

LEGISLATIVE ASSEMBLY DEBATES

(OFFICIAL REPORT)

Vol. IX, 1933

(11th December to 22nd December, 1933)

SIXTH SESSION OF THE FOURTH LEGISLATIVE ASSEMBLY 1933



Legislative Assembly.

President :

THE HONOURABLE SIR SHANMUKHAM CHETTY, K.C.I.E.

Deputy President :

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

Panel of Chairmen :

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MR. K. C. NEOGY, M.L.A.

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

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Assistant of the Secretary :

RAI BAHADUR D. DUTT.

Marshal :

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

Committee on Public Petitions :

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

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

MR. B. SITA MARAJU, M.L.A.

MR. GAYA PRASAD SINGH, M.L.A.

KUNWAR HAJEE ISMAIL ALI KHAN, O.B.E., M.L.A.

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CONTENTS.

VOLUME IX—11th December to 22nd December, 1933.

PAGES.	PAGES.
MONDAY, 11TH DECEMBER, 1933—	SATURDAY, 16TH DECEMBER, 1933—
Questions and Answers 2905-50	Questions and Answers 3301-13
Unstarred Questions and Answers 2950-69	Unstarred Questions and Answers 3313-23
Motion for Adjournment <i>re</i> Election of Members to the Calcutta Port Haj Committee—Ruled out of order 2969-71	Curtailment of the Luncheon Inter- val 3324
Statements laid on the table .. 2971-77	The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded 3324-85
The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded .. 2977-3029	Statement of Business 3385
TUESDAY, 12TH DECEMBER, 1933—	MONDAY, 18TH DECEMBER, 1933—
Questions and Answers 3029-38	Statements laid on the table .. 3387-92
Statements laid on the table .. 3038-51	Message from the Council of State 3392
The Indian Tariff (Second Amend- ment) Bill—Passed 3051-95	The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded 3393- 3456
WEDNESDAY, 13TH DECEMBER, 1933—	TUESDAY, 19TH DECEMBER, 1933—
Statement laid on the table .. 3097-98	Member Sworn 3457
The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded 3098- 3151	The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded 3457- 3519
THURSDAY, 14TH DECEMBER, 1933—	WEDNESDAY, 20TH DECEMBER, 1933—
Questions and Answers 3153-66	Questions and Answers 3521-40
Unstarred Questions and Answers 3166-78	Unstarred Questions and Answers 3540-45
The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded .. 3178- 3231	The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded .. 3545- 3604
FRIDAY, 15TH DECEMBER, 1933—	THURSDAY, 21ST DECEMBER, 1933—
Short Notice Question and Answer 3233-34	Short Notice Question and Answer 3605
Observance of holidays by the Legis- lative Assembly 3234-35	Motion for Adjournment <i>re</i> Alleged punishment of a man for offering his prayers on the Lahore Railway Station platform—Not moved. 3605-07
The Reserve Bank of India Bill— Discussion on the consideration of clauses not concluded 3235-99	

	PAGES.		PAGES.
THURSDAY 21ST, DECEMBER, 1933—<i>contd.</i>		FRIDAY, 22ND DECEMBER, 1933—<i>contd.</i>	
The Reserve Bank of India Bill— Discussion on the motion to pass not concluded	3607-62	Message from His Excellency the Governor General <i>re</i> Extension of the life of the Legislative Assembly	3686
FRIDAY, 22ND DECEMBER, 1933—		The Reserve Bank of India Bill—	
Questions and Answers	3663-81	Passed as amended	3686- 3703, 3704-34
Unstarred Questions and Answers	3681-85		
Motion for Adjournment <i>re</i> Recommendations of the Capitation Tribunal—Request to move to be renewed	3686	The Indian Tariff (Amendment) Bill —Introduced	3703

LEGISLATIVE ASSEMBLY.

Friday, 22nd December, 1933.

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

QUESTIONS AND ANSWERS.

NON-DEPUTATION OF TELEPHONE OPERATORS FROM THE PATNA DIVISION TO THE ALIPORE STORE YARD.

1475. *Mr. S. G. Jog: (a) Will Government be pleased to state the number of telephone operators, circle by circle, who have been deputed to the Telegraph Store Yard, Alipur, in order to receive Phone Inspectors' training?

(b) Is it a fact that uptil now not a single telephone operator has been deputed from Patna Division to receive Phone Inspectors' training at Alipur Store Yard? If so, why?

(c) Did any operator in the Patna Division ever apply for his deputation to the Alipur Store Yard in order to receive Phone Inspectors' training there? If so, what reply was given to him?

The Honourable Sir Frank Noyce: (a) Government regret that precise information is not readily available. I may, however, point out that ordinarily selection for training at the Alipore Storeyard is made from telephone inspectors and not from operators.

(b) It is a fact that since 1930, the period for which figures are readily available, no telephone inspector or operator has been deputed from the Patna Division for such training as none was considered suitable by the Head of the Circle.

(c) Government have no information.

RETRENCHMENT IN EACH COMMAND OF THE MILITARY ACCOUNTS DEPARTMENT.

1476. *Mr. Jagan Nath Aggarwal: (a) Will Government please state how many clerks, accountants and officers were retrenched in each Command of the Military Accounts Department as a measure of economy in the Army expenditure during 1931 and 1932 under the Special Retrenchment Rules?

Statements showing the number of clerks, accountants and officers retrenched from the Military Accounts Department as a measure of economy in the Army Expenditure during the year 1932 under the special Retrenchment Rules.

QUESTIONS AND ANSWERS.

3665

[illegible]

Statement showing officers of the Military Accounts Department who retired under Article 465-A, Civil Service Regulations.

Period of leave granted.	Remarks.
1. Combined leave for one year 1 month and 24 days consisting of privilege leave for 1 month and 9 days and balance on half average salary.	Nos. 1, 2 and 7 were asked to seek permission to retire after taking as much privilege leave and/or other leave due to them as they may desire, as their service already entitled them to pension at 30/60th of their average emoluments.
2. Combined leave for 8 months, 4 months being privilege leave and the balance on half average salary.	
3. Combined leave ex-India for 11 months and 24 days, the first 2 months and 17 days being privilege leave the next 5 months and 14 days furlough on average salary and the balance on half average salary.	
4. Combined leave for 1 year 9 months and 15 days, the first 4 months being privilege leave and the balance furlough on half average salary.	Nos. 3, 4, 5 and 6 were asked to apply for leave from such date as will give them at the conclusion thereof 30 years pensionable service.
5. Combined leave for 2 years consisting of 3 months and 26 days privilege leave and the balance furlough on half average salary.	
6. Combined leave for 2 years consisting of privilege leave for 3 months and 18 days and balance furlough on half average salary.	
7. Combined leave from 1st October 1933. Period under reference.	
8. Combined leave for 3 months, the first 1 month and 25 days being privilege leave and balance furlough on half average salary.	
9. Combined leave for 3 months, the first 1 month and 5 days being privilege leave and balance furlough on half average salary.	

Mr. Jagan Nath Aggarwal: What are the reasons that led to their being retrenched? Was it due to inefficiency or anything of the kind?

The Honourable Sir George Schuster: The reasons were reasons of public policy; presumably the reasons were roughly speaking inefficiency.

Mr. Jagan Nath Aggarwal: Was it discovered only in 1933 that they were inefficient after having put in so much service?

The Honourable Sir George Schuster: Presumably.

PAY AND EMOLUMENTS OF THE FUTURE ENTRANTS TO THE SUPERIOR AND SUBORDINATE SERVICES.

1477. **Mr. Nabakumar Sing Dudhoria:** (a) Will Government be pleased to state whether it is a fact that they are in receipt of the final sanction from the Secretary of State for India as to the pay and emoluments of the future entrants into the superior and subordinate services both at the centre and in the provinces?

(b) When did the scheme receive the approval of the Secretary of State?

(c) Will Government please state the reason why publicity to that scheme is being held up?

(d) By what time are Government likely to give publication to the scheme adumbrated?

The Honourable Sir Harry Haig: (a) to (d). The Honourable Member seems to be under some misapprehension. The Government of India have already under their own powers announced the rates for future entrants to most of the superior and some subordinate central services in the Home Department Notification No. F. 386/33-Ests., dated September 22, 1933, which was published in the Gazette of India on September 23, 1933. The rates of pay of most of the other subordinate central services have also been decided upon and the necessary executive orders are being issued in regard to each service by the administrative Department concerned. The ~~costs~~ of the remaining superior and subordinate central services are still under consideration. The Provincial Governments have power to revise the rates of pay of the services under their own administrative control without reference to the Government of India or to the Secretary of State and these Governments have made or are making use of these powers.

TRIPARTITE TEXTILE CONFERENCE HELD AT SIMLA.

1478. ***Mr. Nabakumar Sing Dudhoria:** (a) Will Government be pleased to state whether the tripartite textile conference held at Simla in September—October last under the aegis of the Government of India consisted of representatives of Lancashire, Japanese, and Indian Textile interests?

(b) If so, did the representatives from Lancashire possess any *de facto* representative character of their Home Government?

(c) Did the Indian Government treat the representatives from Lancashire and Japan on the same footing?

The Honourable Sir Joseph Bhore: (a) The Honourable Member would seem to be labouring under a misapprehension. As I have lately explained to this House, the tripartite textile conference referred to was entirely an un-official matter between the representatives of the commercial and industrial interests of India, Japan and Lancashire and the Government of India have had no concern whatsoever with it.

(b) No, Sir. They represented the British cotton textile industry.

(c) Yes.

SALE OF PRINTED COPIES OF THE EVIDENCE OF WITNESSES EXAMINED BY THE JOINT COMMITTEE ON THE RESERVE BANK OF INDIA BILL IN DELHI.

1479. ***Mr. Nabakumar Sing Dudhoria:** (a) Will Government be pleased to state whether it is a fact that printed copies of the depositions of witnesses examined before the Joint Select Committee on the Reserve Bank Bill in London are being sold in the Stationers' Hall in London?

(b) If the answer to part (a) be in the affirmative, do Government propose to treat the evidence of expert witnesses, who deposed before the Joint Select Committee on the Reserve Bank Bill in Delhi in October—November last, in the same way?

The Honourable Sir George Schuster: (a) Government have no information.

(b) I have had proof of the evidence tendered by witnesses before the Joint Committee sent to them for correction and approval and I have at the same time made enquiries from these witnesses if they have any objection to copies of the evidence being made available to the Legislature. Replies have not yet been received from all the witnesses.

LIFE OF THE CENTRAL LEGISLATURE.

1480. ***Mr. Nabakumar Sing Dudhoria:** (a) Will Government be pleased to state whether it is a fact that the present Central Legislature will be dissolved after the Session in September next?

(b) Will new elections take place under the present rules?

(c) How long is it expected that the life of the next Legislature will last?

The Honourable Sir Brojendra Mitter: (a) Under section 63D of the Government of India Act the matter is one for the decision of the Governor General. In the absence of resort by His Excellency to either of the alternative powers conferred upon him by clauses (a) and (b) of the proviso to that section the existing Legislative Assembly will expire on the 14th January 1934, while the existing Council of State will remain in being till the 10th February 1936. In respect of the Legislative Assembly His Excellency's intentions have been announced in the message to this House which was read here on the 6th March, 1933. The Honourable Member's attention is also invited to the statement made by the Honourable the President in connection with the reply to Mr. Lalchand Navalrai's starred question No. 1131 which was answered on the 23rd November, 1933. Government do not anticipate that occasion will arise for His Excellency to consider dissolution of the Council of State in 1934.

(b) and (c). I am not in a position to give any information on these points.

MEMORIAL FROM THE MEMBERS OF THE EX-ROYAL FAMILY OF THE EMPERORS OF DELHI.

1481. ***Maulvi Sayyid Murtuza Sahab Bahadur:** Have Government received any memorial from the members of the Ex-royal family of the Emperors of Delhi, requesting them to elevate their status in the new Constitution by increasing their poor and inadequate pension? If so, has any consideration been given to the memorial? If not, do Government propose to consider the memorial favourably and redress their grievances?

Mr. H. A. F. Metcalfe: The answer to the first part of the question is in the negative, and the second and third parts do not, therefore, arise.

PERSONS NOMINATED TO THE INDIAN CIVIL SERVICE.

1482. ***Sardar Sant Singh:** Will Government be pleased to state how many persons belonging to Hindu, Sikh, Muslim, Christian, Anglo-Indian and other communities respectively, have been appointed to Indian Civil Service by nomination since the present system of holding simultaneous examinations in England and India was started?

The Honourable Sir Harry Haig: I lay a statement on the table. I may add that an examination for the Indian Civil Service has been held in India since 1922, but it is not held simultaneously with the examination in England.

Communities from which candidates have been appointed to the Indian Civil Service by nominations since 1922.

Hindus	2
Muslims	26
Anglo-Indian	1
Indian Christians	3
Sikhs	4
Burmans	11
	<hr/> 47 <hr/>

PROMOTIONS TO THE SUPERIOR STAFF IN THE MILITARY ACCOUNTS DEPARTMENT.

1483. ***Mr. S. C. Mitra:** (a) Will Government please state whether it is a fact that:

- (i) a number of vacancies on the superior staff of the Military Accounts Department is filled by promotion of Deputy Assistant Controllers of Military Accounts and Assistant Financial Advisers, Military Finance;
- (ii) of the ten officers promoted to the superior staff during the last ten years, only three were Indians, mostly on the verge of retirement;
- (iii) selections from the Military Finance branch were stopped since European and Anglo-Indian Assistant Financial Advisers were not available in that branch;
- (iv) junior Anglo-Indian and European Deputy Assistant Controllers of Military Accounts have been promoted to the superior staff while the claims of senior Indians have been overlooked; and
- (v) a very junior European Deputy Assistant Controller of Military Account (Mr. Farmer), who had been holding a non-gazetted appointment only a year ago, is to be promoted to the superior staff in the near future in supersession of over sixty Indian Deputy Assistant Controllers of Military Accounts?

(b) If so, will Government be pleased to state the reason for this racial discrimination?

The Honourable Sir George Schuster: (a) (i) Yes. Since 1923 the method of recruitment has been to fill 2/3rds of the vacancies by direct appointment of statutory Indians on the results of a competitive examination and 1/3rd by promotion from the sources mentioned.

(ii) The facts are not quite correct. From 1923 to date two Indians and 13 Anglo-Indians or Europeans have been appointed by promotion. In the same period 25 officers have been directly appointed, of whom 23 have been Indians. Having regard to the duties of officers of the Military Accounts Department in peace and in war a leaven of officers with practical Army experience is invaluable. Under the present system of recruitment the only source from which this element can be drawn is a limited number of Europeans in the subordinate grades who have served in the Army. Advantage has, therefore, been taken of this temporary circumstance to select suitable persons for promotion. This source is now almost exhausted.

(iii) The answer is "No", both to the question and to the implication. Assistant Financial Advisers are still eligible for selection and the present staff includes one European and one Anglo-Indian.

(iv) No individual has any *claim* to promotion to the Superior Service. The criterion for selection is not seniority but the possession of the qualities requisite for an officer of the Superior Service. Moreover, experience has proved that better value is obtained by selecting promising juniors for promotion rather than elderly officers who have only a few more years' service to put in.

(v) Subject to the concurrence of the Public Service Commission it is intended to promote simultaneously two individuals, one of whom is the officer named.

(b) The answer to the suggestion of racial discrimination in this selection is that the other officer selected is an Indian who is even more junior than the officer named.

CATEGORIES AND PAY OF NON-INDIAN CLERKS EMPLOYED IN THE ARMY HEADQUARTERS.

1484. ***Mr. P. G. Reddi:** (a) Is it a fact that there are five categories of non-Indian clerks employed at Army Headquarters, viz., (i) British military clerks, (ii) British civilian male clerks, (iii) British female clerks, (iv) Anglo-Indian male clerks, and (v) Anglo-Indian female clerks?

(b) What is the average pay of these five categories?

(c) What is the average pay of Indian clerks?

(d) Is it a fact that British clerks never start service at Rs. 75 per mensem? Is this rate exclusively reserved for Indian and Anglo-Indian male clerks?

Mr. G. E. F. Tottenham: (a) Personnel of the categories mentioned are employed at Army Headquarters, but there is no official classification of this kind.

(b) and (c). The average pay depends upon the division in which the clerk, whether British, Anglo-Indian, Indian, male or female, happens to be actually serving. The average pay of a special grade second division clerk is Rs. 289 per mensem, of a second division clerk ordinary grade Rs. 177 per mensem, and of a third division clerk Rs. 133 per mensem.

(d) Except for the few men recruited from British regiments and employed as second division clerks and also for lady clerks of all nationalities the initial rate of pay is the same for all, namely, Rs. 90.

TECHNICAL MILITARY CLERKS IN THE MASTER-GENERAL OF THE ORDNANCE BRANCH, ARMY HEADQUARTERS.

1485. *Mr. P. G. Reddi: (a) Is it a fact that British military subordinates as they become surplus to arsenal establishments are dumped in the M. G. Os. Branch at Army Headquarters, and are given a special rate of pay under the designation of technical military clerks?

(b) What is the present number of these technical military clerks in the M. G. O.'s office?

(c) Is it a fact that the average pay of a military technical clerk is Rs. 590 per mensem (including an allowance of Rs. 80 for house-rent)?

(d) Is it a fact that the pay of an Indian clerk for doing identical work is Rs. 133 per mensem (inclusive of all allowances)?

(e) Is it a fact that a recognized authority on establishment matters—Mr. Macdonald, now Deputy Secretary of the Army Department—made the observation in his report on Army Headquarters ministerial staff in 1929 that the work done by these military clerks (miscalled technical clerks) could be performed equally well, if not better, by intelligent routine clerks?

(f) In view of Mr. Macdonald's opinion will Government please state the justification for the continued employment of these so-called technical clerks in the M. G. O.'s office?

(g) Is it a fact that the entertainment of one particularly highly paid of these military clerks in the M. G. O. Branch has involved, on financial ground, the suspension of one post of Superintendent, causing tremendous grievance to the civilian staff of the office?

(h) Do Government propose to take the earliest opportunity to retrench these highly paid surplus men and relieve the taxpayers of their burden? If not, why not?

Mr. G. R. F. Tottenham: (a) Certainly not, Sir. Technical clerks are only employed to meet the actual requirements of the Army Headquarters and they receive the same pay, allowances and other concessions as would be admissible to them if they were employed in an arsenal.

(b) Eleven.

(c) No, the average cost of a technical clerk is Rs. 510 per mensem, inclusive of any allowances on account of house rent.

(d) No, a clerk without technical knowledge could not do the work on which the technical clerks are employed.

(e) No, Mr. Macdonald's remark had reference to one individual only and that individual was immediately replaced by a routine clerk.

(f) In view of the reply to the preceding part of the question, this question does not arise.

(g) The technical clerk referred to would be necessary whether there was a regular ministerial superintendent in the section or not. His employment in the dual role of superintendent and technical clerk followed Mr. Macdonald's recommendations and results in a saving.

(h) No, because they are not surplus men.

ESTABLISHMENT ROLLS OF THE MASTER-GENERAL OF THE ORDNANCE BRANCH,
ARMY HEADQUARTERS.

1486. ***Mr. P. G. Reddi:** (a) Is it a fact that the M. G. O. has cancelled a previous order under which the establishment rolls of the main office and Provision section were to be amalgamated.

(b) Is it a fact that a deputation of Indian clerks of the branch requested the Officer Supervisor to secure them an interview with the M. G. O. in this connection, and that this request was not granted?

Mr. G. R. F. Tottenham: (a) No, Sir, a separate ministerial establishment for the Provision Section of the M. G. O. Branch was sanctioned by the Government of India as a result of Mr. Macdonald's enquiry. The decision was based solely on considerations of efficiency and economy.

(b) No, my information is that certain representations on the subject were made in writing, but no interview was asked for.

ALLEGED ANTI-INDIAN ATMOSPHERE IN THE ARMY HEADQUARTERS.

1487. ***Mr. P. G. Reddi:** Are Government aware of the anti-Indian atmosphere which is reigning supreme in Army Headquarters offices generally? If so, do Government propose to set up some machinery whereby the interests of Indian clerks in those offices would be adequately safeguarded? If not, why not?

Mr. G. R. F. Tottenham: The answer to the first part of the question is in the negative. The rest of the question, therefore, does not arise.

TREATMENT METED TO INDIAN STUDENTS IN GERMANY.

1488. ***Mr. Lalchand Navalrai:** (a) Has Government's attention been drawn to the contribution in the *Hindustan Times* of the 9th December, 1933 under the caption "Indian students in Germany—undignified treatment and segregation"?

(b) Is it a fact that restrictions have been placed on the Indian students in Germany by the new regime which are causing them hardship?

(c) If so, what restrictions have been placed on them?

(d) Have they been segregated?

(e) Is it a fact that German girls who have married Indian students are deprived of their nationality?

(f) What steps do Government propose to take in this matter?

Mr. H. A. F. Metcalfe: (a) Yes.

(b) to (e). The information is being obtained from His Majesty's Ambassador in Germany and will be communicated to the House in due course.

(f) Does not arise at present.

EMPLOYMENT OF SIKHS AS SUPERINTENDENTS AND DIVISIONAL ACCOUNTANTS IN THE OFFICE OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES.

1489. *Sardar Sant Singh: (a) Will Government be pleased to intimate the number of:

- (i) S. A. S. Superintendents,
- (ii) Divisional Accountants, and
- (iii) Clerks and Auditors,

in the office of the Accountant General, Central Revenues and the Auditor General in India, employed at present as well as immediately before the retrenchment effected in 1931-32? How many of them are and were Sikhs?

(b) Is it a fact that there is no Sikh in the Superintendent's post and that there is only one Sikh Divisional Accountant? If so, will Government be pleased to intimate whether any steps have been taken to make up the deficiency?

(c) If the reply to the last part of part (b) above be in the negative, will Government be pleased to intimate reasons in justification of the same? If the reply be in the affirmative, will Government kindly intimate by what time they expect to make up the deficit?

