**105. Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the reply given in this House to unstarred question No. 183 on the 16th October, 1936, regarding the grant of unrecorded leave on the Eastern Bengal Railway, will Government please state whether the same is applicable on the East Indian Railway?

(b) Are Government aware that such differential treatment to the staff leads to discontent?

(c) Do Government propose to issue orders to prevent such treatment to its staff? If not, why not?

**Sir Raghavendra Rau:** Information has been called for and will be laid on the table of the House in due course.

#### PROVISION OF RENT-FREE QUARTERS TO THE STAFF ON STATE RAILWAYS.

**106. Mr. Amarendra Nath Chattopadhyaya:** (a) Is it a fact that under the State Railways Rent Rules rent-free quarters have been sanctioned for certain posts and that the designations as shown in rule 36 are intended as a guide to the local administrations?

(b) Is it a fact that the designations for certain kinds of works differ on the various State-managed Railways?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government please state whether local administrations are permitted to deprive employees of the benefits of rent-free quarters, simply because their designations are not the same as shown in rule 36?

(d) Is it a fact that in the Howrah Division of the East Indian Railway and on the Eastern Bengal Railway employees are thus deprived of rent-free quarters and are made to pay for their quarters? If so, do Government propose to issue instructions for the grant of rent-free quarters when the nature of the work is the same as shown in the State Railways Rent Rules? If not, why not?

**The Honourable Sir Muhammad Zafrullah Khan:** Information has been called for from the railway administrations concerned and will be laid on the table of the House in due course.

**RESERVATION OF A PERCENTAGE OF DIRECT APPOINTMENTS TO GOVERNMENT SERVICE.**

**107. Mr. Amarendra Nath Chattopadhyaya:** (a) Is it a fact that Government in the Home Department have issued a Resolution No. F.-14/17-B/83, dated the 4th July, 1934, in which directions have been given regarding the reservation of a certain percentage of direct appointments to Government service?

(b) If the answer to part (a) be in the affirmative, will Government please state:

- (i) whether any definitions have been given of Anglo-Indians, Armenians, Jews and Goans, for purposes of direct appointment to Government service; if not, what the definitions are;
- (ii) in what categories they will be included; and
- (iii) whether any proof is required before employment as to what class or category an applicant belongs; if not, whether they propose to frame rules?

(c) What is the policy of Government in regard to those who have taken the franchise under one constituency and who are employed or who seek employment for themselves or their children for direct appointments to Government service to posts reserved for members of another constituency?

**The Honourable Sir Henry Craik:** (a) Yes. A copy of the Resolution is in the Library of the House.

(b) (i) and (ii). The definition of "Anglo-Indian" is given in paragraph 26 (1) of Part I of the First Schedule to the Government of India Act, 1935. The other communities mentioned have not been defined and are not recognised as minority communities for the purpose of the Resolution.

(iii) The question of proof as to the community to which a candidate belongs has arisen only in the case of those claiming to be Anglo-Indians, and Government have laid down the steps to be taken for determining whether a candidate is an Anglo-Indian or not. A copy of the Home Department letter No. F. 14/6-A/34-Ests. (S.), dated the 16th December 1935, on the subject, is laid on the table.

(c) Presumably the Honourable Member is referring to persons who seek employment on the basis of a change in religion. The practice at present followed in such cases is the same as that explained in the reply given by me on the 1st April, 1935, to starred question No. 1311.

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FROM G. W. McELHINNY, Esq., I.C.S., ADDITIONAL DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA, HOME DEPARTMENT, TO THE CHIEF COMMISSIONER OF DELHI/COORG/ANDAMAN AND NICOBAR ISLANDS, No. F.-14/6-A/34-Ests.-(S.), DATED NEW DELHI, THE 16TH DECEMBER, 1935.

SUBJECT:—*Supplementary Instructions connected with the orders relating to communal representation in the services—appointment of Anglo-Indians.*

Representations have from time to time been received from the Anglo-Indian community to the effect that individuals who have no right to be treated as Anglo-Indians have in the past been, and may in the future be, accepted as such and appointed to vacancies reserved for members of that community.

2. The Government of India have given the matter their careful consideration and are now pleased to direct that for the purpose of appointment to the services and posts to which the orders contained in the Home Department Resolution No. F-14/17-B./33-Ests., dated 4th July 1934, apply :

- (a) An Anglo-Indian is a person who satisfies the definition of the term 'Anglo-Indian' given in paragraph 26 (1) of Part I of the First Schedule to the Government of India Act, 1935, namely, 'a person whose father or any of whose other *male* progenitors in the *male* line is or was of European descent but who is a native of India';
- (b) A candidate's own claim to be an Anglo-Indian should be accepted unless there is any reason to doubt it; and
- (c) Doubtful claims should be verified by reference to the nearest branch of the Anglo-Indian and Domiciled European Association (All-India and Burma), or by certificates from persons of responsibility and repute who are themselves Anglo-Indians, or birth certificates, baptismal certificates, school leaving certificates or any other documentary evidence which the officer making the appointment may consider sufficient to establish the candidate's claim to be an Anglo-Indian.

3. The above is in continuation of the Home Department letter of the same number, dated 17th August 1935, relating to the appointment of Sikhs.

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ENDORSEMENT BY THE ADDITIONAL DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA,  
No. F-14/6-A/34-Ests.-(S).

A copy is forwarded to all local Governments, Departments of the Government of India, the Director, Intelligence Bureau, the Director of Public Information, the Secretary, Public Service Commission, the Registrar, Calcutta High Court, the Private Secretary to His Excellency the Viceroy, and the Military Secretary to His Excellency the Viceroy, for information (and guidance), in continuation of the Home Department endorsement No. F-14/6-A/34-Ests.-(S.), dated the 17th August 1935.

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ENDORSEMENT BY THE ADDITIONAL DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA,  
No. F-14/6-A/34-Ests.-(S).

A copy is forwarded to the President, the Anglo-Indian and Domiciled European Association, 87-A, Park Street, Calcutta, for information.

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#### RUNNING OF BUSINESSES BY THE WIVES OF RAILWAY SERVANTS.

108. **Mr. Amarendra Nath Chhattopadhyaya:** (a) With reference to the reply given in this House to unstarred question No. 178 on the 16th October, 1936, will Government please state whether, under the Government Servants' Conduct Rules, Government presume that all business run in the names of the wives of railway servants necessarily mean that their husbands are actually conducting the business? If not, is the restriction only imposed when the competent authority is in possession of evidence that the husband is actually conducting the business?

(b) Do Government propose to limit the restrictions to such business as is likely to deprive Government of revenue, e.g., the running of lorries or buses by the wives of railway servants?

(c) Is it a fact that Government pensioners are permitted to engage in any business they choose, even though such business is likely to cause loss of revenue to Government, *e.g.*, a pensioner from the Income-tax Department doing business as Income-tax contestant? If so, why?

**The Honourable Sir Henry Craik:** (a) There is no such absolute presumption. Action would be taken when it is considered that in fact the business is that of the Government servant.

(b) No.

(c) Yes. The Government Servants' Conduct Rules do not apply to pensioners.

### STATEMENTS LAID ON THE TABLE.

*Information promised in reply to Mr. M. Asaf Ali's starred question No. 211 on the 25th January, 1937.*

### PLOTS OFFERED TO PUBLIC IN NEW DELHI.

The bids received at auctions of plots in New Delhi do not show any indication of having failed to attract the middle class population of the old town. As regards the subsequent parts of the question, the position is as follows:—

- (a) Plots are auctioned in accordance with demand and other conditions prevailing, and as many as 300 plots were put to auction on one occasion.
- (b) The restriction is imposed by the Building Bye-laws framed by the New Delhi Municipal Committee.
- (c) The plans sanctioned by Government for this area, in accordance with which the houses are to be constructed, do not provide for communicating doors between adjoining houses; so far there has been no demand for such doors from the lessees.
- (d) The question of the disposal of such plots is under consideration.
- (e) to (g). No scheme of development has yet been taken in hand in the areas referred to.

*Information promised in reply to starred question No. 380 asked by Bhai Parma Nand on the 8th February, 1937.*

### PREPONDERANCE OF MUSLIMS ON THE STAFF OF THE KILOKRI SEWAGE PUMPING STATION.

(a) The number of employees is as follows:

	Hindus.	Muslims.	Sikhs.	Christians.
(i) Permanent and quasi-permanent . . . . .	10	7	1	1
(ii) Menials . . . . .	3	5	..	..
(iii) Work charged . . . . .	85	55	3	2
(iv) Substitute . . . . .	Nil.	Nil.	Nil.	Nil.

(b) and (c). No. The staff of the Kilokri Pumping Station consists of:

Hindus.	Muslims.	Sikhs.	Christians.
37	31	2	2

(d) No preference is given to any community, but with a plant running day and night throughout the year the staff must be so composed that even on religious holidays, festivals, etc., a sufficient complement of men is available for duty.

(e) Yes.

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*Information promised in reply to starred question No. 469, asked by Khan Bahadur Shaikh Fazl-i-Haq Piracha on the 2nd March, 1937.*

**‘CONNECTION OF BHERA AND MONA RAILWAY STATIONS’ BY A RAILWAY LINE.**

(a) The reply is in the negative. No such survey has been made.

(b) No.

(c) Government are aware that traffic moves by road between Bhera and Bhalwal and Bhera and Phularwan.

(d) The Agent, North Western Railway, reports that the Irrigation Department now have a system of drainage which prevents water logging of the land at Pakhowal Railway Station. The earnings of this station were Rs. 18,819 for the 12 months ending January, 1937.

(e) No.

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*Information promised in reply to part (h) of starred question No. 472 asked by Rai Bahadur Seth Bhagchand Soni on the 2nd March, 1937.*

**‘RECRUITMENT OF RAWAT AND MERAT COMMUNITIES OF AJMER-MERWARA IN CERTAIN BATTALIONS, ETC.**

Rawats and Merats have always been recruited to the Ajmer-Merwara Police Service. Of the present Police Force in Ajmer-Merwara, one head constable and 38 constables are Merats and four head constables and 72 constables are Rawats.

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*Information promised in reply to parts (b), (c) and (d) of unstarred question No. 41 asked by Seth Haji Abdoola Haroon on the 2nd March, 1937.*

**‘CONCESSION IN RAILWAY FARES FOR PILGRIMS ATTENDING CERTAIN FAIRS IN SIND.**

(b) Yes : for the Lalshahbaz Fair at Sehwan.

(c) The concession for the Luwari Fair near Badin was intended to test the possibility of developing mela traffic by the grant of concessions.

The reply to the latter part of the question is in the affirmative.

(d) The number of passengers who availed themselves of the concession in each direction was as follows :

Luwari Fair . . . . .	3,977
Lalshahbaz Fair . . . . .	4,150

*Information promised in reply to starred question No. 548 asked by Mr. Mohan Lal Saksena on the 8th March, 1937.*

RESOLUTIONS PASSED BY THE LEGISLATIVE ASSEMBLY AND THE ACTION TAKEN THEREON.

Serial No.	Date on which moved.	By whom.	Subject of Resolution.	Department concerned.	Action taken by the Government.
1	2nd September, 1935.	The Honourable Mr. D. G. Mitchell.	Ratification of the draft convention concerning employment of women during night.	Industries and Labour.	In accordance with the Resolution adopted the convention was ratified.
2	4th September, 1935.	Mr. Sami Venkatachalam Chetty.	Manufacture of Locomotive requirements on State Railways.	Railway	After careful consideration of the question the Government of India have come to the conclusion that any scheme for the manufacture of locomotives in this country is uneconomical at present.
3	13th September, 1935.	The Honourable Sir Muhammad Zafrullah Khan.	Reduction of import duty on Carbon blocks.	Commerce	The Resolution was implemented by Finance Department (Central Revenues) Notification, No. 50, dated the 28th September, 1935.
4	18th September, 1935.	Pandit Gobind Ballabh Pant.	Position of Indian Nationals settled in Zanzibar.	Education, Health and Lands.	A copy of the debate was forwarded to His Majesty's Secretary of State for India. The Government of India have also made several subsequent representations to His Majesty's Government in the matter and are still in communication with that Government.
5	4th February, 1936.	Sardar Mangal Singh.	Appointment of a Joint Standing Army Committee.	Defence	Government's decision is stated in reply to Bhal Parmas Nand's starred question No. 524, dated the 18th September, 1936, viz., that they have decided not to set up any Standing Committee, but are prepared, as they always have been, to consult Members of the Legislature with regard to particular questions when it appears desirable to do so.
6	4th February, 1936 and 11th February, 1936.	Mr. Muhammad Azhar Ali.	State control of the Bengal and North-Western Railway, and the Madras and Southern Mahratta Railway.	Railway	It has been decided not to exercise the option in either case. The contract with the B. N.-W. Railway will automatically continue for five years on the present terms and a fresh option to purchase will be available on the 31st December, 1942. The contract with the M. & S. M. Railway Company has been extended for a period of 8 years from the 1st January, 1938, on terms much more favourable to Government than the existing arrangement.
7	11th February, 1936 and 18th February, 1936.	Mr. Ram Narayan Singh.	Extension of the same level of administration to the people of the excluded and partially excluded areas.	Home	Declaration of areas as excluded and partially excluded is a matter for decision by His Majesty in Council and a copy of the proceedings in the Assembly was forwarded to the Secretary of State for India.



Serial No.	Date on which moved.	By whom	Subject of Resolution.	Department concerned.	Action taken by the Government.
8	6th March 1936.	The Honourable Sir Frank Noyce.	Non-ratification of the draft convention concerning the hours of work.	Industries and Labour.	In accordance with the Resolution adopted the convention was not ratified.
9	7th April, 1936 and 16th April, 1936.	Mr. Muhammad Nauman.	Import duty on unbroken rice and paddy.	Commerce.	No action taken.
10	16th April, 1936.	Sardar Mangal Singh.	Appointment of a committee on small and cottage industries.	Do.	Copies of the Resolution were forwarded to the Local Governments for such action as they might deem necessary.
11	21st April, 1936.	The Honourable Sir Frank Noyce.	Non-ratification of the draft convention concerning the reduction of hours of work in Glass Bottle Works.	Industries and Labour.	In accordance with the Resolution adopted the convention was not ratified.
12	21st April, 1936.	Ditto	Non-ratification of the draft convention limiting hours of work in coal mines.	Do.	In accordance with the Resolution adopted the convention was not ratified.
13	24th September, 1936.	Mr. N. C. Chunder	Appointment of a Committee of Enquiry to enquire into the agricultural indebtedness in India.	Education, Health & Lands.	No decision has yet been arrived at as to the action to be taken on the Resolution.

*Information promised in reply to starred question No. 589 asked by Mr. Mohan Lal Saksena on the 9th March, 1937.*

#### CLOSING OF CERTAIN RAILWAY WORKSHOPS AT LUCKNOW ON SATURDAYS.

(a) Yes. The Carriage and Wagon Workshops at Alambagh, Lucknow, have been working short time on Saturdays from 4th January, 1936.

(b) Short time working on Saturdays was resorted to as the work required to be done in the various Sections of the Shops was not sufficient to justify full time working.

(c) Yes. The staff have already been advised that full time working will be restored as soon as sufficient work offers which is expected to be in the near future.

(d) Does not arise in view of the reply to part (b) of the question.

