

27th March , 1933

THE  
LEGISLATIVE ASSEMBLY DEBATES  
(Official Report)

1933

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FIFTH SESSION  
OF THE  
FOURTH LEGISLATIVE ASSEMBLY,  
1933



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1933

M97LAD

# Legislative Assembly.

## *President :*

THE HONOURABLE SIR IBRAHIM RAHIMTOOLA, K.C.S.I., C.I.E. (Upto 7th March, 1933.)

THE HONOURABLE MR. R. K. SHANMUKHAM CHETTY. (From 14th March, 1933.)

## *Deputy President :*

MR. R. K. SHANMUKHAM CHETTY, M.L.A. (Upto 13th March, 1933.)

MR. ABDUL MATIN CHAUDHURY, M.L.A. (From 22nd March, 1933.)

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SIR ABDUR RAHIM, K.C.S.I., KT., M.L.A.

SIR LESLIE HUDSON, KT., M.L.A.

MR. MUHAMMAD YAMIN KHAN, C.I.E., M.L.A.

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RAI BAHADUR D. DUTT.

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

## *Committee on Public Petitions :*

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MR. ABDUL MATIN CHAUDHURY, M.L.A., *Chairman*. (From 22nd March, 1933.)

SIR LESLIE HUDSON, KT., M.L.A.

SIR ABDULLA-AL-MAMÜN SUHRAWARDY, KT., M.L.A.

MR. B. SITARAMARAJU, M.L.A.

MR. C. S. RANGA IYER, M.L.A.

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# LEGISLATIVE ASSEMBLY.

*Monday, 27th March, 1933.*

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) in the Chair.

## MEMBER SWORN.

Major-General Sir John Megaw, K.C.I.E., K.H.P., M.L.A. (Government of India: Nominated Official).

## QUESTIONS AND ANSWERS.

### ALLEGED LATHI CHARGE BY THE POLICE ON HAJ PILGRIMS IN BOMBAY.

923. \***Khan Bahadur Haji Wajihuddin**: Is it a fact that *S. S. Akbar* has recently carried Indian pilgrims to the Hedjaz and that at the time of embarkation at the port, the Bombay police made a *lathi* charge upon the unarmed outgoing pilgrims? Will Government be pleased to state the facts and the action they propose to take to safeguard the interests of intending pilgrims in the future?

**The Honourable Sir Harry Haig**: With your permission, Sir, I should like to answer questions Nos. 923, 924 and 958 together. In view of the interest taken in the Press and elsewhere in this matter, I wish to give at some length the facts ascertained through the Government of Bombay. The *S. S. Akbar* was due to sail on the 2nd March and in accordance with the practice which experience has shown to be convenient to all parties, pilgrims were allowed to embark their heavy luggage on the 1st March. On this occasion there was an unusually large crowd and during the rush from the wharf one old pilgrim was thrown down by the crowd and was in danger of being trampled to death. The police rescued him by pushing back the crowd a little, but they did not use their *lathis*.

On the following day the embarkation of pilgrims began and all the arrangements were carried out according to plan. When the pilgrims had been got on board there was a rush for the gangways by coolies and pedlars and also by visitors who had friends on board. The police formed a cordon round the gangways and maintained that cordon, with difficulty, until the ship sailed. They did not use their *lathis* for this or any other purpose.

The Commissioner of Police on hearing of the allegations of harsh treatment from the police at once made an enquiry from the four members of the Haj Committee who, with commendable public spirit, assist pilgrims at the Port. These four members have reported in writing that they witnessed no such incident and that the behaviour of the police was

unexceptionable. The arrangements for the embarkation of pilgrims are under the personal supervision of the Deputy Commissioner, Port Police, who is assisted by the Port Health Officer and his staff and also by the members of the Haj Committee, Bombay. Members of this House will recognise that the task of embarking pilgrims who are for the most part inexperienced and excitable travellers is a difficult one and I can only regret that untrue allegations of harsh conduct on the part of the police should have caused distress to those who are specially interested in the welfare of Haj pilgrims. I can assure the House that the port authorities are doing all that is possible to maintain efficient embarkation arrangements for the pilgrims.

**Khan Bahadur Haji Wajihuddin:** May I know, Sir, the names of those members of the Haj Committee who were present at the port?

**The Honourable Sir Harry Haig:** I have got them somewhere, but I do not know if I can get them out of my papers immediately. I have got their letters in my file and I shall be very glad to show them to the Honourable Member afterwards.

**Mr. M. Maswood Ahmad:** Is it a fact that big *lathis* which are used to disperse the members of the non-co-operation movement were used on that day in Bombay?

**The Honourable Sir Harry Haig:** I have specifically stated that *lathis* were not used.

**Mr. M. Maswood Ahmad:** Is it a fact that the police had those particular *lathis* when they were deputed to look after the Haj pilgrims?

**The Honourable Sir Harry Haig:** I have no doubt that the police carry *lathis*.

**Mr. Gaya Prasad Singh:** Do I understand that the *lathi* charge administered on the Muslim crowd on that day . . . .

**The Honourable Sir Harry Haig:** May I interrupt the Honourable Member and say that no *lathi* charge was administered on that day. The Honourable Member appears not to have listened to my answer.

**Mr. Gaya Prasad Singh:** Do I understand the Honourable Member to say that a *lathi* charge was not administered?

**The Honourable Sir Harry Haig:** That was very distinctly the purport of my answer.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Honourable Members will first listen to the answer before asking supplementary questions.

**Mr. Gaya Prasad Singh:** I would ask the Honourable Member to speak loudly, because it is very difficult for us to catch what some of the Honourable Members on the Treasury Benches say.

**Mr. Lalchand Navalrai:** May I know if the members of the Haj Committee who were there had been specifically asked with regard to this *lathi* charge and if they have stated that no *lathi* charge was administered?

**The Honourable Sir Harry Haig:** Yes, Sir. All the members of the Haj Committee were asked to give the facts which came under their notice in writing.

**Dr. Ziauddin Ahmad:** Will the Honourable Member ask the members of the Haj Committee to issue very quickly a formal communiqué in their own names so that we may know exactly how matters stand?

**The Honourable Sir Harry Haig:** That, Sir, is a matter for the Bombay Government. I will certainly make the suggestion to the Bombay Government.

**Mr. M. Maswood Ahmad:** Is it a fact that the time for embarkation on the ship was 2 P.M., but up to 3-30 P.M., the gate was not opened and that the pilgrims on the dock were waiting for eight hours?

**The Honourable Sir Harry Haig:** No, Sir. I do not think those are the facts at all. But if the Honourable Member will give me notice, I will give him a specific answer to that question.

**Mr. Lalchand Navalrai:** Will the Honourable Member be pleased to arrange things in such a manner that at the time of the embarkation there should be no rush at all? It appears that there is perhaps only one ladder to go up, but if there had been two or three ladders there would not have been any rush. Will the Honourable Member give instructions to that effect?

**The Honourable Sir Harry Haig:** I think anybody who is accustomed to sea voyages in which a number of passengers have to be embarked will realise that there is apt to be a considerable rush. Any Honourable Member, for instance, who has crossed the English Channel will realise that there is a considerable rush when passengers are going on board and disembarking.

**Mr. Lalchand Navalrai:** I have myself done it in the English Channel and I have seen that the arrangements are very satisfactory and that there is no rush.

**Mr. Uppi Saheb Bahadur:** May I ask, Sir, why the Government do not prosecute those persons who publish these alarming sensational false reports?

**The Honourable Sir Harry Haig:** That, again, is a matter, I think, for the Government of Bombay to decide.

**Dr. Ziauddin Ahmad:** Does it not show a lack of administration in forming the queues? Will it not be better if queues are formed in the open space before the pilgrims are allowed to embark on board the ship?

**The Honourable Sir Harry Haig:** The point is that these passengers are not experienced travellers. They are not accustomed to going on board the ship and no doubt they are very anxious to get on board and there is bound to be a certain amount of excitement and rush.

**Dr. Ziauddin Ahmad:** Are the police intended merely to use *lathi* charges? Are they not supposed to teach people how to form queues and how to march peacefully and in order?

**The Honourable Sir Harry Haig:** I do not know why my Honourable friend should assume that the police do not do everything they can to facilitate the embarkation. I have got here a letter from a member of the Haj Committee in which he speaks in the highest terms of the work of the police and of the assistance they give in the orderly embarkation of the pilgrims.

(At this stage Shaikh Sadiq Hasan rose to his feet.)

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Mr. Sadiq Hasan.

**Dr. Ziauddin Ahmad:** May I ask . . .

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order, order. Honourable Members, even when they are asking questions, must begin to ask a question only after their names have been called by the Chair.

**Shaikh Sadiq Hasan:** May I inquire if the gentleman who speaks so highly of the police is a nominated member of the Haj Committee?

**The Honourable Sir Harry Haig:** I have no information as to how the members of the Haj Committee are appointed.

**Mr. M. Maswood Ahmad:** Is it a fact that this inquiry was made through the police and that on that inquiry the Honourable Member replied that there was no *lathi* charge? Was any independent inquiry made?

**The Honourable Sir Harry Haig:** An inquiry was made from the persons who were most likely to be able to give a correct account, namely, members of the Haj Committee, whose duty it is to supervise and superintend these matters.

**Dr. Ziauddin Ahmad:** My main question was not answered. I asked, is the police expected to teach the pilgrims how to form queues and how to go about in order, and if the men are not accustomed to this, is it not the duty of the police to teach them these things?

**The Honourable Sir Harry Haig:** Do I understand that the Honourable Member suggests that there should be classes, similar to University classes, for Haj pilgrims, conducted by the police?

**Dr. Ziauddin Ahmad:** May I suggest that the teaching should not be by means of lecturing alone, because by lecturing people do not learn anything. (Laughter.)

**The Honourable Sir Hary Haig:** The police can demonstrate in a practical way, and no doubt they do it.

**Dr. Ziauddin Ahmad:** Is it not a fact that the police in England teach the public how to march in order?

**The Honourable Sir Harry Haig:** I am not aware of ever having had such a lesson given to me by the police except by practical demonstration at the time.

**Mr. O. S. Ranga Iyer:** Will printed instructions be henceforward issued to the pilgrims so that they may not make the mistake that they were supposed to have made on the present occasion?

**The Honourable Sir Harry Haig:** I do not think that that would really help in a practical way. It is not a question of giving either printed or verbal instructions to a crowd. If a crowd is in a hurry and excited, it will rush.

**Mr. M. Maswood Ahmad:** Is it a fact that there were two doors for entering the ship and it had been announced that people should enter through one door and the pilgrims reached there very early, but that afterwards, instead of that door being opened, some back door was opened, and that that was the reason for the rush and all these disturbances?

**The Honourable Sir Harry Haig:** That is a new point to me. As I have said before, if the Honourable Member wishes to raise any new specific points and will give me notice, I shall endeavour to give him an answer.

#### ALLEGED LATHI CHARGE BY THE POLICE ON HAJ PILGRIMS IN BOMBAY.

† 924. **\*Maulvi Sayyid Murtaza Sahib Bahadur:** (a) Has the attention of Government been drawn to a communication that appeared in the *Bombay Chronicle* of the 4th March, 1938, under the heading "Cane charge by the Police on Haj pilgrims"?

(b) Is it a fact that Haj pilgrims, while boarding the *S. S. Akbar*, were charged with canes on the 2nd March?

(c) Is it a fact that the police took to caning when they were unprovoked by the pilgrims?

(d) Is it a fact that the pilgrims were panic-stricken and were confused?

(e) Are Government aware that this has created much sensation among the Muslims?

(f) Is it a fact that the Muslims of Bombay have sent a telegram to His Excellency the Viceroy praying for an impartial inquiry into the matter, so that such things may not recur? If so, have the Government of India taken any action thereon? If not, do they propose to take any action now?

† For answer to this question, see answer to question No. 923.

**ALLEGATIONS IN REGARD TO PUNISHMENTS, ETC., METED OUT TO POLITICAL PRISONERS IN THE HARIPUR CENTRAL JAIL.**

925. **\*Mr. M. Maswood Ahmad:** (a) Has the attention of Government been drawn to a letter written by Malik Khuda Bakhsh Khan, M.L.C., to the Inspector General of Prisons, North-West Frontier Province, disclosing serious allegations in regard to punishments, etc., meted out to political prisoners in the Haripur Central Jail, published on the first page of the *National Call*, dated the 8th March, 1938?

(b) If so, will Government please state whether the allegations contained therein are correct in respect of those political prisoners who were convicted during the regime of the Central Government?

(c) Will Government kindly make a detailed statement on the allegations contained in the letter referred to in part (a) of this question?

**The Honourable Sir Harry Haig:** (a) Yes.

(b) and (c). I have called for information from the Local Government and will lay a reply on the table in due course.

**ALLEGATIONS AGAINST LIEUT. E. H. LINCOLN, CANTONMENT MAGISTRATE, SIALKOT.**

926. **\*Mr. B. N. Misra:** (a) Is it a fact that the Government of India have laid down in paragraph 80, page 81, Cantonment Manual, 1909, that no Cantonment Magistrate, when appointed to a new station, is permitted to bring with him, or shortly after his arrival at the new station, to summon to his side a number of subordinates and their relatives from his previous offices?

(b) Is it a fact that Lieut. E. H. Lincoln, on his appointment as Cantonment Magistrate at Sialkot, brought the following of his former subordinates and their relatives to take up almost all the ministerial appointments under him as stated below:

- (i) Head clerk, replaced by a clerk transferred from the Deputy Commissioner's Office, Sialkot, where Lieut. Lincoln had been a head clerk himself for some years;
- (ii) Accountant, replaced by a son of the head clerk in the Sialkot Municipality where Lt. Lincoln, was a secretary before his appointment as Cantonment Magistrate at Sialkot;
- (iii) Sanitary Inspector, transferred from Sialkot Municipality.
- (iv) Overseer I/c. Works, stores, etc., transferred from Sialkot Municipality; and
- (v) Tax Collector, replaced by an ex-employee of the Sialkot Municipality?

(c) If so, what action did Government take against Lieut. Lincoln?

**Mr. G. R. F. Tottenham:** (a) There was a rule to this effect in the Cantonment Manual, 1909. The Manual was rendered obsolete by the introduction of the Cantonments Act in 1924.

(b) and (c). Mr. Lincoln was not a regular officer, but was employed as Cantonment Magistrate, Sialkot, for less than a year in 1918-19. There is nothing to show that the propriety of any appointments made by him was questioned at the time, and no useful purpose would be served by making an enquiry now.

**RE-EMPLOYMENT OF CANTONMENT FUND SERVANTS IN THE PUBLIC SERVICE.**

927. **\*Mr. B. N. Misra:** Is it a fact that the Government of India have laid down in paragraph 78, page 80, Cantonment Manual, 1909, that no Cantonment authority is permitted to exclude from re-employment in the public service any Cantonment Fund servant unless:

- (i) they have already laid his case before the Local Government, and
- (ii) the said Government, after dealing with it under the rules issued by the Government of India in the Home Department for the removal, discharge, or dismissal of public servants, have decided that he is not to be so re-employed?

**Mr. G. R. F. Tottenham:** The answer is the same as that given to part (a) of the previous question.

**MISSING OF CONNECTION AT KARACHI OF THE DELHI AIR MAIL.**

928. **\*Mr. S. C. Mitra:** (a) Will Government be pleased to state if it is a fact:

- (i) that the Delhi air mail missed the connection at Karachi on the 8th March, 1933;
- (ii) that the French air mail arrived some hours after the arrival of the Delhi plane and volunteered as a matter of courtesy to carry the mails as far as Paris;
- (iii) that the authorities at Karachi having no authority to accept the offer wired and tried to telephone to Delhi for permission to send the mails by the French mail; and
- (iv) that the French mail left without carrying the mails which were thus delayed for a week?

(b) Will Government be pleased to state what are the total postal charges of the mail thus delayed and do Government propose to pay any compensation to those whose mails have been delayed?

**The Honourable Sir Frank Noyce:** (a) (i). Yes.

(ii) The Air Orient aeroplane was scheduled to leave Karachi at 10-30, the Delhi-Karachi air mail having arrived at Karachi at 9-08. The Agent of the Air Orient Company offered the local authorities at Karachi to carry the mails to Baghdad without charge, where they could have connected with the Imperial Airways service.

(iii) Yes. The telegram was received at Delhi at 11-03, i.e., 33 minutes after the scheduled time of departure of the French service. The authorities in Karachi did not succeed in telephoning to Delhi.

(iv) Yes.

(b) It is not possible to state the total postal charges on the delayed mail but the air fees charged were probably about Rs. 2,800. As regards the second part of this question, the reply is in the negative. In this connection the attention of the Honourable Member is invited to Section 6 of the Indian Post Office Act and clause 39 of the Indian Post and Telegraph Guide.

**Mr. Lalchand Navalrai:** Will the Honourable Member be pleased to state if this was the first occasion on which the Karachi Air Mail missed connection, or it has been so doing on several other occasions?

**The Honourable Sir Frank Noyce:** I believe, Sir, that on a few occasions the Delhi-Karachi air mail has failed to connect with Imperial Airways at Karachi. It is obvious that one cannot provide for all eventualities. This was the first occasion on which the Delhi-Karachi air mail arrived at Karachi within a few minutes before the departure of the Imperial Airways Machine and has failed to connect owing to the fact that the sorting at Karachi takes a little time. I explained to the House the other day the arrangements we were making to avoid this particular eventuality happening again.

**Mr. P. E. James:** Is the Honourable Member aware that continental houses doing business in this country have a greater advantage over business houses in the United Kingdom owing to the fact that they can make use of two continental services to India in one week? If so, will the Honourable Member consider the possibility of allowing the people of this country to use those other services also for air mail letters subject possibly to the imposition over and above the ordinary air mail postage of a surcharge which would be credited to the Imperial Airways account?

**The Honourable Sir Frank Noyce:** That, Sir, raises a big question of policy and I must ask for notice.

**Mr. S. C. Mitra:** To whom did the Karachi authorities telephone for permission—to the Honourable Member, or to the Director General of Posts and Telegraphs?

**The Honourable Sir Frank Noyce:** I think to the Director General of Posts and Telegraphs.

**Mr. S. C. Mitra:** Has he not a 'phone in his residence as well as in his office so that he could be got at on the 'phone at all times? How then did they miss it?

**The Honourable Sir Frank Noyce:** They were unable to get through. Frequently, unfortunately, there are delays and it takes time on occasions to get a trunk telephone call through. We are doing our best to make our trunk telephone service more efficient, and I think we are succeeding in doing so, but it does occasionally happen that there are unavoidable delays.

#### KING'S COMMISSIONED OFFICERS IN THE ROYAL ARMY VETERINARY CORPS.

929. **\*Mr. S. C. Mitra:** Will Government be pleased to state:

- (a) how many officers with King's Commissions were in the Royal Army Veterinary Corps on 1st January, 1938;
- (b) how many of them are Indians; and
- (c) how many officers were there on 1st January, 1914?



**Mr. G. R. F. Tottenham:** (a) and (c). I presume that the Honourable Member desires information regarding the number of officers of the Royal Army Veterinary Corps on the Indian Establishment. The latest edition of the Indian Army List (published in October, 1932) shows that there are 64 such officers. The January, 1914, edition showed that there were then 63 officers in military employ.

(b) Indians are not eligible for commissions in the Royal Army Veterinary Corps which is a Corps of the British Army.

**ANIMALS POSSESSED BY THE INDIAN ARMY.**

**930. \*Mr. S. C. Mitra:** (a) What is the number of:

(i) horses, (ii) ponies, (iii) mules, (iv) camels, and (v) bullocks which the army possessed on 1st January, 1933?

(b) What was the corresponding number on 1st January, 1914?

(c) How many of these animals are British horses, British mules and British bullocks?

(d) Is there any reason why British veterinary officers with King's Commissions should be appointed to treat Indian animals? Is it a fact that for the treatment of men, Indians are eligible and have obtained commissions in the Indian Medical Service?

<b>Mr. G. R. F. Tottenham:</b> (a) Horses . . .	29,252
Ponies . . .	1,679
Mules . . .	26,517
Camels . . .	3,855
Bullocks . . .	1,166

These figures do not include animals in the Military Farms Department.

(b) The information is not readily available.

(c) The nationality of most of these animals is not recorded. (Laughter.) I think they may all be described as Indian either by birth or naturalisation. (Laughter.)

(d) There is no reason why a qualified Indian officer should not be able to treat any animal wherever it comes from. I have already informed the House that Indians are eligible and have for several years been eligible, for the grant of King's Commissions in the Indian Army Veterinary Corps. But hitherto the numbers who have applied for such commissions have been very small.

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

**Mr. Gaya Prasad Singh:** Is there any special reason why British veterinary officers should be appointed to look after the horses and other animals, whatever their nationality may be?

**Mr. G. R. F. Tottenham:** Merely because a sufficient number of qualified Indians have not yet applied for these posts. It is true that until about six years ago, Indians were not eligible for commissions in the Indian Army Veterinary Corps. But, about six years ago, they were made eligible and several Indian gentlemen have applied and probably will get commissions in due course. On the other hand, there are a large number of non-commissioned officers, like assistant surgeons, in the Indian Army Veterinary Corps who do look after these animals.

**Mr. Gaya Prasad Singh:** Is there any case in which an Indian officer has been appointed to look after British animals, quadrupeds and otherwise? (Laughter.)

**Mr. G. E. F. Tottenham:** As I say, no Indian has yet actually got a King's Commission in the Indian Army Veterinary Corps. But no doubt they will get them very shortly and they will look after the animals, both British and Indian.

**Diwan Bahadur A. Ramaswami Mudaliar:** The Indian Army Veterinary Corps merely contains a higher grade of assistant surgeons and the Royal Army Veterinary Corps contains King's Commissioned Officers. I understand the Army Secretary to state that there are no Indians at all in the Royal Army Veterinary Corps, whereas we know that in the corresponding Indian Medical Service there are Indian officers who look after the regiments and get King's Commissions. May I know to whom the veterinary officers of this country should apply for King's Commissions to treat these animals and what steps have been taken by the army authorities to notify that Indians are eligible for King's Commissioned Officers?

**Mr. G. E. F. Tottenham:** Intending applicants should apply to the Quartermaster General in India. I am not aware of the exact arrangements that have been made to notify that Indians are eligible, but I think it is well known. If not, I will take steps to see that it is made well-known.

**Diwan Bahadur A. Ramaswami Mudaliar:** Is there any possibility of an officer of the Indian Army Veterinary Corps being promoted to the King's Commission in the Royal Army Veterinary Corps?

**Mr. G. E. F. Tottenham:** It is impossible to give a Commission in the Royal Army Veterinary Corps to an Indian in the same way as it is impossible to give a commission to an Indian in the Royal Army Medical Corps. They get Commissions in the Indian Medical Service which corresponds to the Indian Army Veterinary Corps.

**Diwan Bahadur A. Ramaswami Mudaliar:** I may point out that that was the point of the question of my friend as to whether these animals were of Indian or of British nationality. If these animals are to live and die in India, where is the point in recruiting Royal Army Veterinary Corps officers? One can understand the Royal Army Medical Corps who move with the British armies and who go out of this country after five years' service. If these animals are practically Indian, whatever their original nationality might have been, what is the justification for recruiting officers of the Royal Army Veterinary Corps? May I know, further, how long these officers of the Royal Army Veterinary Corps serve in this country? Do they serve the whole period of their time or are they exchangeable after five years?

**Mr. G. E. F. Tottenham:** The only justification for recruiting British officers of the Royal Army Veterinary Corps is that hitherto Indian officers have not been forthcoming. In the Royal Army Veterinary Corps, a certain number of officers are on a continuous service cadre for service in India. Our policy is to stop further recruitment of British officers to this continuous service cadre and to reserve these appointments in future entirely for Indians in the Indian Army Veterinary Corps.

**Diwan Bahadur A. Ramaswami Mudaliar:** Though the Army Secretary has not given figures for 1914, he may rest assured that the total number of animals under each of these categories was not less than what they are in 1933. If so, what is the justification of having one officer more in the Royal Army Veterinary Corps today than there were in 1914?

**Mr. G. B. F. Tottenham:** The reason for that is that in 1914 the Army Veterinary Corps, as it was then called, did not look after the animals in the Indian Army at all. These 63 officers in 1914 looked after the animals in the British Army alone and the animals in the Indian Cavalry regiments, etc., were looked after by local Indian salutries.

**Lieut.-Colonel Sir Henry Gidney:** Will the Honourable Member inform the House whether the cost of the animals is dependent entirely on the nationality of the animal and whether the Lee Concessions given to the officers in charge of this department are dependent on this factor?

**OFFICERS OF THE ROYAL ARMY MEDICAL CORPS AND THE INDIAN MEDICAL SERVICE EMPLOYED ON SPECIALIST DUTIES.**

**931. \*Mr. S. C. Mitra:** Will Government be pleased to state how many officers of (1) the Royal Army Medical Corps and (2) the Indian Medical Service who are employed on specialist duties are research officers? Will Government be pleased to lay on the table a list of the names of these specialists and the nature of the work they are doing?

**Mr. G. B. F. Tottenham:** There are no officers of the Royal Army Medical Corps or of the Indian Medical Service in military employ who are employed as research officers.

There are at present 17 officers of the Indian Medical Service in civil employ who are in the Medical Research Department. I lay on the table a statement giving their names. Information as to the nature of the research work on which they are at present engaged is being collected and will be laid on the table in due course.

*Statement showing the names of Indian Medical Service Officers in the Medical Research Department.*

1. Lieutenant-Colonel J. Taylor.
2. Lieutenant-Colonel J. Morrison.
3. Major K. R. K. Iyengar.
4. Lieutenant-Colonel H. H. King.
5. Lieutenant-Colonel H. E. Shortt.
6. Lieutenant-Colonel J. A. Sinton, V. C.
7. Lieutenant-Colonel L. A. P. Anderson.
8. Major G. C. Maitra.
9. Major A. C. Craighead.
10. Colonel R. McCarrison.
11. Lieutenant-Colonel S. S. Sokhey.
12. Major G. Covell.
13. Major S. D. S. Greval.
14. Captain H. W. Mulligan.
15. Major W. J. Webster.
16. Captain M. L. Ahuja.
17. Captain S. M. K. Mallick.