The Honourable Sir George Schuster: With your permission, Sir, I will deal with questions Nos. 1489 to 1498 together.

Enquiry is being made and complete replies will be laid on the table in due course.

DIVISIONAL ACCOUNTS IN THE CENTRAL PUBLIC WORKS DEPARTMENT.

†1490. *Sardar Sant Singh: Will Government be pleased to intimate (i) when the cadre of Divisional Accountants for Delhi Public Works Department was created, (ii) the number of the posts it comprised of immediately before the Central Account Office, New Delhi, was abolished, and (iii) the names of the Divisional Accountants with the names of the Divisions to which they were recommended by the C. A. O. to be posted, as well as the names of the Divisions to which they were agreed by the Superintending Engineer or the Chief Engineer to be posted?

DIVISIONAL ACCOUNTANTS IN THE CENTRAL PUBLIC WORKS DEPARTMENT.

†1491. *Sardar Sant Singh: (a) Is it a fact that six Executive Engineers were made permanent in pursuance of the Secretary of State's sanction, *vide* his telegram No. 953, dated the 18th March, 1930 (Government of India, F. D. No. F-8/XXVII-Ex.-L-29, dated the 17th April, 1930), and that one Divisional Accountant for a Public Works Division is an indispensable element under rule 1 of Appendix 2 to P. W. A. Code? Will Government be pleased to state why six of the Divisional Accountants in the Delhi Public Works Department were not simultaneously confirmed?

(b) Will Government be pleased to state how many of the Accountants had to be retrenched due to the retrenchment campaign and the steps taken to protect the rights of those retrenched men?

†For answer to this question, see answer to question No. 1489.

DIVISIONAL ACCOUNTANTS IN THE CENTRAL PUBLIC WORKS DEPARTMENT.

†1492.***Sardar Sant Singh:** Is it a fact that no steps have so far been taken to convert six temporary posts of the Divisional Accountants in the Central Public Works Department into permanent ones? Is it a fact that the staff of that Department has been made permanent? Will Government be pleased to state the reasons for the same, and when are these posts likely to be made permanent?

SIKH DIVISIONAL ACCOUNTANTS IN THE CENTRAL PUBLIC WORKS DEPARTMENT

†1493.***Sardar Sant Singh:** Will Government be pleased to state how many of the Divisional Accountants belonging to the Central Public Works Department were Sikhs, and how many of those Sikh Divisional Accountants were retained in service when the cadre in question was amalgamated with that of the main office, i.e., Accountant General, Central Revenues, and under what considerations and conditions? If all of the Sikh Divisional Accountants were not retained, will Government be pleased to state the reasons for such action?

FILLING UP OF VACANT POSTS OF DIVISIONAL ACCOUNTANTS IN THE OFFICE OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES.

†1494.***Sardar Sant Singh:** Is it a fact that some permanent posts in the Divisional Accountant's cadre of the Accountant General, Central Revenues, are lying vacant for some years past? If so, will Government be pleased to state the reasons for not making the men working against these posts permanent?

FILLING UP OF VACANT POSTS OF DIVISIONAL ACCOUNTANTS IN THE OFFICE OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES.

†1495.***Sardar Sant Singh:** (a) Is it a fact that last year permission was applied for by the authority concerned to fill up six of the permanent posts of Divisional Accountants in the Accountant General, Central Revenues cadre permanently and that sanction was given for filling up four posts only? If so, will Government be pleased to state the reasons for withholding the sanction for filling up the remaining two posts?

(b) Is it a fact that none of the four posts referred to in part (a) went to a Sikh, and if so, why?

SIKH DIVISIONAL ACCOUNTANTS IN THE CENTRAL PUBLIC WORKS DEPARTMENT.

†1496.***Sardar Sant Singh:** Will Government be pleased to state whether all the Sikh Divisional Accountants of the Delhi Public Works Department held permanent appointments before the Central Accounts Office was abolished? If not, what position did they hold in that cadre?

EMPLOYMENT OF SIKHS AS DIVISIONAL ACCOUNTANTS IN THE OFFICE OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES.

†1497.***Sardar Sant Singh:** (a) Will Government be pleased to state the number of Sikh Divisional Accountants and clerks in the office of the Accountant General, Central Revenues and the Auditor General in India, who have passed the Subordinate Accounts Service Examination, and

†For answer to this question, see answer to question No. 1489.

whether any of them has ever been allowed to officiate in the S. A. S. posts? If so, for how long?

(b) Do Government propose to consider the question of the appointment of Sikh S. A. S. candidates in the vacancies that may occur henceforward? If not, why not?

RETRENCHMENT OF TWO SIKHS FROM THE LATE CENTRAL ACCOUNTS OFFICE.

†1498. *Sardar Sant Singh: Will Government be pleased to state whether the intention of the orders issued in their memorandum No. F-79-Xi-ExpL/32, dated the 3rd August, 1931, on the subject of selection of personnel for retrenchment, was to protect the members of the minority communities from the retrenchment campaign? If so, why were two of the Sikh members of the late Central Accounts Office retrenched in preference to their colleagues who were junior in service to the Sikhs?

PICTURES PUBLISHED BY THE RAILWAY PUBLICITY DEPARTMENT.

1499. *Mr. Nabakumar Sing Dudhoria: Will Government be pleased to state:

- (a) the name of pictures executed, printed, and published by the Railway Publicity Department in 1932-33;
- (b) the name of the author of each of such picture;
- (c) the total amount paid to each of such author for design and execution of each;
- (d) the names of the press or printing office, which printed each, either in India or abroad; and
- (e) the total amount spent on the printing of those publicity pictures in 1932-33?

Mr. P. B. Rau: I place on the table a statement giving the particulars asked for.

Name of Posters or Pictures.	Name of Author.	Amount paid to each Author for Posters or Pictures.	Names of Presses where printed.	Total amount spent on printing.	
		Rs.		Rs.	Rs.
(i) Bombay . . .	Bagdatopoulos	1,000	Bolton Fine Art Litho Works, Bombay.	1,119	4,041
(ii) Baluchistan . .	Mrs. Channer . .	250		939	
(iii) Kedarnath . .	Mr. G. T. Tait	N2		1,083	
(iv) Mysore . . .	Major Marwick	250	British India Press, Bombay.	900	

†For answer to this question, see answer to question No. 1489.

EXAMINATIONS HELD IN INDIA BY THE PUBLIC SERVICE COMMISSION.

1500. ***Mr. Nabakumar Sing Dudhoria:** Will Government be pleased to state:

- (a) the names of public examinations that are not held in India since the last two years and that were previously held under the auspices of the Public Services Commission;
- (b) whether some candidates, British and Indian, have been recruited both locally and abroad for the services for which those examinations were held for some time on competition basis;
- (c) if so, the names of all those candidates together with the names of services for which they have been recruited;
- (d) whether any of those candidates have been taken on a temporary arrangement; if so, which of them; and
- (e) whether in view of the limitation of the work and activities of the Public Services Commission there has been effected any retrenchment either of the personnel or the establishment of the Commission?

The Honourable Sir Harry Haig: (a) The combined examination for the Indian Audit and Accounts Service, the Military Accounts Department, the Imperial Customs Service and the Indian Railway Accounts Service, the examination for the Indian Forest Service and the combined examination for the Indian Service of Engineers, the Indian Railway Service of Engineers and the Transportation (Traffic) and Commercial Departments of the Superior Revenue Establishment of State Railways.

(b), (c) and (d). The information is not available, and could not be obtained without an expenditure of time and labour that would not be justifiable.

(e) It is not correct that recent changes have involved any limitation of the work and activities of the Public Service Commission. On the contrary, new examinations which have been handed over to the Commission and have attracted large numbers of candidates, have recently necessitated some increase in the establishment. As a measure of economy, the post of one Member of the Commission was retrenched in 1932 and also of one stenographer and three menials.

TRACTS OF LANDS KEPT UNUSED BY THE BENGAL NAGPUR AND EAST INDIAN RAILWAYS.

1501. ***Mr. Nabakumar Sing Dudhoria:** Will Government be pleased to state:

- (a) whether it is a fact that on the Bengal Nagpur Railway and East Indian Railway particularly extensive tracts of acquired lands are still being kept reserved unused in very thickly populated areas, and that the purpose for which such lands were originally acquired has not been fulfilled during the last 30 or 40 years;
- (b) if so, whether the Railway Board propose to take the matter up and institute an enquiry into the necessity or otherwise of keeping such lands unused for such long time;
- (c) whether it is a fact that representations have already been sent to the Railway Board from time to time on such a matter from different places; and

- (d) if so, what steps or attitude the Board has so long taken in the matter?

Mr. P. E. Rau: The utilization for revenue earning purposes of land, which is not required in the near future for railway purposes, has been under consideration for some time, and the revised rules for the custody and management of railway land, which were promulgated in January last, permit of such land being leased or licensed to outsiders. The Pope Committee in their Report submitted in February last, recommended that spare land and accommodation should be utilized for revenue earning purposes, and Government have drawn the attention of Railway Administrations to that recommendation, and have called for their views on the possibility of giving effect to the suggestions contained in the Report.

RE-ORGANISATION OF THE PUSA IMPERIAL INSTITUTE OF AGRICULTURAL RESEARCH.

1502. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state the steps they have taken to reorganize Pusa (Bihar) Imperial Institute of Agricultural Research, on the lines of the Agricultural Commission's recommendation?

(b) Is it a fact that one of the members of the Agricultural Commission criticised the station as a mere fodder growing station? Have any improvements taken place since then? If so, what?

(c) Is it a fact that the posts of several heads of scientific sections have been lying vacant for the last two or three years? If so, why?

Mr. G. S. Bajpai: (a) I would invite the Honourable Member's attention to the periodical reports of the progress made in giving effect to the recommendations of the Royal Commission on Agriculture in India. Copies of these reports will be found in the Library of the House.

(b) Government are not aware of any such statement. If the Honourable Member wants to know what action has been taken on the recommendations of the Royal Agricultural Commission in regard to Pusa, I would refer him to the answer which I have given to part (a) of this question. If he wishes to familiarise himself with the activities of the Institute, I would suggest that he should consult the Director's Report and connected documents which are published annually and are available in the Library of the House.

(c) Steps have recently been taken to recruit for the posts of Imperial Agricultural Chemist and Imperial Entomologist which have been vacant for some time. No other headship of section is vacant. The delay in recruiting for these vacancies has been largely due to the fact that revised scales of pay for Class I posts had to be settled and the sanction of the Secretary of State had to be obtained for throwing open these appointments to candidates who are not members of the Indian Agricultural Service.

RE-ORGANISATION OF THE PUSA IMPERIAL INSTITUTE OF AGRICULTURAL RESEARCH.

1503. ***Mr. Lalchand Navalrai:** (a) Is it a fact that one, Dr. B. A. Keen, was specially brought down to Pusa to reorganize Pusa Imperial Institute of Agricultural Research?

(b) How far do his recommendations go, and how far have they been accepted?

(c) What is the amount spent on this officer?

Mr. G. S. Bajpai: (a) Yes.

(b) Owing to financial stringency it was not possible to give effect to Dr. Keen's original recommendations which aimed at a complete re-organisation of the Pusa Institute. Before he left, Dr. Keen submitted revised proposals in the light of the urgent need for economy. These have been put in force with slight modifications and as a result the working of the Institute has been improved within the limits possible in present financial circumstances.

(c) Dr. Keen served as Director of the Pusa Institute from the 6th November, 1930, to the 3rd December, 1931. The total amount spent on him was approximately Rs. 34,500, in addition to a free house and free return passage for himself and his wife.

TRAINING OF STUDENTS IN THE PUSA IMPERIAL INSTITUTE OF AGRICULTURAL RESEARCH.

1504. ***Mr. Lalchand Navarai:** (a) Will Government be pleased to state how many students have been admitted to the Imperial Institute of Agricultural Research for training since it came into existence?

(b) How many of those students have completed their course and how many still remain?

(c) Will Government be pleased to state what prospects have these students after they finish their course of training?

(d) Have any of the students been taken in Government service after their course of training and is there any prospect for them at present?

Mr. G. S. Bajpai: (a) A statement is laid on the table.

(b) 40 students are still under training.

(c) They will be eligible for appointment in the various agricultural departments in India and the qualifications which they acquire should also improve their chances of securing private employment.

(d) Many of the past students are in Government service. As regards the last part of the question I shall refer the Honourable Member to the relevant portion of the answer to part (c) of the question.

(a) (i) Before the institution of post-graduate courses in 1923, 131 students, mostly deputed by Provinces and Indian States, received training.

(ii) Subsequently, 180 were admitted for post-graduate and Dairy Diploma Courses, of whom 125 have completed their training.

(iii) Besides these, nearly 400 students have done short courses.

EXPENDITURE INCURRED ON THE PUSA IMPERIAL INSTITUTE OF AGRICULTURAL RESEARCH.

1505. ***Mr. Lalchand Navarai:** (a) Will Government be pleased to state the annual expenditure incurred on the Imperial Institute of Agricultural Research at Pusa since 1930?

(b) Why was not this Institute transferred to the control of Imperial Agricultural Research Council?

(c) Is it a fact that Pusa Institute carries on sugar-cane breeding as a part of its activities?

(d) In what way does this Institute co-operate in its research work with that of the work of the Imperial Research Council?

Mr. G. S. Bajpai: (a) A statement is laid on the table.

(b) So that the Imperial and Provincial research institutions should stand in exactly the same relation to the Imperial Council of Agricultural Research.

(c) Yes.

(d) The Pusa Institute has at present several important research schemes in hand for which the Research Council has made grants. Members of the staff of the Institute also serve on technical committees appointed by the Council and assist in the publication work.

Statement of expenditure incurred annually on the Imperial Institute of Agricultural Research, Pusa, since 1930.

Year.	Rs.
1930-31 (actuals)	15,57,570
1931-32 (actuals)	12,39,751
1932-33 (Revised estimate)	9,11,100
1933-34 (Budget estimate)	9,67,900

RECRUITMENT OF INDIANS TO THE COMMISSIONED RANKS OF THE INDIAN VETERINARY CORPS.

1506. ***Sirdar Harbans Singh Brar:** (a) In view of their repeated promises to open the recruitment of Indians to the Commissioned ranks of Indian Veterinary Corps, do Government propose to expedite the publication of the rules immediately?

(b) Do Government propose to give publicity to the said rules, to enable the Indians qualifying for M.R.C.V.S. in England to take advantage of this scheme of recruitment?

Mr. G. R. F. Tottenham: With your permission, Sir, I propose to answer questions Nos. 1506 and 1509 together.

(a) The attention of the Honourable Members is invited to the answer I gave on the 29th August, 1933, to starred question No. 161, when I explained that it was unlikely that the new rules could come into force before the first batch of cadets receive their commissions from the Indian Military Academy at the end of 1934.

(b) Yes.

DUTIES OF THE OFFICER-IN-CHARGE, MEDICAL MOBILIZATION STORES.

1507. ***Sirdar Sohan Singh:** (a) Was there a post called D. A. D. M. S. (Mobilization) in certain Military Districts?

(b) If so, has this post been abolished in certain Districts and not in others? If so, why?

(c) Is it a fact that the designation of the officer who has been doing the same work is Officer-in-Charge, Medical Mobilization Stores?

(d) Is there any difference in the nature of the duties performed by the two respective officers mentioned above, also in their pay and allowances and distinction badges?

Mr. G. R. F. Tottenham: (a) Yes.

(b) All these appointments were abolished as a measure of economy.

(c) and (d). The duties attached to the appointments have been split up and entrusted to other officers, who wear no distinctive badge nor receive any special remuneration on this account.

RECRUITMENT OF INDIANS TO THE INDIAN MEDICAL SERVICE.

1508. ***Sirdar Sohan Singh:** (a) Will Government be pleased to inform this House how many Indians have been recruited in the Indian Medical Service during the last two years?

(b) What are the proposals for the recruitment of Indians to the Indian Medical Service for the next two years?

Mr. G. R. F. Tottenham: (a) Thirteen.

(b) The number of Indian officers of the I. M. S. being at present over strength according to the existing scale, there is no proposal to recruit more Indians to that service in the near future.

RULES FOR RECRUITMENT OF INDIANS TO THE COMMISSIONED RANKS OF THE INDIAN VETERINARY SERVICE.

†1509. ***Mr. Jagan Nath Aggarwal:** (a) Do Government propose to expedite the publication of the rules relating to the recruitment of Indians to the Commissioned ranks of the Indian Veterinary Service?

(b) Do Government propose to publish the rules simultaneously in England and India and invite applications for such recruitment?

APPEALS WITHHELD BY CERTAIN DIVISIONAL SUPERINTENDENTS ON THE EAST INDIAN RAILWAY.

1510. ***Mr. S. G. Jog:** (a) Is it a fact that Mr. P. R. Rau, M.L.A., in answer to a supplementary question to starred question No. 795 of the 12th September, 1933 said that there is nothing to prevent a subordinate to send an advance copy of his appeal? If the reply is in the affirmative, will Government state under what circumstances has the Agent, East Indian Railway, on the 20th September, 1933, issued instructions that the practice of submitting advance copies of appeals must cease forthwith, vide para. 640 of East Indian Railway Gazette, No. 19 of 1933, reading:

"The Railway Board have drawn attention to the prevailing practice of submitting direct to them advance copies of appeals intended for their consideration, and have pointed out that as no action can be taken on these advance copies they serve no useful purpose and only entail unnecessary clerical work.

All staff are, therefore, to note that the practice of submitting advance copies of appeal must cease forthwith. These instructions apply not only to appeals addressed to the Board but to all appeals to whomsoever addressed."

(b) What are the sources through which the Agent or the appellate authority can look into an appeal if and when withheld by the Divisional Superintendent or any other subordinate authority?

(c) What are the number and nature of appeals withheld by the Divisional Superintendents, Howrah, Asansol, Danapur, Allahabad, Lucknow and Moradabad during the half year ending 30th November, 1933?

†For answer to this question, see answer to question No. 1506.

(d) How were the appeals withheld by the Divisional Superintendents looked into and disposed of by the Agent?

Mr. P. B. Rau: I have called for certain information and will lay a reply on the table in due course.

CUT IN THE CONSOLIDATED ALLOWANCE OF TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

1511. ***Mr. S. G. Jog:** Is it a fact that Mr. P. R. Rau, M.L.A., in answer to starred question No. 1274 of the 1st December, 1933, said that the Consolidated Allowance should not be subjected to any cut? If so,

(a) what is the significance of the word *should* used therein; and

(b) does the word *should* effect the future, present or past?

(c) Have Government held that this cut was an unwarranted one? If so, do Government propose to refund the amount already recovered? If not, why not?

Mr. P. B. Rau: The answer to the first part of the question is in the negative and the second part does not arise. If my Honourable friend had done me the honour to listen to the reply I gave, or read it in the printed debates afterwards, he would have found that the word "should" which has so exercised him was not used by me.

UNSTARRED QUESTIONS AND ANSWERS.

ABOLITION OF THE POST OF INSPECTOR IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

369. **Mr. Goswami M. B. Puri:** (a) Is it a fact that the duties of the Inspectors in the Railway Clearing Accounts Office are merely to bring copies of missing returns, invoices and parcel-waybills?

(b) If so, do Government not propose to abolish such posts in view of the present economical distress?

Mr. P. B. Rau: (a) No.

(b) Does not arise.

READERS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

370. **Mr. S. G. Jog:** Will Government be pleased to state how many grades of Readers are there in the Government of India Press, New Delhi? What are the duties of Readers in each grade?

The Honourable Sir Frank Noyce: There are five grades. With the exception of those of the Head Reader who supervises and distributes work in the Reading Section, the duties of Readers in the various grades are not specifically differentiated, but an endeavour is made to entrust each Reader with work corresponding to his grade. Senior Readers are ordinarily given press readings and the more intricate and responsible second readings.

**INCREASE OF WORK IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI,
BY THE TRANSFER OF THE CENTRAL PUBLICATION BRANCH.**

371. **Mr. S. G. Jog:** Are Government aware that by the transfer of Central Publication Branch from Calcutta, the work in the Government of India Press, Delhi, has doubly increased?

The Honourable Sir Frank Noyce: No; the consequent arrangements have resulted in some increase, but the work has not been doubled.

AMALGAMATION OF THE GOVERNMENT OF INDIA PRESSES, CALCUTTA AND NEW DELHI.

372. **Mr. S. G. Jog:** Will Government be pleased to state if it is a fact that by the amalgamation of the Government of India Press, Calcutta, with the Government of India Press, Delhi, the Delhi Press will become a first class Press?

The Honourable Sir Frank Noyce: I am not sure what the Honourable Member means by a first class Press. The Calcutta Press has not been amalgamated with the Delhi Press; some of the work previously done in the former Press has been transferred to the latter Press with the necessary machinery and staff.

PROCEDURE FOLLOWED IN FIXING SENIORITY IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

373. **Mr. S. G. Jog:** Will Government be pleased to state what procedure is followed in fixing the seniority of a man in the Government of India Press, New Delhi? Is it at the Manager's own sweet-will, or is there some definite procedure?

The Honourable Sir Frank Noyce: The attention of the Honourable Member is invited to the reply given by me on the 20th December, 1933, to parts (a) and (b) of unstarred question No. 360 in the Legislative Assembly by Lieutenant Nawab Muhammad Ibrahim Ali Khan.

FACILITIES TO THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESSES TO VENTILATE THEIR GRIEVANCES.

374. **Mr. S. G. Jog:** (a) Is it a fact that now-a-days the facilities which were allowed to the Press employees to ventilate their grievances to the higher authorities from time immemorial, have been taken away and limited to the Controller of Printing and Stationery as the final authority, and that the Managers of the Government Presses are empowered to do whatever they like,—especially the Delhi Press Manager?

(b) If the answer to part (a) be in the affirmative, do Government propose to reconsider the position of the employees by reopening the facilities formerly given to them?

