

THE 50.
LEGISLATIVE ASSEMBLY DEBATES
Official Report

Volume V, 1947

(10th April, 1947 to 12th April, 1947)

THIRD SESSION
OF THE
SIXTH LEGISLATIVE ASSEMBLY
1947



LEGISLATIVE ASSEMBLY

President :

The Honourable Mr. G. V. MAVALANKAR.

Deputy President :

Khan MOHAMMAD YAMIN KHAN, M.L.A.

Panel of Chairmen :.

Syed GHULAM BHIK NAIRANG, M.L.A.

Mr. P. J. GRIFFITHS, M.L.A.

Sardar MANGAL SINGH, M.L.A.

Shrimati AMMU SWAMINADHAN, M.L.A.

Secretary :

Mr. M. N. KAUL, Barister-at-Law.

Assistants of the Secretary

Mr. A. J. M. ATKINSON.

Mr. HASAN MOHAMMAD KHAN.

Mr. N. C. NANDI.

Marshal :

Captain-Haji Sardar NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Petitions :

Khan MOHAMMAD YAMIN KHAN, M.L.A. (*Chairman*).

Syed GHULAM BHIK NAIRANG, M.L.A.

Shri SRI PRAKASA, M.L.A.

Mr. C. P. LAWSON, M.L.A.

Sardar MANGAL SINGH, M.L.A.

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CORRIGENDA

In the Legislative Assembly Debates, Budget Session, 1947,

Volume I—

1. No. 1, dated the 3rd February, 1947,—

- (i) page 29, for the folio heading "STATEMENTS LAID ON THE TABLE" read "STARRED QUESTIONS AND ANSWERS";
- (ii) page 30, in heading to starred question No. 36 delete "AREA";
- (iii) page 44, for existing lines 22 and 23 (in italics), read "Seth Yusuf Abdoola Haroon's Supplementaries to Sardar Mangal Singh's starred question No. 51, of 29th October, 1946.";
- (iv) page 45, line four from bottom, for "FIRMAS" read "FIRMS";
- (v) page 52, in heading to statement in reply to question No. 518(a), for "LIST" read "LISTED"; and in heading to statement in reply to Question No. 520(a), for "IN" read "ON";
- (vi) page 54, in the statement in reply to Pandit Sri Krishna Dutt Paliwal's Starred Question No. 583, against (d), for the figures "21,338" read "23,944"; and under the heading "MOTIONS FOR ADJOURNMENT", interchange the second and the third lines of the observations made by Mr. President, for the first time;
- (vii) page 64, insert an asterisk (*) at the end of line two under the heading "PAPERS LAID ON THE TABLE" and give a corresponding footnote, viz., "*Not printed in these Debates. Copies placed in the Library of the House.—Ed. of D.".
- (viii) page 67, interchange the second and the third lines.

2. No. 3, dated the 6th February, 1947,—

- (i) page 169, in heading to starred question No. 67, for "COMMUN" read "COMMUNAL";
- (ii) page 224, in the footnote, for "614" read "628";

3. No. 4, dated the 7th February, 1947,—

- (i) page 243, in heading to starred question No. 110, insert "off" after "EMPLOYEES";
- (ii) page 257, line 19, insert "of" after "them";

4. No. 5, dated the 10th February, 1947,—

- (i) page 377, insert "EXERCISE" between "TEMPORARY" and "DUTY" in the folio heading;

5. No. 6, dated the 11th February, 1947,—

- (i) page 419, line one, for "AND" read "OF";
- (ii) page 420, under the heading "PAPERS LAID ON THE TABLE" insert an asterisk (*) after "copy" and give a corresponding footnote viz., "*Not printed in the Debates. Copies placed in the Library of the House.—Ed. of D.".
- (iii) page 450, line 25, for "explicitly" read "explicitly";

6. No. 7, dated the 12th February, 1947,—

- (i) page 514, line 14 from bottom, for "be" read "he";
- (ii) page 515, line 22, for "but" read "bus";
- (iii) page 521, line 22 from bottom, for "aerodromes" read "aeroplanes";