### MILITARY HOSPITALS IN INDIA.

932. **\*Mr. S. C. Mitra:** Will Government be pleased to lay on the table a list of first class, second class and third class hospitals, British and Indian and with reference to each of them state (i) the number of beds provided for, (ii) the number of patients in each of them on 1st January, 1932, (iii) the number of King's commissioned officers of the Royal Army Medical Corps and Indian Medical Service in each of them, (iv) the number of British nurses, British male orderlies in British hospitals, (v) the number of Indian nurses and Indian orderlies in Indian hospitals, and (vi) the number of Indian hospital corps in each of them?

**Mr. G. R. F. Tottenham:** The information is being collected and a reply will be laid on the table in due course.

### PROVISION FOR TREATMENT OF THE FAMILIES OF BRITISH SOLDIERS IN THE BRITISH MILITARY HOSPITALS.

933. **\*Mr. S. C. Mitra:** (a) Is it a fact that in several British Military Hospitals there is provision for treatment of the families of British soldiers? Will Government be pleased to state in what hospitals such provision has been made?

(b) Is it a fact that in the British Military Hospital at Calcutta, there is provision for the treatment of the families of British soldiers?

(c) Will Government be pleased to state whether there is any similar provision anywhere in India for the families of British civilian officers?

(d) What is the reason for this provision?

**Mr. G. R. F. Tottenham:** (a) The Honourable Member is referred to the answer which I gave on the 8th February to parts (a) and (b) of Mr. Lalchand Navahrai's starred question No. 276.

(b) Yes.

(c) There is no special provision for the treatment of the families of civilian officials in civil hospitals.

(d) It is one of the conditions of service of British soldiers who are on the married quarters roll that their families should receive free medical attendance and hospital treatment.

### ACQUISITION OF CERTAIN BUNGALOWS, SHOPS, ETC., IN THE PESHAWAR CANTONMENT.

934. **\*Mr. S. C. Mitra:** (a) Will Government be pleased to state how many (i) bungalows, (ii) shops or (iii) other buildings are owned in Peshawar Cantonment by (1) Indians, (2) Europeans, (3) Domiciled Europeans and Anglo-Indians?

(b) How many notices have been issued by the military authorities for acquiring ownership of lands or buildings on the owners in Peshawar Cantonment? How many were Indians and how many Europeans?

(c) How many owners in Peshawar Cantonment were served with notice to vacate the buildings in which they lived so that the military authorities may acquire it? How many of them are Indians and how many Europeans?

**Mr. G. R. F. Tottenham:** (a) I am informed that apart from houses occupied by civil officials there are about 125 bungalows owned by Indians in the residential area and about seven owned by Europeans. I do not know how many are owned by domiciled Europeans and Anglo-Indians, nor do I know the number of shops and other buildings.

(b) Notices have been issued in respect of 20 sites; the buildings on 17 of these belong to Indians and those on three belong to Europeans.

(c) Five, all of whom are Indians.

**LICENCE GRANTED TO SHIPPING BROKERS IN BOMBAY.**

**935. \*Mr. N. M. Joshi:** Will Government be pleased to state:

(a) with reference to the answer to my question No. 403, dated the 19th September, 1932, the decision of Government with regard to the recommendation of the Royal Commission on Labour that "the licence granted under section 24 of the Indian Merchant Shipping Act, should not be renewed";

(b) the arrangements that Government propose to make when the Bombay Shipping Brokers' present licence expires on 31st May, 1933?

**The Honourable Sir Joseph Blore:** (a) The recommendation is still under the consideration of Government.

(b) I have nothing to add to the reply given to part (c) of the question referred to by the Honourable Member.

**PROPOSED ADOPTION OF THE BOARD OF TRADE FORM OF SEAMEN'S CERTIFICATES OF SERVICE.**

**936. \*Mr. N. M. Joshi:** Will Government be pleased to state:

(a) whether it is a fact that some months ago Government invited opinions of Government shipping offices and organisations of shipowners and seamen in India regarding the proposed adoption of the Board of Trade form of seamen's certificates of service;

(b) whether it is a fact that the certificate is in the form of a passport book;

(c) whether it is a fact that this form contains space for 60 voyages and in the long run costs much less for seamen as also for Government than the present single sheet form of the nullly which contains space for only 15 voyages and as such renewals of nullies require the services of many clerks;

(d) whether the advantages of the Board of Trade form of the certificate have been pointed out by the Shipping Master and by the Indian Seamen's Union, Bombay, in their replies to Government;

(e) why Government have dropped the idea of introducing this form;

(f) whether Government intend to reconsider the matter in view of the economy in their own administrative expenditure?

**The Honourable Sir Joseph Bhoré:** (a) Yes.

(b) Yes.

(c) The Board of Trade certificate provide spaces for 60 voyages; but in the long run it is not likely to be much cheaper than the form of certificate in use at present.

(d) Yes.

(e) On a careful consideration of all the opinions received, the Government of India came to the conclusion that the form now in use is more suitable.

(f) No appreciable economy would result from the adoption of the Board of Trade form of certificate. Government do not propose to reconsider the matter.

#### DEPUTY SHIPPING MASTER IN BOMBAY.

937. **\*Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether the appointment of the present Deputy Shipping Master in Bombay is temporary or permanent;
- (b) the special qualifications or merits of the present incumbent in office;
- (c) the salary and allowance of the present incumbent; and
- (d) whether Government could not get an officer of the Mercantile Marine Service to fill up the post?

**The Honourable Sir Joseph Bhoré:** (a) The appointment is permanent.

(b) The present incumbent is Khan Sahib S. R. Wadia. He has considerable experience of office and administrative work including shipping office work in Bombay and is familiar with the dialects spoken by Indian seamen.

(c) Khan Sahib Wadia is in receipt of a pay of Rs. 750 per mensem in the scale of Rs. 500—50—750 *plus* house rent allowance of Rs. 150 per mensem and overtime fees for shipping and discharging crews afloat which average about Rs. 70 per mensem.

(d) As Khan Sahib Wadia was already employed in the department and was regarded as a suitable officer for the post, the question of bringing in an officer of the Mercantile Marine was not considered.

#### DEPUTY SHIPPING MASTER IN BOMBAY.

938. **\*Mr. N. M. Joshi:** Will Government be pleased to state whether the present Deputy Shipping Master, Bombay, lives in the same building with a partner in the firm of the Shipping Brokers in Bombay, and are Government aware that on account of close association with the Shipping Brokers, the Deputy Shipping Master is looked upon as a partner of the brokers by seamen in Bombay?

**The Honourable Sir Joseph Bhoré:** The present Deputy Shipping Master, Bombay, lives in the same building as a partner in the firm of Shipping Brokers, but Government are not aware that he is looked upon as a partner in this firm by seamen in Bombay.

**Mr. N. M. Joshi:** May I ask whether it is a very desirable state of things that an officer who is appointed to supervise the work of the shipping brokers should live with the shipping brokers?

**The Honourable Sir Joseph Bhoré:** I never said that he lives with the shipping broker. I said he lived in the same building, and surely Government cannot prevent the officer from living in the same building.

**DEPUTY SHIPPING MASTER IN BOMBAY.**

939. **\*Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that the Deputy Shipping Master, Bombay, was appointed mainly for the work of maintaining a roster of principal ratings of seamen;
- (b) whether it is a fact that he does not attempt, in many cases, to persuade selecting officers of ships to select men long out of employment in preference to those very recently discharged?

**The Honourable Sir Joseph Bhoré:** (a) No. It was the temporary post of Additional Assistant which was created to provide for the work referred to by the Honourable Member. This post has recently been amalgamated with that of Deputy Shipping Master as a measure of retrenchment.

(b) Both the Shipping Master and his Deputy do their utmost to persuade the selecting officers to select men longest out of employment but the choice rests with the selecting officers themselves and in some cases they insist on their right to select the men whom they consider most suitable.

**PREPARATION BY PRIVATE AGENCIES OF PORTAGE BILLS AND ACCOUNTS OF WAGES OF CREWS IN THE SHIPPING OFFICE, BOMBAY.**

940. **\*Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that portage bills and accounts of wages of crews are prepared by a private agency in the Shipping Office, Bombay;
- (b) whether it is a fact that a clerk related to the Office Superintendent, Mr. Pereira, is in charge of the above work and the remuneration received from the Shipping Companies for portage bills and accounts of wages goes directly to this private agency;
- (c) whether it is a fact that about Rs. 40 to Rs. 50 per ship is paid by the Shipping Companies as the remuneration for this work;
- (d) whether the clerk doing the above work pays any rent to Government;
- (e) whether Government charges anything for the use of the furniture, stationery, etc., by the above private clerk;
- (f) how long this private agency has been in existence;

- (g) why this arrangement has been made and whether it involves loss to Government in the shape of fees, rent, etc.; and
- (h) whether Government have considered the desirability of entrusting this work to one of the clerks on the permanent establishment of the Shipping Office and of crediting the portage bill fee to the Government Treasury as was done before?

**The Honourable Sir Joseph Bhore:** (a) Yes; the work is done by a clerk employed by the Shipping Companies and paid by them.

(b) Yes.

(c) The amount paid by the Shipping Companies varies from Rs. 5 to Rs. 40 per ship according to the nature of the work.

(d) No.

(e) A charge is made for the form of Portage Bill which is saleable at eight annas a copy.

(f) The system has been in force possibly for half a century.

(g) The arrangement has been made by the shipping firms and it involves no loss of revenue to Government.

(h) The preparation of the Portage Bills and Accounts of wages is the concern of the Masters of Ships and Government do not consider it desirable to interfere with the arrangements made by them. The Portage Bill fee was never credited to Government.

**Mr. N. M. Joshi:** May I ask whether Government are too rich to make a small profit out of this portage bill fee?

**The Honourable Sir Joseph Bhore:** It is a matter in which the Shipping Companies are primarily concerned and Government do not consider it necessary to interfere.

**Mr. N. M. Joshi:** May I ask, why this clerk should be allowed to sit in the shipping office itself?

**The Honourable Sir Joseph Bhore:** It is merely a matter of convenience.

**Mr. N. M. Joshi:** May I ask, whether the convenience of holding office will be given to the Seamen's Union in Bombay?

**The Honourable Sir Joseph Bhore:** I do not think, Sir, that space is so plentiful in the shipping offices to permit us to accommodate everybody.

**Mr. N. M. Joshi:** May I ask, whether Government will be pleased to divide the space between this clerk and the clerk of the Seamen's Union?

**The Honourable Sir Joseph Bhore:** I am not aware, Sir, what space is likely to be available.

**Mr. N. M. Joshi:** May I ask, Sir, whether Government will enquire into the matter?

**The Honourable Sir Joseph Bhore:** The point that I will enquire into is the question of charging rent for the use of the space occupied.



**Mr. N. M. Joshi:** May I ask, whether Government propose to stop this practice of withholding an amount of money which is to be paid to the seamen themselves?

**The Honourable Sir Joseph Shore:** Sir, that is an advance and it is a question really primarily between the seamen and the broker.

**NON-MAINTENANCE OF THE RECORD OF POOR BOX COLLECTIONS MADE ON VARIOUS SHIPS BY THE SHIPPING OFFICE, BOMBAY.**

941. \***Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that no regular record of poor box collections made on various ships is maintained by the Shipping Office, Bombay;
- (b) whether it is a fact that only very recently Captain Flynn, the present officiating Shipping Master questioned one of his subordinates about the irregular procedure of crediting Poor Box collections to the Distressed Seamen's Fund after a lapse of about two or three months since the date of actual collection;
- (c) who is responsible for this work; whether the Shipping Master or the Deputy Shipping Master;
- (d) whether there are definite instructions to the Shipping Master to see that poor box collections made by the Office Superintendents and clerks at the time of paying off at shipping office and on every ship are shown at once to the Shipping Master counted in his presence and credited to the Distressed Seamen's Fund under the Shipping Master's signature; and
- (e) whether Government propose to take action in the matter and if so, when?

**The Honourable Sir Joseph Shore:** I have called for the information required by the Honourable Member and will lay a reply on the table in due course.

**CONNECTION OF KHAN SAHIB WADIA, THE DEPUTY SHIPPING MASTER, BOMBAY; WITH THE FIRM OF MISTRY & Co., AUCTIONEERS AND TIMBER MERCHANTS.**

942. \***Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that Khan Sahib Wadia, the Deputy Shipping Master, Bombay, is a partner in the firm of Mistry & Co., Auctioneers and Timber merchants, since the time he was custodian of enemy property in Bombay about 15 years ago;
- (b) if so, have they considered whether such private occupation by a responsible Government official is permissible under the Government Servants' Conduct Rules; and
- (c) what action they propose to take in the matter?

**The Honourable Sir Joseph Shore:** (a) No.

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

### ALLEGATIONS AGAINST SHIPPING BROKERS IN BOMBAY.

943. **Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that the Shipping Broker in Bombay withholds Rs. 5 or even Rs. 10 from the advance of the pay of every seaman until he actually sails while he takes the seamen's signature on the full amount of the advance;
- (b) whether complaints have been made to the Shipping Master, Bombay, by seamen in such cases;
- (c) whether Government are aware that the Brokers withhold seamen's discharge certificates for any length of time if the seamen do not happen to sail after taking advance;
- (d) whether this practice of the Brokers has been objected to by the Shipping Master, if so, when;
- (e) if the objection was only recently taken, how many nullies withheld by the Brokers in times past are still with the Brokers; and
- (f) what action Government contemplate in the matter?

**The Honourable Sir Joseph Bhoré:** (a) It is understood that the practice in Bombay is for the Shipping Brokers to retain Rs. 5 out of the advance of wages until the day the seaman sails.

(b) The Shipping Master reports that no such complaints have been received by him.

(c) Yes, this was the practice until recently.

(d) Yes, about two months ago.

(e) None.

(f) Arrangements have now been made whereby seamen who have failed to join their vessels and whose Continuous Discharge Certificates have been retained by the shipping brokers, may receive back their Certificates on application to the Assistant Shipping Master, and a notice to this effect has been posted in the Shipping Office. The question whether any further action should be taken is under the consideration of Government.

**Mr. N. M. Joshi:** May I ask, whether Government propose to stop this practice of withholding an amount of money which is to be paid to the seamen themselves?

**The Honourable Sir Joseph Bhoré:** Sir, that is an advance, and it is a question primarily between the seamen and the broker.

**Mr. N. M. Joshi:** May I ask, whether the broker pays the amount or the Shipping Company—who is the man to pay?

**The Honourable Sir Joseph Bhoré:** It is certainly not Government.

**Mr. N. M. Joshi:** May I ask, whether stoppage of the practice of authorising the shipping broker to withhold a part of the payment to be made to the seamen will be considered by the Government?

**The Honourable Sir Joseph Bhore:** I will look into the matter. But I do not know whether he is authorised to do so.

**Mr. N. M. Joshi:** If he is not authorised to do so, why is his licence still maintained?

**The Honourable Sir Joseph Bhore:** That is a matter, Sir, I shall look into.

#### EXTENSION OF SERVICE TO OFFICERS IN THE ARCHÆOLOGICAL DEPARTMENT.

**944. \*Shri Parma Nand:** (a) Will Government be pleased to state if there are any officers in the Archaeological Department who will attain the age of superannuation during the years 1933 and 1934? If so, is it proposed to give extension of service to any one of them?

(b) Is it a fact that the present Government Epigraphist has put in over thirty years of service and will reach the age of superannuation in 1933-34? Is it also a fact that he has been recommended for an extension of service? Are Government aware that this extension, if granted, will involve a heavy expenditure in the present financial stringency?

(c) If the reply to part (a) be in the affirmative, will Government be pleased to state their policy in regard to such extensions of services to their officers?

**Mr. G. S. Bajpai:** (a) Yes. The question of granting an extension to any of them has not yet been considered.

(b) Yes. No formal recommendation for the extension of his service has been received. The third part of the question does not arise.

(c) I would refer the Honourable Member to Fundamental Rule 56 (a) of the Fundamental Rules.

**Mr. Latchand Navarai:** Will the Honourable Member be pleased to state whether, in view of the extreme unemployment, Government should not have one general policy that any person who has been superannuated should be given no extension?

**Mr. G. S. Bajpai:** If my Honourable friend will refer to Fundamental Rule 56 (a), he will find that the general policy is defined there, namely, that the normal procedure is not to give extensions. It is only if public interest necessitates the grant of an extension that it is given and given for reasons which are recorded in writing.

**Mr. Latchand Navarai:** My humble submission is that the public would not now, at this stage, on account of the unemployment question, consider it a normal question, but it will consider it as an abnormal question, if the persons who are superannuated are allowed to go on.

**Mr. G. S. Bajpai:** My Honourable friend may rest assured that the public interest will not be sacrificed to personal interest.

**Mr. Latchand Navarai:** My question is not with regard to the personal interest of a particular man who is referred to here, but it is with regard to the general policy.

**Mr. G. S. Bajpai:** But my Honourable friend appreciates that when you come to apply a principle to an individual, it is the individual, whether he is in employment or not, that is concerned.

**Mr. Lalchand Navai:** The question which the Honourable Member has put in clause (c) is with regard to the policy.

**Mr. G. S. Bajpai:** Quite so, and the policy applies to individuals and not to abstractions.

**Mr. Lalchand Navai:** What I am asking is with regard to the general question for a rule to be made or at any rate it should be made a practice that those who get superannuated will not have any extension.

**Mr. G. S. Bajpai:** Let me re-state what I said a little while ago. I think I have tried to make my answer as clear as possible. If that did not appear clear to the Honourable Member, it may be my misfortune, but it is not my fault. The position is that we do not ordinarily give an extension to an individual merely because he wants an extension or because he has a record of good service. Extension is given if it is in the public interest that such extension should be given and my Honourable friend may rest assured that if and when the question of giving extension to any one of these officers arises, all relevant factors will be duly considered.

**Mr. M. Maswood Ahmad:** In the case of superannuation, do you count boy service as well, i.e., if a man is employed at an age below 21, whether that service is counted?

**Mr. G. S. Bajpai:** Well, Sir, I could not say offhand as to whether juvenile service is counted or not. But as regards the officers, covered by this question, none of them has any juvenile service.

#### ANNUAL EXPENDITURE ON THE RAILWAY CONFERENCE.

**945. \*Dr. Ziauddin Ahmad:** (a) With reference to the answer given to my starred question No. 559, on the 27th February, 1933, will Government be pleased to mention the pages in the Pink Books where grant is demanded for contribution to the Indian Railway Conference?

(b) From what sources do the State Railways contribute to this fund?

(c) Will Government please mention the Railways with their annual income which are outside the control of the Railway Board but which contribute to the expenses of the Railway Conference?

**Mr. P. B. Rau:** (a) and (b). The contribution to the Indian Railway Conference Association is included in "Other Expenses" under Demand "No. 4—Working Expenses: Administration".

(c) As I have already informed my Honourable friend, the Association consists of all Railway Administrations in India working a Railway open for passenger traffic that desire to join it. The Railway Administrations that are members of the Indian Railway Conference Association at the present time are given in the statement which I lay on the table. The lines in which Government have a financial interest are indicated in this statement. For the earnings and expenses of these lines, I would refer my Honourable friend to the Annual Railway Administration Report, Volume II, Statement No. 5.

*Statement.*

Assam Bengal Railway (b).  
 Assam Railways and Trading Company. (The Dibru Sadiya Railway).  
 Barsi Light Railway.  
 Bengal and North Western Railway (c).  
 Bengal Dooars Railway.  
 Bengal Nagpur Railway (b).  
 Bengal Provincial Railway.  
 Bhavnagar State Railway.  
 Bikaner State Railway.  
 Bombay, Baroda and Central India Railway (b).  
 Bombay Port Trust Railway.  
 Burma Railways (a).  
 Calcutta Port Commissioners.  
 Darjeeling Himalayan Railway.  
 Dholpur State Railway.  
 Eastern Bengal Railway (a).  
 East Indian Railway (a).  
 Gaekwar's Baroda State Railway.  
 Gondal Railway.  
 Great Indian Peninsula Railway (a).  
 Gwalior Light Railway.  
 H. E. H. the Nizam's State Railway (c).  
 Jamnagar and Dwarka Railway.  
 Jessore-Jhenidah Railway.  
 Jodhpur Railway (c).  
 Junagad State Railway.  
 Madras and Southern Mahratta Railway (b).  
 Madras Port Trust Railway.  
 Messrs. Macneill & Co. (The Jorhat Provincial Railway).  
 Messrs. McLeod & Co. (The A. K. B. D. R. etc. Light Railways).  
 Messrs. Octavius Steel & Co. (The Dehri-Roheta Light Railway).  
 Morvi Railway.  
 Mysore Railway.  
 North Western Railway (a).  
 Porbandar State Railway.  
 Rohilkund and Kumaon Railway (c).  
 South Indian Railway (b).  
 Udaipur Chittorgarh Railway.

- 
- (a) State-owned and managed.  
 (b) State-owned and Company managed.  
 (c) Also works lines owned by the State.
- 

**Dr. Ziauddin Ahmad:** Is the money allotted under "Other Expenses" sufficiently large so as to justify the Railways to give this contribution from this "Other Expenses"?

**Mr. P. R. Rau:** The amounts involved are small; the total expenses are divided between these Railway Administrations in certain proportions.

### CONTINUANCE OF THE CENTRAL STANDARDS OFFICE.

946. \***Dr. Ziauddin Ahmad:** With reference to my starred question No. 560, dated 27th February, 1933, will Government be pleased to give reasons why the continuance of the Central Standards Office which was established for a period of five years was not considered?

**Mr. P. R. Rau:** The reason is that it is premature to do so. The original term of five years expires only in January, 1935.

### AMALGAMATION OF THE EASTERN BENGAL AND EAST INDIAN RAILWAYS.

947. \***Dr. Ziauddin Ahmad:** (a) Is it a fact that the mileage of the North Western Railway, is 25 per cent. greater than the mileage of the East Indian Railway and the Eastern Bengal Railway combined and that the North Western Railway passes through four provinces just like the East Indian Railway and the Eastern Bengal Railway, combined? Are Government prepared to consider the desirability of an immediate amalgamation of the Eastern Bengal and East Indian Railways?

(b) Will Government be pleased to state the amount of saving which the Railway Department would achieve by amalgamating the Head Offices of these two Railways?

**Mr. P. R. Rau:** (a) Government cannot agree that mileage, or the number of provinces through which a railway passes, is any certain guide as regards its importance. There are other factors to which much greater weight has to be attached. While the mileage of the North Western Railway is, as my Honourable friend has pointed out, more than the combined mileage of the East Indian and Eastern Bengal Railways, though it is only 18 and not 25 per cent. more, the passenger miles on the East Indian Railway alone exceed those on the North Western Railway by 18 per cent. and the freight ton miles by 120 per cent. Moreover, as I said in reply to another question by my Honourable friend about the end of last month, the amalgamation of the East Indian and Eastern Bengal Railway Administrations presents special administrative difficulties as the former is much the biggest railway system in India, and the addition of a line of considerable length with different and difficult problems of its own, like the Eastern Bengal Railway, might make the system unwieldy. Government recognise, however, that the suggestion is one that deserves serious consideration, and it will be carefully considered.

(b) It is impossible for Government to give a categorical reply to this question without considering carefully what would be the staff which would be required for the headquarters of a combined railway system of this magnitude.

**Dr. Ziauddin Ahmad:** The Honourable Member said that there were other considerations besides mileage: may I just know what are those other considerations?

**Mr. P. R. Rau:** I have just mentioned some of them in my reply,—passenger miles, freight ton miles, etc.

**Lieut.-Colonel Sir Henry Gidney:** In view of the Honourable Member's reply, will he inform this House whether or not the Government are prepared to consider the amalgamation of certain departments of these two

Railways, for instance, the Stores Department and the Medical Services and whether or not such an amalgamation would effect great economy in the administration of these Railways?

**Mr. P. E. Rau:** As I have already said, the suggestion for amalgamation is one that deserves serious consideration and Government are considering it.

**ELIGIBILITY OF POSTAL EMPLOYEES TO BECOME MEMBERS AND OFFICE-BEARERS OF UNIONS.**

948. **\*Rai Bahadur Sukhraj Roy:** (a) Are Government aware that Messrs. Sawbary, Shuja Uddin Khan and Fakhruddin are members and office-bearers of Muslim Unions?

(b) Are Government aware that they are employees of the Postal Department?

(c) Will Government be pleased to lay on the table a copy of the Director General, Posts and Telegraphs' note, dated 20th December, 1932, on his office file 1360—Es. A./32?

**The Honourable Sir Frank Noyce:** (a) and (b). Government understand that the facts are as stated at least in respect of two of the officials named.

(c) No. The Honourable Member's attention is invited to Rule 17 of the Government Servants Conduct Rules a copy of which is in the Library of the House from which he will see that he could not, without a breach of those Rules, have been placed in a position to ask for this note

**Mr. M. Maswood Ahmad:** Will Government be pleased to state how the contents of the Director General's note of the office leaked out?

**The Honourable Sir Frank Noyce:** No: I wish I knew

**Mr. M. Maswood Ahmad:** Is it a fact that the son-in-law of Mr. Bhattacharjee, an assistant in the office of the Director General, is employed as a clerk in the office of the All-India Postal and Railway Mail Service Union? Are Government aware of the fact?

**The Honourable Sir Frank Noyce:** I do not see how that arises from the present question and reply.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): That question does not arise.

**RECRUITMENT OF CLERICAL STAFF IN THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.**

949. **\*Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state whether recruitment of assistants, stenographers, clerks, etc., for the Director General, Posts and Telegraphs' office is now made through the Public Service Commission?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state if the Director General, Posts and Telegraphs, consulted the Public Service Commission as to whether they had passed men to fill the temporary vacancies in the cadre of stenographers in his office during the last 18 months ending December, 1932; if not, why not?