#### ELECTION OF THE STANDING FINANCE COMMITTEE FOR RAILWAYS AND THE PUBLIC ACCOUNTS COMMITTEE.

**Mr. President** (The Honourable Sir Abdur Rahim): I have to inform the Assembly that the following Members have been elected to the Standing Finance Committee for Railways and the Committee on Public Accounts, respectively:

##### *Standing Finance Committee for Railways.*

- (1) Mr. F. E. James,
- (2) Haji Chaudhury Muhammad Ismail Khan,
- (3) Maulvi Syed Murtuza Sahib Bahadur,
- (4) Mr. Satya Narayan Sinha,
- (5) Khan Bahadur Shaikh Fazl-i-Haq Piracha,
- (6) Khan Bahadur Sir Abdul Hamid,

- (7) Pandit Nilakantha Das,
- (8) Sir Muhammad Yamin Khan,
- (9) Mr. K. Santhanam,
- (10) Sir Abdul Halim Ghuznavi, and
- (11) Mr. Amarendra Nath Chattopadhyaya.

*Committee on Public Accounts.*

- (1) Sardar Jogendra Singh,
- (2) Mr. B. Das,
- (3) Mr. J. Ramsay Scott, and
- (4) Prof. N. G. Ranga.

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THE INDIAN FINANCE BILL—*concl'd.*

**Mr. President** (The Honourable Sir Abdur Rahim): A Message has been received from His Excellency the Viceroy and Governor General. The Message runs as follows:

*"After careful consideration of the amendments adopted by the Legislative Assembly in the Finance Bill I have decided that I must use the powers vested in me by section 67 (B) of the Government of India Act for the purpose of securing the enactment of the provisions included in the Bill as introduced in respect of the enhancement of the rate of the excise and import duties on sugar and in respect of the charge for postcards. My recommendation to the Legislative Assembly has been made in pursuance of this decision.*

NEW DELHI;

The 19th March, 1937.

(Sd.) LINLITHGOW,  
Viceroy and Governor General."

The following is the Recommendation referred to in the Message from His Excellency:

*"In pursuance of the provisions of sub-section (1) of section 67B of the Government of India Act, I, Victor Alexander John, Marquess of Linlithgow, do recommend to the Legislative Assembly that it do pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the excise duty on sugar leviable under the Sugar (Excise Duty) Act, 1934, to vary certain duties leviable under the Indian Tariff Act, 1934, to vary the excise duty on silver leviable under the Silver (Excise Duty) Act, 1930, to fix maximum rates of postage under the Indian Post Office Act, 1898, and to fix rates of income-tax and super-tax, in the form hereto annexed.*

NEW DELHI;

The 19th March, 1937.

(Sd.) LINLITHGOW,  
Viceroy and Governor General."

**The Honourable Sir James Grigg** (Finance Member): Sir, I understand that the actual amendments required to be moved in order to bring the Bill into the recommended form have not yet been circulated to Honourable Members. Perhaps a minute or two could be allowed to allow of this being done.

**Mr. President** (The Honourable Sir Abdur Rahim): Honourable Members would perhaps like to have a copy of the Bill as also of the amendments? (*Honourable Members*: "Yes.")

(Copies of the Bill and of the amendments were then circulated to Honourable Members.)

**The Honourable Sir James Grigg**: Sir, I move:

"That after clause 2, the following be inserted as clause 3 of the Bill, namely:

'3. In sub-section (2) of section 3 of the Sugar (Excise Duty) Act, 1934,

(a) in clause (i), for the words 'ten annas' the words 'one rupee and five annas' shall be substituted, and

(b) in clause (ii), for the words 'one rupee and five annas' the words 'two rupees' shall be substituted'."

Sir, two alterations of substance were made during the consideration stage of the Finance Bill, namely, the excision of the enhanced excise duty on sugar and the reduction of the postcard rate. The first of these represented a loss of revenue of Rs. 1.15 lakhs, and the second a loss of revenue of about Rs. 50 lakhs, the two together making Rs. 1.65 lakhs. Sir, without entering into the merits of either question, it is clear that the Government of India cannot acquiesce in a budget unbalanced to this extent, and so there has been no alternative but to adopt the course we are adopting. Sir, I have not attempted to go into a rebuttal of Sir Cowasji Jehangir's theory of the old Constitution at the Centre, but in the last week or so constitutional questions have assumed a more than ordinary importance, and although there is a whole world of difference between the old Constitution at the Centre and the new Provincial Constitutions, it seems to me that, in this matter, the least said, the soonest mended; and that being so, I do no more than move the amendment which stands in my name.

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

"That after clause 2, the following be inserted as clause 3 of the Bill, namely:

'3. In sub-section (2) of section 3 of the Sugar (Excise Duty) Act, 1934,

(a) in clause (i), for the words 'ten annas' the words 'one rupee and five annas' shall be substituted, and

(b) in clause (ii), for the words 'one rupee and five annas' the words 'two rupees' shall be substituted'."

**Mr. Shulabhai J. Desai** (Bombay City: Non-Muhammadan Urban): Mr. President, for the third time during the life of this Legislative Assembly, I find myself in a situation which, if we had not got used to it, would be regarded as almost tragic in the history of institutions of this nature. I wish to remind the House that during the time that the main part of the Opposition in this House was carrying on a struggle outside the House for the emancipation of this country, the not uncommon criticism was by those who sit on the other side, the Anglo-Indian press and by many candid and kind friends that we were pursuing the

path of sterile non-co-operation. I remain unconvinced as to the propriety of that criticism, but nonetheless by a series of circumstances and accidents I found myself, more or less against my wish, in the position in which I found myself a little less than two and half years ago in this House. I then still hoped—though I think it was my own fault that I should have entertained that hope at all—that their criticism had a more affirmative meaning than a mere desire to criticise whatever we do in the hope that so far as they are concerned, their condemnation has some force or meaning. Believing, therefore, that by coming here we shall find ourselves in a different atmosphere to what prevailed before, I allowed myself to think that circumstances had to some extent altered. My experience during the last three years has confirmed me in the belief which I expressed last here in the words which Mr. Dadabhoy Naoroji used some 37 years ago. This is what he said:

"The Legislative Council was (and I say now is) simply and solely a delusion and a farce, and its working constituted a worse despotism than was ever exercised by any native ruler even in the old days. An Oriental despot, when he misgoverned, acted, so to speak, like a butcher, and people were astounded and horrified; this new despotism of civilization rather resembled a murder effected by a clever but unscrupulous surgeon who drew all the blood from his victim while leaving scarcely a scar upon the skin."

Those words are as true today as they were when they were written 37 years ago. They talk of enlarging the liberties of the people; they talk of steps towards self-government of this country; but their action, at all events, denies any claim either to sincerity or earnestness in their professions. I am surprised that in a budget, such as we have had presented to this Assembly extending to several crores, it should be necessary for the Finance Minister to come here and tell us that it would be impossible to govern this country without loss of credit, without any detriment to the internal government of its country or its external protection, if you like to add that, if you reduce 1,65 lakhs out of the revenues. These 1,65 lakhs would have then to be reduced on the expenditure side. But we have a Government of India consisting of the real consumer for which the Honourable Sir James Grigg has a great deal of solicitude. It is not the poor Indian cultivator who is usually exploited as a consumer. It is the insatiable appetite of the consumer, being a part of his own body-politic, to which he ought to pay more attention than the consumer he talks of now and again. It is that consumer who takes all that he can rob from the already starving millions of this country. Therefore, this hydra-headed monster of Government consisting of a consumer and a robber makes it his business to see that the last ounce of blood cannot be saved.

I remember, years ago, learning the language of those who govern us, that I was told that after all even though you may demand a pound of flesh, you may at least within the category of that demand leave a jot of blood. Evidently, between the consumer who cannot be touched, the robber must have his way, for he comes to us now and tells us that the danger to India would be so serious if, for instance, the army expenditure were reduced from 45 crores by 1,65 lakhs, and if, for instance, the prodigal son, when he returned here as he has done after the last three years, had not expected, and I hope he did not, a fated calf except those who find themselves on this side of the House. He will not do anything to touch them except to keep them feeding more and more. But he must apply his knife to scrape the little ounce of fat that may be

[Mr. Bhulabhai J. Desai.]

left on skeletons, which is represented by the poor of this land. If this is what is said to be good government and its necessary requirements and implications, then I am afraid there could not be a worse abuse of that term. Therefore, it appears to me—and I commend it respectfully to the House—whether the last straw on the camel's back has not been reached in exposing the farce of this supposed democratic Government of this country, at least so far as this Assembly is concerned.

Is it really useful, I ask, that 144 or 145 men, who have some little value in true life outside this House, whose time has some purpose, whose intelligence has some meaning and some value, should be solemnly called together for a purpose worse than futile? Whether we agree or whether we disagree, it simply does not matter. The only result is the expenditure of time and money in a manner that can only be described as tragic. I would sooner, Sir, the Government of India Act will give the power to the Governor General and his advisers to take the kind of step which they are about to take and instead of recommending to us I would sooner that they became, in the language of Mr. Dadabhoi Naoroji, a plain unvarnished despot without trying to garb themselves into the clothes, to borrow the language of Sir James Grigg, that do not fit them any longer. The clothes deceived the Indian people for a time. I think the better recommendation of the Governor General should have been that this House is dissolved or adjourned *sine die* until the Government come to their senses again. It would have been in the fitness of things, for, indeed, it is a disgraceful sight to see 23 men who are serving in the countryside and who are brought here to raise their hands each time the first hand goes up and take a little mild exercise by walking into lobbies. Why is this money wasted? Why is it not said and admitted that where the Leader or the other side walks, 23 other persons have also walked? My country is too poor to afford this luxury which is said to be the farce of a Constitutional Government. Then, there are 16 others who stand next to them. I wish I had words bitter enough to bring home to those gallant Captains who come here in their pride and glory of their martial race, not realising the cowardice that lies buried in their soul. If that is the way in which the Government of India are to be carried on, I, for one, would be very glad if this House were closed once and for all (Hear, hear), so that at least the world may know that the deception is not being carried on any longer. That, Sir, is the mildest criticism of the situation in which we find ourselves. For, why, we, at all events who have the capacity to render some little public service, should be called here in solemn consultation and votes recorded only to be scorned and rejected afterwards. I refuse to beg, but I still feel that the Government of India might have behaved better, might have understood, at all events, the spirit of the Act if not the letter, for it does not follow that because you have the power, therefore you must each time abuse it. I entirely sympathise and associate myself with my Honourable friend, Sir Cowasji Jehangir, when he says that the Constitution does not make it obligatory on your part that you shall be callous, cruel and indifferent to every demand of the representatives of those from whom, by an act of formal legislative measure, you do nothing else but rob them of their livelihood. For, after all, if we are going to perform our duties towards them, we would at least sooner save them the expenditure of maintaining 145 men in this House to no purpose.

Sir, coming to the amendment itself, I have no desire to add to the debate which had taken place, for what we are solemnly asked to do is to take back the vote of the House as one of the Anglo-Indian papers reported where every Indian elected Indian Member voted against it. I was told during the course of the debate that it is necessary that the weaker of these factories should be weeded out in order that the stronger children may grow. I do not wish to repeat what I said, but I will content myself by saying that if that process were to be applied to the families of those who sit on the other side, I am quite certain that they would not go to a doctor on the occasion of anæmic condition of some of their children, while others are strong. But if that were all, I would not bother about it. I am one of those who earnestly and honestly believed both as a matter of economics and finance that revenue duty should always be levied on those industries to the extent to which industries must be taxed which can bear it. But they cannot be levied for the purpose of carrying out some indirect check on over-production of a particular commodity. This is a novel and dangerous doctrine. I believe in planned economy, but I do not believe in the economy of the type where profession is one and the purpose is another. But if it were only that, I would not have objected to this measure, but there is something much more distressing, much more poignant behind this. It is to be admitted that whatever may be the future consequences which are pictured, there is immediate disaster to those farmers in the Punjab, in the United Provinces and Bihar who extended the cultivation of sugar-cane in replacement of other crops, and it must take a considerable time for them to readjust their rural economy (Hear, hear), and while it is being readjusted, lakhs and lakhs worth of cane, I am credibly informed, would probably have to be sold for nothing, if not burnt. If this is the picture the Honourable the Finance Member can contemplate with a degree of equanimity, even leavened by a certain amount of humour, I regret very much that I cannot join him. The Honourable Sir Henry Craik the other day thought I was using a strong expression when I said that Nero was fiddling when Rome was burning. But I should like to know whether even that great oft-quoted representative of despotic callousness is not being sometimes surpassed by the manner in which the Government treat measures and which, in the name, if you please, of the necessity of good government of India, we are asked to expect, we are asked to receive and we are asked to respond. It is, Sir, adding insult to injury. I wish they had found some other method instead of the one which is now being adopted in order that we may take back what we solemnly believed to be wrong. Sir, on grounds such as these and the manner in which the Government of India Act is being worked if only in order to expose the hollowness, the delusion and the farcical character of the proceedings of this House, it may legitimately be asked why is it that I have allowed myself during the last three years to participate in it. I confess I had a little faith that forms will not remain forms and they will not be reduced to a farce. And, I have more faith that the more we continue to expose the delusion the sooner I am able to convince those who stand outside this House and at our back on whom salvation of this country depends (Hear, hear) that we might, by a constant expression of our views on every public question that comes before it, and it would be, if nothing else, an education to my countrymen to the extent necessary to lay the foundation for direct action. It is in those hopes and with that belief that I associated myself for a period, because the natural constitutional life of this House would end so far

[Mr. Bhulabhai J. Desai.]

as the budget is concerned in a day, if not within an hour. I shall seriously consider if this is all the use that this great Constitution and these so-called progressive reforms are capable of being put to, if it is not worth while making an earnest appeal that that delusion would do us some good, it would save some money, and create some decency if this Constitution and its successor were withdrawn and we were governed as we were governed while we continue our struggle until it ended, as you governed us 50 or 60 years ago. For the forms deluded us for a long time, and in that snare many an Indian who calls himself educated has been trapped, and I hope and trust that my appeal will not go in vain when I point out that either we must serve and be a reality, or the farce be ended. With these words, I oppose the motion. (Applause.)

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): Sir, I must admit that I did not expect a debate on the constitutional position of this country this morning. I must also admit that if a debate does take place, we cannot lay it at the door of the Honourable the Finance Member. Since the victories at the polls of my Honourable friends to my right, the Honourable the Finance Member has been cooing like a dove. We have had the pleasure of seeing him more frequently on the benches to my right than ever before, and, therefore, to be perfectly candid and honest, I cannot lay the blame for this debate at his door; and also, Sir, I cannot but in my heart of hearts excuse my Honourable friend, the Leader of the Opposition, for having initiated once again a debate on the Constitution under which we work and make us reflect a little more seriously, perhaps with a little more sadness, upon the Constitution we will be called upon to work in the Centre, perhaps in a year or a year and a half. Sir, the Honourable the Finance Member said that the least said quickest mended, and that he did not desire to go into the constitutional position which he himself raised in this Honourable House this time last year on a similar debate. Sir, I said on that occasion that I was surprised, I was shocked, at the mental attitude of my Honourable friend, and in all sincerity, in all honesty, I was prepared to put it down to his lack of knowledge of how the present Constitution under which we work came into existence. But, to my utter surprise and deepest regret, I found that, under instigation or on his own initiative, the Leader of the House of that day, whose absence we still regret, was tempted to justify actions on the part of Government taken, not in the spirit of that Act, but on the letter of the Act. And now I desire to draw the attention of the Honourable Member to the implications of that mental attitude.

