

2nd December 1938

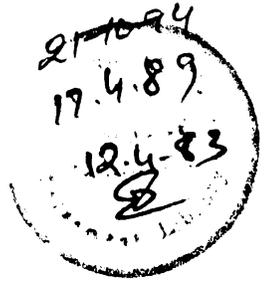
THE
LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume VII, 1938

(10th November to 2nd December, 1938)

EIGHTH SESSION
OF THE
FIFTH LEGISLATIVE ASSEMBLY,
1938



PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, SIMLA.
PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI.
1939

M437LAD

Legislative Assembly.

President :

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

Deputy President :

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

Panel of Chairmen :

MR. S. SATYAMURTI, M.L.A.

DR. SIR ZIAUDDIN AHMAD, C.I.E., M.L.A.

SIR H. P. MODY, K.B.E., M.L.A.

MR. A. AIKMAN, C.I.E., M.L.A.

Secretary :

MIAN MUHAMMAD RAFI, BAR-AT-LAW.

Assistants of the Secretary :

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

RAI BAHADUR D. DUTT.

Marshal :

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

Committee of Petitions :

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

MR. A. AIKMAN, C.I.E., M.L.A.

MR. M. S. ANEY, M.L.A.

SYED GHULAM BHIK NAIRANG, M.L.A.

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

CONTENTS.

VOLUME VII.—10th November to 2nd December, 1938.

	PAGES.		PAGES.
THURSDAY, 10TH NOVEMBER, 1938—		TUESDAY, 15TH NOVEMBER, 1938—	
Members Sworn	2845	Starred Questions and Answers	2959—3000
Starred Questions and Answers	2845—76	Unstarred Question and Answer	3000.
Unstarred Questions and Answers	2876—87	Statements laid on the Table .	3001—02
Statements laid on the Table .	2888—95	Statement of Business	3002—03
Motion for Adjournment re—		The Prevention of Cruelty to Animals (Amendment) Bill—	
Constitution of the Chatfield Committee on Indian Defence—Disallowed by the Governor General .	2895	Amendment made by the Council of State agreed to .	3003—05
Late running of the East Indian Railway trains and increase in the number of accidents—Ruled out of order	2895	The Employment of Children Bill—Amendment made by the Council of State agreed to	3005—08
Messages from the Council of State	2896	The Ajmer-Merwara Municipalities Regulation (Amendment) Bill—Passed as amended	3006—18
The Indian Income-tax (Amendment) Bill—Presentation of the Report of the Select Committee	2896	The Indian Patents and Designs (Amendment) Bill—Referred to Select Committee	3018—23
The Indian Merchant Shipping (Amendment) Bill—Introduced	2897	The Railways (Local Authorities' Taxation) Bill—Motion to circulate negative	3023—41
Reports of the Public Accounts Committee	2897—98	The Indian Cotton Cess (Amendment) Bill—Passed as amended	3042—46
Demands for Excess Grants for 1936-37	2899—2914	The Destructive Insects and Pests (Second Amendment) Bill—passed as amended	3047—48
MONDAY, 14TH NOVEMBER, 1938—		The Repealing and Amending Bill—Postponed	3048
Member Sworn	2915	The Indian Merchant Shipping (Amendment) Bill—Discussion on the motion to consider not concluded .	3049
Starred Questions and Answers	2915—53	WEDNESDAY, 16TH NOVEMBER, 1938—	
Motion for Adjournment re Murder of Mr. N. G. Mazumdar, Superintendent, Archaeological Survey of India—Ruled out of order	2953—54	Starred Questions and Answers	3051—75
Death of Mustafa Kemal Pasha	2954—57		

	PAGES.		PAGES.
WEDNESDAY, 18TH NOVEMBER, 1938—<i>contd.</i>		WEDNESDAY, 23RD NOVEMBER, 1938—<i>contd.</i>	
Unstarred Questions and Answers	3075—77	The Indian Income-tax (Amendment) Bill—Discussion on the motion to consider not concluded	3350—94
Message from H. E. the President of the Turkish Republic	3078	SATURDAY, 26TH NOVEMBER, 1938—	
Amendments to the Ottawa Trade Agreement Rules	3078—79	The Indian Income-tax (Amendment) Bill—Motion to consider adopted	3395—3452
The Indian Income-tax (Amendment) Bill—Discussion on the motion to consider not concluded	3080—3116	MONDAY, 28TH NOVEMBER, 1938—	
THURSDAY, 17TH NOVEMBER, 1938—		Death of Maulana Shaukat Ali	3453—56
Starred Questions and Answers	3117—40	TUESDAY, 29TH NOVEMBER, 1938—	
The Indian Income-tax (Amendment) Bill—Discussion on the motion to consider not concluded		Members Sworn	3457
MONDAY, 21ST NOVEMBER, 1938—		Starred Questions and Answers	3457—3502
Member Sworn	3177	Unstarred Questions and Answers	3503—13
Starred Questions and Answers	3177—3211	Statement <i>re</i> Draft Conventions and Recommendations adopted by the 21st and 22nd (Maritime) Sessions of the International Labour Conference	3513—15
The Indian Income-tax (Amendment) Bill—Discussion on the motion to consider not concluded	3211—45	The Indian Income-tax (Amendment) Bill—Discussion on the consideration of clauses not concluded	3515—28
TUESDAY, 22ND NOVEMBER, 1938—		WEDNESDAY, 30TH NOVEMBER, 1938—	
Starred Questions and Answers	3247—79	Starred Questions and Answers	3529—70
The Indian Income-tax (Amendment) Bill—Discussion on the motion to consider not concluded	3279—3311	Unstarred Question and Answer	3571
Martyrdom celebration of the ninth Sikh Guru Tegh Bahadur	3312	The Indian Income-tax (Amendment) Bill—Discussion on the consideration of clauses not concluded	3571—3615
WEDNESDAY, 23RD NOVEMBER, 1938—		THURSDAY, 1ST DECEMBER, 1938—	
Member Sworn	3313	Starred Questions and Answers	3617—54
Starred Questions and Answers	3313—47	The Indian Income-tax (Amendment) Bill—Discussion on the consideration of clauses not concluded	3654—98
Statements laid on the Table	3347—49		

		PAGES.			PAGES.	
FRIDAY,	2ND	DECEMBER,		FRIDAY,	2ND	DECEMBER,
1938—				1938—	<i>contd.</i>	
Starred	Questions	and		Motion for Adjournment <i>re</i>		
Answers			3699—	Setting up of a new memo-		
			3743	rial of the Badli-ki-Seral		
				Battle near Delhi—Adopted	3746—47,	
					3773—80	
Unstarred	Questions	and		The Indian Income-tax		
Answers			3743—45	(Amendment) Bill—Dis-		
				ussion on the considera-		
				tion of clauses not concluded	3747—73	
Statements laid on the Table .			3746			

LEGISLATIVE ASSEMBLY.

Friday, 2nd December, 1938.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

ADMISSION FEE PAID BY POSTMEN, ETC., FOR EXAMINATION FOR APPOINTMENT TO THE CLERICAL CADRE.

†1692. *Mr. Abdul Qaiyum: Will the Honourable the Communications Member please state:

- (a) whether postmen have to pay any admission fee for examination for appointment to the clerical cadre;
- (b) whether porters and Railway Mail Service staff have to pay a similar fee for examination for the posts of sorters;
- (c) if so, what is the amount of such fees; and
- (d) whether Government propose to consider the desirability of abolishing such fees?

The Honourable Sir Thomas Stewart: (a) and (b). Yes.

(c) Rs. 7.

(d) No.

HOUSE ALLOWANCE GRANTED TO POSTMEN, ETC.

†1693. *Mr. Abdul Qaiyum: Will the Honourable Member for Communications please state:

- (a) what is the house allowance granted to postmen, lower grade and Railway Mail Service staff of the first and second class offices;
- (b) the house allowance of such staff in the third class offices; and
- (c) whether Government are prepared to raise the amount mentioned in parts (a) and (b) to Rs. 8 and Rs. 5 respectively?

The Honourable Sir Thomas Stewart: (a) and (b). House rent allowance to which the Honourable Member presumably refers is granted not on the basis of first and second class offices but to the staff employed in certain expensive localities, and the amount of allowance is fixed for the different classes of staff on the merits of each case with reference to local conditions. For particulars of such allowances I must refer the Honourable Member to Appendix 10 to the Manual of Appointments and Allowances of Officers of the Indian Posts and Telegraphs Department, a copy of which is in the Library of the House.

(c) No.

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

RESERVE MAINTAINED FOR POSTMEN, ETC.

†1694. *Mr. Abdul Qaiyum: Will the Honourable Member for Communications please state:

- (a) whether any reduction was effected in the number of postmen and lower grade staff in 1931;
- (b) whether a 18 per cent. reserve staff is maintained in the clerical staff;
- (c) if so, whether any reserve is maintained for postmen and lower grade staff, if not, why not;
- (d) what is the beat of a postman in mileage in the plains and in the hills; and
- (e) whether the above limits are being observed in practice; if not, whether Government propose to take steps and see that the rules are strictly observed?

The Honourable Sir Thomas Stewart: (a) Yes.

(b) A leave reserve staff is maintained for the clerical establishment but the percentage varies with the different cadres.

(c) No, because substitutes for postmen are readily found from amongst qualified members of the lower grade staff and substitutes for lower grade staff are found without difficulty from outsiders.

(d) No standard mileage is laid down for the plains and for the hills. Postmen are required to walk at least ten miles a day and to attend at least eight hours' a day on duty. Their beats are generally fixed so as to ensure the observance of these provisions.

(e) Government have no reason to believe that the rules on the subject are not being correctly observed. The second part does not, therefore, arise.

DESIRABILITY OF HAVING SURETIES INSTEAD OF WITNESSES WHILE DELIVERING MONEY ORDERS AND INSURED ARTICLES.

†1695. *Mr. Abdul Qaiyum: Will the Honourable Member for Communications please state whether Government have considered the question of desirability of having sureties instead of witnesses to attest the fact of delivery of money orders and insured articles? If not, the reasons therefor?

The Honourable Sir Thomas Stewart: The question of having sureties instead of witnesses has been considered but rejected as impracticable.

ASSIGNMENT OF REASONS ON TRANSFERS OF POSTMEN, ETC.

†1696. *Mr. Abdul Qaiyum: Will the Honourable Member for Communications please state:

- (a) whether postmasters and superintendents are bound to assign and write out reasons when transferring postmen and members of lower grade staff; and
- (b) if not, whether it is proposed to amend the rules suitably to make this obligatory?

The Honourable Sir Thomas Stewart: (a) and (b). No.

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

SEASON STAFF EMPLOYED IN THE POST OFFICES IN THE HILLS DURING WINTER.

1697. *Mr. Abdul Qalyum: Will the Honourable Member for Communications please state :

- (a) whether the season staff employed in the post offices in the hills get any pay in the winter months;
- (b) whether they get any travelling allowance on resuming duty;
- (c) whether it is not possible to absorb them in the plains during off-season;
- (d) whether such lower grade staff and postmen are given warm uniforms and raincoats while on duty; if not the reasons therefor;
- (e) whether post office clerks get compensatory allowance in the hills and Frontier allowances; and
- (f) whether allowances mentioned in part (e) are given to postmen, lower grade staff and Railway Mail Service staff in such areas; if not, why not?

The Honourable Sir Thomas Stewart: (a) Yes, if employed during the winter months.

(b) No.

(c) Not all of them and not always.

(d) Yes, where the local climatic conditions warrant it. The latter part of the question does not arise.

(e) Post office clerks get compensatory allowances at some hill stations and at some frontier stations. The particulars of the allowances are given in Appendix X of the Manual of Appointments and Allowances, a copy of which is in the Library of the House.

(f) Compensatory allowances are given to postmen, lower grade staff and Railway Mail Service staff wherever considered justified.

ACCIDENTS ON RAILWAYS.

1698. *Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Railway Member state :

- (a) how many Railway accidents have occurred in the last three months;
- (b) how many of them have been due to negligence of Railway servants; and
- (c) how many of them are due to sabotage; and what steps have been taken in the matter?

The Honourable Sir Thomas Stewart: With your permission, Sir, I propose to reply to this and Mr. B. N. Chaudhury's question No. 1705 together.

I would refer the Honourable Members to the statements published as Appendix D of the Railway Board's report for 1936-37, Vol. II, a copy of which is in the Library of the House. It will be seen therefrom that the total number of accidents, both major and minor, on railways exceeded 19,000. The figures for the compilation of these statements are submitted to the Railway Board annually by all Railways: those for 1937-38 have

been received and the statements in connection therewith are in the press at present. Figures for the current year will not be received until some time about August, 1939.

The labour involved in compiling the particulars asked for on other points will be entirely disproportionate to any use to which the information could be put. Each accident forms the subject of a special investigation and these in which there are fatalities are further enquired into by the police and in more serious cases by magistrates also. Suitable disciplinary action is taken in each case against railway employees found responsible. Government have no reason to believe that the number of accidents now occurring indicates any abnormality.

Mr. T. S. Avinashilingam Chettiar: About this matter, the Honourable Member has referred to a publication which is yet in the press and which has not been given to us, but I asked for these figures some time ago.

The Honourable Sir Thomas Stewart: I made it a point to get the figures which are in the press, but there is a very considerable list and I hope the Honourable Member will accept my statement that they show no material variation from the figures of the two previous years.

Prof. N. G. Ranga: What is the exact position? Is it not a fact that the number of major accidents has increased since last year? This is with reference to part (b) of question No. 1705.

The Honourable Sir Thomas Stewart: The total figures are these:

1935-36	...	...	...	...	19,214
1936-37	...	...	...	...	19,288
1937-38	...	...	...	...	18,910

So, actually, there has been a decrease in the total number of accidents.

Mr. T. S. Avinashilingam Chettiar: May I ask whether Government have gone into the matter of these accidents and can they say how many of them were due to negligence on the part of the railway servants and how many were due to sabotage?

The Honourable Sir Thomas Stewart: If the Honourable Member will refer to the statements which I have quoted he will see there is an elaborate analysis of the causes of accidents running into 24 items. As far as I can see, in the latest year there has been no variation from the proportions that existed in the previous years.

Prof. N. G. Ranga: What is the actual position in regard to the major accidents? Is it not a fact that they have increased during this year?

The Honourable Sir Thomas Stewart: It is perfectly true that there have been two or three accidents which have been rather more calamitous than normal, but that, taken in relation to a total of 19,000 is not a great increase. There is no statistical basis for any such suggestion as the Honourable Member is making.

Beth Govind Das: Have there been such serious accidents before also or is it only recently that they are taking place?

The Honourable Sir Thomas Stewart: There have been very disastrous accidents before both in this country and elsewhere.

Seth Govind Das: Have they taken place in recent years?

The Honourable Sir Thomas Stewart: Yes, Sir; in recent years.

Mr. K. Santhanam: With reference to part (b) of the question, may I know if Government have come to a conclusion about the recommendation of the Central Advisory Committee for Railways that there should be a judicial inquiry whenever a fatal accident takes place?

The Honourable Sir Thomas Stewart: As the Honourable Member is aware, the recommendations of the Central Advisory Committee are under consideration.

Mr. K. Santhanam: Some time back the Honourable Member said that the recommendation of the Central Advisory Committee was under consideration and what I want to know now is whether Government have come to a conclusion on that?

Mr. President (The Honourable Sir Abdur Rahim): It does not arise out of this. It is a different matter.

ADVERTISEMENT OF POSTS BY THE DIVISIONAL SUPERINTENDENT, HOWRAH

†1699. ***Mr. Muhammad Nauman:** (a) Is the Honourable Member for Railways aware of the fact that the Divisional Superintendent, Howrah, has not always observed the following rule in recruitments, permanent or temporary, during the period from the 13th December, 1934, to the 30th September, 1938, and that he has made his own classification of advertisement and non-advertisement posts:

“All vacancies, temporary or permanent, in the lowest or intermediate grades should be advertised in the press”; and

(b) Is it a fact that there is no post which can be classified as technical and that the Railway Board has made no rule for the classification of advertisement and non-advertisement posts for the purpose of new recruitments?

The Honourable Sir Thomas Stewart: (a) For the relevant rule on the subject, I would refer the Honourable Member to rule 68 of the Rules for recruitment and training of non-gazetted staff on State-managed Railways, a copy of which is in the Library of the House. Government understand that the procedure laid down in this rule is being observed on the Howrah Division of the East Indian Railway.

(b) There are a number of technical subordinate posts. The procedure laid down in the rule referred to above applies to the recruitment made to all posts, technical or otherwise.

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

LIST OF APPROVED CANDIDATES MAINTAINED ON THE EAST INDIAN AND EASTERN BENGAL RAILWAYS.

†1700. *Mr. Muhammad Nauman: (a) Is the Honourable Member for Railways aware that a system of keeping waiting lists of approved candidates without prior notification in advertisements is being maintained on the East Indian and the Eastern Bengal Railways?

(b) If the reply to part (a) be in the affirmative, will the Honourable Member state the reasons for such arrangements, and will he lay on the table lists of approved candidates for all services on the East Indian and the Eastern Bengal Railways in 1938?

The Honourable Sir Thomas Stewart: (a) The position on both the Eastern Bengal and East Indian Railways is that vacancies are at first advertised and after the Selection Committee have interviewed the likely candidates, a certain number are selected by the Committee and their names are kept on an approved list from which future vacancies are filled.

(b) The reason for this practice is to avoid the necessity of advertising on each separate occasion when a vacancy arises. As regards the second part, Government have no information, and they do not propose to collect it as the time and labour involved in its collection will not be justified by the results to be obtained.

RULES FOR DETERMINATION OF SENIORITY ON RAILWAYS.

†1701. *Mr. Muhammad Nauman: Will the Honourable Member for Railways be pleased to place on the table the rules regarding determination of seniority in different departments on Railways?

The Honourable Sir Thomas Stewart: The General Managers of Railways have full powers to deal with questions of seniority of non-gazetted staff and Government have laid down no rules regarding these. Government have framed certain rules to guide them in the fixation of initial seniority of gazetted staff on the State-managed Railways, but these rules are for official use only.

CONSTRUCTION OF A RAILWAY LINE CONNECTING MYSORE AND COIMBATORE.

1702. *Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Railway Member state:

- (a) whether Government have received replies from the Mysore Government over the matter of the construction of railway line connecting Mysore and Coimbatore; and
- (b) if so, in what stage is the negotiation between the two Governments in this matter?

The Honourable Sir Thomas Stewart: (a) Yes.

(b) The Mysore Government have agreed to meet the cost of necessary surveys required to be carried out.

Mr. T. S. Avinashilingam Chettiar: May I know how long it will take to finish the survey?

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

The Honourable Sir Thomas Stewart: That is a technical question and I am not competent to answer it.

Mr. M. Ananthassayanam Ayyangar: What is the gauge of that railway? Is it narrow or broad or metre gauge?

The Honourable Sir Thomas Stewart: I should say it is probably metre gauge. As far as I know, that is the prevailing gauge in that part of the country.

Mr. M. Ananthassayanam Ayyangar: Is it going to be a light railway as there is one in the Mysore State?

The Honourable Sir Thomas Stewart: The metre gauge is not narrow gauge.

Mr. T. S. Avinashilingam Chettiar: After the survey is finished and I presume there is no difficulty about it, may I ask whether Government have come to a conclusion to construct this railway?

The Honourable Sir Thomas Stewart: Obviously I cannot come to a conclusion until the survey has been carried out.

PROVISION OF MOVEABLE STEPS TO COMPARTMENTS AT GOALUNDO STATION ON THE EASTERN BENGAL RAILWAY.

1703. ***Mr. Brojendra Narayan Chaudhury:** Will the Honourable the Railway Member please state:

- (a) whether moveable steps are provided for boarding and getting down from the broad gauge trains at Goalundo station, Eastern Bengal Railway; if so, whether the convenience is confined to certain classes of passengers;
- (b) whether steps are provided for (i) third class males (ii) third class females; (iii) intermediate class males (iv) intermediate class females;
- (c) the height of the floor of the compartments from the ground of the station which has no platform of any kind; is it five feet or so;
- (d) the reasons for supplying steps to upper class male passengers;
- (e) whether in practice steps are supplied to sick and infirm passengers, male and female of all classes; whether there is any general order to that effect and whether the order is always complied with;
- (f) whether it is a fact that next to Sealdah, Goalundo has the heaviest passenger traffic in the entire Eastern Bengal system being the terminus of the Padma river services and the gate to East Bengal and beyond;
- (g) what would be the cost of supplying steps to all compartments;
- (h) whether the grievances of lower class passengers about non-supply of steps have been brought to the notice of the administration by members of the Advisory Committee by petitions direct to traffic officials or by ventilating in the press;

- (i) whether there is any officer in this and other railways especially entrusted to collect information about public complaints against railways from the newspapers;
- (j) if the reply to part (i) above be in the negative whether Government are prepared to consider the advisability, convenience and economy of having such officers; and
- (k) whether this and other Railways have publicity officers?

The Honourable Sir Thomas Stewart: (a) and (b). Yes, for first and second class passengers and for women only, in intermediate and third classes.

(c) Yes, about 5 ft., but running board steps are provided which reduce the distance by 3'-1" in some types of stock and by 2'-8" in others.

(d) The higher fares paid.

(e) Yes. Step ladders are supplied for sick and infirm passengers on request. There are no general orders on the subject.

(f) No.

(g) Rs. 1,200 approximately; but this would also involve the posting of extra staff to place and remove the ladders at the time of arrival and departure of trains.

(h) Yes.

(i) The Publicity Officer does this on the Eastern Bengal Railway. I have no information in regard to the practice on other railways.

(j) This is a detail of administration which Government must leave to Railways to settle for themselves.

(k) There is a Publicity Officer on the Bombay, Baroda and Central India, Bengal Nagpur, Eastern Bengal, Great Indian Peninsula and South Indian Railways. I have no definite information at present in regard to other railways.

Mr. Brojendra Narayan Chaudhury: Is the Honourable Member aware that Indians, whose physique is not strong as a class, find it difficult to board the trains even with the help of the foot-board steps which are at a distance of three feet as mentioned by the Honourable Member?

The Honourable Sir Thomas Stewart: Sir, I do not think that the physical differences between Indians and others are so pronounced as to render it any more difficult for them to get into the trains.

Mr. Brojendra Narayan Chaudhury: Is it usually easy to board the trains when the steps of running boards are three feet apart?

The Honourable Sir Thomas Stewart: I think it is entirely reasonable to think so judging by the experience we have had of the inhabitants even of the Honourable Member's part of the world.

Mr. Brojendra Narayan Chaudhury: Will the Honourable Member kindly advise that the steps of his office should be three feet high?

Prof. N. G. Ranga: May I know if this particular figure of Rs. 1,200 is the non-recurring cost to provide for these steps?

The Honourable Sir Thomas Stewart: That is quite true.

Prof. N. G. Ranga: In view of the great convenience that the steps will provide for the passengers and the great inconvenience experienced for want of them, may I know why Government are not willing to provide this convenience when it costs Rs. 1,200 non-recurring.

The Honourable Sir Thomas Stewart: If the Honourable Member had listened to my answer carefully, he would have realised that apart from this original expenditure on steps, there would be recurring expenditure on the employment of staff.

Prof. N. G. Ranga: Is it not a fact that on this particular platform there are always porters available and they can be made use of for this particular purpose?

The Honourable Sir Thomas Stewart: From remarks made in this House, it would appear that porters are always so much otherwise engaged that they certainly would not have time to attend to the steps.

Prof. N. G. Ranga: Will Government consider the advisability of sending this question and answer and the supplementaries to the Local Administration and the Local Railway Advisory Committee?

The Honourable Sir Thomas Stewart: I will send a copy of the questions and answers to the local administration.

NON-ACCEPTANCE OF SERVICES OF VOLUNTEERS OF SOCIAL SERVICE ORGANISATIONS DURING KRISHNANAGAR MELA.