(c) Is it a fact that some lady clerks (one of whom was a purely temporary hand) who have not passed the Public Service Commission examination in stenography were allowed to fill and continue in the vacancies, although a retrenched official, who at that time was a member of the clerical staff of the Director General's office and a passed man too, was not allowed to fill any of the vacancies?

(d) Are Government aware that qualified men retrenched from the various departments of the Secretariat and its attached offices are available for appointment?

**The Honourable Sir Frank Noyce:** (a) Yes.

(b) The reply to the first part of the question is in the affirmative. The second part does not arise.

(c) The facts are that two lady clerks had been holding posts as stenographers in available temporary vacancies for a considerable period prior to July last when the retrenched official referred to joined the Director General's office. That official was also given an officiating post as a stenographer in another temporary vacancy from the 15th September, 1932, until the 9th November last, when he left the Director General's office.

(d) A list of retrenched officials available for re-employment is maintained by the Public Service Commission and the appointment of such officials is made on the recommendations of that Commission.

#### APPOINTMENT OF THE PRESENT DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

950. **\*Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state if any appeal or memorial was received from any officer of the Posts and Telegraphs Department, against the appointment of the present Director General, Posts and Telegraphs?

(b) If the reply to part (a) above be in the negative, will Government be pleased to state whether the present Director General was an officer of the Posts and Telegraphs Department? If so, in what capacities has he worked and for how many years?

(c) If the reply to part (a) above be in the affirmative, will Government be pleased to state what action has been taken on that representation and what are the reasons for ignoring the claims of the senior officers of the Posts and Telegraphs Department by appointing a non-I. C. S. and non-departmental officer? Had he any previous experience of the Posts and Telegraphs administration?

(d) Will Government be pleased to state the reasons for giving preference in the matter of the appointment of the Director General, Posts and Telegraphs, to a non-departmental non-I. C. S. officer over senior departmental I. C. S. officers, one of whom has already been declared an able officer, *vide* reply to starred question No. 464, dated 12th February, 1931?

**The Honourable Sir Frank Noyce:** (a) No formal appeal or memorial has been received.

(b) and (d). The attention of the Honourable Member is invited to the reply given by the Honourable Mr. Tin Tut on the 23rd September, 1932, in the Council of State to question No. 84 by the Honourable Mr. Jagadish Chandra Banerjee.

(c) Does not arise.



**RECRUITMENT OF LADY STENOGRAPHERS OR TYPISTS IN THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.**

**951. \*Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state in a tabulated form how many unpassed ladies have been recruited as stenographers or typists in the Director General, Posts and Telegraph's office since April, 1930, as permanent, temporary or officiating and from what date?

(b) Will Government state whether at the time of recruitment of an unpassed lady, if any, as stenographer, was not any unpassed male clerk with equal qualifications available in the Director General's office?

(c) If the reply to part (b) above be in the negative, will Government be pleased to state on what ground Mr. U. Banerji of that office was appointed as stenographer after the recruitment of an outsider and unpassed lady in that capacity?

**Sir Thomas Ryan:** (a) Permanent—none.

Temporary or officiating—three namely,

one from the 12th May to the 31st August, 1931.

a second from the 20th June to the 15th August, 1931, and again from 1st September, 1931.

and a third from the 9th February, 1932, to the 31st October, 1932, and again from the 10th to the 30th November, 1932, and lastly from the 8th to the 14th December, 1932.

(b) No.

(c) When the unpassed lady outsider was recruited, Mr. V. Banerjee was not competent to carry on the work of a stenographer.

**RECRUITMENT OF LADY STENOGRAPHERS OR TYPISTS IN THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.**

**952. \*Rai Bahadur Sukhraj Roy:** (a) Is it a fact that the Secretary, Public Service Commission, was informed that the Director General of Posts and Telegraphs, was not prepared to recruit a passed lady as stenographer in his office?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state the reasons for the continued temporary employment of an unpassed lady as stenographer to the Senior Deputy Director General?

(c) Is it a fact that the Senior Deputy Director General, on his return from leave ordered that his passed and permanent male stenographer be replaced by a lady stenographer? If so, was that lady permanent in that office and was she also a passed stenographer? If not, what are the reasons for such a change?

(d) Was the Public Service Commission addressed to supply passed male stenographers for employment in the Director General's office; if so, when; if not, why not?

**Sir Thomas Ryan:** (a) Yes.

(b) The lady referred to is retained on an officiating basis only until such time as a suitable male stenographer is obtained.

(c) The reply to the first part is in the negative and the remaining parts do not arise.

(d) An application is being made to the Public Service Commission.

### ALLOTMENT OF QUARTERS TO THE STAFF OF THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.

953. **\*Raj Bahadur Sukhraj Roy:** (a) Will Government be pleased to state the total number of departmental quarters vacated since January, 1932, by the Director General of Posts and Telegraph's office staff on account of retirement, etc.?

(b) How and by whom have the quarters, so vacated been re-allotted to others?

(c) Is it a fact that preferential treatment has been accorded to Muslims in the allotment of quarters?

(d) Is it a fact that during the year 1931-32, a Quarter Allotment Board was formed in the Director General's office for the purpose? If so, is that Board still in existence?

(e) If the Board is not in existence, will Government be pleased to state reasons and objects of its formation and again abolition after such a short period?

(f) If the Board is in existence, will Government be pleased to state how and why certain retired assistants who have been re-employed as clerks and are considered to be new recruits are still in occupation of departmental quarters which they were occupying prior to their retirement from service?

**Sir Thomas Ryan:** (a) Four.

(b) The attention of the Honourable Member is drawn to the reply given to part (b) of Seth Haji Abdoola Haroon's starred question No. 1884 on the 22nd November, 1932.

(c) No.

(d) Yes. The board is still in existence.

(e) Does not arise.

(f) Only one retired Assistant re-employed as a clerk in the office of the Director General, Posts and Telegraphs, continues to occupy departmental quarters allotted to him before his retirement and in view of his re-employment it would have been unreasonable to disturb him.

### SAILING OF PILGRIM SHIPS DIRECT TO JEDDAH FROM BOMBAY OR KARACHI

954. **\*Mr. M. Maswood Ahmad:** (a) Will Government please state the number of pilgrim ships which sailed in 1932, with the date of their sailing:

- (i) from Bombay to Jeddah direct;
- (ii) from Bombay to Jeddah, *via* Karachi;
- (iii) from Karachi to Jeddah; and
- (iv) from Calcutta to Jeddah?

(b) Is it a fact that on no less than three occasions a large number of pilgrims was left behind at Bombay, as some space in all the ships which left Bombay for Jeddah, *via* Karachi, was kept vacant for the pilgrims who were to embark at Karachi?

(c) Will Government please state how many days a pilgrim ship takes to perform the voyage from (i) Bombay to Jeddah direct, and (ii) from Bombay to Jeddah, *via* Karachi?

(d) Is it a fact that the Haj Enquiry Committee recommended that after the month of *Ramzan* pilgrim ships should sail from Bombay and Karachi to Jeddah direct?

(e) Do Government propose to arrange that in future the recommendations of the Haj Enquiry Committee in this connection are strictly followed?

**Mr. G. S. Bajpai:** (a) and (b). The information is being obtained and will be laid on the table in due course.

(c) The Honourable Member is referred to the reply given to part (a) of starred question No. 563 asked by Shaikh Fazal Haq Piracha on the 27th February, 1933.

(d) The Haj Inquiry Committee's recommendation was that only direct sailings should ordinarily be allowed after the month of *Ramzan*, but that, in special circumstances, such as at the beginning of the pilgrim season, the propriety of allowing ships from Bombay to touch at Karachi might be considered in individual cases.

(e) On the advice of the Standing Committee on Pilgrimage to the Hejaz, the Government of India have decided that the matter should be left in the first instance for settlement by negotiation between the Port Haj Committees and the Shipping Companies concerned.

#### QUARANTINE DUES COLLECTED FROM HAJ PILGRIMS.

955. **\*Mr. M. Maswood Ahmad:** (a) Is it a fact that quarantine dues are collected at the rate of Rs. 10 per pilgrim to Haj?

(b) Is it a fact that there is no necessity for pilgrims to break the journey, if they are already inoculated and vaccinated?

(c) Is it a fact that the Haj Enquiry Committee recommended that the dues should be reduced by half and rupees three out of this sum should be paid to the Haj Committees?

(d) Is it a fact that in spite of this recommendation a full charge of rupees ten is still being made?

(e) Have Government accepted the recommendation in paragraph No. 267 of the Haj Enquiry Committee?

**Mr. G. S. Bajpai:** (a) The dues to be paid to the quarantine station at Kamaran are fixed at Rs. 10 per pilgrim.

(b) I would invite the Honourable Member's attention to clause XXVI of the Schedule to the Anglo-Dutch Agreement regarding Kamaran, a copy of which is available in the Library of the House. If all pilgrims on board are immunised against small pox and cholera, they need not be disembarked at Kamaran, provided that the ship is recognised after medical inspection to be 'healthy' and the provisions of the Schedule have been strictly adhered to.

(c) The Haj Inquiry Committee considered that it should be possible to reduce the dues at Kamaran to Rs. 3 per head. It referred to, but did not support, a suggestion that the dues may be fixed at Rs. 5 per

head and that half this amount in respect of every Indian pilgrim, not required to land at Kamaran, should be handed over to the Central Haj Committee for the provision of *Musafirghanas* and other comforts for pilgrims in the Hejaz.

(d) The Government of India are alive to the desirability of reducing the quarantine dues, but it has not yet been possible to do so as the annual income of the quarantine station has suffered a diminution owing to a fall in the number of pilgrims since 1930.

(e) The recommendation referred to by the Honourable Member was only of a temporary nature. The Government of India were unable to accept it as it was contrary to the provisions of the Anglo-Dutch Agreement.

**Mr. M. Maswood Ahmad:** Have Government seen paragraph 268 at page 153 of the Report of the Haj Pilgrim Committee in which they say like that?

**Mr. G. S. Bajpai:** Government have seen the paragraph.

#### UNCLAIMED PROPERTY, MONEY, ETC., OF THE HAJ PILGRIMS.

956. **\*Mr. M. Maswood Ahmad:** (a) Is it a fact that unclaimed property, money, etc., of the Haj pilgrims to the extent of Rs. 4½ lakhs came in the possession of Government?

(b) Have Government spent all this money on the construction of barracks for soldiers at Kamaran?

(c) Is it a fact that this money was spent for this purpose at a time when the break of journey at Kamaran was stopped?

**Mr. G. S. Bajpai:** (a) Before the enactment of the Port Haj Committees Act, 1932 (Act XX of 1932), sums realised from the sale of the effects of deceased pilgrims and sums of money left by deceased pilgrims, which were unclaimed and lapsed to Government, were credited to provincial revenues. The Government of India have no information as to what sums accrued to the Local Governments in this way and to what purpose they were applied. Under the Port Haj Committees Act, such sums will in future be credited to the Haj Funds at the disposal of the Port Haj Committees.

(b) No, Sir.

(c) Does not arise.

**Mr. M. Maswood Ahmad:** Are Government aware that Haj Pilgrims is a Central subject, and so will Government be pleased to inquire from the Provincial Governments how the 4½ lakhs of rupees has been spent?

**Mr. G. S. Bajpai:** I have pointed out that before the passage of the Port Haj Committees Act, which lays down the manner in which these sums are to be utilised, there was no provision to allocate these revenues either to the Central Government or to the Provincial Government, and they were treated by the Provincial Governments as provincial revenues. I doubt very much whether it would serve any useful purpose now to make inquiries from Local Governments.

**Mr. M. Maswood Ahmad:** Is it a fact that this amount was spent on building barracks for soldiers at Kamaran?

**Mr. G. S. Bajpai:** Sir, I have said, no. Kamaran, as far as I know, is not in the strategic scheme of things.

**Mr. M. Maswood Ahmad:** Is it a fact that no barracks have been built for soldiers in Kamaran? Do Government suggest it?

**Mr. G. S. Bajpai:** My Honourable friend's question is whether this sum of 4½ lakhs accrued to Government, by reason of the death of pilgrims, etc., has been utilised for the purpose of constructing barracks, and I have said, no.

**Dr. Ziauddin Ahmad:** May I understand that this unclaimed property is one of the sources of income to the Bombay Government, and how much of it do they show every year in the income side of their Budget?

**Mr. G. S. Bajpai:** The question which my friend has asked relates to the past. Since the passage of the Act, XX of 1932, there is now legislative provision for this money being placed at the disposal of Haj Committees. Before the passage of that Act, there was no such provision, and such funds as accrued, to Local Governments. There is no question now of Bombay or any other Government treating this as an item of their revenue.

**PROSECUTION OF OWNERS, CAPTAINS OR AGENTS OF CERTAIN SHIPS WHO BROUGHT BACK SOME PILGRIMS FROM JEDDAH.**

**957. \*Mr. M. Maswood Ahmad:** (a) Is it a fact that Government intend to prosecute the owners, captains or agents of some ships who brought back some pilgrims from Jeddah, in 1932?

(b) If so, will Government please state the section and the Act, for the non-compliance of which they are to be prosecuted?

**Mr. G. S. Bajpai:** (a) Government have no such suggestion under consideration.

(b) Does not therefore arise.

**ALLEGED LATHI CHARGE BY THE POLICE ON HAJ PILGRIMS IN BOMBAY.**

**†958. \*Mr. M. Maswood Ahmad:** (a) Has any correspondence passed between the Government of India and the Government of Bombay in connection with the lathi charge made on the Haj pilgrims by the Police on or about the 1st March, at Bombay?

(b) Has the attention of Government been drawn to the articles in the *Ingilab*, *Al-Jamiat*, *Bombay Chronicle*, etc., in this connection?

(c) Are Government aware that a largely attended meeting was held in the Juma Masjid, Delhi, to protest against this attitude of the Police of Bombay?

(d) Are Government aware that Haj is an all-India matter and this incident has injured the religious feelings of the Mussalmans all over India?

† For answer to this question, see answer to question No. 923.

# AGE-LIMIT FOR THE MINISTERIAL SERVICE EXAMINATION OF THE PUBLIC SERVICE COMMISSION.

959. **\*Bhai Parma Nand** (on behalf of Mr. B. N. Misra): (a) Will Government please state the age-limit fixed for the candidates sitting in the examination held by the Public Service Commission to fill up clerical vacancies in the various grades in the Government of India offices;

(b) Will Government please state whether in the case of the permanent incumbents in lower grades who desire to qualify for higher ones this age limit has been relaxed as is done in the case of other competitive examinations like the Indian Audit and Accounts Service examination; if not, why not?

(c) Are Government aware that the permanent Government employees in lower grades labour under serious disadvantages as they are not only debarred from sitting in the competitive examinations to qualify for higher grades of service but also are not given any opportunity to improve their lot by taking departmental examinations as there are none such held?

(d) Are Government prepared to remedy this situation either by raising the age-limit for permanent Government servants in the open competitive examinations held by the Public Service Commission or by holding departmental examinations at fixed intervals? If not, why not?

**The Honourable Sir Harry Haig:** (a) The general rule is that to be eligible to appear at the examination for the first and second divisions, candidates must be over 20 and under 24 years of age and as that for the typist and routine grade, over 17 and under 24. The Public Service Commission, who conduct these examinations, are empowered to modify these limits as they think proper.

(b) Yes, in some of the previous examinations.

(c) and (d). I would refer the Honourable Member to the reply given on the 5th September, 1932, to unstarred question No 16. I would also point out that unqualified departmental candidates are eligible for promotion to higher grades up to a certain limit on grounds of merit.

**Mr. Lalchand Navalrai:** Will the Honourable Member be pleased to state whether there were cases in which the Public Service Commission have qualified the limit?

**The Honourable Sir Harry Haig:** I should like to have notice of that question.

**\*Bhai Parma Nand:** When departmental promotions are given in the Indian Audit and Accounts Service and yet the departmental candidates are allowed to appear at the competitive examinations up to the age of 30, what objection is there to extend the same concession to the Government servants in the Public Service Commission examination held to fill vacancies in the Government of India offices?

**The Honourable Sir Harry Haig:** I did not quite follow the system described by my friend in his supplementary question, but my answer is that the whole question of recruitment for the Government of India Secretariat service was gone into very carefully a few years ago, and certain definite principles and rules have been accepted and those are being applied.

**Bhai Parma Nand:** Are Government aware that the percentage of promotions from lower to the higher grades is very low and that clerks in the lower grades, who are generally well qualified, have to wait for many years before they can get a chance in the departmental promotions?

**The Honourable Sir Harry Haig:** These considerations were present to the mind of the Government of India when they reached their conclusions.

**Bhai Parma Nand:** Does it not appear that outsiders, successful in qualifying themselves for higher grades, are placed above the lower grade men in the Departments, and that thus the lower grade men find it impossible to improve their position except by departmental promotions which are very rare on account of their . . . . .

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order, order. Supplementary questions are intended to elicit further information arising out of the answers given by Honourable Members of Government, and supplementary questions are not intended to be utilised to enable Honourable Members to ask additional questions which they may bring ready made.

#### PERIODICAL EXAMINATION OF TICKET-CHECKING STAFF OF THE EAST INDIAN RAILWAY.

960. **\*Bhai Parma Nand** (on behalf of Mr. B. N. Misra): (a) Is it a fact that the ticket-checking staff (T. T. Es. and T. Cs.) are examined periodically?

(b) If so, what interest have the administration in examining them?

(c) Are subordinates over 45 years of age exempted from the courses at Rail Schools? If so, why is not such an exemption provided for in this examination?

(d) How many examinations in knowledge of the rules and orders is a subordinate required to undergo during his 30 years' service?

(e) Is an entrance examination to service not sufficient?

(f) Are officers and subordinates other than the ticket checking staff on the East Indian Railway examined for accuracy, powers, and knowledge of the rules and orders periodically; if so, with what result?

**Mr. P. R. Rau:** (a) Yes.

(b) The examinations are intended to see whether the staff have a thorough knowledge of the rules by which they are expected to be guided in the course of their work.

(c) Government have no information, but I am sending a copy of this question to the Agent, East Indian Railway, to consider whether any exemption is desirable.

(d) Government have no information. These rules are prescribed by the Administrations.

(e) No.

(f) I have no doubt that the East Indian Railway Administration examines all its staff as often as it considers necessary.

**Dr. Ziauddin Ahmad:** Is it not a fact that each Divisional Superintendent is left to frame his own rules and his own system of examination?

**Mr. P. R. Rau:** I do not think so. The Divisional Superintendents must be acting under instructions from the Agents.

**Dr. Ziauddin Ahmad:** Did I not ask a question in the last Session, whether the Divisional Superintendent at Allahabad had set the same questions at different centres at different times? Was it done under the authority of the Agent?

**Mr. P. R. Rau:** I do not remember the question that was asked in the last Session. If such a question was asked, I have no doubt a suitable answer was given.

**Dr. Ziauddin Ahmad:** The Honourable Member at that time said that he would make inquiries, but I have not yet heard the result.

**Mr. P. R. Rau:** I am not sure whether a reply has been sent to the Honourable Member, but I will make inquiries.

**Mr. S. G. Jog:** Has the Railway Board got any voice in the matter?

**Mr. P. R. Rau:** These things are matters of detail which are settled by the Railway Administrations themselves.

**Dr. Ziauddin Ahmad:** Is the holding of examinations a matter of detail which can be left to subordinates?

**Mr. P. R. Rau:** Yes, Sir, it is a question of examining subordinates for their fitness for the duties in which they are engaged, and the Railway Board are prepared to leave all these things to the discretion of the Railways generally.

#### PERIODICAL EXAMINATION OF TICKET-CHECKING STAFF OF THE EAST INDIAN RAILWAY.

961. **\*Bhai Parma Nand** (on behalf of Mr. B. N. Misra): (a) Is it a fact that the ticket checking staff on the East Indian Railway with long service are required to undergo periodical tests in thorough knowledge? If so, has the knowledge of subordinates other than the ticket checking staff coming in constant touch with the public (like Goods, Parcel Booking, Guards, Station Masters and Assistants, Divisional Superintendents, Commercial Inspectors and Superintendents, etc.), ever been tested? If not, why not?

(b) Will Government be pleased to lay a statement on the table showing the number of ticket checking staff out of a total strength found ignorant of the rules and knowledge of the orders comparing the same with the other officers and staff on the East Indian Railway for the last five years with the length of service of each?

**Mr. P. R. Rau:** (a) The ticket checking staff are required to undergo tests in the knowledge of the rules by which they are to be guided. Government have no information as regards other subordinates.

(b) I am afraid the collection of the information required, will involve an undue expense of labour with no commensurate result.



**DENIAL OF THE PRIVILEGE OF FURTHER CONTRIBUTION TO THE PROVIDENT FUND TO THE SUBORDINATES ON THE EAST INDIAN RAILWAY.**

962. \***Bhai Parma Nand** (on behalf of Mr. B. N. Misra): Is it a fact that the subordinates on the East Indian Railway contributing to the Provident Fund for over five years have been denied the privilege of further contribution on the plea that they are daily-rated staff? If not, what is the correct interpretation of the Agent, East Indian Railway's circular, No. P.I/41-7818 of the 30th August, 1932?

**Mr. P. R. Rau:** The answer to the first part of the question is in the negative. I am informed that the circular referred to in the second part was issued under a misapprehension and has since been cancelled.

**SANCTION OF FREE PASSAGES TO SUBORDINATES OF NON-ASIATIC DOMICILE ON THE EAST INDIAN RAILWAY.**

963. \***Bhai Parma Nand** (on behalf of Mr. B. N. Misra): (a) Is it a fact that a certificate is required in the case of the non-superior officers of non-Asiatic domicile before they become eligible for free passages to the effect that had they not been appointed, no Anglo-Indian in India would have been taken on in the post? If so, was such a condition made known to them before they were taken on in service on their discharges from the British forces?

(b) Will Government state whether the orders passed by the Agent, East Indian Railway, in case No. 12/207/29 during 1929 cover the cases of subordinates eligible for free passages as sanctioned from 1930? If so, how and why?

**Mr. P. R. Rau:** (a) Under the rules issued in 1930 for passages for non-superior officers of non-Asiatic domicile, it is necessary that before such an officer is admitted to the passages, a certificate that if, at the time of appointment, he had not been available, no Indian, Anglo-Indian or a Statutory native of India would have been appointed, is required from the Agent. I am not sure that I understand the second part of the question, but if my Honourable friend is referring to such persons as had served in the army before they were taken into railway service, who may be among these non-superior officers, the answer is in the negative.

(b) I am unable to understand what my Honourable friend is referring to, but it is obvious that orders passed in 1929 cannot apply to concessions introduced for the first time in 1930.

**Lieut.-Colonel Sir Henry Gidney:** Will the Honourable Member inform this House with reference to the reply just given whether or not it is a fact that when these concessions were given to non-gazetted officers the sanctioning authority had made quite certain that no such man was available in India to perform the duties, or did he act merely on the opinion of the Head of the Department?

**Mr. P. R. Rau:** The grant of these passages is, I believe, referred in each case to the Railway Board, and the Agent of the Railway has to certify that at the time of the appointment if the person had not been available, no Indian would have been appointed.

**Lieut.-Colonel Sir Henry Sidney:** In view of the Honourable Member's reply, could he apply that same answer to officers who were appointed 20 years ago and who today claim the Lee Concessions and to support which this particular provision is demanded?

**Mr. P. E. Rau:** The Lee Concessions, Sir, are given on quite a different footing.

## UNSTARRED QUESTIONS AND ANSWERS.

### GRANT OF OVERTIME ALLOWANCE TO OFFICIALS WHO WORK IN CONNECTION WITH THE DISPOSAL OF THE INWARD ENGLISH MAIL IN CALCUTTA.

**122. Mr. S. C. Mitra:** (a) Is it a fact that all the postal officials who work in connection with the disposal of the inward English mail in Bombay, Madras, Rangoon, Karachi, and in some other places are paid over-time allowances?

(b) Is it a fact that in Calcutta the above work is done partly by auxiliaries and partly by the over-time system?

(c) Do Government contemplate introducing the overtime allowance system for all officials who work in connection with the disposal of the English mail in Calcutta also? If not, why not?

**Sir Thomas Ryan:** (a) No. Only those postal officials who are required to perform extra hours of duty in connection with the disposal of inward foreign mails in addition to their ordinary duty hours are entitled to overtime allowance.

(b) Yes.

(c) No, in view of what has been stated in (a) above. The Honourable Member's attention is also invited to part (c) of his unstarred question No. 229 in this House on the 12th December, 1932, and to its reply which was laid on the table on the 16th February, 1933.

### TRANSFER OF POSTAL CLERKS IN THE RAJSHAHÍ DIVISION.

**123. Mr. S. C. Mitra:** (a) Will Government please submit a statement showing the number of postal clerks transferred during the last two years in the Rajshahi Division?

(b) Will Government please submit another statement showing the details of the amount spent in paying the travelling allowances of the officials transferred?

**Sir Thomas Ryan:** (a) and (b). To obtain the required information it would be necessary to consult a number of records and travelling allowance bills. As the Honourable Member is well aware, the Postal Department is at present working with a reduced staff, and Government regret that they are not in a position to undertake the investigation which a detailed reply to the Honourable Member's question would necessitate.

**SUICIDE COMMITTED BY A POSTAL OFFICIAL OF THE RAJSHAHI DIVISION.**

124. **Mr. S. C. Mitra:** (a) Is it a fact that a postal official of Rajshahi Division committed suicide a few months ago?

(b) Is it a fact that he left a letter stating the cause of his committing suicide?

(c) Is it a fact that the official was transferred several times within a very short period?

(d) Is it a fact that the Superintendent of Post Offices, Rajshahi Division, was mentioned in the letter left by the deceased?

(e) Are Government prepared to make an inquiry into the matter?

**Sir Thomas Ryan:** (a) to (e). Government have no information. An enquiry is being made and a reply will be placed on the table in due course.