24. No. 3, dated the 12th March, 1947,—

- (i) page 1746, line five from bottom, for "game" read "same";
- (ii) page 1747, in heading to starred question No. 867, for "DEPUTATION" read "DEPUTATION" and insert "IN" after "EMPLOYED";
- (iii) page 1769, in the statement in the column under "Result", in the first item add "Bus" after, "G.N.I.T.";
- (iv) page 1773, in the tabular statement, in column under "Results", against S. No. 45, in item 3, after "burning" read "of termi-";
- (v) page 1798, line 23, for "motions" read "motion";
- (vi) page 1807, delete line 19 from bottom;
- (vii) page 1820, line 13 from bottom, for "do" read "does";

25. No. 4, dated the 13th March, 1947,—

- (i) Pages 1825, and 1827, change the folio heading to read "STARRED QUESTIONS AND ANSWERS";
- (ii) page 1843, line 26, for "on seeds" read "oilseeds";
- (iii) page 1853, in heading to starred question Nos. 929, for "MOGHULPUAB" read "MOGHALPURA";
- (iv) page 1856, in the second statement, for last entry in fourth column read "5413";
- (v) page 1858, in the Editorial remark against the name of Chaudhri Sri Chand, in the third line after "the" insert "13th March, 1947";
- (vi) page 1885, in line three of the speech of Mr. Manu Subedar under "DEMAND NO. 22-FINANCE DEPARTMENT" for "out" read "out";
- (vii) page 1888, line three, for "uptil" read "until" and in line 30, for "Charter" read "barter";
- (viii) page 1894, line seven, for "twi" read "two";
- (ix) page 1896, in the marginal space left blank insert "5 P.M.";

26. No. 5, dated the 14th March, 1947,—

- (i) page 1934, for "DEMAND NO. II-CABINET" read "DEMAND NO. II-CABINET";
- (ii) page 1943, line 15, delete "he";
- (iii) page 1950, line 20, insert "may" before "quote";
- (iv) page 1954, line 21, for "by" read "of";
- (v) page 1962, interchange the motions for demands printed under heads "DEMAND NO. 33-ADMINISTRATION OF JUSTICE" and "DEMAND NO. 34-JAILS AND CONVICT SETTLEMENTS";
- (vi) page 1964, under "DEMAND NO. 60—INDIAN DAIRY DEPARTMENT", in line three, for "Miscellaneous Departments" read "Indian Dairy Department";

27. No. 6, dated the 17th March, 1947,—

- (i) page 1967, in the heading to starred question No. 889, for "INCOME TAX" read "INCOME";
- (ii) page 1992, in heading to starred question No. 992, add "MUSLIMS", in the beginning;
- (iii) page 2010, in last but one line, for "contaid" read "contains" and in the last line, for "ac" read "lac";
- (iv) page 2028, line 22 from bottom, for "explicitly" read "explicitly";
- (v) page 2047, last but one line for "against" read "again";

28. No. 7, dated the 18th March, 1947,—

- (i) page 2083, line 12 from bottom, for "whose" read "those";
- (ii) page 2084, in the last line, against "Mr. K. L. Punjabi" read "Yes, Sir.";

29. No. 8, dated the 19th March, 1947.—

- (i) page 2132, line ten from bottom, *insert* a dagger mark (†) *before* the figure '1040';
- (ii) page 2136, line one, for "OCEDURE" read "PROCEDURE" and in line 17 from bottom for "†" read "‡" *before* the figure No. "1046";
- (iii) page 2164, last line, for "office" read "officer";
- (iv) page 2168, at the bottom, in the marginal blank space, for "P. M." read "3 P. M.";
- (v) page 2169, in line, nine from bottom, *after* "corrected" *change* the comma into a fullstop and in line eight from bottom, for "his" read "this";
- (vi) page 2185, line 3 from bottom; for "due the be combination" read "due to the combination";
- (vii) page 2186, line 22 from bottom, for "vouche" read "vouch";

30. No. 9, dated the 20th March, 1947.—

- (i) page 2231, *delete* the first five lines and *insert* in the next line, *after* **Lala Deshbandhu Gup'a** (Delhi: General); "the words "(The Honourable Member spoke in Hindustani. For Hindustani text see Appendix to the Debates for the 20th March, 1947. English translation given below.—*Ed. of D.* " ;
- (ii) page 2239, in line 17 from bottom, for "clause (c)" read "clause (e)";
- (iii) page 2240, line nine from bottom, for "and" read "or";
- (iv) page 2245, line ten from bottom, for "in-" read "increases";

31. No. 10, dated the 21st March, 1947.—

- (i) page 2304, last line, *delete* "been";
- (ii) page 2328, *delete* the eighth line;
- (iii) page 2331, *change* the folio heading to read "CONTROL OF SHIPPING BILL";