1704. ***Mr. Brojendra Narayan Chaudhury:** Will the Honourable the Railway Member please state:

- (a) whether the services of volunteers of various social service organisations were accepted for regulating pilgrim traffic on the occasion of the Choramani Joga at Sealdah station and what the Railway Administration reported about their conduct and service;
- (b) whether it is a fact, as stated in the *Anandabazar Patrika* of 23rd Kartik (dated 7th November, 1938), that the offer of service of volunteers was rejected at Krishnanagar station; and
- (c) whether it is a fact, as stated by the correspondent, that three women pilgrims were run over and killed at Krishnanagar by a Navadwip train, and that the railway authorities made no special arrangements for regulating ignorant and rustic pilgrims?

The Honourable Sir Thomas Stewart: (a) Yes. The General Manager of the Eastern Bengal Railway states that they were generally helpful.

(b) No.

(c) I understand that while a rake of empty vehicles was being placed on the platform of Krishnanagar City, a large crowd rushed to entrain resulting in one woman falling under the wheels of a carriage and being killed. Two other women were knocked down and trampled on by the

crowd. One of them was killed and the other died subsequently. The matter is being investigated by the Police and the Railway Administration.

Mr. Brojendra Narayan Chaudhury: May I know whether any special arrangements were made for regulating the ignorant pilgrims on the platforms?

The Honourable Sir Thomas Stewart: Yes, Sir. Arrangements are made but there are limitations to what a limited staff can do in this direction.

Mr. Brojendra Narayan Chaudhury: The Honourable Member said 'No' in reply to part (b). Do I understand that the services of the volunteers were accepted?

The Honourable Sir Thomas Stewart: In reply to part (b) I said 'No'.

Shrimati K. Radha Bai Subbarayan: Will Government consider the desirability of including a few women on the staff at these stations on special occasions of this kind to help women passengers?

The Honourable Sir Thomas Stewart: That is a suggestion that I am prepared to consider.

ACCIDENTS ON RAILWAYS.

†1705. ***Mr. Brojendra Narayan Chaudhury:** Will the Honourable Member for Railways please state:

- (a) the number of fatal railway accidents since the beginning of the Railway year;
- (b) the number for the corresponding period of last year;
- (c) of these in part (a) above, for how many accidents railway employees have been found responsible; and what is the number of such employees found responsible;
- (d) of these responsible, how many have been prosecuted and with what results; and
- (e) how many have been dismissed; and how many fined?

RECOMMENDATION OF THE ASSAM BENGAL RAILWAY FOR RETRENCHMENT OF TWO DOCTORS.

1706. ***Mr. Brojendra Narayan Chaudhury:** Will the Honourable the Railway Member please state:

- (a) whether it is a fact that in the Assam Bengal Railway the appointments of the higher officers and promotions are subject to the approval of the Railway Board;
- (b) whether there has recently been retrenchment in the medical staff in the Assam Bengal Railway in which two doctors were retrenched;

†For answer to this question, see answer to question No. 1698.

- (c) whether the Railway Board accepted the recommendation of the Railway Administration or made any alteration;
- (d) whether candidates for the higher appointments in the Assam Bengal Railway sometimes interview the Railway Board or the Members of the Board; and
- (e) if so, for what purpose?

The Honourable Sir Thomas Stewart: (a) The reply is in the negative.

(b) Government were informed demi-officially in April, 1938, by the Agent and General Manager, Assam Bengal Railway, that he was submitting proposals to his Home Board for the reorganisation of the Medical Department which would reduce the cadre of Medical Officers from five to three.

- (c) Does not arise in view of the reply to part (a) above.
- (d) No.
- (e) Does not arise.

Mr. Brojendra Narayan Chaudhury: Is it a fact that the railway authorities recommended Dr. Sen and Dr. Ghosh for retrenchment, but the Railway Board advised that Dr. Morgan should be retrenched instead of Dr. Sen, and that Dr. Sen was retained?

The Honourable Sir Thomas Stewart: I made it perfectly clear in my answer that the Railway Board are in no way concerned with the appointments on this railway.

Mr. Brojendra Narayan Chaudhury: The Honourable Member said that the Agent reported to the Railway Board demi-officially. I want to know whether the Railway Board gave any advice or approval officially or demi-officially.

The Honourable Sir Thomas Stewart: Any advice or any communication on this matter that may have come from the Railway Board or from any individual on the Railway Board must have been of an entirely private character and had no official significance at all.

Mr. Brojendra Narayan Chaudhury: Are the Members of the Railway Board allowed to have these private relations with the railway authorities?

The Honourable Sir Thomas Stewart: The members of the Railway Board are approachable by railway officers as well as by Honourable Members like my friend.

Mr. Brojendra Narayan Chaudhury: Is it desirable in the public interests?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can decide that for himself.

INVITATION TO THE AFGHAN MINISTER OF COMMERCE FOR DISCUSSIONS ON ECONOMIC PROBLEMS.

1707. ***Mr. T. S. Avinashlingam Chettiar:** Will the Foreign Secretary state:

- (a) whether Government have extended an invitation to the Afghan Minister of Commerce for the purpose of terminating the discussions on economic problems, which have been in progress between the two Governments;
- (b) what are these economic problems over which discussions have been going on; and
- (c) whether a settlement has been reached; if so, what are the particulars of the settlement?

Sir Aubrey Metcalfe: (a) The invitation is to afford opportunity for an exchange of views on these problems.

(b) and (c). The attention of the Honourable Member is invited to the latter part of the reply given by me on the 10th November, 1938, to parts (b) to (d) of Mr. S. Satyamurti's question bearing No. 1210A.

Mr. T. S. Avinashlingam Chettiar: Apart from the commercial treaty, may I know what are the economic problems? May I ask for details of that?

Sir Aubrey Metcalfe: I have already stated that it will not be in the public interest to give details at the moment.

Mr. T. S. Avinashlingam Chettiar: I want to know about the economic problems about which discussion is pending between the Afghan Government and the Government of India. I do not think the Honourable Member means that there is anything which should not be divulged to this House on that matter.

Sir Aubrey Metcalfe: I do mean that.

Mr. Badri Dutt Pande: Was the Honourable Member invited by the Afghan Government or did he go of his own accord?

Sir Aubrey Metcalfe: I have already answered that more than once.

PAY AND ALLOWANCES OF CERTAIN STAFF ON RE-INSTATEMENT ON THE EAST INDIAN RAILWAY.

†1708. ***Shaikh Rafiuddin Ahmad Siddiquee:** (a) Is the Honourable Member for Railways aware of the fact that a Hindu Permanent Way Inspector, discharged and re-instated at Dinapur, and one Hindu Travelling Ticket Examiner, discharged at Allahabad and now working at Howrah, and a third Hindu Assistant Booking Clerk, Burdwan (deceased), were on re-instatement (on account of acquittal by the Appellate Court) given full pay and allowance for the period they remained under discharge orders in accordance with Fundamental Rule 54(a)?

(b) If the reply to part (a) be in the affirmative, will the Honourable Member state why a Muslim Travelling Ticket Examiner, Howrah, was not given full pay and allowance on his re-instatement from the 9th March, 1936, for the period from 1st October, 1933, to 8th March, 1936, during which period he was discharged from Moradabad Division?

The Honourable Sir Thomas Stewart: I am obtaining information and will lay a reply on the table of the House in due course.

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

GRIEVANCES OF MUSLIMS IN THE DIVISIONAL OFFICE, QUETTA.

†1709. ***Shaikh Rafuddin Ahmad Siddique:** Will the Honourable Member for Railways be pleased to state how far the telegram from the Secretary, Muslim Railway Employees Association, Quetta, reproduced below, is based on facts:

“Muslim strength in Personnel Branch already insignificant in Divisional Office, Quetta, being reduced gradually against Railway Boards orders. Only one Muslim Grade 3 Clerk employed in Personnel Proper being transferred to Bills though senior. Non-Muslim junior Grade 3 clerks being retained thus jeopardising Muslim interests. Another Muslim Grade 3 transferred Bills Transportation. Accord justice. Copy Col. Carson, Noverca, Lahore and Divrail Quetta”?

The Honourable Sir Thomas Stewart: Government have not seen the telegram referred to by the Honourable Member, but I may mention that the existing instructions to railway administrations are to see that there should not be a preponderance of any one community in the Establishment Branches of railway offices. I am, however, sending a copy of the question to the General Manager, North Western Railway, for such action as he may consider necessary.

MUSLIM CLERKS IN THE DIVISIONAL OFFICE, QUETTA.

†1710. ***Shaikh Rafuddin Ahmad Siddique:** (a) Will the Honourable Member for Railways be pleased to state the total number of clerks, according to communities, in different grades sanctioned in the Divisional Office, Quetta, North Western Railway?

(b) Will the Honourable Member state the designation, pay, grade and duties in sections of Muslim clerks in Divisional Office, Quetta?

The Honourable Sir Thomas Stewart: (a) and (b). I lay a statement on the table showing the total number of clerks sanctioned for the Divisional Office, Quetta, North Western Railway.

As regards the second part of part (a) and part (b) I am obtaining information and will lay a reply on the table in due course.

Statement showing the total number of clerks in different grades sanctioned for the Divisional Office, Quetta, North Western Railway.

Grades.	Number.
VII	1
VI . . . . .	..
V	1
IV	6
III	15
II	42
I	39
Total	104

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

PROMOTION OF MUSLIM UPPER SUBORDINATES ON RAILWAYS.

†1711. ***Shaikh Rafiuddin Ahmad Siddiquee:** (a) Will the Honourable Member for Railways be pleased to state how many Muslim Upper Subordinates have been promoted to Lower Gazetted service on all Railways since the introduction of that service?

(b) Is it a fact that very few Muslim Upper Subordinates have been promoted so far on any Railway?

(c) If the reply to part (b) be in the affirmative, will the Honourable Member be pleased to state the designation, pay, grade, Railway in previous service and the designation, pay, upper grade and Railway, in the present service?

The Honourable Sir Thomas Stewart: I am obtaining information and will lay a reply on the table of the House in due course.

CONFERENCES OF STATION DIRECTORS OF THE ALL-INDIA RADIO.

1712. ***Mr. Mann Subedar:** (a) Will the Honourable Member for Communications please state how many conferences of Station Directors of the All-India Radio have taken place since the 1st January, 1937?

(b) What is the expenditure incurred in travelling, living allowances, and other ways?

(c) Have Government considered the proposal of creating quality programmes at the four main stations and of relaying them to the subsidiary stations?

(d) Can a rough estimate of the possible savings from such a measure be given?

(e) Have Government considered the possibility of relaying European music and talks from the British Broadcasting Corporation with a view to saving the expenses incurred on similar music and talks in this country?

The Honourable Sir Thomas Stewart: (a) Seven.

(b) The total cost of the last conference was Rs. 1,150 approximately. The figures for other conferences are not readily available.

(c) Government propose to install receiving centres at all stations of All-India Radio and to make as much use of relayed programmes as is practicable.

(d) Not yet.

(e) Yes. In fact this is already being done in respect of talks where the equipment is available. Other programmes are also relayed when practicable and desirable.

Mr. Mann Subedar: My object is to help the Department with suggestions. May I enquire whether extended use cannot be made with regard to relaying of music from B. B. C. to this country?

The Honourable Sir Thomas Stewart: Yes, Sir. We trust it may be possible to do so but there are very substantial difficulties to be met. In the first place, there is the time factor. The time of relay from Daventry

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

is not always a convenient one for Indian purposes. In the second place, we are confronted, with a very serious difficulty in that there are many items relayed which are subject to copyright, and we could only relay them at considerable expense. I am very grateful to the Honourable Member for his suggestions.

Prof. N. G. Ranga: What is the object of this conference and why is it that so many conferences were held within a short period of one year and six months?

The Honourable Sir Thomas Stewart: Conferences are held once a quarter so that it may be possible to co-ordinate the various programmes that are broadcast from various stations in India. This is part of the technique of broadcasting.

Mr. M. Ananthasayanam Ayyangar: May I know if Government of their own accord are going to establish receiving sets in various places and that they have been refusing permission for municipal corporations to have receiving sets?

The Honourable Sir Thomas Stewart: I think the Honourable Member is under a misapprehension. When I say "receiving station", I do not mean a universal broadcaster. It is a technical device for taking in the waves at the local stations, so that they may be relayed therefrom.

Mr. S. Satyamurti: With reference to the answer to clause (c) of the question, may I know whether Government have considered, or will consider, the evolving of high-class Indian music at certain specified centres and relaying them, instead of having second-rate and third-rate music at every station, which really offends the taste of connoisseurs of Indian music?

The Honourable Sir Thomas Stewart: The Honourable Member's suggestion is an admirable one, in my opinion.

Mr. S. Satyamurti: Will Government consider it?

The Honourable Sir Thomas Stewart: Certainly.

PROPOSAL TO EXTEND CERTAIN LINES ON THE BENGAL AND NORTH WESTERN AND EASTERN BENGAL RAILWAYS.

†1713. ***Babu Kailash Behari Lal:** Will the Honourable Member for Railways be pleased to state:

- (a) if it is a fact that Saharsa Dauram Madhipura Branch line on the Bengal and North Western Railway is going to be extended up to Budham Ghat;
- (b) if there is any proposal to extend the Saharsa Dauram Madhipura Branch line of the Bengal and North Western Railway up to Murliganj; and
- (c) if it is a fact that Murliganj branch line of the Eastern Bengal Railway is going to be extended up to Budham Ghat?

The Honourable Sir Thomas Stewart: Enquiries are being made from the Railway Administrations concerned and a reply will be laid on the table in due course.

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

CHANGE OF THE NAME OF BUDHAM GHAT RAILWAY STATION TO THAT OF MURHO.

†1714. ***Babu Kailash Behari Lal:** Will the Honourable Member for Railways be pleased to state:

- (a) if it is a fact that Budham Ghat Railway Station falls within the village Murho, and there is no village by the name of Budham Ghat even in the near vicinity; and
- (b) if the Railway authorities concerned contemplate to change the name of Budham Ghat to that of Murho?

The Honourable Sir Thomas Stewart: Enquiries are being made from the Railway Administration concerned and a reply will be laid on the table in due course.

BONUS ON POSTAL INSURANCES.

†1715. ***Babu Kailash Behari Lal:** Will the Honourable the Communications Member please state the circumstances under which the bonus on Postal Insurances for the quinquennium 1932—37 has not been declared yet, and when it may be expected?

The Honourable Sir Thomas Stewart: The matter is under examination and an announcement will be made shortly.

CONSTITUTION AND FUNCTIONS OF THE RAILWAY RATES ADVISORY COUNCIL.

1716. ***Seth Govind Das:** Will the Honourable Member for Railways state:

- (a) the constitution and functions of the Railway Rates Advisory Council;
- (b) the total annual expenditure from public funds for the functions of the Railway Rates Advisory Council; and
- (c) the procedure adopted for receiving a complaint on matters of railway rates and freight rates?

The Honourable Sir Thomas Stewart: (a) and (c). I would refer the Honourable Member to Railway Department (Railway Board) Resolution No. 606-T., of the 25th September, 1930, published in Part I of the Gazette of India, dated the 27th September, 1930.

(b) I would refer the Honourable Member to the reply given to part (c) of Mr. Manu Subedar's question No. 991 on the 18th September, 1938.

Mr. Manu Subedar: Have Government under their contemplation proposals for a change in the personnel of the present Railway Rates Advisory Committee? When is the President retiring?

The Honourable Sir Thomas Stewart: I would ask the Honourable Member not to anticipate.

RAILWAY STATIONS AND CERTAIN STAFF EMPLOYED ON THE NORTH WESTERN RAILWAY IN SIND.

1717. ***Mian Ghulam Kadir Muhammad Shahban:** Will the Honourable Member for Railways be pleased to state:

- (a) how many railway stations there are on the Sind section of the North Western Railway;

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

- (b) the total number of signallers, assistant station masters and station masters employed on this section of this railway; and
 (c) how many of them are Sindhis?

The Honourable Sir Thomas Stewart: (a) 139 stations of the North Western Railway are situated in Sind.

(b) and (c). The information is not readily available. I may add that staff statistics are not maintained by Provinces.

TRAINING OF SIGNALLERS AND STATION MASTERS, ETC., ON THE NORTH WESTERN RAILWAY.

1718. *Mian Ghulam Kadir Muhammad Shahban: Will the Honourable Member for Railways be pleased to state:

- (a) if it is a fact that a signaller, an assistant station master and a station master, are required to undergo practical training and qualify themselves in telegraphy before being appointed as such;
 (b) if so, where such training is given on the North Western Railway;
 (c) how many persons are taking such training at present; and
 (d) how many of them are Sindhis?

The Honourable Sir Thomas Stewart: (a) Yes.

(b) North Western Railway Walton Training School, Lahore Cantonment.

(c) 156.

(d) Two.

Mr. Lalchand Navalrai: May I know from the Honourable Member if there are any students at present getting training in the Walton School at Lahore?

The Honourable Sir Thomas Stewart: I have just said 156.

Mr. Lalchand Navalrai: Under training?

The Honourable Sir Thomas Stewart: That is the substance of my reply.

Mr. Lalchand Navalrai: Why are there so many in the Walton School getting training for assistant station masters' jobs? Is that a fact?

The Honourable Sir Thomas Stewart: The question was not in regard to assistant station masters; there were other categories of service mentioned.

Mr. Lalchand Navalrai: May I inform the Honourable Member (and then know the correct facts from him) that in the Walton School no new recruit has been taken for the last three years?

The Honourable Sir Thomas Stewart: Well, Sir, I am not in a position to contradict the Honourable Member.

Mr. Lalchand Navalrai: Will the Honourable Member then ask the Agent to take in Sindhis for training, —from the Sind section, in that school?

The Honourable Sir Thomas Stewart: I think it is quite unnecessary to make any such request to the Agent. He has already taken Sindhis into the school.

Prof. N. G. Ranga: May I know if stipends are granted for the sons of the poorer people to get training in this school?

The Honourable Sir Thomas Stewart: I should require notice.

OPENING OF A RAILWAY TELEGRAPH SCHOOL IN SIND.

1719. *Mian Ghulam Kadir Muhammad Shahban: Will the Honourable Member for Railways be pleased to state:

- (a) if it is a fact that there used to be a Railway Telegraph School at Sukkur in Sind;
- (b) if so, whether that school is still in existence;
- (c) if not, when and why that school was closed;
- (d) if it is a fact that the closing of that school has deprived the people of Sind of facilities for this training, and that this line of service has thus become a monopoly of non-Sindhis; and
- (e) if so, whether Government are prepared to consider the desirability of opening a Railway Telegraph School at some central place in Sind for the training of Sindhis for this line of service?

The Honourable Sir Thomas Stewart: (a) Yes.

(b) No.

(c) The School was closed in December, 1909, as it was of a very elementary kind and unsuited to the requirements of the Railway.

(d) No.

(e) All telegraph training is now given at the Walton Training School at Lahore Cantonment. The opening of a separate school in Sind is not justified either on financial grounds or on the requirements of the Administration.

Mr. Lalchand Navalrai: Will the Honourable Member open a branch of the Walton School in the Lahore Cantonment in Sind?

The Honourable Sir Thomas Stewart: I see no justification for such a proposal.

RAILWAY WORKSHOP AT MOGHULPURA AND OPENING OF A WORKSHOP IN SIND.

1720. *Mian Ghulam Kadir Muhammad Shahban: Will the Honourable Member for Railways be pleased to state:

- (a) if it is a fact that there is a big Railway Workshop at Moghulpura in the Punjab section of the North Western Railway;
- (b) if it is a fact that in that workshop boys are getting training to qualify them as mechanics;

- (c) how many such boys here are in the workshop;
- (d) how many recruits for such apprenticeship are admitted every year;
- (e) how many of such recruits are Sindhis;
- (f) if Government are aware that it is difficult for a Sindhi to come for training to this workshop from a long distance, especially at an early age of 14 to 16 years;
- (g) if it is a fact that there used to be fairly big Railway workshops at Karachi and Sukkur, which used to turn out useful work;
- (h) if it is a fact that these workshops have since been closed;
- (i) if so, whether Government are aware that the closing of these workshops has seriously affected Sindhis by depriving them of the facilities which they previously had for practical training as mechanics and for earning their living thereby; and
- (j) whether Government are prepared to consider the desirability of reopening these workshops in Sind?

The Honourable Sir Thomas Stewart: (a) and (b). Yes.

(c) 694 trade apprentices are at present under training in the Central Workshops including the Power House and its Sub Shops at Moghalpura.

(d) The number of trade apprentices to be recruited every year depends upon approximate wastages anticipated at the end of the quinquennium covered by the course of training.

(e) There are no Sindhi trade apprentices in the Central Workshops, Moghalpura.

(f) As the trade apprentices recruited for Sukkur Shops are given the option of receiving training in Sukkur Shops or in the Central Workshops as it may suit their convenience, the question does not arise. I may also mention that the age limit for candidates recruited as trade apprentices is over 15 and not over 18 years on the 1st day of July of the year in which the recruitment is made, and not 14 to 16 years as mentioned by the Honourable Member.

(g) Yes.

(h) The Mechanical Workshops at Karachi have been closed down but the Workshops at Sukkur still exist.

(i) and (j). In view of the reply to part (f) above these do not arise.

Mr. Lalchand Navalrai: Does the Honourable Member know that some apprentices from the Sukkur Workshops were trained and were on the waiting list and were sent up for selection but others from other provinces were taken?

The Honourable Sir Thomas Stewart: If such a decision was taken, I suppose it was taken on the merits of the individuals concerned.

EXPENDITURE ON THE FRONTIER.

1721. *Mr. S. Satyamurti: Will the Secretary for External Affairs please state:

- (a) whether his attention has been drawn to the leading article in the *Hindu* of the 27th October, 1938;
- (b) whether he can give the House an estimate of money spent on the Frontier during the last fifteen years;
- (c) whether the attention of Government has been specifically drawn to the following sentence in the article:

"The independent tribes resent the frequent raids into the tribal areas and road construction for strategic purposes. They are obviously not of the opinion that the mere building of roads heralds the march of civilisation; nor is their economic problem solved by the payment of Danegeld to chiefs and Mahsud profiteers. The problem requires an entirely different approach";

- (d) whether Government have examined this question from this point of view; if so, what their conclusions are;
- (e) whether the attention of Government has been drawn to the statement of the *Hindu* special correspondent, reproduced in the leading article, in the course of which he says:

"In the latest budget of the Government of India, 201 lakhs have been set aside for expenditure in tribal areas. But how little is spent out of this enormous amount on schools, hospitals, irrigation and other beneficent schemes one realises only on going through the country";

- (f) the objects on which this money is spent; and
- (g) whether Government have considered the question or are prepared to consider the question of developing orchards, and other small occupations for these men?

Sir Aubrey Metcalfe: (a) Yes.

(b) Expenditure incurred from Civil Estimates on the North-West Frontier from 1923-24 to 1937-38 inclusive amounts to approximately Rs. 21,73,89,000, and that on Military operations to approximately Rs. 4,88,02,000. Normal expenditure incurred on the Frontier out of Defence Services estimates is not compiled separately in the accounts. It is not, therefore, possible to give figures of that expenditure for the last 15 years.

(c) Government have seen the sentence quoted by the Honourable Member.

(d) Government do not propose to make any radical change in the Frontier policy that has been followed during recent years.

(e) Government have seen the statement referred to. The North-West Frontier portion of the total grant of 201 lakhs is 146.54 lakhs.

(f) (i) Maintenance of the Frontier Corps of Militia and Scouts including hospitals for the forces;

(ii) Construction and maintenance of roads of military importance and buildings required for the Frontier Corps;

(iii) Political and administrative charges, *viz.*, the pay of officers and establishments for the administration of tribal areas, buildings, subsidies, tribal allowances and entertainment charges and expenditure on schools and hospitals.

(g) The Honourable Member's attention is invited to part (b) of the reply given to question No. 1017 on the 5th October, 1936, and to part (c) of the reply given to question No. 609 on the 10th March, 1937, to which I have nothing to add.