**INCONVENIENCE CAUSED TO THE PUBLIC OF CALCUTTA BY THE POSTING OF RESERVE POSTMEN IN PLACES OF PERMANENT POSTMEN.**

125. **Mr. S. C. Mitra:** (a) Are Government aware that the public of Calcutta are often inconvenienced by posting of reserve postmen in places of permanent postmen while on leave?

(b) Is it a fact that in Bombay every Delivery Post Office is treated as a separate unit and a certain number of reserve postmen are attached to each unit?

(c) Is it a fact that Calcutta is treated as one unit and the reserve postmen are deputed to work in leave vacancies wherever necessary throughout the city?

(d) Are Government aware that the procedure followed in Calcutta results in misdelivery and delay in delivery of postal articles very often?

(e) Do Government contemplate treating each delivery office in Calcutta as a separate unit and attach a number of reserve postmen to it for the benefit of the public? If not, why not?

**Sir Thomas Ryan:** (a) No.

(b) Yes.

(c) Yes.

(d) No.

(e) Government understand that the Postmaster-General, Bengal and Assam, is examining the question.

**PROVISION OF BATHING OR SWIMMING PONDS IN NEW DELHI.**

126. **Mr. M. Maswood Ahmad:** Will Government be pleased to state:

(a) the total number of bathing or swimming ponds in New Delhi; if none, the reasons for their absence;

(b) if the necessity of bathing or swimming ponds in New Delhi has been ever considered; if so, what arrangements have been made for the provision of same;

(c) whether Government are prepared to issue necessary orders immediately for the provision of a sufficient number of bathing or swimming ponds in New Delhi during the hot weather? If not, why not?

**Mr. G. S. Bajpai:** (a) and (b). There are no public bathing or swimming ponds in New Delhi, and the question of providing such ponds has not been considered so far.

(c) Government do not consider a period of financial stringency suitable for expenditure on such schemes.

**SAVING BY THE STOPPAGE OF THE SIMLA-DELHI MOVE OF THE GOVERNMENT OF INDIA OFFICES.**

**127. Mr. M. Maswood Ahmad:** Will Government be pleased to state:

- (a) what would be the approximate savings on account of Simla-Delhi move of the Secretariat and its Attached Offices, if the move is stopped and all the Departments are located in New Delhi or in Simla;
- (b) what would be the approximate annual income on account of rent of quarters in New Delhi, if all the moving Departments are permanently located in New Delhi and all the quarters are occupied; and
- (c) what would be the approximate annual savings on account of house-rent, other allowances, etc., which are granted to migratory staff in Simla and Delhi after locating the moving departments permanently in New Delhi?

**The Honourable Sir Harry Haig:** (a) The Honourable Member is referred to part (c) of the Honourable Sir George Schuster's reply to his starred question No. 1291 given on November 21st, 1932.

(b) Government would derive an additional income of Rs. 2,70,000 per annum on the assumption that all residences are occupied during the summer months.

(c) The annual saving would be Rs. 8,70,000 approximately. The nett saving, however, for the reasons indicated in the Honourable Sir George Schuster's reply referred to in (a) would be considerably less than this sum.

**DIFFERENTIAL TREATMENT TO THE HEADQUARTERS OFFICES OF THE RAILWAYS AND POSTS AND TELEGRAPHS, IN THE MATTER OF TEN PER CENT CUT.**

**128. Mr. M. Maswood Ahmad:** Will Government be pleased to refer to the reply to starred question No. 617, dated the 4th March, 1932, and state if there are special reasons for not treating the Railway Board and the office of the Director General, Posts and Telegraphs, differently from their subordinate offices; if there are reasons, what are those and are Government prepared to refund the entire amount so deducted with interest thereon to the men concerned soon after the deficit is made up?

**The Honourable Sir Frank Noyce:** The Government of India consider that to have treated the headquarters offices of the Railways and Posts and Telegraphs differently from the subordinate offices in this matter would have given rise to serious discontent. The answer to the latter part of the question is in the negative.

### INCREASE IN THE PERCENTAGE OF INDIANS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

129. **Mr. M. Maswood Ahmad:** Will Government be pleased to refer to the reply to unstarred question No. 215, dated the 23rd February, 1931, and state if any action has been taken to increase the percentage of Indians in the appointments referred to therein in the Posts and Telegraphs Department; if not, why not? If so, will Government be pleased to lay on the table a copy of the orders issued on the subject?

**The Honourable Sir Frank Noyce:** As explained in the reply to the question referred to, the small percentage of Indians holding the posts in question is due to the fact that promotion to these posts was made from the ranks of General Service telegraphists who were mostly Anglo-Indians. With the progressive Indianisation of the cadres of telegraphists, the percentage of Indians in the higher posts which are filled by promotion from these cadres will increase and Government have not therefore thought it necessary to take any special action in this direction.

### POSTING OF MUSLIM ASSISTANTS IN THE ESTABLISHMENT "A" SECTION OF THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.

130. **Mr. M. Maswood Ahmad:** (a) Is it a fact that not a single Muslim Assistant has been posted in the Establishment 'A' Section of the Director General, Posts and Telegraph's office, where the questions relating to communal adjustment are usually dealt with?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state reasons?

(c) Do Government propose to consider the necessity of posting at least two Muslim Assistants, in that section forthwith; if not, why not?

**The Honourable Sir Frank Noyce:** (a) It is a fact that there is no Muslim Assistant in the Establishment 'A' Section of the Director General's Office, but questions relating to communal adjustment are not generally dealt with in that section nor in any case are decisions taken by the clerks.

(b) and (c). Postings of Assistants to the various sections of the Director General's Office are not made on communal considerations.

### REPRESENTATION OF MUSLIMS IN THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS.

131. **Mr. M. Maswood Ahmad:** Will Government be pleased to state if any order has been issued to give permanent chance to Muslims in the appointments in the office of the Director General of Posts and Telegraphs, referred to in unstarred question No. 231, dated 23rd February, 1931? If so, will Government please lay on the table a copy of that order? If not, why not? If no order has been issued, what are the reasons?

**The Honourable Sir Frank Noyce:** No orders were issued nor were any contemplated.

### REPRESENTATION OF MUSLIMS IN THE ENGINEERING AND TRAFFIC BRANCHES OF THE TELEGRAPH DEPARTMENT.

182. **Mr. M. Maswood Ahmad:** (a) Will Government be pleased to refer to the reply to unstarred question No. 89, dated 22nd February, 1932, and state what steps have been taken or do they propose to take for the adequate representation of Muslims in the Engineering and Traffic Branches of the Telegraph Department? If none, why?

(b) What are the reasons for the total absence of Muslims from the Traffic Branch and their negligible number in the Engineering Branch?

**The Honourable Sir Frank Noyce:** (a) The attention of the Honourable Member is invited to the reply given by the Honourable Sir Joseph Bhore on the 14th March, 1932, to his starred question No. 751.

(b) Since the 15th May, 1930, the date for which figures were given in reply to the Honourable Member's unstarred question to which he refers, there has been some improvement in Muslim representation in the branches in question; one Muslim having been promoted to gazetted rank in the traffic branch on the 4th November, 1930, and another having been recruited direct to the Superior Telegraph Engineering Branch on the 10th August, 1931. The majority of the posts in the branches are filled by promotion. When posts are filled by direct recruitment as in the case of half the posts in the Superior Telegraph Engineering Branch, the rule for the protection of the interests of minority communities is being strictly followed.

### ATTENDANCE OF MUSLIM CLERKS IN THE OFFICE OF THE DIRECTOR GENERAL, POSTS AND TELEGRAPHS, DURING RAMZAN.

183. **Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state if half an hour's recess is allowed in the Director General of Posts and Telegraph's office, *vide* reply to starred question No. 427, dated the 22nd February, 1932?

(b) If the reply to (a) above be in the affirmative, will Government be pleased to state reasons why Muslim clerks in the Director General's office are required to attend office half an hour earlier during their fasting festivals in the month of *Ramsan* if they want to leave office at 4 P.M.?

(c) Have Government considered whether Muslim officials in the Director General's office should attend office at 10-30 A.M. as usual and leave at 4 P.M., that is half an hour earlier when they do not avail themselves of half an hour's recess during *Ramsan*?

(d) If the reply to (a) above be in the negative, will Government be pleased to give reasons justifying the inadmissibility of the concession?

**Sir Thomas Ryan:** (a) Yes, it is usual to grant such a recess if it is required.

(b) and (c). In January, 1932, the Muslim clerks of the Director General's office applied for permission to leave office at 4 P.M. during *Ramsan*. In their application no suggestion was made by them that during this period they would forego their daily half hour's recess in order to make up for the shorter attendance. Had such a suggestion been made, it would have been accepted, but as it was not made it was proposed that those Muslims who desired to leave office at 4 P.M. should attend half an hour earlier.

(d) Does not arise.

**ROTATION OF DUTIES IN THE TELEGRAPH OFFICE, DELHI.**

**134. Mr. M. Maswood Ahmad:** (a) Is it a fact that Government orders about rotation of duties are not observed in the Telegraph Office, Delhi?

(b) Is it a fact that the time scale clerks of the Government Telegraph office, Delhi, are not brought on rotation of duties as per Director General's communication No. Est.-A./29, dated the 15th October, 1929, and that the Administrative Branch has been held by clerks of only one community for the last ten years?

**Sir Thomas Ryan:** (a) and (b). The Honourable Member is referred to the reply given to his own unstarred question No. 88 in this House on the 8th March, 1933. A copy of the questions and answers is, however, being sent to the Postmaster-General for such action, if any, as he may consider necessary.

**MUSLIM BOY PEONS IN THE TELEGRAPH OFFICE, DELHI.**

**135. Mr. M. Maswood Ahmad:** (a) Is it a fact that the officer in charge of the Telegraph Office, Delhi, does not want to employ Muslims as boy peons?

(b) Is it a fact that senior Muslim boy peons of the Government Telegraph Office, Delhi, have recently been deprived of promotion to the grade of boy head peon or delivery peon?

(c) Is it a fact that the Muslim boy peons were medically examined for proof of their age, whereas not a single non-Muslim was ever sent for the same purpose in the same office? If so, why?

**The Honourable Sir Frank Noyce:** (a) to (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 and of this reply is being sent.

**COMMUNAL COMPOSITION OF THE TASK WORK MESSENGERS AND BOY PEONS IN CERTAIN TELEGRAPH OFFICES.**

**136. Mr. M. Maswood Ahmad:** (a) Will Government please lay on the table a statement showing the communal composition of the task work messengers and boy peons in the Government Telegraph Offices at:

- (1) Lahore Central Telegraph Office,
- (2) Ambala Telegraph Office,
- (3) Amritsar Telegraph Office,
- (4) Patna Central Telegraph Office,
- (5) Benares Telegraph Office,
- (6) Dacca Telegraph Office,
- (7) Cuttack Telegraph Office, and
- (8) Simla Telegraph Office?

(b) Is it a fact that in the above stated Telegraph Offices there is not a single Muslim boy peon or task work messenger; if not, why not?

**The Honourable Sir Frank Noyce:** (a) The communal composition is as follows:

<i>Telegraph Office.</i>	<i>Hindus.</i>	<i>Muslims.</i>	<i>Other Communities.</i>
1. Lahore . . . . .	58	13	1
2. Ambala . . . . .	9	1	1
3. Amritsar . . . . .	11	6	2
4. Patna . . . . .	15	..	..
5. Benares . . . . .	3	..	1
6. Dacca . . . . .	5	5	..
7. Cuttack . . . . .	2	..	..
8. Simla . . . . .	13	..	..

(b) The reply to the first part is in the negative, and the second part does not arise.

#### APPOINTMENT OF MUSLIMS AS TASK WORK MESSENGERS AND BOY PRONS IN THE TELEGRAPH OFFICES.

137. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the Home Department Memo. No. F-176/25-Est., dated the 5th February, 1926, applies to the recruitment of the inferior establishment also and, if not, what is the other standing order to safeguard the appointment of Muslims and the members of the other minority communities?

(b) What action do Government propose to take to enforce observance of their orders for giving adequate share to the Muslims for appointment as task work messengers and boy prons in the Telegraph offices stated above and at other places?

**The Honourable Sir Frank Noyce:** (a) The reply to the first part is in the negative. As regards the second part, if the Honourable Member's reference is to the inferior establishments in the Posts and Telegraphs Department, I would invite his attention to the reply given in this House to Rao Bahadur M. C. Rajah's starred questions Nos. 980 and 931 on the 24th September, 1931.

(b) The Honourable Member is referred to the reply given to part (f) of Mr. Muhammad Anwar-ul-Azim's starred question No. 445 on the 28th February, 1938.

#### CONFIRMATION OF ASSISTANT CONTROLLERS ON THE NORTH WESTERN RAILWAY.

138. **Bhagat Ohandi Mal Gola:** (a) Is it a fact that 51 Assistant Controllers on the North Western Railway were confirmed in January, 1931, by the Agent, Lahore, after first being promoted officiating as such in 1927, and 1928, by the same authority in the grade, Rs. 800—10—850?

(b) If so, was the authority which appointed them to officiate and confirmed them, a competent authority under delegation made by Governor-General in Council, *vide* Appendix 4, Serial No. 3, Fundamental Rule 9 (19)? If not, why not? If so, did not such competent authority have full powers to deal with the matter and consider or reject all or any claims if so thought fit?



(c) If the answer to the latter part of (b) be in the affirmative, have the orders passed for their confirmation been countermanded as an error and, if so, why so, when the above competent authority had full powers to deal as thought fit by it?

(d) If the answer to the latter part of (b) be in the negative, has an authority of the same nature (*viz.*, Agent and headquarters officers) finally dealt with the matter in the manner it thought fit?

(e) Is it a fact that the officers concerned in the January, 1931 confirmations were: Agent, Col. Walton, Chief Operating Superintendent, Col. Watson, Deputy Agent, Mr. Muirhead, Senior Assistant Personnel, Mr. Stubbs; and in the countermand and re-confirmation were the then Officiating Agent, Mr. Highet, Chief Operating Superintendent, Mr. Lockwood, Senior Assistant Personnel I, Mr. Gregory, Senior Assistant Personnel II, Mr. Cameron?

(f) Was the countermand issued in September, 1931, or nine months after the confirmation, and while the permanent Agent Col. Walton was away on long leave and the Chief Operating Superintendent, Col. Watson, had retired?

(g) Is it a fact that the grounds of the countermand were, (i) error in not fixing new lower grades of Rs. 200—10—250 and Rs. 260—10—300, suggested in 1929, and (ii) of junior men now confirmed having in this manner permanently superseded their seniors?

(h) Is it a fact that the final revised 1932 confirmation list embodies:

(i) No. of men whose confirmation restored out of first list of 51 . . . . .	36
(ii) No. of men rejected as displayed lack of aptitude for this peculiar form of work . . . . .	9
(iii) No. of men not recommended for confirmation at present as lacking sufficient experience . . . . .	5
(iv) Resigned since . . . . .	1
(v) No. of men whose claims were not first considered and who are not considered for confirmation . . . . .	5
Total to be confirmed . . . . .	41

(i) Is it a fact that all 41 men, including five new entrants, have been confirmed in the grade Rs. 300—10—350, as in 1931?

(j) Is it a fact that several of these 36 men and all the five new entrants commenced working in the control after 1929 or much after the new lower grades were suggested?

(k) How has their seniority been fixed?

**Mr. P. R. Rau:** (a) 51 Assistant Controllers on the North Western Railway were confirmed in January, 1931.

(b), (c) and (d). The Agent is the competent authority to make officiating and permanent appointments of Assistant Controllers under the ruling referred to in the question. As regards the rest the Honourable Member's attention is invited to the reply given to Mr. S. C. Mitra's question No. 72 on the 16th February, 1932.

(e) and (f). The facts as stated are substantially correct.

(g) It was considered that the confirmation of these Assistant Controllers was irregular in that all people eligible for promotion had not been considered for these posts when these appointments were made.

(h) Yes.

(i) Yes.

(j) This is probably correct.

(k) This is a matter which is within the competence of the Agent to decide. Government have no information and, as already explained, do not propose to intervene.

#### CONFIRMATION OF ASSISTANT CONTROLLERS ON THE NORTH WESTERN RAILWAY.

139. **Bhagat Chandi Mal Gola:** (a) Is it a fact that on the North Western Railway, the men mentioned below were previously confirmed with the total of two to three years service and, if so, why have they remained confirmed: Messrs. Corrie, Asquith, G. E. Getley, E. J. Getley, L. Ryan, P. Morgan (direct appointment)?

(b) Is it a fact that a number of men now confirmed amongst the 36 Assistant Controllers and amongst the five new entrants were junior yard foremen and the like on substantive pay of Rs. 60 to Rs. 95 and have been confirmed on pay of Rs. 310 to Rs. 350 in preference to the 14 rejected men previously confirmed and their seniors in every respect?

(c) Are not officers and other classes of staff appointed direct in all Government services and promoted to higher grades supervising the work of juniors and subordinates after 20 or 30 years experience?

(d) Is there any existing Fundamental Rule delegating to the Agent the power to countermand the confirmation of any Government servant in any appointment? If not, how has such been authorised? If authorised, has any rule been made?

(e) If a rule has been made, when was it made; and do Fundamental Rule No. 4 and Fundamental Rule 6(a) prohibit the delegation by the Government of India and Local Governments of all powers to make rules to any of its officers?

(f) Does not Fundamental Rule No. 15 lay down clearly:

"A Government servant shall not, save in cases of inefficiency or misbehaviour, be transferred substantively to a post carrying less pay than his relative position in the cadre of the service to which he belongs would justify?"

(g) Is it not a fact that, with the exception of cases of inefficiency or misbehaviour, a Government servant's appointment held substantively to a permanent post cannot be nullified in any way?

(h) Is it a fact that these 14 men worked in the control from three to over five years prior to removal and were drawing Rs. 330 to Rs. 350 p. m., and are now reduced some to pays of Rs. 200 to Rs. 180 p. m., and their places have been filled up by men drawing substantively Rs. 80 to Rs. 100 p. m., and now promoted to Rs. 310 to Rs. 330 p. m.?

(i) Is not the reduction of the one class to about half its pay glaring with the fourfold increase of pay to the other class?

(j) Are the Government of India or the Railway Board prepared to consider the question of setting aside the countermand and restore to these men their confirmation?

**Mr. P. E. Rau:** Government have insufficient information on some of the points raised in this question and a reference has been made to the Agent, North Western Railway. A reply will be laid later on the table.

#### RETIREMENT OF ALL POSTAL OFFICIALS AT THE AGE OF 55.

140. **Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether in the Postal Department the Director General has issued instructions that all officials will retire at the age of 55 years;
- (b) whether it is a fact that the selection grade appointments are not subjected to a large reduction as compared with time-scale appointments;
- (c) whether the action referred to in part (a) will not give the department sufficient number of vacancies, if any are required for being brought under reduction; and
- (d) if the reply to part (c) above be in the affirmative, whether the department propose to fill permanently the vacant appointments or at least 75 per cent. of them?

**Sir Thomas Ryan:** (a) No. The Honourable Member is referred to the reply given to Mr. P. G. Reddi's starred question No. 767 in this House on the 26th September, 1932.

(b) No.

(c) and (d). Do not arise in view of the reply to part (a).

#### PROVISIONAL APPOINTMENTS IN THE BARODA POSTAL DIVISION.

141. **Mr. N. M. Joshi:** (a) Will Government be pleased to lay on the table a copy of their letter in the Finance Department to the effect that those who have been officiating in vacant appointments from before 15th July, 1931, will, on confirmation, get the benefit of the existing scale of pay?

(b) Is it a fact that in the Baroda Postal Division eight officials provisionally appointed in vacant appointments in the upper division, were, in July, 1932, asked to accept the lower division scale of pay and thus deprived of the benefit of Government orders referred to above?

(c) If the reply be in the affirmative, will Government please state whether Government propose to restore their upper division appointments to them?

**Sir Thomas Ryan:** (a) The Honourable Member is possibly thinking of the Finance Department letter No. F-36 (147)-Ex.-1/37, dated the 1st November, 1932, a copy of which is subjoined.

(b) and (c). Government have no information. If any one has a grievance, it is open to him to submit a representation in the usual way.

COPY OF A LETTER NO. F-36 (147)-EX. I/32, DATED THE 1ST NOVEMBER, 1932, FROM W. R. TENNANT, ESQ., I.C.S., DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA, FINANCE DEPARTMENT, TO ALL MINOR LOCAL GOVERNMENTS.

SUBJECT :—*Interpretation of the term "Government service" as used in this Department Resolution No. D-4523-Ex. I/31, dated the 9th July, 1931.*

I am directed to refer to this Department endorsement No. D-4523-Ex. I/31, dated the 9th July, 1931, forwarding a copy of the Resolution quoted above and to say that the question having arisen of the exact meaning of the term "Government service" in that Resolution, the Governor General in Council has been pleased to decide that a person who on the 15th July, 1931, was (i) in the whole-time service of Government and (ii) remunerated either by salary or recurring honorarium, should, for the purposes of the Resolution, be held to have been in "Government service" on that date even if his status on that date was not substantively permanent but provisionally permanent, substantive or provisionally substantive in a temporary post, officiating in a permanent or temporary post or probationary against a permanent vacancy. It follows that a Government servant not then in permanent service if he is confirmed after the 15th July, 1931, without a break in service will for the purposes of the application of the new scales of pay and the new leave rules be dealt with in the same way as if he had been in permanent service on that date.

#### FILLING UP PERMANENTLY OF CERTAIN APPOINTMENTS IN THE BOMBAY CITY POST OFFICE.

142. **Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) whether it is a fact that there are 65 appointments vacant in Bombay City Post Office in the lower division cadre held by officials and outsiders in officiating capacities:
- (b) whether on confirmation of officials in the selection grades there will be still 25 vacancies more in the lower grade cadre in Bombay:
- (c) the reason for the retention of so many vacant appointments and what is the number of time-scale appointments reduced during the last six months in Bombay: and
- (d) whether orders will be issued for filling in the vacant appointments permanently subject to a maximum of 25 appointments being allowed to be filled in provisionally to meet the exigencies of service?

**Sir Thomas Ryan:** Information has been called for and a reply will be placed on the table in due course.

#### COMPULSORY RETIREMENT OF CERTAIN PERSONS IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

143. **Pandit Satyendra Nath Sen:** (a) Is it a fact that a certain number of persons in the office of the Director, Railway Clearing Accounts Office, were compulsorily retired in March, 1932?

(b) If the reply to the above question be in the affirmative, will Government be pleased to state:

- (i) what the number of such retired men is;
- (ii) what the approximate length of their service is; and
- (iii) what amount of saving has been effected by the compulsory retirement of such clerks?

(c) Will Government be pleased to state whether the method referred to in part (a) was adopted as a measure of economy?

(d) If so, has that method been given up? If so, why?

(e) If the reply to part (d) be in the negative, are Government aware that there are still 28 men working in the Railway Clearing Accounts Office, who have completed 80 years service, but have not been retired as yet?

**Mr. P. R. Rau:** (a) A certain number of men were compulsorily retired from the 1st April, 1932.

(b) (i). 16.

(ii) From 14 to 36 years.

(iii) It is not possible to work out the amount of saving exactly, but the abolition of 16 posts and the discharge of senior men of longer service has, I understand, led to a saving approximately of Rs. 22,000.

(c) Retrenchments in the Railway Clearing Accounts Office, as in other offices, were effected as a measure of economy.

(d) and (e). During the present block retrenchment, the Government of India have decided to follow the simple method of length of service recommended by the Court of Enquiry. As my Honourable friend is no doubt aware, the Court of Enquiry definitely advised against the adoption as a general rule of the method of compulsory retirement of people with longer service.

#### RETIREMENT OF PERSONS OF MORE THAN 30 YEARS SERVICE IN THE RAILWAY DEPARTMENT.

**144. Pandit Satyendra Nath Sen:** Are Government prepared to retire those men who have completed 80 years service in the Railway Department in order to provide the retrenched staff, who have not been provided since 1931?

**Mr. P. R. Rau:** As my Honourable friend is doubtless aware, Government have, in connection with the present block retrenchment, accepted the recommendations of the Court of Enquiry who definitely advised against following this course as a general rule.

#### SHORT NOTICE QUESTION AND ANSWER.

##### ORDER OF EXPULSION SERVED ON FOUR CHETTIAR BANKERS OF SAIGON BY THE GOVERNMENT OF INDO-CHINA.

**Diwan Bahadur A. Ramaswami Mudaliar:** (a) Has the attention of Government been drawn to the fact that an order of expulsion has been served on four Chettiar bankers of Saigon by the Government of Indo-China?

(b) Have Government received representations on the subject from (1) the Nattukottai Nagarathara Association, (2) the South Indian Chamber of Commerce, and (3) other Associations in India and Indo-China?

(c) Is it a fact that the persons concerned were given only a week's notice to leave the place?

(d) Will Government be pleased to make a full statement of the facts of the case if they have received information from their representative in Saigon?

(e) Have Government made any efforts to induce the French Government to keep the order in abeyance pending representations by this Government or His Majesty's Government? If so, with what results?

(f) Have Government drawn the attention of His Majesty's Government to this grievance?

**Mr. H. A. F. Metcalfe:** (a), (b) and (c). The answer is in the affirmative.

(d), (e) and (f). The Government of Indo-China recently issued orders that the execution of money decrees, especially decrees for debt secured on agricultural land, must be reduced to a minimum in order to safeguard the peasants, against whom a number of decrees are held by the Chetty community. The four persons against whom orders of expulsion have been served insisted on proceeding with the execution of their decrees and have, therefore, been ordered to leave the country. Immediately on receipt of these reports, the Government of India supported by telegram to His Majesty's Government the request which had already been made to the Local Government by His Majesty's Consular Representative at Saigon for postponement of execution of the order. The Government of India have also requested that the matter may be represented to the French Government through the usual diplomatic channel. The latest information received is that the Consul-General's request for postponement of execution of the order has been refused and that the persons concerned have either already left Saigon or are leaving within the next two days.