32. No. 11, dated the 24th March, 1947.—

- (i) page 2355, line six from bottom, for "LAND" read "LAID";
- (ii) page 2376, line eight from bottom; for "the vast sub-continent" read "this vast sub-continent";

In Volume IV—

33. No. 1, dated the 25th March, 1947.—

- (i) page 2420, in the first line of answer to question No. 1176, for "Sir Borra" read "Sri Borra";
- (ii) page 2425, line six, for "ON" read "OF"; line seven for the figures "1139" read "1183"; and in heading to starred question No. 1185, for "Railway" read "RAIWALA";
- (iii) page 2434, line eight, for "soft" read "sort";
- (iv) page 2459, line six from bottom, for "pround" read "proud";
- (v) page 2460, line 19 from bottom, for "burndened" read "burdened";

34. No. 2, dated the 26th March, 1947.—

- (i) page 2484, line two, *insert* "has" *after* "mills";
- (ii) page 2487, in heading to starred question No. 1210, for "OFFICIALS" read "OFFICIALS"; and for "CENTRAL" read "COASTAL";
- (iii) page 2492, in heading to starred question No. 1217, *insert* "AND" *after* "IRON";
- (iv) page 2495, in heading to starred question No. 1225, for "CHANGE" read "CHARGE";

- (v) page 2503, in the folio heading, for "FOOD DEPARTMENT" read "INDUSTRIES AND SUPPLIES";
- (vi) page 2505, transpose the heading "ELECTION TO THE STANDING COMMITTEE FOR AGRICULTURE DEPARTMENT" above the line beginning with "Sir Pheroze Kharjet";
- (vii) page 2515, line 30, for "Central" read "Centrally";
- (viii) page 2517, line 11, the figures at the end should be "200";
- (ix) page 2531, last but one line, for "Practically" read "Incidentally";
35. No. 4, dated the 28th March, 1947,—
- (i) page 2616, in heading to starred question No. 1243, for "IF" read "OF";
- (ii) page 2617, in the Honourable Maulana Abul Kalam Azad's reply in Urdu, in the first line, for "س" read "س";
- (iii) page 2624, in heading to starred question No. 1252, add "OF" after "RIOTERS";
- (iv) page 2630, in line 31, for "award" read "aware";
- (v) page 2631, in heading to starred question No. 1262, for "HEBVICE" read "SERVICE";
- (vi) page 2634, in the heading to starred question No. 1265, in the first line, add at the end "BE";
- (vii) page 2637, change the folio heading to read "MOTION FOR ADJOURNMENT";
- (viii) page 2652, line three, for "hable" read "liable";
36. No. 5, dated the 31st March, 1947,—
- (i) pages 2680 and 2681, delete "(a)" after headings "STATEMENT II" and "STATEMENT III" respectively;
- (ii) page 2687, in heading to starred question No. 1269, for "POLICY RAIL re ROAD" read "POLICY re RAIL-ROAD";
- (iii) page 2690, line 24, for "on by" read "only";
- (iv) page 2691, line nine, for "or" read "on";
- (v) page 2728, last but one line, in the beginning, insert "we do";
- (vi) page 2752, in the last but one line, after "necessary" insert "to";
- (vii) page 2754, line 13 from bottom, for "particular" read "particularly";
- (viii) page 2762, line 27 from bottom, insert "upon" after "live";
37. No. 6, dated the 1st April, 1947,—
- (i) page 2773, line one above the tabular statement, for "the" read "then";
- (ii) page 2792, in last but one line, for "wounder" read "wonder";
- (iii) page 2793, line 26, for "prospects" read "prospectus";
- (iv) page 2802, line four from bottom, before "business" insert "in";
- (v) page 2824, line 21, insert "have" after "fact we";
38. No. 7, dated the 2nd April, 1947,—
- Page 2863, in the folio heading, for "INDIAN PENAL CODE" read "INDIAN RAILWAYS";
39. No. 8, dated the 3rd April, 1947,—
- Page 2936, line three, for "who," read "why";
40. No. 9, dated the 7th April, 1947,—
- (i) page 2987, line three, for "intervieded" read "interviewed";
- (ii) page 3039, delete the fifth line from bottom;

41. No. 10, dated the 8th April, 1947,—

- (i) page 3051, in heading to starred question No. 1440, for "R.I.A." read "R.I.A.F.";
- (ii) page 3116, line twelve from bottom, for "The question is:" read "Mention moved:";

In Volume V—

42. No. 1, dated the 10th April, 1947,—

page 3249, *delete* the heading at the top.