The Honourable Sir Frank Noyce: (a) The rules for the submission of appeals by the subordinate services, including the staff of the Government of India Presses, were published with the Government of India Home Department Notifications No. F-9-19/30, dated the 27th February, 1932, and No. F-9-18/32, dated the 18th August, 1932, and rules for the submission of petitions with the Government of India, Home Department.

Notification No. F-6-7/33-II, dated the 19th June, 1933. No powers have been conferred on the Manager of the Delhi Press which are not vested in other Managers and there is provision for an appeal against the Managers' orders.

(b) The Government of India consider that these rules provide adequate protection. Grievances can also be ventilated in the Works Committees of the Presses.

FLUCTUATING AND RETRENCHED COMPOSITORS OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

375. Mr. S. G. Jog: (a) Are Government aware that the fluctuating and retrenched Compositors of the Government of India Press, New Delhi, join this Press whenever the Manager calls them?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether their cases are going to be considered at all or Bengalis from Calcutta are coming? If their cases are not going to be considered, what is the reason therefor?

The Honourable Sir Frank Noyce: (a) Several retrenched Compositors have accepted offers of appointment made to them from time to time.

(b) The attention of the Honourable Member is invited to the reply given by me on the 20th December, 1933, to part (b) of unstarred question No. 358 by Lieutenant Nawab Muhammad Ibrahim Ali Khan.

FACILITIES FOR MEDICAL AID TO THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, SIMLA.

376. Mr. S. G. Jog: (a) Will Government please state if it is a fact that the Medical Officer in charge of the Government of India Press, Simla, visits the said Press at random?

(b) Is it also a fact that medicines are brought next day from the hospital for the employees, although a caddy has been engaged for the purpose?

(c) If the replies to parts (a) and (b) be in the affirmative, do Government propose to instruct the Manager to see that the Medical Officer in charge attends the Press regularly before noon, so as to get the medicines the same evening?

The Honourable Sir Frank Noyce: (a) No. The Medical Officer in charge visits the Press regularly on alternate days, but not at any fixed time of the day.

(b) Yes. But urgent and immediate prescriptions are made over to the persons concerned who can obtain medicines the same evening.

(c) The matter is being investigated with a view to fixing some definite time, preferably in the forenoon for the Medical Officer's visits.

FACILITIES FOR MEDICAL AID TO THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, SIMLA.

377. Mr. S. G. Jog: Is it a fact that the employees of the Government of India Press, Simla, are entitled to free medical attendance for themselves and at half rates for their families by the Press doctor?

The Honourable Sir Frank Noyce: Yes.

ALLOTMENT OF QUARTERS TO THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, SIMLA.

378. Mr. S. G. Jog: (a) Are Government aware that Government clerks' quarters have been allotted to highly paid employees of the Government Press, Simla, instead of low paid men?

(b) Is it also a fact that five near relatives of the Head Clerk of the Press who are working in different capacities in the Press, are provided with Government quarters, ignoring the claims of many deserving persons?

(c) Is it also a fact that the Stationery Keeper who is drawing handsome pay has been allotted two quarters? Is he the younger brother of the Head Clerk?

(d) If the replies to parts (a), (b) and (c) above be in the affirmative, do Government propose to instruct the Manager of the said Press to allot quarters only to lowly paid and most deserving employees?

The Honourable Sir Frank Noyce: (a) No: the majority of the quarters have been allotted to low paid employees.

(b) No.

(c) Two quarters consisting of two rooms have been allotted for many years to the incumbent of the post of Stationery Keeper in the interest of Government work. The reply to the latter part of the question is in the affirmative.

(d) Does not arise.

GRANT OF TWO HOURS' LEAVE TWICE A MONTH TO THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, SIMLA.

379. Mr. S. G. Jog: (a) Is it a fact that after a careful consideration Government have allowed early leave for two hours only twice a month to their Press employees to meet their casual requirements?

(b) If the reply to part (a) be in the affirmative, are Government aware that the concession allowed is too frequently rejected, even in emergencies, to Press employees especially to the clerical staff of the Government of India Press, Simla? If so, do Government propose to instruct the Managers of their Presses to peruse the rejected applications for short period early leave before any final decision is arrived at? If not, why not?

The Honourable Sir Frank Noyce: (a) No. The question has not received the consideration of Government.

(b) Does not arise.

RESTRICTIONS IMPOSED ON THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, SIMLA, TO SEE THE DOCTORS IN HOSPITAL.

380. Mr. S. G. Jog: (a) Will Government please state if it is a fact that the Manager, Government of India Press, Simla, issued orders last year that any employee who wished to see the Doctor in hospital must take permission in writing from the Assistant Manager or the Head Clerk before he did so?

(b) If the reply to part (a) be in the affirmative, do Government propose to state if such restrictions have ever been imposed in any other Government office?

(c) Will Government please lay a copy of the said orders on the table of this House, and state the reasons for its justification?

(d) Is it a fact that this order has put the employees to great inconvenience?

The Honourable Sir Frank Noyce: (a) Yes. But the order is waived in cases of emergency or sudden illness.

(b) As far as I am aware, no such restrictions have been imposed in any other Government office.

(c) An extract from the order is laid on the table. The Press Doctor brought to notice that some of the Press employees were in the habit of visiting him at his house or when he was not on duty in the Press and that in the absence of a letter of authority or identification it was difficult for him to know whether the men who presented themselves were press employees or not. It was for this reason and to prevent unnecessary calls on the Doctor for trivial complaints that the Manager issued the orders.

(d) I have no reason to believe that this is the case. No complaints have been received from the employees either direct or through the Works Committee which is particularly intended to deal with such matters.

Extract from the office order of the Government of India Press, Simla.

* * * * *

All employees may especially note that henceforth when treatment or a recommendation for leave on medical certificate is required outside the Doctor's ordinary hours for visiting the Press, they should not visit the Doctor at his house or the Dispensary unless accompanied by a letter in the prescribed form which will be signed by the Assistant Manager in the case of industrial staff and Head Clerk in the case of the office.

This rule will of course be waived in cases of emergency and sudden illness at night.

* * * * *

HOURS IN THE GOVERNMENT OF INDIA PRESS, SIMLA.

381. **Mr. S. G. Jog:** (a) Is it a fact that the Government of India Press, Simla, is located at a distance of about two and a half miles from Simla?

(b) Is it a fact that the working hours of the Press are from nine to six o'clock in the evening?

(c) If the replies to parts (a) and (b) above be in the affirmative, are Government prepared to consider the desirability of reducing their working hours, especially during winter months?

(d) If the reply to part (c) be in the negative, do Government propose to increase the grace time from 10 minutes to twenty or thirty?

The Honourable Sir Frank Noyce: (a) No, it is within municipal limits.

(b) The hours of work of the industrial employees on week days except Saturday are as stated.

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

MOTION FOR ADJOURNMENT.

RECOMMENDATIONS OF THE CAPITATION TRIBUNAL.

Mr. President (The Honourable Sir Shanmukham Chetty): Order, order. The Chair has received a notice from Sirdar Harbans Singh Brar that he proposes to ask for leave to make a motion for the adjournment of the House today for the purpose of discussing a definite matter of urgent public importance, as follows:

"The unsatisfactory nature of the decision announced by His Majesty's Government on the recommendations of the Capitation Tribunal, that is, the inadequate contribution and compensation promised to India therein, which has been published this morning."

The report of the Capitation Tribunal was published in the papers yesterday morning and a copy of the actual report was, the Chair understands, supplied to Members last night. The Honourable Member, Sirdar Harbans Singh Brar, was perfectly correct in giving notice for the motion this morning, otherwise he would have lost the right. But it has been represented to the Chair that in view of the fact that the report was made available to Honourable Members only last night and that Honourable Members have not had a chance of reading the report, the Chair might agree to waive the objection on the ground of urgency if this motion was made at a later stage. The Chair has considered this representation, and so far as the Chair is concerned, if this motion is made on the first day when the House meets in January, the Chair would waive the objection on the ground of urgency. Is the Honourable Member agreeable to that?

Sirdar Harbans Singh Brar (East Punjab: Sikh): I am agreeable to that, Sir.

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

EXTENSION OF THE LIFE OF THE LEGISLATIVE ASSEMBLY.

Mr. President (The Honourable Sir Shanmukham Chetty): The following Message has been received from His Excellency the Governor General: (The Message was received by Members of the Assembly standing.)

"In exercise of the power conferred by section 63D of the Government of India Act, I, Freeman, Earl Willingdon, hereby extend the period of the continuance of the Legislative Assembly up to the 31st December, 1934.

(Sd.) WILLINGDON,

Viceroy and Governor General of India"

THE RESERVE BANK OF INDIA BILL.

Mr. President (The Honourable Sir Shanmukham Chetty): The House will now resume consideration of the third reading on the Reserve Bank of India Bill. In view of the advanced stage which this discussion has reached, the Chair thinks Honourable Members will agree with it that it

is desirable that this motion must be disposed of before the House disperses, and Honourable Members might probably know that today is the last day of the present Session. because tomorrow is a public holiday. We have got roughly about 4½ hours today. If Honourable Members would impose a restraint on themselves and a voluntary time limit, say, to the extent of 20 or 25 minutes per speaker, about nine or ten speakers could take part in the debate before 5 o'clock this evening. But if it is the general desire that more Members should take part in the debate or that Honourable Members should have unlimited time at their disposal, the Chair would certainly have no objection to sit tonight after dinner and go on till we finish it tomorrow morning.

An Honourable Member: We do not want to sit at night.

Mr. President (The Honourable Sir Shanmukham Chetty): The Chair is only giving the alternative to Honourable Members; it is for them to choose. It is very desirable, in view of the public business, that this motion must be disposed of today. So far as arrangements have been made at present, it is possible that Honourable Members might be summoned again on the 24th January, and the Chair is sure, Honourable Members will agree with it that it is desirable, in the light of the stage that this discussion has reached, and in view of the congested nature of the business that will come up before the next Session, that this motion should be disposed of today. The Honourable Member, Mr. Puri, has already taken 50 minutes and the Chair hopes that what it has said will have some effect upon his speech.

Mr. B. R. Puri (West Punjab: Non-Muhammadan): Sir, I will not detain the House for more than five or six minutes. Yesterday when the House rose, I was dealing with some important incidents connected with the passage of this unfortunate measure. I endeavoured to place before the House some samples of "high class politics" as compared with "politics of low depths." The House will be pleased to recollect that, in the course of my observations, I received a warning from the Honourable the Finance Member that in my case he would make a departure from his usual practice of administering sugar coated pills. May I assure him that that threat will not deter me from doing what I believe to be my bounden duty towards my country. I assure him that I had a perfectly good sleep last night and that this threat did not make me perspire either. Now, Sir, may I respectfully once more appeal to his sporting instinct that when he administers that bitter pill to me without sugar coating, I would expect from him in accordance with the rules of the game which he himself has been pleased to lay down, that the drug which he administers is not a rotten and impure drug borrowed from some other firm. Nor do I expect that the bitter pill which he has ear-marked for me would be passed on into the hands of other petty retail sellers who might come forward under false trade names and address the House. (Laughter.) This is so far as the Finance Member is concerned. I have no desire to go into the unfortunate controversy relating to the London incident. I have said enough yesterday and I shall be here at the beck and call of Honourable Members when they stand on their feet to answer them in the course of their speeches with reference to the questions which may arise therein. But I certainly feel, and this is my last item which I want to deal with,—I certainly feel that an explanation is due from me to my Honourable colleague on my left, the Leader of the European Group. In the course

[Mr. B. R. Puri.]

of my speech yesterday, I happened to remark that it was Sir Leslie Hudson, the Leader of the European Group, who had introduced this incident in his speech as to what had actually taken place in London regarding some of our Honourable colleagues who happened to be members of the London Committee, and I remarked that what Sir Leslie Hudson said regarding them was that their conduct, in going back upon their signatures, amounted to "dishonesty of purpose". I was interrupted, and I was told that these words were not used by my Honourable colleague. I confess that the words which he used were not identical, but if I am permitted to say, that what he actually did say amounted practically to what I said. I have not yet got the official report of his speech, but I am preserving, as I hinted yesterday, a copy of the *Statesman* which contains his speech practically *in extenso*. Apart from several sentences which appear scattered in different parts of his speech, he finally wound up the speech in the following terms. I would invite the attention of the House to the language which is used there. I am now reading. . . .

Mr. President (The Honourable Sir Shanmukham Chetty): Order, order. When one Honourable Member wants to quote the speech of another Honourable Member, he ought to quote from the official report and not from a newspaper.

Mr. B. R. Puri: The official report of the speech is not available, and if that is the ruling of the Chair, I have got nothing more to say.

Sir Leslie Hudson (Bombay: European): Sir, reference having been made by Mr. Puri to a speech which I made early in the week, I shall take this opportunity of stating to this House that nowhere in my speech did I impugn the honesty of motive or purpose of my Honourable friends who attended the London Committee. I used the word "honest" in connection with the amendment which was then under discussion and it was very unfortunate that this interpretation was then put upon it and has subsequently been put upon it by Mr. Puri. I repeat again that I did not suggest or intend to suggest that any of my Honourable colleagues were dishonest, and I entirely dissociate myself from the attack which has been made by Mr. Puri on the Members of this Honourable House who attended the London Committee. Those Members rendered a great public service in their labours at that Committee. All may not agree with all that they put their signatures to, but I submit that they acted in the interests of their country and their services should not be minimised. Sir, the word "honest" in such a connection is not intended to convey, nor should it convey any personal stigma. There are three major interests in life in relation to which the word "honest" does not always convey the same sense that we find in a dictionary. Those three main interests are love, hostile feeling and politics.

Before I sit down—as I do not intend to speak on the actual third reading of the Bill, may I add my congratulations to the Honourable the Finance Member for the admirable, able and patient way in which he has conducted this Bill to its final conclusion.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, it is sometimes difficult when one has to measure swords with a personal friend who over-reaches himself, spreading himself

like a green bay-tree. Yesterday, when my learned friend from Lahore pointed his finger of scorn to this side of the House and accused us, who went to London, of not being representatives, I, at any rate, thought that I must give an answer, especially as Mr. Puri belonged, when I was chosen for London, to my Party and he had ample opportunities inside the Party and out in the country to repudiate the representative capacity of the three gentlemen, his colleagues, who went to London in one capacity or another. Sir, we were representatives of the principal Opposition in the House when we were chosen. We are representatives still of the Nationalist Party which we brought into existence, and the gentleman who questioned our representative capacity has not until today succeeded in persuading my Party to pass a vote of censure on the Leader or any other member of the Party who went to London. In panic—because they could not get such a censure motion through—they fled; they formed themselves into a minority rump and, for two successive Sessions of the Legislative Assembly, here and at Simla, they have not succeeded even in taking, after trying to break the Party, our Benches, the second Opposition position. So much for the representative character of the people who went to London from my Party. So far as Sir Cowasji Jehangir, the Leader of the Opposition, and Mr. Mudaliar, his worthy Deputy Leader, are concerned, they can take care of themselves when they speak, but the very fact that both at Simla and in this Session they have occupied the front Bench seat in the Party and the position of leadership is proof enough that they are worthy representatives of this House and of their constituencies. In not a single constituency of any of the gentlemen who represented this House in London has a meeting been held to repudiate or call into question their representative capacity even though in such far-flung constituencies one meeting cannot be said to be wholly representative, but not even one meeting has been held, and here my Honourable friend lightly stands up and says: "I question their representative capacity". I cannot accuse Mr. Puri of personal disappointment, of treasuring up some malice against us, for even if he had been invited to London,—a busy lawyer as he happens to be who does not find adequate time day after day to sit in this House and do his work by his constituency,—he would most certainly not have accepted the invitation. (Laughter.) I, therefore, could not have said of him that he was speaking from personal disappointment which probably I might have said of some other members of his Party had they spoken before me. I have not heard them yet. But, Sir, I should not make a speech on Mr. Bhagat Ram Puri even though he made a speech on men yesterday more than on measures. I wish he had exercised his talents yesterday after his attack on the Finance Member, on the merits of the Bill, instead of directing his broadside against us. The Honourable the Finance Member is the villain of the piece and, as such, he has opened himself out for attack and he is competent enough to look after himself. If I may sum up Mr. Puri's scornful jests and grinning scorn, I can only say that he behaved as though:

"I do not love thee, Dr. Fell,
The reason why, I cannot tell;
But this I know, and know full well,
I do not love thee, Dr. Fell."

Sir, I am very glad, the Honourable the Leader of the European Group has been furnished with an opportunity to explain his speech or part of the speech—explanation for which was wholly unnecessary as I had already

[Mr. C. S. Ranga Iyer.]

explained it and he did not contradict—to his friends on this side of the House. But it is the privilege of an Opposition sometimes to exaggerate a misunderstanding (Laughter) as Mr. Mudaliar, the orator that he is, enjoyed or rather revelled in an exaggeration the other day. But, I am sure, when he stands up today, he would feel humble and make the usual bow necessary from gentlemen seated on these Benches to the European Group who have been anxiously co-operating with us to broaden the rights and liberties of our people. (Hear, hear.)

Lastly, I thought that the Deputy Leader of the Democratic Party would have had something to say at this fag-end of the discussion, "the funeral march" he called it. I thought he would have something to say even in a funereal tone on the desirability of the establishment of a State Bank instead of a Shareholders Bank! (Laughter.) He missed the occasion. Let us hope some others, in a less naked and savage manner, will come forward with a better scheme than a Shareholders Bank.

Lastly, I am perfectly satisfied and happy that we have had the opportunity of setting up a Shareholders Bank, though extremely unhappy about the circumstances. I wish the White Paper scheme had not placed us on the horns of a dilemma. I wish the British Government had not set a pistol to our heads and said: "Unless you introduce this Reserve Bank"—and in this connection I will call the attention of the Honourable the Finance Member to that aspect of Sir Tej Bahadur Sapru's memorable memorandum—"nothing can be done at the Centre." I wish they had not said that the establishment of a Reserve Bank was a necessary condition precedent to the establishment of responsibility at the Centre. Sir, we could not help it and, in the worst of circumstances, we have done our best and are willing to face the public verdict,—“in divine affection bold”. (Applause.)

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I do not wish to reply to Mr. Puri's arguments and to the attacks which he made on different people yesterday. I was listening patiently when he was using that language, because, he got some kind of snub from the Honourable the Finance Member, but I listened and waited to find what arguments Mr. Puri really had on this occasion to present to the House. Sir, I am sorry to say, I was disappointed to find that Mr. Puri did not advance any arguments at all save and except launching sarcastic attacks on different people yesterday. Mr. Puri said that the people who sat on the Joint Select Committee and those who went to the London Committee were not the real representatives of the House. I say what more proof can there be of their representative character than to find that their decision has been upheld by a huge majority of this House? (Hear, hear.) Sir, if the people were not representatives of the House as a whole, surely they could not carry the majority of the House with them in this matter. I may admit that the measure, as it has been gone through, is not a perfect measure, because nothing made by human beings can be perfect, and we shall require in future, in the light of experience, to alter and modify this measure as the time goes, but I must assert that it is the best measure which, in the present circumstances, could be brought into existence. (Hear, hear.) Sir, we did have differences within the House and there have been Honourable Members who had tabled 382 amendments. Sir, may I ask Mr. Puri, when he had expressed a grievance that the amendments were not accepted by the House and by the

Honourable the Finance Member, what would have been the fate of this Bill if all those 382 amendments had been passed? If he says that a particular amendment should have been accepted and the others should not have been accepted, there would be some kind of reasoning. My Honourable friend is a lawyer of high standing, and I would ask him to compose the Bill after making all these amendments which had been moved by the different Members and to say what kind of Bill it would have been if altered by giving full effect to all these amendments. Well, then he would say that that Bill would not be worth reading at all. Now, although we did have differences here and had honest differences of opinion on different points, we all have fought for our views, and the different Members who moved the different amendments had had their say; but if they could not carry conviction with the majority of the House, that does not mean that they were either wrong or that the majority in the House would be in the wrong, and they should not have any grudge, but should take it all in a sporting manner and agree that whatever has been decided by the majority of the House should be accepted by themselves and that the Bill should be passed into law. We should forget all bitter talk and I trust that on this occasion the speeches would be of a kind that may create good harmony on this the last day of this Session and we should all avoid creating ill-feeling, and unworthy attacks on different Members. (Hear, hear.) Sir, I know I shall be voicing the feelings of the whole House when I say that the Honourable the Finance Member really deserves great congratulations from this House, (Hear, hear.) (Loud Applause.) Those of us who had attended the London Committee and the Joint Select Committee could not but admire the manner in which the Honourable the Finance Member carefully took down all the points as they emerged at the meetings every morning and then meeting his colleagues in the afternoon and at night preparing notes and giving to us his resumé and suggestions on the next day. All this no doubt involved a great strain on him and, Sir, for the manner in which he acceded to and met all reasonable demands, he deserves great commendation and the highest congratulations from the whole House (Loud Applause), and I heartily support the motion which has been moved by the Honourable the Finance Member and I hope the House will unanimously pass this Bill into law. (Cheers.)

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, I rise to support the motion of my Honourable friend, the Finance Member, for passing this Bill into law. ("Hear, hear" from the Official Benches.) I must admit that I am not happy over all the different clauses, but yet I know that the country as a whole will welcome this Bill as a beneficial measure. (Hear, hear.) I know that we have in this House gained only two important amendments. The most important one is about the Agricultural Credit Department which will act as an advisory body and also as a co-ordinating body with the assistance of the Government, and the only other important amendment that we gained against the opposition of the Government was regarding the starting of a London Branch immediately. We have lost on many important amendments, some of which were of first-class importance,—I mean the question about it being a State Bank and the question about the ratio and the other question about fixing the limit of holding of shares at two-hundred. As regards the two points that we gained in the Select Committee, one about the first Governor being a man of tested banking experience of five years, and the other about fixing the first period of the life of this Bank at twenty-five years with power of

[Mr. S. C. Mitra.]

continuing it afterwards,—on these two points we have lost in this House. No doubt we lost on many other points, but we found that, on such an important measure, there must be occasions when we must agree to differ, and even the Finance Member, who has the patience of a Job, lost his temper once or twice. (*The Honourable Sir George Schuster*: “No, no’.”) At least yesterday, I think so, when he got up and told my Honourable friend, Mr. Puri, that when he would come to reply to him, Mr. Puri at any rate need not expect sugar-coated pills from the Finance Member.