**Diwan Bahadur A. Ramaswami Mudaliar:** Is it not a fact that this order has been issued only on these Chetty firms and that other creditors who are proceeding with execution have not been similarly treated?

**Mr. H. A. F. Metcalfe:** That, Sir, is not my information. My information is that there is a general order which has been issued by the Local Government in the exercise of their sovereign rights.

**Mr. H. P. Mody:** In view of the fact that expulsion has already taken place, do the Government of India propose to take any diplomatic action?

**Mr. H. A. F. Metcalfe:** It is not within the competence of the Government of India themselves to take diplomatic action. They have requested His Majesty's Government to do what they can with the French Government through His Majesty's Ambassador at Paris. I am afraid they can do no more at present.

**Mr. F. F. James:** May I ask the Honourable Member whether he will represent to His Majesty's Government the very strong feeling amongst all communities, particularly in South India, that this action is tantamount to action of the most grave character amounting to discrimination and expropriation? Will he represent those feelings to His Majesty's Government?

**Mr. H. A. F. Metcalfe:** His Majesty's Government have already been informed by telegram that these incidents have aroused great public interest and indignation.

## MOTION FOR ADJOURNMENT.

### LAWLESSNESS IN SIND.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order, order. I have received a notice from Mr. Lalchand Navalrai that he proposes to ask for leave to make a motion for the adjournment of the business of the House today for the purpose of discussing a definite matter of urgent public importance. It is as follows:

“ ‘Lawlessness in Sind’—Incessant daring dacoities and murders are being committed and life and property of people is insecure. Recent armed dacoity in Buthi, District Larkhana, resulting in heavy loss is followed by another daring dacoity at Visar in the same District and is further followed by murder in Agham in the same District. Panic and consternation prevails in Sind. Law and order is in danger. ”

I have to enquire whether any Honourable Member has any objection to this motion.

**The Honourable Sir Brojendra Mitter** (Leader of the House): I object to this motion. My first objection is that the alleged definite matter of urgent public importance, namely, lawlessness in Sind, is not definite. My second objection is this, that if there is general lawlessness in Sind, it must have been the result of a prolonged period of crime in that province and, therefore, it is not urgent within the meaning of Standing Order No. 21. Coming to the specific cases given in the notice, two dacoities and one murder are mentioned by way of illustration of lawlessness. My submission is that individual acts of crime like dacoity or murder are not intended to be covered by Standing Order No. 21. In a vast country like India, dacoities and murders are daily taking place in some parts of the country or other and it was never intended that Standing Order No. 21, which deals with adjournment motions, should deal with such matters. As I read the notice, the only alleged definite matter of urgent public importance is lawlessness in Sind and then, by way of illustration, two dacoities and one murder are mentioned. I say that this is neither definite nor urgent within the meaning of the Standing Order.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadan Rural): Sind is a part of India; still it is in a corner. Though it is going to have an all-India fame on account of the coming Constitution, whether that Constitution is liked by the minority community there or not,—yet lawlessness there is a matter of public importance. The first objection that has been taken is that this matter is not definite. According to paragraph 43 of the Manual (Rule 11 of the Legislative Rules), three conditions are necessary for the acceptance of this motion and they have all been attacked by the Leader of the House. I have not asked that the general lawlessness should be stopped. (Laughter.) As I develop my point, you will find out what I mean. What I say is that the definite matter is that dacoities are now taking place incessantly and it is not known which moment the next dacoity will take place. Therefore, the lawlessness assumes the phase of a definite matter. It cannot be said that, because dacoities are taking place in other parts of the country also, therefore this is not a matter of definite importance. If dacoities take place in a manner that they are a menace to law and order and create panic of such a nature that people actually leave their homes and go for protection elsewhere, then, I submit, that it becomes an absolutely definite matter.

**Mr. H. P. Mody:** Why not censure the dacoits?

**Mr. Lalchand Navalrai:** I am coming to that. To censure the dacoits is also out of the hands of the Government there. I will just show that the matter has assumed a shape which is one of primary concern of the House and the Governor General in Council.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order, order. The Honourable Member must briefly tell me now how his motion is a matter of definite urgent importance under the Standing Orders.

**Mr. Lalchand Navalrai:** I will not enlarge upon it. I will give the points. The point with regard to the definite matter is quite plain and with regard to the other question of public importance I do not think even the Leader of the House has denied it. That it is a matter of public importance is not questionable. The people there are feeling very insecure. There remains the question of urgency. With regard to that, the Honourable the Leader of the House said that I have given only two instances of dacoities and one murder. I am now in possession of definite information that the dacoity at Visar is the fourth in the district in a very short time. Therefore, dacoities after dacoities are taking place and there is no help from the Government. They are not able to stop it and it is not known at what moment I might receive another telegram saying that another dacoity has been committed some where there. Therefore, it is a matter of such urgent importance that steps should be taken immediately. I will sum up the position in one word. The Government of that place is not able to help.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): That is not relevant. It is not necessary for the Honourable Member to show how the Local Government has failed in its task of maintaining order. What the Chair wants to know at this stage is whether the Honourable Member has got anything to say whether his motion, as it is worded, comes within the definition of a matter of urgent public importance under the Standing Orders.

**Mr. Lalchand Navalrai:** I want to submit that these dacoits come from the borders and go away to Kalat territory, and unless and until the Government of India and this House take some steps with that foreign Government, the authorities in Sind are helpless. That is the point that I want to make. I think I have been able to show that the subject I have raised in my motion is a definite matter and that it is a matter of public importance, and that unless measures are immediately taken, the fear and panic will remain. Therefore, it becomes an urgent matter.

**Sir Hari Singh Gour** (Central Provinces Hindi Divisions: Non-Muhamadan): I have not the slightest doubt that if there had been a dacoity in the Law Member's house last night, it would be very much of a definite matter and I fail to understand if a series of dacoities take place in Sind creating consternation throughout the length and breadth of the country, how the matter can become less definite. I submit that the frequent occurrence of dacoities accompanied by murder is a matter of definite public



importance. Then comes the next question—is it urgent. The urgency must be determined by the fact that these are recent occurrences and the urgency is further determined by the fact that consternation is caused throughout the length and breadth of the country. I submit, therefore, that on both these grounds of definiteness and urgency, the motion is in order.

**Mr. President (The Honourable Mr. R. K. Shanmukham Chetty):** The Chair would like to observe that in the first place the wording of the Honourable Member's motion for adjournment is not in the usual form in which such motions are given. The Chair agrees with the Honourable the Law Member that reading the motion the Chair has to come to the conclusion that the definite matter of urgent public importance which the Honourable Member wishes to draw the attention of the House to is "lawlessness in Sind" and that the other parts of his motion are meant to be illustrative of the lawless condition that prevails in Sind. The Chair has, therefore, to decide whether the question of lawlessness in Sind is a matter of definite urgent public importance within the Rules and Standing Orders to justify the Honourable Member in asking this House to interrupt its normal course of business today. On previous occasions Honourable Members have sought to move adjournment motions on similar general lines. On one occasion several Honourable Members sought to move the adjournment of the House to discuss the grave political situation in the country and the Chair, on that occasion, ruled as follows:

"I should add that a case of this kind, which is of a general character, is not sufficiently definite—in the sense in which the word 'definite' is used in the Standing Order—to justify the interruption of business and, therefore, on that ground also the motion cannot be accepted. A matter to be 'definite', 'urgent' and 'of public importance' in the sense in which these terms are used in the Standing Order, must have arisen suddenly in the manner of an emergency."

On the same analogy, the Chair has now to hold that the question of lawlessness in Sind is not covered by the technical meaning of the words "urgent" and "definite" according to the Standing Orders and, therefore, the motion is not in order.

The Chair would like in this connection to make another observation. The Honourable Member, Mr. Lalchand Navalrai, handed notice of this motion and a covering letter at the Notice Office at 20 minutes past 10 this morning. No doubt Honourable Members are entitled to give such a notice at any time before 11 o'clock but in order to enable the Chair to give due consideration to such notices it would appeal to Honourable Members, if possible, to give such notices as early as possible. In this case what the Chair wants to draw the attention of the House to is this. Though notice of this motion was handed to the Notice Office at 10-20 this morning, the Chair found yesterday that notice of this motion had already appeared in the Press. It is a well established convention of the House of Commons that a Member who gives to the Press for publication questions or Resolutions before they are admitted by the Chair commits a serious breach of the privileges of the House. The House of Commons and its spokesman, the Speaker of the House, have got ample powers to deal with Members who do not observe that convention, but unfortunately neither this House nor its spokesman have such powers. In the absence of such powers, the Chair can only appeal to Honourable Members that this well established convention which is observed in the House of Commons should also be observed as one of the conventions of this House.

**Mr. Lalchand Navalrai:** Sir, I want to give a personal explanation. It is true that I gave notice of this motion at 10-20 this morning. I learnt of the seriousness of the situation only on the evening of Saturday. Then Sunday intervened and I learnt that the Notice Office does not open before 10 o'clock. So I started at 10 A.M. in time to give notice of the motion. With regard to the other question, I do admit that I gave the information to the Press, but I will take note of what the Honourable the President has said.

### THE INDIAN FINANCE BILL.—*contd.*

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The House will now resume discussion of the following amendment to the Finance Bill moved by Mr. Jog, namely:

"That in Part I-A of Schedule III to the Bill, for entry (1) the following be substituted:

'(1) When the total income is Rs. 1,500 or upwards, but is less than Rs. 2,000 . . . Four pias in the rupee'."

**Shaikh Sadiq Hasan** (East Central Punjab: Muhammadan): Sir, I am fully conscious of the fact that the expenses of the Government have to be met, that a very costly army of occupation has to be maintained in this country, and that the fat salaries of the members of a top-heavy administration have to be paid, but, all the same, Sir, I feel there is a duty which we the Members of this House owe to the lower middle classes who are groaning under the burden of taxation and we should see that they should not be over-burdened and harassed unreasonably.

Sir, I have got a few arguments to place before the House in support of my Honourable friend, Mr. Jog's amendment. Firstly, I would say that the taxable minimum is very low and that it is really hard for the lower middle classes to pay the tax out of their meagre incomes. The Honourable the Finance Member, if I remember rightly, said something about the reduction in the prices of food-stuffs and other articles. There is not the least doubt that although the prices of raw commodities have fallen since the termination of the war, on the other hand the prices of manufactured goods have gone up, but the standard of comfort has also gone up and it is difficult to bring it down. Under the circumstances, it is not possible for these people with low incomes to pay these taxes out of their meagre incomes, and indeed it will operate really a great hardship for them to be compelled to do so. Then there is another thing. There is a great danger that these people, who are mostly illiterate and unable to keep accounts will be harassed by the income-tax officers. Some of these officers may be very decent type of people, and some of them may be of harsh temperaments, and when they have got such an arbitrary power in their hands, they are bound to give trouble to these people; and if these people, who number hundreds of thousands, are subjected to such harassment, then there is bound to be a great discontent throughout the land. There is another point. There is no chance of their grievances being rectified as the appeals lie not to the judicial authorities, but to the Income-tax Officers themselves, who themselves assess taxation and hear the appeals against that assessment, and, naturally, these officers, in order to

enhance the income of their own Department, are quite liable consciously or unconsciously to reject such appeals. I hope the Honourable the Finance Member will admit that the incomes of the people have considerably gone down, and there is another point which should also be borne in mind. It is this that people who had been earning, say, Rs. 200 a month are now earning something like half that amount, say Rs. 100. Now such people have not been able to lower their standard of living to the level of their reduced incomes, and it is now very difficult indeed for them to live within their severely restricted means. Yet these very people are now called upon to pay this additional taxation! Perhaps the Honourable the Finance Member will say that this argument would apply to all people liable to taxation, including even the man who was getting an income of Rs. 5,000 a year and who possibly gets very much less than that now, and that, on this principle, there should be no income-tax at all. But what I do suggest is that although this counter-argument may appear somewhat sound, there is nevertheless always what is called a taxable minimum. If you go below a certain limit, and tax people below that limit, then it becomes very difficult for such people to make both ends meet and I do consider that this class of people earning under Rs. 1,500 a year should not be taxed.

The two Honourable gentlemen sitting in front of me—Captain Sher Muhammad and Captain Chaudhri Lal Chand—remarked before: "Why should the urban people be not taxed when the zamindars are being taxed, even those who have got only an acre of land?" Well, I certainly consider their arguments very strong if they had the courage to get up and tell the Honourable the Finance Member to his face that he should do something for zamindars. I would certainly be very glad if the Honourable the Finance Member would do something for these poor zamindars (*Captain Sher Muhammad Khan Gakhar*: "Thank you"), who have to pay 75 per cent. of their income to the Government, whereas under no Government up to this time more than 50 per cent. had been levied. Now, what I would say is that the Honourable the Finance Member would have really earned the gratitude of the people if he had not imposed this taxation on these poor people. He had had two alternatives. The people understood that the intention of the Government was not to impose this taxation. But, on the other hand, we see the Finance Member imposed this taxation and removed the cuts, however, from the already fat-salaried officials. Well, I consider, Sir, that the Bureaucracy as well as the Theocracy have got only their own interests to serve: Theocracy, under the name of God, takes advantage of the poor people and Bureaucracy, in the name of law and order, would like to take advantage for themselves. (Laughter.) Well, Sir, I have nothing more to say except strongly to support the amendment.

**Mr. C. C. Biswas** (Calcutta: Non-Muhammadan Urban): Sir, when my Honourable friend, the Finance Member, has set his heart upon something, he is sure to have it, and we all know that. All the same, Sir, that does not prevent us from appealing to him, appealing to his sense of fairness, to his generosity, if you please. Sir, after all, there is such a thing as compromise, and I do sincerely hope that in this matter he will be able to accept the suggestion which has been made by way of a compromise to fix the taxable minimum at Rs. 1,500 instead of Rs. 1,000. Sir, dealing with the amendment for doing away with the one-thousand rupee limit, the Honourable the Finance Member, with his usual persuasiveness, brought

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forward a number of arguments. I do not know whether he is going to repeat the same arguments on this occasion also, but we might just pause to examine some of the points which he had made.

One of the reasons he put forward for not accepting the other amendment was that it would mean the discharge of something like 1,000 men who were now employed in connection with the lower limit of taxation. But I should like to ask seriously if that is an argument at all? After all, when this new proposal was inaugurated, it was understood that it would not be in operation for more than a year and a half, and the extra men who were employed must have been taken on a temporary basis. What hardship, what injustice, is involved in telling these men that they will not be required for longer than the period for which they had been employed? I do not think, Sir, that this argument of hardship carries much weight. Then, my Honourable friend said by way of warning to the House that if we in any way interfere with the minimum limit of taxation as proposed, it may mean the raising of the rates of income-tax higher up the scale. I do not think my Honourable friend meant that as a threat, but if such be the result, so let it be. I would much rather that those who earn more and are, therefore, the better able to bear the burden should be called upon to do so, and not the poor men who can hardly make their both ends meet. Then, we are told that the Government have got to find the money for numerous projects. They have got to find the money for the separation of Burma; they have got to find the money for the new provinces of Sind and Orissa; they have got to find the money for the Reserve Bank. In other words, they have got to find the money, and they will find it for whatever they set their heart upon. But why embark on these projects? Are they absolutely unavoidable? The amount of money you require for these things runs into not lakhs, but crores, and if you can and must raise these crores, can you not just give up a few lakhs for the sake of giving some relief to the poor people? Then the other point which the Honourable the Finance Member made was that the structure which he had set up in September, 1931, was so well-balanced that you could not take away a single brick from it without destroying the integrity of the whole. Sir, if that be the position, may I ask him in all humility, how it is that the structure still remains intact notwithstanding the partial restoration of the salary cut? Was not that equally an integral part of the structure which he had raised? Sir, it is all very well to say that if you raise the taxable limit for income-tax, it will upset your finances to such an extent that the whole plan will fail. But there is no getting away from the fact notwithstanding economic situation and notwithstanding the financial stringency, you did not hesitate to make a present of five per cent. of their salary to your own servants. And, Sir, talking about fairness and justice, may I also ask my Honourable friend why it is that the Lee Concessions cannot be done away with now? Is there any justification for continuing those Concessions even now in spite of the present depressed condition of the finances of the country? At the time these concessions were inaugurated, what was the index price level, and how does it stand today? Do the same considerations which led to these concessions also hold good at the present moment? I venture to submit that if you take a dispassionate view of the matter and if you are really anxious to deal fairly by all, you should take away these concessions at once, and, what you save in

that way, you should apply in affording relief to those who do want relief and want it very badly indeed. My submission is that if my Honourable friend so wishes, he can easily adjust his financial scheme to the amendment which is now before the House. On the other hand, if he has made up his mind that he is not going to accept it, nothing, we can say on our side, is likely to make any impression upon him. I support the amendment.

**The Honourable Sir George Schuster** (Finance Member): Sir, I took considerable time of the House on Saturday by going through the arguments which, in my opinion, establish the justice in the present times of emergency of levying some moderate form of direct taxation from those who are in receipt of incomes from Rs. 1,000 to Rs. 2,000. I do not wish to repeat in exactly the same words what I said on Saturday. But the point at issue is of such importance that I must go briefly over the arguments which I then used. I must again marshal the main points in our case. Sir, the main point which has been taken by the speakers who have pressed for a reduction of taxation on these low incomes is that a tax of this kind bears very heavily on a class of people that cannot afford to pay and one of the main points in my own case was that this special sympathy was misplaced. I did not intend to suggest that sympathy for tax-payers as a whole could at any time be misplaced. I sympathise with them all and, as a tax-payer myself, I feel their grievances. But the question in times like the present, when the burden of taxation must in any case be heavy, is whether any particular class should be exempted? On that particular point I feel very strongly that those who have pleaded for this particular class have misplaced their sympathies. Sir, I pointed out in speaking on Saturday that among the assesses, who have to pay this tax, no less than 50 per cent. represent small money-lenders and small traders who engage in the lending of money and I appealed to the House whether that particular class, whose operations and whose methods of business fall so heavily on the poorest agricultural classes, is one which deserves the sympathy of the House. And the point which I particularly made and which I again wish to repeat is this—that if you exempt this class of tax-payers from any form of taxation, then you are really treating the agricultural classes in comparison with gross unfairness; because, those who are engaged in agriculture, even though they make no net profit, still have to pay very substantial contributions in the form of direct taxation. And I find it absolutely impossible to justify in my own mind that sort of discrimination.

Now, Sir, when I was speaking on Saturday, I reminded the House that this tax which is now imposed and which this amendment would seek to withdraw is one which had been imposed from 1886 to 1919, that it formerly actually went down to the low level of Rs. 500, and that it was only raised again to a low limit of Rs. 2,000, because the prices of everything had gone up by two and three hundred per cent. during the War, and, therefore, it was felt that an income of Rs. 1,000 to Rs. 2,000 after the War was equivalent in its real value to something less than Rs. 500 before the War. But now, the level of prices has entirely changed. The justification for raising the limit has disappeared and all that we are now doing is to re-impose taxation which had formerly become an established feature in India's system of taxation. But there was one point which I did not make when I was dealing with this on Saturday and to which I wish to call the particular attention of the House. Sir, when the tax

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was formerly imposed, the taxation on incomes from Rs. 1,000 to Rs. 2,000 was four pies in the rupee, and, at that date, what was the rate of taxation on all other incomes? The rate of tax on all other incomes was five pies in the rupee. From Rs. 2,000 up to 20 lakhs or two crores per annum, the rate of income-tax at that time was only five pies in the rupee. That was the position in 1913-14. Now, it has been necessary to raise those rates, as every one knows, very substantially. Now, a man, with an income of from Rs. 2,000 to Rs. 5,000 per annum, has to pay a basic tax of six pies in the rupee and, with the surcharge,  $7\frac{1}{2}$  pies in the rupee; and yet, although that increase has been put upon all other incomes, we have only sought to restore the tax on the low incomes between Rs. 1,000 and Rs. 2,000 to their pre-war rate. That, Sir, I think, shows that there is really no injustice in this measure. On the contrary, if we were to be attacked, at all, I think it would be a legitimate ground of attack that, whereas a man on Rs. 2,001 per annum has to pay tax at the rate of  $7\frac{1}{2}$  pies in the rupee, a man now on Rs. 1,999 per annum has only to pay a tax of four pies in the rupee; and this amendment would seek to eliminate all that is below Rs. 1,500 from any form of direct taxation. I maintain that in relation to the system of taxation which is now prevailing and which is now necessary, that is an undue sympathy with that particular class. A burden of four pies in the rupee represents a levy of two per cent. per annum and I maintain that that is a burden which can very easily be borne.

Now, Sir, I want to say a few words on the needs of the case. My Honourable friend, Sir Cowasji Jehangir, in speaking on Saturday suggested that our Budget was a very safe one and that we could well afford the risk of losing 70 lakhs of rupees. We are now asked to lose 35 lakhs and I presume that he would argue with all the greater strength that that is a loss which we can afford to face. But I want to put the position to the House and make them understand what would be involved if these deductions were made. As the House knows, we are counting only on a surplus of 42 lakhs. I am sure that every Honourable Member recognises that in times of instability like the present a surplus of 42 lakhs on a Budget of 125 crores is really not a surplus at all. It can hardly be regarded as a margin of any appreciable importance. But let us assume that we are going to realise actually this exact surplus of 42 lakhs. If we do realise it, what are we going to do with it? I want to remind the House of one of the proposals which was announced in my Budget Speech. We have felt that as a result of part of the plan proposed this year which means that the Government now will get in the form of income-tax deducted from the pay of provincial officials a very large proportion of the saving which the Provincial Governments were getting when they made similar deductions in the form of cuts in pay, we have felt that because we have proposed that change, we ought, if possible, to make good that particular loss of the Provincial Governments; and we, therefore, propose to restore to Provincial Governments the equivalent of the income-tax surcharges which will now fall on the salaries of their officials for the first time. We propose to restore those sums to them where they were themselves in deficit. I told the House that the total amount required for that, if all provinces took advantage of that, would be 86 lakhs. Actually I suppose that the amount involved will be less than that, because, in the case of Madras, certainly they would not qualify for any help of this kind, but in the case of most of the other

provinces, and particularly of Bengal and Bombay, they will get quite appreciable sums from us if we are in a position to hand those sums over. Now, if my figures are correct, and if we really exactly realise a surplus of about 40 lakhs, then, if this amendment is passed, our power to help the provinces in that way will entirely disappear. I want to put that point particularly to my Honourable friend, Mr. Biswas, who has just sat down. On Saturday, the House rejected a small measure which we had to put forward as part of the Finance Bill for re-imposing the stamp duty on cheques which was going to provide for distribution among the provinces a sum of about seven lakhs. I noticed then that my Honourable friend, Mr. Biswas, in his anxiety to help his own province of Bengal voted with us. I was very glad to see him go into the same lobby as Government Members; but now, Sir, if I fail to persuade him on this particular matter, he will be going into the lobby to vote for something which is going to react directly and much more unfavourably on his own province than the loss of that particular measure which we were discussing on Saturday. Sir, that is a very strong argument and it is a strong argument not merely in connection with the results of this year, but in connection with those wider issues on which I touched in my speech on Saturday. I then reminded the House that if we desire to advance even one single step along the road of financial rearrangement which is contemplated in the present constitutional proposals, there is no chance that I can see of advancing even that single step unless the country is ready to support a very substantial burden of taxation. I reminded the House that the Central Government would, under those proposals, have to sacrifice immediately something like 9 to 11 crores before even thinking of handing over any share in the income-tax.

Now, Sir, it may seem that in relation to a task of that magnitude, the sum which is involved in the present issue is ridiculously small, but it is an important indication of the principles which this House is ready to accept and it is only by the aggregate of these comparatively small sums that the large sums can be made up. I say that, if the House were to accept this amendment, if the House were to commit itself now to the principle that even in these times of extreme emergency it is unfair to take any sort of direct taxation from the people who are earning incomes from Rs. 1,000 to Rs. 1,500 per month, it will have committed itself to something of very considerable importance. It will find it difficult in the future to free its hands from the tie which would be then put upon them, for in considering what sort of burdens can be imposed on the country in the future, there must be some balance. If you are going to eliminate from your direct taxation very large classes, then you will get entirely out of balance. If you seek to recover from that result by making up the difference from the smaller classes that remain, not only will you lose your balance, but you will really come to the point which Honourable Members have so often dealt with, the point of diminishing returns. The body of tax-payers which can be got at through the direct form of taxation on income in India is a very very small apex of an enormous pyramid. Even including all these classes of low incomes, as Honourable Members know, even that will only bring in 350,000 assesses—350,000 in relation to a population of 350 millions. Unless you are prepared to spread the burden at least as low as that, then you are going to make it so top heavy on the infinitesimal apex that remains that you will defeat your own object, for you will cease to recover anything extra by raising the rates of taxation. I

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put it to the House that this is an important matter and, that it has much more important implications than the loss of 35 lakhs which it would impose on our revenue for next year.

Now, Sir, there is also the point which I made about the immediate effects on the Government staff. The immediate effect would be the dismissal of something like 400 to 500 clerks. I quite agree with Mr. Biswas that if justice demands a certain course, if this tax has got to be done away with, then that sort of consideration should carry no weight. But if one is in doubt, if one cannot see the future clearly, if it is not clear that the country will be able to get on without taxation of this kind, particularly having regard to the needs which are coming upon us owing to the constitutional changes, if that is in doubt, then I say this is not the moment to make a big administrative change of that kind which will—and it is merely an illustration of how big the change is—which will throw out approximately 400 or 500 low paid Government servants.