43. No. 2, dated the 11th April, 1947,—

- (i) page 3294, line one, for "ENGINEERING" read "ENGINEERS";
- (ii) page 3305, line 20 from bottom, for the existing line, read "please state if the attention of Government has been drawn to a resolution by the".

44. No. 3, dated the 12th April, 1947,—

- (i) page 3388, line 19, for "ALLOTMENT OF COAL TO TOBACCO GROWING" read "ALLOTMENT OF COAL FOR TOBACCO CURING";
 - (ii) page 3403, line twelve, for " " read " ".
-

LEGISLATIVE ASSEMBLY

Friday, 11th April, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Mr. G. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

USE OF BRITISH TROOPS TO QUELL RIOTS AND COMMUNAL DISTURBANCES

1537. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Defence Department please make a statement to the House on the use of British Troops in various areas in India to quell riots and communal disturbances?

(b) Do Government propose to consider the desirability of issuing orders that only Indian troops should be employed in future for this purpose?

(c) Is it a fact that, as the Under Secretary of State for India stated in the House of Commons recently, British troops were used to quell communal riots because they were most readily available?

Mr. G. S. Bhalja: (a) Along with Indian troops, British troops have also been used in recent months to restore order in some Provinces but there has been no attempt to use British troops in preference to Indian troops. The principle always followed in despatching troops to the aid of the civil power is administrative convenience. For the purpose of quelling civil disorder, troops nearest to hand are employed, irrespective of their race or class composition.

(b) No, Sir. So long as British troops are on the Indian establishment, they must clearly be available for any purpose for which troops have to be used, including the maintenance of public order. I should add that there is no special desire to use British troops in this connection, but the matter is in the discretion of the Local Commander and as the House is aware, British troops will remain in this country only for a short time.

(c) Yes, Sir, or rather to restore order.

Mr. Yusuf Abdoola Haroon: With reference to answer to part (c), why are Indian troops not readily available?

Mr. G. S. Bhalja: In some places there are Indian troops, in some other places British troops, and in some others both British and Indian troops. It is not that by design in any particular place, in connection with the suppression of civil disturbances, only British troops are kept.

Mr. Ahmed E. H. Jaffer: Do these troops carry out the order of the Provincial Government or the Local Army Commander in regarding to firing?

Mr. G. S. Bhalja: Troops are always under the orders of the Local Commander.

COST TO INDIA OF MAINTENANCE OF ITALIAN AND JAPANESE PRISONERS OF WAR

1538. *Seth Govind Das: Will the Honourable the Finance Member, be pleased to state:

(a) how much India has paid upto now on account of the cost of maintenance of (i) Italian prisoners of war, and (ii) Japanese prisoners of war;

(b) whether His Majesty's Government have borne any share of this expenditure; and

(c) if so, on what basis India's share of the expenditure was fixed?

The Honourable Mr. Liaquat Ali Khan: (a), (b) and (c). The Honourable Member's attention is invited to the reply to Question No. 630, given in the Legislative Assembly on 16th November, 1946.

India's share of this expenditure, representing the cost of maintenance of such Japanese prisoners of war as were captured within India's borders, is estimated at Rs. 11 lakhs for the entire period, out of a total expenditure now estimated at about Rs. 31 crores representing the total cost of the maintenance in India of Italian and Japanese prisoners.

Seth Govind Das: How much of this expenditure has been borne by the British Government and how much by the Indian Exchequer?

The Honourable Mr. Liaquat Ali Khan: Out of this Rs. 31 crores, Rs. 11,00,000 have been borne by the Indian Government.

Seth Govind Das: And how much by the British Government?

The Honourable Mr. Liaquat Ali Khan: The rest. The Honourable Member can use a little arithmetic!

WITHDRAWAL OF INDIAN TROOPS FROM JAPAN

1539. *Seth Govind Das: Will the Secretary of the Defence Department be pleased to state:

(a) whether Government are aware that the British Government are withdrawing their occupation troops from Japan;

(b) if so, whether the Government of India propose to withdraw immediately the Indian troops from Japan; and

(c) whether Government are taking any steps to bring these troops to India?