Sir, in the future Constitution, that we shall be called upon to work, there are what are now called safeguards, and we have been told over and over again that those safeguards will only come into operation when the financial credit of this country is at stake due to the actions of this side of the House who will then sit on the opposite side, that those safeguards will only come into operation when law and order is at stake due to the actions of this side of the House who will then be on the other side, that those safeguards will come into operation for the ultimate safety of this country and its people. We have been told that over and over again, but we have also been told that in drafting an Act it is not possible to put it down in black and white as to what extent those in authority can use the

discretion vested in them. It can be done only by the instrument of instructions, and not even by that. It can be only done by the good sense and common sense and sense of equity and honesty of those who are put in authority. Sir, these were the very arguments used by statesmen in England when the present Constitution was mooted and discussed and considered, and we were told that the great advance of the present Constitution as compared to the Constitution that preceded it was that these powers given to Government to override the wishes of this House would be put into operation with justness, with integrity, with honesty and for the ultimate safety of this country. We were told so then; we are still told the same thing about the future Constitution. What is the inference that we should draw from the mentality exhibited by the Honourable the Finance Member and the Leader of the House this time last year? That is the question I would ask Honourable Members opposite to consider and meditate over. Sir, it was never intended, I maintain most strongly, and anybody cannot but come to the same conclusion who reads the proceedings that took place prior to the present Act coming into force, that Government should not listen to this side of the House and should not as far as possible carry out their wishes. And, if that was the spirit of the Act, I maintain that the Leader of the Opposition is absolutely within his rights and is in justice bound to read out such quotations as he has done from the speeches of men like Dadabhoy Naoroji who lived and died years ago. And if the quotation can be applicable, perhaps not so forcibly as my Honourable friend believes, but can be applicable to actions of Government today, if a book written something like 38 years ago can be read today as applying to the present Act under which we work and the present actions of Government, what advance have we made? And is that what our Honourable friends mean to tell us, that, since the Act, preceding the one under which we work, there has been no advance, that the letter of the law must be carried out? Then, how are we to contemplate the future with regard to the Act that will come into force within a year and a half? Are we to be told by those in authority four or five years hence that this is the letter of the law, that they are given the discretion of interfering with our actions and although there might be a doubt whether our actions would lead this country to ruin or not, they are going to force their will upon us, and exercise their safeguards, because that is the letter of the law? Is that what we are going to be told, and is that the inference that we should draw from the statement made this time last year by the Finance Member and by the Leader of the House? If so, it is a sad day for Government, it is a sad day for us, it is a sadder day still for those like myself who always have believed and always will believe in the British connection and those who have stood strongly and firmly by that British connection and will ever do so. It is the saddest day for those who have stood by this connection and who will stand by it for ever. My Honourable friends will be here today and will be gone tomorrow. But I and my children will remain in this country as Indians for ever and we have to contemplate that future. We look forward to a future of peace and prosperity, of concord and the best of relations between Englishmen and Indians: that is the future we are looking forward to. Do not smash our ideals. That is all I have to say, and I trust that with a little more experience, a little more knowledge of how the present Constitution came into existence, of the assurances given by British statesmen, many of whom are not in this world today, the Honourable Members opposite will familiarise themselves



[Sir Cowasji Jehangir.]

with these assurances rather than quote to us in the future what every school boy in politics knows, the letter of the Act, and read out to us sections which we know by heart and which many of us considered and discussed before they were actually drafted. It is an insult to us. I had no chance of replying to it last year: I had one chance this year, and I thank my Honourable friend, the Leader of the Opposition, for having given me another opportunity of expressing my views trusting that in the interests of the British Empire, in the interests of Englishmen in India who will live here for generations, in the interests of my school of thought, Honourable Members opposite will live and learn: and God help them.

**Mr. M. S. Aney** (Berar Representative): Sir, it is really sad to contemplate that we have to repeat even this year what we have been doing for the last two years in regard to the Finance Bill. This House, as you know, has been expressing its opinions and considered opinions, on the taxation proposals contained in the Finance Bill from year to year; and the reply which the Government of India have been giving to the representatives of the people on this side of the House is almost monotonous namely, "Having heard all that you have to say, having given the best of our thought to everything you have urged, we feel that there is nothing worth hearing, there is nothing worth considering in that." The introduction of a recommended Bill to my mind means nothing but a calculated insult to the representatives of the people and an attitude of defiance towards public opinion expressed and reflected in the vote of this House. The Finance Bill has been modified very slightly by the House and the points on which it has been modified are also well known to the Honourable Members of this House. The demands which those modifications really imply are demands made by the representatives of the people in the best interests of the public of India. The demand for the reduction of duty on postcards or the demand for the abolition of the increased excise duty on sugar have been demands of this House placed with all the wealth of argument, with all the cogency and all the earnestness which Honourable Members on this side of the House can command: and what is the reply? The reply is this: it is contained in the little endorsement which bears the signature of His Excellency the Governor General . . . . .

**Mr. S. Satyamurti** (Madras City: Non-Muhammadan Urban): What is the date?

**Mr. M. S. Aney:** The date is in ink and the remainder is in print.

**Mr. Satyamurti:** You can comment on it.

**Mr. M. S. Aney:** This itself is a comment, and needs no further comment. What time did he take to consider these matters? Absolutely nothing. In fact, they came here with a pre-conceived idea, with a pre-determined mind to carry out their will and nothing else. Any opinion expressed by the people was only a matter which under the Constitution they had to permit, and there was no other go for it. If the law had permitted them to carry the Finance Bill in the form in which it was brought on the very first day, they would have done it and would have done away with any kind of discussion, deliberation, or consideration of the measure

by the representatives of the people on this side of the House. An attitude of this kind is not only bad in itself, but to my mind it indicates something which is worse than that. As my Honourable friend, Sir Cowasji Jehangir, has rightly pointed out, it is not bad only for the time being, but it takes away all hope of a bright future for the people of India. What can the people think of those men or persons in power who times out of number have flouted public opinion and have given not the slightest regard to the considered views of this House? How can the people expect that the new Constitution which is to come is going to be worked in any better spirit and is going to give opportunities for the representatives of the people to exercise their judgment and exert some real power and influence over the affairs of their country? I am quite sure, the attitude which the Government have shown in coming out with a recommended Bill, which show not the slightest consideration for any one of the amendments carried by this House, indicates that this is a Government which have been once, rightly characterised by certain people as consisting of a steel frame only: a steel frame has neither a soul nor a spirit of sympathy: it cannot create, it cannot sympathise. It is as wooden and unchangeable as anything, and it has, therefore, got to be broken if we want to do anything with it: there is no other way: it has either to be replaced or to be broken—it cannot be bent to our will. With this attitude, the people are not going to take very kindly to the new reforms, regarding the ushering in of which so much has been spoken. This year, particularly, Members after Members of the Government of India on the Treasury Benches have, in reply to several debates, got up and spoken to us in a very patronising manner saying: "The new reforms are coming: the responsibility is going to be shouldered by Honourable Members on this side of the House", indicating thereby that there is a fund of sympathy in which the new reforms are going to be worked; and on their part they were promising at least some kind of the help and encouragement the peoples' representatives may need to secure the favourable working of the new reforms. Men are not merely judged by the words they use. I want to intimate to Honourable Members on the Treasury Benches that they are not weighed by their words. In fact, so far as word is concerned, unfortunately the whole history of India testifies that there is absolutely very little for them to claim any credit for themselves on that account and those who have preceded them. So their words never carry any weight with the people, and it was never regarded as a matter to be seriously considered at all. But if they really want their words to be seriously understood by the people of this country, if they really thought that this was an opportunity for them to create a better hope in the minds of the people about the future, then the real thing for them was to come here with a Bill which showed some consideration for the demands which the people have been making from time to time for all these years past. Particularly, I wish to refer to the demand as regards the reduction of the price of postcards.

Sir, the people have not forgotten the day when they had the one pice  
 12 Noon. postcard. It was increased to two pice and then to three pice, and the demand now of the people is to reduce the price of the postcard from three pice to two pice. The one pice postcard affair which they have been enjoying for a very long time has now been almost forgotten. Here it must be remembered that the price of the postcard was increased from two pice to three pice only as an emergency measure, but that emergency does not exist any longer. The present demand is for the

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reduction in the price of the postcard from three pice to two pice, because it presses the people very hard, and particularly the poor people are very hard hit by it, and the equity and justice of that demand which cannot be denied by anybody has remained unheeded for all these years. Sir, the war measures and emergency measures have all gone, but certain other emergencies have come in. Emergency relief is still continued to certain classes, but the poor man who is once crushed remains crushed for ever, and for him there is no hope at all. I think the only day when he can expect real salvation is when the steel frame goes away and real power is transferred to the representatives of the people. There is no other chance for the poor man, there is no real hope for him, until and unless the steel frame disappears from this country and power is transferred to the representatives of the people. This is the lesson which the introduction of a measure like the one Government have brought before us teaches the people, and is that the lesson which the Honourable Members of the Treasury Benches want the people to learn on the eve of the introduction of big reforms about which they have been talking so eloquently all these days? They don't create in the minds of the people a real feeling to receive and work those reforms in good grace. If the people talk harshly, Government Members complain that the people are opposed to these reforms. It is not the mere words or language of the Act that is going to create any real and substantial reform, it is the attitude of those who have to administer the Act that is going to create a real feeling and a real desire in the minds of the people to work the reforms. We do not find any indication of any change in them, any indication of even making a gesture of goodwill towards those people the leaders of whom they are asking to shoulder the new responsibilities. Under these circumstances, there is no hope for the people and no remedy but to assert and assert with all the earnestness they command that they treat a measure like that with contempt, and I, therefore, ask this House to dismiss it, to reject it without giving the slightest consideration.

**Sir Muhammad Yamin Khan** (Agra Division: Muhammadan Rural):

Sir, one feels very pained to see that the action of the Government is calculated to destroy the very thing they wanted to build. When the Government advise the Governor General wrongly, it is really a calamity to the country. Now, Sir, what do we find? What was going on in this city of Delhi during the last few days? They held a Congress meeting a few days ago, and they discussed the question whether the Congress should accept office or not. Opinion was naturally divided very strongly, but the saner elements in the Congress, or the right wing section prevailed, and they persuaded the other side to accept office. Now, when they have decided to accept office and work the reforms, here comes the death blow from the Government to destroy the good atmosphere that has been created by the Congress decision to work the reforms. Here diplomacy would have had a better effect than thrusting on the people a measure like the one we have before us. What do we find? We find that the Honourable the Finance Member alone wants to rule the whole country by his will. It is not the will of the Government, it is the will of the Finance Member that has prevailed. He may have been advised by his Department, but it is his will he wants to enforce on the country as a whole. It is not the views of the Honourable Members sitting over there which will decide the

issue, because they are bound to vote according to the instructions issued to them. If the Honourable Members on the Treasury Benches had been given free choice to vote as they liked, I am sure that at least half the Members on that side would most readily have voted with this side of the House. It is a misfortune, Sir, that the Government, constituted as it is today, has to instruct its agents to vote in a particular manner, and the whole of the Government votes *en bloc* accordingly. But what did we find in regard to the sugar excise duty? Not a single elected Indian voted with the Government on this question. Even from the European Group we find that Mr. Ramsay Scott voted against the Government (Applause from Congress Party Benches), because, Sir, he represents the province where the sugar-cane industry has made perhaps the greatest headway. He knew what circumstances exist at present. But other members of the European Group went with the Government, but we need not take them seriously, because they are neither sugar-cane growers, nor factory owners, nor are they consumers of Indian made sugar because whatever sugar they consume is lump sugar which is imported from outside. So it does not matter to them which way they vote, and, therefore, I do not attach any importance to their votes at all,—theirs is practically no vote at all. Now, the only votes which were there were the votes of the elected Members on one side and of the Government Members on the other side,—the Government Members were, of course, forced to vote with the Government on account of the Party discipline, or according to the notions of the Honourable the Finance Member. Therefore, I think, it is undiplomatic and inopportune to advise the Governor General wrongly to make a recommendation in this matter. They have created difficulties not only for men like my friend, Sir Cowasji Jehangir, and myself, but they have created difficulties even for those who were going to bring their flock to work the new Constitution. Sir, they will have a lot of difficulties in their camp. Instead of working the reforms, now the Government have asked them to go inside the Councils and wreck the Constitution. That is forcing the hands of at least six provinces,—the Finance Member has created difficulties, not for the Government of India, but for the Provincial Governors who had no voice in the decision made by the Finance Member and which is being thrust on the country today. I wonder what the Provincial Governors would be feeling about this action, especially the Governors of those provinces where the Congress are in a great majority and their votes count a great deal. I do not know how the Government make up their minds. Have they got only one thing, namely that they must carry their own will, that they must enforce their own will on the people like Mussolini or Hitler? They must at least care for the good of their Constitution and of their Government too. They must see what difficulties they are creating for the other side, for their own friends, for their own people who are running their show in other places. It is absolutely ignored. I would certainly pity the position of His Excellency Sir Harry Haig and the Governors of the other provinces. The point is this, whether the unanimous voice of the people should prevail, or the voice of one single man who is controlling should prevail, because I refuse absolutely to believe that it is the voice of anybody else except that of the Finance Member and his Department. He may think that it will prove a boon later on. He is a very shrewd man, he is a very able man, he is a very intelligent man, he can understand many things. We may be dull people, we may not have got brains like his.

**Mr. S. Satyamurti:** Speak for yourself. (Laughter.)

**Sir Muhammad Yamin Khan:** But I can say this that, when we support the Government, we do so with the utmost sincerity, and, equally, when we oppose the Government, we do so with the greatest sincerity. The Government should have considered that when we give them advice, it is worthy a little . . . . .

**An Honourable Member:** For their own good.

**Sir Muhammad Yamin Khan:** . . . . . for their own good. If it is good for the country, it is good for the Government also. Think of the political effect, leaving aside the economic side—I have already said that economically it will bring ruination in spite of the Honourable Member thinking that it will prove a boon to the country, and that ruination will be reflected in the country later on. Policy and diplomacy should be such as to succeed, but if it leaves bitterness, it should not find a place. When the historian will write the history of this period, he will write with the greatest bitterness. To carry one's will through in spite of the peoples' opposition is a thing to be greatly deplored. If the Government had listened to the voice of their friends in the past, they would not have been in the position in which they find themselves today, and, if they go on ignoring them, they will be in a worse position hereafter. I do not know when the advice was given to His Excellency the Viceroy, the date has been put in by pen, and it shows that the whole thing should have been printed long before the date that is put down there. But whenever it may have been given, it was a wrong advice and should not have been given to His Excellency the Governor General, especially at this time when he is thinking of bringing in the Indian States. I do not know what effect this will have on the minds of the rulers of the Indian States when they come to join hands with the Government. They will be wondering whether their voice will prevail or the voice of one man who goes up to advise the Governor General in future. These things ought to have been foreseen. Wise men foresee a long way ahead, not the momentary effect. With these words, I oppose the amendment. (Applause.)