Mr. S. Satyamurti: With reference to the answer to clause (b) of the question, may I know if the Honourable Member can give the House some idea of the main items of the expenditure of these 25 crores and odd during the last fifteen years,—apart from the military expenditure?

Sir Aubrey Metcalfe: I have already given in my answer to part (b) the main items of civil expenditure and all that can be found in the Budget.

Mr. S. Satyamurti: May I ask—taking the answer to clause (f) of the question—how much of this money is spent on tribal allowances, entertainments, subsidies and so on and so forth to which my Honourable friend referred?

Sir Aubrey Metcalfe: I cannot give the exact details; they are all contained in the Budget of last year, if the Honourable Member will have a look at that.

Mr. S. Satyamurti: May I know if it is a fact that the bulk of this amount is spent on subsidies and allowances to these people?

Sir Aubrey Metcalfe: No. I do not think that is at all a true statement but as I say, the whole of the figures can be found in the Budget for each year; if the Honourable Member will take the trouble to look at it, he will find them.

Mr. S. Satyamurti: With reference to the answer to parts (c) and (d) of the question, may I know the reasons why Government do not propose to change their policy, in spite of the fact that the expenditure of these large sums of money by way of "Danegeld" as it is called to chiefs and Mahsud profiteers has not solved the problem,—why they do not propose to alter their policy, or even to examine the possibility and the desirability of changing that policy?

Sir Aubrey Metcalfe: Government are constantly examining the matter, as I have already said more than once in this House. The reason why they do not propose to change their policy at present is that they consider that any other policy would probably be more expensive.

Mr. S. Satyamurti: Apart from expense, so far as results are concerned, that is to say, with regard to peace, law and order in the Frontier Province and harmonious and friendly relations between Government and the Frontier tribes, may I know whether Government have examined the question of changing their policy from those very relevant points of view?

Sir Aubrey Metcalfe: I can only repeat that Government are constantly examining the policy and seeing whether there is any way in which they can improve it.

Mr. Abdul Qaiyum: With reference to the answer to part (e) of the question, may I know how much money was spent last year on education?

Sir Aubrey Metcalfe: I must have notice of that question.

Mr. Abdul Qaiyum: May I know how much of these 201 lakhs has been apportioned for education?

Sir Aubrey Metcalfe: I think there is a separate question put down regarding that, or has been put down quite recently which has either been answered or will be answered.

Mr. S. Satyamurti: May I know how much of this money is budgeted for being spent on schools, hospitals, irrigation and other beneficent schemes, as opposed to paying money to various people?

Sir Aubrey Metcalfe: Again I would refer the Honourable Member to the printed Budget for the last year.

Mr. M. Ananthasayanam Ayyangar: In all these years may I know how many schools and hospitals have been opened?

Sir Aubrey Metcalfe: That is a question, for answering which I must have notice. I cannot possibly carry all these details in my head.

Seth Govind Das: Has the number of schools and hospitals increased or is it stationary?

Sir Aubrey Metcalfe: I could not answer that without notice.

Mr. S. Satyamurti: With reference to the reply to clause (g) of the question, may I know how much money has been spent last year on developing orchards and other small occupations for these tribesmen?

Sir Aubrey Metcalfe: Again, Sir, I must ask for notice. The whole of the information is contained in the printed Budget. I must have time to look them up if I am to answer questions on details of figures.

RUNNING OF XB ENGINES ON THE EAST INDIAN RAILWAY.

1722. ***Mr. S. Satyamurti:** Will the Honourable the Railway Member please state:

- (a) how many XB engines are in the running on the East Indian Railway;
- (b) on what tracks they are running;
- (c) whether to all these engines speedometers have been affixed; if not, why not;
- (d) whether any maximum speed limit has been affixed to these engines; what are the means by which this maximum speed is now being enforced;

- (e) whether all reasonable and necessary precautions have been taken for ensuring that there is no danger to life of passengers by trains drawn by XB engines; if so, what they are;
- (f) when the committee which is examining Chief Justice Thom's report, is going to report;
- (g) whether the Railway Board is keeping a close watch on the running and behaviour of these engines, and they get periodical reports; and
- (h) whether those reports will be made available to members of the House, if not, why not?

The Honourable Sir Thomas Stewart: (a) 38 engines.

(b) On tracks of which the weight of rail is 90 lbs. or over.

(c) I would refer the Honourable Member to the reply given on the 12th August, 1938, to Mr. T. S. Avinashilingam Chettiar's starred question No. 143.

(d) The maximum speed for this type of engine has been temporarily restricted to 45 m. p. h. To ensure that this speed is not exceeded, ample margin has been allowed in the time-tables between the maximum booked speed and maximum permissible speed.

(e) Yes, by utilising the engines on slow services only.

(f) Government have no information as to when the Pacific Locomotive Committee will submit their report.

(g) Railways have been instructed to submit quarterly reports to the Railway Board and Senior Government Inspectors of any abnormal occurrences attributable to the oscillation of locomotives.

(h) The reports received for the quarters ending 30th June and 30th September, 1938, show that there was no case of track distortion attributable to XB engines.

Mr. S. Satyamurti: With reference to the reply to clause (b) of the question, may I know whether there has been any change in the tracks on which these engines are running after the Bihta disaster, or whether the same procedure is being continued?

The Honourable Sir Thomas Stewart: No. I think the circumstances are these: a considerable portion of the track is 90 lbs. and over, whereas the other portions were of the lighter weights. The engines have been transferred so that they operate on the 90 lbs. section of the system.

Mr. S. Satyamurti: With reference to the answer to clause (c),—the latter part of that clause—may I know the reasons why—I think the last answer mentioned that speedometers have not been fixed to all the engines—may I know the reason why it has not been done?

The Honourable Sir Thomas Stewart: I do not think that it is an established fact that speedometers are available which are reliable instruments.

Mr. S. Satyamurti: In view of that answer, may I know with reference to the reply to clause (d) of the question, how the Honourable Member or the Railway Board satisfy themselves, apart from making margins or allowances between booked speed and the timings at which they ought to arrive,—may I know whether there are any other mechanical devices by which the maximum speed is being enforced?

The Honourable Sir Thomas Stewart: No. But there is the time factor. If the 45 miles per hour restriction were being exceeded, the result would be that the trains would arrive much too early at the station.

Mr. S. Satyamurti: But is it not possible—I do not want to argue with my Honourable friend, I am merely asking this question,—is it not possible for the drivers to while away their time—I myself know while travelling, the drivers sometimes run the trains at breakneck speed and then slow down somewhere and stop there—may I know whether the Railway Board take any steps to see that the maximum speed is not exceeded, apart from the fact that the drivers are not expected to exceed the speed limit of 45 miles an hour?

The Honourable Sir Thomas Stewart: I think the Honourable Member may be quite sure that drivers are very sensible of the necessity of not exceeding 45 miles an hour.

Seth Govind Das: How many of these 38 engines are attached to passenger and mail trains and how many to goods trains?

The Honourable Sir Thomas Stewart: I should have notice.

Seth Govind Das: Will Government take steps not to use these engines as far as the passenger trains are concerned?

The Honourable Sir Thomas Stewart: No. I give no such undertaking.

Mr. S. Satyamurti: With reference to the answer to clause (e) of the question, my Honourable friend assured the House that all reasonable and necessary precautions are being taken and he added that drivers are sensible; but may I know what those precautions are apart from this timetable business?

The Honourable Sir Thomas Stewart: I do not know that any other precautions are necessary.

Seth Govind Das: When the Bihta Enquiry Committee had come to the finding that it was on account of the XB engine that the disaster had taken place, why should not Government stop the use of these engines as far as passenger and mail trains are concerned?

The Honourable Sir Thomas Stewart: I am entirely unaware that there was any finding in connection with the Bihta enquiry, that these engines were unfit for employment on the railways.

SALOONS MAINTAINED FOR RAILWAY OFFICERS.

1723. *Mr. S. Satyamurti: Will the Honourable the Railway Member please state:

- (a) whether he is aware of the opinion held in the House and outside that the number of saloons maintained for railway officers is out of all proportion to the needs;
- (b) whether it is a fact that the Public Accounts Committee has drawn the attention of Government to this position; and
- (c) whether, apart from desisting from constructing new saloons, Government have taken, or propose to take, any steps to reduce the number of saloons, with a view to economy and also in view of the fact that railway officials travelling now-a-days get better accommodation elsewhere than in previous years?

The Honourable Sir Thomas Stewart: (a) I am aware of the views that have been expressed in this House but not outside.

(b) Yes.

(c) The matter will be examined in connection with a report which is being prepared as desired by the Public Accounts Committee at their meeting on the 14th July, 1938.

Mr. S. Satyamurti: With reference to the answer to clause (a) of the question, is the Honourable Member sure that he has not heard from outside the House any opinion that the number of saloons is out of all proportion to the needs?

The Honourable Sir Thomas Stewart: I am aware of the views that have been expressed in this House but not outside.

Mr. S. Satyamurti: With regard to the answer to clause (c) of the question, may I know whether, apart from considering the report which the Railway Board are preparing in response to the Public Accounts Committee's recommendations, Government are contemplating taking any steps to reduce the number of saloons?

The Honourable Sir Thomas Stewart: If the number of saloons is found to be excessive, then I may assure the Honourable Member that steps will be taken to reduce the number.

Mr. Lalchand Navalrai: After the Public Accounts Committee's recommendation and up to now, have any saloons been curtailed?

The Honourable Sir Thomas Stewart: If I remember aright, an undertaking was given in the Public Accounts Committee that no further construction would be undertaken.

Mr. T. S. Avinashilingam Chettiar: Though the Executive Councillors and Ministers were travelling in saloons before the launching of the Constitution, are the Government aware that the Ministers now do not travel in saloons?

The Honourable Sir Thomas Stewart: That is a matter entirely of their own choice.

Mr. T. S. Avinashilingam Chettiar: Because of that, has not the use of saloons decreased, and the need for saloons also?

The Honourable Sir Thomas Stewart: That is one of the points that will be considered as our report is being prepared.

Mr. K. Santhanam: May I know if the Honourable Member will take steps to show the cost of maintaining these saloons as a separate item in the railway budget?

The Honourable Sir Thomas Stewart: I want notice.

Mr. S. Satyamurti: May I know whether the usual sums are being spent on repairs of these saloons, or is there any retrenchment in expenditure on the repairs of these saloons?

The Honourable Sir Thomas Stewart: I am sorry I cannot answer this without notice.

Mr. T. S. Avinashilingam Chettiar: May I know whether Government will consider the advisability of keeping a separate account for the saloons?

The Honourable Sir Thomas Stewart: That is essentially the same question which was asked just now and for which I required notice. It is a matter that may involve a re-adjustment of our accounting system.

DEMAND FOR HALF-ANNA POSTCARD.

1724. ***Mr. S. Satyamurti:** Will the Honourable the Communications Member please state:

- (a) whether it is a fact that this House has for the last four years consistently demanded half-anna postcard;
- (b) whether it is a fact that public opinion of all schools of thought in the country has demanded this half-anna postcard all these years;
- (c) whether Government are taking any steps by way of retrenchment in expenditure in Posts and Telegraphs Department or by way of increasing the revenues in other directions, so as to make the introduction of the half-anna postcard possible in the near future; and
- (d) what, according to the latest estimates of the Government, is the gross revenue likely to be received by the Department by the introduction of the half-anna postcard, and what according to the latest estimates of the Government will be the net loss, if any, to the department?

The Honourable Sir Thomas Stewart: (a) The Honourable Member is referred to the proceedings of this House.

(b) No.

(c) The Department are taking all possible steps in the directions indicated by the Honourable Member as a part of the ordinary administrative policy of a commercial department.

(d) On the assumption that the present volume of postcards and letters remains unaffected, the gross revenue likely to be received by the Department by the introduction of the half-anna postcard is estimated to be about Rs. 119 lakhs which is nearly 59½ lakhs less than the revenue derived at present.

Mr. S. Satyamurti: With reference to part (b) I thought I heard my Honourable friend say "no". May I know what is the basis of that answer, and which is the public opinion or which is the school of thought that supports the present nine pies postcard?

The Honourable Sir Thomas Stewart: Again, I would refer the Honourable Member to the recorded proceedings of this House. On the occasion when there was a division on this particular question, certain non-official and elected Members of the House voted against the proposal for the six pies postcard.

Mr. S. Satyamurti: Is there any other evidence in the possession of my Honourable friend to show that any public opinion supports the continuance of the present nine pies postcard?

The Honourable Sir Thomas Stewart: The evidence I have quoted is sufficient to justify the answer that I gave to his question.

PROPOSAL FOR THE CONSTRUCTION OF A TRUNK ROAD FROM BOMBAY TO AHMEDABAD.

1725. ***Mr. Manu Subedar:** (a) Will the Honourable Member for Communications please state whether a conference of the representatives of the Government of India, the Bombay, Baroda and Central India Railway, and the Government of Bombay was held in January last in Bombay to discuss the construction of a trunk road from Bombay to Ahmedabad costing Rs. 60 lakhs?

(b) Who represented the Government of India and the Bombay, Baroda and Central India Railway?

(c) What restrictions have the Government of India and the railway authorities suggested on traffic on the proposed new trunk road between Bombay and Ahmedabad?

(d) Have Government examined the possibility of the use of ports in Baroda territory short-circuiting traffic to Ahmedabad via (i) rail, and (ii) road, to the prejudice of the Bombay, Baroda and Central India Railway?

(e) Has the permission for the use of Navsari and Billimora as ports for trade other than coasting trade, been given?

(f) Are Government in a position to give some idea of the traffic passing through these ports and affecting the revenues of the Bombay, Baroda and Central India Railway during the last two completed years of account?

The Honourable Sir Thomas Stewart: (a) Yes.

(b) Messrs. A. E. Tylden-Pattenson, Member, Railway Board, and L. B. Gilbert, Consulting Engineer (Roads) represented the Government of India, Sir Maurice Brayshay represented the Bombay, Baroda and Central India Railway.

(c) After discussion it was agreed that certain measures generally approved by the provincial board of communications should be adopted. These relate to long distance carriage of goods, enforcement of speed and weight regulations and such limitation of the number and range of buses and lorries as may be necessary to restrict undesirable competition.

(d) The extent to which traffic passing through the ports on the western coast is affecting the earnings of the Bombay, Baroda and Central India Railway is being continually watched by the Railway Administration.

(e) No.

(f) No.

Mr. Manu Subedar: May I enquire what were those restrictions which have been imposed with reference to the volume and the class of goods which will be carried?

The Honourable Sir Thomas Stewart: The restrictions have not yet been imposed. So far as I am aware the Local Governments have undertaken to enforce in the future certain restrictions.

Mr. Manu Subedar: In view of the fact that this road between Bombay and Ahmedabad was resisted for a long time by the B., B. and C. I. Railway authorities on the legitimate ground that it will affect their earnings, will the Honourable Member assure the House that adequate steps are being taken to safeguard the interests of the B., B. and C. I. Railway and of the Port of Bombay?

The Honourable Sir Thomas Stewart: It is my own personal opinion and it is the opinion of the Railway Administration concerned that the type of restrictions which it is proposed to impose will ensure the end that the Honourable Member has in view.

TAKING DOWN OF NAMES AND ADDRESSES OF PASSENGERS AT TARA DEVI.

1726. ***Mr. Sham Lal** (on behalf of Mr. Sri Prakasa): Will the Honourable Member for Railways state the conditions, if any, on which persons have been allowed to enter the premises of the Tara Devi station on the Simla-Kalka Railway to take down the names and addresses of the persons travelling towards Simla?

The Honourable Sir Thomas Stewart: I would refer the Honourable Member to the reply given to his question No. 534 on the 26th August, 1938. The only condition which the North-Western Railway Administration have imposed is that the employees of the Simla Municipality should wear arm badges for identification.

Shrimati K. Radha Bai Subbarayan: Did the answer, to which the Honourable Member referred, state that this examination was a medical one?

The Honourable Sir Thomas Stewart: That is the substance of the reply that was given.

Shrimati K. Radha Bai Subbarayan: May I ask what the medical qualifications of these officials are?

The Honourable Sir Thomas Stewart: My Honourable friend, Sir Girja Shankar Bajpai, would require notice of that question.

Shrimati K. Radha Bai Subbarayan: May I ask if there are any special arrangements for the examination of women passengers, especially purdah women passengers?

The Honourable Sir Thomas Stewart: Again, I would require notice of the question.

Mr. S. Satyamurti: May I know if Government are aware that part at least of this purpose of taking down the names and addresses of persons is not for the health of the Simla Municipality, but for helping the C. I. D. and the police? Is the Honourable Member aware of that?

The Honourable Sir Thomas Stewart: I am not aware of that.

Mr. S. Satyamurti: If the Railway Board have been asked for permission to allow these people to enter the premises merely on the ground of health, why should policemen remain round about, when the names and addresses are taken?

The Honourable Sir Thomas Stewart: I have not myself spent any time at the Tara Devi station, and so I cannot tell the Honourable Member.

Maulana Zafar Ali Khan: Is the Honourable Member aware that the public resents this asking of their names and addresses?

The Honourable Sir Thomas Stewart: I am not so aware.

Mr. Lalchand Navalrai: Has the Honourable Member ever been asked to give his own name?

The Honourable Sir Thomas Stewart: Invariably.

DELIVERY OF LETTERS BY EXTRA-DEPARTMENTAL POSTMASTERS IN RURAL AREAS.

1727. ***Mr. Sham Lal** (on behalf of Mr. Sri Prakasa): Will the Honourable Member for Communications state:

- (a) if some extra-departmental postmasters in rural areas have also to act as peons delivering letters, money orders, etc.;
- (b) if any extra money is paid to them for this service;
- (c) if he is aware that this system delays the delivery of the postal articles to the addressees and results in post offices themselves being closed when they ought to be working; and
- (d) if Government have prescribed a minimum of staff for a post office, however small, and, if so, what the minimum is?

The Honourable Sir Thomas Stewart: (a) Yes, only in very small post offices.

(b) Yes.

(c) Government have no reason to think so.

(d) No minimum staff has been prescribed by Government but the absolute minimum is naturally a postmaster.

COST OF A RURAL POST OFFICE.

1728. *Mr. Sham Lal (on behalf of Mr. Sri Prakasa): Will the Honourable Member for Communications state:

- (a) the minimum cost of a rural post office;
- (b) if local residents are given an opportunity of suggesting economies in case a post office in a rural area is proposed to be closed on account of its inability to pay its way; and
- (c) if not, whether Government are prepared to consider the desirability of such consultation before closing it down?

The Honourable Sir Thomas Stewart: (a) The minimum cost of a rural post office is the allowance to be paid to the postmaster and the pay of the runner or runners employed to convey mails to and from the new post office.

(b) and (c). As the Honourable Member was informed in reply to part (c) of his starred question No. 848 of the 8th September last, this is a matter for the local Postal authorities. I have no reason to suppose that consultations with those interested are not held before a rural post office is closed down, but the final decision rests, as it must, with the local Postmaster-General.

Mr. Brojendra Narayan Chaudhury: What is the minimum figure of the minimum cost?

The Honourable Sir Thomas Stewart: The minimum allowance that is paid for the extra-departmental postmaster is Rs. 6 and the minimum pay for a runner is Rs. 12.

Mr. M. Thirumala Rao: What is the amount of cash security demanded from the extra-departmental officer?

The Honourable Sir Thomas Stewart: I want notice.

Shrimati K. Radha Bai Subbarayan: May I ask if Government have considered the question of requisitioning the services of local people, at least as part time, as they do in European countries?

The Honourable Sir Thomas Stewart: That is our practice. When I say extra-departmental postmaster, I refer to an officer who is partly doing his own work and partly doing work on behalf of Government. This is our system.

TELEPHONE COMPANY IN CALCUTTA.

1729. *Mr. Sham Lal (on behalf of Mr. Sri Prakasa): Will the Honourable Member for Communications state:

- (a) if it is a fact that the telephone in the town of Calcutta is in the hands of a private company and not Government;
- (b) the conditions under which that company works and the date when its contract is going to terminate; and

- (c) if the telephone company in Calcutta have to follow all the rules regarding telephones as laid down by Government in the matter of supply of instruments and connections, as also charges inside Calcutta and for trunk calls?

The Honourable Sir Thomas Stewart: (a) There are two systems in Calcutta—one run by a licensed company and the other by Government.

(b) The conditions under which the Company works are laid down in the license granted to the Company and the supplemental agreements. A copy of the license and agreements has been placed in the Library of the House. The license is due to expire in 1963.

(c) Government have not laid down any rules for observance by the Company in the matter of supply of telephone instruments and connections beyond those contained in the license and agreements. The charges to be levied by the Company for their telephone services require the prior approval of Government. The Company are not concerned with the charges for trunk calls as the trunk lines are owned and worked by Government.

Mr. Brojendra Narayan Chaudhury: When was this license with the Calcutta Company last renewed?

The Honourable Sir Thomas Stewart: The license was originally given in 1883 for 80 years. There was no renewal.

Mr. M. Ananthasayanam Ayyangar: Is it not open to Government to terminate this at any time?

The Honourable Sir Thomas Stewart: Not at any time. We have options in 1943 and 1953.

Mr. Mohan Lal Saksena: How do the rates of this company compare with the Government rates?

The Honourable Sir Thomas Stewart: I cannot say without notice.

Mr. M. Ananthasayanam Ayyangar: Are Government considering the possibility of taking over the work in 1943?

The Honourable Sir Thomas Stewart: I think I have on two or three occasions in this Session made clear what the position was in regard to the taking over of telephone systems.

GRADE OF AN INSPECTOR OF ACCOUNTS ON THE EAST INDIAN RAILWAY.

1730. ***Maulvi Muhammad Abdul Ghan:** Will the Honourable the Railway Member be pleased to state whether an Inspector of Accounts has a higher grade than a Stock-Verifier in the East Indian Railway?

The Honourable Sir Thomas Stewart: I place a statement on the table setting out the rates of pay of the categories referred to.

Scales of pay of Inspectors of Stations/Stores Accounts and Stock Verifiers on the East Indian Railway.

	E. I. Rly. Company scales of pay.	O. & R. Rly. scales of pay.	Accounts scales of pay.	Revised Accounts scales of pay.
Inspectors of Stores Accounts			Senior Rs. 290-20-450 Junior Rs. 150-15-270	Senior Rs. 250-15-325-25/ 3-350. Junior Gr. I Rs. 225. Junior Gr. II Rs. 200. Junior Gr. III Rs. 175. Junior Gr. IV Rs. 150.
Stock Verifiers	Gr. I Rs. 160-10-200 Gr. II Rs. 116-5-131. Gr. III Rs. 105-5-120. Gr. IV Rs. 93-4-109 and Rs. 84-4-100.	Hd. Stock Verifier Rs. 250-15-340. Jr. Stock Verifier Rs. 100-10-240.	Rs. 100-10-240	Gr. I Rs. 160. Gr. II Rs. 140. Gr. III Rs. 120. Gr. IV Rs. 100.
Inspectors of Station Accounts	Gr. I Rs. 440-20-500 Gr. II Rs. 345-15-390. Gr. III Rs. 140-10-330.	Senior Rs. 300-20-500 Junior Rs. 120-15-270.	Senior Rs. 290-20-450 Junior Gr. I Rs. 150-15-270. Junior Gr. II Rs. 150-8-170.	Senior Gr. I Rs. 400. Senior Gr. II Rs. 350. Senior Gr. III Rs. 300. Senior Gr. IV Rs. 275. Senior Gr. V Rs. 250. Junior Gr. I Rs. 225. Junior Gr. II Rs. 200 Junior Gr. III Rs. 175. Junior Gr. IV Rs. 150. Junior Gr. V Rs. 130.

Maulvi Muhammad Abdul Ghani: May I know what salaries are paid to the Inspectors of Accounts and the Stock Verifiers?