Sir, I must say a few words in connection with the views which my Honourable friend and colleague, Mr. Vidya Sagar Pandya, was pleased to express here. We know, a patriot as he is, he was very much irritated when we lost the motion about the State Bank. We must give him great indulgence and when he speaks of his banking experience and banking matters, we always give him the most respectful hearing, but when he was administering advice on parliamentary procedure, I think it is my duty to remind him that he was walking on grounds of which he was not sure. I have no apology to offer either for my Leader or Deputy Leader. Even Mr. Puri, when he was abusing right and left all those people who happened to differ from him, admitted, that though he abused some of my Leaders, he praised some Leaders on the other side. He praised Dr. Ziauddin for his perseverance. Mr. Pandya's attack on the Party was not at all justified. He will remember that he was also in the Party when we discussed all these matters and my Leaders expressly said that they would be bound by the Party discipline and that they would not go a step further beyond the Party's decision. We discussed the matter with Mr. Pandya, Dr. Ziauddin and others. There was a very largely attended meeting of the Party. After much discussion we came to the conclusion that in such a controversial matter like the Banking Bill, it is only natural that there should be honest difference of opinion, and the Party by a clear majority decided that the members should be free to vote according to their own principles and conscience on the question of the Shareholders *versus* State Bank. It was Mr. Pandya who was wrong in saying that there was any indiscipline in the Party. I can say with perfect confidence that every member of the Party has full confidence in our Leaders and Deputy Leaders. In this connection, I would like to say that those who were present in the Select Committee know how much Sir Cowasji Jehangir contributed in securing for us material and essential points. Some members of the Opposition tried to secure what they could and express the views of the country and we all felt that, when it came from Sir Cowasji Jehangir, even the Government were very cautious before they refused to accept his demands. I am not a flatterer. I owe no obligation to any body. I feel in my heart of hearts that Sir Cowasji has acted like a patriot and an honest man. He may not have voiced popular sentiments every time, but he always tried to serve his country to the best of his ability according to his lights. A few remarks were passed upon him by my friend, Mr. Puri, for whom I have great respect, because we know that in this House we are very much benefited by his strong advocacy and eloquence in all matters where the popular cause is concerned. I also very much agree with him about his views on holding London Conferences. I personally believe that in all vital matters, which are to be passed for India, the Committees should be held in India, because our representatives in that far off land cannot be in constant touch with public opinion. There

are many vital matters that arise in the course of the discussions and they do not get the advantage of consulting public opinion. This new fangled policy of dictation from England and asking our representatives to go over to England to have discussions or even sending for the Viceroy himself for four months is against the best interests of the country. We know how in the past Secretaries of State usurped the functions of the Government of India. The time has come when this House should strongly protest against these measures. In this connection I must say that the Honourable the Finance Member made it perfectly clear that in spite of any understanding in the London Committee every individual Member of this House was free to speak as he liked and to vote as he liked. If they, after further consideration, like to change their views, they are at perfect liberty to do so, and I would ask my Honourable friend, Mr. Puri, to consider what was the real reason of our defeat in this House. He is a comparatively younger Member of this House, but I can tell him that if a proper organisation of Parties existed and every elected Member was present, whatever his personal views, we would have won many of the points we wanted. Mr. Puri knows that it is difficult for him, being only 12 hours distant by rail from Delhi, to be present on many important occasions, a patriot as he is. Whenever we send for him, he comes, but it sometimes falls to his lot that he cannot come. Today in this House two Secretaries, Mr. B. Das and Mr. Reddi are absent out of 20 members. I think more than 66 are also absent. That is our lot. It is no use abusing one gentleman or using hard expressions or vituperations against persons who may honestly differ from us. There is a consensus of opinion in the country that if there is proper organisation, then we certainly can defeat Government on all important points. Here we have a complaint against the Government also. They take care to see that every nominated Member is present. When he is absent for a day or two, they replace him by somebody else. Mr. Dash goes and Mr. Bartley takes his seat. If Colonel Gidney is detained, then Mr. Bower takes his place. The Government of India Act expressly declares that if Members continue to be absent for a considerable time, 60 days at a time, then Government should declare their seats vacant.

Sir Lancelot Graham (Secretary, Legislative Department): Not "should".

Mr. S. C. Mitra: It is "may". It is permissive.

An Honourable Member: "May" means "must".

Mr. S. C. Mitra: I think I am stating the truth when I say that throughout the life of the Legislature, both Central and Local, it was only in one case that this provision was applied and that was on me when I was detained by Government in jail and my seat was declared vacant. I hope the duty of the Government is not to defeat the Opposition, but their responsibility here in India is far greater. They should see that the Opposition also may properly function. So, coming to the real genesis of the defeat of the Opposition, it is not by quarrelling with particular individuals who honestly differ from us, but, it is due to our own weakness in not having a proper organisation of the Parties. With these words, I support the motion for the third reading of the Bill.

Dr. B. D. Dalal (Nominated Non-Official): Mr. President, I rise to support the third reading of the Reserve Bank Bill, and to congratulate the Honourable the Finance Member on the prospect of securing the passage of this Bill, which in the past has been so very contentious, into law—a measure which will promote the security and stability of Indian Finance, and which will shape the destinies of the New India in the future. The salient and momentous feature of the discussions and debates extending over several weeks is that a Central Bank for India should be set up without delay. This unanimous decision—this unanimous opinion of not only the Joint Select Committee, but also of this Honourable House—completely stultifies the contention of the Currency League of India and other financial and commercial organisations that the country is in no desperate hurry to have a Central Bank, and that the present time is not opportune, is not appropriate for the establishment of a Reserve Bank. The Joint Select Committee consisted of members who were deliberately chosen as representatives of divergent views. No small praise is due, therefore, to the Honourable Sir George Schuster for his success in tactfully shepherding so heterogeneous a flock into a single fold on this essential point, and the expedient of Minutes of Dissent and amendments has enabled the Honourable Members to give full rein to their convictions without disturbing the harmony of their agreement on this essential point that a Reserve Bank should be set up with all possible speed.

Now, Sir, I wish to say just one word as regards the alleged wrongful competition of the Imperial Bank with the indigenous banks. It has been said that in places where the Imperial Bank and the indigenous banks have branches, the interests of the indigenous banks are very seriously affected. So, it is urged that the agency terms to be granted to the Imperial Bank should not be generous—no privileges, no facilities, no concessions should be granted to the Imperial Bank, or it will act as a deterrent to the indigenous banking enterprise. I regard this allegation as a mischievous delusion; so, Sir, with your permission, I shall take this opportunity to clear away the misconception. Sir, there are three possible methods of competition, namely, attracting deposits, granting loans, and remittance business. (a) Admittedly the Imperial Bank can attract deposits at lower rates than the indigenous banks. But, Sir, even if the Imperial Bank were not in existence, the great majority of these deposits would certainly have gone to the Post Office Savings Bank and other large Joint Stock Banking Corporations, which quote similar rates to the Imperial Bank. It is generally acknowledged that the status of a bank is the chief factor in influencing deposit rates. (b) Owing to heavy establishment charges the Imperial Bank is certainly unable to quote lower rates for advances of a like risk than what the indigenous banks can do. (c) By quoting $1\frac{1}{32}$ per cent commission for telegraphic remittances to the banks, the Imperial Bank assists their remittance at a very insignificant margin of profit simply to assist the public. The Imperial Bank, as the successor of the old Presidency Banks, is the oldest bank in India, and if it has any advantage over other banks, it is certainly due to its long experience and old established business connections. The Imperial Bank, as a pioneer bank, introduced the habit of banking in many places where there were no banks before. Now, when the habit of banking has been formed and a profit is possible, other banks are entering the field and are keenly competing with the Imperial Bank. The business available in some places is not sufficient to support two banks, and so the Imperial Bank is unable to recoup itself for its earlier

losses. Despite these heavy losses, the Imperial Bank authorities are loath to close any of the established branches, inasmuch as such an action would have a most undesirable repercussion on the banking habit.

Now, Sir, I wish to make one important point, and I have done. Sir, there can be no doubt that the Honourable the Finance Member has all along been animated by the one desire to see India equipped with all facilities, which she needs to handle her financial problems and which are the more necessary now that she is standing at the threshold of important constitutional developments. Sir, I have been a Member of the Legislative Assembly since 1930. I say this not as a boast nor as a compliment, but as a fact. During that period from time to time the warm tribute paid to the Honourable Sir George Schuster by Member after Member is an honest measure of the regard in which India holds the present Finance Member. (Hear, hear.) Sir George Schuster has always shown a commendable sense of realities. His is an outstanding personality who is still young enough to look forward to a vigorous career in England. But, Sir, I submit that Sir George Schuster's task in India is still incomplete, and if he were to relinquish it too soon, it might even be thought that he cared more for his own future and personal ambitions in England than for the real interests of this country. Sir, I consider that it is an obligation upon the person who initiates and embarks upon such a comprehensive financial scheme as the establishment of a Reserve Bank to see it through, and I earnestly hope that the Honourable Member will not take his hand off the plough before the end of the furrow is in sight.

Mr. R. S. Sarma (Nominated Non-Official): Mr. President, as one who was responsible to move a most important amendment, I think it is now my duty in the third reading to give my full support to the passing of this great measure. Sir, my Honourable friend, Mr. Puri, has thrown across the floor a few handsome bouquets to me, and I would have appreciated it far more had it not come from hands that have slung mud at some of my valued colleagues including my own respected and revered Leader. Sir, he said that I was let down even by my own Leader, and it requires some explanation. I would have always explained that position, because I am one of those who very strongly believe in party discipline; and in view of the great interest regarding party discipline in the earlier speeches, I welcome the additional opportunity for me to explain the position, namely, when these amendments were tabled and I requested my Leader to consider them and support us, he told me to the last he would hear all the arguments about those amendments both from those who support them and from the Honourable the Finance Member, and if he felt convinced that there was something in those amendments and they were worthy to be supported, he would gladly support them, otherwise he would not. And, in fairness also to the other Members who did not support my amendments, I would say this that even some Members like my Honourable friend, Mr. Rajah and others asked me what they should do on these amendments and whether they should remain neutral. I told my friends who went to the Government lobby that if they honestly felt that the amendments should not be supported, they should not sit silent, but go to the Government lobby and vote.

Regarding the representative character of some of the London delegates, as my friend, Mr. Ranga Iyer, said, other Members will
12 Noon. take care of themselves. However, I do not think that any Committee of this House can be called a representative Committee until

[Mr. R. S. Sarma.]

all of us are included in one Committee. I remember, Sir, that when Sir George Schuster mentioned to this House that he was glad to announce that this House would be taken into confidence over this Reserve Bank Bill and would be consulted, there was tremendous applause that he was going to consult the non-official Members of this House. As Mr. Ranga Iyer himself pointed out, there was not a word of protest against this selection and, so far as our Party was concerned, I may say that our representative was a real representative and he was selected at the instance of my own Leader; and when he came back from England, I, as one of the leaders of that Party, invited Mr. Anklesaria to give an account of his labours and, when he told us what he did, we placed on record our appreciation of the services he rendered. Sir, I say that, if we want to develop Parliamentary institutions in this country, we must have the greatest confidence in those whom we send and you, Mr. President, yourself know that, when Mr. Baldwin led the British Empire Delegation to Ottawa, he did not take a mandate from every Member of the House of Commons, and all the conclusions that he arrived at were warmly supported by the House of Commons and by all the people constituting the Conservative Party.

With regard to this Reserve Bank Bill, I think there were three definite issues and I think as far as possible I may say that it is a victory for the non-official Party. The first was Shareholders *versus* State Bank in which you find that even people who are not politicians but commercial men who are entitled to express an opinion on this question have more or less ranged themselves on the side of the Shareholders' Bank. The next point was the opening of an Agricultural Credit Department, and I congratulate my Honourable friend, Mr. Raju, on being able to secure from the Government an acceptance of that. The third important thing was the fixing of the ratio and, as I pointed out in my amendments, I even still believe that my amendments were innocent, that Government would have done well to accept them and I do not believe they are vague or meaningless. Sir, the Finance Member used a sort of involved metaphor that I and Mr. Scott have as middlemen borrowed this from a wholesale firm and the humour was not understood, because many of them were saying all sorts of things about that wholesale firm. What he meant was that we borrowed our ideas, amendments and our arguments from the *Indian Finance* and Mr. C. S. Rangaswami, the editor of the *Indian Finance*. I do not think that either myself or Mr. Ramsay Scott is ashamed of that. We accepted him as an expert and a lot of Members of this House have accepted him as an expert. He was helping a large number of members of the Select Committee; and, as for myself, I can say that the editor of the *Indian Finance* has been my school-fellow and I have known him for the last 26 years and I have always drawn inspiration on financial matters from him and I know even the Finance Member has very often looked to him for his views on important questions.

Mr. S. G. Jog (Berar Representative): Was he examined by the Committee as an expert?

Mr. R. S. Sarma: Whether a particular man was examined or not, it was a matter for the Select Committee to have asked him and I do not think that the Select Committee did well in not asking him to come and give evidence and thus losing an opportunity of having his expert

knowledge. Sir, I was going to say one thing with regard to Dr. Ziauddin's remarks on the Imperial Bank. I think Dr. Ziauddin like myself has drawn inspiration from Mr. Rangaswami and the *Indian Finance* on many matters. I myself, as a keen reader of the *Indian Finance*, support Mr. Puri on one important point in his speech, namely, his condemnation of Dr. Ziauddin about his remarks on the Imperial Bank. Sir, Dr. Ziauddin brought three charges against the Imperial Bank. The first was the charge of excessive commission; I think to some extent Dr. Dalal has answered it. Of the other two, one was that the Imperial Bank was showing favour to Europeans and not to Indians in the matter of advances and about the question of Indianisation of the officers. And I think if my friend had followed the *Indian Finance* and read it carefully, he would have found that the charge was wholly unfounded. I have been able to take some figures from that paper itself from which you will find that the charges he levelled against the Imperial Bank were absolutely unwarranted and wrong. Sir Norman Murray gave evidence before the Hilton-Young Commission in 1926 and pointed out that about 67 per cent of the money in the Imperial Bank was from Indians and 33 per cent from Europeans. As against that, the advances to Europeans were only 29 per cent while to Indians it was 71 per cent.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Have Anglo-Indians been counted among the Indians?

Mr. R. S. Sarma: I do not think many Anglo-Indians have got any advances worth mentioning from the Imperial Bank so far as I know

From the evidence before the Central Banking Inquiry Committee we find that the deposits from Indians have increased to 72 per cent and those from Europeans are 28 per cent as against which they have given 75 per cent advances to Indians and only 25 per cent to Europeans. This clearly shows that they have not shown any particular favour to Europeans in the matter of advances. With regard to Indianisation after 1929, as I said in my Simla speech, only one European has been taken since 1929. They have now got 230 Grade officers who are under training, of which 42 are intended for superior training; and they have laid down as a policy that they are not taking more European assistants. I have said all these things, not so much because I want to attack Dr. Ziauddin, but I found that, after the facts and figures I gave, I was able to convert even Mr. B. Das and made him take a reasonable view of the matter, and I have the same hope that I shall convert Dr. Ziauddin also not to fling mud at the Imperial Bank without knowing all the figures.

Sir, with regard to my amendments also, I honestly feel even now that Government would have done well to accept them; but if my Leader has not accepted them, it was not that I was let down, and it is no wonder that after all that the Finance Member explained, after the busy bodies of speculators and the Currency Leagues and their meetings and their propaganda, there was a good deal in what my Leader told me that he did not find his way to support the amendments.

Sir, my friend, Mr. Puri, said that the third reading was a funeral march. I beg to dissociate myself entirely from that view. On the other hand, I think that the third reading is intended for this purpose: that after having fought every inch of ground, after trying to place during the second reading the points of view of the popular side before the Finance Member and coming to conclusions, I think the third reading is intended for the

[Mr. R. S. Sarma.]

purpose of assuring him of all reasonable co-operation and support, in giving him all the support that is needed to raise the superstructure upon the foundation that has been laid, so that the way can be paved for financial Swaraj in this country. However much we might have differed from Sir George Schuster in the earlier stages of the Bill, the country owes him a debt of gratitude for this great financial measure that he has given to this country. Ere long he will leave these shores and, I am sure, that he will go with the feeling that he has given the best years of his life and his gifted talents and international financial reputation for the cause of this great country, and I know that that thought will be brightened and sweetened by the reflection that he carries with him the grateful appreciation of an affectionate people. (Cheers.) I think that nothing would be more suitable than that this country should say—however much he himself as the architect of this great measure will deny himself its privileges—nothing will give greater satisfaction to many of us than that he, with his proved pro-Indian sympathies, should be the guiding genius of this Reserve Bank and be its first Managing Governor with you, Sir, as its first Indian Deputy Governor. (Cheers.)

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I do not like to waste much of the time of the House in preliminaries which every one has entered into. In the first place, I wish to say that every one of us who is elected may be said to be a representative, because we have been sent here by our constituencies; but none of us who was sent to England could be called a representative of the Assembly unless he was elected by the Assembly. There is no doubt about this: then, as regards the functioning of Parties, I consider that that Party functions well in which all its members vote together: not when some of its members vote on one side and some on the other. Looking into the division lists, there is no doubt that there is only one Party which has functioned well and that is the Democratic Party, but I regret that they are not the Independent Party. (Laughter.)

Coming to the question, I do not have a single word to say against those persons who went to England: I was myself a silent spectator and I honestly believe that every one of them gave his honest opinion, what he considered best; it is a different matter if their opinion is not shared by the country or a section of the country outside: it is no fault of theirs. I can only say what I would do had I been placed in a similar position. I would have given my reasons and express my opinion of what I thought best and if I changed my opinion I would give my reasons on the floor of the House, I would give my reasons very clearly that, on account of such and such circumstances, I have changed my opinions: but, at the same time, if I find there is strong opposition, I would not profess that I was leading the opposition when I did not. That is the way in which I would act, if similar circumstances arose. As I say, everybody is exceedingly honest, everybody in this House is an Honourable Member, though the officials do not call us Honourable Members—they consider the other House Honourable: but I think we are all Honourable. At the same time, we should admit that in this particular issue there is very strong opposition in the country.

I have two definite complaints against the Honourable the Finance Member—one relates to the fallacious arguments he has piled up in this

Assembly. If John Stuart Mill had been present in the House, then, am sure, in his next edition of his book on Logic, he would have revised his Chapter on Fallacies, because he mentioned only about 15 fallacies; that was all he could think of: but my Honourable friend, the Finance Member, has really outstripped John Stuart Mill and has put forth so many fallacies which even Mill could not foresee. For example, the fallacy committed by the Honourable Member, having majority of votes in his pocket, saying only "I oppose" in reply to our arguments. The second point is that he has placed Members who unfortunately have not been on the Select Committee in a very embarrassing position: we had quotations from different Members about expert opinions, and I think it is rather unfair that those opinions were not supplied to us: these opinions were used in arguments and we were handicapped. The Honourable the Finance Member himself quoted that the bankers had said such and such a thing: but we on this side had nothing to go upon—whether those bankers were in the position of the lamb before the lion or whether they were interested bankers—we have no information about it whatever: and I think it would have been fair had expert opinions, laid before the Joint Committee, been placed properly before the House so that we could have judged for ourselves. Another thing was that the majority of us had to fall back on the compendium prepared by Mr. Kisch in his book: I am an educationist and we all hate compendiums: we always advise our students to read the original text books and not the glossaries; my Honourable friend himself probably did not take the trouble to read the Central Banks Acts and I just present him as an Xmas present these volumes of the Acts, etc. . . .

Mr. Vidya Sagar Pandya (Madras: Indian Commerce): It is my property: how can you present it? (Laughter.) You are also a sort of *nimboo-nichor*. (Laughter.)

The Honourable Sir George Schuster (Finance Member): I shall accept it with thanks.

Dr. Ziauddin Ahmad: I was just saying that, in doing so, I was following *Halwai-ki Dukan, Dadaji-ki Fateha* (Free gift from the shop of sweetmeat makers.) Coming to the subject, I will first take up the question of State Bank *versus* Shareholders Bank. I must say that I have not heard a single argument in favour of the Shareholders Bank yet.

[At this stage, Mr. V. K. Aravamudha Avangar was noticed taking certain papers from Dr. Ziauddin Ahmad's table.]

I am glad that the Deputy Secretary of the Honourable the Finance Member has given a demonstration of the manner in which he squeezes out money from the pockets of others, not only the money, but the books which really he had no business to take.

Coming to the issue, I must say that I did not follow the arguments which were advanced, including the discussions on the London Committee, as I was not present about that time, and the discussion, if any, had taken place before I joined the meeting. In the course of the discussions on the floor of this House, two arguments have been brought forward, namely, freedom from political influence and a democratic institution. As regards freedom from political influence, there is no doubt that in this Bill we have succeeded and succeeded very successfully in removing the

[Dr. Ziauddin Ahmad.]

influence of the Legislature altogether, but we never discussed or even touched on the question of the removal of political influence of British politicians; no attempt was made by the supporters of the Shareholders Bank to remove the British influence, and we say that it is really an anomaly, because on one side you say it should be free from political influence, and, when you remove the influence of the Indian politicians, you do not attempt to remove the influence of British politicians. Now, Sir, coming to the democratic side, many Honourable Members, in supporting the shareholders' scheme, thought on the analogy of the companies, that the shareholders will have a substantial voice, in spite of their being scattered all over the country; but, now, after reading through the Bill, they will be disappointed, because the shareholders have little or no power in this Bank. There is only one power left to them, and that is that they will elect the members of the Local Board and not the Directors which will be by indirect election. The balance sheet will be read to them, but a copy of the balance sheet will not be supplied to them, they will have to purchase a copy, and even the very legitimate rights which shareholders in other countries and in other concerns enjoy have been denied to them. I see that my friend is reading very carefully through those papers of which I was relieved, but I am afraid he is reading them a little too late

The Honourable Sir George Schuster: I am listening to my Honourable friend at the moment; I am not reading any papers.