**Pandit Govind Ballabh Pant** (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): After the speech of my Honourable friend, Sir Muhammad Yamin Khan, I think it is unnecessary for anybody else to advance any further argument in support of the attitude taken by the Leader of the Opposition. I would not have got up if I had not had a very strong feeling on the subject, as much on its merits as on constitutional grounds. I do not know if the benches opposite realise the deep agony and the galling mortification that the repeated reminders of our utter helplessness must be causing us. I do not know if they can form any measure or any idea of it. After all, are we to continue to be pawns in a political game in this international pursuit of the consuming ambitions of Great Britain for ever. That is the main problem. Will they ever continue to fiddle with us in order that they may grow fat and fatter? But I do not intend to address myself to these aspects of the question at any length to-day. As I said, I am really sad, sad to find with what utter contempt the collective opinion of the elected Members of this House is treated by the

benches opposite, sad to realise that things like this must be happening and yet we should still continue acquiescing in the present system! Every nation deserves the Government that it has, and if we had the power to rebel, we would have broken our shackles long ago. Still we were satisfied with pious denunciations but that cannot carry us further. What we have to do today is to steel our hearts and to reaffirm our determination to adopt practical measures in order to bring foreign domination to an end, in order to destroy the monstrosity of alien rule and to secure for ourselves the God-given right of ordering the affairs of our country according to our own wishes,—not only inside, but also of determining our relations with the people abroad as it suits the best interests of our country. We again stand here today to reaffirm our determination to attain independence, to prepare the ground for that assembly in which the elected Members of the people of this country will determine the Constitution suited to their genius, so that this country may advance forward, not only to improve the lot of the starving millions in this land, but also to restore peace in this tormented world. That is the lesson that we once again learn today. But this absolute despotism has to be ended, and every step leading to its speedy end has to be taken to achieve this purpose. We are here today again reminded of the despotism and monstrosity of the present order of things, but it is not only that. Even judging this issue according to their own standards, in the terms of their own Constitution, in the light of their oft-repeated declarations, this step is indefensible.

Sir, we were told that the fiscal autonomy convention was a reality. Does this attitude of this Government conform with that declaration? Is it in accord with their declarations regarding fiscal autonomy? Have not the Government declared again and again that, so far as matters of this type are concerned, so far as matters relating to the imposition of import duty, excise and other things are concerned, the wishes of the representatives of the people in this House, even in the crippled state in which we are expected to work here, will be respected? Had they not again and again declared their willingness to drop the Bills relating to the imposition of import duties even in the matter of British textiles and other things if the elected representatives in this House did not approve of those Bills by a majority? Did not the Government in fact actually withdraw a Bill once when the elected representatives did not support it? Have the Government then abandoned that convention of fiscal autonomy? If it has, then let them candidly declare that they are moving backwards and their preparation for so-called Swaraj is only a preparation for further tightening of our fetters. It is unthinkable that in a matter of this type the Government, throwing to the winds all their solemn promises, should have trampled upon this convention which they had repeatedly accepted in unqualified language. Sir, what has the Honourable the Finance Member done. He has in relative terms reduced the import duty on sugar and increased the excise duty. The difference between the excise duty and the import duty was larger to this time than it will be under the change suggested by him. Is it in any way defensible? I ask the Honourable the Finance Member—can there be any justification for bringing down the import duty relatively in terms of the excise duty? He was telling us the other day that he had increased excise duty only by five or ten per cent. of the import duty—I do not exactly remember—but he meant to convey that the increase in the duty was very small, that it bore a very small proportion, but can

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he deny that he has made the position and the lot of the indigenous producer and manufacturer of sugar much worse? The increase on excise duty is 50 per cent, the increase on import duty hardly three per cent, and the increase of excise duty on *khandsari* sugar more than 100 per cent. He has adopted the reverse order of things, smallest increase of import duty and biggest increase on *khandsari* sugar, proportionately and relatively. Can he defend such a step?

Then, Sir, we were told and we have been reminded again and again that the present Government of India are the trustees of the dumb driven people, as they are called, of this land. We have been reminded again and again that the Government of India take a special interest in the welfare of the agricultural classes. Looked at from the farmer's point of view, nothing could be more brutal, more callous than this increase in excise duty. The Honourable the Finance Member knows that the Local Governments have encouraged the cultivation of cane, especially in the United Provinces. They have exacted a considerable amount in the form of irrigation rates through the extension of cultivation of cane. The poor cultivators whom they managed to keep ignorant and illiterate all the time have been duped by them into extending the cultivation of cane. They have been promised higher prices and asked to give up their original natural rotation of crops and to take to cane. This year, about five lakhs of tons of additional cane are standing in the fields. That is, according to the prevailing rate, worth at least 50 lakhs of rupees. The Honourable the Finance Member tells us that the sugar industry is heading towards a disaster. If not so, it is at least facing a great deal of difficulty today. He says that the income-tax receipts have come down, that the sugar industry is today faced with a crisis. Obviously, in the circumstances it will be difficult for the manufacturer to purchase even the quantity of sugar-cane that he purchased last year. In the circumstances, instead of giving some sort of relief to these people, in order to enable them to make use of the sugarcane produced by them, here, at this eleventh hour, when it is not possible for the agriculturists to find any other means for crushing their cane, he hurls this bolt upon them in order to blast them completely. Can there be any justification for it? What does this attitude towards the agriculturist mean? We are told that it is the function of the Government of India to protect the rural classes, that they take the greatest interest in the weak, starving and suffering people, yet their declarations and their professions are entirely opposed to their real practical activities. What is the use of these Agricultural Commissions, what is the use of these stud bulls, if these people are to starve, if their crops are to rot and if, after being deceived into a plan of action engineered by this Government, they are thrown overboard at the eleventh hour? Can any Government elsewhere behave in such a callous, brutal and dishonest manner? These sugarcane planters and farmers are now being thrown into the wilderness. They will not have anything to pay their rents. They will not have anything to purchase their loin cloth. They will have nothing to feed their starving children with. The only profitable crop in my part of the province today is the sugarcane. It is only through sugarcane that the heavy burdens that the agriculturists have to face have been discharged partially, and, now, at this hour, these agriculturists are being crushed. These farmers are being thrown into the sea and their interests are being trampled upon in a ruthless manner. I do not very



much worry about the manufacturer. I am interested in him, but I cannot tolerate this state of affairs in which this skeleton is bundled up and thrown into the grave although he can be saved.

Sir, we are told by the Honourable the Finance Member that the sugar industry is suffering from a glut, a surfeit, that idle stocks are lying here and there. Assuming that that is correct, what would a national Government do in these circumstances? Would it make the state of affairs still more difficult and worse, or would it ease the situation and give appropriate assistance to the growers? And what is the fault of these sugar manufacturers? Only this that they have developed this industry at a quicker speed, that they have developed it at a more accelerated rate than had been expected by the Tariff Board. Sir, does it not amount to a breach of faith? Government had promised them that at least for seven years they would have a certain rate of protection, but their success has aroused the jealousy and envy of the Government of India and they have adopted a step-motherly attitude towards them. Sir, the Government of India have a very queer and strange way of looking at things. They grudgingly grant some protection to an industry. If it succeeds then they must take action against it in order that its progress may be arrested; if an industry fails, then also they must take action against it, because the policy of tariff protection had not proved fruitful! Sir, in every way the Honourable the Finance Member will manage it according to his own capricious whims—"heads I win, tails you lose". That is his method.

Now, Sir, can this excise duty be helpful to anybody except the Government? For the consumer, he is going to raise the price by imposing this excise duty; for the manufacturer, he is cutting down his profit, as the rise in price is never proportionate to the duty levied; and, so far as the agriculturist is concerned, he is cutting down the price of the cane, as it has to bear some relation to the net price that the manufacturer gets: with the result that all the three classes must suffer, only so that he may have this crore and a quarter of rupees. But at what cost! Can it be of any advantage to any Government to draw money like this when the reaction of it is this that it dries up the springs from which alone money can ooze out?

Sir, it is a suicidal policy that the Government are adopting. Sir, the Honourable the Finance Member could have found his money in various other ways. If there had been a national Government, I think the easiest thing to find this money today would have been by means of the imposition of an export duty on gold. If even that did not suit his country's interests, I do not understand why he should not have devised some means by virtue of which he could get enough of money from steel and iron. He knows that there is a boom in the steel and iron industry, he knows that the profits there are enormous, he knows that the value of shares has gone up by leaps and bounds, by hundreds. In these circumstances, he could have laid a sort of tax on the transfer of shares; he could have laid an excess profits duty on steel and iron, and thus he would have left alone this skeleton in the village. He would have raised the money he needed, and nobody would have been much worse. The period of boom is not of much advantage even to the steel industry. If, in these circumstances, the industry gets a reasonable rate of profit and not an excessive rate of profit, such a thing would have arrested the tendency towards extravagance and would have kept the industry in a sound condition. We



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could have easily found money in other ways for meeting this deficit, if it was inevitable. But was this deficit inevitable? Was it not possible for him to cut down the extravagant expenses of the administration further?

Sir, we have been told that there has been an addition to our burdens because of the separation of Burma. Is it not a legitimate question to ask that, if Burma has been separated, what *pro tanto* reduction should have been made in the expenditure of the Central Government? Burma had so far been under the supervision, direction and control of the Central Government. We were told that we are to lose several crores because of the separation of Burma. Why did the Government not cut down its expenses on account of this separation? Assume for a moment that Burma had not been separated but annexed to India, the Government would have placed before us new estimates to the extent of no less than a crore or two to meet the expenditure in Burma, but when Burma is being separated, when Aden is separated, their expenditure must continue as it was, they will not make any economy, any retrenchment on that account, but on the other hand they impose additional burdens on the poor man who cannot afford to part with even a penny, because he has no more than a penny as the wherewithal of his existence today? Sir, it is my grievance that apart from the constitutional aspect of this question, there are several points involved. The Tariff Board are to make an inquiry into this matter, and it is prejudicial to that inquiry to raise the rates of excise and import duty in this manner beforehand. No man in his senses could have adopted such a course. No Government responsible to any people on the face of the earth could have adopted such a monstrous course, but here they are irresponsible; they are parts of a machine which is grinding us, and will continue to grind us so long as we do not break it. But the sighs of the poor, their tears, and our own prayers and our determination will put an end to this system (Hear, hear), will bring the day of redemption soon, and we will attain that stage of complete independence which alone can befit a self-respecting nation,—the members of which are the descendants of the harbingers and of the torch-bearers of civilization in this world: and I hope and trust that with the collective efforts of the Indian nation this day of redemption and complete independence will be attained much earlier than our enemies imagine. (Loud Applause.)

**Honourable Members:** The question may now be put.

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

"That the question be now put."

The motion was adopted.

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

"That after clause 2, the following be inserted as clause 3 of the Bill, namely:

'3. In sub-section (2) of section 3 of the Sugar (Excise Duty) Act, 1934,

(a) in clause (i), for the words 'ten annas' the words 'one rupee and five annas' shall be substituted, and

(b) in clause (ii), for the words 'one rupee and five annas' the words 'two rupees' shall be substituted'."

The Assembly divided:

AYES—40.

Abdul Hamid, Khan Bahadur Sir.  
 Ahmad Nawaz Khan, Major Nawab Sir.  
 Aikman, Mr. A.  
 Bajpai, Sir Girja Shankar.  
 Bansidhar, Rai Sahib.  
 Bewoor, Mr. G. V.  
 Bhide, Mr. V. S.  
 Buss, Mr. L. C.  
 Chanda, Mr. A. K.  
 Chapman-Mortimer, Mr. T.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Griffiths, Mr. P. J.  
 Grigg, The Honourable Sir James.  
 Hudson, Sir Leslie.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur Sardar Sir.  
 Lal Chand, Captain Rao Bahadur Chaudhri.  
 Lalit Chand, Thakur.

Lloyd, Mr. A. H.  
 Mackeown, Mr. J. A.  
 Mehta, Mr. S. L.  
 Menon, Mr. K. R.  
 Metcalfe, Sir Aubrey.  
 Morgan, Mr. G.  
 Mukherjee, Rai Bahadur Sir Satya Charan.  
 Nagarkar, Mr. C. B.  
 Naydu, Diwan Bahadur B. V. Sri Hari Rao,  
 Noyce, The Honourable Sir Frank.  
 Rau, Sir Raghavendra.  
 Roughton, Mr. N. J.  
 Row, Mr. K. Sanjiva.  
 Sale, Mr. J. F.  
 Sher Muhammad Khan, Captain Sardar Sir.  
 Spence, Mr. G. H.  
 Thorne, Mr. J. A.  
 Tottenham, Mr. G. R. F.  
 Witherington, Mr. C. H.  
 Zafrullah Khan, The Honourable Sir Muhammad.

NOES—67.

Aney, Mr. M. S.  
 Asaf Ali, Mr. M.  
 Ayyangar, Mr. M. Ananthasayanam.  
 Azhar Ali, Mr. Muhammad.  
 Badrul Hasan, Maulvi.  
 Bajoria, Babu Baijnath.  
 Banerjee, Dr. P. N.  
 Bhagavan Das, Dr.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Chaliha, Mr. Kuladhar.  
 Chettiar, Mr. T. S. Avinashilingam.  
 Chetty, Mr. Sami Vencatachelam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar,  
 Das, Pandit Nilakantha.  
 Datta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Deshmukh, Dr. G. V.  
 Essak Sait, Mr. H. A. Sathar H.  
 Gadgil, Mr. N. V.  
 Ganga Singh, Mr.  
 Ghiasuddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Giri, Mr. V. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghansham Singh.  
 Hans Raj, Raizada.  
 Hosmani, Mr. S. K.  
 Ismail Khan, Haji Chaudhury Muhammad.  
 Jedhe, Mr. K. M.  
 Jehangir, Sir Cowasji.  
 Jinnah, Mr. M. A.  
 Jogindra Singh, Sardar.  
 Joshi, Mr. N. M.

Kailash Behari Lal, Babu.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.  
 Maitra, Pandit Lakshmi Kanta.  
 Malaviya, Pandit Krishna Kant.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Muhammad Ahmad Kazmi, Qazi.  
 Murtuza Sahib Bahadur, Maulvi Syed.  
 Nageswara Rao, Mr. K.  
 Pant, Pandit Govind Ballabh.  
 Parma Nand, Bhai.  
 Raghbir Narayan Singh, Choudhri.  
 Rajah, Raja Sir Vasudeva.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Sant Singh, Sardar.  
 Santhanam, Mr. K.  
 Satyamurti, Mr. S.  
 Scott, Mr. J. Ramsay.  
 Sham Lal, Mr.  
 Shaikat Ali, Maulana.  
 Sheodass Daga, Seth.  
 Singh, Mr. Ram Narayan.  
 Sinha, Mr. Anugrah Narayan.  
 Sinha, Mr. Satya Narayan.  
 Sinha, Mr. Sri Krishna.  
 Som, Mr. Suryya Kumar.  
 Sri Prakasa, Mr.  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.  
 Vissanji, Mr. Mathuradas.  
 Yamin Khan, Sir Muhammad.

The motion was negatived.

**The Honourable Sir James Grigg:** Sir, in accordance with sub-rule (5) of Rule 36-B of the Indian Legislative Rules, I have now to request you to endorse on the Bill a certificate to the effect that "the Chamber has failed to pass the Bill in the form recommended".

(The Secretary then placed an endorsement on the certificate to that effect and the Chair signed it.)

## DEMANDS FOR SUPPLEMENTARY GRANTS.

### CUSTOMS.

**The Honourable Sir James Grigg** (Finance Member): Sir, I move:

"That a supplementary sum not exceeding Rs. 69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Customs'."

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

"That a supplementary sum not exceeding Rs. 69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Customs'."

**Mr. S. Satyamurti** (Madras City: Non-Muhammadan Urban): I have an amendment to this demand.

**The Honourable Sir Henry Craik** (Home Member): I rise to a point of order, and it is this. The amendment proposed to be moved seeks to censure the action of Government in censoring foreign letters.

**Mr. President** (The Honourable Sir Abdur Rahim): Is this a new service?

**The Honourable Sir James Grigg:** No, Sir.

**Mr. S. Satyamurti:** You will find, Sir, in the Supplementary Grants, page 1, a note to the effect that "Rs. 22,400—Cost of collection of customs duty on articles of inward foreign letters and parcels".

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair takes it that this head was in the budget.

**The Honourable Sir James Grigg:** Yes, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim): It is a well established rule that the Honourable Member cannot discuss questions of policy on supplementary grants.