Mr. G. S. Bhalja: (a) Government are aware that, as announced in a press communique published in the local newspapers on the 15th February, 1947, His Majesty's Government in the U. K. have decided to withdraw the 5th British Infantry Brigade and a proportion of supporting administrative troops from the British Commonwealth Occupation Force in Japan.

(b) and (c). I would refer the Honourable Member to my answer to part (b) of starred question No. 1058, asked on the 20th March, 1947.

1540. *Seth Govind Das: In view of the fact that this question has been asked very often, I do not want to ask it.

RESERVATION OF VACANCIES FOR WAR SERVICE CANDIDATES

†1541. *Mr. Frank R. Anthony: Will the Honourable the Home Member be pleased to state:

- (a) whether it is a fact that the Central Government gave assurances that a certain percentage of vacancies would be reserved for candidates with war service; (b) if so, what these percentages were in the various Departments controlled by the Central Government; and (c) whether Government propose to implement the assurances given by their predecessors-in-office?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). Seventy per cent. of permanent vacancies which would have been, in the normal course, filled by direct recruitment between the 29th June, 1942 and the 31st December, 1945 are reserved for 'war service' candidates. This applies to all Departments.

(c) Yes.

SHOOTING OF INDIANS BY BRITISH SOLDIERS IN KARACHI

1542. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Defence Department be pleased to state whether the attention of Government has been drawn to the news in papers of the alleged shooting of two Indians by British soldiers in Karachi, on 12th February, 1947?

(b) If so, what are the causes of this incident?

(c) What is the present condition of these two Indians who were hit by bullets and who crawled to the Sadar police station bleeding all the way, where they fainted?

(d) What action has been taken against the party of British soldiers who fired upon them?

Mr. G. S. Bhalja: (a) Yes, Sir, but the report is not correct. Government's information is that no military personnel were involved in this incident.

(b) and (c). Government have no information.

(d) Does not arise.

PERCENTAGE OF MUSLIM EMPLOYEES IN THE CENTRAL ORDNANCE DEPOT, DELHI CANTONMENT

†1543. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Defence Department be pleased to state what is the authorised percentage of Muslim employees for the Central Ordnance Depot, Delhi Cantonment?

(b) What is at present the actual percentage of Muslims in each of the various classes and categories of appointments in that Depot?

(c) If the actual percentage of Muslims in the various classes and categories is less than the authorised percentage, who is responsible for this and what steps do Government propose to take to raise the actual percentage of Muslims to the authorised percentage?

(d) Are Government aware that no Muslim has ever been appointed a Civilian Labour Officer in the Central Ordnance Depot, Delhi Cantonment?

Mr. G. S. Bhalja: (a)—

	Per cent.
(i) For services to which recruitment is made on an All-India basis.	25
(ii) For services to which recruitment is made from Delhi Province.	33.9

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

‡ Answer to this question laid on the table, the questioner having not put the question.

(b) (i) <i>All-India recruitment Services—</i>	
Storkeeping	32·5
Clerical	21·5
(ii) <i>Local recruitment Services—</i>	
Clerical	15·3
Civilian Supervisors	25
Labour	25
Technical	25

(c) (i) Any present disparity between authorised, and actual, communal proportion represents the aftermath of war time recruitment.

(ii) Government have already declared their policy in Home Department Memorandum, No. 31/18/45, dated the 2nd October, 1945.

(d) Yes, Sir. A Muslim officer has recently been posted as a Civilian Labour Officer in *this Depot*.

PERCENTAGE OF REPRESENTATION OF MUSLIMS IN DEPARTMENTS UNDER CENTRAL BOARD OF REVENUE

1544. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable the Finance Member please state the percentage of representation of Muslims in the following departments under the Central Board of Revenue (now Revenue Division of the Finance Department: (i) Excise Department—Gazetted and Non-gazetted, (ii) Customs Department—Gazetted and Non-gazetted, (iii) Income-Tax Department—Gazetted and Non-gazetted and (iv) Chemical Service—Gazetted and Non-gazetted?

(b) Have the provisions of the Home Department order of the year 1934, regarding communal representation, been observed in making these appointments? If not, why not?

(c) Are the Muslims serving in the Gazetted and Non-Gazetted ranks of the Chemical Service under the Central Board of Revenue holding temporary or permanent appointments? If they are holding temporary appointments, why have they not been made permanent?