Dr. Ziauddin Ahmad: I am referring to Mr. Ayangar. I see he is reading the book of Bills; he ought to have studied it before he drafted the Bill.

Then, Sir, the next point to which I wish to refer is that, in the case of ratio, I raised three points, and the Honourable the Finance Member did not reply to any one of those points. I do not want to repeat those arguments, but I shall briefly allude to them. The first point was, I said that the devaluation of the rupee was essential to increase our export; then, I said, it was essential to increase our price levels, and, thirdly, I said that the ratio was rather too high, because the prices of the wholesale articles in the United Kingdom and in India were not moving in sympathy to each other: while, in one case the prices have gone up by certain points during the last two years, in the other case they have diminished. Therefore, on account of these three reasons, I suggested that the time had arrived for devaluation of rupees and India was losing very heavily. Now, Sir, the Finance Member himself admitted that our export has gone down; he admitted that the price level has gone down, but he could not give any suggestion or method by which we could achieve our object. When we suggested a method, he merely said that that method would not do, beyond that he did not say anything. I feel he should have put forward some definite suggestions in this regard.

Then, as regards the question of ratio, State Bank and other minor issues, the whole thing has been forced upon us by an argument which cannot stand the test of logic or economies. We were told on the floor of the House that the acceptance of this measure was a condition precedent to future reforms. I do not know when the reforms will come, and I wish that any prophet could get up and say whether the reforms would come in our lifetime. This reminds me of a story. A person lost his camel

and when he could not find it, he swore that he would sell it for nothing, but after a few days the camel was found, and then he did not want to give it away. He devised an ingenious method. He tied a cat round on its neck, and went about, and whenever anybody asked the price of the camel, he said: "it was nothing; but the price of the cat was Rs. 100 and both the cat and the camel must be sold together." But our camel has not got one cat, but it has two cats,—one is the Reserve Bank and the other the Federation of the Princes. Really speaking, we have to pay a very heavy price for these two cats before we can get the camel for nothing.

Then, Sir, I drew the attention of the Finance Member to the position of our reserves, but he has not replied to my points. Looking to the currency figures, I pointed out that we have at present 44½ crores worth of gold and 15½ crores worth of silver,—that is about 60 crores worth metallic reserve, excluding rupees which are really notes printed on silver. At least this amount which we have already got must be kept intact. The Honourable gentleman may say that members of the Joint Committee have made compromises, but we do not follow what those compromises are. We go by hard facts, and that is we have got in reserve at present 60 crores metallic reserve, and I do not see why this reserve should be diminished and why the whole of it should not be kept in reserve. The Finance Member has not said anything in reply to the point I raised, but I still emphasise that we should fix up a fixed ratio in proportion to different kinds of reserves, otherwise this Bank will meet with enormous difficulties.

Next I come to the very important issue of the Rural Credit Department. We know that 71 per cent of Indians live on land, and you will not be doing any good to the people of India if the Rural Credit Department is not established from the very outset. The feeling among those who represent the agricultural interests is so great on this point that they say that if you have got two alternatives, one a Reserve Bank without a Rural Credit Department and no Reserve Bank, then all those people who are interested in land and agriculture say that they would rather have no Reserve Bank at all if there is no Rural Credit Department attached to it from the very outset. The Finance Member has not fully realised the position of the rural people in this country. My friend, Captain Lal Chand, gave a very good account of the condition of the villagers, but I think some one will do a great service to the rural classes if he will take the Finance Member round to some of the villages in India and show him what the actual condition of the villages is, and I am sure that he will come back with a changed outlook, and he himself will advocate a Rural Credit Department for the benefit of the rural classes from the very outset.

Sir, I criticised the question of indirect elections, and I am afraid the position remains the same. I also criticised the case of elections by means of Local Boards, and here also the position remains the same.

The next point I should like to make out is this. We have given the shareholders of India something like seven per cent profit, that is, five per cent guaranteed and one per cent more if there is profit, and one per cent out of the five crores, so that the shareholders will surely get six per cent and possibly seven per cent. If you are going to give these seven per cent as profit to the shareholders, was it not possible to sell

[Dr. Ziauddin Ahmad.]

these shares at a premium? Since the value of the Government securities is only four per cent, it will have rather a bad effect in the market so far as Government securities are concerned, because you are really floating a new loan in which the minimum profit assured is six per cent. rising to seven per cent. Had these shares been sold at a premium, that premium could have been put in the reserves, and the country would not have been required to give five crores to *nimboo-nichors* which really means a loss of 20 lakhs less to the revenues of India and which will have to be made up by means of fresh taxation.

Sir, there are other very important points, but as we desire to finish the debate on account of Ramzan and Juma prayers, I shall wind up with one more remark. Though we desire a Reserve Bank, the kind of Bank which has been proposed to be set up is one which will not command the universal confidence of the public as my Honourable friend says, of the people of this country, and, so far as I am concerned, the Legislature has been badly off in the whole show. We have followed the constitutions of the other countries in order to have a Shareholders Bank, but the privilege of the Members of the Legislature has been assiduously eliminated. They cannot become a member either of the Local Board or the Central Board. The time has been extended, and the power that Legislatures usually possess to review after a certain interval has been taken away from us. We have got no power in the framing of the regulations, and the power of the Legislature has been reduced to practically *nil*. For these reasons, I think that the Reserve Bank will be received with great misgiving by the people of this country.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, throughout the whole discussion on this Bill, I have observed a strict silence, because I thought that it was a highly technical measure to which I could not make a useful contribution. But, with your permission, at this stage, I would like, in a few words, to give expression to my sense of satisfaction that the foundation stone of India's financial autonomy has been well and truly laid. For the last half a century, the political leaders of our country have been trying to attain self-government for India. Financial autonomy is really the substance of self-government, and, as such, the measure which is going now to be placed on the Statute-book of our country is one of the most important measures that have been taken to translate the aspirations of the people of this country. No doubt, no production of human genius is perfect. There are no Legislatures throughout the whole world which are free from flaws and criticism, and I do not claim that the Reserve Bank Bill, which we are going to place on the Statute-book, is a flawless or a perfect measure. But I do hope that, when the Bill has been put to the test of experience, all its rough corners will eventually be softened by means of amending Bills. My revered and learned Professor, Dr. Ziauddin Ahmad,—and teacher, as my Honourable friend reminds me,—who during the discussions on this measure has not only established his fame as a great financier through the help of a new friend, but has also developed a great sense of humour and also the art of story telling and reciting poetry without rhyme (Laughter), has mercilessly attacked the Bill. He has often and often referred us to the examples of other countries like Canada, Australia, Chile and others, and he has asked us to follow the constitution of the banks of those countries. But I

hope, my learned Professor will excuse me when I say that the conditions prevailing in India are quite different from those prevailing in those countries. I do not know that any follower of a Party in any of those countries has ever criticised his leader in the way in which my learned Professor has criticised the Leader of his own Party. He has said that there is no organisation in this House, that there are no Parties in this House; he has shown that even the representatives chosen for the Assembly have no sense of organisation. If this be the state of the country, then I think we cannot say that we are in a position to follow the organisations of other organised countries to which my learned Professor has made reference. My Honourable friend, Mr. Puri, who, for the encomiums which he has showered on the revered Members of this House, deserves a honorary degree of doctor in abuse,—(Laughter)—if he is correct in what he has said about the Members of this Honourable Assembly then I think the cherished goal of Swaraj which we all aspire to is very far off.

Mr. B. E. Puri: It is indeed.

Sir Muhammad Yakub: Then our cry to get reforms and to get a Reserve Bank in which there ought to be no other influence, I think, is a cry in the wilderness and probably we do not deserve even as much as we are going to get. However, Sir, as I said, the foundation stone of financial autonomy in India has been laid by means of this Bill, and I hope that a stumbling block in the way of the introduction of reforms in the Centre has now been removed and the day is not far off when we will find that India gets her proper and respectable place in the British Commonwealth of Nations. Before I sit down, I would like to present a small bouquet of my appreciation to the Honourable the Finance Member for the coolness and cleverness with which he has piloted this Bill. With these remarks, I support the motion.

THE INDIAN TARIFF (AMENDMENT) BILL.

The Honourable Sir Joseph Bhoré (Member for Commerce and Railways): Sir, I move for leave to introduce a Bill further to amend the Indian Tariff Act, 1894, for certain purposes.

Mr. President (The Honourable Sir Shanmukham Chetty): The question is:

“That leave be given to introduce a Bill further to amend the Indian Tariff Act, 1894, for certain purposes.”

The motion was adopted.

The Honourable Sir Joseph Bhoré: Sir, I introduce the Bill.

The Assembly then adjourned for Lunch till a Quarter to Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter to Two of the Clock, Mr. President (The Honourable Sir Shanmukham Chetty) in the Chair.

THE RESERVE BANK OF INDIA BILL.

Diwan Bahadur Hartilal Sarda (Ajmer-Merwara: General): Although I did not take part in the discussion of this Bill owing to my not being well, yet I have much pleasure in supporting the motion of the Honourable the Finance Member, asking the House to accept this Bill and pass it.

Somehow or other, Sir, a Reserve Bank has become a necessary part of the democratic constitution of a country, and it is as well that we are passing and practically have passed this Reserve Bank Bill, as it will remove one of the obstacles which lay across our path to further constitutional advance. Sir, the British Government made it clear that the passing and the successful working of a Reserve Bank was a condition precedent to further constitutional advance, and it is a matter of congratulation, and we are grateful to the Honourable the Finance Member for it that this has been accomplished. At least one obstacle that lay across our path has been removed.

Sir, if the amendment regarding the 1s. 4d. ratio had been passed, nothing would have remained in this Bill to which I could not give my full consent throughout; but, as it is, the measure is a very useful one and I am sure, that though it is not perfect—and nothing in this world is perfect,—it will prove a useful measure and we are glad that this will soon be on the Statute-book (Hear, hear.)

Sir, from what I have seen of the Honourable the Finance Member—and most of us, I daresay, are of the same opinion—I can say that during the time he has been at the helm of affairs, he has worked sincerely for the good of the country and he has successfully restored the finances of this country to a sound basis (Loud Applause), and the passing of this Bill will be the coping stone upon his other great achievements.

There is one thing I would ask him to consider. The advantages accruing to those who will get shares in this Reserve Bank are bound to be so great that I suggest that it would be well to consider whether the Honourable the Finance Member should not issue the shares at a premium of Rs. 50. I have reason to believe that he will be able to get people to underwrite the whole of the capital if he cares to issue them at a premium of Rs. 30 or even Rs. 40 or more. I do not know if this is possible, but this is a matter which, as things stand, is worthy of his consideration. Sir, I again give my wholehearted support to the motion and I hope it will be passed.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): Sir, one may be pardoned for expressing one's regret that the Government should have been compelled to bring forward some of the most controversial clauses of the Bill for discussion in the House at a time when the prevailing feeling amongst the non-official Members at least is that of fatigue and of irritation at the unconscionably long time they have been kept away from their homes and families. Sir, that may be some

explanation of that very regrettable phenomenon, namely, the lowness of tone of many of the speeches of which my Honourable friend, the Finance Member, complained.

The Honourable Sir George Schuster: I never complained of the low tone of many speeches but only of one speech.

Mr. N. N. Anklesaria: I stand corrected. I will say "mentioned". Let me also supply some explanation of the atrocious nonsense perpetrated by my friend, Mr. Puri . . .

Mr. B. R. Puri: I think you are talking nonsense.

Mr. N. N. Anklesaria: Please do not address me. I think he did say some atrociously nonsensical thing; allow me to remind him . . .

Mr. President (The Honourable Sir Shanmukham Chetty): I think compliments may be confined to the Finance Member and not mutually to Honourable Members. (Laughter.)

Mr. N. N. Anklesaria: Sir, some people are peculiarly constituted by nature, both morally as well as mentally. A Persian poet has said that a dog will bark, a donkey will bray, and evil-minded persons will do and say evil things; and if that Persian poet had heard of Mr. Puri, he would have said that Mr. Puri will use abusive language towards his colleagues in this House. (Mr. B. R. Puri: "Non-sense".) Sir, I support the motion of the Honourable the Finance Member with the fullest conviction that it is in the best interests of our country to have a Reserve Bank and that too immediately. The war has tested many an institution and has proved that the existence of Central Banks in all countries is an imperative necessity for ensuring financial stability. The war has also shown the dangers to which Central Banks are exposed from political influences. Some of my friends have been asking: "What do you mean by 'political influences'?" Sir, I answer that political influence is the influence which dictates the decisions of the powers that be regardless of the interests of the whole country and the whole nation. Sir, peculiarly constituted as this country is and peculiarly constituted as the new Legislature will be in the future, there are avenues through which political influences will operate which may prove detrimental to the interests of the country. Take the instance of the ratio question which has been agitating the country at present. Men who have been waiting for the opportunity to open this question up in order that they may be enabled to indulge in gambling and speculation at the expense of the real interests of the nation have been propagandizing all this time since the Bill has been before the House and they have found supporters in this House as you would have been noticing from the daily newspapers. Sir, at this stage of the Bill, one must be brief and I propose to be brief also. I will not talk in detail about the criticisms which have been addressed against this Bill, but, as I have said, it is a wise compromise of all ideas concerning Central Banking. The question of the Shareholders Bank against the State Bank has been discussed *ad nauseam* and the Honourable the Finance Member has given convincing arguments in favour of the shareholders scheme; but still, even at this third reading, my Honourable friend, Dr. Ziauddin, had

[Mr. N. N. Anklesaria.]

a long discussion on the whole question. As my friend, Mr. Aggarwal, said, there are none so blind as those who will not see.

Sardar Sant Singh (West Punjab: Sikh). This is the truth you have uttered once.

Mr. N. N. Anklesaria: If the State contributes five crores of rupees to a bank, it has a right and it is its duty to see how that large fund is being managed and, therefore, it is impossible to dissociate the State from the management of that Bank. That ought to be an answer to my Honourable friend, Mr. Joshi, whom I do not see in his place. Then, again, about the Governor General's powers on which Mr. Joshi dilated. The other day, I gave a challenge to Mr. Das, which he said he would take up. I challenged him to show any authority which could settle conflicts in this land of conflicts so very well as the Governor General in Council. Sir, though Mr. Das took up that challenge, he has made no answer. And I repeat that challenge again to Honourable Members, who are against powers being given to the Governor General, to name one authority who would function better in this connection than the Governor General in Council.

Sardar Harbans Singh Brar (East Punjab: Sikh): Mr. Anklesaria.

Mr. N. N. Anklesaria: Yes, I would. Then, Honourable Members talked about the business of the Bank. As I said the other day, the development of commercial banking is as much needed as a Central Bank in India. And it is also a principle of central banking that its investments must be safe investments and that it should not compete with commercial banks. All these principles have been embodied in the various provisions of the Bill. The other day, also the Honourable the Finance Member consented to an amendment which ought to satisfy the interests of agriculturists in India. Lastly, Sir, anybody could see that the recommendations of the London Committee, which the Secretary of State said he would put before the Parliament, have been substantially complied with in the present Bill, and we expect that the spirit in which we have responded to the appeal of the Secretary of State will be reciprocated by the British interests. Sir, it has been said that the Reserve Bank is the greatest measure of financial liberalism that has ever been offered to India and I think every right-minded person, who has studied the provisions of the Bill, will agree with that opinion. Sir, the Reserve Bank is India's contribution to the solution of world problem which is now facing us. The world problem requires co-ordination and co-operation in the banking activities of all countries. It is a great pity that the World Economic Conference held in London in July last failed, but it is also a greater pity that the representatives of the British Empire who met there did not seize the opportunity of evolving an Inter-Empire scheme for the remedy of the present depression. Sir, India has by this Reserve Bank Bill contributed a very large and an essential step towards that consummation of inter-imperial co-ordination and co-operation. In that consummation, if any one man has contributed in a pre-eminent degree that one man is Sir George Schuster. It must be his satisfaction that by this great achievement of his he has earned a place in the hearts of 350 millions of his fellow-beings. Sir, I support the motion.

Mr. Bhuput Sing (Bihar and Orissa: Landholders): Sir, there is not the least doubt now that the Bill is going to be passed practically in the same form in which it emerged from the Joint Committee. But, before it is finally passed, I feel it my duty even at this stage to make a few observations, and I hope Government will see their way to devise ways and means to rectify them. Even in the Joint Committee, we, though numerically smaller in number, raised our voice of protest, but to no avail, as, by a majority of votes at the command of the Government, they defeated us in nearly all matters. Personally I am not so much opposed to the principle of a Shareholders Bank if the scheme adumbrated had been made really with a view to making the Bank free from all political influences from all quarters, be it from a Governor General or the Secretary of State or the party in power in the United Kingdom, Parliament or the Indian National Congress. In the Bill we wanted to carry out certain amendments by which the possibility however remote for a few dominating the Central Board may be obviated as there is no limit to the number of shares that an individual shareholder can hold by purchasing them in the open market after the first allotment. Then we pressed that every shareholder holding share of the value of Rs. 100 should have a vote. Sir, in the Joint Committee, the value of the shares was brought down from Rs. 500 to Rs. 100 with a view that the shares of the Bank may be held by the largest number of people of all shades of opinion and in all stations of life including the rural masses. But, by framing the Bill in such a way, those shareholders holding a share of one hundred rupees each will have no franchise and will have no right excepting to enjoy a maximum dividend of six per cent per annum. Government have defeated the object for which the value of shares was lowered.

Sir, we can never expect that people of humble means will come forward for purchasing a share of Rs. 100 only to earn six rupees a year as profit. An agriculturist, who can afford to invest 100 rupees in the shares of the bank, will not invest it only to earn Rs. 6 a year as by investing the same amount in the purchase of agricultural implements and good seeds and other things, he will probably earn much more than Rs. 6 a year. Then, Sir, even if a large number of people do purchase such shares, it will mean a very large number of votes will be sterilised and thereby the number of voters will be restricted and it will make the way easier for capitalists and political parties to accumulate the largest number of shares with voting rights. This will mean further sterilisation of a very large number of votes as a shareholder will not have more than ten votes irrespective of howsoever number of Rs. 500 shares he may hold. But I am sorry to say that in spite of our repeated requests and appeals Government rejected all our modest demands which we made for making the Shareholders Bank a really popular Bank and to make the Central Board more amenable to popular will as against the will of the Governor General in Council and the Secretary of State. As regards the qualification of the Governor of the Bank the recommendation of the Joint Committee was turned down by the Government by a majority of votes which they have at their command. I still ask the Government to find their way to appoint a Governor who must be a man of adequate banking and financial experience.

Further, Sir, much has already been said about the absence of the control of the shareholders on the Central Board. It is most curious and surprising that the shareholders who are asked to contribute are not given even the least amount of power of passing a vote of censure on the Central

[Mr. Bhuput Sing.]

Board and the power of their removal from office without the intervention of the Governor General in Council. The fundamental principle of an ordinary shareholder business is that the power of removal of the Board of Directors vests in the shareholders at a general meeting. Further, all shareholders of a shareholders concern have got the right of recommending to the Board of Directors the removal of the Executive. But all these powers have been denied to the shareholders of the proposed Shareholders Bank.

Then, in coming to the question of the ratio, I feel constrained to say that Government have altogether ignored the most modest demand of this side of the House for an expert Committee to go into this question before finally fixing the ratio at 1s. 6d. in the Bill. Sir, the subject is a very controversial one, whether the rate to be fixed should be 1s. 6d. or any other lower figure. The economists and the commercial interests are divided into two groups. One group headed by the Bombay millowners are insisting on the devaluation of the rupee. They claim that the rupee at its present exchange rate is definitely overvalued when tested through the price level that is obtaining in India at present. The rupee is linked to sterling and any changes in the value of the sterling must naturally be reflected in the value of the rupee. If the prices that prevailed in the United Kingdom in 1931 are compared with the current prices, we find that they have risen by eight points, whereas in the same period the prices in India have fallen by two points. Thus there is a net difference of ten points between the prices of the two countries which are linked to each other at the definite ratio of 1s. 6d. to the rupee. Further, the general price level in India has gone down much more as compared with the pre-war prices in most other countries like Australia, Argentine, New Zealand and others which are also mostly agricultural like India. It is stated by the protagonists of the devaluation of the rupee that since September, 1931, prices in most agricultural countries which have gone off the gold have risen by as much as 15 to 30 per cent, whereas the prices in India have actually declined. On the other hand, there is another group consisting of great commercial interests and great economists, especially from Bengal, who believe that devaluing the rupee at this stage of trade uncertainty throughout the whole world would be detrimental to the interests of the agriculturists and the consumers. Sir P. C. Roy—one of the pioneers of the industrial concerns in India and who has vast business connections throughout the world seems to think that the devaluation of the rupee is being made a burning question of India to give indirect protection to the Bombay millowners, but this is thoroughly injurious to the interests of Bengal, both from the agricultural and industrial standpoints. He lays stress that since September, 1931, as a result of the rupee sterling link, our rupee has depreciated to the extent of 33 per cent, but there has been no proportional consequential expansion of India's export trade. The remedy does not lie in the currency depreciation. Sir, India is a debtor country and the Home charges and other external obligations which she cannot disclaim will increase very much by the devaluation of the rupee which will mean more taxation to meet those obligations and every one knows that the poor people of India are already groaning under the burden of taxation and a still further taxation will mean strengthening of the Socialist movement in India. If I may be permitted, I may quote the following extract from Sir P. C. Roy's statement issued a few weeks ago on this controversial matter. He says as follows:

"I am intimately connected with a few industrial concerns, and the devaluation of the rupee is calculated naturally to give some fillip to the Indian industries by raising the prices of foreign articles competing with the products of such concerns, for example, the prices of drugs manufactured by Bengal Chemical will naturally go up; but we must not approach the question from a selfish standpoint. I must see that the interest of the many are not subordinated to those of the few capitalists."