**Mr. S. Satyamurti:** Sir, I wish to point out that the authoritative ruling on this point is contained in Ruling No. 510, page 431 of "A Selection from the Decisions from the Chair". The President ruled:

"Debate on supplementary and excess grants is restricted to the particulars contained in the estimates on which those grants are sought and to the application of the items which compose those grants; and the debate cannot touch the policy or the expenditure sanctioned on other heads, by the estimate on which the original grant was obtained, except so far as such policy or expenditure is brought before the committee by the items contained in the supplementary or excess estimates."

This is based on May's Parliamentary Practice. I submit that they are asking for this money and I come within the exception, that is to say, this policy of censoring letters is brought before the House by the explanation proposed in the Supplementary Demands, that is Rs. 22,400, cost of collection of customs duty on articles of inward foreign letters and parcels. I submit, therefore, that I am entitled to raise this question within the scope of this rule which has been followed consistently in this House. I refuse to vote this grant, unless they give up censoring letters.

**Mr. President** (The Honourable Sir Abdur Rahim): The expenditure is not for that purpose.

**Mr. S. Satyamurti**: The expenditure is in connection with foreign letters.

**The Honourable Sir Henry Craik**: This demand has nothing to do with censoring letters, that is my point. It has merely to do with collecting customs duty on dutiable articles contained in letters.

**Mr. S. Satyamurti**: What is meant by dutiable articles? How do you find out whether there are any dutiable articles inside letters?

**The Honourable Sir Henry Craik**: This relates merely to the cost of collecting customs duty on articles contained in foreign letters, it has nothing to do with censoring at all.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair rules the amendment out of order.

**Mr. S. Satyamurti**: Then, I will speak against the motion. I should like to know from my Honourable friend, the Finance Member, if I can, exactly the scope of A.10 in this Supplementary Demand. That is the only point I want to raise. My Honourable friend, the Home Member, referred to certain dutiable articles contained in foreign letters. I should like some elucidation of that matter. I am anxious that we should know exactly the procedure, by which this extraction of articles contained in foreign letters takes place, and how customs are levied. Is it a case of the department finding out illicit articles being tried to be smuggled by means of letters, or is it a case of articles sent in the form of letters? I want to know really exactly what is meant by this phrase "cost of collection of customs duty on articles of inward foreign letters and parcels". In view of your ruling, that is the only point I want to raise.

**Mr. G. V. Bewoor** (Director General of Posts and Telegraphs): As it pertains to my Department, I wish to explain the procedure. The procedure is that, when articles of the letter mail and of the parcel mail containing dutiable articles come from foreign countries, they are all required to bear upon them a declaration of their contents. It is not prohibited to send in a letter dutiable articles. All such articles are collected in the Office of Exchange, either in Bombay or Calcutta, where the customs authorities assess the customs duties on those articles on the value declared on the declaration form which is affixed to the article. Apart from this, certain suspected articles, that is articles which might

[Mr. G. V. Bewoor.]

be suspected to contain dutiable goods, but not so declared by the sender, are also taken out and opened and assessed. The post office then sends the articles to destination and recovers from the addressee the customs duty which is then paid to the Customs Department. For the expenditure incurred in connection with the performance of this work, the customs authorities pay the Postal Department certain sums of money. That amount is a percentage of the total customs revenue collected by the post office. If unexpectedly larger amount is collected by the post office, the customs authorities have got to pay a larger amount to the post office, and this amount which has been asked for is in connection with work done by the post office.

**Mr. M. Ananthasayanam Ayyangar** (Madras ceded Districts and Chittoor: Non-Muhammadian Rural): Sir, under the same head, I wish to bring to the notice of the Honourable Member who moved this grant, as well as to the Honourable Member who just spoke, that some inconvenience is felt regarding refunds. When I was in Simla last, I was told by a number of persons receiving parcels from foreign countries that the customs duties are collected by the post office, but if there is any dispute about the value, even if they show the bill which has been sent to them, and in case there should be a difference regarding the value or the assessment, they have to apply to the customs authorities either at Bombay or at any other place. That is the difficulty; they have to pay the money to the post office, and for a refund they have to apply to the Customs authorities. This inconvenience has been felt, and for a long time they have been paying what ordinarily is not incumbent upon them to pay. It is collected in advance on arrival, and for a refund they have to undergo a good deal of difficulty. That is what I desire to bring to the notice of the authorities in this connection, and I await their explanation.

Then, as regards clause (c), it is explained in the footnote that this relates to additional payment to the members of the staff on  
 1 P.M. account of certain overtime fees in connection with the increase of traffic and arrival of vessels outside the usual working hours. In regard to this, I find that almost every year a large amount is spent by way of fees for overtime work. I suggest that an average may be struck and additional hands may be employed by way of a reserve for this purpose in order to relieve congestion, instead of paying some men who are already receiving fat salaries and giving them some additional salaries. I should like to know from the Honourable Member what attempt has been made in this direction, and what inconvenience will arise if such a step is adopted. These are the two matters with respect to which I want some elucidation from the other side.

**Mr. A. H. Lloyd** (Government of India: Nominated Official): Sir, as regards the first point which my Honourable friend has inquired about, the position is that the assessment of Customs duties on dutiable articles imported by letter or parcel post is performed by Customs Officers. The post office merely act as their agents to collect money and remit it. Consequently, it follows that any disposal of a claim for refund, which is a continuation of the process of assessment, must be referred to the same

officers who made the assessment, that is to say, the Customs Department. I think it will be generally agreed that there is no other alternative and no other procedure is really possible. You cannot expect postmasters all over the country to be experts in the tariff; we have had plenty of complaints in recent years that the tariff has become so complicated that it can only be worked by experts.

As regards the second point, that I venture to submit, is one which does not arise in connection with the present demand which is merely supplementary to a grant which has been already given. And I frankly confess that I am not prepared off-hand to deal with it as I did not expect to have to deal with questions of general principle applicable to the whole field in connection with a supplementary demand. There are plenty of opportunities that are afforded to the House for considering this matter, both in connection with the demands for grants (which is, I admit, only a formal occasion), and also in connection with the report of the Public Accounts Committee, and Honourable Members frequently avail themselves of those opportunities.

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

"That a supplementary sum not exceeding Rs. 69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1937, in respect of 'Customs'."

The motion was adopted.

#### TAXES ON INCOME.

**The Honourable Sir James Grigg**: Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 2,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Taxes on Income'."

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

"That a supplementary sum not exceeding Rs. 2,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Taxes on Income'."

**Mr. S. Satyamurti**: Sir, I do not intend to move the motion of which I have given notice, but I want to raise a point on this. You will notice that there is a footnote on page 5 to the effect that a sum of Rs. 37,000 is required:

"to meet excesses due mainly to the payment of leave salary to a large number of persons who proceeded on leave on reversion to their substantive posts consequent on the abolition of tax on lower incomes."

I want to raise a point, if I may, as a matter of financial propriety and possible retrenchment, that there seems to be a habit among a section,—I will not say large or small,—of Government servants to go on leave, whenever it benefits them; and there are certain leave rules, which enable certain officers in certain contingencies to get more pay when on leave, than when they are not on leave. No doubt, there is a rule which says that no leave can be claimed as a matter of right. Therefore, in connection with the above note, I should like to ask this: Why did they go on leave? Was it for any reasons of a substantive character to

[Mr. S. Satyamurti.]

justify their going on leave, such as sickness or private affairs or any other considerations which are relevant to the granting of leave to a public servant? Or was it to enable them to accumulate more money by way of going on leave? That is a point which affects the entire leave rules, and I am suggesting to the Honourable the Finance Member that these leave rules deserve to be examined, with a view to seeing that no leave is allowed to be taken by any public servant, on the ground that it benefits him financially. It ought to be given only on account of sickness or private affairs or leave earned in the natural course of things, according to the substantive rules governing the same.

**The Honourable Sir James Grigg:** The Honourable Member has raised a point which is one of substance, though I think not quite of the substance that he imagines. A number of these people went on leave pending final retirement or final discharge owing to the abolition of the work which they were doing. A number of them went on leave pending reversion to lower jobs from higher jobs that they had occupied during the currency of the tax on lower incomes. I gather that the leave rules do operate so as to give people leave pay based on the average of the preceding period. So that, if people are acting in higher posts than their substantive posts, they can, by going on leave before reversion, get higher leave pay than they otherwise would get. At the moment I do not see how you can prohibit that with any degree of fairness. But at the same time, as the Honourable Member has pointed out, it is a matter that requires looking into, and I shall be glad to give him an assurance that we will look into it and see if it is not possible to stop any abuse of the leave rules in that way.

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

"That a supplementary sum not exceeding Rs. 2,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Taxes on Income'."

The motion was adopted.

SALT.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 90,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Salt'."

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

"That a supplementary sum not exceeding Rs. 90,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Salt'."

**Mr. S. Satyamurti:** Sir, I am not moving the token out of which I gave notice, but will try to make a suggestion under this head: You will find a footnote on page 7 to the effect that a sum of Rs. 45,000 is required to meet excess due to the reorganisation of the preventive measures round the Pondicherry and Karaikal frontiers. I think I am right in thinking

that it refers to the Customs administration to prevent smuggling of dutiable goods. I have made the suggestion more than once before—and I should like to make it again—I do not know if it is practical politics, but it does seem to me, that until we are able, by some arrangement with the French and the Dutch Governments, to get some form of uniformity or unified administration of customs in Pondicherry, Karaikal, Chandernagore and a large number of small French possessions scattered over the coastline, as also Dutch possessions, we shall never be able to deal with the smuggling on the scale we ought to. My information is that these steps have resulted in the putting down of smuggling to a considerable extent. I am glad to hear that, and I hope that we shall be able to eradicate smuggling altogether; but it does seem to me that, unless you are going to keep up this armed police and armed launches and all sorts of things, you can never get to the bottom of this problem; and the more permanent and satisfactory remedy seems to me that we should acquire these rights paying compensation once for all or year after year. Similarly, I want to give a friendly warning, if I may, to my Honourable friend, that he is letting himself in for a great deal of difficulty in customs administration, if these Indian States people do not come into line on this question completely. I mean to say that we are losing all along the line, and I suggest that, although my Honourable friend may not be able to take me or the House into confidence, he must remember that, after all, he is at present the Finance Member for British India and not Finance Member of the Federation, and he should deal with it as such: the incoming Finance Minister may deal with it as he likes—but the present Finance Member is there to protect my interests, and I hope that he will take care to see that we do not surrender too much of our customs revenue or our rights. There is a great deal of abuse already, and it may get worse. I am raising that point, as a matter of friendly suggestion to my friend, to see that the customs administration becomes uniform and effective, and does not operate to the benefit of the dishonest amongst the importers,

**The Honourable Sir James Grigg:** Sir, to take the second point raised by the Honourable Member, first, as he surmised it is impossible at this stage to take the House any more into confidence, but he can rest assured that that particular point is not being overlooked and indeed it is one which is very constantly before our eyes. To take the first point, no doubt the Government of India would be extremely glad if there could be a readjustment of territory so that the problem of dealing with French enclaves in Madras could be easier, and Government have certainly no objection in principle to acquiring rights; but you can only acquire them voluntarily and my information is—and it is only natural after all—that the foreign countries which have territory in India are extremely tenacious of their sovereignty and I cannot hold out to the Honourable Member any hope that within any measurable range of time the Government of India will be able to acquire those rights.

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

"That a supplementary sum not exceeding Rs. 90,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Salt'."

The motion was adopted.



### OPIMUM.

**The Honourable Sir James Grigg:** Sir, I move:

"That a supplementary sum not exceeding Rs. 25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Opium'."

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

"That a supplementary sum not exceeding Rs. 25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Opium'."

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.

**Prof. N. G. Ranga** (Guntur *cum* Nellore: Non-Muhammadan Rural): Mr. Deputy President, I want to oppose this supplementary demand, because I find that Government have not taken proper steps till now to adequately restrict the consumption of opium in this country. They have been producing smaller and smaller quantities of opium, because they were obliged, under the League of Nations Convention, not to export or to bring to a stop as soon as possible their exports to China, but, as far as the consumption of opium in this country is concerned, they have not placed any restriction either upon the production of it, or the consumption of it. Sir, when the League of Nations decided upon the initial restriction on the consumption of opium with the object of finally abolishing the consumption of opium except for absolutely medicinal purposes, it was done for health reasons, and when the Government of India were good enough to agree with the rest of the world that the consumption of opium for ordinary purposes should be abolished, they had to agree to co-operate with the rest of the world in trying to check the imports of opium into China, and I do not know why the Government of India have so far failed to prepare a proper scheme of restriction of the production, distribution and consumption of opium in this country. I may be told it is because the Central Government is concerned only with the production of opium, and not with its distribution, and the question of distribution will have to be settled by Provincial Governments, but, Sir, certainly the Central Government has its responsibilities towards the maintenance of the health and hygiene of the masses of this country, and, therefore, it is the duty of the Central Government to try and evolve some central machinery by which it may be possible for it to persuade those Provincial Governments to adopt the necessary measures for the proper distribution of opium in this country. I find that although the total consumption of opium has been coming down rather considerably, the average consumption per 1,000 of the population calculated on the census figures of 1931 and 1911 has not fallen to the extent we would have liked. Even today it is '77 per every thousand of the population. Of course, the people can consume this opium only in very small quantities, even at that the consumption of it has been considered to be unhealthy and bad for human beings, and it is for that reason I want the Government to put a restriction. I may

he told that they are certainly taking serious steps to restrict the number of shops at which opium can be made available, but I find that the average area for which shop can be opened has not very much increased within the last 22 or 25 years. In 1912-13, it was (?) square miles per shop, whereas it has increased only to 178.78 miles and nothing more. I find from this that neither the Government of India nor the Provincial Governments have been taking sufficient steps to restrict the consumption of it or the availability of opium for consumption. I, therefore, appeal to the Government of India that they ought to try and convene a conference of the provincial authorities concerned at the earliest possible moment at a central place, so as to come to a definite decision in order to restrict the consumption of opium, the only exception being that it should be used only for medicinal purposes. I hope I shall get a satisfactory reply from the Honourable Member in charge of this Department.

**Mr. Kuladhar Chaliha** (Assam Valley: Non-Muhammadan): Sir, I find that the other day a communiqué was issued by the Government of India to the effect that the Provincial Governments had done nothing to reduce their revenue from the consumption of opium and that they were so much absorbed with other questions in it that they were unable to think of reducing the consumption, but in one case, I mean in the province of Assam, the revenue from opium has come down to about 15 lakhs. Therefore, the communiqué which was issued by the Government of India saying that the Provincial Governments had not sacrificed their revenue, so far as Assam is concerned, is unjustifiable.

With regard to the steps taken to reduce the consumption of opium, I find that different provinces have taken different steps, but the Central Government are so fond of deriving their revenue from opium that they are not willing to restrict the cultivation of poppy in the Ghazipur district agency, because we find that about 9,000 acres of land is still under cultivation. This Government which announced to the world that it had done their very best to abolish the cultivation and consumption of opium, in accordance with the wishes of the people of this country, has not tried to abolish the internal consumption itself. We must take credit for the fact that in 1928 the Government of India sent up to China a huge quantity of opium from this country, but in 1936 the trade has gone out, but it has done nothing to eradicate the evil of internal immoral traffic in opium. My submission is, Sir, that the Government of India should take immediate steps to terminate the internal consumption of opium at least at the rate of six per cent. per year and reduce the cultivation of poppy under the Ghazipur opium agency, say, within a period of 16 years. That would be in conformity with the wishes of the people. In that case, the Provincial Governments will be able to adjust their revenue by finding out some other new source. I trust, in the new autonomy or the so-called autonomy, the Ministers will fall in line with the popular demand for the complete eradication of the use of opium in this country and they will take definite steps for restricting the production and cultivation of poppy in areas under their control.