Another point, which I wish to make—a point of detail—is that if this amendment is passed, it will cause very severe upset as regards the actual collection of taxation. In fact if it were to be passed, it would be necessary to make an important consequential amendment—I allude to the effect that it would have on those, who would have to pay income-tax by deduction at source. I do not wish to go into detail now. I see that there is another amendment on the list, the Mover of which seems to have appreciated that difficulty. It would in fact mean, if it is passed without any amendment, that the large class of the tax-payers who suffer deduction of tax at the source would in fact pay no tax at all for the last year. That, Sir, is the position which I have to put to the House that this is really a very important matter of principle. We have now what I maintain to be a well balanced scheme of taxation where the burden is fairly evenly distributed, but if this amendment is passed, it will upset that balance, and the needs which lie upon the Central Government now and the needs which will fall so heavily on the Central Government in future when the Central Government try to help the position of the Provincial Governments, those needs cannot on our present expectation or any expectation, which is justified in present conditions, be met without maintaining a very heavy burden of taxation. But if you make a change now, you are really gambling on the future, and you may, when you take over the responsibility from us, have to retrace your steps. In doing so, you will have lost a tremendous amount of ground, for by maintaining this tax we are improving the position every year, and, as I explained the other day, with an increase in the efficiency with which the tax is collected, the receipts may be expected steadily to expand. I maintain, Government cannot possibly justify altering the system at present when we really cannot say that we can afford to make this change. If things became better, if some of those possible windfalls to which Honourable Members have referred in the course of their speeches were to materialise, then it might be possible to re-consider the position, but at present, and I put it to the House very strongly that at present it is not safe to take this course. The House will be making a very grave mistake if they support this amendment.

**Mr. G. G. Biswas:** Sir, may I ask the Honourable Member one question? Will the Honourable the Finance Member be pleased to say at this



stage, what will be the financial effect of the amendment, which stands in the name of Mr. F. E. James? That is to say, if the rate is four pies in the rupee in the case of those whose incomes are between Rs. 1,500 and Rs. 2,000 and two pies in the rupee for those whose incomes are between Rs. 1,000 and Rs. 1,500; what would be the precise effect of that amendment?

**The Honourable Sir George Schuster:** The effect will be a loss of about 17 lakhs, whereas the net effect of the present amendment would be a loss of 35 lakhs. But there is a further big distinction that the more moderate amendment will involve no administrative changes and that it would maintain the principle that income-earners down to Rs. 1,000 are a fair subject for direct taxation.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Part I-A of Schedule III to the Bill, for entry (1) the following b substituted:

'(1) When the total income is Rs. 1,500 or upwards, but is less than Rs. 2,000 . . . Four pies in the rupee'."

The motion was negatived.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The next amendments which will be taken up now are those that stand in the name of Nawab Muhammad Ibrahim Ali Khan in Late List No. 3 and a similar one in Late List No. 4, which stands in the name of Mr. F. E. James.

**Diwan Bahadur A. Ramaswami Mudaliar** (Madras City: Non-Muham-madan Urban): Sir, what about the amendment which stands in the name of Mr. Rahimtoola M. Chinoy, that is, two pies in the rupee for an income from Rs. 1,000 to Rs. 2,000?

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty):

That is in Late List No. 2: It is perhaps more logical to have 1 P.M. Mr. Chinoy's amendment. Mr. Chinoy.

**The Honourable Sir George Schuster:** On a point of order, Sir. I am not quite clear what the effect of this amendment would be. Would it override the decision of the House which was taken on Saturday that income-tax on incomes below Rs. 2,000 should not be reduced?

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): What decision of the House does the Honourable Member refer to?

**The Honourable Sir George Schuster:** The amendment that was rejected on Saturday.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): That was for the total omission of the entry: what the House rejected was the amendment of Mr. Mitra that the whole of that entry (1) be omitted. But the amendment of Mr. Chinoy seeks to reduce the rate of four pies in that entry to two pies. Mr. Chinoy.

**Mr. Rahimtoola M. Chitney** (Bombay City: Muhammadan Urban): Sir, I move the amendment standing in my name:

"That in Part I-A of Schedule III to the Bill, against entry (1), for the words 'Four pies' the words 'Two pies' be substituted."

Sir, my amendment does not require any lengthy observations. I know its fate (*Cries of "No, no"*), but I am moving it, because I am not convinced by the arguments of the Honourable the Finance Member. I must confess that the observations made the other day by the Honourable the Finance Member were a considerable surprise to many of us on this side of the House. As I understand the Honourable Member's remarks, he held out almost a threat to the capitalists that if they were a party to the reduction of the income-tax, he would make them pay for it. I hope, Sir, that that observation was made in the heat of controversy. The capitalist in this country is more bled than in any other. The proportion of the taxes he pays has already diverted a great deal of capital to non-industrial purposes.

One of the arguments of the Finance Member was that the tax-payer we wish to relieve belongs to the non-agricultural classes and is more or less a money lender. I cannot believe that the Finance Member meant it seriously. It is quite possible that he wished to carry his proposition by dividing our ranks. But let the House understand the issue fully and grasp its implications. The man with a small income is very heavily hit by this income-tax, at a time when his resources are strained to the utmost. Many families which had in the old days several breadwinners are now depending upon only one. The retrenchment carried out by public departments and by private concerns has thrown out of employment hundreds of thousands of people, and the position of every person belonging to the lower middle class has become very serious. Because there have not been any demonstrations by the workless or "hunger-marching", it appears to me that the Government have not yet realised the extent and gravity of the unemployment prevailing in the country. The reason for this is not far to seek. Unlike England and other foreign countries, where every person works for his or her living, in our country, because of the peculiar joint family system that exists, often only one member of the family earns while the rest help him only to spend it. If we had a system of dole for the unemployed, the situation would be very menacing indeed. A strong case exists, therefore, for restoring the old limit and making the taxable minimum Rs. 2,000 per year. But I recognise that it is difficult to expect such a thing at a moment of such acute financial stringency and uncertainty. I am, therefore, proposing to halve the burden on the possessor of the small income. In one way my proposal is even better than if the old limit of Rs. 2,000 were to be restored. It will keep in employment the whole of the special staff which was engaged when the new limit was imposed. I understand that there are as many as nearly a thousand men so employed, and it would be a great pity to throw them out of their jobs. The proposal, if accepted, would mean a loss of something like 30 lakhs; and in a budget of so many crores such a loss should not be felt at all. The proposal will meet in some way the point of view always advanced by the Finance Member, namely, that there was no reason why the possessor of the small income should not contribute a little to the coffers of the State. At the same time it will mean halving the burden and spreading out the relief between the whole class of assesses between one thousand and two thousand. On all these grounds which I have briefly stated I venture to think that the Honourable the Finance Member will realise the

need of giving relief to this class of tax-payer to the extent that I am proposing and that he will not offer the same opposition to the amendment as he did to the raising of the limit. Sir, I move.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Amendment moved:

"That in Part I-A of Schedule III to the Bill, against entry (1), for the words 'Four pies' the words 'Two pies' be substituted."

**Diwan Bahadur A. Ramaswami Mudaliar**: Sir, I beg to support this amendment very whole-heartedly. I have listened to the Honourable the Finance Member during the last two days and realise the extent of the opposition that he is prepared to advance to any reduction in the last class of persons who come under the scope of the income-tax measures. Replying to the debate today on the former motion, he has used every argument in favour of the position that he has taken up, as he is entitled to use. He has tried to suggest a division of interests between the agriculturists and the income-tax payees; he has tried to invoke the aid of the provincial jealousies or provincial patriotism, whichever you may like to call it, so that some of the provinces at least may support him in his opposition. He has tried finally to appeal to the Constitution Act itself and to the proposals for the new Constitution. When the Honourable the Finance Member for a small measure like this invokes the aid of all these things, I, as a non-official, begin to suspect that something is wrong. If it requires these tremendous arguments to sustain the case, then I feel that we are on the right track in trying to reduce the amount of taxation.

Let me take the constitutional position which the Honourable the Finance Member referred to. Sir, it is well known that the Central Government will have, according to these proposals, the resources of personal income-tax only for a short period of time; and, when he talks of this low level being maintained in the interests of the Central Government, he can only contemplate surely the transitional period during which personal incomes will go to the coffers of the Central or the Federal Government. It will be the look out of the Provincial Governments, therefore, to propose the lowering of the income-tax level if they so choose; and, as I understand the proposals of the White Paper, it will be for the various Provincial Governments to meet together and to suggest either an increase in the level of taxation or the lowering of the level of income which will go into the provisions of the Income-tax Act. So that the Central Government, either present or future, need not worry themselves about the prospects of this particular item being removed from taxation, because it will be the look out of those Provincial Governments.

With reference to agricultural and income-tax payees, I do not want any controversy on the floor of the House: we have had enough of it between urban and rural. Income-tax payees are essentially urban people whereas agricultural payees are essentially rural people. But the position is this: we in this Legislature deal with those who pay income-tax. The Provincial Legislatures deal with those who pay agricultural taxes. It is not open to us to give relief to the agricultural payees, much as we should like to; and they have not been keeping quiet in the Provincial Legislatures either: they have agitated; they have got remissions; in my own province very recently a resolution was adopted giving 12½ per cent. remission to

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agricultural assesses and effect has been given, partially at any rate, in some districts where the prices were most acute. It is not as if we are not feeling that the agricultural assesses should get some assistance; it is that we are impotent so far as this House is concerned to do anything further in the matter; and, therefore, I see no point at all in the Honourable the Finance Member raising the question of agricultural assesses and just appositioning it with those who are income-tax assesses. We should like to have relief for both classes of people. We are unable to do anything in this House. We know that other Legislatures competent to do so have done their level best. We know that some Governments at least at long last have been induced to give some amount of relief to all agricultural assesses, and I venture to think that their case should not be prejudiced in any way and should receive fair and impartial consideration.

Lastly, with reference to provincial jealousies or provincial patriotism, after all, this is not a case in which Bombay benefits at the expense of Calcutta or the salt consuming Bengalee is penalised at the expense of the rich Bombay or Karachi merchant. This is a case in which the people of all provinces are equally affected. Therefore, I feel that my friend, Mr. Biswas, and others who are willing and anxious to promote and better the financial condition of their province will not be induced to do so at the expense of a class of people who are hardly able to bear this burden.

Secondly, Sir, I should like to place once more before the Finance Member one important consideration. After all, these are classes of people who have got the lowest scales of income, and even if the prices of foodstuffs have fallen, the level of civilization and the level of living has risen. There is no comparison between the conditions which obtained in 1908 to 1919 and the present day conditions. Certainly in 1908 and 1904, you were able to get graduates on a pay of Rs. 15 for acting appointments and who would wait there for three or four years. Does the Honourable the Finance Member suggest that whatever may be the fall in the prices of foodstuffs, we can offer the same wages today or it would be a fair living wage to these people? At that time even a limit of Rs. 500 may not have pressed very hard, because Rs. 500 meant so much more than it means today. The whole trouble is that the rupee has depreciated internally and externally, and the same number of rupees does not mean the same amount of comfort today which one was accustomed to in former days, and, therefore, there is no point in suggesting that this was a level which was maintained for a number of years and, therefore, there need be no difficulty or complaint if we went back to that level.

Now, there is another thing which I should like to point out to the Honourable the Finance Member, and that is that Part III of the Schedule places certain considerations for the assessment of income-tax assesses. Now, Sir, I do not know how far our rules of procedure permit it; probably they do, otherwise he would not have introduced it. But there is a well known convention in the House of Commons that money bills should not include provisions of this kind. These are methods relating to assessment, how it should be assessed and so on, and these really should have come in a proper amending Bill and should not have found a place as part and parcel of a financial measure. This is well understood in the House of Commons, but perhaps our Standing Orders are defective; our constitution

does not provide for it, and the Finance Member has been able to introduce in a part of his money Bill provisions with reference to the methods of assessment and with reference to the collection of taxes. The fact that it has crept in is obvious from this one consideration, that no Member has chosen to give any amendment on these things at all. If it were a regular amending Bill of the Income-tax Act, I am perfectly certain that much more consideration would have been given to this subject and amendments would have come in from all sides of the House. But apart from that,—and perhaps it is within the competence of the House to deal with it in this manner,—I would like to draw the attention of the House to the extremely rigorous manner in which . . .

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): There are amendments to that part of the Schedule, and the Honourable Member will have a chance of speaking on them later.

**Diwan Bahadur A. Ramaswami Mudaliar**: Thank you, Sir. In this connection I would like to deal with only one question. Let us turn to clause 4 of Part III of the Schedule which says:

"The above procedure shall apply also to the assessment and collection during the financial year 1933-34 of incomes of Rs. 1,000 and upward and less than Rs. 2,000 which have escaped assessment in the financial year 1932-33."

That is to say, the Finance Member proposes to collect a double amount of income-tax from those unfortunate people whom his all-vigilant department, the Income-tax Department, have not been able to approach during the last financial year. These people will, therefore, have to pay in effect eight pies in the rupee. Fancy, Mr. President, a man earning Rs. 1,000 income during this year being called upon to pay eight pies in the rupee, four pies for next year and four pies for the current year? That is what it comes to. Therefore, Sir, I venture to think that this will be a great hardship. We have taken into consideration all the difficulties that the Finance Member has pointed out, and I do not think it will be open even for him to suggest that in the consideration of this very rigorous measure this House has acted in an irresponsible way. A Finance Bill which was rejected by this House and certified by the Viceroy comes in an identical form before this House, and no motion for amendment is carried, and the House, as the Honourable the Finance Member knows, has concentrated its attention on the poorest classes of persons and has tried either to eliminate that class altogether from that taxation or at any rate to give them some little help in reducing the amount of tax which can be levied on them, and, therefore, I think all the responsibility is on our side.

The Honourable the Finance Member the other day spoke of the voice of reason and of Members coming up with their minds made up. I was shocked to find the Finance Member, sitting on the Treasury Bench with a phalanx of gentlemen behind him to whom nothing can possibly appeal because of their official discipline, who, by virtue of their office and by the secret oaths they have taken, are bound to come to this House with their minds made up,—I was shocked to find the Finance Member charging us on this side of the House that we are unable to hear the voice of reason and that we come with our minds made up. Surely, Sir, even the Finance Member, when he is not stretching the point too far in justifying an unjustifiable measure, will realise that we have been only too indulgent to the voice of reason, perhaps more indulgent to the voice of temptation.

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than to the voice of reason, and that we have been very often voting much more according to the desires of the Finance Member than we, with our own independent judgment, would have done. Sir, I strongly support this amendment.

The Assembly then adjourned for Lunch till Twenty-Five Minutes to Three of the Clock.

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The Assembly re-assembled after Lunch at Twenty-Five Minutes to Three of the Clock, Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) in the Chair.

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**Mr. T. N. Ramakrishna Reddi** (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): The Finance Member has been advancing the argument that we are on the eve of constitutional changes, that we are getting responsibility very soon, that this is not the time for us to meddle with the financial structure he has now built up and that we must make the path easy for the future Indian Finance Member to get revenues for administrative purposes. Sir, if there was any such delusion before, that delusion has been removed after the publication of the White Paper. The future Finance Minister will have no liberty and the Government will be as irresponsible, and they would carry any measure they liked by way of certification or by proposals from the Governor General with his Financial Adviser. So, that argument need not weigh with us in considering the present proposal to reduce the incidence of income-tax for the lower class of people.

In connection with this class of income-tax payees, it is very easy for Government to bring in any sort and kind of people. This class do not generally have any accounts and it is impossible for the Government to get at the right class of persons liable to the tax. Many people, who actually get incomes between Rs. 1,000 and Rs. 2,000, may escape and the innocent may be roped in. So, we moved an amendment to exempt such class of people, but that has been defeated by the Government majority. I appeal to the House to give a certain amount of relief to this class of people by lowering the incidence of income-tax. The Finance Member has a soft corner for the additional staff that is maintained in order to cope with the extra work of the Income-tax Department. By accepting this amendment, he need not dispense with the services of any single member of the staff, because the amendment seeks only to lower the incidence of income-tax and not the taxable minimum income for this class of people. Further, the Finance Member has stated that from the year 1886 to 1919 the minimum taxable income varied between Rs. 500 and Rs. 1,000, and it was only after the year 1919 that the lower amount was raised to Rs. 2,000, and that now in the year 1931 we have only gone to the taxable minimum in existence in 1919. The reason that the Honourable Member put forward is the fall in prices of foodgrains. When the taxable minimum income was raised from Rs. 1,000 to Rs. 2,000, the consideration was that the prices of foodstuffs were really higher by 200 per cent. Now that the prices have gone down, the Finance Member says that there is no real hardship if you reduce the minimum taxable amount to Rs. 1,000.

But, Sir, I would request the Finance Member to apply the very same reasoning in the case of the Lee Concessions. I think he will admit that the Lee Concessions were given at a time when the prices of foodstuffs were about 200 per cent. higher than what they were in the pre-war days, and that was the only reason why the Lee Concessions were given. Now that the prices have fallen, the Finance Member can find an additional income of nearly Rs. two crores if only he will apply the very same reasoning in connection with the Lee Concessions. These are the reasons which prompted me to speak on this amendment, and Government can easily accept this amendment as it would entail a loss of only Rs. 80 lakhs which can easily be made up. With these few words, I support the amendment.

**Hony. Captain Rao Bahadur Chaudhri Lal Chand** (Nominated Non-Official): I sincerely feel that the incidence of taxation in our country is very high. I also feel that there is large room for retrenchment in Government Departments with the exception perhaps of the Army Department. The retrenchments in other Departments are disappointing, but this is not the occasion for ventilating those grievances. Why I am on my legs now is, because, in the able speech which Diwan Bahadur Ramaswami Mudaliar made, he took the Finance Member to task for comparing the lot of the agriculturist with the income-tax paying people. He admitted that it was the rural people on whom the land revenue burden fell while the burden of income-tax fell upon the urban section of the population. Therein we agree, but I dissent from him in his remarks when he said that the land revenue policy was not in the hands of the Government of India and that it was for the Provincial Governments to see how to give relief to the land revenue paying classes.

**Diwan Bahadur A. Ramaswami Mudaliar:** I did not say that.

**Hony. Captain Rao Bahadur Chaudhri Lal Chand:** That is what I understood to be the gist of my Honourable friend's remarks—that the agriculturist ought to look to the Provincial Governments for relief and that it was not the job of the Government of India to control those sources of taxation.

**Diwan Bahadur A. Ramaswami Mudaliar:** My Honourable friend is entirely misunderstanding what I said, Sir. I confined myself to the powers of this House. I said that no legislation relating to decrease or increase of revenue, so far as land revenue was concerned, could come before this House and that this House could not help the agriculturist classes.

**Hony. Captain Rao Bahadur Chaudhri Lal Chand:** I am coming to that. We have always been accusing the Government of India for their failure to look after the needs and requirements of such areas as are directly under the Government of India in regard to such beneficent services as agriculture, medical, education and land revenue. Now, there are areas like the Delhi Province itself which are directly under the Government of India and for the land revenue policy of which the Government of India themselves are responsible. It is this House that represents that area and not any Provincial Council and, therefore, the Honourable the Finance Member was perfectly justified in comparing the lot of the poor agriculturist with the income-tax paying classes.

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In this area it is the bounden duty of Government and of the Finance Member to see that, when some taxes are taken off, they should scrape off only those taxes which fall heavily upon the poorest people. Now, he very rightly pointed out that land revenue had to be paid by the smallest landholder whereas in income-tax people up to Rs. 1,000 had to be exempted. May I, with your permission, Sir, carry this comparison a little further? Probably this House does not realise the difficulties of the land revenue paying classes. Every inch of land is taxed and taxed most heavily and in a manner which we do not see in the case of other taxes. For instance, the chief principle underlying the Government of India's policy is that the rich people must pay a higher rate whereas the rate should be lightened when you come down to consider the case of the poor people. Here I may own only one acre of land and my brother may be owning one million acres, but the incidence per acre is always the same. Like the income-tax, there is no system of graded assessment and it naturally falls very hard upon the poorest people. Then, in the matter of realisation, the law is very strict, whereas there are no such hardships in the case of income-tax. For instance, if there is an arrear of Rs. 20 of income-tax against me, my movable property to the extent of Rs. 20 could be taken off by Government, while, if there are arrears of about, say, Rs. 2 against me, all my movable and immovable property worth about thousands could be confiscated by Government for those Rs. 2. That is the Land Revenue law. Then, again, nobody could be sent to jail for arrears of income-tax, whereas, for arrears of land revenue, people could be sent to jail and are being sent to jail. These are some of the grievances of the agricultural classes and I am mentioning them, because my friend, Diwan Bahadur Ramaswami Mudaliar, objected to the Honourable the Finance Member comparing the two classes. I feel that the Government of India in future will not be able to say that for this department they are not responsible because, for the areas that are directly under their control, over those areas they are themselves responsible and if they once set an example in those areas, and if they can change the present unjust land revenue policy in those areas, they are bound to be followed by Provincial Governments. As I said in my previous speech, the position of the Finance Member is not enviable. When the salt tax was being discussed in this House, Member after Member rose and said that the poor people should not be taxed. This tax is telling upon the rich and the poor alike, therefore, it was argued that the poor should be left alone and that the salt tax should be scraped off.

Then, again, there was a small tax on stamps for cheques. There was a demand also for this to go, because it interfered with the activities of the rich people. For if their activities were curtailed, the country would suffer. Poor people could not be taxed, the rich people could not be taxed, and now comes the middle class, and now it is argued that the middle classes should not be taxed. Then, what class should the Finance Member tax? This House voted an expenditure of over 100 crores. Does it look proper for this House to refuse supplies when the Finance Member wants money that has already been sanctioned by this House. I again repeat, lest I may be misunderstood, that I am one of those who would like to see the incidence of taxation lightened very substantially and considerably. There is room for improvement. But no drastic action should be taken. My friend, Mr. Amar Nath Dutt, suggested yesterday



that 20 crores should be taken away from the Army Department. He was perhaps ahead of Mr. B. Das when he suggested that 30 crores should be the rock bottom for the Army Department according to his estimate. If we go on at this rate, by this time next year, we will not have a pie left to be given to the Army Department.

**Mr. H. P. Mody** (Bombay Millowners' Association : Indian Commerce) : Why have an Army? Why not have boy scouts?

**Mr. Lalchand Navalrai** (Sind : Non-Muhammadan Rural) : Would you send the Army to stop the dacoities in Sind?

**Hony. Captain Rao Bahadur Chaudhri Lal Chand** : If any peaceful section of the population is threatened, it would be foolish if the Army were not to be sent there to defend the peaceful section.

**Sir Cowasji Jehangir** (Bombay City : Non-Muhammadan Urban) : On a point of order. Are we on a general debate or is there any specific issue before the House?

**Hony. Captain Rao Bahadur Chaudhri Lal Chand** : I was simply suggesting that there was room for cutting down expenditure. Then it will be for us to scrape off the extra burden and, as we have already voted the sum, it is not now proper for us to refuse it.

**Sir Leslie Hudson** (Bombay : European) : Sir, I may, at the outset of the few remarks I have to make on this amendment, say that the European Group stand for sound finance as their predecessors have, who have sat on these Benches and it would not be consonant with that expressed policy for them to agree to steps being taken which would result in the present Budget being unbalanced. At the same time, I wish to emphasize our protest against the continuance of the present burden of taxation, more particularly the burden of income-tax and the surcharge which is being inflicted upon trade and commerce and which is clogging the wheels of industry. I particularly wish to protest against the restoration of the remaining half of the ten per cent which the Finance Member informed this House it is the intention of Government to make, as the first relief to be granted when circumstances permit, unless such restoration is simultaneously accompanied by the remission of the surcharge on income-tax.

Sir, I have in a previous speech on this Budget made it quite clear that there is now an overwhelming demand from every part of the country, Indian as well as European, that the weight of taxation under which all classes and all communities are groaning should be a burden to be carried by everyone and that no one class should be singled out for special treatment. That the unfairness in regard to exemption from income-tax has been rectified this year is recognized, but the non-official tax-payers suggest and suggest very strongly that the remission of the cut should not have been promised whilst they, whose pay has been far more drastically cut, are left to carry the burden unaided. And I do not refer only to

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individual tax-payers, but to that multitude of small businesses, small firms who are in any case on the verge or even already on the slope to extinction.

Sir, insinuations were made earlier in the debate that the Finance Member has not been a free agent in this matter; and that there is a very strong feeling to that effect in the mind of the public is certainly the case. Now, if that assumption is correct, I hope my voice will be heard not only by the Finance Member, but in that quarter which has the last word on the subject. (Applause.) As regards the reduction in the rate of income-tax to wage-earners on the lower grades of salary which is proposed by the present amendment, the European Group have a considerable amount of sympathy therewith. (Hear, hear.) At the same time, we are not in favour of narrowing the basis of taxation as was suggested in a previous amendment. The Honourable the Finance Member has asked us to remember that the period of emergency has not yet passed, and with that, Sir, I thoroughly agree. But for that one reason, I maintain that every one should bear the burden, and every one should exercise his patience, as the Honourable the Finance Member has enjoined upon us, until the times improve. As I have said, I am not in favour of narrowing the basis of taxation, but I should not be averse to affording some relief to the wage-earners on a lower scale between Rs. 1,500 and Rs. 1,000 on the lines of the next amendment which stands in the name of Nawab Ibrahim Ali Khan; and if the present amendment is withdrawn in favour of the following one as amended by Mr. James, I and my Group might be prepared to support it. The result can be estimated at a reduction of somewhere about Rs. 17 lakhs or 18 lakhs. That will leave a balanced Budget and it will afford some relief in the direction of direct taxation to a class of the population who find it hard enough to live decently on their salary.