The Honourable Sir Thomas Stewart: I have laid a very considerable statement on the table which gives the information asked for.

PASSES ISSUED TO PROBATIONARY LABOUR INSPECTORS ON RAILWAYS.

1731. ***Maulvi Muhammad Abdul Ghani:** Will the Honourable the Railway Member please state whether passes are given on the basis of salaries, or on the basis of office? If it is on the basis of 'salaries', why are second class passes issued to probationary Labour Inspectors?

The Honourable Sir Thomas Stewart: The basis on which passes are given is detailed in the extract from the Railway Board's letter, which was placed on the table of the House in reply to Mr. Muhammad Azhar Ali's unstarred question No. 84 on the 2nd March, 1937. Second class passes were given to all Labour Inspectors irrespective of their salaries, in view of the responsibility their work entailed and the desirability of maintaining their status with the staff with whom they were being brought into contact in connection with their duties.

Mr. Lalchand Navarai: The Honourable Member has said several times that the question of the revision of passes according to salaries is under examination. Is it still under investigation?

The Honourable Sir Thomas Stewart: I am entirely unable to see how the general question arises on this particular question.

Prof. N. G. Ranga: What are the functions of these Labour Inspectors? Is it one of their functions to supervise the work of the gang workers in the permanent ways?

The Honourable Sir Thomas Stewart: That question does not arise out of the answer.

Prof. N. G. Ranga: It does arise in view of the Honourable Member's statement that they have to be provided with second class passes in order to facilitate their work and give them a particular status in their relations with the workers.

The Honourable Sir Thomas Stewart: If the Honourable Member wishes details as to the duties of these officers, I must have notice.

Prof. N. G. Ranga: It is not a question of detail at all because the question was

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better give notice.

Prof. N. G. Ranga: Sir, the question asks why second class passes are issued to these people if it is on the basis of salaries, and the Honourable Member

Mr. President (The Honourable Sir Abdur Rahim): There is nothing about duties there.

Prof. N. G. Ranga: The Honourable Member said that these passes are given because of the responsibilities of their work. I want to know, therefore, what their duties are.

Mr. President (The Honourable Sir Abdur Rahim): That is not admissible.

NON-GRANT OF HOUSE RENT ALLOWANCE TO LINE INSPECTORS AND TELEPHONE INSPECTORS.

†1732. ***Mr. Amarendra Nath Chattopadhyaya:** Will the Honourable Member for Communications be pleased to state:

- (a) whether it is a fact that all officials from an Assistant Engineer down to a Lineman of the Telegraph Engineering branch are granted house rent allowance except the Line Inspectors and Telephone Inspectors;
- (b) whether it is a fact that the Line Inspectors like the Sub-Inspectors and Linemen have to keep Government tools in their safe-custody;
- (c) whether it is a fact that the Telephone Inspectors by virtue of their duties are required to reside as near the Telephone Exchanges as possible and whether Government are aware that they have to pay higher rates of house rent allowance;
- (d) whether it is a fact that the number of Line Inspectors and Telephone Inspectors is small in the Department; and
- (e) if the replies to parts (a), (b), (c) and (d) above be in the affirmative, whether Government are prepared to consider the claim and grant house rent allowance to Line Inspectors and Telephone Inspectors; if not, why not?

The Honourable Sir Thomas Stewart: (a) to (c). No.

(d) and (e). Their number is not large but Government do not see any justification for the grant of house rent allowances to them.

NON-GRANT OF PENSIONABLE STATUS TO SOME OFFICIALS IN TELEGRAPH OFFICES.

†1733. ***Mr. Amarendra Nath Chattopadhyaya:** Will the Honourable Member for Communications please state:

- (a) whether it is a fact that some officials in Telegraph Offices are still holding non-pensionable appointments;
- (b) whether it is a fact that their number is not large;
- (c) whether it is a fact that the question of granting pensionable status to the remaining non-pensionable appointments in Telegraph Offices has been under the consideration of Government for a long time;
- (d) whether Government propose to make an announcement of a decision now; and
- (e) if the reply to part (d) above be in the negative, when a decision may be expected?

The Honourable Sir Thomas Stewart: (a) to (c) Yes.

(d) and (e). The matter is still under consideration and I am not in a position yet to state when a decision will be reached.

TELEGRAPHISTS OFFICIATING AS BAUDOT SUPERVISORS.

†1734. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for Communications be pleased to state:

- (a) whether it is a fact that the application of the 14 day rule has been extended to telegraphists officiating in the leave or any vacancy of Baudot Supervisors in respect of grant of their special pay;
- (b) whether it is a fact that this 14 day rule previously applied to officials officiating in vacancies in higher grades only, such as telegraphists officiating as Telegraph Masters or Telegraph Masters officiating as Deputy Superintendents, etc.;
- (c) whether it is a fact that the chances of officiating in temporary vacancies of Baudot Supervisors for periods from 1 to 13 days at a stretch are frequent;
- (d) whether it is a fact that the telegraphists lose their special pay if the period of their officiating service in vacancies of Baudot Supervisors be less than 14 days at a stretch;
- (e) whether it is a fact that the telegraphists also lose the chance of earning pie-money during the period of their officiating in vacancies of Baudot Supervisors;
- (f) if the reply to parts (d) and (e) above be in the affirmative whether Government are aware that the telegraphists are being put to double loss;
- (g) whether it is a fact that in other Department of the Central Government the 14 day rule is put into operation; and
- (h) whether Government propose to examine the matter and exempt the telegraphists officiating as Baudot Supervisors from the application of the 14 day rule?

The Honourable Sir Thomas Stewart: (a) and (b). Yes.

(c) I have no reason to suppose that this is the case.

(d) Yes.

(e) Not always because if they work as Baudot-Supervisor-Operators, they earn pie money.

(f) Yes, but only in a few cases, as explained in the reply to part (e) of this question.

(g) There is no similar rule applicable to other departments but all departments are required to consider whether a vacancy for a period of 14 days or less need be filled.

(h) The question is under the consideration of the Director-General.

PAUCITY OF RECRUITMENT OF MUSLIMS IN THE POSTAL DEPARTMENT.

1735. *Mian Ghulam Kadir Muhammad Shahban: Will the Honourable Member for Communications be pleased to state:

- (a) if the attention of Government has been drawn to an article headed "Muslim recruitment in Post Office" which appeared in the *Daily Gazette* of Karachi in its issue of the 8th October, 1938;

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

- (b) if it is a fact that the proportion of Muslims in the Postal Department has been fixed at 58 per cent. and that their actual strength is not more than 25 per cent.;
- (c) if so, whether Government have done anything to redress this inequality;
- (d) if they have not yet done so, whether they propose to do anything in this direction;
- (e) if it is a fact that the paucity of Muslim recruits is due to the age limit, the expenses attendant upon selection, and the fees for the training course; and
- (f) if so, whether Government propose to raise the age limit, reduce the expenses attendant upon selection, and abolish the fees for the training course?

The Honourable Sir Thomas Stewart: (a) Government have seen the article.

(b) The percentage of vacancies reserved for Muslims in posts filled by direct recruitment in the subordinate services in the Sind and Baluchistan Postal Circle was fixed at 58 1/3 in June, 1935. Before that date the percentage of reservation was 33 1/3 for all minority communities including Muslims. As a result of recruitment at the higher percentage since 1935, the actual strength of Muslims in those services stood at 41.2 per cent. on the 1st January, 1938.

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

(e) Representations have been received to the effect that the paucity of Muslim candidates is due to the low age limit, to the high fee for admission to the competitive examination, and to the difficulty of obtaining a domicile certificate. There is no fee for a training course.

(f) The lower age limit was fixed for all communities and since the minimum qualification required is a pass in the Matriculation examination, Government are not yet satisfied that there is adequate justification for altering it. The fee for admission has already been reduced from Rs. 10 to Rs. 7 and the difficulty of obtaining a domicile certificate has been removed by the permission given to candidates to produce a domicile certificate signed by a gazetted officer or a Justice of the Peace to whom they are personally known.

Mr. Lalchand Navalrai: With regard to clause (b) of the question, what were the reasons for increasing the percentage and how long will it continue?

The Honourable Sir Thomas Stewart: I would refer the Honourable Member to the Home Department Resolution of the 4th August, 1934.

Mr. Lalchand Navalrai: How long will that higher percentage continue?

The Honourable Sir Thomas Stewart: There is no time limit to the operation of this rule.

Sardar Sant Singh: In view of the several questions that are being asked on this subject by various communities, does the Honourable Member propose to publish a detailed statement from the date of the circular of

August, 1934, up to date, showing the number of recruits taken in each Department according to communities and examine the question once more?

The Honourable Sir Thomas Stewart: Sir, I am under the impression that we publish periodical statistics in regard to that matter.

Sardar Sant Singh: What I want is a consolidated statement, so that we may be able to know what has been done in regard to this service question.

The Honourable Sir Thomas Stewart: I am informed that the Home Department supplies periodical statements to this House itself on this matter.

Sardar Sant Singh: What I want is a consolidated statement from the date of the issue of the circular.

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

DISCHARGE OF MUSLIM CLERKS FROM THE POSTAL DEPARTMENT IN KARACHI.

†1736. ***Mian Ghulam Kadir Muhammad Shahban:** Will the Honourable Member for Communications be pleased to state:

- (a) if it is a fact that some Muslim clerks have been discharged from the Postal Department in Karachi;
- (b) whether the vacancies arising therefrom were advertised or not; and
- (c) whether Government made any endeavour to obtain Muslim candidates for these vacant posts?

The Honourable Sir Thomas Stewart: (a) and (b). Yes.

(c) Every endeavour was made to obtain the required number of qualified Muslim candidates.

RECRUITMENT OF ORIYAS IN THE POSTAL DEPARTMENT IN ORISSA.

‡1737. ***Seth Govind Das:** Will the Honourable Member for Communications please state:

- (a) the number of employees taken in the Postal Department in Orissa, observing the rule that they belong to the Revenue Division of Orissa, and yet are Bengalis and Biharis since Orissa has been a separate Province;
- (b) the number of employees who are not Oriyas, taken in the Postal Department within the Province of Orissa during the last ten years into the clerical and subordinate grades, and their percentage today in the whole of Orissa;
- (c) the number of Biharis recruited into the Postal Department in the clerical and subordinate services in Orissa during the last two years and the number of Oriyas ousted from service as a result;

† Answer to this question laid on the table, the questioner having exhausted his quota.

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

- (d) whether he is aware that the Biharis taken into the Postal services in Orissa do not know the local languages particularly in places of Ganjam, where both Telegu and Oriya are used, and only try to learn the language after they have been taken into service;
- (e) whether it is not necessary for a postal employee of the subordinate grade to know the local language of the place where he is appointed, and whether the knowledge of the local language is not stipulated as a condition for the appointment made;
- (f) whether such employees as have come from another Revenue Division to the Revenue Division of Orissa to serve in the Postal Department, whether by virtue of exemption; or having relations in the Postal Department in the Orissa Province, or not knowing the local languages used in the various districts of Orissa, particularly in Ganjam, will be sent back to their own Province to be entertained in service there; and
- (g) whether he proposes absorbing the Biharis and Bengalis in the Postal services in their own Provinces, as the vacancies occur in their respective Provinces, by taking them back from Orissa Province and allow the people of Orissa to be entertained in the services in their own Province; if not, why not?

The Honourable Sir Thomas Stewart: (a), (b) and (c). The information is not available and cannot be collected without a disproportionate expenditure of time and labour, but I can assure the Honourable Member that no Oriyas have been ousted to make room for Biharis.

(d) I am afraid I have no information.

(e) and (f). No.

(g) No. Because such a measure is not necessary, would lead to serious administrative difficulties and would be unfair to the domiciled Biharis and Bengalis.

EXTENSION OF POSTAL FACILITIES IN RURAL AREAS.

1738. *Prof. N. G. Ranga: (a) Will the Honourable Member for Communications be pleased to state if it forms part of Government's policy of extending postal facilities in rural areas, of appointing more postal runners, and providing more post boxes and more frequent deliveries and clearances in those villages which do not have post offices?

(b) If so, how many additional postal runners and post boxes have been provided since this policy was inaugurated, i.e., 1935 and approximately how many more villages are benefited thereby in various Provinces?

(c) What are the plans of Government for extending these facilities and also opening new post offices during the next two years?

The Honourable Sir Thomas Stewart: (a) and (c). It is the policy of Government to extend postal facilities in rural areas by opening post offices at places where there is a real need for them.

(b) The number of letter boxes in rural areas has increased from 29,867 on the 31st March, 1935, to 35,833 on the 31st March, 1938; the number

of postal runners has, however, decreased from 11,187 to 10,268 between the same dates, the decrease being mainly due to the replacement of a number of runners' lines by motor services. I am afraid I have no information as to how many villages have been benefited in each province by the increase in the number of letter boxes.

Mr. Muhammad Asrar Ali: When Government say that there is a very large decrease, how is it consistent with the Government policy mentioned in reply to part (a) of the question?

The Honourable Sir Thomas Stewart: My reply is perfectly consistent. As I have explained, the number of postal runners has been decreased, because the mails that they previously carried are now being carried by mechanical transport.

Prof. N. G. Ranga: Are we to understand that their policy of extending postal facilities results in decreasing the number in postal runners and post boxes?

The Honourable Sir Thomas Stewart: No Sir, it is not a necessary concomitant of the policy that there should be either an increase or decrease in the number of postal runners. We use the most convenient means of transporting the mails.

●

(b) WRITTEN ANSWERS.

FAMINE CONDITIONS IN HISSAR.

1789. ***Prof. N. G. Ranga:** Will the Honourable Member for Railways be pleased to state:

- (a) if it is not a fact that famine conditions have been prevailing in the district of Hissar in the Punjab;
- (b) if so, whether the Government of the Punjab have asked for any railway concessions on the North Western Railway and Bombay, Baroda and Central India Railway for transporting food grains and fodder to the effected areas; and
- (c) if any such facilities have been granted by Government and if so, what they are?

The Honourable Sir Thomas Stewart: (a) Government are aware of the conditions in the Hissar District.

(b) and (c). I am not aware of any representation from the Government of the Punjab for a concession in freight rates for the carriage of food grains. The question, so far as it relates to the carriage of fodder to areas where there is fodder scarcity, should be addressed to the Honourable Member who represents the Department of Education, Health and Lands in this House.

NON-EXISTENCE OF FACILITIES TO PURCHASE MEAL TICKETS OR TO SEND TELEGRAMS FOR MEALS ON THE BOMBAY, BARODA AND CENTRAL INDIA AND EAST INDIAN RAILWAYS.

1740. *Prof. N. G. Ranga: Will the Honourable Member for Railways be pleased to state:

- (a) if it is not a fact that no facilities exist on the Bombay, Baroda and Central India and East Indian Railways for passengers either to purchase meals tickets, or to send telegrams for meals in orthodox Indian refreshment rooms, and thus either obtain *thalis* in the hotels concerned, or order them to be brought into their compartments;
- (b) if it is a fact that such facilities exist on the Madras and Southern Mahratta and South Indian Railways and only four annas per meal is charged, if taken in the restaurant, and six annas if ordered into one's compartment; and
- (c) whether he proposes to consider the advisability of introducing this system and providing this facility at reasonable rates on the Bombay, Baroda and Central India and East Indian Railways also?

The Honourable Sir Thomas Stewart: (a) Telegrams for meals required are sent free on the Railways referred to, but the procedure for purchasing meal tickets in advance does not obtain on those Railways. I have no information as to whether *thalis* can be brought into compartments, but believe that refreshment room contractors do this wherever it is found practicable.

(b) The reply is in the affirmative, except in regard to meals in trains on the Madras and Southern Mahratta Railway where the charge is eight annas.

(c) I will convey the Honourable Member's suggestion to the General Managers of these railways for consideration.

LACK OF CO-OPERATION WITH THE NORTH-WEST FRONTIER PROVINCE GOVERNMENT IN PREVENTING RAIDS, ETC.

1741. *Prof. N. G. Ranga: Will the Foreign Secretary be pleased to state:

- (a) if it is a fact that Mahatma Gandhi has recently expressed his great disquietude about the manner in which the Political Department has failed to co-operate with the North-West Frontier Government in bringing to book various people who have committed many and serious unlawful acts in the border villages of the Frontier Province and escaped into the territory under the Political Department;
- (b) if the Frontier Ministry has made any representations in this matter of non-co-operation with it on the part of the Political Department and if so, how many times during the last three months, and when its latest representation was made;
- (c) if it is a fact that Dr. Khan Saheb, the Premier of the Frontier Government, has expressed grave apprehensions of an impending constitutional crisis if this non-co-operation does not cease;

- (d) what steps Government have taken to co-operate with the Frontier Government to prevent these raids, lootings and abductions by people, either not belonging to the Frontier Province, or escaping and being harboured in the border areas under the Political Department; and
- (e) what Government propose to do to ensure better co-ordination and co-operation between the Political Department and its Frontier Watch and Ward and the Frontier Ministry and its police?

Sir Aubrey Metcalfe: (a) and (c). Government have no information to that effect.

(b) No.

(d) The Government of India are employing armed civil forces of all kinds in abnormal numbers and are bringing all possible pressure military, political, and economic to bear on sections who either offend themselves or harbour outlaws or others who take part in raids in the settled districts.

(e) The officers of the Central Government and its civil armed forces are already co-operating fully with the Provincial Government and its Police in the prevention of raids.

DISCHARGE OF WORKMEN OF THE RAILWAY WORKSHOP, SUKKUR.

1742. ***Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Railways be pleased to state if it is a fact that a large number of workmen of the Railway Workshop, Sukkur, are going to be discharged soon, and that they will be out of work? If so, how many, why and when?

(b) Is it a fact that about 3,000 employees used to work in the Sukkur Railway Workshop but slowly and gradually the number is reduced to about half, and the reduction of many more is under contemplation? If so, what arrangement have Government in view to keep them employed?

The Honourable Sir Thomas Stewart: I am obtaining information and will lay a reply on the table of the House in due course.

WORKING BY DIESEL CARS OF THE COCANADA-KOTIPALLI RAILWAY.

1743. ***Mr. M. Thirumala Rao:** (a) Will the Honourable the Railway Member please state whether Government are aware that the Cocanada-Kotipalli Railway (Madras) has been worked by Diesel cars during the last two years?

(b) If so, have Government computed the savings effected by the use of Diesel cars?

(c) Will the economic working of the line be taken into consideration before a final decision is taken on the fate of the line?

The Honourable Sir Thomas Stewart: (a) and (c). Yes.

(b) Yes. When the position was last examined, it was estimated that a reduction in operating costs of Rs. 40,000 per annum had been effected by the substitution of rail cars for steam trains.

MONEY ALLOTTED TO MADRAS FROM THE CENTRAL ROAD FUND.

1744. ***Mr. M. Thirumala Rao**: Will the Honourable Member for Communications please state the amount of money allotted to the Province of Madras from the Central Road Fund?

The Honourable Sir Thomas Stewart: A total sum of Rs. 112.65 lakhs, inclusive of grants from the "Reserve", has so far been allotted.

IMPROVEMENT OF THE COCANADA RAILWAY STATION.

1745. ***Mr. M. Thirumala Rao**: With reference to a question put by me in the last Simla Session regarding improving the Cocanada Railway station, and the then Member of Railways' reply that the matter would be referred to the Agent, Madras and Southern Mahratta Railway, for disposal, will the Honourable Member for Railways state in what way my request for improvement of the Cocanada railway station has been disposed of?

The Honourable Sir Thomas Stewart: Action has been taken to bring the matter to the notice of the Railway Administration. I may, however, remind the Honourable Member that in my reply to his previous question, I pointed out that the matter was within the discretion of the Railway Administration. As I have had occasion to explain before, the allotment of funds as between the various stations for improvements, such as desired by the Honourable Member, is best left to the Railway Administrations to decide, as they are in the best position to judge the relative merits of each case.

CONTRACTORS EMPLOYED FOR THE SALE OF AERATED WATER IN RUNNING TRAINS.

1746. ***Maulvi Muhammad Abdul Ghani**: Will the Honourable Member for Railways state:

- (a) the number of contractors employed for the sale of aerated water in running trains on the State-managed open lines during the last eight years;
- (b) how many of these contractors belong to each class, *vis.*, Hindus, Sikhs, Europeans, Anglo-Indians and Muslims; and
- (c) in case there are no Muslim contractors, the reason why?

The Honourable Sir Thomas Stewart: I have called for the information required and a further reply will be laid on the table of the House when it is received.

CONTRACT TO MUSLIMS FOR THE SALE OF AERATED WATER IN RUNNING TRAINS.

1747. ***Maulvi Muhammad Abdul Ghani**: (a) Will the Honourable Member for Railways state whether he is aware that there are many aerated water factories controlled by Muslims?

(b) If so, are Government prepared to take steps to see that Muslims also get a share in contracts for the sale of aerated water in running trains on State-managed Railways?

The Honourable Sir Thomas Stewart: (a) I am prepared to accept this from the Honourable Member.

(b) The giving of such contracts is not determined by communal considerations.

MEDICAL CERTIFICATE ASKED FOR CASUAL LEAVE IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

1748. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Railway Member please state whether under the rules applying to the clerks in the Railway Clearing Accounts Office, the production of a medical certificate is necessary in order to obtain even one day's casual leave?

(b) If the answer to part (a) be in the negative, is it a fact that the official who was Superintendent in Goods A Section of the said office before August, 1938, and is now Superintendent in Goods B Section, is in the habit of compelling applicants for casual leave to produce such certificates, and is it also a fact that there is great discontent among the employees of the said office on that account?

(c) Is it also a fact that the Superintendent goes to the length of converting privilege leave due to employees into leave without pay for the whole period at his will and pleasure?

(d) If the answer to parts (b) and (c), or either part, be in the affirmative, what steps do Government propose to take to stop such action of the official concerned?

The Honourable Sir Thomas Stewart: (a) No.

(b) No; but in a few cases where the staff concerned were suspected to be malingering, medical certificates were called for.

(c) The Superintendent is not competent to do so.

(d) Does not arise.

PROMOTION OF SUB-HEADS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

1749. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable Member for Railways lay on the table a copy of the rules regulating the promotion of sub-heads in the Railway Department?

(b) Will the Honourable Member lay on the table a list of candidates for sub-headship in the Railway Clearing Accounts Office?

(c) In case the rules referred to in part (a), or the list referred to in part (b), or both, are not forthcoming, will the Honourable Member state the criterion on which promotions are given and what means there are with Government to feel satisfied that the promotions are fairly and justly given?

The Honourable Sir Thomas Stewart: Promotion to the rank of sub-heads is regulated by the following rules:

- (i) Rules 8 and 9 of Railway Board's Memorandum No. 5565-F., dated the 31st July, 1929, and clause (c) of Rule 3 of Appendix A to the same.

- (ii) Rule 2 of the "Rules for determining the relative seniority of the Non-Gazetted Staff in State Railway Accounts Offices". Copies of these documents are available in the Library of the House.

(b) I am unable to understand what exactly the Honourable Member has in mind by referring to "Candidates for sub-headship". If he is referring to clerks eligible for promotion as sub-heads, I understand that there are roughly about 866 clerks in the Railway Clearing Accounts Office, who are eligible for promotion to the rank of sub-heads. I do not think that anything will be gained by my placing on the table of the House a statement containing these 866 names.

(c) Every aggrieved person has a right of appeal to a higher authority and Government see no need for anything further.

DELAYS AND DETENTIONS OF MAILS FOR TANGAIL IN MYMENSING DISTRICT.