**Mr. A. H. Lloyd:** Sir, my Honourable friend from Madras, in his anxiety to point an antithesis between our action regarding external trade and internal traffic in opium has, I am afraid, not given an absolutely accurate picture. It was a voluntary act and it was not under the force

[Mr. A. H. Lloyd.]

of any definite obligation incurred at Geneva that the Government of India decided to terminate the export of opium to the Far East. As regards internal traffic, what my Honourable friend from Assam has said and what the Honourable Member himself said later in his speech are enough to show that it is untrue to say that there are no restrictions on the consumption of opium in force in India.

**Prof. N. G. Ranga:** I said they are not enough.

**Mr. A. H. Lloyd:** That is quite a different story; what the Honourable Member said was that there were no restrictions. The Honourable Member is fully entitled to his views that there are not enough restrictions. One province has certainly gone very much further than others in its sacrifice of revenue as a result of introducing restrictions on the use of this drug. May I, in passing, express my regret if there was anything in the press note which appeared to belittle the action of the Government of that province in this matter? That was not the intention with which the press note was written. The point of the reference was that the matter was in the hands of the Local Governments and that no Local Government had yet shown itself prepared entirely to abolish its revenue from this source. My Honourable friend from Assam made one observation which I cannot pass over. He said that the Government of India was so fond of its revenue that it would not think of making a reduction in the consumption of opium. I cannot too strongly emphasise the fact that we do not make revenue out of opium now. We sell our opium at cost price to the Local Governments, except, of course, in the centrally administered areas—it is an unnecessary complication to mention those small areas. But speaking of British India by and large, the revenue from opium is entirely provincial. We recover the cost of the opium, we control the cultivation and manufacture, distribute it to the provinces and recover the cost of production. There may be an occasional year when the accounts show a profit, but that is because of our system of calculating the price. Sometimes a change in the price lags behind the actual figures. When we are charging a certain price for one year, we are working on the production cost of the year before and that price may be higher than the price according to the production of another year. But to speak as if we are getting revenue from the production of opium for consumption in the provinces is entirely and utterly misleading. So that the matter is one really of the relations between the Government of India and the Local Governments. Under the Government of India Act which will be in force in ten days, the subject of production, manufacture, possession, transport, purchase and sale of opium subject to the proviso which I shall quote in a minute, is a provincial subject as also duties on excise opium.

**Prof. N. G. Ranga:** Is not health a concurrent subject?

**Mr. A. H. Lloyd:** When you are dealing with a specific entry like opium, you cannot bring in indirect allusions to other heads; otherwise, no Act, no constitution would conceivably be workable. The only exception is as regards cultivation and manufacture, or sale for export, of which there is now none except for medicinal purposes. Cultivation and manufacture are in the hands of the Central Government. It is perfectly

true, as my Honourable friend from Madras said, that we hold the whip hand, because we can say to the provinces: "We will not allow cultivation of the amount of opium you require. We will not manufacture the amount of opium you ask for". But I do submit to the House that there could never have been a more unfortunate time for suggesting that the Government of India should apply that measure of coercion to Provincial Governments than this very day when the Government of India has been very severely reprimanded for exercising its irresponsible powers and within 11 days of the day when the Provincial Governments will pass into the hands of Ministers responsible to elected Legislatures. I do feel, without further going into the merits of the case, that it will be agreed that it is not the Central Government that should make the first move in the direction of restricting the supplies to Local Governments in accordance with their indents in respect of a commodity which is a source of revenue to those Local Governments, during the period when the Central Government is not responsible to the Legislature and the Local Governments are. I submit that the first move in this respect must indubitably come from Local Governments, whatever might have been the position under any other circumstances. Therefore, if there is to be a conference, I have no doubt that the Government would be quite willing as always to offer its services as a medium of exchange of views, but if there is to be any such arrangement, that must be on the invitation and on the request of Local Governments and not on the initiative of the Government of India.

**Prof. N. G. Ranga:** On a point of personal explanation, Sir. I want to say that I never suggested that the Central Government should coerce the Local Governments into a particular action. I simply suggested that the Central Government should take the initiative and convene a conference of the representatives of Provincial Governments at the earliest possible moment, and help them to come to a reasonable decision in regard to the restriction of consumption of opium.

**Mr. A. H. Lloyd:** I fully understood that, and I said whatever might be the position at any other time, the present was quite an impossible moment for the Central Government to take the initiative. The initiative must come from the Local Governments.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The question is.

"That a supplementary sum not exceeding Rs. 25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Opium'."

The motion was adopted.

#### FINANCE DEPARTMENT.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 21,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Finance Department'."

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

"That a supplementary sum not exceeding Rs. 21,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Finance Department'."

**Mr. S. Satyamurti:** Sir, I beg to move:

"That the demand for a supplementary grant of a sum not . . . . ."

**The Honourable Sir James Grigg:** May I take a point of order that this raises a question of policy which cannot be raised on a supplementary estimate according to the ruling given this morning?

**Mr. S. Satyamurti:** On that point, I submit that this demand, you will notice at page 9 of the blue book, is required "to meet expenditure in connection with the employment of additional and officiating Financial Adviser whose pay is voted, and is counterbalanced by a corresponding saving under non-voted". My cut motion simply raises the question of Europeanising the Department. I want to persuade the House, if I may, not to vote this money, unless we get an assurance from the Finance Member that there will be no further Europeans appointed to this Department.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** This is a different matter. This is on the merits of the amendment. So far as the point of order is concerned, the motion is out of order.

**Mr. S. Satyamurti:** I suggest that this demand which is asked for ought not to be voted by this House, unless some more information is placed at the disposal of this Honourable House. My Honourable friend, knowing that this is a tired House, knowing that some of us have other pre-occupations, knowing that this is a somewhat warm afternoon, wants really to pursue the game which he pursued in our absence. I think he owes it to himself and this House to explain in a very few words why this additional and officiating Financial Adviser is wanted.

**The Honourable Sir James Grigg:** To the best of my recollection, it is merely a question of the substitution of a voted for a non-voted officer. It is not an additional Financial Adviser.

**Mr. S. Satyamurti:** My second point is the more important point.

**The Honourable Sir James Grigg:** I forgot to mention that there was an overlap for a few weeks.

**Mr. S. Satyamurti:** I am very grateful to my Honourable friend. It is really a small matter. I wish this meticulous accuracy had been shown on more important matters. I am raising a more important point. I am credibly informed that my Honourable friend, the Finance Member, in spite of the charge of the Honourable the Baronet from Bombay that he is cooing with us nowadays, is a gentleman who does not believe in Indians being members of his department. Of course, he is very nice to us.

**Sir Cowasji Jehangir (Bombay City: Non-Muhammadian Urban):** I did not say that.

**Mr. S. Satyamurti:** You simply said "cooing like a dove". I will say the rest of it. I feel that, while the Honourable the Finance Member is very nice to us in this House, there is something in his make-up which

makes him go to Europeans to serve him in the various capacities of Adviser, Assistant, and so on. I will not tell the House the numerous consultations I have had with him because my experience is bad.

**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions: Muhammadan Rural): What about Mr. Sanjiva Row?

**Mr. S. Satyamurti**: I am not going to spoil any officer's chances, by bringing in personalities into the discussion. The position is already difficult enough. I am not here to advocate the cause of A, B or C. I am raising a large impersonal question. I say that, in this country which is after all Indian, all the appointments should be held by Indians, unless a strong case is made out for any appointment being filled by an European. I can understand if the Honourable the Finance Member gets up and says 'I cannot get a suitable Indian. I am therefore going to appoint a non-Indian' but I am told that, since the Honourable Sir James Grigg's entry into the Finance Department, the anti-Indian knife has become sharper and sharper, and Indians one after the other are being removed, in order to be replaced by men who do not belong to this country. I am not now raising the larger question of independence or the question of India for Indians. I am raising the narrow, administrative question as to whether the Honourable the Finance Member is pursuing the right policy, in trying to Europeanise the Department, if I may use the phrase. Whatever may be the case in other departments, I may tell this House that so far as the Finance Department is concerned, Indians have given a very good account of themselves in various capacities and every predecessors of the Honourable the Finance Member has borne public testimony to that fact.

**Mr. F. E. James** (Madras: European): Especially, the South Indian?

**Mr. S. Satyamurti**: I personally feel that a slow and imperceptible process of Europeanisation is going on in the Finance Department. I may also claim and very rightly that we in South India have produced and will continue to produce a large tribe of good financiers, Accountants General, and so on, on whose probity, honesty, efficiency, and loyalty to public service any Finance Member can confidently depend. I therefore want the Honourable the Finance Member to give us an assurance that there is no ground for this fear of gradual Europeanisation, and that Indians are being shoved out. Why should not the Honourable the Finance Member utilise the services of honest and efficient Indians in his Department? I think that this House, every section of it, is entitled to get a satisfactory answer on this point from the Honourable the Finance Member

**The Honourable Sir James Grigg**: The Honourable Member asks for a satisfactory answer to a charge in favour of which he has not produced any evidence whatever. (*Prof. N. G. Ranga*: "O Ho!") Making animal noise does not alter the fact that no evidence whatever has been produced.

**Sir Cowasji Jehangir**: The voice comes from Oxford.

**The Honourable Sir James Grigg**: The Honourable Member said that there is an impression abroad that, ever since I came, the process of Indianisation has stopped. He cannot produce a shred of evidence in favour of that.

**Mr. S. Satyamurti:** On a point of personal explanation, I can produce evidence, but the traditions of public service prevent me from dragging the names on the floor of the House. I can tell the Honourable Member privately.

**The Honourable Sir James Grigg:** There is no such process going on. I think, if the Honourable Member retains his interest in Central affairs very much longer, he will see that his accusation is not founded. As a matter of fact, there is a difficult situation in the Finance Department for the simple reason (I need not go into the reasons at length) that the number of officers trained in the more technical processes of finance has become very short and it is extremely difficult to find from time to time properly qualified officers to fill the growing number of posts which the Finance Department has to fill. There is no doubt that special measures will have to be taken in order to secure a larger inflow of properly qualified and trained financial officers. There is no doubt about that whatever and the Honourable Member can be fully assured that in that process of training, Indians will have at least an equal opportunity with Europeans, that they will have, I should say, larger opportunities in the Finance Department than they have had in the past. Once a pool of officers, so to speak, is established, Indians will have equal chances with Europeans and, in my view, larger chances than they have had in the past. Once that special cadre of qualified financial officers is established, inside that cadre, there will be only one test for appointment and that will be fitness for the particular job, and merit will be the sole criterion and no other. That is all I have to say.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The question is:

"That a supplementary sum not exceeding Rs. 21,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Finance Department'."

The motion was adopted.

#### AGRICULTURE.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Agriculture'."

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

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Agriculture'."

**Mr. M. Ananthasayanam Ayyangar:** On a point of information, Sir, I would like to know if there is any branch of this Technological Institute to be opened in Madras Presidency at Coimbatore. That is No. 1. Number two is—I think the Honourable Member for Industries and Labour has already opened such an institute; how did the institute come into existence before the grant was moved in this Honourable House?

**Mr. S. Satyamurti:** I also want to raise a few points; they are budget points really. I am glad the Finance Department is bringing into practice a recommendation which we made more than once in the Public Accounts Committee, that is to say, that, although they can meet the expenditure from savings on voted grants, still, as the expenditure is for a new service, a token demand is presented in accordance with rule 50(1) of the Legislative Rules. There are just two or three other points which were raised in the Public Accounts Committee. I am raising them now, in order that the Finance Department may see that such mistakes do not occur in the future. Now, the first point is that "the expenditure in both cases can be met from savings that have accrued owing mainly to an unexpected delay in the construction of buildings for the Anand Creamery". We have found more than once, especially with regard to public works, that they often put in their demands for grants, much more than they ever hope to spend during the year, and I should like to hear from somebody as to why this money was put in, and whether the delay was unforeseen, and if it was unforeseen why the delay occurred, and if it was foreseen, why budget provision was made. Another point is with regard to the last two lines:

"The variations from the estimates furnished to the Committee are due to the schemes coming into force later than anticipated."

I again raise a Public Accounts Committee point: if you can save money because your schemes are not ready, I submit it is not right to put provision for the schemes throughout the year in the budget. I plead really for a little more foresight and a little more accurate budgeting, in respect of these matters. I am raising this, not on the merits of the grants, but merely by way of finance or budget points.

**Prof. N. G. Ranga:** Sir, I would like to ask a few questions with regard to the Central Jute Committee. What is the total amount of money that is granted to it per annum to maintain it and to finance its operations, and what are its functions, and whether the peasants of Bengal are represented on it.

**Sir Girja Shankar Bajpai** (Secretary, Department of Education, Health and Lands): Mr. Deputy President, I think the best procedure that I can follow is to answer the questions asked by Honourable Members opposite *seriatim*.

My friend, Mr. Ananthasayanam Ayyangar, wanted to know whether a branch of the Sugar Technological Institute is going to be opened in Madras. No, Sir, there is no intention of opening any branch of the Sugar Technological Institute in Madras. The Institute at Coimbatore is doing purely agricultural work, whereas the Institute at Cawnpore devotes itself to technological and industrial scientific work. Its activities have to be concentrated at Cawnpore, and they cannot be distributed or diffused. One question which my Honourable friend asked was—how did it come about that, although the institute was opened by the Honourable Member for Industries and Labour only the other day, we now ask for funds? The position is that the institute was only formally opened by the Honourable Member for Industries and Labour the other day; it has been functioning since October, and all payments that will have to be made before the end



[Sir Girja Shankar Bajpai.]

of the current financial year have to be met out of the funds which the House is called upon to vote. That disposes of the questions of my Honourable friend, Mr. Ananthasayanam Ayyangar.

Then, I come on to the general point as also the particular points raised by my Honourable friend, Mr. Satyamurti. In this particular case, the reasons why we could not proceed with the construction of the Anand Creamery are two-fold. First, the proceedings for the acquisition of land are not controlled by us; we depended for them upon the Government of Bombay and they were not completed in time. I think it was sometime in October that we received information from the Government of Bombay that the land for the construction of the experimental factory was available. The other reason is that we thought we might profit by the presence of Prof. Wright in this country to get information regarding the merits and the organization of the scheme itself. That is the reason why we have not been able to proceed with the construction of the factory during the year 1936-37; and, inasmuch as this money was available, instead of incurring expenditure on these two other services, *viz.*, the Sugar Technological Institute and the Jute Committee, instead of seeking funds for these two services by means of supplementary demands, we are diverting savings under the Anand Creamery for meeting this expenditure. That is the explanation of these two particular points; and I should like to inform my Honourable friend that the provision for the Jute Committee, as also for the Technological Institute could not be made in the Budget of 1936-37, because, in both cases, we had, in the interests of economy, to enter into negotiations with Local Governments,—in regard to the Cawnpore Sugar Technological Institute with the Government of the United Provinces, and in regard to the Jute Committee with the Government of Bengal as regards its composition and their representation. We did not get their replies until some time towards the end of January, 1936, when it was too late to make any provision in the budget. The Standing Finance Committee were apprised of the fact that the expenditure would have to be met either by means of a supplementary demand in the course of the year or by means of diversions. I hope the explanations that I have given will satisfy my Honourable friend that in this particular case the Department is not guilty of any charge of inaccurate budgeting.