(d) What steps do Government propose to take to make up the deficiency in the representation of Muslims in the Secretariat of the Finance Department as well as in the various departments under the Central Board of Revenue (now Revenue Division of the Finance Department)?

The Honourable Mr. Liaquat Ali Khan: (a) Working on the basis of posts actually filled up to 1st January, 1947 the percentage of Muslims in the following services is as below:—

	Gazetted	Non-Gazetted
(i) Central Excise	20	30
(ii) Customs	18	16·7
(iii) Income-tax	22·7	20·6
(iv) Chemical Service	8·8	11·1

(b) The Home Department orders of 1934 referred to by the Honourable Member apply to direct recruitment in the Services. These orders have been acted upon wherever applicable. Any deficiencies in the recruitment of minority community in a year due to non-availability of suitable candidates of the particular minority communities required have been adjusted in subsequent years.

(c) There is only one Muslim officer in the Gazetted ranks of the Chemical Service and he is temporary because the post itself is temporary. There are three Muslims in the Subordinate Service who are all permanent.

(d) The authorities competent to make appointments to the various posts already have strict instructions to comply with the Home Department orders for representation of minority communities in the recruitment. The observance of these orders is watched by Government through communal rosters and annual returns prescribed under the Home Department orders themselves. In the Departments under me, I propose to make the Senior Officers personally responsible for the proper observance of communal composition orders.

Mr. Ahmed E. H. Jaffer: In view of the fact that the Muslim quota is already much lower than 28 per cent., what steps does the Honourable Member propose to take to see that the Muslims get their proper share?

The Honourable Mr. Liaquat Ali Khan: The matter is under examination.

G. H. Q. MESSES IN REQUISITIONED BUILDINGS IN DELHI

1545. ***Mr. Manu Subedar:** (a) Will the Secretary of the Defence Department be pleased to state how many G.H.Q. Messes are there in Delhi, occupying requisitioned buildings belonging to private individuals?

(b) Since which date have they been occupying these buildings?

(c) What are the owners of such buildings being paid?

Mr. G. S. Bhalja: (a) Two.

(b) and (c). I lay a statement on the table of the House.

Statement

Names of Messes	Date of occupation	Amount of rent paid to owners annually
		Rs.
1. Grand Hotel	1st January 1945 .	15,756 0 0
2. York Hostel	Do.	8,700 0 0

Mr. Manu Subedar: What is the total amount of money which Government is squandering on hire on those buildings which are not fully occupied?

Mr. G. S. Bhalja: I object to the word 'squandering'. Government are not squandering any money.

Mr. Manu Subedar: Is it not a fact that some buildings are partially occupied?

Mr. G. S. Bhalja: No, Sir.

Mr. Manu Subedar: Will the Secretary make enquiries whether they are occupied to full capacity, and if not, will Government make an effort to amalgamate some of these messes and release some of the buildings taken from private parties?

Mr. G. S. Bhalja: My Honourable friend has two questions later on which deal with this very matter.

Mr. Ahmed E. H. Jaffer: Is the Honourable Member aware of the fact that some rooms in Sangli Mess and some on Princes Park in Lytton Road are vacant?

Mr. G. S. Bhalja: I am not aware of that.

Mr. Manu Subedar: What is the total amount which the Defence Department is paying for buildings for mess purposes?

Mr. G. S. Bhalja: I have already said that I am laying a statement on the table of the House. The amount of rent paid annually is Rs. 15,756 in respect of the Grand Hotel and Rs. 8,700 in respect of the York Hostel.

Seth Govind Das: Is it not a fact, Sir, that before these buildings were requisitioned by the Government, the amount paid to these owners by private parties was much less than the Government is paying?

Mr. G. S. Bhalja: I am afraid I am not in a position to answer that question because the matter is dealt with in the Department of Works, Mines and Power.

Lala Deshbandhu Gupta: Have Government given the necessary increase in the rent in accordance with the recent Delhi Rent Control Bill Act?

Mr. G. S. Bhalja: I must give the same reply as I did to the previous question.

BUILDINGS OCCUPIED BY AMERICAN FORCES AND ALLIED WAR PERSONNEL TAKEN OVER FOR THE USE OF ARMY AND MESSSES

1546. ***Mr. Manu Subedar:** (a) Will the Secretary of the Defence Department be pleased to state how many buildings in Delhi which were in the occupation of the American Forces and of Allied war personnel during the period of the war have been (i) turned into officers' messes, and (ii) taken for the use of the Army?