He further on adds as follows in this connection:

"Moreover, owing to the continued trade depression and trade slump, the purchasing power of the poor agriculturist has been reduced to absolute minimum. Now, as a consequence of the devaluation move, which is very doubtful, to raise prices of agricultural commodities will certainly raise the prices of all other articles and will hard hit the consumers. It will then mean killing the goose which lays the golden eggs."

In order to prove the results of the devaluation of the rupee, a very careful comparative study with reliable data for price movements in different countries (both on gold and off gold) with the course of price movements in India is required. It is not possible to do this in the course of this discussion. But, as far as I could understand, the comparative study, as published by the *Indian Economist*, dated the 23rd October, 1933, has proved that the rupee is not overvalued in relation to sterling. Further, the analysis of the balance of trade does not reveal any permanent overvaluation. Sir, I think every student of even elementary economics knows that inflation of currency has always proved suicidal to countries and that course is adopted as the last resort if no other means are available to meet the situation. If she could weather stormy days of 1931 and 1932 without inflation, I do not think we should try that method now that the horizon is getting clearer day by day.

Considering all the divergent views and in spite of the fact that the amendment to the Bill for a committee of inquiry has been defeated in the House, I still appeal to Government to find their way to appoint an expert committee on their own initiative for investigating this controversial question to allay public feeling.

Before I conclude, I must take this opportunity of congratulating the Honourable the Finance Member for meeting us on the question of reciprocity to the dominions, for accepting the amendment to the effect that the gold reserve will not be exhausted so long as other securities held in the reserve are available for disposal for meeting emergencies. These are small mercoies, but I am thanking him only because, knowing it fully well that he could defeat every amendment in the House and knowing fully well his own strength that he accepted them, and naturally he deserves congratulations.

Lastly, let us hope that the establishment of the Reserve Bank will remove a long felt want of a national institution which will always look to the prosperity of the country by properly controlling the credit and currency policy.

Hony. Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official): Sir, it is customary to congratulate the Honourable Member in charge on the third reading of a Bill, but in this present Bill the congratulations are not customary, but they are sincere. In no other Bill have they been so well earned or so well deserved. Sir, the Bill has had the support of all sections of the House. Mr. Puri divided the House into three categories. First, he placed those who had been nominated by Governments in a group and he excused them by saying that they must go with Government. Then he brought in those elected Members who by habit go with Government and he excused them also. In the third category he placed those who sometimes go with the Opposition and at other

[Hony. Captain Rao Bahadur Chaudhri Lal Chand.]

times go with Government. He left out a fourth class which stands in a category by itself, and which contains some very learned and gifted persons, but one of whose qualifications is always to oppose Government rightly or wrongly. Except this class, the Honourable the Finance Member has had on this Bill the support of all the three other sections. No, I am wrong; he has had the support of this class also, though it has been passive and not active, because some of them absented themselves on crucial occasions. Sir, Mr. Puri referred to certain remarks that fell from the Finance Member wherein he said that Mr. Puri had brought the debate to a low level. He said that lawyers, whenever they get a weak case, go into these side issues. But by saying this he has probably given a handle to the Finance Member, because, during the 50 minutes that he took in his long and learned speech, he said very little on the Reserve Bank Bill itself and was all the time dilating upon side issues. Probably he was conscious of the weakness of his case, and had to resort to this tactic. Sir, I hold no brief for the Honourable Members who went to England, but I must say that the attacks and criticisms in this House, particularly from Mr. Pandya and Mr. Puri, have been most uncalled for and unjust. The only fault of these Honourable Members who have been occupying front Benches and who have a very good record in this House was that, after having gone through a special Committee in England and a Select Committee here, they refused to be led by the back-benchers, although the political leaders of this country of the highest rank have been known to have been led by their followers when the followers have refused to be led by them. During all these debates Mr. Puri has been keeping quiet, and when they were crossing the floor to join the Government ranks he did not say anything. I am very sorry that a Punjabee should have been guilty of this charge, because we Punjabees are known to go straight and meet the enemy in front. I have been thinking over it and I find that this trait of character has probably been acquired by my Honourable friend, Mr. Puri, through his association with the Bengali colleagues of his Party. Last year, I went to Calcutta and there I saw many millionaire friends, but I was surprised to find that at the gate of every one of them there was an up-country durwan. I inquired the reason why they were bearing all this expense of importing durwans from such long distances, and the reason that struck me most was that they were not in the habit of meeting the enemy in front and so they must place somebody else to meet the enemy. Sir, I remember a story about a durwan. A Bengali Babu fell out with his own durwan once and the durwan was abusing him right and left, but this man would not give any reply and walked silently into his office. A passer-by was standing, and he said: "What is this? This man has been abusing you, and you are not replying. What does that mean?" He said: "No, I am going to my office and I will write a very strong article against this man in the *Amrita Bazar Patrika*". Their representative character has been questioned here: I do not know about other Parties, but, so far as the United India Party is concerned, Mr. Yamin Khan had then, and still enjoys, the fullest confidence of his party and we have been acting like a team in voting on this Bill.

As regards the Bill. I have special reasons to be pleased with the provisions in regard to rural agency that have been so kindly agreed to by the Finance Member. I do not wish to dilate upon the old story of the indebtedness or the poverty of the agriculturist and I shall only say that there are some people who are politically depressed, but we are financially

depressed; and we need special treatment. An expert agency will be set up as has been promised, but I may point out to the Honourable the Finance Member that this expert agency, if it is to do any good to us, should consist of experts in *practice* and not experts in *theory*. Dr. Ziauddin has referred to me if I could show the Honourable the Finance Member some typical villages round about Delhi as I happen to be very near Delhi—only forty miles from here. If the Honourable the Finance Member can very kindly spare one day before the next Session, it will be a great favour to the agriculturists, and in one day he will be shown typical villages. Sir, this is necessary, as he does not get many a chances of seeing the village life. I was once interviewing Lord Reading just at the time of his departure, and I respectfully submitted to His Excellency that he had been living here for five years and it would have been better that he should have seen India also before he left. He felt surprised, and said "What! Have I been working all these five years with my eyes shut?" I said to him: "India is not living in Delhi: India is not living in Simla: India is living in huts to which you have no access, and these hut people have no access to you." So, if the Honourable the Finance Member wishes and finds time to see India, I promise to show him rural India. . . .

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): He must live in a hut then!

Hony. Captain Rao Bahadur Chaudhri Lal Chand: I wish, he could. Another thing on which we can congratulate the Honourable the Finance Member is that he has set up an institution where the Indian States and British India will be equal partners on equal terms; and in this way it would give us an idea of the Federation that is coming. I do not wish to take more time of the House: I again congratulate the Honourable the Finance Member on the sympathy he has very kindly shown to the agriculturist and also on the success he has achieved in this Bill and hope he will see that this Reserve Bank is set in motion before he leaves us.

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Sir, I join in the chorus of congratulations that have been showered upon my Honourable friend, the Finance Member, and I think he richly deserves it; but I am sorry I cannot make him an Xmas present following the example of my friend, Dr. Ziauddin. Instead, I will say a few words about criticisms. All of us in public life are exposed to criticisms: without criticism this life in this world would not be worth living; but there is a sort of criticism which, although one pays attention to it, one need not very much trouble about, and that is what is contained in a little homely story that obtains in Southern India. A grandfather and grandson were both going with only one horse to take them: at first the grandfather sat on the horse, and the grandson was leading the horse: a crowd of people collected and said: "What a pitiless old fellow: here is a young boy walking all the way and the old devil is sitting on the horse". He got very ashamed and got down and put the boy on the horse. A little later on another crowd collected and said: "What an extraordinary thing! This sturdy fellow gets on the top of the horse and lets this old man limp and go". So they did not know what to do: the boy came down and, a little later, both of them sat on the horse. Another crowd collected on the way and said: "What cruel fellows! One unfortunate little animal carrying these two fellows on its back: how is the animal to go on?" So both of them got down and eventually they walked home,

[Raja Bahadur G. Krishnamachariar.]

the horse being led by them. That is the sort of criticism that most of us get in public life, and so we need not trouble much about it. Criticisms are very often like that, but we go on in spite of it, and it is just the sort of criticism that one meets with in life: therefore, I would ask my Honourable friend, the Finance Member, not to be troubled about criticisms at least hereafter, because there will be no more motions of Dr. Ziauddin on which he has to get up and say "I oppose this also." . . .

Dr. Ziauddin Ahmad: That is a new form of fallacy.

Raja Bahadur G. Krishnamachariar: But there is one thing that I must say in defence of my Honourable friend, Dr. Ziauddin. I have no complaint against him as my friend, Sir Muhammad Yakub, had, notwithstanding the fact that probably at times my Honourable friend, the Finance Member, got worried and felt irksome at these constant demands "No. 239: Dr. Ziauddin Ahmad: Not moving—No. 240—consequential amendment not in order, and so on". It has been going on like that and I would ask him to remember a little story that obtains among us: as stated in our Puranas, there is a mythical bird, called the Chataka: this bird is supposed to have a hole in its throat so that any water that falls straight from the top only can go in: otherwise, it goes out through the hole in the throat. The point is, we have been so much harassed and so much troubled and depressed that, whenever there is a rumbling, we think a cloud is coming and it is going to rain and we can put up our beaks to see if we can catch at least one drop and that is the position of my Honourable friend. He feels that time after time we have been baulked of our natural rights and said to himself: "If there is a chance, I shall try and get something out of it". But as the great poet Bhartrihari sang:

Kechid vrishtibhirardrayan: aharaneem garjanti kechid vritha.

"Some clouds pour rain: others merely thunder and go away empty."

We cannot help it. That is the position. The summer cloud which thunders never gives us rain and, consequently, I am not surprised that in spite of the earnest attempts of my friend, Dr. Ziauddin Ahmad, who, time after time, was consulting everybody, went about here and there and wanted to find out whether there was one amendment at least that he could get through out of the 349 that he had collected: he was not successful; but better luck next time. There is eternity before us and it does not matter if at first you do not succeed. Try, try and try again. Consequently we take courage. The late Mr. Gokhale said it is our lot at present and under the existing system of Government to serve our country by our failures: another generation will come which will serve the country by their successes: that generation we see from afar, like Moses did the promised land; but when it is coming, I cannot say. Nobody can say. However, I hope it will come some day and give some relief to my friend, Dr. Ziauddin, for all the altruistic attempts that he made these 22 days, in spite of the cold, and put amendment after amendment only to be opposed by my friend, the Finance Member, in merciless succession. That over, I have got my own complaints just as everybody else had in connection with this Reserve Bank Bill. I tried to put into the Statute specific cases of Indians holding so much percentage of shares and Indians being appointed to important posts, but time after time the whole thing was thrown out. Unfortunately I confess that in my feverish haste to get my point passed, I forgot to mention that in clause 10 of

the Bill the very qualifications the Finance Member resisted against all my attempts he had himself entered. If I had known it, I should have brought it to notice; unfortunately I did not remember it, and so he had his own way, and my friend, Diwan Bahadur Mudaliar, spotted him—and said: “You won’t have any other qualification, why do you have it here?” That too went away, but it is no satisfaction to me. Anyhow, we have fought, we have lost, but it does not matter.

Now, the most important reason for which I am congratulating the Finance Member is that, from the very commencement, howsoever much this House had made up its mind to oppose inch by inch the Reserve Bank Bill, it had also made up its mind that we must have a Reserve Bank. It is not only because a Reserve Bank is a condition precedent before the reforms came into existence,—I do not know when the reforms will come,—but I say that the country’s finances would not have been so badly managed if there was a different authority to manage our currency who could stand up against the Government of India or probably against the attempts of those other gentlemen over there six thousand miles away and say: “Now, you cannot touch my currency”. If we had this Reserve Bank, say, six years ago, there would have been a different story. Now, Sir, the House is going to put its seal upon this Reserve Bank, and it is an accomplished fact. Therefore, Sir, the Reserve Bank goes out with my blessings, and I am entitled to do it. For five thousand years, it has been my privilege to shower blessings only for a little *dakshina*, but what is the *dakshina* that I want from the Government of India? At the early stage of the Bill, I had asked that power to amend this Bill should lie in the hands of the Governor General as advised by his Finance Minister. Neither the Finance Member nor the Government of India know as a collective body what is going to happen, whether it is going to be a Governor General at his discretion or it is going to be a Governor General as advised by his Finance Minister; but, Sir, everybody, who has read this book “Law and Opinion in England” by Dicey, would realise the fact that, however much a Bill may be cleverly conceived, however much it is legally and philosophically drafted, when it goes before Parliament, all of a sudden some amendment comes up. Ministers swear at the amendment that it won’t dovetail into the Bill, but yet the amendment is carried and then they all sit down to revise the thing. Consequently, although we do not know what Parliament is going to do, I would very respectfully ask the Finance Member first to take with him the Government of India as a whole body, and then they should represent the strong feelings that exist in the country that in matters of this sort it will never do to give the power to the Governor General in Council at his discretion or upon the strictest understanding that the Secretary of State will not interfere with his discretion as unfortunately he had done in 1931 when within 24 hours a very very good piece of Ordinance, so far as India was concerned, was repealed, and it was actually repealed. Now, I entirely associate with my friend and colleague, Mr. Sarma. My friend said that the Government asked us to organise the Parties, because, unless there is a strong opposition, there is no good of having a popular Assembly. Sir, so far as my Party is concerned,—it is a small Party, and we always start with small beginnings,—we have been working very well, and what I now desire to publicly acknowledge is that although, as a nominated Member, Mr. Sarma’s loyalty was primarily with the Government side, he was never approached by anybody on behalf of the Government, nor was he asked why he moved his amendment. That is a compliment to the Government, and that shows how the

[Raja Bahadur G. Krishnamachariar.]

Government help us, but if you do not help us, and if you have the sort of speeches that we heard the other day, to which I shall not refer, then it is our own fault.

Sir, before I conclude, I again say that I give my hearty blessings to this Bill, and I join in the wish that my friend, Mr. Sarma, expressed that when the Bank starts we shall have the Finance Member as its first Governor, and you, Sir, as the Deputy Governor.

Nawab Major Malik Talib Mehdi Khan (North Punjab: Muhammadan): Sir, when the Reserve Bank Bill was introduced in the House, I felt as if a ship had been launched in tumultuous sea full of shoals and an ugly looking rock looming large in the horizon in the person of the Finance Member. The ship went on avoiding all the shoals towards the rock, and, to the great surprise of the inmates, it was discovered that what appeared to be a rock was nothing of the kind, but a substance, which was floating and coming towards the vessel, which it met half way. Its fear was removed from the minds of the people of the vessel, because they found that it helped the ship to get to its haven, for which the Honourable the Finance Member deserves our best thanks. It is praiseworthy that every inch of the ground has been fought with a fairly satisfactory result, and it is a matter for congratulation that the whole thing has been managed in a sportsman like spirit.

But, Sir, I am very much dejected to see that the trend of the speeches since yesterday has turned towards undesirable direction. It is a pity that some personal remarks have been made which have met with counter remarks. I wish we could avoid attributing any sinister motive to any Honourable friend, because there may be some excuse for it. It was best that the subject should not have been introduced into the debate. However, I expect that it is all over by this time, and as the ship, as remarked above, has reached the shore safely, we have to take out the merchandise and see to what best advantage it can be put.

I am glad, Sir, that on this occasion the zamindar has really gained something. My friend, Mian Abdul Aziz, very eloquently described his condition, and I seek the indulgence of the House to bear its repetition in the words of an Urdu poet. The line runs as follows:

"Wuhi Katil wuhi shahid wuhi Munsif thaire

Akruba mere karen khun ka daawa kispar."

This, translated into English, means:

"They are themselves the murderers, the witnesses and the judges. Where should my relatives lodge their complaints for murder?"

Well, anyhow we have got what we could and ought to make the best use of it by setting to work. The foundation has been laid and every effort should now be made to build further instalments of self Government on it.

I conclude my remarks with another line of a Persian poet which runs as follows:

*"Shabe Majnu ba Laila guft kai mahbube be hamta
Tura ashik shewad paida wala Majnu na Khawahad Shud."*

which, rendered into English, is:

"One night, Majnu (who was the lover) told his beloved Laila: 'Oh, unparalleled beauty!

I know you will get many lovers, but there will not be any one like Majnu'."

The zamindar is in the position of Majnu. He provides the Government with the heaviest funds in the way of taxes and my friends on the other side of the House with the necessities of life. I would, therefore, request all to keep him in mind, because you will never get his match in this selfish world.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): Mr. President, I rise to support the passing of this Bill. I have deprecated on more than one occasion the staging of gladiatorial fights by Members on this side of the House, to the delectation of Members who sit on the Official Benches. I do not think we shall be advancing our cause in the slightest degree by having aspersions cast against each other, we who are elected Members of this House, by trying to ridicule each other and, above all, by trying individually to pass off as the greatest patriots and as the highest politicians that any part of this country has produced. Today, if I am forced to dwell very briefly on some of the remarks of some of my friends, it is not because I want to indulge in a gladiatorial fight myself, which I have deprecated, but because I feel that my silence on the subject will be misunderstood and that those who make these attacks may feel emboldened and think that they can make further attacks without the slightest justification. My Honourable friend, Mr. Vidya Sagar Pandya, deserves respect from all of us. By age, if by nothing else, he should be immune from criticism from a person like myself. By his experience of the banking world he must be taken to have understood a great deal of the subject that we have been discussing during the last three weeks. But when he talks of politics and political parties, when he tries to enter an arena of which he himself has confessed he is blissfully ignorant, he invites criticism which he otherwise would not have had.

Mr. President; there has been a great deal of talk in this House about the sterilisation of voting rights and my friend, Dr. Ziauddin Ahmad, has worked out a beautiful mathematical problem by which he makes out that only 800 voters will be eligible to vote. But what is far worse is the sterilization of ideas, the sterilization of thoughts on this question of a Reserve Bank; and I must say that so far as my friend, Mr. Pandya, is concerned, whatever development there has been with reference to his ideas with regard to a Reserve Bank, they have stopped short in the year of grace 1927. Sir, if you go through the proceedings of those days when Sir Basil Blackett introduced his Bill and read the speeches of my friend, Mr. Pandya, and try to read the speeches he delivered during the last few days, you will find—indeed you must have noticed this, because you were present on the other occasion also—that the same ideas are being

[Diwan Bahadur A. Ramaswami Mudaliar.]

repeated, almost the same language is being repeated time after time. It is my misfortune and not my fault that I am unable to accept today the ideas of 1927 which Mr. Pandya has tried to force on the attention of the House on this occasion. Even the poetic efforts of my friend have stopped short with the year 1927, and there is no new development today whatsoever. Speaking on the second reading of this Bill, my friend quoted in an eloquent speech of his a piece of poetry:

"Of Augustus and Rome,
The poets still warble,
How he found it of brick,
And left it of marble
So, of Schuster and India,
Men say without vapour,
That he found it of gold,
And left it of paper."

Speaking on the 30th of August, 1927, my Honourable friend said:

Of Augustus and Rome,
The poets still warble,
How he found it of brick,
And left it of marble.
'So, of Blackett and India,
Men say without vapour,
That he found it of gold,
And left it of paper."

Incidentally, Sir, I should like to know from my friend, with his banking experience, how, if Sir Basil Blackett found it of gold and left it of paper, Sir George Schuster, coming immediately after him, found it of gold but is leaving it of paper. (Laughter.) This is probably a problem of gold reserves which my friend may be called upon to explain at a later stage. I do not want to take him more seriously than I can help. I confess I have not come forward in this House in connection with this Bill with any special bitterness against any institution or against any measures. I have not got that bitterness. It may be that I have the very good fortune of not having got the personal experiences in the banking world which Mr. Pandya has got and, therefore, I am in a position to look at these problems a little more fairly perhaps. My Honourable friend, Mr. Aravamudha Ayangar, referred in one of his speeches to bankers being cribbed, cabined and confined and having a narrow vision and not being able to appreciate certain fundamental problems of a Reserve Bank. I do not know whether my Honourable friend had Mr. Pandya in view or not, but I venture to think that certainly the banking experience of Mr. Pandya has not enabled him on this occasion to deal fairly with the measure that has been before this House for discussion.

Sir, the Honourable Mr. Puri comes from Lahore. I understand he is a criminal lawyer of considerable eminence. I can quite appreciate the fact, after listening to him for 45 minutes yesterday. For sustained vilification, for continued abuse, for malicious statements deliberately made against individuals of whom he can possibly know very little, I do not think this House can find a better type than my friend, Mr. Puri. He imagines that he has made a great hit. Sir, he does not know much of the Reserve Bank Bill. He has not understood its main provisions. He can make a speech occasionally, for instance, on a subject like 75 per cent. of shareholders being Indians.

Mr. B. R. Puri: I never said I posed as an expert

Mr. President (The Honourable Sir Shanmukham Chetty): The Honourable Member does not yield.

Diwan Bahadur A. Ramaswami Mudaliar: He can make a rattling speech on the question of having 75 per cent. of the shareholders as Indians or on the question of the Governor or the Deputy Governor being Indians. That does not require a man having an elementary knowledge of the Reserve Bank, to know the point of. Anyone can speak on such a question. But it seems to me that where one does not understand the real details of this scheme, has not appreciated the principles of the Reserve Bank system, has not yet made any study of this question, one can only have recourse to the sort of speech that Mr. Puri has made. (Hear, hear.)