Then, my Honourable friend, Prof. Ranga, whose solicitude for the peasants is perpetual and perennial, wanted to know what provision has been made for the representation of this category of nationals of this country on the Jute Committee. The position as regards that is that we depend upon the recommendations of the Local Governments. Bengal, which has the biggest area under jute, has eight representatives of agricultural interests on this Committee. The machinery employed by the Government of Bengal for determining what is a representative association or not is not a matter which concerns the Governor General in Council. My Honourable friend also wanted to know what money will be made available to this Committee for the purposes of its activities. The answer is a maximum of Rs. 5 lakhs. My Honourable friend's third question was—what are its functions? Its functions are technological, economic and also agricultural investigations. Sir, I think I have answered all the points.

**Mr. Deputy President** (Mr. Akhil Chandra Datta): The question is:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Agriculture'."

The motion was adopted.

#### CURRENCY.

**The Honourable Sir James Grigg:** Sir, I move:

"That a supplementary sum not exceeding Rs. 3,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Currency'."

I notice that the Honourable Member opposite has got a cut motion in order to ask for information. Perhaps I can give a very brief resume of the case now. Sir, a defalcation of about Rs. 7 lakhs occurred from the currency chest in the Chaibasa treasury in Bihar. The defalcation was spread over a period of seven or eight years. Partly owing to carelessness on the part of the supervising and inspecting officers and partly through a wholesale process of forgery, the treasurer managed to appropriate this sum. He was arrested, but died almost immediately after. The Government of Bihar are considering what action should be taken against the supervising officers in regard to the parts they have played in the loss. The Government of India have carefully considered the relative responsibilities of the two Governments. The Government of India are responsible in so far as the regulations are defective, and the Local Government in so far as there was definite negligence on the part of their officers. We have had to consider whether the loss should be borne by the Government of Bihar or by the Government of India or jointly by both Governments and in the end we decided that the circumstances of the case can be met by the usual half and half principle so that half the loss should be borne by the Government of Bihar and the other half by the Government of India. That, Sir, is a very brief resume of the case. Honourable Members can be assured that the loss would be thoroughly investigated by the Auditor General and the Audit and Accounts Department and the circumstances reported to the Public Accounts Committee in due course. That committee can then investigate the matter as fully as they think fit and pass such comments on the conduct of individuals or of the character of the regulations that might seem fit to them.

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

"That a supplementary sum not exceeding Rs. 3,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Currency'."

**Mr. F. E. James:** Sir, I understand the Local Government have considered the possibility of proceeding against the superior officers or the supervising staff. Is the consideration of that dependent upon the evidence available or upon the policy underlying the prosecution of superior officers in a case like this?

**The Honourable Sir James Grigg:** Some officers have been prosecuted, and I believe the evidence in the hearing already runs to 1,200 pages. They are considering proceeding against other officers from a disciplinary

[Sir James Grigg.]

point of view. My impression is that the hearing of the case has lightened our ideas as to the degree of responsibility or culpability of these particular officers because there is no doubt that the forgery element in the case was much bigger than we originally thought and the neglect element much smaller.

**Mr. S. Satyamurti:** Sir, the House is glad that the Honourable the Finance Member just told us some facts, but it seems to me that, although my Honourable friend, the Chief Whip of our Party, Mr. Asaf Ali, has permitted several of our Members to go away, this grant should be voted down by the House. The House will agree with me that this is rather a cool and calculated demand on the part of the Honourable the Finance Member, to say that he wants three lakhs odd which has been taken away by somebody, and that they are yet investigating the fraud which went on for the past seven or eight years, and there was a mistake in the Regulations and there were also mistakes on the part of the Inspecting officers. Now, Sir, I do not see any reason why Government should not wait until the results of the case are known, and they make up their minds that some at least of this money might not be recovered from the officers concerned.

**The Honourable Sir James Grigg:** That question is still open. The actual degree and character of disciplinary action is still open but the refund to the Reserve Bank is to be made at once and therefore the supplementary grant is required this year.

**Mr. S. Satyamurti:** I think the Reserve Bank can be asked to wait. Is it a statutory obligation?

**The Honourable Sir James Grigg:** They cannot wait. A shortage has occurred and the Government are liable to make good that shortage to the Reserve Bank.

**Mr. S. Satyamurti:** I should like some elucidation on this matter. I have not got a copy of the Reserve Bank Act with me. I should like the House to know some facts. It seems to me to ask us to vote a sum of three lakhs and fifty-three thousand on this evidence is somewhat audacious on the part of the Honourable the Finance Member. We do not yet know why this money is offered to the Reserve Bank. Why should the money be paid immediately to the Reserve Bank? What is the provision under which it is to be paid? Can't the bank wait for some time? Supposing we find that in our own house a theft has taken place. Before we find out as to who the thief is and before we recover the money, are we to go on making payment to people who have got some claim against us? I want to have some clearer information. What is the statutory obligation of paying this money to the Reserve Bank, before the end of the current financial year? I should like to have some information on that matter. If, on the other hand, there is no statutory obligation, I suggest that the Honourable the Finance Member will be well-advised to await the result of his investigation, and then make the necessary adjustments to the Reserve Bank. After all, the credit of the Government of India is not so poor that the Reserve Bank cannot trust them for a few months or even for a few years, even if the investigation should take long. Surely, it

would be possible, by mutual adjustment between the Government of India and the Reserve Bank, to see that this sum is kept in abeyance. We are now asked to vote straightaway three lakhs and odd. For the past seven or eight years, this fraud has been going on, at the rate of one lakh every year, money was being taken away from the treasury. I do not know the facts, but all the same, from what the Honourable the Finance Member says, it looks that in Bihar for the past seven or eight years fraud went on, which resulted in the loss of roughly speaking a lakh every year.

**Prof. N. G. Ranga:** How many are yet to be unearthed we know not.

**Mr. S. Satyamurti:** I think the House has a right to know at what stage the investigation stands. What was the mistake in the Regulations? What were the mistakes on the part of Inspecting officers? What is the fault in the whole system? I think the House ought to be satisfied on two matters of fundamental importance, firstly that investigation is being carried on in a thorough-going manner by people who will allow no *dakshinyam* to interfere in their investigation, and who will not consider the men, but who will consider merely the interest of the public finances in this country, by people who can resist all temptations and who will see that the law takes its due course, and secondly and the more important is this: are precautions being taken by the Government of India to prevent such frauds taking place in the future? After all, the Government have got treasuries all over the country, and I think we must get some assurance from the Honourable the Finance Member that loopholes in the Regulations or in other spheres which may have led to this fraud have been or will be closed shortly. Incidentally, I think this is a demand which raises the whole question of relative control of treasuries by the Government of India and the Government of Bihar. I want to know where the Government of India's responsibility arises in this matter. Was this treasury being managed by the Government of India, or by the Government of Bihar, or by both jointly? Was the Bihar Government doing it as an agent functioning on behalf of the Government of India, or was the Bihar Government functioning on its own behalf? I do not see how the Government of India come in, if it was an agency function. I do not know why this House should be asked to vote a single pie for this grant and unless and until the House is satisfied that the Government of India responsibility comes in in some definite form or manner, the House cannot vote this grant. I think these are all fundamental matters, on which we should like to have full information. Firstly, whether investigation is being carried on in the proper ruthless manner in a case of this kind, secondly whether steps have been taken or will be taken shortly to prevent such frauds in the future, and thirdly the whole question of the system of managing these currency transactions in the various provinces on behalf of the Government of India comes in. Unless therefore full information is forthcoming on all these matters, I would still plead with the Honourable the Finance Member not to promote this grant. Once this money is granted, once the money goes to the Reserve Bank, I assure my Honourable friend, especially as he goes away shortly, everybody will go to sleep afterwards, and nobody knows whether he or I will be on the Public Accounts Committee when this question comes up there. Even if we were there, we will be told that the thing is done, why beat a dead horse. After all, it is one in which money has already been voted by the Assembly. That will be the sort of argument put forward. Now this is the time if the Honourable the Finance

[Mr. S. Satyamurti.]

Member means business, if he wants this thing to be gone into thoroughly, and if he wants such frauds to be prevented he should withdraw this grant. If not, this House should vote against this grant, because then those who are affected will come forward with evidence and with their help and co-operation we will get the money out of the proper culprits. I hope that my Honourable friend, the Finance Member, will, on calmer reflection, not proceed with this grant and will be willing in his own interest as Finance Member, and in the interest of the finances of the country withdraw this demand, or in the alternative, I would appeal to the House to vote against this demand, so that we may find out the culprits and prevent such frauds in the future and put the whole system of management of currency between the Centre and the provinces on sound lines.

**The Honourable Sir James Grigg:** There is no doubt whatever that a liability has arisen, the reason is because of the transfer of currency reserves from the Government to the Reserve Bank on the 1st April, 1935. As money has got to be paid, there is no avoiding it however much you withdraw the vote or not. The other aspect is merely a question of assigning responsibility and taking precautionary measures for the future. The Honourable Member who is a member of the Public Accounts Committee knows that one of its most important functions is the investigation of frauds and losses from the point of view of preventing them for the future and of observing whether adequate disciplinary action was taken; and the Public Accounts Committee and the Auditor General are precisely the agents whom this House entrusts with the job of investigating losses of that sort. And I suggest that the Honourable Member is really being a little unreasonable in trying to pass a verdict on this case before it has been thoroughly investigated. The investigation is going on and it will have to be reported fully to the Public Accounts Committee by officers independent of either Government, and I suggest that the proper time for the verdict is after the Public Accounts Committee have investigated much more fully than this House can.

As regards what will happen and whose responsibility it is going to be in the future, the treasury administration will be transferred as from the 1st April to the Provincial Governments concerned, and so the new Government in Bihar will be themselves responsible for the custody of this money and for the acts of individuals which contribute to any loss. I really think that the House might agree to leave the matter there until the investigation has been fully carried out and reported to the Public Accounts Committee.

**Sir Cowasji Jehangir:** Sir, may I ask how long ago the embezzlement was detected?

**The Honourable Sir James Grigg:** I cannot say off-hand; I think a year ago.

**Sir Cowasji Jehangir:** So the investigation has been going on for a year now?

**The Honourable Sir James Grigg:** The case has been going on in the courts for very nearly a year.

**Sir Cowasji Jehangir:** And may I ask whose servant the man was who was accused of embezzlement? Was he the Government of India's servant or the Bihar Government's servant?

**The Honourable Sir James Grigg:** Of the Bihar Government. The man who was really guilty died the moment he was arrested. The people who have been under trial have been subordinate agents in the defalcation.

**Mr. S. Satyamurti:** They always die or go on leave!

**Mr. M. Ananthasayanam Ayyangar:** Sir, the Honourable the Finance Member is evidently unaware that along with the death of the individual civil liability does not disappear.

**The Honourable Sir James Grigg:** Civil liability is being pursued against his heirs.

**Mr. M. Ananthasayanam Ayyangar:** Sir, on a point of principle, I wonder why this matter was not placed before the Standing Finance Committee. This is a new service done to this country by embezzling. (Laughter.)

**The Honourable Sir James Grigg:** Unfortunately defalcations in this country are not new services. They are neither new nor services. (Laughter.)

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The question is:

"That a supplementary sum not exceeding Rs. 3,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Currency'."

The motion was adopted.

#### SUPERANNUATION ALLOWANCES AND PENSIONS.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 10,72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Superannuation Allowances and Pensions'."

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

"That a supplementary sum not exceeding Rs. 10,72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Superannuation Allowances and Pensions'."

**Mr. S. Satyamurti:** Sir, I believe my cut motion will be ruled out of order, but I will take my chance.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The ruling has already been given.

**Mr. S. Satyamurti:** But I am moving for the first time now.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The principle is the same.

**Mr. S. Satyamurti:** My motion is to reduce the demand by Rs. 100, in order to raise the whole question of the relations of the Reserve Bank with the Government of India, and specially the resignation of Sir Osborne Smith.

**The Honourable Sir James Grigg:** I object to that on the ground of order that it does not arise on this supplementary demand.

**Mr. S. Satyamurti:** I submit that it is partly for the payment of some money to the Reserve Bank during the current year.

**The Honourable Sir James Grigg:** It is money to pay the pensionary liabilities of Government servants transferred to the Reserve Bank. It has nothing whatever to do with the functions of the Reserve Bank. It is merely the accumulated liabilities of Government servants transferred to the Reserve Bank.

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

**Mr. S. Satyamurti:** Sir, to the Finance Member's supplementary demand No. 8 relating to superannuation allowances and pensions of Government servants transferred to the Reserve Bank; I want to move a cut, in order to raise the whole question of the relations of the Reserve Bank with the Government of India, and specially the resignation of Sir Osborne Smith. I submit I am in order, because this money is sought to be paid to the Reserve Bank during the current year.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member cannot do that.

**Mr. S. Satyamurti:** Thank you, Sir.

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

"That a supplementary sum not exceeding Rs. 10,72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Superannuation Allowances and Pensions'."

The motion was adopted.

#### REFUNDS.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,18,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Refunds'."

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

"That a supplementary sum not exceeding Rs. 1,18,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Refunds'."

The motion was adopted.

## ADEN.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Aden'."

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

"That a supplementary sum not exceeding Rs. 50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Aden'."

The motion was adopted.

## COMMUTED VALUE OF PENSIONS.

**The Honourable Sir James Grigg:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 13,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Commutated Value of Pensions'."

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

"That a supplementary sum not exceeding Rs. 13,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Commutated value of Pensions'."

**Prof. N. G. Ranga:** Sir, I want to know whether ever since this Currency Department has been transferred to the Reserve Bank of India, the Government of India have been receiving any annual reports from the Reserve Bank of India upon the manner in which they have been managing this Currency Department; and, if so, whether the Government of India will be pleased to lay those reports on the table of the House.

**The Honourable Sir James Grigg:** No, Sir. I take it that this Legislature, when it passed the Reserve Bank Act, did so deliberately, because it wanted to entrust the management of currency and credit to some agency other than the Government.

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

"That a supplementary sum not exceeding Rs. 13,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1937, in respect of 'Commutated Value of Pensions'."

The motion was adopted.

## THE ARYA MARRIAGE VALIDATION BILL.

**Mr. President** (The Honourable Sir Abdur Rahim): The House will now resume consideration of the Bill to recognise and remove doubts as to the validity of inter-marriages current among Arya Samajists, as reported by the Select Committee. Sir Muhammad Yakub's amendment\* is under discussion.

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\*"That in clause 2 of the Bill, the words 'or that either or both of the parties at any time belonged to a religion other than Hinduism' be omitted."



**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions: Muhammadan Rural): Mr. President, with your permission, I would like to make a statement in respect of the amendment, and it is . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): You have already spoken.

**Sir Muhammad Yakub**: I am not making a speech on the amendment: I only want to make a statement about the facts: we have come to a settlement with the Mover of the Bill and in consultation with Syed Ghulam Bhik Nairang and Mr. Kazmi we have made this settlement, that if the Mover of the Bill would accept the two amendments in the name of Mr. Kazmi, I will, with the permission of the House, withdraw my amendment. Therefore, in order to allow the Bill to be passed without any further discussion, I beg to allow Mr. Kazmi first to move both his amendments, and, when they are passed, I will withdraw mine.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair does not think that can be done.

**Sir Muhammad Yakub**: Very well, Sir. I have made my position clear, and I beg leave to withdraw my amendment.

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

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

"That in clause 2 of the Bill, after the words 'Notwithstanding any' the words 'provision of Hindu' be inserted."

The amendment is in accordance with the spirit of the law itself, because it only deals with Hindu law and not with every other law. So, I propose this amendment.

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

"That in clause 2 of the Bill, after the words 'Notwithstanding any' the words 'provision of Hindu' be inserted."