1750. *Mr. Kuladhar Chaliha: Will the Honourable Member for Communications please state:

- (a) whether the outward mails from Tangail sub-divisional town of District Mymensing leaves Tangail post office at about eight in the morning for the up-steamer at Parabari station timed to arrive at seven in the evening?
- (b) how far is Parabari from Tangail, and the time taken by the mails between Tangail and Parabari, and how the mails are carried;
- (c) whether all the mails from the *mofussil* do not reach the Tangail town post office before eleven in the morning, and mails going via Parabari are held up for about twenty to twenty-four hours, including those coming to Tangail from only two or three miles off;
- (d) whether the down mails coming from Parabari to Tangail reach Tangail at about 1 P.M.;
- (e) whether the mails arriving through Parabari intended for many *mofussil* post offices are often not sent out the same day but are detained for a day at Tangail; whether this working, i.e., sending mails to *mofussil* are irregular or not; and
- (f) whether the department is considering the delays and detentions of mails for Tangail and *mofussil*; if so, what remedies are proposed?

The Honourable Sir Thomas Stewart: I am afraid I have no information on these points. The matter is within the competence of the Postmaster-General, Bengal and Assam Circle, to whom a copy of the question is being sent for such action as he may consider suitable.

INCONVENIENCES TO PILGRIMS AT RANAGHAT RAILWAY STATION.

1751. *Mr. Kuladhar Chaliha: Will the Honourable Member for Railways please state:

- (a) approximately the number of "Churamani Yoga" pilgrims that entrained or changed at Ranaghat station, and the maximum number that had to wait at the station at any one time, for a considerable time;

- (b) the number that the third class passengers shed can accommodate for the night;
- (c) whether in one night about one thousand pilgrims waited at Ranaghat station, and whether any special arrangements as regards shelter for the night and latrines and other essential amenities were made for such a large number, if so, what;
- (d) whether in the absence of suitable arrangements, the station premises and surroundings were polluted, infecting the town of Ranaghat with cholera; and
- (e) whether the railway authorities estimated the pilgrims traffic beforehand, and what was their estimate of the maximum number at any one time that would be detained for a considerable time at Ranaghat?

The Honourable Sir Thomas Stewart: (a) to (e): I have called for the information required and will lay a reply on the table of the House when it is received.

DISCOURAGEMENT TO STAFF FROM JOINING TRADE UNIONS IN THE DELHI DIVISION OF THE NORTH WESTERN RAILWAY.

1752. *Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the reply given by the Honourable Sir Joseph Bhore to the supplementary question to starred question No. 724 asked on the 7th March, 1935, *vis.*: "I am not aware of any such thing", and state:

- (a) whether it is a fact that the Divisional Superintendent, Delhi Division, North Western Railway, in November, 1938 issued a circular thereby discouraging the staff from joining Trade Unions?
- (b) whether it is a fact that in that circular the issuing authority has used the words "Habitual offenders, etc., etc.," against the officers of Trade Unions?
- (c) whether it is a fact that in that circular the Divisional Superintendent has detailed the staff to watch the movements of the officers of Trade Unions and submit special reports for which credits, promotion, etc., will be given; and
- (d) how far the action of the Divisional Superintendent is justified?

The Honourable Sir Thomas Stewart: I am obtaining information and will lay a reply on the table of the House in due course.

UNSTARRED QUESTIONS AND ANSWERS.

COLLISION BETWEEN A BULLOCK CART AND A TRAIN BETWEEN GOCHARAN AND DAKSIN BARASAT ON THE EASTERN BENGAL RAILWAY.

129. Mr. Brojendra Narayan Chaudhury: Will the Honourable the Railway Member please state if Government will lay on the table a short note on the collision between a bullock cart and 96 Down Mixed train between Gocharan and Daksin Barasat at mile 23/2, Eastern Bengal

Railway, at the level crossing, which took place on 24th September, 1938, in which the bullocks and a person were killed, showing how the collision happened, the persons responsible for and the actions taken against them?

The Honourable Sir Thomas Stewart: At about 22.55 hours on the 24th September, 1938, 96 Down Passenger train ran into a bullock cart at a level crossing at mile 28/2 near Gocharan station on the Lakshmikantapur-Baruipur section of the Eastern Bengal Railway. The cartman and a boy travelling in the cart were injured. The cartman died while being taken to Calcutta for treatment. The accident was due primarily to the occupants of the cart presumably being asleep, as the engine headlight would have otherwise been seen by them from a distance of at least 60 ft. before the level crossing was reached. A contributory cause was the failure of the gateman to lock the gates against road traffic. The question of the disciplinary action to be taken is under consideration by the Administration.

PETTY CONSTRUCTIONS AT THE HARDWAR RAILWAY STATION.

130. Qazi Muhammad Ahmad Kasmi: Will the Honourable Member for Railways please state:

- (a) whether it is a fact that during the last Kumbh Mela at Hardwar several petty constructions were undertaken;
- (b) whether such constructions were undertaken by the railway or contracts were given for the purpose;
- (c) whether tenders were called for such constructions or not;
- (d) how long after the completion of work the contractors were paid up for the work; and
- (e) whether Government will lay on the table of the House a complete list of all the contractors and the work orders and the amount of and nature of work given to each and the dates on which payment was made to them for all the work done during the remodelling of the station and in connection with the Kumbh Mela?

The Honourable Sir Thomas Stewart: With your permission, Sir, I propose to reply to questions Nos. 130, 131 and 132 together. Enquiries are being made from the Railway Administration concerned and replies will be laid on the table in due course.

EXPENSES IN CONNECTION WITH CONSTRUCTIONS UNDERTAKEN DURING THE KUMBH MELA.

+131. Qazi Muhammad Ahmad Kasmi: Will the Honourable Member for Railways be pleased to lay on the table of the House a comparative statement of the expenses incurred on labour, staff, material, etc., in connection with temporary and permanent constructions undertaken during the Kumbh Mela of 1927 and 1938?

†For answer to this question, see answer to question No. 130.

TENDERS AND WORK ORDERS GIVEN DURING THE KUMBH MELA.

†132. **Qazi Muhammad Ahmad Kazmi:** Will the Honourable Member for Railways be pleased to lay on the table of the House copies of the tenders and work orders which were given for various works during the Kumbh Mela of 1988?

TENDERS INVITED FOR THE SUPPLY OF BOULDERS FOR STOCKING ON HARDWAR DEHRA DUN AND KOTDWARA SECTIONS.

133. **Qazi Muhammad Ahmad Kazmi:** Will the Honourable Member for Railways please state:

- (a) whether it is a fact that the Divisional Superintendent, East Indian Railway, Moradabad, invited tenders for the supply of Five Lac Cft Boulders to be stocked on Hardwar Dehradun and Kotdwara sections;
- (b) whether it is a fact that after the final acceptance of the tenders the demand was considerably curtailed;
- (c) why no fresh tenders were called;
- (d) whether it is a fact that the supply is much below the standard laid down by the railway; and
- (e) whether Government are prepared to lay on the table of the House a copy of various tenders given by contractors and correspondence entered on the subject with them by the Railway?

The Honourable Sir Thomas Stewart: Enquiries are being made from the Railway Administration and a reply will be laid on the table in due course.

SUPPLY OF STATIONERY IN THE GENERAL POST OFFICE, DELHI.

134. **Mr. Ram Narayan Singh:** Will the Honourable Member for Communications please state:

- (a) the amount of contingent allowance sanctioned by Delhi General Post Office;
- (b) whether it is a fact that only half of the allowance is paid to the stock clerk for supplying stationery to the staff;
- (c) whether it is also a fact that the Postmaster, Delhi, has ordered the stock clerk not to supply stationery every month; and
- (d) whether Government propose to arrange to supply the articles of stationery from the stock depot instead of making payment to the head of the office in cash?

The Honourable Sir Thomas Stewart: (a), (b) and (c). Government have no information. The matter is within the competence of the Postmaster-General, Punjab and North-West Frontier Circle, to whom a copy of the question is being sent for such action as he may consider suitable.

(b) No.

†For answer to this question, see answer to question No. 130.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to part (b) of starred question No. 462 asked by Maulvi Muhammad Abdul Ghani on the 24th August, 1938.

MILEAGE COVERED BY THE SUPERINTENDENT OF EDUCATION, DELHI, AJMER-MERWARA AND CENTRAL INDIA.

(b) The total mileage covered by the Superintendent of Education, Delhi, Ajmer-Merwara and Central India, by road and rail during 1937-38 was 10,026 miles.

Information promised in reply to parts (c) and (d) of starred question No. 1206 asked by Mr. Brojendra Narayan Chaudhury on the 10th November, 1938.

DISLOCATION OF RAILWAY AND POSTAL TRAFFIC BETWEEN BONGAIGAON AND BLJNI.

(c) When transhipment either by boats or over a pontoon bridge was not possible, passengers were diverted *via* Dhubri. In any case, there was nothing to preclude passengers desiring to do so, from booking through *via* Dhubri. The latter route was not, however, open for goods traffic, but the Steamer Companies after the occurrence of the breach agreed to goods traffic also being booked through with effect from 5th August, 1938.

(d) No.

MOTION FOR ADJOURNMENT.

SETTING UP OF A NEW MEMORIAL OF THE BADLI-KI-SERAI BATTLE NEAR DELHI.

Mr. President (The Honourable Sir Abdur Rahim): The Chair has received a notice of motion for adjournment of the business of the House from Mrs. Subbarayan and Mr. Sri Prakasa for the purpose of discussing a definite matter of urgent public importance, namely, the setting up of a new memorial of the Badli-ki-Serai Battle about six miles from Delhi, under official auspices on December 1, 1938, a report of which is published in the *Statesman* of December 2, 1938, and the inscription on which describes in insulting language men who were fighting for their freedom against the foreigner, and tends to revive unhappy memories and exacerbate racial feeling. Is there any objection to this?

Mr. C. M. G. Ogilvie (Defence Secretary): Yes, Sir. My objection in the first place is that the adjournment motion is not correct. The language it uses is not borne out by actual facts. The inscription upon the monument,—it is not a monument to the Battle, but to a cemetery, or monument to the dead who are interred on that spot,—reads as follows:

"To the memory of those men of Her Majesty's 75th Regiment (now the 1st Battalion The Gordon Highlanders), who fell while charging the mutineers' guns on this mound at the battle of Badli-ki-Serai, 8th June, 1857, to whose gallantry the victory of that day was due and who lie buried here."

Mr. President (The Honourable Sir Abdur Rahim): Is not that on the merits?

Mr. C. M. G. Ogilvie: I should think hardly.

Mr. President (The Honourable Sir Abdur Rahim): Is there any objection on a point of order?

Mr. C. M. G. Oglvie: It is not the word "mutineer" is not opprobrious and insulting to India.

Mr. President (The Honourable Sir Abdur Rahim): Furthermore, this notice says that it tends to revive unhappy memories and exacerbate racial feeling.

Mr. C. M. G. Oglvie: That, Sir, I entirely and absolutely deny it could. That is on the merits. But on the question whether the word "mutineer" can be described as it is described in this notice, I would, with all respect, point out that it is, whatever one's feelings may be, the only term which can be used for troops who have risen in arms against their Government.

Mr. President (The Honourable Sir Abdur Rahim): Then, the Honourable Member can justify it. It is not a question of order. As objection has been taken, Honourable Members who are for leave being granted will please rise in their places.

(More than 25 Honourable Members rose in their seats.)

As not less than 25 Honourable Members have risen, leave is granted, and the adjournment motion will be taken up at 4 O'clock.

THE INDIAN INCOME-TAX (AMENDMENT) BILL—*contd.*

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the Bill further to amend the Indian Income-tax Act, 1922, as reported by the Select Committee.

Mr. M. S. Aney (Berar: Non-Muhammadian): Before you proceed with the business of the House, Sir, may I have your permission to make a statement?

Mr. President (The Honourable Sir Abdur Rahim): Is it in connection with this Bill?

Mr. M. S. Aney: Yes, Sir. The consideration of clause 4 has been postponed because the Honourable the Finance Member told the House that an attempt would be made to come to some formula agreed to by the Leaders of all the four Parties in the House as regards clause 4, and in accordance with that promise, a conference was also held. But I think that by this time Honourable Members are aware that formula agreed to by all the Leaders of Parties is not possible. So the condition on which the postponement was made no longer holds good. I, therefore, think that it will not be justifiable for the House to postpone the consideration of clause 4 indefinitely. I can see the difficulty of taking up a clause like that today, because whatever proposals the Honourable the Finance Member may have to bring forward, due notice will have to be given of those proposals to the House. I want to know now whether the Honourable the Finance

[Mr. M. S. Aney.]

Member is in a position to allow this House to proceed with the discussion of the amendments to clause 4 which was under discussion last time, at least on Monday next. Because, Sir, I find it is rather difficult for the House to proceed with the discussion of clauses after clauses without knowing anything about the fate of the main clause 4. It is something like a sword of Damocles hanging over us, and the House is in suspense. In fairness to the House, therefore, I want to know whether, in view of the fact that the attempt at an agreed formula as originally contemplated has fallen through, the Honourable the Finance Member would be in a position to assure us that he will be able to proceed with the consideration of the amendments to clause 4 at least on Monday next.

The Honourable Sir James Grigg (Finance Member): Sir, I am quite aware of the position of the various representatives of parties who discussed the possible basis of an agreed settlement. Mr. Aney has made it quite clear that in no circumstances will he agree to any settlement which does not involve the deletion of clause 4 completely. That is perfectly true. No other Leader of a Party has taken the same line, and, so far as I am aware, with the other Leaders of Parties there is still a possibility of a settlement which will command the assent of the vast bulk of the House. That being so, Sir, I ask the indulgence of the House for a little more time. Amendments are being drafted, they will be discussed, to see if they represent accurately an agreement which we can recommend to the House to accept, but they are being discussed, and I have no reason to suppose that it will not be possible to arrive at such a solution. That being so, I ask for a little more time in which to produce an agreed solution, and in that case, I think it is only fair to the House when the agreed solution has been arrived at they should see the amendments actually on the paper before discussing them. So, I would very much deprecate doing what Mr. Aney suggests, that is, proceeding at once to delete clause 4 in the circumstances as now exist.

Mr. President (The Honourable Sir Abdur Rahim): What is the earliest date when the Honourable Member can bring on that agreed amendment?

The Honourable Sir James Grigg: I hope early next week. I hope to be able to do it on Monday or Tuesday. I cannot say definitely at the moment, because the drafts have to be looked at very carefully before they are put down, but I can assure the House that there is no intention of merely vapouring about and seeking to go on with the Bill merely for the sake of going on with it when the main object of strife is not settled. I am not merely playing for time or delaying or doing anything of that sort. I, personally, would very much resent having wasted time on discussing the rest of the Bill if in the end there were a prospect of the Bill being destroyed by the deletion of clause 4.

Mr. President (The Honourable Sir Abdur Rahim): The Chair takes it the Honourable Member will expedite the matter and try to come to some agreed settlement early.

Mr. A. Aikman (Bengal: European): Sir, I wish to support the contention of Mr. Aney. I am not in agreement with several of the terms

of the proposed compromise and I reserve the right to consider and suggest amendments.

Mr. President (The Honourable Sir Abdur Rahim): All that the Chair is anxious to know is when the matter is likely to be brought up before the House—the amendment to clause 4. The Chair understands that it is likely to be brought up either on Monday or Tuesday—as early as possible.

The Honourable Sir James Grigg: I hope in any case as early as possible.

Mr. President (The Honourable Sir Abdur Rahim): Then, the House will proceed with the discussion of the rest of the Bill. The House is now on amendment No. 314*—clause 16.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Sir, I rise to support the amendment of the Honourable Mr. Som. The demand in favour of these allowances, mentioned in this amendment, has been so insistent and wide-spread that I think it my duty not to cast a silent vote on this matter. The matter can be looked at from three standpoints—as a matter of principle, as a matter of precedent and from the point of view of the detailed provisions. As regards the question of principle, I have carefully listened to the speeches of the Honourable the Leader of the House and the Honourable the Finance Member last evening. I have not heard one word on that question from these two Honourable Members. The question of principle is not a matter of small detail. It is a major question of major importance going to the very fundamental basis of the law of income-tax; and yet, the Honourable the Law Member has not one word to say repudiating that principle; and the Honourable the Finance Member also did not say one word. So I take it they have got nothing against the principle involved in this amendment. Whatever may be the position of the Honourable the Finance Member, so far as the Honourable the Law Member is concerned, he knows that non-denial is tantamount to admission. Therefore, I take it that the principle is undisputed and non-controversial. The position is simply this: take the case of three assessee: one a bachelor, the second a married man with one child, and the third another married

*That after sub-clause (b) of clause 16 of the Bill, the following sub-clause be added, namely:

(c) after sub-section (3), the following sub-section shall be added:—

(4) In computing the total income of an assessee the following allowances shall be made:—

- (i) an allowance of one-sixth of the income received by the assessee from salaries or business, profession or vocation subject to a maximum of Rs. 1,800;
- (ii) an allowance of Rs. 1,000 in the case of every married person;
- (iii) an allowance of Rs. 120 in respect of each child of the assessee;
- (iv) an allowance of Rs. 100 in respect of each dependant maintained by the assessee:

Provided however that when two assessee are husband and wife the allowances shall be claimed and allowed only in respect of either of them at the option of the officer."

[Mr. Akhil Chandra Datta.]

man, as fortunate as the Leader of the House—a married man with eight children. Is the capacity and ability to pay the same with regard to all three assesses? We must remember that the foundation of this law of income-tax, admittedly, is the ability and the capacity to pay. Are we asked to believe that the capacity to pay in the case of these three assesses is the same? And yet that is the very foundation and the assumption on which the existing law is based, namely, no allowance for wife or children. That is so far as the principle is concerned. As regards precedent, it was urged, times without number, that our law of income-tax is to be based on the model of the United Kingdom law or the United States, how is it that on this very fundamental question we are going to give the go by to the law as it exists in those two countries? In fact the Honourable the Finance Member has told us that the only real argument is the argument of money. He says "We shall lose a lot of revenue if this allowance is given." Let us consider for a moment the implication of this argument. It appears the argument is simply this: he says to those people who are entitled to these allowances: "You have been paying so long and so much. Why should you not continue to pay longer and pay as much?" In other words, "you have allowed me to rob you of some money for these years and, therefore, I have a prescriptive right to rob you for a few years more." That is the whole position. If money is the only argument, I admire the cynical frankness of the Honourable the Finance Member. He tells us in so many words that money is the only argument—money by fair means or foul, by proper and just methods or unfair and unjust methods. Why should he not resort to frontier methods. We have been told there was a time when highway robbers used to ask people to stand and deliver. That is the principle on which this present law is apparently based.

Now, Sir, the Honourable the Law Member has attacked the detailed provisions of this amendment with all the ability of Sir Nripendra Sircar. My short reply to him is this. If you do not dispute the principle and if you quarrel only with the figures contained in this amendment, why not reject these figures? If the demands are exorbitant, reject them by all means. But let us have your reasonable figures. I find an amendment tabled by the Congress Party. It is No. 6 on the Supplementary List No. 7, in the name of my Honourable friend, Mr. Gadgil, the Secretary of the Congress Party. I learn with amazement from the Leader of the Opposition that it is not going to be moved. The Secretary is being thrown overboard.

Mr. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Nothing of the kind.

Mr. Akhil Chandra Datta: He is. My contention is this. If Mr. Som's figures are very extravagant and unreasonable, here is a very reasonable amendment with very reasonable figures tabled by the Congress Party, and I want to draw the attention of the House to the date on which this amendment has been tabled by the Congress Party. It is the 1st December, and today it is the 2nd December. No doubt, some amendments are given in a hurry without much thought, but here is an amendment which has been tabled only yesterday and, therefore, I take it a

good deal of thought and care has been bestowed upon it, and yet, after 24 hours, I am told that this gentleman has become wiser! Without going further into that, my contention is that if those figures of Mr. Som are very extravagant, why not accept the figures given in the Congress amendment? If I can get an assurance that Mr. Gadgil's amendment will be moved, and also an assurance from the Honourable the Finance Member that the figures given in the amendment of Mr. Gadgil, or for the matter of that, any other figures, suitable as regards the quantum of allowance—if there are any other figures which can be put forward by the Honourable the Finance Member, I shall advise my Honourable friend, Mr. Som, to withdraw his amendment with the leave of the House. I think I am perfectly right when I say that this amendment affects only the poorer sections of the people. It does not affect the rich people, and, therefore, I say, I feel justified in calling this amendment as a poor man's amendment. The acid test as to who are the poor man's friends in this House will be this—those who support this amendment or those who oppose this amendment. As I have already said, the agitation in the country is overwhelming on this point. There is a large volume of opinions on this Bill, but a large portion of that volume is taken up by this matter. The acid test is, therefore, who are the people in this House who have any regard for public opinion? Again, the Honourable the Finance Member, in the course of the discussions, has told us that India being a poor country, the capacity to pay should be the criterion. In view of that declaration, I submit that this question must be very carefully considered by the Honourable Member as well as the other Parties in the House.

The Honourable the Law Member talked about population yesterday. He told us that at the next census the population was going to swell to 400 millions. There are two Leaders in this House, one, the Leader of the House, and the other, the Leader of the Opposition. Providence has given as many as eight children to the Leader of the House as he told us yesterday. But I am afraid Providence has not been so kind to the Leader of the Opposition

An Honourable Member: How many have you got?

Mr. Akhil Chandra Datta: Possibly it would be the largest. We heard ten yesterday, that was the maximum number. I do not know whether Providence, before giving eight children to the Leader of the House, ever took into consideration this allowance under the income-tax law, and whether before the children are born, they or their parents care to enquire what will be the income-tax law on this point. We have heard a lot of argument on this question of birth control, but this is the first time that we hear an argument in support of birth control, based on absence of provision in the income-tax law as regards allowance for children.

One word more about the position taken up by the Leader of the House. His defence against Mr. Som's amendment is something like this. It is like the defence of a defendant in a suit for damages. Without disputing the principles or the facts on which the claim for damages is based, the defendant simply says, "the amount you have claimed is excessive". That is the sort of position that the Honourable the Law Member has adopted. He does not dispute the principle, but he only says that the

[Mr. Akhil Chandra Datta.]

amount is too much. Therefore, I should think that the Leader of the House had made a weak defence, and by his faint praise he only condemned Sir James Grigg and did not support him. With these words, Sir, I support this amendment of Mr. Som.

Mr. Huseebhai Abdullahai Laljee (Bombay Central Division: Muhammadan Rural): Sir, I rise to support the amendment that has been moved. In my speech I have already said that when we are going to introduce the slab system and when we are coming forward with the plea that the tax is being levied for the good of the middle classes and the poor people—I ask why this has not been considered in relation to this amendment. It has been pointed out by the Leader of the House that in India we have large families and that if such provisions are made, we shall not know where we will be. I ask, why are all these funds collected, and for whose interest? When you have got poor people and others with big families not able to earn large sums or even able to pay income-tax on the scale that my Honourable friend, the Finance Member, has laid down, without starving, is it fair that we should allow this income-tax from such people? The other day an Honourable Member said that people are starving and if I mistake not, it was the Honourable the Finance Member who said that if more than Rs. 6,000 are allotted for the policies, all investments may be put therein and the families will be starved. In the same tone I wish to say that we do not like that our people should be taxed by income-tax to the extent that their children will starve. Then again, I fail to see why it was said in this House that there are no records of births and deaths. Probably Mr. Chambers does not know much about my country but all the same I really ask whether there is anybody here who can say that we have no records of birth and deaths. We have even records of vaccination. When a statement is made that we do not know whose children they were, when such insinuations are made, I do feel that we ought to tell those gentlemen who make such statements that it is not in my country that you cannot find that out. Experience outside may be quite different. So far as I know there is not the least difficulty at all in my country. I also appeal to the Leader of the Opposition. Here are people who fight for the poor and they rightly do so. Why is it that we don't hear some speeches from Professor Ranga. I don't know whether my friend, Dr. Deshmukh, is going to get up and justify what he said. I am not in the secrets of that Party but all the same I hope the Leader of the Opposition will make it clear that just for the reason that the Finance Member does not want more than Rs. 6,000 to be allotted for policies he also does not want such an amount of tax which will cause children to be starved. My friend, Dr. Deshmukh, is interested in agriculture as well. I know he will be only too glad to come forward and say that he does mean what he has said. I ask the House to take into serious consideration that their hard-earned money should not be taxed in this way, i.e., without the man being able to provide for the maintenance and for the education of the children. With these words, I support the amendment.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Sir, I do not think anybody expected that the debate on this amendment would be continued very much longer this morning, for the very simple reason

that this amendment has not been studied in all its aspects, and we do not know what it is going to cost. That is a sufficient argument for not considering it and coming to any definite conclusion on it except to reject it for the time being.