Sir, as I said, I do not want to indulge in vehement recriminations as between the elected Members of this House. There is, if I may take the House to a higher plane, a point of view from which the speech of my friend, Mr. Puri, becomes very interesting. In the days to come and in the months before us, we are going to hear speeches like that of Mr. Puri very constantly either on the floor of the House, as I hope not, but at any rate throughout the country. Sir, there are two schools of thought in this country. One which believes in using the language of military warfare and thinks it discharges its duty to the country by talking of a united front of opposition, by talking of fighting to the last ditch, by indulging with great fervour in the language of military warfare and using such military metaphors as they can think of. There is another school which believes that they also serve who only stand and wait and that they also contribute to the greatness of their country, who try to look both at the obverse and the reverse of a picture, who try to appreciate not merely their own position, but the position of those who are on the other side, and who believe that, by occasional compromises, by accommodation where no vital principle is involved, the progress of the country is better assured. And having regard to the history of this country during the last four or five years, he must be a bold man indeed who still ventures to come forward and say that by using military language and wild threats and similar displays he could serve the cause of his country. (Loud Applause.) Sir, I remember having read somewhere about the manner in which the savages of South Africa used to fight when they had to meet European civilized troops. On the eve of the battle, the savages would meet in great numbers; they would beat their drums, they would drink in anticipation of victory, they would paint themselves with all those war decorations which the African savages use, they would dance the whole night. But in the morning when the battle began, the victory was not to them who had exhausted themselves the previous night, but the victory was to those who knew how to use the instruments of methodical and scientific warfare,—the breech-loaders, the armed guns and all those scientific instruments which quell an enemy and ultimately bring victory in these days. Sir, there are those who want to dance the Zulu dance both on the floor of this House and in the country; there are those who want to behave like the wild Dervishes and have their names prominently featured in newspaper articles and who feel satisfaction at that fact. There are others who come in for a great deal of criticism in this House, a greater degree of criticism perhaps amongst certain sections of the Indian newspapers,

[Diwan Bahadur A. Ramaswami Mudaliar.]

but who feel that, perhaps, their methods have been to some extent responsible for getting some wee bit benefit to their country. (Hear, hear.)

Mr. B. R. Puri: How very clever!

Diwan Bahadur A. Ramaswami Mudaliar: Sir, as the months go by, I am perfectly certain that these two schools of thought will develop, these two points of view will be prominently before the country, and the historian of the future will judge who has served his country better and who has for the sake of fleeting, ephemeral and evanescent popularity of the passing hour indulged in all the fallacies of the market place and made himself the protagonist of meaningless and empty shibboleths.

Sir, as I said, I do not want to refer to these instances more than I can help, and now I turn to my own Party. There has been a great deal said about my Party, but I should like to take this opportunity of expressing my personal gratitude to everyone of my colleagues in the Party for the way in which they have supported us, for the way in which they have placed their confidence in us. Sir, this Bill is a peculiar Bill, because it deals with the position which is likely to arise in the near future: it deals with the coming Constitution. To that extent it is different from any other Bill that has been introduced in this House. Therefore, necessarily, there have been divergences of opinion. If this Bill had nothing to do with the new Constitution, probably there might have been a greater unanimity amongst all of us whichever Party we might belong to, but as it has a vital bearing on the coming Constitution, there have been, as I say, different opinions with reference to some of the aspects of this Bill. But whatever differences there may have been, at no time, to no extent and under no circumstances did a single member of my Party question the honesty and *bona fides* of my Honourable friend, Sir Cowasji Jehangir or even of my humble self. Repeatedly we put it to them in the Party whether they wanted a change of leadership—and I am not disclosing any secret—and repeatedly in the course of these discussions we have had the most complete proof of their standing by us through thick and thin. (Loud Applause.) Let me now say a word about my friend, Dr. Ziauddin Ahmad. I can assure my friend, Mr. Puri, that Dr. Ziauddin Ahmad and those vicious people who sit on either side of him are today as firm friends politically and socially as they have ever been before. Sir, the House has sometimes laughed at Dr. Ziauddin. But the House has more often laughed *with* him when he gave us his inimitable stories in the course of this Bill, and I venture to think there is no single Member of this House who is not full of admiration for the laborious, the persistent and, in fact, the almost-super-human efforts that Dr. Ziauddin has made in what he considered to be his duty of opposing tooth and nail all possible provisions of this Bill. We may not agree with him, but I think he deserves our respect for the way in which he has carried out what I consider is a clean fight, apart from personalities, apart from making innuendoes, without making insinuations, without making oneself the only patriot and describing all others as the undesirables and such else as have been stated by some on the floor of this House. That is a lesson by itself.

I should like to take this opportunity of expressing my appreciation of the very generous statement that my friend, Sir Leslie Hudson, made this morning. Sir, in the heat of debate we do say things which we may not

care to repeat and it was very handsome of Sir Leslie Hudson to have explained quite candidly that he did not mean to make any aspersions. Sir, it is a tragedy of Indian public life that we should receive fair treatment from a European gentleman and foul treatment from an Indian colleague of ours. That is the tragedy of Indian life today! That is the tragedy to which every man who wants to serve his country is subjected in every province in India. My Honourable friend, Raja Bahadur Krishnamachariar, expressed sentiments very similar to that. We do appreciate the position. We know that we lay ourselves open to all these charges and attacks. I knew that when I accepted an invitation to take part in the Round Table Conference and gave up what I thought were fairly certain chances of preferment in my own province and went to England on the occasion that Lord Irwin asked me to go there; but I felt that I would thereby play a much better part in the fight for the future of my country, and whatever I did, I hope it would advance a little the cause I have had at heart, the cause of getting for this country responsible self-government. It is no surprise to me to hear such attacks. I have had many Puris in the Madras Presidency to contend with. I thrive on them. My successful public meetings have been held just because of these Puris in Madras. If my Honourable friend could take his patriotism to Lahore and try to preach to Raja Narindra Nath and Pandit Nanak Chand to show a better example of Indian patriotism when they meet at Round Table Conferences and not to tell the members of the Joint Select Committee or the British representatives of the Round Table Conferences that the Punjab is not fit for responsible Government or that the Mussalmans or Sikhs behave in a manner that it will be dangerous to transfer law and order in that province to Indian hands, I think he would be doing a better service to the country than by getting up and trying to lecture to those who have been much longer in public life and in political service than Mr. Puri has ever been or can ever afford to be.

Sir, let me come to the Bill and leave aside these somewhat irrelevant considerations. I am glad that this Bill is about to be passed into law. I consider this as the key-stone of the arch that we hope will come into existence very soon and that the passing of this measure will be taken by the Secretary of State and the British Parliament as a measure of our earnest, our goodwill and our *bona fides* and desire to show that we will do what little lies in our power to hasten the day for financial responsibility. At the time of the first Round Table Conference, it was Lord Reading who suggested that the financial responsibility must depend on the coming into existence of a Reserve Bank. Some of us said that to the extent that lay in our powers—and I had just been elected a member of the Legislative Assembly—we shall do our best to see that a Reserve Bank which was fairly satisfactory to us will come into existence. I am glad that the statement which I was privileged to make in January, 1931, has been fulfilled today and that the Reserve Bank is coming into existence. Encomiums have been paid on Sir George Schuster. I do not want to add to his embarrassment, but I must say in fairness to him that during the last six months he has devoted himself whole-heartedly and earnestly both at the London Conference and since his return to this country for the passing of this measure. My friends who were in the Select Committee will be in a better position to state to the House how he has worked, what accommodating spirit he has shown to the extent that he was allowed to show, but I should like to take this occasion of stating, in spite of my friend, Mr. Pandya, repeating the story of the camel and the donkeys, that we,

[Diwan Bahadur A. Ramaswami Mudaliar.]

the donkeys, if that was the point of his story, do appreciate the work of the camel and that we are not ashamed to have played our part and I do not think the Honourable the Finance Member is ashamed to have played his part. Sir, it must be a matter of proud satisfaction to the Honourable the Finance Member that after weeks and months that he has spent in connection with this Bill, tonight the Bill will become law so far as this House is concerned, and that a measure of great beneficence to this country and, what is more, a measure of great possibilities for the future has been successfully piloted through this House. (Applause.)

Mr. Jagan Nath Aggarwal (Jullundur Division: Non-Muhammadan): Sir, speaking at this late hour of the day, I have no desire to rake up old controversies and to strike any jarring note. I can safely say that it is in more senses than one a momentous occasion. One of the conditions precedent to Federation coming into being was the establishment of a Reserve Bank in this country and with the passage of this Bill, which is in sight, one may say that the first of these conditions is being fulfilled. Most of us in this House and outside have all been in favour of the idea of a Federation of British India with Indian States. The process has been long and laborious and some of us have now come to think and feel that we are asked to pay too heavy a price for that Federation. But, in spite of all that, we still think that progress will be registered by having a Federation with the Indian States and, from that point of view, I welcome the passing of this Bill in spite of its shortcomings. We may as well look upon this measure as the crowning stage in a fairly long journey. The Honourable the Finance Member has been at it for more than six months, and now that the ship has come into port, we may safely congratulate him in more senses than one. His ship has received no serious knocks on the way and that is my chief regret. I always expected the ship to come into port, but if it had received a few knocks on the way and if its skipper had been nervous on the journey, we might perhaps have been able to congratulate ourselves also. But, as things stand, it is only he who is to be congratulated.

Mr. C. S. Ranga Iyer: Congratulate also the ship for not having sprung a leak. (Laughter.)

Mr. Jagan Nath Aggarwal: It was not bound to do so. Congratulations are due to him, because he has fared better than his predecessor who was in charge of a similar Bill. This Bill has come to a successful end, and let us hope, it shall have a career of usefulness and service to this country. And, now, if we were to look back, after giving all praise to the skipper in charge, one is led to certain considerations not with a view to unnecessary display of political views or with a view to recrimination, but in order to take stock of the situation and with a view to devising measures for the future. It is because of this that I am trying to look into this matter. The Honourable the Finance Member has been helped a great deal indeed by the report of the London Committee. Now, what is this London Committee of which we have heard so much and which has led to so much warfare on the floor of this House not only between the Government side and the Opposition, but in the Opposition itself? What is this London Committee? Now, this London Committee, if one may say so, is a Committee of this House. Some people were taken from this House—not

appointed by this House,—they were talked to by experts far away from this country and there evidence on the Reserve Bank and for the structure of that Bank was placed before them. These gentlemen were convinced by it and they put their signature to a paper and they are held fast to it. I do not accuse anybody of putting his signature to something without conviction or coming and voting here without honestly feeling for it. But, apart from that, grant them the credit for having spent so much time abroad—I do not agree with those persons who say that going abroad is all pleasure, it is a waste of time,—what do we find? Is it proper, is it Parliamentary procedure to invite some people from this House at the desire of the Executive, put them on board the ship, take them far away, have them talked to by a body of experts, and then have the report of a Committee by which they are bound and they are held fast to those views in this House? I submit—and this we have come to realise now—that this is a gross breach of the liberties of the House if I may say so. I remember having read in the newspapers that when the Joint Parliamentary Committee was appointed, some one in Parliament objected to it. He said that this Committee was sitting with all kinds of Indian assessors; Indian colleagues and others and the British Parliament was being threatened with loss of liberty. I now fully appreciate the significance of that remark. We feel that by having some of us taken away—it does not matter who they are—and being away from living contact with the people who are going to be affected by this measure and not being fully apprised of the significance of some of these things and not having the time or the opportunity for this purpose, we are in real danger of losing a good deal of our liberty of action. That, I fear, has been the effect of the London Committee. When our friends say they are being accused of improper conduct in having lent their signatures and then asked to resile from that position, I say the position is really this. If you go to London for a Committee to lend your signature and lend your support to a certain report, either you stand by it or you do not. If you have been convinced, then you have been convinced outside this House for which you have no right to be convinced without your followers being convinced. What right have you to be convinced outside this House? The House should have been convinced along with you there. My Honourable friend, Mr. Ranga Iyer, said that these representatives who went to London not only represented this House, but also the country outside. I say, I do not subscribe to that proposition. It is well known how people managed to get invited, and how they went to London is a matter which I need not probe into now. With regard to this, my Honourable friend, Sardar Sant Singh, had put several questions and they were answered in the House. I leave it at that. It is well known whether people manage to get invited or whether they were elected by this House. They were representatives in a sense. My Honourable friend gets up and tells us that nobody ever repudiated their doings. He said: “You people have managed to get into a rump of a Party and still you have not secured the second position”. May I respectfully point out to him that he was the Leader and some of us were also there and why has that Party disappeared? Does it not show that something serious has happened? Here are our friends of the Independent Party, they find trouble brewing. There is no use disguising the obvious fact that some of these deliberations and happenings have contributed to trouble among the Parties

Mr. C. S. Ranga Iyer: I want to say

Mr. President (The Honourable Sir Shanmukham Chetty): But the Honourable Member is not giving way.

Mr. Jagan Nath Aggarwal: I am not giving way. I put it to my friend that there is no point in disguising the fact that those deliberations and those Committees have led to serious deterioration in the ranks of the Opposition. Can you deny that? Sir, I cannot. My Honourable friends, the Raja Bahadur and Mr. Sarma and Mr. Yamin Khan, and all their rank and file, have got up and said: "We have been functioning most normally and most efficiently". They are welcome to hold those ideas, but, so far as I can see in this part of the House, utter demoralisation has set in. From this, one has only to deplore these London Committees. By taking away people from this House it has led to a good deal of deterioration of Party discipline and organisation of Parties. Moreover, if I may say so, one regrets to find the real point missed in these discussions happening far away from the proper scene of action. For example, on a question like this, whether the Reserve Bank should be a State Bank or a Shareholders Bank, we were told that in the deliberations of the Committee this question was not so much as mentioned. It was only one solitary member who just timidly mentioned that he did not agree. On this question of State Bank *versus* Shareholders Bank we have had such long discussions inside the House and we have been flooded with vast literature outside and yet we have been told that in the London Committee they rejected the question in such a summary fashion. I submit the deliberations of the London Committee were not worth all the trouble of members going there and attending. We have far more serious work to do than this.

Coming to Diwan Bahadur Mudaliar, who spoke on this subject, he is quite welcome to hold his opinion that the deliberations of this Committee were so valuable that they have advanced the cause of self-Government for India. May I remind him with all earnestness that if the deliberations of the London Committee were of such a kind, it was certainly expected of them to have placed all those materials before the House. May I point out to him that, in spite of the able advocacy of the Diwan Bahadur, his rank and file do not stand by him on some crucial questions in a debate of this kind. Then, my Honourable friend, the Diwan Bahadur, turned his attention to my colleague from Lahore, Mr. Puri, and pointed out that he had indulged in such language in order to secure notoriety or a place in the newspapers. I think it is singularly unkind of my Honourable friend to accuse Mr. Puri of this. If I may say so, Mr. Puri did not at any stage of the Bill pose as an expert and did not intervene in the debate on such technical questions. He did not attempt to speak as one of those people who have an expert knowledge on these economic questions, and when my Honourable friend, the Diwan Bahadur, twitted him with all these, I think he was exceedingly unfair. Looking at these Committees to which our friends are taken away far from India and looking at their deliberations, I may be pardoned for saying, however much we may appreciate their services there is a growing suspicion in the country that, once the people have gone into these Committees, they desire to go over and over again on these Committees. I am not exaggerating and I am not in the least disinclined to give credit to people who spare their time to attend to these Committees in far off places. But my Honourable friend will pardon me for saying that we shall all be happy if these Committees are discontinued. In this particular instance, there is no point in having these Committees away from

the scene of action. This London Committee on the Reserve Bank Bill has definitely demonstrated that the utility of these Committees is very doubtful from our point of view. If one were to turn back and look at the result, one may safely say that the question of a Shareholders or a State Bank is subordinate in reality to the over-riding consideration whether the Bank can advance the national interests. This institution is a great instrument for good or for evil, and on the success of this institution the whole fate of the country in its various activities will depend, and the question before us would be if this institution, whether it is a Shareholders Bank or a State Bank, is going to promote the interests of this country—the real controversy which has been raised in this House at such length—and how far the Government of this country will ultimately be able to influence the decisions of this body. It is idle to pretend that the State or the Legislature should have no influence in the working of the Bank. When it is said that the Bank should be free from political influence, it means that the vagaries of party politics shall not affect the decision of this body. It shall be a body independent of the fleeting wishes of the party in power. Beyond that, to say that the Indian Legislature or the Government of India shall have no hand in the working of this body is throwing a real suspicion which has led to this controversy that outside influence in the working of the Bank shall be taboo. I am afraid on that point we have not been able to secure any solid achievement for the Bill as it came before us. That point remains where it was. And, what is more, on the question of the Bank having a Governor or a Deputy Governor or Directors who are independent, we have not secured any advantage. The Governor and the Deputy Governor can be removed by the Governor General and our desire to enthrone them in a position like that of the High Court Judges who are practically irremovable by any authority after appointment has not been achieved. If the Governor and the Deputy Governor are liable to be removed by the Governor General, then the position remains that they are in a subordinate position to the Governor General who is likely to be influenced by the decision of the Secretary of State or the British Parliament. Well, then, the position is that the Governor and the Deputy Governor will be susceptible to the influence of the Governor General. As I said, the whole idea was to secure to the Directorate of this Reserve Bank a position something like the position of the High Court Judges, because, after their appointment, they are irremovable by any body except by an address by both Houses of Parliament, a practical impossibility in practical politics. The position which has been achieved is that the Bank remains open to influence at the other end, though it may not be open to influence at this end. Let us hope that even in working perhaps these conditions will turn out better than we apprehend them to be.

There was a good deal of discussion with regard to the limitation of shares and the amount of holding that anybody can have. On that point all that we have been able to achieve by way of amendments, in spite of the best efforts of our Honourable friends, Dr. Ziauddin Ahmad and Sardar Sant Singh, was practically nil. But, Sir, it is idle to pretend that we are satisfied with the result of our achievement, when, in spite of 290 odd amendments, we have not been able to carry more than one or two. But it speaks volumes for the patience of the Finance Member that he did not use his majority,—to use Parliamentary phraseology,—did not

[Mr. Jagan Nath Aggarwal.]

apply the majority more often than he did and simply turned down the amendments and yielded in one place or two; and that is why I say that his ship has safely come to port without any serious knocks anywhere.

Then, Sir, the chief controversy raged round the question of the ratio and on that important point Mr. Sarma's amendment did not prosper nor did the other amendment relating to the 16 pence ratio; and, on that point, I am reminded of Sir Leslie Hudson's speech in the debate when he said that he expected members of the London Committee to stand by their signatures. Well, Sir, he has disclaimed any intention of imputing dishonesty to anybody, but the point is the one which I was trying to make before the House that, having signed that report and having put their signatures to it, they were expected to stand by it, and the difficulty was that the Leaders had practically given their opinion beforehand. They have been committed to a course of action before the debate had come on and that itself was a very undesirable state of things, because the measure came to the House when a good many of its Members had already given opinions in writing beforehand, and with that opinion the measure came to the House. Well, Sir, as things stand, we had a light thrown on various questions in the course of the debate. We had an interesting light thrown on the question of rural poverty by my Honourable friend, Captain Lal Chand, on this side and Khan Bahadur Abdul Aziz from that quarter of the House. Sir, I once mentioned that the Finance Department of the Government of India would be impervious to new ideas, but I stand corrected now; new ideas come from that quarter of the House. We used to have discussions on the problem of examination of public debt of this country; we have from that stage got on to the idea of repudiation of debts. Now, Sir, I deprecate any attempt at flirtation with such ideas. Any flirtation with the idea of repudiation of debts is simply to be deprecated. For this reason, Sir, if you talk of the idea of repudiation of debts, it gets into the air, and if it is repudiation of debt today by the agriculturist, tomorrow it may be repudiation of debts to England, and my friends on the Treasury Benches will not feel comfortable if that principle is going to be applied to them. I said I do not stand for the repudiation of debt, nor does public opinion outside honestly stand for any idea of repudiation of debt. Because once you start approbation of the repudiation of debts in Russia or in France or in Germany, that example is a very bad example and you cannot stop

Mr. M. Maswood Ahmad: What does Mr. Gandhi say?

Mr. Jagan Nath Aggarwal: Mahatma Gandhi has never suggested any repudiation of debts and no responsible body of opinion has ever suggested that. All that they have claimed is an examination of debts which is a far different proposition from repudiation, and that is why I deprecate the attempt made by Khan Bahadur Abdul Aziz from that side of the House to say that the only thing left for the agriculturists is to repudiate debts to the tune of 900 crores which it is a sheer impossibility for them to pay, or my friend, Captain Lal Chand, that the only way to have a settlement of these debts is to have anarchy and civil war and for a couple of days to suspend the criminal law of the land. I say nothing of the kind.

Hon. Captain Rao Bahadur Chaudhri Lal Chand: The Government of India are solvent, whereas

Mr. President (The Honourable Sir Shanmukham Chetty): Order, order.

Mr. Jagan Nath Aggarwal: It is neither here nor there; my Honourable friend's interruption means nothing. All that it means is that they have come to the stage of thinking in terms of sheer hopelessness. They have come to the stage of thinking that the agriculturist is in such a sorry plight that it is not possible to make him solvent. I am not of that opinion. The legislative machinery in this country, the executive interference in this country, is certainly not so far hopeless that you cannot save the agriculturist. It is only in recent times that we have found that the agriculturist is in a sorry way, but it is a far different proposition to say that the stage has come when the agriculturist may safely flirt with the idea of repudiation of debts. This is a far more important and serious proposition than has been realised by my friends who talk of repudiation, because a mere talk of repudiation means the upsetting of the credit machinery of the country for all time to come. And when you talk of repudiation of debts, you might as well talk of repudiation of all kinds of obligation. (*An Honourable Member:* "The law Courts also will go.") When repudiation comes, all laws will go and the law Courts will go too. I will be without my trade and my friends will be without their trades too, and all of them will go by the board. Therefore, we had all this interesting discussion showing only that the situation is regarded by some as so hopeless that they are prepared for all kinds of ideas as solvents of our difficulty. I do not think so, Sir. We found, during the course of the discussion, a number of times the position of the agriculturist brought up and mentioned. We all realise that agriculture has to some extent ceased to be a paying profession. A large number of our people are devoted to agriculture and, owing to the fragmentation of holdings, owing to the low prices of commodities, the agriculturist finds it very difficult to pay his way. But then the question arises, is it because of the accursed money-lender or cheap credit, or is it because of more expense than income from the land? The rural problem is to be tackled in that direction, and to blame the credit agency or cheap money is certainly not a solution of the problem.

In a way, Sir, so far as the Reserve Bank is concerned, we are glad that an inquiry has been promised or a machinery will be set up which will go into the question of the credit facilities to be afforded to rural banks and to rural societies, and I hope this will be all to the advantage of the country.