**Dr. N. B. Khare** (Nagpur Division: Non-Muhammadan): Sir, I accept the amendment.

**Mr. Ghanshiyam Singh Gupta** (Central Provinces Hindi Divisions: Non-Muhammadan): In view of the agreement that has been arrived at, I support this amendment.

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

"That in clause 2 of the Bill, after the words 'Notwithstanding any' the words 'provision of Hindu' be inserted."

The motion was adopted.

**Qazi Muhammad Ahmad Kazmi**: Sir, I move:

"That in clause 2 of the Bill, after the words 'at any time', where they occur a second time, the words 'before the marriage' be inserted."

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

"That in clause 2 of the Bill, after the words 'at any time', where they occur a second time, the words 'before the marriage' be inserted."

**Mr. Ghansham Singh Gupta**: Sir, I support the amendment.

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

"That in clause 2 of the Bill, after the words 'at any time', where they occur a second time, the words 'before the marriage' be inserted."

The motion was adopted.

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

"That clause 2, as amended, stand part of the Bill."

The motion was adopted.

Clause 2, as amended, was added to the Bill.

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

"That clause 3 stand part of the Bill."

**Mr. Ghansham Singh Gupta**: Sir, I move:

"That clause 3 of the Bill be omitted."

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

"That clause 3 of the Bill be omitted."

The motion was adopted.

Clause 1 was added to the Bill.

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

"That the Preamble stand part of the Bill."

**Mr. Ghansham Singh Gupta**: Sir, I move:

"That in the Preamble of the Bill, for the words 'Arya Samajists' the words 'a class of Hindus known as Arya Samajists' be substituted."

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

"That in the Preamble of the Bill, for the words 'Arya Samajists' the words 'a class of Hindus known as Arya Samajists' be substituted."

The motion was adopted.

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

"That the Preamble, as amended, stand part of the Bill."

The motion was adopted.

The Preamble, as amended, was added to the Bill.

The Title was added to the Bill.

**Dr. N. B. Khare:** Sir, I move:

"That the Bill, as amended, be passed."

I am glad that it is an agreed measure and no speechification is necessary. I thank my Muslim brethren and the Government for their accommodating sporting spirit and also Mr. Ghanshiyam Singh Gupta for the valuable help he has given to me. Sir, I move.

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

"That the Bill, as amended, be passed."

**Mr. M. S. Aney** (Berar Representative): Sir, in the first place I rise to offer my congratulations to my Honourable friend, Dr. Khare, and to Mr. Ghanshiyam Singh Gupta on the success they have achieved in piloting this Bill so successfully through this House. It is a measure for the passing of which our friends in the Arya Samaj were anxiously waiting, and I am glad they have now succeeded in getting the relief which they wanted. I should have very much wished that the measure as it stands had been modified to slightly improve it, and notice of amendments towards improving the Bill had also been given, but considering the shortness of the time at our disposal, and considering also the fact that if the discussion had been carried on, it would never have come to an end before the end of this Session and the main object of giving some relief to the Arya Samajists would never have been achieved, we thought it better to take up these amendments at some future time, by bringing an amendment Bill, and allow this very measure to go on the Statute-book for the present. Some amendments have been moved and discussed, and accepted by the House. I do not regard some of them as formal. At the same time, I do not think that they have changed the spirit of the Bill to such an extent as to have needed any speech from me in opposition to them. Therefore, I once more congratulate my friends and the Arya Samaj on having got this little piece of legislation through so successfully, and I conclude with a hope that it will be used wisely and it will help the Arya Samaj to carry on its beneficent activities more successfully in future.

**Sir Muhammad Yakub:** [Sir, I wish to take this opportunity to make it clear to the House that we the Mussalmans never wish to stand in the way of social or religious progress of any community in the country. We are, Sir, quite willing to co-operate with our brethren in the House and outside the House provided that our religion and our rights are protected and remain untouched. It is, Sir, in this spirit that we have come to a settlement about this Bill, and I hope that this spirit of compromise and toleration will prevail throughout the whole country if the majority community . . . ("Hear, hear" from Congress Party Benches), which is in a position to create confidence in the minds of the minority, will not tyrannise the minorities, when power comes in their hands, and their religion, culture or language do not suffer. If we are assured of all these things, I think the Muslims will march shoulder to shoulder with our brethren towards the common goal we all have in view.]

**Mr. N. V. Gadgil** (Bombay Central Division: Non-Muhammadan Rural): Sir, I wish to associate myself with the congratulations that have been offered to my friend, Dr. Khare, by my esteemed friend, the Leader

of the Congress Nationalist Party, Mr. Aney. When this Bill was under consideration a few months ago, I was very much surprised at the attitude taken by some Hindu Members in the House, and I was equally surprised at the attitude of my friend, Mr. Aney, but I am glad that he has appreciated the good motive which lies behind the introduction of this Bill, and I am very thankful to him for showing his appreciation of the good work done by my friend, Dr. Khare. This Bill, Sir, has done one service to the Hindu community, namely, there is at present a definite tendency to have secular marriages. This measure, when it is put on the Statute-book, will definitely discourage that sort of secular marriage and will leave ample field for choice whether to have the marriage under Hindu rights or under the secular form under the Registration Act. A note of warning was sounded by my friend, Mr. Aney, that the provisions of this Bill should be wisely used. I am confident of that,—in fact, such a measure was overdue.

Then, the second point that I want to urge is this. On the last occasion, when I said that there was a definite attempt made to exclude the Arya Samajists from the Hindu fold, there was no denial from any quarter. I am glad that the amendment moved by my friend, Mr. Ghanshiyam Singh Gupta, in the Preamble, has rendered a distinct service to Hindu community. The Arya Samajists are Hindus, they will continue to remain Hindus, and I am glad that the differentiation that was sought to be made has been done away under the present measure. I congratulate my friend, Dr. Deshmukh, because, when his Bill was being discussed, I was not present,—and I congratulate Dr. Khare on this occasion, because both of them come from the same province to which I belong, and I am glad that incidentally, at least in the matter of social legislation and uplift, my province has taken the lead, and to that extent I congratulate my friends, Dr. Deshmukh and Dr. Khare.

**Mr. M. Ananthasayanam Ayyangar** (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I shall not detain the House very long. As regards the reciprocal affinity of the communities, we stand next to none in our affection for all the communities in this country, and in that spirit it was that we allowed the Khwaja Bill to pass through during the last Session in the twinkling of an eye. I am glad that though my friend, Sir Muhammad Yakub, moved certain amendments, yet after a lapse of three or four months, he has considered over the matter deeply and has withdrawn them. I am prepared to reciprocate the same feelings, and I hope the same cordial feelings will run through all our activities in life. Sir, the Congress does not make any difference between one community and another. The community of the poor is the one community for which the Congress stands in this country.

Then, as regards the Bill itself, in clause 2, there were no doubt certain doubts as to whether it should apply to persons who belonged to the Arya Samaj sect before, or whether it should apply to persons who change their religion and become Arya Samajists afterwards. That doubt has now been cleared.

Then, I am not quite satisfied with clause 3, though for want of time we had to agree to it. I am afraid some complications might arise in respect of succession to property if the clause were kept as it is. In the

[Mr. M. Ananthasayanam Ayyangar.]

same family, there may be persons belonging to different castes and communities, because, under the Caste Disabilities (Removal) Act, those disabilities would not apply to any marriages which may become valid under this Act. I do not know if it is at all desirable to leave this law as it is and encourage litigation to crop up in the future, so that if perchance any inconvenience is caused, it may benefit the lawyers, yes, including myself.

Lastly, it is not for the reason that my friend, Mr. Gadgil, gave that I congratulate Dr. Khare . . . . .

**Dr. N. B. Khare:** I belong to India.

**Mr. M. Ananthasayanam Ayyangar:** . . . Dr. Khare, but I congratulate him because I feel he belongs to the human kingdom to which all of us belong. I hope when he goes to his province, this measure will be a feather in his cap, and this will be followed by a series of other social legislations in his province. I hope under his leadership many such measures will be passed in his province.

**Mr. Ghansham Singh Gupta:** Sir, being primarily responsible for this Bill, I feel I have a certain claim to say a few words on this occasion, as also because I belong to the society to which this Bill specially relates. I must, on behalf of the Arya Samajists, express my gratitude to Sir Muhammad Yakub, Syed Ghulam Bhik Nairang and other Muslim Members of this House and also to the Muslim general public outside for the courtesy that they have shown, by withdrawing the amendment of Sir Muhammad Yakub and helping the passage of the Bill. (*An Honourable Member:* "And also Mr. Bajoria.") It may embarrass him. I must express my gratitude also to my respected leader, Mr. Aney, who has been generous enough to accommodate us even though he felt that there should have been some modification in this. I also thank the Government, the present Leader of the House and the permanent Leader of the House for the kindness that they have shown. (*An Honourable Member:* "And Mr. Bajoria for keeping absent.") He will feel embarrassed. I have to thank them all. As regards the Bill itself, I do not claim perfection for this Bill. There are certain orthodox Hindu friends who are not fully satisfied with the Bill. I may say that there are also certain orthodox Arya Samajists who are not fully satisfied with the Bill. I received representations from almost all the Arya Samajes in India and abroad, and I think the Government also received representations from them about the Bill, as it was originally drafted by me,—particularly about the clause about succession. They all expressed their full concurrence to the Bill in the form as originally drafted by me. There was not a single Arya Samajist in this land or outside India who was prepared to agree to clause 3 as it stands now, that is, the application of the Indian Succession Act. All of them wanted the ordinary Hindu law to apply to them in the matter of succession as Dwijas. I can say with confidence on behalf of the general body of Arya Samajists that there is no feeling among the Arya Samajists to separate from the general body of Hindus. That assurance I can give to my Honourable friend, Mr. Gadgil. With these few words, I support the motion.

**Dr. Bhagavan Das** (Cities of the United Provinces: Non-Muhammadian Urban): Sir, I wish to associate myself whole-heartedly with the excellent sentiments to which my Honourable friend, Sir Muhammad Yakub, gave expression. In the next place, I congratulate the House as a whole on having signalised this Session by passing two pieces of social legislation of a very important and helpful character, and passing them by the agreement of all sides of the House. Thirdly, bearing in mind that gratitude is a lively sense of favours to come, and that half a loaf is better than none, I express my personal gratitude specially to the official side of the House for having helped to give us, what I wish to regard as an earnest of future favours, about a 250th piece, which will benefit only one million Arya Samajist Hindus, out of the very large loaf I had begged for, in the shape of the Hindu Intercaste Marriage Validation Bill, for the benefit of the 250 million Hindus of India. Although, for the time being, that prayer of mine has been put aside by the House, I hope that when I again bring it forward, next Session, my official friends will be in a more generous mood, and will help the House to grant the whole of what I pray for.

**Mr. Umar Aly Shah** (North Madras: Muhammadian): I rise to say a word. Through this Arya Samaj Inter-Marriage Bill Hinduism will be spoiled, the Hindu breed will be spoiled. Hindus lost their own government centuries ago. From a long time Hindus wanted to establish Swaraj. If this Bill is passed, which breed will enjoy which Swaraj? Pure breed cannot be created.

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

"That the Bill, as amended, be passed."

The motion was adopted.

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## STATEMENT OF BUSINESS.

**The Honourable Sir Frank Noyce** (Leader of the House): The House is aware, Sir, that owing to a succession of holidays, there will be no further meeting till Tuesday, the 30th March. For that day and the following day, we propose to put down a motion to circulate the Commercial Documents Evidence Bill, motions to consider and pass the Indian Oaths (Amendment) Bill, the Code of Civil Procedure (Third Amendment) Bill, the Red Cross Society (Amendment) Bill, the Soft Coke Cess (Re-constitution of Committee) Bill and also the remaining stages of the Repealing and Amending Bill on which the consideration motion has already been moved. Motions will also be made for leave to introduce a Bill to amend the Payment of Wages Act and a Bill to continue the duty on rice, and the Reports of the Public Accounts Committee for two years will be put down for discussion. Thursday, the 1st, and Friday, the 2nd April, are non-official days, and no subsequent date has hitherto been appointed for the transaction of official business. There will, however, remain for disposal, apart from any items of the business for the 30th and 31st of March which may not be concluded on those days, the consideration and passing of the two Bills to be introduced on the 30th March, Sir Raghavendra Rau's Resolution on the subject of the Depreciation Reserve Fund maintained for Indian State Railways, and the Honourable the

[Sir Frank Noyce.]

Law Member's Resolution regarding the amendment of the Indian Legislative Rules in respect of the moving of motions relating to questions of privilege.

I would request you, Sir, to direct meetings of the House to be held on Saturday, the 3rd, Monday, the 5th, Tuesday, the 6th, and Wednesday the 7th April, for the disposal of these items of business. Your direction in this behalf would, of course, be subject to the possibility of the outstanding items being concluded before Wednesday, the 7th April. Honourable Members will have noticed that we are not seeking to proceed during the current Session with the Trade Disputes (Amendment) Bill or the Ticketless Travellers Bill or to take the Military Manœuvres Bill beyond the stage of presentation of the Report of Select Committee. The decision to proceed no further with the Trade Disputes (Amendment) Bill during my term of office is a matter of keen personal regret to myself but, in view of the plain impossibility of the Select Committee dealing with the Bill during the current Session in the event of a motion for reference to Select Committee being adopted during that Session, we are faced with a position in which the Select Committee, if it were appointed during the current Session and if it held its meetings before the commencement of the Simla Session, could not include my successor among its members, and the House will, I believe, agree that it would be most undesirable for a Select Committee on a Bill of this nature not to include among its members the Member of Government in charge of the Department concerned. In these circumstances, Sir, we feel that the only appropriate course is to defer the motion for reference to Select Committee to the commencement of the Simla Session.

**Mr. President** (The Honourable Sir Abdur Rahim): In accordance with the request made, I direct that meetings of the House be held on Saturday, the 3rd, Monday, the 5th, Tuesday, the 6th, and Wednesday, the 7th April, for the disposal of the items of business mentioned, subject to the possibility of the outstanding items being concluded before Wednesday, the 7th April.

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#### ELECTION TO AND NOMINATIONS FOR THE STANDING COMMITTEE FOR ROADS.

**Mr. President** (The Honourable Sir Abdur Rahim): I have to inform the Assembly that up to 12 Noon on Wednesday, the 17th March, 1937, the time fixed for receiving nominations to the Standing Committee for Roads eight nominations were received, out of which four candidates have since withdrawn their candidature. As the Standing Committee will consist of six members and only four remain who have been duly nominated, I declare Mr. J. Ramsay Scott, Mr. Sham Lal, Dr. Ziauddin Ahmad and Maulvi Muhammad Ahsan as elected to the Committee and appoint a further period upto 12 Noon on Tuesday, the 30th March, 1937, within which nominations for the remaining two vacancies will be received. The election, if necessary, which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote, will be held in the Assistant Secretary's Room in the Council House, between the hours of 10-30 A.M. and 1 P.M. on Saturday, the 3rd April, 1937.

## ELECTION TO AND NOMINATIONS FOR THE STANDING COMMITTEE FOR ROADS.

**Mr. Muhammad Azhar Ali** (Lucknow and Fyzabad Divisions: Muhammadan Rural): There is on the anvil of this House a Bill for  
4 P.M. circulation from Mr. Kazmi about the Muslim Marriage (Dissolution) Bill. I want to know from Government whether that Bill is going to be circulated this Session.

**The Honourable Sir Frank Noyce** (Member for Industries and Labour): I think the Honourable Member is referring to a private Bill. My statement referred only to Government business.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 30th March, 1937.