Mr. Akhil Chandra Datta: When do you propose to take it up?

Sir Cowasji Jehangir: At some future time after it has been properly considered in all its aspects. We were told, when an amendment was moved about rentals, that the matter had not been properly considered, and we agreed that to be a valid argument. I think the same argument applies with much greater force to the present amendment. To say that the acceptance or rejection of this amendment is an acid test of whether a Party or set of individuals is for or against the poor is rather exaggerated language. It is not an acid test by any means. It can only be an acid test after the question has been properly and thoroughly investigated. There were chances of investigating it. Those chances were not taken by those most interested in this question and, therefore, I do not think it is right to have a prolonged debate on this amendment, but, Sir, I find that my Honourable friend, Mr. Gadgil, has given an amendment of a similar nature. I can quite understand why he has done so. On the very first occasion I had the pleasure of meeting Mr. Gadgil, in the course of our conversation we hit upon the topic of children and as to how many children he had. He said that he had five children and that Government had been kind to him and sent him to prison, otherwise he might have had two more. I don't know how many he has now. I can quite understand Mr. Gadgil moving this amendment and wanting it to be considered. I do believe that the object with which he put down this amendment was that the House should give its attention to it now, so that it may be an accomplished fact two years or five years or ten years hence, when I hope to see him a Minister on these Benches. Nevertheless, I think we might finish this discussion on this subject for the present and not take it as an acid test that we are against the poor if we reject the amendment.

Mr. Bhulabhai J. Desai (Bombay Northern Division: Non-Muhammudan Rural): But for the fact that the poor were mentioned and that we had no heart for the poor if we vote against this amendment, I did not at all intend to intervene in this debate. Let us examine the facts as they appear from the reports which were placed before the House in this matter in the inquiry committee. The facts are that out of a population of a little over 250 millions in British India, there are, roughly speaking, 5 lakhs of assesses, to use round figures. You can take it from me that I am stating it quite correctly, the exact figure being 4,92,000—half a million, which means 249½ million of the poor are not touched by this measure. So, let my friends clearly understand that this kind of appeals is not going to defeat those who understand their job. Therefore, the two hundred and forty-nine and a half million poor do not come into the picture. Let us look at the other five lakhs. I am not accustomed, of course, to talking in terms of millions—I leave that to millionaires. I hope my friend has understood. I am repeating that the two hundred and forty-nine and a half million of this population does not come into the question for the purposes of the discussion of this matter. Therefore, we are only concerned with the remaining five lakhs. I will give other figures

[Mr. Bhulabhai J. Desai.]

which are equally well-known and undisputed, *vis.*, that people whose assessable income is Rs. 3,500 and less is half the number of these five-eighths; people whose assessable income is Rs. 5,000 or less are two-thirds. Now, let me come to other countries of which my friends have talked so much so that we can understand what we are doing, and I hope and trust that deep attention will be paid to the figures and not to mere words.

An Honourable Member: And sentiments.

Mr. Bhulabhai J. Desai: These sentiments must get something to base them upon. Sir, the Royal Commission on Income-tax in England in 1920 recommended, after careful consideration, that in any scheme of taxation on incomes specific exemption should be allowed for family responsibilities. They recommended an exemption, for a bachelor, of £150—that is near to Rs. 2,000, a little more—for a married couple with no children £250, and £40 for the first child and £30 for each subsequent child. The average income excluded by this benign Government is about Rs. 75 a year per head. I take it as the basis. Making an allowance for the bachelor and making an allowance for the man with a wife with no children, even if you come to the man with a wife and two children, with his family of four, he has an average income of Rs. 300—according to their calculation. Now, let me take the relative income in England. Instead of Rs. 75, it is £75—meaning at least twelve and a half times more. Now, the one thing which is forgotten is that there is under the income-tax system—I hope the Finance Member will not alter that—what I may call a free slab of income which would not be taxed at all. It has been Rs. 2,000 now. Now compare the two thousand with the allowance made in England and see whether even the allowances which were overnight suggested would do, and you will find it is less than Rs. 2,000 until you come to many children. The scale suggested shows that unless you have more than three children, you get less than Rs. 2,000 in the scheme of which much was made in the table of my Honourable friend, by Mr. Gadgil. The fact is that on the whole and for the present, if there is a sum of, say, Rs. 2,000 more or less according to the conditions of the time and the finances at the disposal of the State, a certain sum, say, Rs. 2,000 is exempted from income-tax altogether, and, taking everything into consideration and having regard to the average income of the people of this country, it is, I think, an entirely unfounded complaint to say that provision is not being made for what you may call reasonable charges. It is for that reason, and not in any light-hearted way, forgetting the poor all the time, that I feel myself unable to support this amendment.

Mr. M. S. Ansy: Sir, is there no untaxable minimum in England?

Mr. Bhulabhai J. Desai: None that I know of. That is precisely the point. What my friends wanted was that there should be first the Rs. 2,000 and there should be these additional amounts. The result in the end would have been, I think, that about a third would be taxed, and if they wished to be taxed a rupee in the rupee, well, you might possibly produce an income, but not otherwise. So it is not the income in point, but it is not actually understanding the operation of what is being argued for—that is the point. That is what I mean by saying when explaining to Mr. Gadgil that assuming that there is no limit as free exemption for

everybody, but merely a limit as recommended in England, it will produce less than Rs 2,000 for a family of less than five. Therefore, in any case, having regard to our income, having regard to our conditions, I wish to very humbly plead before this House that there is no question of neglecting the poor; the two hundred and forty-nine and a half million do not come into this at all, it is out of the other half a million, and I have said that, having regard to our income and a free limit of Rs. 2,000, I think, having regard to our resources, that should be exempted. (Interruption by Mr. Bajoria.) The point I am trying to make is this. My Honourable friend, Mr. Bajoria, need not be anxious. I daresay, he wants to pay on Rs. 2,000, on the slab system he will do so, and he is better off under the Bill, and let me assure him that he will escape the first two thousand altogether which he does not do now. The point is a very narrow one. The point is that Rs. 2,000 is the exemption limit which has prevailed at all events and that is all I can put my finger on at the moment; and I wish to say one last word to my Honourable friend, the Finance Member, whether this Bill passes or not, that in the Finance Bill he will take care that that exemption which is granted is not reduced.

Several Honourable Members: I move:

"That the question be now put."

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

"That the question be now put."

The motion was adopted.

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

"That after sub-clause (b) of clause 16 of the Bill, the following sub-clause be added, namely:

'(c) after sub-section (3), the following sub-section shall be added:

'(4) In computing the total income of an assessee the following allowances shall be made:—

- (i) an allowance of one-sixth of the income received by the assessee from salaries or business, profession or vocation subject to a maximum of Rs. 1,800;
- (ii) an allowance of Rs. 1,000 in the case of every married person;
- (iii) an allowance of Rs. 120 in respect of each child of the assessee;
- (iv) an allowance of Rs. 100 in respect of each dependant maintained by the assessee:

Provided however that when two assessee are husband and wife the allowances shall be claimed and allowed only in respect of either of them at the option of the officer."

The Assembly divided:

AYES 11.

Abdur Rasheed Chaudhury, Maulvi.
Aney, Mr. M. S.
Bajoria, Babu Baijnath.
Banerjee, Dr. P. N.
Datta, Mr. Akhil Chandra.
Lalchand Navalrai, Mr.

Laljee, Mr. Husenbhai Abdullabhai.
Maitra, Pandit Lakshmi Kanta.
Parma Nand, Bhai.
Sanat Singh, Sardar.
Som, Mr. Suryya Kumar.

NOES 93.

Abdooln Haroon, Seth Haji Sir.
 Abdul Hamid, Khan Bahadur Sir.
 Abdul Qaiyum, Mr.
 Abdul Wajid, Maulvi.
 Abdullah, Mr. H. M.
 Ahmad Nawaz Khan, Major Nawab Sir.
 Aikman, Mr. A.
 Asaf Ali, Mr. M.
 Ayyangar, Mr. M. Anauthasayanam.
 Ayyar, Mr. N. M.
 Bajpai, Sir Girja Shankar.
 Bartley, Mr. J.
 Bewoor, Mr. G. V.
 Bhutto, Mr. Nabi Baksh Illahi Baksh.
 Boyle, Mr. J. D.
 Chambers, Mr. S. P.
 Chanda, Mr. A. K.
 Chapman-Mortimer, Mr. T.
 Chaudhury, Mr. Brojendra Narayan.
 Chettiar, Mr. T. S. Avinashilingam.
 Chetty, Mr. Sami Vencatachelam.
 Chunder, Mr. N. C.
 Dalal, Dr. R. D.
 Dalpat Singh, Sardar Bahadur Captain.
 Damzen, Mr. P. R.
 Das, Pandit Nilakantha.
 Desai, Mr. Bhulabhai J.
 Deahmukh, Dr. G. V.
 DeSouza, Dr. F. X.
 Eesak Sait, Mr. H. A. Sathar H.
 Gadgil, Mr. N. V.
 Ghiasuddin, Mr. M.
 Gorwala, Mr. A. D.
 Govind Das, Seth.
 Greer, Mr. B. R. T.
 Grigg, The Honourable Sir James.
 Gupta, Mr. K. S.
 Hardman, Mr. J. S.
 Hegde, Sri K. B. Jinaraja.
 Hosmani, Mr. S. K.
 James, Mr. F. E.
 Jawahar Singh, Sardar Bahadur Sardar Sir.
 Jedhe, Mr. K. M.
 Jehangir, Sir Cowasji.
 Jogendra Singh, Sirdar.
 Kailash Behari Lal, Babu.
 Kushalpal Singh, Raja Bahadur.
 Lahiri Chaudhury, Mr. D. K.
 Mackeown, Mr. J. A.

Mangal Singh, Sardar.
 Maxwell, the Honourable Mr. R. M.
 Mehr Shah, Nawab Sahibzada Sir Sayad Muhammad.
 Menon, Mr. P. A.
 Menon, Mr. P. M.
 Metcalfe, Sir Aubrey.
 Miller, Mr. C. C.
 Misra, Pandit Shambhu Dayal.
 Mudaliar, Mr. C. N. Muthuranga.
 Muhammad Ahmad Kazmi, Qazi.
 Mukerji, Mr. Basanta Kumar.
 Nur Muhammad, Khan Bahadur Shaikh.
 Pande, Mr. Badri Dutt.
 Raghubir Narayan Singh, Choudhri.
 Rahman, Lieut.-Col. M. A.
 Ramayan Prasad, Mr.
 Ranga, Prof. N. G.
 Rao, Mr. M. Thirumala.
 Row, Mr. K. Sanjiva.
 Saksena, Mr. Mohan Lal.
 Santbanam, Mr. K.
 Satyamurti, Mr. S.
 Scott, Mr. J. Ramsay.
 Shahban, Mian Ghulam Kadir Muhammad.
 Sham Lal, Mr.
 Sheehy, Mr. J. F.
 Sheodas Daga, Seth.
 Sher Muhammad Khan, Captain Sardar Sir.
 Siddique Ali Khan, Khan Bahadur Nawab.
 Singh, Mr. Gauri Shankar.
 Singh, Mr. Ram Narayan.
 Sinha, Mr. Satya Narayan.
 Sircar, The Honourable Sir Nripendra.
 Sivaraj, Rao Sahib N.
 Sobha Singh, Sardar Bahadur Sardar.
 Spence, Mr. G. H.
 Stewart, The Honourable Sir Thomas.
 Subbarayan, Shrimati K. Radha Bai.
 Sukthankar, Mr. Y. N.
 Sundaram, Mr. V. S.
 Talukdar, Mr. J. N.
 Town, Mr. H. S.
 Varma, Mr. B. B.
 Zafrullah Khan, The Honourable Sir Muhammad.

The motion was negatived.

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

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

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is: "That clause 16, as amended, stand part of the Bill."

The motion was adopted.

Clause 16, as amended, was added to the Bill.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is: "That clause 17 stand part of the Bill."

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I beg to move my amendment No. 317 with a slight change. It now reads thus:

"That in clause 17 (a) of the Bill, in the proviso to clause (b) of the proposed subsection (1), for the word 'under' the words 'or carried forward and set off in accordance with' be substituted."

The clause, as it stands, refers to section 24, and it would read better if the change suggested in the amendment is made. The words "carried forward and set off" as they stand at present refer only to the setting off that year's profits or losses. We want to cover the profits and losses of other years also, and that is the reason why this amendment is moved. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved:

"That in clause 17 (a) of the Bill, in the proviso to clause (b) of the proposed subsection (1), for the word 'under' the words 'or carried forward and set off in accordance with' be substituted"

Mr. K. Santhanam (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Sir, in supporting this amendment I would like to draw the attention of the Government and of the House to a contingency in which this proviso becomes inoperative. Under clause 24, an unregistered firm's losses are carried forward to the losses as an unregistered firm. They are not allocated to the partners, while in the case of a registered firm the losses are allocated to the partners and are carried forward in their accounts. They have provided a contingency in which the Income-tax officer may assess an unregistered firm as a registered firm but they have not provided how the losses shall be carried forward in such a contingency. As a result of this lacuna in the Bill, it may happen that whenever there is a loss they may assess it in one way and whenever there is a profit they may assess it in another way, with the result that the losses may not be carried forward at all. It is very difficult for us to table amendments for such a contingency. It is the business of the Government to bring in an amendment to fill in this lacuna and so, I wish to draw the attention of the Government and of the House so that when they come to clauses 23 (b) and 24 they may remedy the state of affairs.

The Honourable Sir James Grigg: Sir, as regards the actual amendment moved, which is in substitution for amendments Nos. 316 and 317, Government will accept it subject to the wishes of the House. As regards the supplementary point raised by the Honourable Member, we will certainly look into it before we get to clause 23.

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

"That in clause 17 (a) of the Bill, in the proviso to clause (b) of the proposed subsection (1), for the word 'under' the words 'or carried forward and set off in accordance with' be substituted"

The motion was adopted.

Sir Cowasji Jehangir: Sir, I beg to move:

"That in clause 17 (a) of the Bill, clause (c) of the proposed sub-section (1), be omitted."

Sir, there have been several amendments tabled about this clause. I find that my Honourable friend, Mr. B. Das, has tabled one and Mr. Santhanam has tabled another. I presume they will take their choice between one or the other. My amendment is to omit this clause. The effect of this omission will be that the law will remain *status quo*. Today, in the case of a revocable trust, the responsibility for paying the income-tax passes to the beneficiary. According to the Bill, a trust will have to be irrevocable, that is to say, both the corpus and the income will have to pass to the beneficiary before the responsibility of paying the income-tax can pass to the beneficiary. Now, Sir, I presume that this amendment is suggested in order to avoid the so-called evasion of income-tax and the conclusion that there is evasion has been arrived at by the Government on the analogy in England. I would point out that in this country trusts are made not so frequently as in England and I do not really believe that Government is going to get much additional revenue by this very radical change in the trust laws of the country. We have had an occasion to hear from the Honourable the Finance Member, during this Session, that from the amendment he made in section 16 (3) in 1937 he expected to have an yield of 30 lakhs but it merely yielded two lakhs. I believe that is what he said. I was not in the House at that time.

The Honourable Sir James Grigg: The Honourable Member is referring to a very small part of the clause, namely, 17 (2) (b). The amendment which was made in 1937, and which covers a very narrower field, was expected to yield about 30 lakhs. In fact, it yielded only 2½ lakhs a year for the simple reason that a loophole was left in the clause by which everybody could resort to a new form of avoiding tax. That is the reason why we are asking the House to amend it.

Sir Cowasji Jehangir: We will not anticipate a discussion of that clause before we come to it, because I have a great deal to say on that clause. What I am now pointing out is the fact that a well-considered amendment made in 1937 which was expected to yield 30 lakhs yielded only 2½ lakhs. I believe that the same result will be derived by the present Bill and, therefore, I would like to point out to the House to take the figures of the additional revenue that may be obtained with a certain amount of reservation.

Now, Sir, I was on the analogy between England and India. There is no comparison between the wealth of the two countries. It was only this morning stated that the average income of a man in India is 13 times less than the average income of a man in England. Even that is an under-statement. The point now is that in England these trusts have been made very frequently with the object of evading income-tax, and I do not believe, that in this country trusts have been made solely with the object of evading income-tax. And one of the reasons is, that there is a substantial stamp duty that has to be paid by the settlor, before such trusts can be made and people, merely wanting to evade their income-tax, during their lifetime, are not going to pay thousands of rupees in stamp duty. That is the point that this House must consider. Sometimes the

stamp duty is equal to the income-tax for ten years. Now, Sir, in order to avoid this so-called evasion the House is asked to have a very drastic change in the trust laws of this country. I am given to understand that the omission of the whole clause will not be acceptable to the House, but the House will seriously consider one of the amendments that have been tabled by the Congress Party. Standing alone as I do, I have not much hope, unless my Honourable friend, the Leader of the Opposition, will continue to smile and give his blessing to the amendment I move, which I do not expect him to do, from the conversations I have had with him. But he will reserve his eloquence and his blessings for one of the two amendments tabled by his Party and I wish him God-speed. Sir, before I take any further step with regard to this amendment, I will give an opportunity to some other Honourable Members to express their views.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved:

"That in clause 17 (a) of the Bill, clause (c) of the proposed sub-section (1) be omitted."

Mr. Bhulabhai J. Desai: Sir, as I have no desire to make more than one speech on this question of trusts which my Honourable friend distrusts so much, I wish to explain clearly the position with reference to matters which he has mentioned. In order to understand this matter even from the point of view of my Honourable friend opposite, I wish to call attention to section 16 of the Act as it now stands and the amendment which he carried during my absence in less than ten minutes. It is a feat of achievement on which I congratulate him, though it is belated. It is a feat on which he may have good reason to congratulate himself in future even though he may then by that time translate himself to a more congenial atmosphere. Sub-clause (3) of that section 16 which is the amended one contains two points which it is necessary to bear in mind in order that we may understand this whole matter of taxing the income of the beneficiary as the income of the settlor. Part (iii) of section 16 (3) says:

"From assets transferred directly or indirectly to the wife by the husband other wise than for adequate consideration or in connection with an agreement to live apart."

I hope that contingency does not often occur in this country as elsewhere. Then:

"(iv) or, from assets transferred directly or indirectly to the minor child, not being a married daughter, by such individual."

Reading the words as I do, there should be no attempt on my part at all events to conceal their proper meaning, because, whether I disclose it here or not, a Court of law is bound to put the right construction upon it. I read clauses (iii) and (iv) of section 16 (3) to mean, among other things, that if there is a trust created for a wife, or if there is a trust created for a minor child, in either of those cases the income of the beneficiary would be added to the income of the settlor for the purpose of taxation, because the words are, "transferred directly or indirectly to the wife", etc. And I believe it must be intended to mean not merely that it is given away to them absolutely, but, according to one of the fair interpretations of this clause, it would mean that if the wife becomes a beneficiary under a settlement by the husband, it may be said to be an indirect transfer from the assets of the husband to the wife. Anyway, I am apprehensive that such a construction is not merely possible, but

[Mr. Bhulabhai J. Desai.]

probable. Therefore, my reading is that, on a proper construction, clauses (iii) and (iv) would include a trust made by a husband in favour of the wife or child, of whatsoever nature, revocable or irrevocable. And, therefore, my Honourable friend has really got all he wanted though he got it by a snap vote of this House, and I hope he will not be too greedy for the expansion of it in clause 17. I say that in a very proper sense that he need not emphasise so much the value of the condition he wishes to impose as it might otherwise have been. That brings me to the present clause 17 which deals with the attempt to tax,—and, again, with the permission of the House, I will use one expression, to tax the income of the beneficiary as the income of the settlor. If that result is the whole intention, that wherever A makes a settlement in favour of B, in the circumstances mentioned in the clause, even though it is properly beneficially and legally the income of B for the purpose of taxation, it will still be treated as the income of A—that is the object of the clause—it is rather involved, but that is the purpose. Therefore, in order to avoid that, I would express it shortly by saying that the object of the clause is to treat the income of the beneficiary as the income of the settlor for the purpose of taxation in the circumstances mentioned in 17 (1); and the substantial point, as I understand it, is this. I have no desire to make a second speech on the numerous amendments of which notwithstanding my friend, who is absent, I have taken the courage to move only one—sub-clause (c) of clause 17 reads:

“all income arising to any person by virtue of a settlement or disposition whether revocable or not, and whether effected before or after the commencement of the Indian Income-tax (Amendment) Act, 1938, from assets remaining the property of the settlor or disposer shall be deemed to be income of the settlor or disposer and all income arising to any person by virtue of a revocable transfer of assets shall be deemed to be income of the transferor :

Provided that for the purposes of this clause a settlement, disposition or transfer shall be deemed to be revocable if it contains any provision for the retransfer directly or indirectly of the income or assets to the settlor, disposer or transferor etc. etc.”

And, then, there is the definition of “settlement”. It may be a point of construction on this as to what is the true meaning of the words from “assets remaining the property of the settlor”; I have no desire to say anything more about that; it is entirely for the advisers of my Honourable friend opposite. But the point I wish to emphasise is this: that if all trusts for the benefit of a wife and minor child are already hit by section 16, as it now stands, this clause can only touch trusts for the benefit of individuals other than wife and minor child. If that is so, is any purpose served by my Honourable friend trying to attack trusts in favour of—I will call them strangers only in the compendious sense—other than wife or minor child? In such a case, I submit that the only purpose could be to attack trusts which it can reasonably be believed to be made only for the purpose of evading the tax. As my friend will explain readily—and I will accept it—they cannot and they do not affect or wish to affect the law of trusts: that is true. What they say is, the law of trusts may remain, but the law of trusts should not be used for the purpose of evading taxation; and it is only to that extent that he can ask the House reasonably to aid him in a legislation by which, notwithstanding the fact that the trust is valid, the income of another shall be treated as the income of the settlor. He cannot, therefore, claim anything more from this House—at least not reasonably speaking. What I am suggesting is that the way in which they claim, it is too wide, too sweeping. For

instance, the clause, as they interpret, is in the explanation given—whether that interpretation is right or wrong, it is not for me to say—but what they claim is this, that in every case in which the trust is such that the corpus or the capital is in some manner reserved or likely to return to the settlor, the income of the beneficiary should be treated as the income of the settlor. In other words, supposing A makes a perfectly honest trust for life and makes no further disposition. Then, they say “No, the corpus is still under your domination, and, therefore, the income should be taxed as the income of the settlor.” How can my Honourable friend in reason say that every trust must be deemed to be an evasion of the income-tax law? Unless he goes to that length, he cannot possibly justify the clause that he is relying on. Therefore, what I suggest to him and to the House is that certainly a limitation of what he now moves is needed.

Looking at the English law, that is to say, not the English law in the sense of the English law of trusts, because there he would get no consolation—but where he gets consolation from is the fact that the Income-tax department in England by means of legislation only intended for tax purposes have attempted from time to time as their attention has been called to a kind of trust—an infinite variety of them—by which people have attempted to evade the income-tax law in that rich country; and, therefore, my friend knows that there are some 15 or 16 pages in their Act where a description of numerous kinds of trust is given, where the income of the beneficiary is to be treated as the income of the settlor. We need not in this poor country go so far as looking for all this infinite variety of devices which their monied men are obliged to resort to and which they do. I, therefore, suggest humbly to the House—and if the House so accepts the view—that if the trust is revocable at the will of the settlor, I can well understand, in such a case, it being said that even though in terms it may be this “A for life, but revocable” and the Indian Trusts Act allows it—but A for life is a deception or can be, because after the tax-gatherer is gone at the end of a year, you have only to file a revocation, and the trust is at an end. I will deal with the point which my Honourable friend raised in which there is a lot of substance. Therefore, if they were merely wanting to hit the purely revocable trust, I can understand some reason in supporting it, because it might well be argued that a revocable trust, whatever its other terms are, because it does not matter what it says—to A for life or to B for life, so long as, at the end of the trust deed, the words are put that the settlor shall have power to revoke the same by an instrument in writing or words to that effect which are usually to be found.