**Mr. B. R. Puri** (West Punjab: Non-Muhammadan): Sir, the case for the Government was very ably put by the Honourable the Finance Member, but it reminds me of the story of a village Jat who every morning found that his sugarcane field was being devastated. He was on the look out to get hold of the thieves. One night he was on watch and he discovered that there were three scoundrels—one a Jat, the other a *Shaukar* and the third a village *kamin* or menial. Well, he just thought over the matter and then said to himself: "Individually man for man I am stronger than any one of them, but all three of them put together are much stronger than myself, and, therefore, it will hardly be worth the game if I should proceed to measure my strength as against all the three of them." Well, he addressed the men and told them: "Hallo, my good friends, you are very nice people to pay a visit to my sugarcane field. Won't you kindly sit down and let us have a little chat?" So he turned round to the *Shaukar* and said: "Sir, you are the backbone of village life; you supply us with all the money and finance, and we are all very grateful to you. This is not my field, it is just as much yours as mine, and though nominally you are not the owner, virtually you are as much the owner as myself." Then he turned round to the Jat who belonged to his own fraternity and told him: "You are my kith and kin: whether I own this field or you own this field is immaterial, but may I put it to both of you, what has this rascal, the *kamin*, got to do with it? Do you realize, if these village

*kamins* were to get so emboldened as to come and steal sugarcane belonging to a Jat, where we shall be? There will be absolutely no discipline and the result will be that every Jat will be relieved of all his valuables, because these people are apt to go to any length. Therefore, I hope, you will agree with me and co-operate with me in giving this scoundrel a lesson so that he may never try to do such a thing again." So he proceeded to belabour the *kamin*. The *kamin* looked towards the *Shaukar* and the Jat, but they would not render any help to him. So, after he had smothered that man to his heart's content, he made him run away from the scene and then he turned round to his Jat brother and said: "You are my brother. This scoundrel is a *Shaukar*. He has sucked all my blood, and now on top of it he comes and steals my sugarcane. What do you say? Hadn't we better give him a good lesson?" Thereupon the two Jats turned round and gave the *Shaukar* a good beating, and the *Shaukar* fled. Then he addresses the Jat, and says: "Now, my dear fellow, those people did not know, as you should have known, the value of his crops to a zamindar: You of all people should not have come and joined those scoundrels in stealing my sugarcane", and then he gave him a good beating. The result was that by these methods he used his brains a bit and he was able to smother all three. Well, I find that is the sort of argument which has been resorted to by the Honourable the Finance Member in dealing with this present amendment. (Laughter.)

The Honourable the Finance Member says that the agriculturists have been made to contribute so much to the Government revenue that there does not appear to be any reason why the middleclass people should not also be called upon to pay. Thereby he was expecting to enlist the sympathy of a particular class of people. Then he turned round to the capitalist and told him: "You people thoughtlessly and unconsciously are recommending that this particular tax should not be assessed, but in a very short time you will find that that will bring about a result which will recoil upon your own shoulders"—so that there he is practically and virtually employing the same methods though using slightly different language from the language used by that Jat in the other case. (Laughter.) Sir, this kind of argument will hardly do. We should approach the subject and take this particular amendment on its own merits. It was a very apt remark made by my Honourable friend, the Mover of this amendment, Mr. Chinoy, when he said: "Do not be misled by the fact that there have been no demonstrations, and there has been no propaganda by that class of people." They have not raised any storm against the imposition of this tax up to this time. But, you should not be misled into thinking that the people are very happy and that the people are indifferent and that they have, therefore, the capacity to bear this burden. That, again, reminds me of a story where John and Mary, husband and wife, happened to go to a meeting. There was a shortage of chairs. John sat on the chair and Mary, who was a bulky woman, sat on John. Thus they kept sitting for a long time. After an hour or so somebody who was on his legs and was in the habit of making a long speech—I hope I am not—sat down. So, Mary turned round and said to John: "Are you not feeling tired?" John replied: "No, my dear, not now. I was tired about an hour ago, but now I am only paralysed." (Laughter.) Sir, some people are in the habit of telling a man who is suffering from pain that he should not feel that there is any pain. By your excessive imposition, the people's capacity has been over-reached and now they have actually become paralysed.

[Mr. B. R. Puri.]

Let me now address myself very briefly to the arguments which were advanced by my Honourable friend from the Punjab, who is a nominated Member, Captain Lal Chand.

**Mr. Amar Nath Dutt** (Burdwan Division: Non-Muhammadan Rural): But he is a Jat.

**Mr. B. R. Puri:** His sugarcane was also stolen. If I understood his argument correctly, it really came to this. He was pleading on behalf of a very oppressed class, namely, the agriculturists. His argument was that these poor, wretched people, whose income has now dwindled down considerably, are still being made to pay and contribute towards the Government revenue more than it is their capacity to do, and that the methods and the remedies employed for realising the Government dues are so harsh that those people are being very seriously harassed in the payment of their money. I grant that, because what the Government are prepared to do is not a fair imposition according to the lights of my learned friend, and the method of realisation is also harsh. Does that logically lead us to the conclusion that, because the Government are doing something in that particular direction and in that particular instance, therefore the same process should be repeated when dealing with non-agriculturists?

**Hony. Captain Rao Bahadur Ohaudhri Lal Chand:** I have been misunderstood. My point was that when certain taxes have to be remitted and the question of priority has to be decided by the Treasury Benches, then they should take that sort of taxation first and anything else afterwards.

**Mr. B. R. Puri:** It is not within our power to entertain that question. When he says that, he is out of court. It is not open to us to go into that question. For that there is a separate and different process and you should invoke the aid of the Local Council on that behalf.

**Hony. Captain Rao Bahadur Ohaudhri Lal Chand:** There is no Local Council for the Delhi Province.

**Mr. B. R. Puri:** My learned friend's statement comes to this: I am open to conviction, but I should like to meet a man who would convince me. On the merits, I heartily support this amendment. It has worked a great hardship upon a particular class of people who are not in a position, having regard to the present distress which is prevailing in the country, to pay this amount. Therefore, it is only a just and legitimate demand which is involved in this amendment and I support it.

**The Honourable Sir George Schuster:** Sir, I am very grateful to my Honourable friend for adding a little touch of picturesqueness to the last stages of this debate. I was not able to follow exactly the first story that he told about the three scoundrels, but I asked my Honourable friend, the Law Member, whether he had been able to follow it in its details. He said: "Yes; and it is entirely to your credit." (Laughter.)

**Mr. B. R. Puri:** I am sorry he has misunderstood me then.

**The Honourable Sir George Schuster:** He said: "The story was this. The man was the rightful owner of the field and by setting those three scoundrels against each other he was able to protect his own property, just as you are trying to protect, in the public interest, the revenues of the Government of India." (Laughter.) I fancy that this is a very effective answer.

Sir, the House has already heard me on the general case three times and I do not propose to go over all the arguments again, but there have been one or two points raised in this particular discussion which I can hardly leave unanswered. My Honourable friend who moved the amendment made some reference and expressed surprise at what he described as a threat which I had administered to the capitalists of the country. Sir, my Honourable friend must have completely misunderstood the spirit in which I spoke. I certainly desire to do nothing to threaten anybody. It is not in my power to hold out threats of that kind, for, whatever may be consequences of any action taken now, it will not lie in my hands to deal with the after-effects of those consequences. What I was trying to point out to the House was that if they take a certain line of action now, that inevitably will have certain consequences. How exactly those consequences will be distributed, I cannot say. But if anybody thinks that by reducing this particular burden now, they are going to lighten the task in the future or make the way clear for relieving other interests, then I do warn them that any weakening of the position now may have precisely the contrary effect. That, Sir, is a warning which in all sincerity I gave to the House. Nothing could have been further from its nature than that it was anything like a threat.

Then, Sir, my Honourable friend, Diwan Bahadur Mudaliar, made great play with the strength with which I had defended this particular case and he said that as I had thought it necessary to make two or three elaborate and serious speeches on such a small matter, there must be something behind it. Sir, there is a good deal behind it and I am prepared to tell the House what lies behind my own mind in this matter. But I would, in the first place, like to retort on my Honourable friend, and say that when I find an advocate of his ability and general accuracy of statement using the sort of arguments which he thought it fit to use, then, I have a shrewd suspicion that his case is an extremely weak one. Sir, what was behind my words in this matter? I really asked the House to take into account what are likely to be the future financial needs and what is likely to be the future financial position of the Federal Government. I pointed out to them that now although as every one knows, our position looks very much better than it intrinsically is owing to the adventitious support to our imports which is given by the export of gold, still even with all these measures of taxation we are only just able to balance the Budget. Then I reminded the House that there lies before us a constitutional plan aimed at redistributing the sources of revenue and very materially strengthening the position of the Provincial Governments. My Honourable friend, Mr. Reddi, in speaking misinterpreted my argument. He said that I had argued on the ground that Members of the Opposition would in future have to carry the responsibility and that the White Paper made it quite clear that they would not. That, Sir, is a sentiment and a conclusion from the White Paper with which I most profoundly differ. But it has nothing whatever to do with my argument. My argument is this that the White Paper discloses a financial plan which means that the Central Government has got to surrender very

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substantial sources of revenue. I reminded the House of what those were; that the separation of Burma, if that goes through, would involve a loss of about three crores; that the surrender of half of the jute tax to Bengal would involve a sacrifice of about two crores; that help to the deficit provinces, Sind, Orissa, Assam, etc., would involve a sacrifice of about two crores; that the setting up of a Reserve Bank would involve a loss to Government revenues under the Currency head, at least in the earlier years, of something very substantial which we might put again at about two crores; and that various other features had to be faced immediately, and that on top of that the plan on which all people interested in the provinces were now counting was, that a portion of the income-tax, somewhere between three-fourths and a half, should also be surrendered to the provinces. I said that, taking into account the difficulties of the present situation, the possibility that it may deteriorate considerably before it gets better, there could not be any chance of the Central Government being in a position to do those things for the provinces unless the Central Government were prepared to maintain a very heavy burden of taxation. I, therefore, ask the House to consider very carefully, before they vote, the effect of the abolition of one feature in our present plan which, I maintain, is a necessary feature in order to give that plan a proper balance. Sir, in all this there is no attempt to arouse provincial jealousies as my Honourable friend said. It is not a case of inter-provincial jealousies. We are simply dealing with the interests of the Provincial Governments. and, when we talk of the interests of the Provincial Governments, we do not mean anything different from the interests of the Federal Government, but we mean the purposes on which the Provincial Governments have to spend their money, beneficial services like education and public health, etc., for which the Provincial Governments are mainly responsible and which all Honourable Members opposite would like to see developed. There is no question of arousing jealousies here. There is merely a desire to ask the House to consider the position on its merits and to face realities in a way in which, I maintain, they have not yet been faced. Sir, if one faces realities, I say one cannot avoid the conclusion that if there is to be any chance of starting the new constitutional plan and fulfilling any portion of those hopes which are now being entertained, then the Federal Government must be prepared to maintain a very heavy burden of taxation. **That being the position, I put it to Honourable Members, is this the time to mess about with the whole frame-work of our plan? And I warned them very seriously that to take away one of the important features without considering the future would be doing something which they themselves might in the future regret.**

Now, Sir, my Honourable friend again in dealing with the balance, which I asked the House to consider, between the burdens that are put upon the agriculturist and the non-agricultural classes, made a point that it was not open to this House to consider the interests of the agricultural classes, because the direct levy to which I referred was land revenue and was in the power of the Provincial Governments. Now, Sir, that might have been a good argument if I had criticised Honourable Members for not speaking about land revenue and matters of that kind. But I had done nothing of the sort; I asked the House to consider what was a properly balanced system of taxation, and when one is considering that matter, one must consider the position of India as a whole. The mere

fact that income-tax now is a Central Government source of revenue and land revenue depends on the action of the Provincial Governments does not mean that, as far as the individual is concerned, he is affected by that difference. The same individuals have to pay Central and provincial taxes and what we have to consider in any action which we take now in this House is what is the position of those on whom we are seeking to impose burdens. Are those people affected by burdens under the taxation of the Provincial Governments? And the point which I put to the House was that no one has ever raised the case of the agriculturist. The poorest agriculturist has to pay land revenue not on his net profits, but on his gross receipts, whereas in this case we are seeking to get at a class of individual who is at present exempt from direct taxation. And all that we are seeking to do is to maintain a levy of two per cent., on his net profits. Sir, I maintain that that is an entirely justifiable burden, at least relatively in present conditions. But apart from that, in the case of this particular amendment, there is a very direct connection between the two; because I would remind the House of what I said this morning that what we desire to do is, out of any surplus that we may realise this year, to give a definite relief to the Provincial Governments. If a sum, such as is involved in this amendment, is lost to us and if, as I said, this morning, our estimates are correct, then our surplus would be reduced from 42 lakhs to about five lakhs, and any desire that we have to help the Provincial Governments will be rendered nugatory, because we shall not be in a position to do it. That, Sir, brings the two points into very direct connection, because the power of the Provincial Governments to do anything to relieve their own land revenue payers must depend on their own financial position, and we desire, if it is possible, to help them at least to a small extent.

Then, Sir, my Honourable friend had something to say on part III of the Schedule. As you yourself pointed out, Sir, there will be another occasion for dealing with that matter. I would only like to say that in part III of the Schedule we are merely repeating what was provided for in the Finance Act of last year and that those provisions are provisions designed in the interests of the assessee. The assessee is given the option to escape having to render a return of his income, and this summary procedure was introduced entirely for the convenience of the assessee. It has not been included as an amendment of the Income-Tax Act, because for the present we are treating these particular taxes as provisional and emergency taxes. If, however, the position is accepted that they ought to become permanent features in the system of taxation of the country, then obviously it will be appropriate to incorporate the provisions of that part of the Schedule in the Income-tax Act.

Now, Sir, on the merits of this particular amendment, the loss to Government would be something like 37 lakhs. That, I say, it is most undesirable for us to incur. Apart from that, it would, I would put to the House, create a very undesirable and illogical position as regards the burden of income-tax. It would mean this that from Rs. 1,000 to Rs. 2,000 the tax would be two pies in the rupee. Then, at the 2,000 limit, the rate would suddenly jump to, with the present surcharges, to 7½ pies in the rupee. That, I submit, is quite an unjustifiably steep step. The man who has just over Rs. 2,000 should pay at the rate of 7½ pies in

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the rupee and a man who is just under Rs. 2,000 would pay only at the rate of two pies in the rupee.

**Diwan Bahadur A. Ramaswami Mudaliar:** With the surcharge it will be 2½ pies in the rupee.

**The Honourable Sir George Schuster:** On these lower incomes there is no surcharge. They are treated as part of the emergency taxation and there is no surcharge. I do maintain that it is an unreasonable position and it throws a light on this whole proposal which I doubt if my Honourable friends, who have spoken in favour of it, have properly appreciated. Sir, those are the two main grounds on which I would object to this amendment. I can only repeat again that our position is a very tight one. There is no margin to play with. We desire to have a margin, because we desire to give certain help to the Provincial Governments. I maintain, Sir, that the House would do far better to allow the present basis of taxation to remain undisturbed until we can really feel that the position has improved and until we have a realised margin with which to deal.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Part I-A of Schedule III to the Bill, against entry (1), for the words 'Four pies' the words 'Two pies' be substituted."

The Assembly divided:

#### AYES—47.

Abdul Matin Chaudhury, Mr.  
Abdur Rahim, Sir.  
Azhar Ali, Mr. Muhammad.  
Badi-uz-Zaman, Maulvi.  
Bagla, Lala Bameshwar Prasad.  
Bhupat Singh, Mr.  
Chinoy, Mr. Rahimtools M.  
Das, Mr. B.  
Dutt, Mr. Amar Nath.  
Gour, Sir Hari Singh.  
Gunjal, Mr. N. R.  
Harbans Singh Brar, Sirdar.  
Hoon, Mr. A.  
Ibrahim Ali Khan, Lieut. Nawab  
Muhammad.  
Ismail Khan, Haji Chaudhury  
Muhammad.  
Iera, Chaudhri.  
Jadhav, Mr. B. V.  
Jehangir, Sir Cowasji.  
Jha Pandit Ram Krishna.  
Jog, Mr. S. G.  
Joishi, Mr. N. M.  
Kyaw Myint, U  
Lahiri Chaudhury, Mr. D. K.  
Lalchand Navalrai, Mr.

Liladhar Chaudhury, Seth.  
Maswood Ahmad, Mr. M.  
Mitra, Mr. S. C.  
Mody, Mr. H. P.  
Muazzam Sahib Bahadur, Mr.  
Muhammad.  
Mudaliar, Diwan Bahadur A. Rama-  
swami.  
Murtuza Saheb Bahadur, Maulvi  
Sayyid.  
Neogy, Mr. K. C.  
Parma Nand, Bhai.  
Puri, Mr. B. R.  
Ranga Iyer, Mr. C. S.  
Reddi, Mrs. T. N. Ramakrishna.  
Roy, Rai Bahadur Sukhraj.  
Sant Singh, Sardar.  
Sarda, Diwan Bahadur Harbilas.  
Sen, Pandit Satyendra Nath.  
Shafee Daoodi, Maulvi Muhammad.  
Singh, Mr. Gaya Prasad.  
Sitaramaraju, Mr. B.  
Sohan Singh, Sirdar.  
Thampan, Mr. K. P.  
Uppi Saheb Bahadur, Mr.  
Ziauddin Ahmad, Dr.



## NOES—57.

Abdul Hye, Khan Bahadur Abul  
Hasnat Muhammad.  
Accott, Mr. A. S. V.  
Ahmad Nawaz Khan, Major Nawab  
Allah Baksh Khan Tiwana, Khan  
Bahadur Malik.  
Amir Hussain, Khan Bahadur Saiyid.  
Anklesaria, Mr. N. N.  
Bajpai, Mr. G. S.  
Bhore, The Honourable Sir Joseph.  
Biswas, Mr. C. C.  
Clow, Mr. A. G.  
Dalal, Dr. R. D.  
DeSouza, Dr. F. X.  
Dutt, Mr. G. S.  
Dutt, Mr. P. C.  
Fox, Mr. H. B.  
Gidney, Lieut.-Colonel Sir Henry.  
Gwynne, Mr. C. W.  
Haig, The Honourable Sir Harry.  
Hezlett, Mr. J.  
Hudson, Sir Leslie.  
Ishwarsingji, Nawab Naharsingji.  
Ismail Ali Khan Kunwar Hajee.  
James, Mr. F. E.  
Jawahar Singh, Sardar Bahadur  
Sardar.  
Lal Chand, Hony. Captain Rao  
Bahadur Chaudhri.  
Leach, Mr. A. G.  
Mackenzie, Mr. R. T. H.  
Megaw, Major General Sir John.

Metcalfe, Mr. H. A. F.  
Millar, Mr. E. S.  
Misra, Mr. B. N.  
Mitchell, Mr. D. G.  
Mitter, The Honourable Sir  
Brojendra.  
Mujumdar, Sardar G. N.  
Mukherjee, Rai Bahadur S. C.  
Nihal Singh, Sardar.  
Noyce, The Honourable Sir Frank.  
Pandit, Rao Bahadur S. R.  
Rafiuddin Ahmad, Khan Bahadur  
Maulvi.  
Raghubir Singh, Kunwar.  
Raisman, Mr. A.  
Rajah, Rao Bahadur M. C.  
Rastogi, Mr. Badri Lal.  
Rau, Mr. P. R.  
Ryan, Sir Thomas.  
Sarma, Mr. R. S.  
Schuster, The Honourable Sir George.  
Scott, Mr. J. Ramsay.  
Seaman, Mr. C. K.  
Sher Muhammad Khan Gakhar,  
Captain.  
Singh, Kumar Gupteshwar Prasad.  
Singh, Mr. Pradyumna, Prashad.  
Smith, Mr. R.  
Tottenham, Mr. G. R. F.  
Vachha, Khan Bahadur J. B.  
Yakub, Sir Muhammad.  
Yamin Khan, Mr. Muhammad.

The motion was negatived.

**Lieut. Nawab Muhammad Ibrahim Ali Khan** (East Punjab: Muham-  
madan): \*Sir, I rise to move the amendment standing in my name in this  
form:

"That in Part I-A of Schedule III to the Bill, for entry (1) the following be substi-  
tuted:

- (1) When the total income is Rs. 1,000 or  
upwards, but is less than Rs. 1,500 . Two pies in the rupee.  
(1-A) When the total income is Rs. 1,500 or  
upwards, but is less than Rs. 2,000 . Four pies in the rupee."

This amendment aims at protecting those in service and those claiming  
an income of less than Rs. 1,500 a year against the trouble in which the  
zamindar is involved today. I can from personal experience state that  
during the last Civil Disobedience Movement whatever part was taken  
by the illiterate masses, the zamindar classes or other people, was due  
primarily to this factor. They had no real sympathy with the movement,  
nor had they fully understood the real object behind it. The difficulties  
that have confronted the zamindar during the past two or three years need  
no recapitulation. It would be no exaggeration to state that the majority  
of the agricultural classes have not been able to make their two ends  
meet after satisfying Government dues. In fact those that participated  
in the movement were largely those who had to pay rather heavy taxes on  
their land and were, for that reason, not able to help themselves. This

\*Translation of the original speech delivered in the vernacular.

[Lieut. Nawab Muhammad Ibrahim Ali Khan.]

being so, any person or movement offering to rescue them from financial difficulties naturally caught their imagination, and they turned to one or the other in order to shake off their financial burden. I, for one, would rather ask Government not to involve people, low-paid or with less income, in social and financial difficulties by imposing an additional burden of taxes lest, fed up with Government demands, they should turn to take part in unlawful activities and join movements detrimental alike to the law-abiding people and to Government. At the present times even an income of Rs. 100 per mensem would not suffice for a respectable family man; and if he has one or two school-going children, the educational expenses are likely to go up to Rs. 50 or 60 a month. The balance of Rs. 40 can hardly help him on in feeding and clothing his family and keeping a servant to boot. Any increase in the tax, however slight, is, therefore, enough to upset him and breed disaffection in him, however loyal he may have been in the past. And this is true both for those in profession or for those in the service of the *Sarkar*.

Government's own proposal is to impose a tax of four pies on incomes above Rs. 1,000 and up to Rs. 2,000. But if only two pies were imposed between Rs. 1,000 and 1,500, they won't lose much. On the other hand, the small margin of loss to the Treasury would more than compensate them in the gratitude and good-will that people would naturally feel for the *Sarkar*. After all, from the point of view of politics, too, the peace of mind of millions of people would carry a value far greater than that carried by a few lakhs of silver coins which, in the event of my amendment being carried, would not flow to the Treasury.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty):  
Amendment moved:

"That in Part I-A of Schedule III to the Bill, for entry (1) the following be substituted:

- '(1) When the total income is Rs. 1,000 or upwards, but is less than Rs. 1,500 . Two pies in the rupee.  
(1-A) When the total income is Rs. 1,500 or upwards, but is less than Rs. 2,000 . Four pies in the rupee'."

**Mr. N. B. Gunjal** (Bombay Central Division: Non-Muhammadan Rural):  
(The Honourable Member spoke in the vernacular.)

[During his speech Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) vacated the Chair which was occupied by Mr. Deputy President (Mr. Abdul Matin Chaudhury).]

**Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** (South West Punjab: Muhammadan): \*Sir, I rise to support the amendment of my Honourable friend, Nawab Ibrahim Ali Khan, which proposes the rate of income-tax as two pies in the rupee upon income between Rs. 1,000 and Rs. 1,500, and four pies in the rupee upon income between Rs. 1,500 and Rs. 2,000.

Experience has taught us that people having an income of Rs. 600 or Rs. 700 have been assessed with income-tax and forced to pay it. Undoubtedly the rate of income-tax suggested by the Finance Member

\*Translation of the original speech delivered in the vernacular.

would operate very harshly upon poor people but the amendment would afford some relief to poor tax-payers. I, therefore, support the amendment.

**Major Nawab Ahmad Nawaz Khan** (Nominated Non-Official): Sir, I oppose the amendment. It has been often said that those who propose such an amendment as this are in favour of the poor. I should like to know first of all what is the definition of the poor man.

Sir, the day before yesterday, Honourable Members were enjoying the party given by the Ruling Princes, and I was one of them, and I asked some of the Princes why they had appeared in such simple and plain dress. Many of them replied that they were very poor and could not afford to have rich dress. If this is the standard of a poor man, then, I am afraid, Government will not be able to impose any taxes on anybody. If Honourable Members are really anxious to know people getting incomes less than Rs. 1,000 yearly, then they should go to the cinema theatres and to the shops of the sweetmeat sellers, and they will see what a lot of money is wasted by these people, and if you see what they waste each month on luxuries, you will be satisfied that they are not poor and this tax will not be a heavy burden to them at the end of the year. Generally, the classes to be taxed are money-lenders, ordinary Government clerks or shopkeepers or some dull pleaders who are not very successful in their profession. One thousand rupees income cannot be exempted from payment of income-tax, because if you compare the income of that man with the income of an agriculturist, you will see who the real poor man is.

My friend, Nawab Ibrahim Ali Khan, and my friend, Khan Bahadur Makhdum Syed Rajan Bakhsh Shah, have very rightly represented the cause of the agriculturists, and I say that if all people are to be treated like the agriculturists, I shall be the first person to oppose anything that will mean a burden on the tax-payers. Honourable Members are aware that 80 per cent. of the population in India are agriculturists, and not one speaker has come forward and spoken for them nor have they asked that the taxes of the agriculturists should be reduced. If you have any real sympathy for the poor man, you must give relief to that 80 per cent. of the population, and not to the 10 per cent. or 15 per cent. of the people who are not poor at all. If you compare the income of an ordinary money-lender or a shop-keeper or an ordinary trader with that of an agriculturist, you will see that the agriculturist whose yearly income often does not exceed Rs. 100 or Rs. 200 will be more hard up. According to the present rate of income-tax, if Honourable Members will make a calculation, they will find that, while the poor agriculturists have to pay nearly Rs. 70 or Rs. 50 out of a thousand rupees, other people whose earning is Rs. 1,000 or over have to pay only Rs. 21 a year. Can anybody honestly believe that this Rs. 21 is a burden to a non-agriculturist? If Honourable Members will care to make inquiries into the expenditure the people incur for cinemas and other luxuries, they will find that the tax they are called upon to pay is not equal to even one-tenth of the money they waste in luxuries each month. It is said by some people that it is necessary for people to go to cinema for recreation purposes, while for paying Government taxes they say they are very poor people and cannot afford to pay even Rs. 21 a year, and the agriculturists should pay nearly 75 per cent. out of the Rs. 100 or Rs. 200 which is their yearly income. Will the Honourable Members ponder over this point impartially?