(b) For which class of officers and for what purposes have these buildings been so taken?

(c) Was it necessitated by the increase in personnel?

(d) When will the private buildings so occupied be de-requisitioned and are any steps being taken in this connection?

Mr. G. S. Bhalja: (a) and (b). The Central Vista Mess (formerly the American Officers' Mess) was turned into a mess for the use of British and Indian single officers of all ranks belonging to the Air Forces.

An area of 20,390 s. ft. in the Talkatora Barracks, New Delhi, was taken over to accommodate the offices of the Welfare Directorate and a part of General Staff Branch.

(c) No, Sir. The mess had to be taken over to accommodate officers from two other messes which had to be returned to the Works, Mines and Power Department. The Barracks were required to accommodate the offices which were moved from Old Delhi to New Delhi.

(d) This does not arise as the accommodation in question was not requisitioned.

Mr. Manu Subedar: May I know why it was necessary to move these officers from Old Delhi to New Delhi when it is well known to Government that there is excessive overcrowding in New Delhi and that premises are required for private occupation as well as for occupation by Government servants?

Mr. G. S. Bhalja: The move of certain offices from Old to New Delhi was a part of the reorganisation of the Defence Department offices.

Mr. Manu Subedar: What will happen to the Old Delhi buildings which have been vacated in this manner? May I know whether they could not be brought into public use in some manner?

Mr. G. S. Bhalja: Any building in the possession of the Defence Department, the moment it falls vacant will be handed over to the Works, Mines and Power Department for disposal as they think best.

Mr. Manu Subedar: May I know whether this reorganisation which the Defence Department are making will not involve the transfer of some of these people now temporarily housed in the buildings vacated by the American forces?

Mr. G. S. Bhalja: If the Honourable Gentleman has in mind Grand Hotel and York Hostel, those buildings, I believe, are likely to be vacated soon.

NUMBER OF OFFICERS' MESSSES IN DELHI AND THE NUMBER OF OFFICERS USING THEM IN A MONTH

1547. *Mr. Manu Subedar: (a) Will the Secretary of the Defence Department be pleased to state how many Officers' Messes exist in Delhi and what is the total minimum number of officers using such messes in the course of a month commencing from the V. J. Day?

(b) Is it a fact that these Messes are not fully occupied, and that in many cases, more than half the space is lying vacant?

(c) If so, do Government propose to take steps to consolidate these Messes and release the buildings so occupied and make them available to the civilian staff of the Government of India, or return these buildings to the private owners?

Mr. G. S. Bhalja: (a) I lay a statement on the table of the House.

(b) No, Sir. Generally speaking all the messes are occupied to full capacity. In fact, 70 married officers have had to make their own arrangements, while 205 are on the waiting list for married accommodation.

(c) All those that can be released have already been released, and it is hoped to release a few more within the next month or two.

Statement

Single and Married Officers' Messes.

(1) *New Delhi:—*

- (i) King Edward Road.
- (ii) Mandi House.
- (iii) Princes Park.
- (iv) Sangli.
- (v) Queen Victoria Road.
- (vi) 4, 6 and 8 Aurangzeb Road.

(vi) Mess closed down and buildings handed over to Works, Mines and Power Department on 1st April 1947.

- (vii) Wallesey Road.
- (viii) Sher Shah Road.
- (ix) Central Vista.
- (x) Jodhpur House.
- (xi) Bhavnagar House.
- (xii) York Hostel.

(2) *Old Delhi*:—

(i) Grand Hotel.

(ii) Metcalfe House.

(iii) Khyber Pass—was built for Headquarters, I. E. F., for single officers.

The minimum number of officers, married and single, accommodated in these messes since V. J. Day is :—

		Has accommodation for Number of officers
1945—		
August	2052	}
September	2031	
October	1974	
November	1928	
December	1887	
1946—		
January	1875	}
February	1760	
March	1738	
April	1699	
May	1657	
June	1611	
July	1434	
August	1335	
September	1338	
October	1180	
November	1176	}
December	1135	
1947—		
January	1094	}
February	1059	

It will be noted that the officer figures given from August 1945 to November 1946, except July 1946, are in excess of the accommodation available. During this period officers were uncomfortably cramped and it was only from December 1946 that the reduction in strength eased the accommodation position.