The point, therefore, is that if you merely hit the revocable trust to that extent, the House may, if it thinks right, at all events concede that it is likely or lend itself to being likely as a device. But when it comes to irrevocable trusts, it seems to me that my Honourable friend is going too far. Nobody is going to irrevocably give away his income to another in order merely to escape taxes; and mark the language of 17 (1)—“whether revocable or not.” Therefore, if it were merely as an irrevocable trust, I think my Honourable friend is going too far. Even there also I can see in some cases the possibility of an evasion: that is, supposing a trust is irrevocable, not altogether, but by virtue of its provisions at the end of, say, six years—usually it is six years only for this reason that in studying the lists of trusts which are hit by the English law of tax,

[Mr. Bhulabhai J. Desai.]

I found that they seem to find that people are quite willing to part with the income for a period of six years under some arrangement or other which may not exist here, to a stranger—or if it is wife and child it may stand on a different footing—but the test which they put before themselves roughly was that if it is irrevocable for a period of six years, then you may assume that any trust to ensure more than six years and not being irrevocable in the meantime is a trust which could not possibly be argued to be a trust intended to be a mere device to evade tax, and, therefore, such trusts are outside: and my suggestion to the House is this: that the kind of amendment which I wish to recommend is—if a trust is revocable, let the income of the beneficiary be treated as the income of the settlor. If the trust is irrevocable for a period of six or less than six years, then that should be a case in which you may consider whether or not the income of the beneficiary should be treated as the income of the settlor. But if it is irrevocable for more than six years, I think even the desire of the House to tax a person should not so run away with them as to imagine fraud in every case, because, nobody is going to give away income for more than six years irrevocably in order that he may escape the tax.

There is one other point to which I should like to draw the attention of the House, and it is this. Even in the case of revocable trusts, though my friend can argue, and I have really put the argument against myself in the sense that from the point of view of the assessee, anything from five to seven per cent. *ad valorem* is to be leviable on the transfer of property, where it is by way of trust or gift. Now, it must be remembered that this is not a case of enure being taxed at all. In some cases, it may happen, where the income of the beneficiary is less than the exempted amount, we shall say Rs. 5,000, but it is divided between three beneficiaries; then each of them escapes the tax if it was taxed in their hands. But, apart from such cases, the income in the hands of the beneficiaries remains taxable. The real intention, therefore, is really to get the two sources of income, one is the accumulated income which is divided into several parts being such that it is not liable to tax, and, secondly, the income to be added to the income of the settlor so that he pays tax at a higher rate. These are the two ways by which they hope to gain by hitting against this machinery of trust which nobody can argue is unjust or is unknown to law; it has been known to English law ever since the Chancellor's foot first came into existence at the instance of their kings. So that the last point I was trying to make out was that the excess rate would be relatively so small that my friend was not too far in saying that it may actually represent 10 years' tax.

An Honourable Member: It varies.

Mr. Bhulabhai J. Desai: I thought you may find that at least for five years you get no benefit out of the trust if you transfer the property in a legitimate way, because you avoid the higher rate. That is to say, supposing your income was, shall we say, Rs. 20,000, the trust was Rs. 10,000, so that you would pay a higher rate on the Rs. 30,000 assuming that was the rate. In the other case, Rs. 10,000 would bear one rate, Rs. 20,000 would bear another rate. Thus, on a rough calculation, the accumulated trust would pay at least five times the cost of the transfer by

means of stamps, and so forth. I quite agree that in the five years the man begins to gain, and that is the reason why I am suggesting it is a futile effort to catch any settlement to enure for a period of less than six years, because it would not pay the man, even from the point of view of tax dodging to transfer the property and yet pay in advance so much that at the end of six years he still does not gain anything substantial. In the light of this, what I submit to the House is this,—and I am asking my friend whether he would not agree to an amendment like No. 324 which I think serves all the possible purposes that they may expect by way of tax dodging devices. Even that goes a little too far, but I have only done it in the hope that it will complicate his otherwise grasping mind.

There is one other part of that which I am going to deal with. The words are “during the life time of the person”, and the reason we have added is this, that it is not uncommon in India to make provision by way of maintenance for dependants or members of the family or widowed members of the family, and so on, and those words may or may not be more or less than six years. That is the reason why it had to be distinguished. It may easily happen that you make a settlement for a person's life time; it may happen to be in fact less than six years, or it may in fact exceed six years. Therefore, it is a type of case by way of maintenance which I thought it was reasonable and necessary to provide for in the case of middle class people. The poorer classes have nothing but to trust God. Therefore, my submission is that my friend has got to make out a case that in every trust in which the corpus is to revert to the settlor, it must be a device, though it is a perfectly good trust in the eye of the law and of common sense. I think he will find it difficult to persuade some of us to believe that it is a mere tax dodging device. I have given my reasons for limiting the period to six years. One is the rough calculation I have given about the duty where the man gets nothing at all, and the other is the period which is to be found in the English Statute. In the light of this, I hope my friend, Sir Cowasji Jehangir, would withdraw his amendment

Sir Cowasji Jehangir: But the Government have got to say whether they will accept your amendment.

Mr. Bhulabhai J. Desai: That is all what I have to say.

Mr. M. S. Aney: Sir, I only would like to have one explanation from the Honourable the Leader of the Opposition. I entirely agree with all that he has said, but I have not been able to follow his reasoning when he said that from sub-clause (c) of section 6 trusts which are covered by parts (3) and (4) of sub-clause (3), trusts which are directly or indirectly transferred to the wife by the husband, are excluded. My understanding of this part is this. In computing the total income of anything, there shall be excluded from the assets transferred directly or indirectly to the wife by the husband, otherwise than for adequate consideration,—I thought the words ‘the disposition of property otherwise than for adequate consideration’ was a kind of transfer, if we call it a trust at all, in the nature of a bogus transaction, because there was no consideration about that thing at all. That being the case, if there was any real and *bona fide* transfer, then it will be covered by what is known as sub-clause (c) of this.

Then, as regards the other matter, I see there is an amendment tabled in the name of Mr. Santhanam. I think it is No. 324, and I find that if that amendment is allowed, there is no need for the apprehensions which

[Mr. M. S. Aney.]

are felt if this clause is retained as it is. I do not know whether this part (3) really takes away even those transfers which are made directly or indirectly in favour of the wife by the husband *bona fide*.

Mr. Bhulabhai J. Desai: With your permission, I will explain what I mean. If my Honourable friend will read, the words are:

"In computing the total income of any individual for the purpose of assessment, there shall be included so much of the income of a wife or minor child of such individual as arises directly or indirectly from assets transferred directly or indirectly to the wife by the husband otherwise than for adequate consideration. . . ."

In other words, if it is for adequate consideration, then it is not included. A trust is a transfer otherwise than for adequate consideration. That is how I read the language in a legal sense. Once it is a transfer for consideration, it is a sale. If it is for otherwise than adequate consideration, it may be a gift or a trust. That is the reason why I thought it was possible to argue—I am merely pointing out as a consideration for limiting clause 17 in the manner in which I am doing. I am attempting to give no opinion gratis to my friend the tax gatherer. As regards that, he will look after himself. But I think he has taken away a good deal more than he could ever have succeeded if we had been in the House at the time when section 16 was before it. But, taking that into account, I appeal to him whether he still wants clause 17 to stand in these drastic terms in which has that clause. That is all I have to say.

The Honourable Sir James Grigg: I propose to deal at this stage only with the amendment before the House, which is to destroy the clause altogether, or, at any rate, the new part of the clause leaving the old clause as it was after the 1937 legislation. I hesitate to expose my poor forensic abilities in the midst of so much legal talent, but as I understand it, the theory of taxation in matters of this kind is, a man is not entitled to have deducted for income-tax what he spends out of his income. He is entitled to have deducted for income-tax the income of which he divests himself for ever irrevocably. There is one exception to the last case which was dealt with in the legislation of 1937, namely, that where a man divests himself, whether revocably or irrevocably, of income in favour of the wife or minor children, in view of his obligation to maintain the wife and minor children, it is to be presumed that the purpose of that divestment is to avoid taxation. Therefore, by the 1937 legislation the transaction was nullified for income-tax purposes, but not completely effectively because two conditions which ought to have been cumulative were made separate. The 1937 legislation covered transfers in favour of wife or minor child, but not of both. Roughly speaking, if you put the two together, a trust in favour of wife and minor child, the purpose of the clause is defeated. I am bound to plead a certain lack of foresight on the part of the Government in that matter.

Sir Cawasji Jehangir: How are you going to remedy that?

The Honourable Sir James Grigg: There is an amendment down to remedy that, but that is not relevant to the present purpose. As I understand it, there are two parts of my Honourable friend, Mr. Desai's argument. You have got a good deal out of the 1937 legislation, more than you ought to have got. Why not be satisfied with that? The reason for

that is that the 1987 legislation only covers a very minor part of the field. The new clause does not cover, except for the gift from the husband to the wife or minor children—it does not cover at all dispositions of income, whether revocable or irrevocable, without transfer of assets or revocable transfer of assets to persons other than a wife or minor children. So, it is necessary to go a good deal further and there is no doubt that there are innumerable cases in India in which a man divests himself of income in circumstances so that he can retain control or recover control of that income either by lapse of time or by a specific provision in the trust deed or in the settlement, and so he is, in effect, getting relief from income-tax in respect of income which is merely expenditure out of his income and not a real divestment of it. A simple straightforward case is a settlement of income for a period of six years revocable at the will of the disponent, upon somebody with a very small income or no income at all. The income settled is the top slice of the settlor's income; he relieves himself of taxation at a very high rate and disposes of the income to somebody who pays little or no tax. And, it may be that he would have spent that income in that way in any case. I can give an example with which I am very familiar in the United Kingdom. Supposing a rich man spends, say, £1,000 a year in charitable subscriptions, he can settle £1,000 a year for seven years on trustees and make them pay £1,000 in charitable subscriptions. He has to pay no income-tax or super-tax on that £1,000 although he is merely doing what he did before,—namely, handing out a series of subscriptions to charities out of his income. Take another example, the bar on relief for settlements on minor children can be defeated—even if they were fully operative—by the mere device of having cross settlements of two brothers settling on their nephews. There are innumerable devices and there is no doubt whatever that there is a good deal of this going on in India just as there was a good deal going on in England. In so far as I understand the argument of the Leader of the Opposition, it was this. Really this clause is not much good to you at all. If you are only seeking to catch the non-*bona fide* transaction, nobody will with the very high stamp duties in this country divest himself of income for such a short period as six years because he does not save anything by it. And if he does it for more than six years, it is quite clear that his *bona fides* must be established and, therefore, the new provision is not really justified at all. But we show our moderation and we are prepared to let you have all trusts for period of six years or less, and he thereby makes us an extremely generous offer. He says to us, "You really ought to have nothing. Nevertheless, I make an extremely generous offer. I will give you something", but in sort of aside he says, "What I am going to give you is no good any way". To come back to Sir Cowasji Jehangir's speech, he says, none of this is going on, in one part of his speech, and, therefore, you do not want the clause. But in another part he says, "Well, if it is going on really, what does it matter? You can never catch these people. They are always one move ahead of you."

Sir Cowasji Jehangir: When did I say that?

The Honourable Sir James Grigg: If I am doing an injustice to you, I will certainly withdraw, but I understood you to say that the lesson of the legislation of 1987 was that you could never stop these holes, and as soon as you have stopped one hole another one would appear very quickly.

Sir Cowasji Jehangir: What I said was that you expected to get 30 lakhs and you got only 2½ lakhs. That is not due to evasion but it was due to the fact that no money was to be had from that source.

The Honourable Sir James Grigg: I thought I had disposed of that. The argument was that we had insufficiently stopped the hole and, therefore, a large number of rats or mice would get in. But to come back to the argument which Sir Cowasji Jehangir did not use but which is frequently used—"what is the good of trying to prevent tax dodging? People will be sure to get the better of you." So long as taxation rests on any scientific or equitable basis, that is bound to be the case, for the tax dodger is always ready to move ahead of the fiscal machine. That is no reason why the tax machine should not run as hard as it can and see that the leakage is as little as possible and goes on for as short a time as possible.

One further point about the proposal to delete the provision as a whole. The Leader of the Opposition with his usual dialectic or forensic skill sought to prove that it was a very fierce provision and supposing one admits his argument for the moment that it is comprehensive and seeks to stop this particular method of evasion radically, there is very little doubt, as I have said on innumerable occasions in this House, that unless anti-tax dodging provisions are simple and comprehensive they will be broken down very quickly. That has been the experience in England. I have experience of anti-tax dodging legislation going back to 1921 and every hard case which is quoted and is provided for by way of exception to the legislation provides a hole which ultimately becomes a chasm in the legislation. It has to be stopped up in the following year; and the history of legislation of this sort in the United Kingdom shows that it is now an annual event to have in the Finance Bill longer and longer clauses of more and more hideous complexity in order to stop loopholes which have been left in the complex but partial legislation of previous years. The only effective way is to have something simple.

Mr. Bhulabhai J. Desai: Killing the patient instead of curing him?

The Honourable Sir James Grigg: I was going to anticipate that. The analogy is not a perfect one. What you are doing in this is not to punish people for making trusts and that sort of thing but simply to prevent them getting an uncovenanted benefit by doing so and I submit that if that is the worst punishment that can happen to anybody by this clause there is no need to make a great fuss about it and if that is the worst which can happen to the righteous, let us have legislation for dealing with the unrighteous.

Sir Cowasji Jehangir: In view of the speech made by the Leader of the Opposition, and not in view of the speech of the Finance Member, I will ask for permission to withdraw this amendment in favour of another that will be moved from the Congress Benches.

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

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I move:

"That in clause 17 (a) of the Bill, in clause (c) of the proposed sub-section (1), before the words 'settlement or disposition', occurring in the second line, the word 'revocable' be inserted, and the words 'whether revocable or not', occurring in the second and third lines, be omitted."

In the first part of this Bill, the Government wish to put revocable and irrevocable settlements on the same footing. I sympathise with the desire of the Finance Member to stop all loopholes, but when he presumes that all settlements, whether revocable or irrevocable, are something other than *bona fide* transactions, I cannot agree with him.

The Honourable Sir Nripendra Sircar (Law Member): May I put one question to Dr. Banerjea? If a trust is irrevocable for six years, do you call it revocable or irrevocable?

Dr. P. N. Banerjea: That is a question of law and that will be a point for the Court to decide.

The Honourable Sir Nripendra Sircar: What is your impression?

Dr. P. N. Banerjea: For myself, I should be satisfied if an irrevocable trust is to be regarded as a trust which is irrevocable for ever. The object of a settlement is to provide for members of a family or other dependants or even for charitable purposes and therefore it is desirable that a distinction should be drawn between trusts which are made as collusive arrangements for the purpose of evading the payment of tax and arrangements made only for the good of others. My amendment is in the simplest form and its meaning is clear, so far as I can understand it; but if the Government thinks that its meaning is not clear, they may prefer some other amendment among the several amendments on the paper.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved:

"That in clause 17 (a) of the Bill, in clause (c) of the proposed sub-section (1), before the words 'settlement or disposition', occurring in the second line, the word 'revocable' be inserted, and the words 'whether revocable or not', occurring in the second and third lines, be omitted."

Mr. S. P. Chambers (Government of India: Nominated Official): I oppose this amendment and I do not at this stage want to go into details because I understand that amendment No. 324 will also be moved. I prefer to oppose this particular amendment on two small grounds, first, that I think the wording is obscure as the Honourable the Law Member has explained, secondly, that I do not think the amendment even does what the Honourable the Mover hoped it would do, because he has only moved or amended one part of sub-clause (c) of section 16 and not the other part. He leaves in these words, "all income arising to any person by virtue of revocable and transferable assets shall be deemed to be the income of the transferor"—he leaves those words in. I am not sure whether he intends that, but in any case I think that the amendment as moved is unworkable and I, therefore, oppose it.

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

"That in clause 17 (a) of the Bill, in clause (c) of the proposed sub-section (1), before the words 'settlement or disposition', occurring in the second line, the word 'revocable' be inserted, and the words 'whether revocable or not' occurring in the second and third lines, be omitted."

The motion was negatived.

Mr. K. Santhanam: Sir, I move:

"That in clause 17 (a) of the Bill, to clause (c) of the proposed sub-section (1), the following further proviso be added:

'Provided further that this clause shall not apply to any income arising to any person by virtue of a settlement or disposition which is not revocable for a period exceeding six years or during the lifetime of the person and from which income the settlor or disponent derives no direct or indirect benefit.'

Sir, after the lucid exposition of my Leader, I only want to make two observations on this. I want the House to concentrate attention on the last two lines:

"and from which income the settlor or disponent derives no direct or indirect benefit."

I think that will cover almost all the cases mentioned by the Honourable the Finance Member. The second observation I want to make is that the question of settlements cannot arise there. Here there is nothing by way of settling something irrevocably on my nephew and asking my brother to settle something irrevocably on myself. That question has not been dealt with in the Bill, and it should not be used as an argument against this Bill. Therefore, you are not going to catch such settlements. So far as the ordinary settlements go, this proviso has been drawn up as strictly and narrowly as possible, it should cover all possible cases of easy evasion, about very hard cases of evasion I cannot say, but in order to catch one hard case, even they should not prevent *bond fide* settlements which accrue to poor and helpless widows, and in order to cover these cases, this proviso has been put in. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved:

"That in clause 17 (a) of the Bill, to clause (c) of the proposed sub-section (1), the following further proviso be added:

'Provided further that this clause shall not apply to any income arising to any person by virtue of a settlement or disposition which is not revocable for a period exceeding six years or during the lifetime of the person and from which income the settlor or disponent derives no direct or indirect benefit.'

Mr. S. P. Chambers: Sir, there have been already several speeches on this subject and two or three of the amendments and I think it will perhaps be useful if I try to clear the air and explain in my own words what I think the original clause in the Bill intended to do. I have said "in my own words" because I am not quite sure that the other explanations have been fully understood. First of all, we divide transfers or dispositions into two main groups. First, we deal in this clause with transfers of income where the assets do not pass out of the property or out of the ownership of the transferor. Then, we deal separately with the case where the assets of themselves pass but do not pass in perpetuity. Where the assets pass finally irrevocably and in perpetuity from the transferor, that case is not caught or covered by this clause. It is covered, as has already been explained, by sub-clause (3) of section 16 where the transfer is to the wife or the minor children or to an association of persons for the benefit of the wife or the minor children.

An Honourable Member: That is with the amendment moved.

Mr. S. P. Chambers: Therefore, I deal first with the case of transfers of income where the property remains the property of the transferor. Now, let me first explain that I understand that all valid and irrevocable transfers are such that the property is finally and irrevocably transferred to trustees. Therefore, this sub-clause does not apply in any circumstances to any valid irrevocable transfer or deed. It applies to those transfers of income which have been made, whether revocable or irrevocable, by a person who is liable to income-tax. Now the effect of such a transfer, I think I can make clear by just giving an example. If a man has an income of Rs. 10,000 and makes a transfer of his income of Rs. 5,000 to a person without any income, then, instead of getting taxed at the rate applicable to Rs. 10,000, he gets taxed only at the rate applicable to Rs. 5,000 in two separate assessments. That is the general effect and the manner in which the tax is avoided, usually, is to transfer income where the amount transferred is less than Rs. 2,000, so that no tax whatever will be payable on that part of the income which has been so transferred. Now, that case is clear and what we argue is that if a man genuinely wants to transfer income for a long period or in perpetuity, he will normally, but not in all cases, transfer the assets. If he wishes somebody to be endowed permanently, he will normally transfer the assets. We, therefore, say, that where he has made a disposition of income but has not made that disposition permanent, then we can challenge the *bond fides* of that disposition, and that, moreover, where he fails even to transfer the assets but has made the transfer of income permanent, there is no reason why, if he intended this to be a valid transfer, he should not also have transferred the corpus. That is why in the first part of this clause we say "whether revocable or not"; those words relate only to deeds, trusts and other transfers where the assets themselves remain the property of the transferor. The second part of the section deals with the actual transfer of the assets where the transferor does retain some right to take back those rights as and when he wishes. There again, we argue, that if he only makes such partial transfer of the assets from which the income is derived, then we can again challenge the *bond fides*. I will come again later to the question of *bond fide* transfers and we say that we are entitled to treat income from such assets as the income of the transferor. That broadly is the intention of this section.

Now, reference has been made to the United Kingdom law and the Honourable the Leader of the Opposition has already explained that the law on this one point, *viz.*, that which we propose to deal with in one sub-clause, is dealt with in about fifteen long pages. One might ask how it is that in India we propose to deal with this matter so summarily when in the United Kingdom they have found it necessary to take as many as 15 pages. The position in the United Kingdom is materially different on this point from that in India. For one thing, the income of the wife is always treated as the income of the husband for purposes of assessment. Secondly, taxes are deductible from all payments which are made in the way of annual payments from income and, therefore, a number of different set of rules are necessary. But that is not the only trouble. The trouble in England is that they started in 1922 to provide a general rule such as we have in India and then to provide a number of exceptions. Having started in the 1922 Act to provide for exceptions, they found that these exceptions created loopholes which were so large as to let out almost everything they intended to catch. They found it necessary to amend the 1922 Act. This they did on three subsequent

[Mr. S. P. Chambers.]

occasions, and the last amendment is contained in the Finance Act of 1938. The provisions of that Act are very lengthy and in some respects they still leave some loopholes and some exceptions. In other respects, this Act of 1938 goes even further than we are intending to go in this Bill. In section 40 of the 1938 Act provision is made that certain capital sums should be treated as income and that where the amount of the income under the trust is less than the capital sum, the net capital sum once having been paid shall be deemed to cover the amount of income arising in subsequent years. This is an exceptionally complicated section and it is exceptionally difficult to say exactly how it will work. I have heard already from the United Kingdom that this section is working very badly there but the views of the officials in the United Kingdom are not likely to carry very much weight. I would, therefore, like to read out the views of non-officials, persons who are affected by the United Kingdom legislation, to show how unsatisfactory the legislation in the United Kingdom has been. I want to read two short extracts, one from a publication called the "Taxation" which is described as the leading authority on the law, practice, administration and incidence of taxation in the United Kingdom and the other from the "Accountant". The "Accountant" is the recognised publication of the Chartered Accountants throughout the world. That is how they describe it on the front page. The views of these people are bound to carry some weight because they are non-official views. I think officials' views are not likely to carry quite so much weight in this House.

Mr. S. Satyamurti (Madras City: Non-Muhammadan Urban): No reflection on this House.

Mr. S. P. Chambers: It might be a reflection on the official views.

Mr. S. Satyamurti: That I accept.

Mr. S. P. Chambers: The first extract is from the "Taxation", dated the 22nd October, 1938. So, I am very well up-to-date. It says this under the heading "Revocable covenants: some urgent reflections":

"The effect of the history of this item of legislation is unfortunately apparent in the Act itself. Although the penalising sections, though magnificently vague, bear the stamp of the draftsman's most careful attention, the later relieving provisions of Part II of the Schedule show disastrous signs of hurried preparation which necessarily leaves the taxpayer in an embarrassment of doubt as to what amendment of his arrangements he must exactly make in order to obtain the relief intended to be granted him by Parliament."