[Major Nawab Ahmad Nawaz Khan.]

Now, with regard to my Muslim friends, I would draw their attention to their religious order. They are very fond of observing their religion and very enthusiastically, and they do not like to have any interference with their religion. I admire them, and I am one of them. I would ask my Muslim friends, what is the order of *Zakat* or income-tax? That is one rupee for every Rs. 40, that is Rs. 2-8-0 per cent. It is the order from God with which Muhammad, our Prophet, has nothing to do. Muslim Members will agree with me that no man can be more just than the Creator, Who has fixed the rate of 2½ per cent. We have to pay *Zakat* at the rate of 2½ per cent. every year. I do not know what is the order for it in the religion of the Hindus, but I know in the old history the Hindu kings used to have the same kind of taxation in India. So far as I remember, it was Akbar the Great who remitted some of those taxes during his time. I am sorry I have not been able to show you the authority today, but I may say that any Member can find it out from Abul Fazl if he likes to satisfy himself. I do not wish to take up further time of the House, but I shall simply say, that when the agriculturist classes who form 80 per cent. of the entire population are paying heavy taxes, the money-lenders, the shopkeepers or the clerks should not grudge paying their light share. As a matter of fact, their share is lighter than the taxes that the agriculturists pay. Therefore, it is but fair and just that we should support the Finance Member and oppose the unreasonable amendment.

**Mr. F. E. James** (Madras: European): Sir, we are not able, as explained by my Leader, to accept this amendment precisely as it stands, and it is for that reason that I have given notice of an amendment which is substantially the same, with this difference that in the first part of the amendment which was moved by my Honourable friend, Lieut. Nawab Muhammad Ibrahim Ali Khan, I have inserted a proviso. I would explain the reason for that and suggest that the best way of bringing the discussion to a conclusion would be if you would give me an opportunity of moving the addition of that proviso to the first part of the amendment moved by my Honourable friend.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): I allow Mr. James to move his amendment as an amendment to Lieut. Nawab Muhammad Ibrahim Ali Khan's motion.

**Mr. F. E. James:** Then, I move:

"That to Part 1 of the amendment now under discussion the following proviso be added:

'Provided that for the purpose of any assessment to be made for the year ending 31st March, 1934, the rate of income-tax applicable to such part of the total income of an assessee as is derived from salaries or from interest on securities paid in the financial year 1932-33 shall be four pies in the rupee, and for the purposes of refunds under sub-section (1) or sub-section (3) of section 48 in respect of dividends declared in the year ending 31st March, 1933, or of payments made in the said year of interest on securities or salaries, the rate applicable to the total income of the person claiming refund shall be at the rate of four pies.'"

The point of this amendment is this. As the original proposition stands, it would in effect mean that refunds would have to be made in respect of tax collected on salaries where it is collected at source, or on interest on securities for the current year, and therefore in order to avoid that, which is not our purpose and, I understand, is not the purpose of the Mover of this motion—I sought the advice of the Finance Department as to how that particular arrangement could be effected. The Finance Member, with that courtesy which is characteristic of him, willingly allowed his officers to advise as to the particular method which should be adopted in avoiding this difficulty. Therefore this proviso has been drawn up with the intention that the proposal to reduce the assessment on incomes between Rs. 1,000 and Rs. 1,500 to two pies should be operative only from the 1st April, 1933. I therefore hope that if my Honourable friend will accept this amendment the main proposition will be accepted by the House.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That to Part I of the amendment now under discussion, the following proviso be added:

‘Provided that for the purpose of any assessment to be made for the year ending 31st March, 1934, the rate of income-tax applicable to such part of the total income of an assessee as is derived from salaries or from interest on securities paid in the financial year 1932-33 shall be four pies in the rupee, and for the purposes of refunds under sub-section (1) or sub-section (3) of section 48 in respect of dividends declared in the year ending 31st March, 1933, or of payments made in the said year of interest on securities or salaries, the rate applicable to the total income of the person claiming refund shall be at the rate of four pies’.”

**Beth Laladhar Chaudhury** (Central Provinces Hindi Divisions: Non-Muhammadan): \*Sir, this tax would be a heavy burden on the poor people. Therefore, I support the motion that has been moved by Nawab Ibrahim Ali Khan Sahib.

**Lieut. Nawab Muhammad Ibrahim Ali Khan**: \*Sir, I earnestly desire that my amendment be acted upon within this year; but should it be found difficult, I would, in agreement with the amendment proposed by my Honourable friend, Mr. James, press for its enforcement from next year.

**Mr. Lalchand Navalrai**: It is an irony of fate that on this question of the poor man's income we have spoken several times without any effect on the Treasury Benches. This amendment has been reduced to such a form that I should say it is the minimum demand from this side. It is no use appealing to the Finance Member on the ground that the poor man has been affected and that, therefore, this income-tax should be abolished. That argument has been made in this House several times and, therefore, I will not repeat it now though, just a few minutes ago, I received a telegram from Sind in which it is said that income-tax on Rs. 1,000 income is a calamity for the people.

\*Translation of the original speech delivered in the vernacular.

[Mr. Lalchand Navalrai.]

I will take up one or two of the points made by the Finance Member yesterday. His main point touched me a bit, namely, that several employees of the Income-tax Department would have to be discharged, and he said that in these days of unemployment it would not be a discreet thing to do away with so many employees of the Income-tax Department. That appeal had some effect on me, but may I say that that difficulty does not arise on this amendment, because whether you collect two pies in the rupee or four pies in the rupee, you will have to keep the same staff to collect the tax. The second point of the Finance Member, which was his watchword, was that he will be deprived of so much revenue in these days when he wants money to balance his Budget. With regard to that, a question was put this morning by Mr. Biswas and the reply was that the loss on account of accepting this amendment would be only about Rs. 17 lakhs. Not to accept an amendment of this kind, on account of this paltry sum—I should call Rs. 17 lakhs in such a huge Budget so—would be utterly unreasonable.

Then, Sir, it is said that if he yields to a small extent, the House would ask him to yield more and more. I do not think the House is so unreasonable. Then the other ground that he has put forward is that he is in a difficult position, because he will be forced to contribute for the purpose of separating certain provinces and give money for that purpose. I do not appreciate why His Majesty's Government should have put that difficulty at this juncture. So far as Sind is concerned, my Honourable friend rightly apprehends that he will be asked to give 80 lakhs every year as a subvention to carry on the Sind Administration. The intelligent section of Sind do not want to be separated and I do not think that the poor people should be asked to pay tax for the separation of Sind.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** I do not think we are discussing the separation of Sind.

**Mr. Lalchand Navalrai:** I am answering one of the grounds put forward by the Honourable Member. However, I will not enlarge upon it. Then it was urged that there will be disparity in the treatment given to an agriculturist and the income-tax payer. With regard to that, may I not say, that in the case of assessment, wherever the agriculturist does not get any income, he gets remission and I would put a direct question to Khan Bahadur Vachha, who is present in the House, whether there are any income-tax payers who escape paying income-tax in similar circumstances. So, even in this case, the question of the agriculturist does not arise. The agriculturist has been getting advantage of the remission in the provinces, because it is a provincial subject. So far as that point is concerned, I submit, that does not add to the reasons for not accepting this motion. This motion is a very modest one and I would once again appeal to the Honourable the Finance Member to satisfy these Benches in regard to this matter.

**Raja Bahadur G. Krishnamachariar** (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): The amendment was of such a nature that when it was about to be moved, I did not think of speaking at all, but my

friend, Mr. Lalchand Navalrai, has provoked me into making a little speech. So far as I am concerned, I think it is absolutely necessary to make it clear that if the question was *res integra*, if it was a question of taxing these men with small incomes, for the first time, I am against it. My sympathies are in their favour. I remember the late Mr. Gokhale objecting to Non-Official Members expressing their sympathy, because where officials express sympathy they can at least give some money. What is the sympathy of a non-official worth, he used to ask. All the same, I cannot help saying something in view of the attitude that I had assumed in certain amendments regarding this assessment of the smaller income. I think I ought to make my position clear that, if the question as I said was *res integra*, I am certainly against this taxation, but when it comes to a question of comparing it with the tax on land, you find that, according to Lord Curzon's standard, you have to pay 50 per cent. of your net income. As a matter of fact, as I said on another occasion, it works out from 65 to 75 per cent. according to the Presidency in which you live. Surely it is necessary to look back and say, is it right to shed tears over the assessment in respect of these men's income when it is up to a thousand rupees, and is it right to ignore the agriculturist income. Two arguments were put forward. One argument which was put forward by my friend, Mr. Ramaswami Mudaliar, has been answered by the Honourable the Finance Member and, therefore, I would not take the time of the House over it. I do not know if my friend, Mr. Lalchand Navalrai, has got land or whether his lands are governed by the rules of remission that we have got in *ryotwari* lands. This remission, that he says we are entitled to, is a question which it would have been much better. . . . .

**Mr. Lalchand Navalrai:** There is a remission as well as a revision in Sind. Therefore I said so.

**Raja Bahadur G. Krishnamachariar:** I do not quite follow what a revision is, but I know exactly what a remission is. The way in which the remission works is this. In the Madras Presidency, except where you have got very very small holdings, three or four acre plots are surveyed and they are given a separate number and if one-tenth of that portion of the number the tenant has grown something—it may not yield anything—the man comes and inspects that the transplantation has grown to a certain height, and he records that one-tenth of the crop has been raised. He is not present at the time of the harvest and I may go and cry myself hoarse. No remission is granted. That is the rule. No doubt Lord Curzon, in his land revenue policy, has said with great bombast a great deal about this remission, but when you investigate this question of remission and the way it actually works, you find there is very little relief but, Sir, I do not put my argument upon that. So far as the taxation on land is concerned, the income is a matter of extreme doubt as compared with the income of thousand rupees a year and more upon which the man is to be taxed. There is at least some criterion upon which you can proceed in order to determine whether the man's income is a thousand rupees or above or below. He does not keep accounts I know, but if he habitually lends money at 150 per cent. per annum, why does he not keep an account? I can quite understand a petty shopkeeper not keeping accounts, but there is absolutely no excuse in the case of money-lenders, why they should not

[Raja Bahadur G. Krishnamachariar.]

keep accounts. Therefore, Sir, whether it is upon the ground of the certainty of the income, whether it is upon the ground of proportion, I say that, in this particular instance, these men are not entitled to any consideration so long as the land revenue assessment stands so high.

**The Honourable Sir George Schuster:** I am quite sure that the House does not wish to hear me at very great length on the last of these amendments. I think perhaps that there is only one man here today who may have enjoyed himself and that is my Honourable friend, Mr. Lalchand Navalrai, who always likes talking about income-tax and has had four or five opportunities to do so today. It has indeed been a regular field day for my Honourable friend from Sind. For myself, I have said practically all that I have got to say on this question. If there had been any room for elasticity on the Government side, this is the sort of amendment which we might have been inclined to accept, because it does allow an even gradation of the tax; but for us to accept such an amendment would give an entirely misleading impression of our view of the situation. In our view, there is no room for concessions. In our view there is no substantial injustice in maintaining the tax at its present rate down to Rs. 1,000 per annum. That is our view on the one side; and on the other side we are very genuine in our desire to realize a margin which will enable us to give some moderate assistance to the Provincial Governments. And although it may be said in relation to a Budget of 124 crores that a sum of 17 lakhs seems very insignificant, nevertheless, from the point of view of the Provincial Budgets, the question whether we have this sum or not may make a very substantial difference. Honourable Members are inclined to think, when they have dealt with the Budget as a whole, that a sum like 17 lakhs is small, but I would remind them of the many urgent demands which have been made upon us lately, where we have had to say that there is no margin for relaxation. There have been mentioned several times in the course of the debate on the Budget and on the Finance Bill questions like those relating to the restoration in full of the grants to the Universities of Benares and Aligarh, as to which sums of only Rs. 30,000 in each case were involved. But although we have shown our sympathy and promised to treat those cases with sympathy, if we find, as the year progresses, that there is any margin, unfortunately for the moment we have had to say that we can rely on no margin for meeting those demands.

[At this stage Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) resumed the Chair.]

Now, if I were to take that line as regards the demands referred to for Rs. 30,000 and then on the other hand to say that a sum of Rs. 17 lakhs was a sum about which I need not bother, I should not only be inconsistent, but altogether unfair to those interests that have made these requests—requests which I am anxious to grant if we find there is money available for it. These are only samples of the cases that have to be considered by those who are responsible for the finances of the country and I feel sure that if we were to reveal all that we have had to refuse and all that we desire to find room and to make grants for, then no one would press upon me the argument that I can well afford to face a sacrifice of



17 lakhs. On these grounds, I must oppose this amendment as strenuously as any other of the amendments which I am glad to see the House has today rejected.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order, order The original amendment was :

"That in Part I-A of Schedule III to the Bill, for entry (1) the following be substituted :

- '(1) When the total income is Rs. 1,000 or upwards, but is less than Rs. 1,500 . Two pies in the rupee.  
(1-A) When the total income is Rs. 1,500 or upwards, but is less than Rs. 2,000 . Four pies in the rupee'."

Since which a further amendment has been moved to this amendment:

"That to Part 1 of the amendment the following proviso be added :

'Provided that for the purpose of any assessment to be made for the year ending 31st March, 1934, the rate of income-tax applicable to such part of the total income of an assessee as is derived from salaries or from interest on securities paid in the financial year 1932-33 shall be four pies in the rupee, and for the purposes of refunds under sub-section (1) or sub-section (3) of section 48 in respect of dividends declared in the year ending 31st March, 1933, or of payments made in the said year of interest on securities or salaries, the rate applicable to the total income of the person claiming refund shall be at the rate of four pies'."

The question I have to put is that this proviso be added to the original amendment.

The motion was adopted.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is :

"That in Part I-A of Schedule III to the Bill, for entry (1) the following be substituted :

- '(1) When the total income is Rs. 1,000 or upwards, but is less than Rs. 1,500 . Two pies in the rupee : (Provided that for the purpose of any assessment to be made for the year ending 31st March, 1934, the rate of income-tax applicable to such part of the total income of an assessee as is derived from salaries or from interest on securities paid in the financial year 1932-33 shall be four pies in the rupee, and for the purposes of refunds under sub-section (1) or sub-section (3) of section 48 in respect of dividends declared in the year ending 31st March, 1933, or of payments made in the said year of interest on securities or salaries, the rate applicable to the total income of the person claiming refund shall be at the rate of four pies.)

- (1A) When the " total income is Rs. 1,500 or upwards, but is less than Rs. 2,000 . Four pies in the rupee'."

The Assembly divided :

AYES—59.

Abdul Matin Chaudhury, Mr.  
 Abdur Rahim, Sir.  
 Anklesaria, Mr. N. N.  
 Anwar-ul-Azim, Mr. Muhammad.  
 Azhar Ali, Mr. Muhammad.  
 Badi-uz-Zaman, Maulvi.  
 Bagla, Lala Rameshwar Prasad.  
 Bhuput Sing, Mr.  
 Biswas, Mr. C. C.  
 Chinoy, Mr. Rahimtoola M.  
 DeSouza, Dr. F. X.  
 Dudhoria, Mr. Nabakumar Sing.  
 Dutt, Mr. Amar Nath.  
 Fox, Mr. H. B.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Gour, Sir Hari Singh.  
 Gunjal, Mr. N. R.  
 Hari Raj Swarup, Lala.  
 Hoon, Mr. A.  
 Hudson, Sir Leslie.  
 Ibrahim Ali Khan, Lient. Nawab  
 Muhammad.  
 Ismail Khan, Haji Chaudhury  
 Muhammad.  
 Jadhav, Mr. B. V.  
 Jamea, Mr. F. E.  
 Jog, Mr. S. G.  
 Joshi, Mr. N. M.  
 Kyaw Myint, U  
 Lalchand Navalrai, Mr.  
 Liladhar Chaudhury, Seth.  
 Mackenzie, Mr. R. T. H.

Maswood Ahmad, Mr. M.  
 Millar, Mr. E. S.  
 Misra, Mr. B. N.  
 Mitra, Mr. S. C.  
 Mody, Mr. H. P.  
 Muazzam Sahib Bahadur, Mr.  
 Muhammad.  
 Mujumdar, Sardar G. N.  
 Murtuza Saheb Bahadur, Maulvi  
 Sayyid.  
 Neogy, Mr. K. C.  
 Pandit, Rao Bahadur S. R.  
 Parma Nand, Bhai.  
 Puri, Mr. B. R.  
 Rajan Bakhsh Shah, Khan Bahadur  
 Makhdum Syed.  
 Ranga Iyer, Mr. C. S.  
 Rastogi, Mr. Badri Lal.  
 Reddi, Mr. T. N. Ramakrishna.  
 Sadiq Hasan, Shaikh.  
 Sant Singh, Sardar.  
 Sarda, Diwan Bahadur Harbilas.  
 Scott, Mr. J. Ramsay.  
 Sen, Pandit Satyendra Nath.  
 Singh, Kumar Gupteshwar Prasad.  
 Singh, Mr. Gaya Prasad.  
 Sitaramaraju, Mr. B.  
 Smith, Mr. R.  
 Sohan Singh, Sirdar.  
 Thampan, Mr. K. P.  
 Uppi Saheb Bahadur, Mr.  
 Ziauddin Ahmad, Dr.

NOES—33.

Abdul Hye, Khan Bahadur Abul  
 Hasnat Muhammad.  
 Acott, Mr. A. S. V.  
 Ahmad Nawaz Khan, Major Nawab.  
 Allah Baksh Khan Tiwana, Khan  
 Bahadur Malik.  
 Amir Hussain, Khan Bahadur Saiyid.  
 Bhole, The Honourable Sir Joseph.  
 Clow, Mr. A. G.  
 Dalal, Dr. R. D.  
 Dutt, Mr. G. S.  
 Dutt, Mr. P. C.  
 Gwynne, Mr. C. W.  
 Haig, The Honourable Sir Harry.  
 Hezlett, Mr. J.  
 Jawahar Singh, Sardar Bahadur  
 Sardar.  
 Lal Chand, Hony. Captain Rao  
 Bahadur Chaudhri.  
 Leach, Mr. A. G.

Metcalfe, Mr. H. A. F.  
 Mitchell, Mr. D. G.  
 Mitter, The Honourable Sir  
 Brojendra.  
 Mukherjee, Rai Bahadur S. C.  
 Nihal Singh, Sardar.  
 Noyce, The Honourable Sir Frank.  
 Rafiuddin Ahmad, Khan Bahadur  
 Maulvi.  
 Raghubir Singh, Kunwar.  
 Raisman, Mr. A.  
 Rau, Mr. P. B.  
 Ryan, Sir Thomas.  
 Schuster, The Honourable Sir George.  
 Seaman, Mr. C. K.  
 Sher Muhammad Khan Gakhar,  
 Captain.  
 Singh, Mr. Pradyumna Prashad.  
 Tottenham, Mr. G. R. F.  
 Vachha, Khan Bahadur J. B.

The motion was adopted.

**Pandit Satyendra Nath Sen** (Presidency Division: Non-Muhammedan Rural): Sir, I move:

“That in Part III of Schedule III to the Bill, paragraph No. 4 be omitted.”

Paragraph 3 relates to summary assessment of income-tax on an income of less than Rs. 2,000 and paragraph 4 relates to retrospective demand. Sir, of all the income-tax payers those who are in the lowest zone are hardly hit. Their lot is harder, because they are open to summary assessment and it is harder still, because they can be asked by the Income-tax Officer to disgorge the amount which they have digested already during the preceding year. So, paragraph 4 contains the climax of pathos in the Finance Bill. Sir, what is the income of the people who are in the lowest zone? It ranges from Rs. 84 to Rs. 167. Suppose, a man with an income of Rs. 84 is asked to pay his income-tax for the current year as well as for the previous year, what will be his condition? His embarrassment can be well imagined. Sir, the distress of these poor people would be a little alleviated had there been a system of payment of income-tax by instalments. But generally speaking there is no such system. The evasions will generally occur only in the case of non-salaried people. Sir, ordinary people often imitate the conduct of the great. When most of the Provincial Governments as well as the Government of India are practically running at a loss, these people also generally are running at a loss. Besides, we have been taught to live beyond our means. We often hear of cases of evasions, but among them there may be many cases where there are no evasions at all, because these men might sincerely believe that their income was not at all taxable. When they have digested all their money, the Honourable the Finance Member pounces upon their empty purse, and what will be the effect? They will be compelled to incur a debt which they will not be in a position to repay. Sir, this retrospective demand is regarded as a pimple upon the boil and so I propose that this clause should be omitted.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Amendment moved:

"That in Part III of Schedule III to the Bill, paragraph No. 4 be omitted."

**Sir Cowasji Jehangir:** Sir, I want to raise a more general question and I consider it a question of principle. Here is the Finance Bill and included in the Finance Bill for the last two years we find clauses which properly ought to find their place in the Income-tax Act. We are told that they are included in the Finance Bill, because these provisions in the Finance Bill are temporary, and, therefore, rather than disturb an Act which, it is believed is going to last for centuries, they take advantage of the Finance Bill to include provisions for how to collect the tax, what measures the officer should take in order to collect that tax. All these provisions ought to be included in the Income-tax Act. Sir, I point out to you and to the House the dangers of this procedure. If Government are given power to vary, to amend, to add, to the Income-tax Act by certain clauses or a Schedule in the Finance Bill, it will be a very dangerous precedent for the future, and I strongly protest against it. Personally I am just now not in a position to be able to state what is the really legal position, but I would be inclined to raise a point of order whether such provisions can be included in a Finance Bill: On the merits, they may be quite legitimate and fair; they may be even to the advantage of the assessee. I am not contesting that. What I am contesting is the power of Government to include in the Finance Bill provisions which should be in the Income-tax Act and giving power to Government of putting in

[Sir Cowasji Jehangir.]

clauses of this sort. I will rise to a point of order while I am speaking and ask for your ruling whether it is in order to include such provisions in a Finance Bill. If, Sir, you rule that it is in order, I would appeal to Government not to set this bad precedent for the future because, after all, we are not in a position to examine these provisions as carefully as we would be if they brought them in the form of an amendment to the Income-tax Act. We might send them to Select Committee. But in this way anything might slip in without proper examination. Personally I have not examined these provisions carefully; I take it that they are fair and legitimate. But if Government try to make a real change in the Income-tax Act by this method, it would not only be dangerous for Government, but it would be dangerous for us and we shall be able to have no control over Government when they move amendments of this character. Sir, I rise to this point of order.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Does the Chair understand the Honourable Member to have formally raised a point of order whether this provision, Part III of Schedule III could be included in this Bill?

**Sir Cowasji Jehangir**: Yes, Sir. It was done last year I know, but because we were out of order last year, there is no reason why we should continue to be out of order. I rise to this point of order whether such provisions can be included in the Finance Bill which are really amendments of the Income-tax Act

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): If the Honourable Member wants the ruling of the Chair whether particular provisions of the Bill are in order, and if in his own opinion they are not in order, he must first give his reasons to the Chair as to what makes him think that it is not in order. A certain procedure might be very undesirable, but it may be perfectly legal. So the Chair would like the Honourable Member first to say on what grounds he considers, and what authority he has to say, that the inclusion of such provisions is out of order.

**Sir Cowasji Jehangir**: Sir, the Finance Bill is a Bill which is brought before this House for the purpose of taxation for the year. It is a Bill that comes before this House every year. There is a special Act which governs the collection of income-tax, not the rates, but the method of collection; and, therefore, if you include in a Bill which is primarily for taxation clauses on methods of collection which are really applicable to a special Act, I consider it is out of order. If this is in order, I contend that any provisions from any Act which ought legitimately to be included in that Act would also be in order. Is this a general Act in which the amendment of any Act of this Legislature can be included? If it is possible for Government to amend any Indian Act by inclusion of certain clauses in this taxation Bill, then I stand corrected; but if it is not within the power of Government to amend any Act by including clauses in this Bill, I contend that they cannot thus amend the Income-tax Act.

**Diwan Bahadur A. Ramaswami Mudaliar:** Sir, may I supplement what my Honourable friend said? You will find, if you turn to the Preamble and Title of the Bill, that the scope of this Bill is given there. This is:

"A Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Stamp Act, 1899, to fix rates of income-tax and super-tax, and further to amend the Indian Paper Currency Act, 1923."

There is no provision in the Title of the Bill to amend the Indian Income-tax Act. Further, in the Preamble, you will find similarly:

"Further to amend the Indian Stamp Act, to fix the rates of income-tax and super-tax,"

etc., not to vary the procedure of collection or to fix the particular method of collection. That is really within the scope of the Indian Income-tax Act. And even if, according to our rules which may be at variance with the House of Commons rules, money bills can contain such provisions, I submit that on the narrow ground that both the Title and the Preamble do not refer to the amendment of the Income-tax Act, this Part III of Schedule III is irrelevant. If you turn again to clause 6, sub-clause (4), you will find this:

"For the purpose of assessing and collecting income-tax on total incomes of less than two thousand rupees, the Indian Income-tax Act, 1922, shall be deemed to be subject to the adaptations set out in Part III of the Third Schedule."

This is very cleverly worded. "Adaptation" merely means amendment. I submit that when you have made no provision for amendment, either in the Title or Preamble, you cannot squeeze in the word "adaptation" and reduce it to something which is not an amendment. This is really an amendment of the Income-tax Act. I take the narrow ground that, both according to the Title of the Bill and the Preamble of the Bill, there is no provision for amending the Indian Income-tax Act. Therefore, Part III of Schedule III is irrelevant for the purposes of this Bill.

**The Honourable Sir George Schuster:** Sir, before you give your ruling on the point raised, I should like to explain the Government point of view on this.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): If the Honourable Member does not mind, the Chair would suggest that we might adjourn now and discuss the point tomorrow. This will give time to the parties to think overnight on the point of order raised and we can debate the point tomorrow morning.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 28th March, 1933.