My friend, Mr. Mudaliar, was at pains to tell us that the progress of our country may very well be accelerated if we in Lahore talk to our representatives who went to the Round Table Conference to show that we deserve the reforms and that they did not put forward such ideas. We have taken stock of the situation and we have considered it more than once. But may I tell him that the ideas that emanate from Madras do not lead to any great progress in self-government or in constitution building? My friend himself is aware that the greatest breach in Indian solidarity also comes from Madras. Without having the Hindu-Muslim problem, they have a problem as between themselves which has been hard of solution all these years. It is no use recriminating amongst ourselves, and cloven hoofs appear everywhere. If Madras has its problems, so has the Punjab. We are no better or worse.

Mr. B. Sitaramaraju (Ganjam *cum* Vizagapatam: Non-Muhammadian Rural): You don't know Madras.

Mr. Jagan Nath Aggarwal: I know only this much of Madras that it has not presented any united front. It has not given us a solution of the constitutional problem. If we have the Hindu-Muslim problem, Madras has its Brahmin and non-Brahmin problem; and even though at the present time you may have the appearance of a superficial unity or of having bridged over the gulf

Mr. B. Sitaramaraju: That information is fifteen years old.

Mr. Jagan Nath Aggarwal: I have not been to Madras either now or 15 years back and, therefore, I do not claim any first-hand knowledge of what Mr. Raju says. But what is the kind of superficial unity you have got? I do not believe in any kind of superficial unity. You have differences in every province and nobody can come forward and say that we are the only people who have got differences and troubles, and they have none. Whatever else may be said, the contentions urged by our representatives at the Round Table Conference may appear odd in this place, but so long as we do not know really the full context in which all those speeches and suggestions were made, possibly in a state of despair as is very often the case, I do not think much can be made of those suggestions. Therefore, Sir, without taking much time of the House, I, in the end, congratulate the Finance Member on having safely brought this ship into port and the successful achievement of this measure which has taken the House and the country a long time indeed.

Sir Cowasji Jehangir: Mr. President, I rise to support the third reading of the Bill. Usually third reading proceedings are dull. Sometimes they are enlivened when the Opposition desire to make an attempt to throw out the whole Bill. On the present occasion, they have been enlivened by a speech or two characteristic of the persons who delivered them. Beginning from the end, may I be allowed to congratulate my Honourable friend, Mr. Aggarwal, on his speech, because he comes from and represents the same province as my friend, Mr. Puri; and it shows by its difference in tone and temper from Mr. Puri's effort that Punjab can produce just as well as any other part of India men with balanced minds and also unfortunately that Punjab can produce men of a different type. I congratulate my friend, Mr. Aggarwal, most sincerely on his having upheld the reputation of the great profession to which he belongs.

I will deal with one or two points raised by my Honourable friend. He suggested that it was a great mistake to appoint Committees which sat in London, but which had to deal with legislation which would have to be considered by this Honourable House. There may be two points of view on the appointment of such Committees; but when he went further and said that those Indians who go to England on such Committees are bound by their signatures and that when they speak in this House and vote in this House they are bound to express the same opinions as they did in England, he is only right to a certain extent, but may I point out that he is not right if he believes that the Members who went to England have on their return spoken and voted in a certain manner, because they were committed to certain views in England. No,—they do so, because they remain convinced that the conclusions they had arrived at in England

still hold good and they would have expressed the same opinions in this Honourable House whether they had been to England or not; I, for one minute, will not admit that if I had committed myself in London and if I found that after a space of two months circumstances had changed and that the conclusions I had arrived at in England were not in the best interests of my country (I will not admit for one minute), that I am bound to express the same opinions in this House; therefore, the argument against these Committees is to a certain extent not quite as sound as my friend, Mr. Aggarwal, tried to make out. That argument would only be sound if men were prepared to sell the interests of their country under any circumstances. If you carry that argument a little further, it would mean that no Member should anticipate a discussion in this House, should not consider and come to any decisions on any clauses in any Bill: he should not commit himself on any platform in the country if he happens to be a Member of this House. That is carrying the argument too far. Suppose there was a Bill introduced in this Honourable House by my Honourable friend, the Finance Member; suppose I had never been to England or sat on such a Committee; because I am a Member of this House, does it preclude me from agitating against that Bill before coming to this House? Does it preclude me from going on a platform and condemning it in anticipation of its coming before this House? Does it preclude me from trying to sway public opinion against the Finance Member outside the House before I come to this House? What do my Honourable friends mean when they say that we have bound ourselves down to a certain line of policy before we came to this House? We do it every day of our lives and we are meant to do it; we are meant to come to conclusions, definite conclusions sometimes, even before we come to this House. We may change those opinions, if the arguments of my Honourable friends here would tend to make us change our opinions, arguments which would convince us that the conclusions which we had come to were wrong. But if no such arguments are produced, we would not be true to our word, we would not be true to our constituency if we did not hold our own in this Honourable House whatever Puris and Aggarwals may say. Sir, so much for my friend, Mr. Aggarwal, and I will again congratulate him on his speech.

I will now turn for one minute to Mr. Joshi, who unfortunately is not here today, but who excused himself as he had some important appointment to keep. Unfortunately he was not present during the first reading and he did repeat a good many of the arguments which came from this side of the House and which he did not realise he was repeating. But there was one point that he placed before us which, I think, deserves to be dealt with. He stated that those of us who went to the London Committee forgot that we were there to guard the interests of all classes in this country and not only our own class. He did not go on to explain which class and whose interests we did not safeguard and to what class we belonged and to what class of people he belonged. I wish he had been here today to explain, even by an interruption, how we had disregarded the interests of what I presume he meant, the labouring classes, in this Reserve Bank Bill. I am at a loss to understand. But then he went on to say that this was also due not only to our fault, but to the fact that the Finance Member does not happen to be a service man and that because he came out from the commercial life of England or was it the political life, whatever it was, things were different than when Sir Basil Blackett was Finance Member, because he happened to be a member of the Home Civil Service—and, therefore, because the Finance Member

[Sir Cowasji Jehangir.]

was not a service man and we did not represent certain classes, some injustice had been done to some classes in India. Sir, that was a most extraordinary argument. Did my friend, Mr. Joshi, mean that in years to come when some Honourable Members on this side of the House will occupy the opposite Benches that the Finance Member should always be a service man? We have been urging upon Government, we have been agitating time and again, that of all the Honourable Members who sit opposite, the Finance Member should not be a service man, but he should be a man who should come out here with commercial and industrial experience. I do not know what my friend, Mr. Joshi, was driving at when he expressed that opinion, the logical conclusion of which can only be that in the future he would rather see a service man, whether he be an Indian or an Englishman, as Finance Member rather than a man from any other profession or calling.

Now, Sir, as to my friend who sits behind me, he has been soured due to his experiences with the Imperial Bank, soured perhaps due to his experience with more than one indigenous bank, soured perhaps due to the experience he may have had with his own directors, soured perhaps, because he shifted from one bank to another. Sir, I regret that my friend should have had those experiences, and I make allowance for all his criticisms which are due to his past experiences and may be unfortunately to his ill health, but all said and done, I do think, Mr. President, that he was justified in the remarks he made about a certain Party in this House which he only joined last Session—with what object I do not know. I leave it at that.

Now, Sir, turning to my old friend, Dr. Ziauddin Ahmad, I can only say, Mr. President, that mathematical training and mathematical education is supposed to make one's mind logical. There are, however, exceptions to every rule, and my old friend may be the exception which proves the rule, but nobody can deny his honesty of purpose, his sincerity, and, above all, the perseverance and energy that he brings to bear on any subject he handles, and I must give him credit for it. (Applause.) I said during the first reading that I had seen my friend burn the midnight oil. I had no opportunity of seeing him burn the midnight oil within the last three weeks, but I have no reasons to believe that he did not do so from night to night, and now, Sir, when it is Ramzan, and my friend has been without any food, it would be cruel for me to prolong the proceedings, as I would like him to go back and have a well deserved meal.

Sir, now I must refer to the speech made by Mr. Puri. I interrupted him and asked him whether we should not vote according to our convictions. Perhaps he did not understand the expression; he thought I was talking of convictions in Courts of Law. Now, Sir, the only convictions that my friend understands, the only conviction he has, is to go back and earn his fees; that is the only conviction he has in this House, and that is the only conviction he will ever have. How often has he been in this House? How often has he returned to his own Lahore to earn his fees? I would suggest to him that he better leave debates like debates on the Reserve Bank alone and devote himself to debates on certain estates that come before us for legislation

Mr. B. B. Puri: And sign their reports in London?

Sir Cowasji Jehangir: I would suggest to my friend that his energies would be better occupied—I have forgotten the legislation that came before us

An Honourable Member: Murshidabad Bill.

Sir Cowasji Jehangir: I would suggest to him to confine his attention to debates on Murshidabad and leave aside the debates on the Reserve Bank. That would be in keeping with his conviction of earning fees. Now, Sir, I am not accustomed to tell stories, but I am going to ask you, Mr. President, a riddle. My friend divided us into three classes, but he did not tell us to which class he belonged. I am going to ask you a simple riddle—when is a certain type of lawyer like a restless man in bed—when he lies on one side and turns round and lies on the other. That is the class to which my friend belongs,—unlike my friends, Mr. Aggarwal and Mr. Sant Singh, who come from his own province. Now, Sir, my friend talked of high class politics, he talked about his bounden duty to his country. The bounden duty to his country he has performed by frequently absenting himself from this Honourable House,—and he has given us an example of high class politics. God save us from such high class politics, and God forbid that Punjab should send more of such representatives to this Honourable House. Sir, my friend may get away with it in a Court of law, but he will not get away with it in this Honourable House.

Now, Sir, I have done. I only desire to conclude by saying that we all realise that this Bill is not a perfect one. It is not perfect, which it is not due to any fault of ours. There are restrictions placed upon us which we cannot obviate in this House. We have discussed *ad nauseam* the question of the previous consent of the Governor General in Council to further amend this Bill. Well, we cannot do anything with that. If that is one of the faults in this Bill, we are not responsible. My friend, the Finance Member, is not responsible. As to whether it should be a State Bank or a Shareholders Bank, it is rather late in the day to discuss. We are convinced that it should be a Shareholders Bank, and what is more, we have behind us in our convictions a large following in the country. Some of those who now support the scheme of a Shareholders Bank were in 1927 in favour of a State Bank; they have not sterilised ideas as my friend behind. Force of circumstances has made them change their views. Sir, I am not going into the painful little episode of whether we have been guilty of going back upon anything we signed in London. I am firmly convinced that Mr. Sarma's amendment was in keeping with the spirit of the Report, and I go further and say that, under the charged circumstances, the provisions in the Bill may not be in keeping with the spirit of that agreement, and I am prepared to argue that point anywhere, but I do not desire to say any more. As I said before, the difference was a difference of principle between the provision in the Bill and Mr. Sarma's amendment, that in practice it really made not much difference, after the clear assurances received in London and in this Honourable House that the insertion of the figure 1s. 6d. did not bind Government in any way between now and the time this Bill comes into force, but being convinced as we are that Government will find it very difficult to maintain this 1s. 6d. ratio whatever my Honourable friend, the Finance Member, may say, we were justified in supporting Mr. Sarma's amendment and I maintain that and I will continue to maintain that. Whenever I had the pleasure

[Sir Cowasji Jehangir.]

of going into the Government lobby, I did so, because I was convinced Government were right. Mr. President, I come from a family whose tradition has always been to be pro-British. I wish to maintain those traditions and I am not ashamed of declaring that I am pro-British, but whatever my Honourable friends may say, pro-British as I am, it does not prevent me on more occasions than not from walking into the lobby against the Government, and I will continue to do so whenever I think Government are not right. The charge of a friendly connection with Government is a charge I admit. I am not ashamed of it and if some of my Honourable friends contend that they should never go into the Government lobby, because they are anti-British, I leave them to their convictions and their conscience. I have nothing to do in this House with Government. If there is a question of loyalty, I am here to declare it over and over again, because I firmly believe that this link is more in the interests of India than of England, but to talk of this great question in connection with the question of going into the Government lobby or the Opposition lobby is ridiculous. Does my Honourable friend mean to contend that every time he goes into the lobby against Government he is going to prove to the country that he is independent? It only shows a slave mentality and inferiority complex. You go into the lobby which you think is the lobby that will serve the interests of your country regardless of whether it is the Government lobby or the Opposition lobby. The only lobby we know is the lobby that will serve the best interests of our country and maintain the connection between the two countries, India and Britain, for all times to come.

The Honourable Sir George Schuster: Sir, I must start with a confession. I rise to speak on this question in something of a holiday mood. I feel, Sir, that this debate has shown us that the issue can be in no doubt, and that I can look forward now to the termination of a long period of labour. Therefore, I feel sure that the House will not expect from me a long speech, nor a speech which will make any attempt to rival in eloquence some of those to which we have had the pleasure of listening today. I think my first duty is to express my thanks to all those who have worked with us in the evolution of this measure and, in expressing those thanks, I include almost every one in this House. If I were to mention classes, I would start by thanking those Members of this House who served in the first stage on the London Committee. I have so often expressed my appreciation of their work that I think I need not add to those expressions on the present occasion; but if out of those Members I were to select any for special mention, then, I think, I might fairly select those who have been through the double ordeal of fire and served not only on the London Committee, but also on the Joint Select Committee. Sir, they have done me specially great service, and I submit, also, to their country. It is perhaps a matter of regret that with one of them I should have had on one matter a serious difference of opinion, and I also regret that my Honourable friend, who has just spoken, should have referred again to that matter in his last speech. But, Sir, I can console myself with this reflection. This, after all, is a materialistic Bill. We are dealing with hard material facts and my disagreements with my Honourable friend seem to have been confined to spiritual regions. (Laughter.) Perhaps we may leave it at that.

Now, Sir, a good many speakers, in fact, I think all speakers today and yesterday with perhaps only one or two exceptions have been specially

kind in their personal references to myself and, if I may start with the first speaker of all, my Honourable friend, Mr. Vidya Sagar Pandya, I should like to express my special thanks to him, for, after all, as he has said, he was my chief opponent and he has seen the views for which he fought so hard practically all rejected. Sir, I am not concerned with anything that my Honourable friend might have said as regards his relations with his Party. I would only like to say this, that my Honourable friend worked really hard and has done extremely valuable service. He has taken the trouble to collect information from all quarters and even if some of his views may have been formed seven years ago and remain unaltered, I think it is fair to say that everything that he has put forward has been put forward on its merits as a banking proposal and has not been influenced by any other consideration. Sir, I hope my Honourable friend feels that his hard work has not been entirely in vain. It has been useful to us and many of the documents that he has quoted will be of value to us in the future.

Then, I had previously intended to fulfil my promise of administering a pill, not sugar-coated, to my Honourable friend, Mr. Puri. But after the course of the discussion I feel that the treatment which I should tender to him should rather be that of the good Samaritan and that I should salve his wounds! I do not think that my Honourable friend can stand another pill. (Laughter.) I would only like to say that the spirit of his speech seemed to be one born of suspicion, and if there has been any difficulty throughout these discussions, it has always—so I have seemed to find,—been based on suspicion. And I have been extremely glad to find—I hope I am right in this—that as our discussions proceeded, that as Honourable Members understood the measure better and as we came to understand each other better, those suspicions did seem to die away, so that I think that now that we are reaching the final stages of this Bill, we are more in agreement, and even our enemies and critics are more reconciled to the result, than they have been at any stage of the discussions before. I think the spirit of this debate illustrates that and I think, Sir, that that is an exceedingly happy result.

Now, it will be impossible for me to make references in a short speech to all those who have spoken today. But obviously any speech on the Reserve Bank Bill, any speech referring to the course of the debates is incomplete without a reference to my Honourable friend, the learned Doctor. (Applause.) Sir, my Honourable friend has enlivened our debates by many flights of fancy, and one of his happiest touches was in the opening stages when he referred to this Bank as what he called a *nimboo-nichor* Bank. Sir, I am afraid I have reached the conclusion that if there has been one who has been *nimboo-nichor* in these whole proceedings, it is my Honourable friend. (Laughter.) Why do I say that? Because my honourable friend, having given a few moments' thought, having interjected a few remarks into this debate, suddenly became the possessor of seventy ready-made amendments. (Laughter.) I think he will admit that that is a very correct application of his metaphor, and the House, I am sure, has not forgotten its amusement when my Honourable friend offered me those two enormous files this morning and when my Honourable friend to his right had to get up and tell him that they were not his property. (Laughter.) Sir, my Honourable friend has accused me either of not answering his arguments, or of using fallacies unknown to John Stuart Mill when I did so. I have little doubt that my Honourable friend would give much material for thought to that worthy

[Sir George Schuster.]

logician if he were to visit India today. One fallacy which I am sure John Stuart Mill never contemplated, and which I may have had to employ, is the fallacy of *argumentum ad Ziauddin Ahmad*. (Laughter.) Sir, I would like to ask you to give a ruling as to whether a fallacious argument given in answer to a fallacious argument is really a fallacy. (Laughter.) If you should rule in the affirmative, I am afraid I must plead guilty to having uttered many fallacies. Now, I am sure, my Honourable friend would not require me or expect me to deal in detail with those points which he brought up again at the last stage. I have never been quite able to follow his calculations as regards our metallic reserves, but I should be very glad to discuss the matter with him in some more quiet atmosphere.

If one may review the main course of these discussions, I suppose that apart from the ratio issue, which I hope is happily dead, apart from that, the two main issues which have exercised the minds of Honourable Members are the question of a Shareholders Bank *versus* a State Bank, and the question of the Governor General's special powers. If I might take as representative the speeches of my Honourable friend, Mr. Vidya Sagar Pandya, and his mouthpiece in the later stages, my Honourable friend, the learned Doctor, they have put before us a very gloomy picture as to how a Shareholders Bank would work in India. Now, I have always felt that there is a very great deal in what they have said in that respect, in this sense that we are making a great experiment in India. We cannot say that India has anything to correspond to what one describes as "city opinion" in London, and it is city opinion on which the position of the Bank of England is mainly based. All that will have to be built up; but we have felt—and I do not want to repeat the argument at length as I have used and dilated on it so often—we have felt that the only way to break from the present position of Government control in matters of currency is to make a clean break and try this experiment of setting up a Shareholders Bank. It is for that reason that we think that the experiment has got to be made. But whether it is going to be a success or not really depends entirely on Indians, and here I want to make a special appeal to the Honourable Members of this Legislature. We have here now a body of men, a fairly numerous body, who have made a very special study of this subject and who, without very much previous technical knowledge in most cases, have mastered the real issues involved in this Reserve Bank Bill in a way which, I hope they will excuse me for saying it, I have found remarkable and at the same time gratifying. Now, those Honourable Members, who have been through these discussions, who know the dangers, who know what the real features of this Bill are, can do very valuable work in educating public opinion on it, and in preparing for the setting up of the Bank and helping to ensure the result that we must all desire, namely, the result of getting a really representative body of shareholders who will take an interest in the affairs of the Bank. That, Sir, is a task which I feel sure Honourable Members can perform with great service to their country. As to the other point, the question of the Governor General's powers, that perhaps is not so much a matter for argument as for judgment. I should only like to express my own personal view. I feel that in the future many Honourable Members who have criticised those provisions will live to be extremely grateful for them. I have always myself been a believer in giving great powers to the Governor General in this matter of selecting men who would fill the chief appointments. I

must confess that I was even against the compromise that was reached in London which brought in the Board of Directors to a share in making recommendations. I believe that the Governor General will be the best man to make good selections and I do trust that Honourable Members will visualise the future as one in which the Governor General will be exercising all these powers in the interests of India and India alone.

That, I think, is all that I need say on the measure in this last debate. As I have said, we are now approaching the end of our labours. It has been a period of long and strenuous work and, looking back upon it, I certainly can myself say that it has not been a period devoid of pleasure. It has been a pleasure to discuss these matters with the Members in this House, and to find in our discussions in the Select Committee that everyone was trying to get down to the merits of the measure and to eliminate all irrelevant political considerations or considerations of other kinds. I do think that this House has done well by this measure.

My Honourable friend, Mr. S. C. Mitra, said in one part of his speech that we on this side ought to try and encourage the development of a strong Opposition. Sir, I agree with my Honourable friend. It is to our interest to have a strong Opposition which deals with issues on their merits. And on one point we shall always be united with all the Members and every part of this House and that is in doing what we can to help them in maintaining the credit of this Assembly, and in enjoying the result, when the Assembly does do well, of its increased credit in the outside world. I believe that on the present occasion the Assembly by its attitude will have earned great credit and will have done a great deal to help the constitutional advance and the support of opinion in England on which so much depends.

Sir, this occasion has been referred to in one of its unhappy moments as an occasion for funeral orations. That is a most inappropriate description. On other occasions people have used metaphors from weddings and have spoken about new births. I think all those are perhaps inappropriate metaphors. I prefer rather to use the language used by my Honourable friend, Sir Muhammad Yakub. He said that we were laying today the foundation-stone for financial autonomy in India, and I believe that that is what we are doing. All these discussions as to whether it should be a State Bank or what should be the powers of the shareholders or the denomination of the shares are really details. This is the most important practical step that has been taken in the history of India towards the grant of financial autonomy to India. I do not think—as I have once said on another occasion—that many Members of this House have realised what a big step it is, or what courage or liberality—whatever you may like to call it—it has required on Government side to go ahead with this step. And the fact that we have made it a Shareholders Bank and not a State Bank greatly increases its liberality. That is the way in which this measure should be regarded. I hope that Honourable Members, when they go out now to their constituencies, will be able to present it in that light and will be able to distract public attention from all those side-issues which have detained us so long in these discussions, and make the country realise that here we are taking a real practical step towards giving India financial autonomy, and by so doing are giving to India a guarantee of the honesty of the intentions of the British Government in this whole programme of Constitutional Reforms. Sir, we have laboured honestly and hard. May we all live to feel that we have not laboured in vain. (Loud Applause.)