The other extract which I wish to read is from the "Accountant", dated the 10th September, 1938, under the heading "Settlements". This is what it says:

"Perusal or study of this latest addition to the legislation upon settlements reminds one of the quip of the chairman of the Income-tax Payer's Society (Sir William Davidson) who remarked in the House of Commons during the course of the Bill's passage through that assembly, that it ought to be known as 'The Legal Profession Endowment Bill'." (*We are anxious that this clause should not also be a Legal Profession Endowment Bill.*) "One is tempted to wonder how many of our legislators understood the terms of the measure they were begetting! The new sections strengthening the position of the Inland Revenue in relation to 'tax avoiding' settlements are attempting for the time being to discriminate in favour of what have been described as 'genuine' settlements are couched in language which positively courts inquiry."

Those are very up-to-date quotations about the position of the United Kingdom law. Although I am not here to criticise the United Kingdom law, which is working so unsatisfactorily there and which is regarded there as an "Endowment of the Legal Profession", I think that type of legislation is quite unsuitable for India.

I now want to turn to the types of cases which have been referred to by Honourable Members. First of all, I understand it is not the intention of anybody in this House to protect a genuine tax-dodger. When I say a genuine tax-dodger, I mean a person who is obviously dodging the tax. The intention, I understand, is only to protect such persons who have made genuine transfers and have not made those transfers with the object of avoiding income-tax.

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

The difficulty, as has been experienced in the United Kingdom, is to word the exceptions so that those exceptions cover the genuine cases and do not cover other cases. The experience of the United Kingdom in 1922 clearly was that any attempt at providing a general simple clause to make exceptions would fail. It did fail in the United Kingdom and, therefore, their attempts at making exceptions now run in to 15 pages, as the Honourable the Leader of the Opposition has already explained. Therefore, we are faced with this dilemma: Are we to provide any exceptions? If so, then our legislation must of necessity be very complicated. Any attempt at putting in a simple amendment is bound to lead to difficulties.

Now, I will come to the difficulties of simple amendments when I come to the actual wording of the amendment which is under discussion. But before I come to that, I want to explain quite generally the manner in which any amendment which sets a period of years to the length of disposition still leaves loopholes and allows the dishonest—I will not say dishonest—but allows the tax-dodger to go through.

Mr. S. Satyamurti: Is a tax-dodger an honest man?

Mr. S. P. Chambers: The tax-dodger may be an honest man according to some standards and according to other standards he may be a dishonest man. I prefer to use the neutral word, tax-dodger, rather than dishonest assessee. I understand the expression "dishonest", as used in relation to persons evading or avoiding tax by legal means, has been objected to in certain quarters. If a person makes a revocable transfer of income for a period of seven years, what we have provided in this amendment is that a transfer for a period of six years will escape the damage of the section. All he has to do is to see that the person upon whom he is making a disposition is not in a position, during those seven years, to do anything which would affect his ultimate rights to regain income. In the case of persons who are under any disability, widows, minor children and so on, this is usually fairly easy. In India, I understand, that there are a very large number of illiterate persons. That is the general impression I have got. It is possible to make a disposition in favour of a completely illiterate person in such circumstances that the deed would be perfectly valid and the disposer does, in fact, retain the income although in law it remains the income of such an illiterate person. That is a very easy thing to do and it is a very difficult thing for anybody to challenge. If, therefore, these deeds are drawn up in favour of widows and other persons whom

[Mr. S. P. Chambers.]

the transferor wishes to benefit, it will be virtually impossible for the income-tax officer to challenge the validity of the deed. Moreover, there is this question of cross transfer which my Honourable friend, Mr. Santhanam, referred to. What Mr. Santhanam said was this. It is a very important point which he made, that this clause does not cover the case of cross transfers. May I first of all explain what a cross transfer is? Transfer by 'A' of income or securities for the benefit of the son of 'B' when 'B' simultaneously transfers a similar amount of income or securities for the benefit of the son of 'A'. Such a transfer, of course, is not covered by sub-section (3) of section 16, and Mr. Santhanam says that this is not covered by section 16 anyhow and, therefore, the question does not arise. That I think is due perhaps to slight confusion. When a transfer of assets has been made and that transfer has been made irrevocable, then we do not intend nor have we drafted any provision to cover that case in any circumstances unless, of course, it is to the wife or the minor child. Where it is made for any other person there was no intention of taxing the income as the income of the transferor. So we have no objection whatever to such transfers where the whole corpus passes and passes irrevocably, but what we do wish to catch is the case where the income is transferred, whether revocably or irrevocably or the assets are transferred not irrevocably. To that extent, which is the extent to which we wish to go in this section, this clause does cover that case.

Mr. K. Santhanam: It is covered in any case. There is no question of cross transfer in that case.

Mr. S. P. Chambers: I understood the Honourable Member to say that we were not covering such cases. Then the point is quite clear. I now come to what I think is the main point of the Opposition to this clause. Now, as I said earlier I do not think it is the wish of anybody in this House to assist persons who are deliberately dodging taxes. But it is argued that we have made some severe and harsh sections without any exceptions and that we are going to catch not only the honest but the dishonest as well. (Laughter). I am glad that Honourable Members are so keenly following as to notice the slip of words. However, I have made my point perfectly clear. I want to catch both. Honourable Members do not wish to penalise such persons, but this is the point; is there any penalty in such a case? Now, my argument is this: let us suppose that this catches quite a number of genuine trusts which are not made for the purpose of dodging taxes. Let us put it at its worst. I do not think there are really many cases, because I think most of them are definitely irrevocable transfers of assets. Putting it at its worst, let us suppose that this covers a number of very genuine cases, I submit even in that case the incomes should be deemed to be the incomes of the transferor. . . .

Mr. S. Satyamurti: Why?

Mr. S. P. Chambers: There are several types of persons for whom transfers of this kind can be made quite genuinely.

Mr. N. C. Chunder (Calcutta: Non-Muhammadan Urban): Marriage settlement.

Mr. S. P. Chambers: Marriage settlement is a very good case. It is, of course, by the father to the daughter and not by husband to wife which is referred to. That is a perfectly legitimate case. Let us assume that the father in such a case has an income of two lakhs and the daughter has none whatever. There is no reason why the father should not transfer income in that way to his daughter about to be married. But why should the State subsidise that? That is the argument. This amendment has this effect that if the father transfers to his daughter in this way saving is effected in income-tax and, therefore, just as we are encouraging insurance by giving deduction for life insurance so we are asked to subsidise or give a bonus for making settlements on daughters. That to my mind is completely wrong.

Sir Cowasji Jehangir: Then why not stop gifts also because you lose income-tax.

Mr. S. P. Chambers: The Honourable Member raises the case of gifts which again suits my purpose very well. If out of my income of two lakhs a year I propose to spend two thousand or twenty thousand by way of gifts, then that makes no difference to my income-tax. By settling on my daughter two thousand or 20 thousand, then the effect of such a provision is that income-tax will only be payable on 1,98,000 or 1,80,000. If I make a gift, I still pay my tax on two lakhs.

Sir Cowasji Jehangir: The point is will you show why one person should not give to another person or to any charities anything he chooses. You lose income-tax on it.

Mr. S. P. Chambers: I have already said that this may be perfectly legitimate, but in no manner whatever would we wish to stop that type of gift. . . .

Mr. President (The Honourable Sir Abdur Rahim): It being Four of the Clock, the House will now take up the motion for adjournment.

MOTION FOR ADJOURNMENT.

SETTING UP OF A NEW MEMORIAL OF THE BADLI-KI-SERAI BATTLE NEAR DELHI.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions: Non-Muhammadian 4 P.M. Rural): Sir, I move:

"That the Assembly do now adjourn."

I shall try to speak quite quietly, Sir, both because I have a fever, and also because I do not want to make matters worse than they are. Frankly, Sir, I am a friend of the English people, if they will accept the friendship of a small man like myself; and I was exceedingly pained when I saw in the *Statesman* this morning a description of a ceremony about six miles away from this place where a new so-called "mutiny" memorial has been raised on which my people, who rightly or wrongly were fighting for their freedom, have been referred to as "mutineers" and as "enemies" in their own country. What was their fault? The only fault that they committed was that they lost. The Americans fought and won, and so they became the warriors of freedom; we fought and lost; and we are

[Mr. Sri Prakasa.]

dubbed as mutineers. The principle that actuated the Americans and actuated us was the same; but the results were different; and being different we are called by different names. Sir, Scotland and England have also fought against each other. It is said that for centuries a deeper river of blood divided them than the river Tweed which separates them today. And, today, the Scottish leaders Wallace and Bruce, and even the great English King, Edward I, their sworn enemy, are alike heroes of the two nations, and nobody wants to erect a memorial on the field of Banuockburn whence the English had to fly, or at the London Bridge where Wallace's brave, patriotic head was exposed to be jeered at by the London crowds of that time. Would my Honourable friends want me to raise a memorial at the *Khuni Darwaza*—the Gate of Blood—here at Delhi—where, tradition says, hundreds of my people were blown at the cannon's mouth from day to day; and, where, it is said that when the valiant British General found one day that only 99 were available, he added his own *khansama* so that the quota of a hundred might be made up?

Sir, would my Honourable friends like me to raise a memorial in my own village in the Jaunpur district where at that time ruled a noble chieftain named Ijarat Jehan, whose memory is still fresh in the countryside and who was hanged by the British for his patriotic activities on an open mound which is still pointed out. He was a Muslim; but the Brahmans there, more than any others, hold his memory in reverence to this day, because he was, according to the traditions of those Brahmans themselves, a real king, a "*Go Brahmana pratipalak*", a protector of cows and Brahmans. He gave away lands in plenty, free of all rents and taxes, to the Brahman pandits of his time whose descendants enjoyed them till the cruel land laws of the British snatched away from them their heritage. Would my Honourable friends opposite want me to raise memorials like that? Or do they only want memorials to be raised on one side? Lucknow and Cawnpore were already there; and now they want a Delhi also to be added to the number. I have no objection to private friends and relatives raising memorials to the dead. Even murderers have their friends and those friends may hold their memory dear. But when the Commander-in-Chief of the army in India goes down and associates himself with this ceremony, he puts the *imprimatur* of official approval on this transaction. It is that to which I strongly object.

I have no objection to memorials being raised to the fallen gallant and brave men of either side. If the memorial said: "Sacred to the memory of the brave men who fought and died here on either side for the cause each held dear, in the Badli-ki-Serai battle on the 8th June, 1857. Instead of lamentation they shall have remembrance and instead of pity. . . . praise"; if such were the language of the memorial, I should positively welcome it. But when one side is referred to as mutineers and as enemies and gallantry is sought to be reserved only for the other side, then I have grave objections. I know it is difficult to get into other peoples' skins, but it is not only the victors who are brave; the vanquished may be braver. We see before our very eyes in Ethiopia, in China and in Spain that it is the vanquished who are braver than the victors; and, so far as I have been able to peep into the events of 1857, our people were braver than those who ultimately won. I, therefore, feel, Sir, that to revive old memories is not proper. The healing hand of time was

already trying to efface the sad memories of 1857. People were settling down; new problems were arising; new causes of conflicts were certainly there; but there is no doubt that so far as the old sad memories of 1857 were concerned they were being slowly but effectively eliminated. But here come some busy bodies with the paraphernalia of the British army who insist on identifying a skeleton as being that of Lieutenant so-and-so—and it does require remarkable ingenuity and research to identify a skeleton as that of an individual and not a type—and raise a memorial. Shall I also go and find a skeleton and say that it is that of the *khansama* who made up the quota of one hundred on that fateful morning, and raise a memorial at *Khuni Darwaza* saying how he was cruelly done to death by the foreign aggressor?

Do not Honourable Members remember the publication of that book "The Other Side of the Medal", by Edward Thompson that made many Europeans realise, both in official and non-official life, that the shadow of 1857 still lay heavy across the Indian continent, and that in the countryside people had not forgotten those sad days? The memory certainly was not in favour of the British, but in favour of ourselves. Our people remember the cruel deeds that were committed against us; but we have not been able to express them because we had been stifled;—speech and writing alike has been banned. I do not want to raise any racial or communal bogey—indeed I want to avoid it; and though we all know that in the events of 1857, it was the Muslims who suffered most, I do not refer to the martyrs as such separately, but as part of the whole. I regard Hindus and Muslims as one and the same in the battle of freedom as well as in social life; and whether it is this bloody warfare of 1857 or the non-violent struggle of 1932, or the daily life of the land, they stand side by side for the common good.

I, therefore, feel, sir, that it is not a racial or a communal question. My objection is to the reviving of old and forgotten memories and purposely trying to foment racial difficulties and deliberately preventing the growth of common citizenship. I object to this; and I have no doubt that the presence of this memorial can only serve this nefarious purpose. It would have been better really if the old cemeteries by lapse of time and by the action of wind and weather had been allowed to go into dilapidation and disappear, as this one was doing according to the *Statesman* report. It would have been better to let unidentified skeletons crumble to pieces. I have no objection to the appreciation of the brave deeds that were done; I bow in humility and in admiration before the bravery that was doubtlessly displayed at that time. But bravery was displayed on both sides. I do not slur over the dirty deeds either that my own countrymen did at that time. I am scientific and historical enough to recognise that unmentionable events took place, of which none of us can be proud, but which are unfortunately inevitable in all large-scales conflicts. Dirty deeds were done by the other side as much as by my side, which I deplore; and deeds of unsurpassed bravery were done by the other side as much as by my own, which I admire; and both deserve equal condemnation and equal praise from my friends opposite also. It is no business of a Government that calls itself the Government of India and not a Government of England, or any foreign country, now and at our expense and with our help to go and find out in odd nooks and corners old skeletons and old remains, old places and old cemeteries

[Mr. Sri Prakasa.]

and raise new memorials on them. I strongly object to the spirit that pervades the whole thing, namely, the unnecessary and deliberate raising of racial hatred.

The purpose of moving this adjournment motion is to express formally that in our opinion it is improper for the Government of India officially as represented by the head of its army, His Excellency the Commander-in-Chief, himself to go and give their moral support to this venture. I deplore the presence of a Christian divine who blesses such a function. His Master—and he is not the Master only of those who regard themselves as Christians, but Master of many others who may not be Christians in the Census report—his Master has decreed: 'Thou shalt turn thy right cheek when the left is smitten.' But this official Christian divine goes and blesses the erection of a memorial to those who attacked a few men standing on a mound trying bravely to defend their country from the onslaught of the foreigner as he then was. I, therefore, venture to move this motion so that such things may not happen again in the future and that no further memorials may be raised in this fashion and the growth of mutual goodwill be not rudely prevented. This inscription to which I have so much objection reads:

"To the memory of those men of H. M. 75th Regiment (now the 1st Bn. the Gordon Highlanders) who fell while charging the *mutineers'* guns on this mound at the battle of Badli-ke-Serai, 8th June, 1857, to whose gallantry the victory of that day was due and who lie buried here.

'Instead of lamentation they shall have remembrance and instead of pity . . . praise'."

I sorrowfully feel, Sir, that things being as they are, the Government opposite cannot but be held responsible for what has happened; and I have, therefore, no option but to move with deep regret that the House do now adjourn and thereby censure and condemn that Government.

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

"That the Assembly do now adjourn."

Mr. C. M. G. Oglvie (Defence Secretary): Sir, I was extremely surprised when I received my Honourable friend, Mr. Sri Prakasa's adjournment motion this morning. One of the matters upon which we seem to differ vitally is this, he says that it is better that cemeteries should disappear and be forgotten and the resting places of the dead be allowed to disappear. Those feelings are not our feelings. In fact they are very strongly the reverse. The memorial was raised to the memory of men who died at that place and whose resting place had up till recently not been discovered. When it was—and thanks largely to the co-operation of the villagers in whose ground it lay—it was necessary, reverently, to restore it. This was done not by Government but by private agency and a suitable memorial was erected over the names of the fallen. The inscription has already been read to the House by Mr. Sri Prakasa and there is no need, therefore, for me to read it again. It is a plain statement, short and brief as possible, and gives the facts in a way which I think ought not to affect the sensibilities of any one. Mr. Sri Prakasa compared the old Bengal Army, which mutinied in 1857, with the Americans and the Scots. The difference I may point out to him is that the Bengal Army were

troops engaged by the Government of the country, whose uniform they wore and to whom they owed allegiance; and troops who take up arms against the Government which maintain them must be called mutineers

Mr. M. Asaf Ali (Delhi: General): The Government of the day was the Mughal in Delhi.

Mr. C. M. G. Ogilvie: I do not propose to argue with the Honourable Member on that subject. All I need say is that the Mughal Emperor of the day did not pay or maintain those troops. As regards the other matters which Mr. Sri Prakasa touched upon, I can only say that I have not only no wish whatever but absolutely no intention of saying anything which might arouse unhappy memories; but that the erection of a memorial to the dead on this cemetery is a matter for the adjournment of the House I must most emphatically contest. It was in accordance with our ideas not only a natural but a necessary thing to do. With these words, I resume my seat.

Mr. M. S. Aney (Berar: Non-Muhammadian): Sir, I rise to support the motion moved by my Honourable friend, Mr. Sri Prakasa. I believe the time has come when those who are in power in this country up to this time ought to be more careful in taking note of the sentiments of the people and the tremendous change that has come over the mentality of the Indian people as a whole. Things that were tolerated, connived at and even acquiesced in at one time could not be looked at from the same point of view nowadays when a new consciousness is growing in this country. It was the fashion with European historians and a number of those who happened to be the writers of the story of the year 1857 to describe those brave and gallant men and women who had raised the standard of rebellion against the foreign authority in this country and fought and made the supreme sacrifice that any patriot is expected to make—it was the fashion to describe them as mutineers and give them all sorts of bad names which the English dictionary is full of. It is now a matter of which my friends on the Treasury Benches and others of their way of thinking ought to take note, that the story of 1857 is looked upon as the first brave attempt made by the Indian people to regain the liberty of which they were robbed in the most unjust manner. It might be an unsuccessful attempt, and those who succeeded in putting them down may, for the time being, claim the right in their spirit of vindictiveness to call themselves victors and to give bad names to those whom they crushed then, but the country now is no longer in a mood to put up with anything of that kind hereafter. If the adjournment motion which my friend, Mr. Sri Prakasa, has tabled and moved so ably has anything to teach my friends on the other side, it is this,—it will show them that a real change has come over the country, and the people of India no longer want to read their history or the books that have been written by those who had an interest or a bias in writing them in a particular manner, that the eyes of the people have been opened, their consciousness is awakened, and they have now got a definite point of view from which they read their own history, and that they have now got a particular respect for all those who had fought for the people of this country before. I want to remind Honourable Members that all those who fought in the fight for Independence in the year 1857-58 are rightly looked

[Mr. M. S. Aney.]

upon as martyrs who shed their blood in the cause of India's freedom. It may not be liked by you,—that is another matter,—but you must know that you are ruling over a people who have got this feeling, and if you all still are not aware of this fact, then it is clear you have yet to learn much to understand what we are.

Sir, having said this, I should like to make a short remark. The Honourable Member in charge said that the statement which my friend, Mr. Sri Prakasa, made,—it is better that the cemeteries should be forgotten,—did not please him. My friend, Mr. Ogilvie, began his reply by saying: 'No, our feelings are just the reverse'. Sir, I can assure him I respect the dead as much as he does, whether the dead belong to his race or to my race. There can be no two opinions about it. But when you want to glorify a thing in a particular manner with a particular object in view, it is that spirit which we all resent. The point is this. I make no difference between dead of one race or another

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What about the misrepresentation made by the sepoys?

Mr. M. S. Aney: Sir, this is too serious a matter. We are speaking about the dead, and my friend has started his jokes.

Now, Sir, it is stated that the epitaph is there, and it is such to which nobody can object because it is so carefully worded as to avoid giving any offence to the sentiments of the people. The word 'mutineer' is there, and is it not a word which will give offence to the sentiments of the people? Will my friend like to be called a mutineer in his own country?

Mr. O. M. G. Ogilvie: I would not like to be one.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): You will be one when Hitler goes there.

Mr. M. S. Aney: There is no doubt that there is something like offensiveness in that term, and it is being used here with regard to those persons whom the people of this country regard as true martyrs. If my friend knows that fact, he will also appreciate the fact that the term is properly objected to, and, therefore, if he wishes that this feeling should disappear, the least he can do is to efface that word "mutineer" from the epitaph which is on the cemetery. If he does that, probably we shall be reconciled, and we shall say it is honour to the dead without meaning any insult to anybody else, but when you call them mutineers, you deny them the proud honour which rightly belongs to them for doing an act of bravery which they did then, you arrogate all that was honourable in that fight to yourself. You refuse to look at the spirit with which they opposed you at the time when they fought against you. There is no sense of that generous appreciation which the victors are expected to possess. Unfortunately, even after about 100 years, we find those victors still carry their vindictiveness to such an extent as to nickname those who so bravely fought against them. If after 100 years you are unable to appreciate that, it only indicates the depth of vindictiveness which you possess. I wish that feeling of vindictiveness disappears from you and that you are in a position to understand the real sentiments of the people about the war of

independence which was waged by our forefathers in the year 1858. It is impossible for you to understand what are the feelings with which the people cherish the memories of those brave men. Your books and history are only read by a few school boys, and, even in spite of all the efforts and all the propaganda made to popularise the so-called heroes that fought on the side of the English people in 1858, the sweet and inspiring memories of those who fought for the cause of independence, in those days, are still cherished and revered. Stories and traditions are heard in every village wherever there was a mutiny or wherever there was some kind of fight for independence, and those people who fought for independence in those days are today remembered much more than all the other names whom you try to crowd the pages of history with. Sir, as yet, the Englishman has failed to understand the Indian thought. If you want to continue in that state of darkness or ignorance, so much the worse for you. I only wish that this motion will serve to bring about a change of mentality in the English people who are today in India, and make them look at the Indian point of view in its proper perspective. With these words, Sir, I support the motion moved by my friend, Mr. Sri Prakasa.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Sir, I rise to support the motion, and in doing so I feel it is not necessary to make anything like a speech. The case has been put with the greatest fairness, moderation and effect, by the Honourable the Mover, and I think it is impossible to improve upon what he has said. The point at issue is not whether it was proper or improper to raise a memorial to the soldiers who had fallen fighting during the rising of 1857, but the real point is whether the inscription should have been worded in the way in which it has been worded, and whether official blessing should have been given to that wording by such a high personage as His Excellency the Commander-in-Chief in India. Sir, it is now a well established fact that what is described in our school text books and official versions of Indian history as the mutiny of 1857 has been again and again described by Indians as the War of Indian Independence. That is a thing, I take it, which must have come to the notice of the wide-awake Government of India, and they ought to have been in a position to appreciate the point of view of Indians in this matter. As has been remarked by my friend, Mr. Sri Prakasa, the result of the struggle which was waged in 1857 is immaterial for this purpose. You have to look at the motive and the spirit which animated the other side. While I do not for a moment blame the British people for having struggled hard, and successfully at that, to maintain their hold on India, I am unable to see with what justification Indians can be blamed for the life and death struggle which they waged in order to secure their independence. It is like the proverbial picture of the lion and the man which was shown triumphantly by a man to a lion saying, "See how brave this man is. He has borne down this lion." The lion retorted by saying that the person who drew the picture was a man and if a lion had drawn the picture he would have found the lion on top of the man. Now, it is very easy for those who happened to be victors in the struggle of 1857 and who have been, since then, in the commanding position to write histories and to publish them and get them written even by our people who were their hirelings, to describe it as a mutiny. The feeling of Indians is just the other way, and I think we are entitled to bring it pointedly to the notice of the Government of India by means of this adjournment motion, that this kind of treatment of Indian feeling and

[Syed Ghulam Bhik Nairang.]

Indian susceptibilities can no longer be tolerated. We are all unanimous, Sir, that this adjournment motion should be carried and on behalf of my Party I support this motion.

Several Honourable Members: Let the question be now put.

Mr. President (The Honourable Sir Abdur Rahim): If any Honourable Member wishes to speak, there is enough time.

(No Honourable Member rising.)

The question is:

"That the question be now put."

The motion was adopted.

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

"That the Assembly do now adjourn."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Monday, the 5th December, 1938.