The vacancies in Messes from December 1946 onwards were deliberately kept in view of the proposal to close down Aurangzeb Mess. With the closing of Aurangzeb Mess on the 1st April 1947, all messes are now full to capacity and the Defence Department have great difficulty in finding accommodation for visiting officers, etc.

Mr. Manu Subedar: May I know up to what date the Honourable the Defence Secretary's statement that the buildings are fully occupied holds good, because the information which I have received very definitely says that many of them are very partially occupied?

Mr. G. S. Bhalja: I shall be glad to look into the allegation that any particular buildings are partially occupied, if the Honourable Member will be pleased to let me have the details.

Mr. Manu Subedar: May I know whether the Defence Department did not make it a policy to inquire periodically, say every month, whether there are any partially occupied premises in their possession and if so, will the Honourable Member please state whether the Government would not try to amalgamate some of these messes in order to release the buildings altogether?

Mr. G. S. Bhalja: I am afraid my Honourable friend is arguing on wrong assumptions. The statement which I am laying on the table will show that in respect of the messes, from August, 1945 to July, 1946, as against accommodation available for 1,550 officers there were sometimes 2,052 officers and only in the month of July, 1946 did the number go down to 1,434. I can give the Honourable Member the assurance that any building which is not required will be released and that the suggestion that amalgamation should be made of messes in partially occupied buildings will certainly be looked into.

Mr. Ahmed E. H. Jaffer: May I know whether the Honourable Member would consider the desirability of making available to civilian officers and non-officials such accommodation as is lying vacant, which were formerly occupied by military officers?

Mr. G. S. Bhalja: There is no accommodation in the possession of the Defence Department in connection with messes, etc., which is lying vacant, so that it can be made available to civilian officers. When they do not need any accommodation, the Defence Department will certainly make it available for use by other Departments.

Mr. Ahmed E. H. Jaffer: The Honourable Member himself is not aware of the details of such accommodation as is lying vacant in the two messes I have mentioned. Will the Honourable Member make enquiries to see whether accommodation there is really available and if so, will he make arrangements to allot it to civilian officers who are now housed in hotels and elsewhere at great inconvenience to themselves?

Mr. G. S. Bhalja: I would like the Honourable Member to be quite specific as to which two buildings he has in mind.

Mr. President: The Honourable Member may give him the information later on.

Shri Sri Prakasa: What is the exact christian date of the V. J. Day and what do the letters V and J stand for?

Mr. G. S. Bhalja: V. J. stand for Victory over Japan.

Shri Sri Prakasa: On what date does it begin?

Mr. G. S. Bhalja: The Honourable Member should know that date.

Shri Sri Prakasa: I never fought Japan: you did it.

Mr. G. S. Bhalja: 15th of August, 1945.

TRAINING OF INDIAN ENGINEERS TO REPLACE NON INDIAN ENGINEERS BELONGING TO HIS MAJESTY'S GOVERNMENT

1548. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for Education please state:

(a) the steps Government have taken or propose to take to make arrangements for training young Indian Engineers within a reasonable space of time, in order to replace non-Indian Engineers in India; and

(b) whether Government have any plan for the purpose?

آنریبل مولانا ابوالکلام آزاد : (اے) اور (بی) - گورنمنٹ نے پوری سنبھدگی کے ساتھ اس بات پر غور کیا ہے کہ ہندوستانی انجینروں کی ٹریننگ کے لئے پوری آسانیاں کس طرح پیدا کی جائیں - اس سلسلے میں جو قدم اٹھائے گئے ہیں اور آگے کے لئے جو نقشے بنائے گئے ہیں انکے اہم پہلو تین ہیں —

(۱) اس وقت ملک میں جو انسٹی ٹیوشن موجود ہیں انہیں اور زیادہ مضبوط کرنا -

(۲) نئے انسٹی ٹیوشن کو قائم کرنا -

(۳) انجینرنگ سبجکٹ کی اونچی اسٹیڈی اور پریکٹیکل ٹریننگ کے لئے ملک کے باہر انتظام کرنا -

ایک اسٹیٹ منٹ ہاؤس کے ٹیبل پر رکھا جاتا ہے جس سے اس بارے میں تفصیلی باتیں معلوم کی جا سکیں گی -

The Honourable Maulana Abul Kalam Azad: (a) and (b). The Government have been giving serious consideration to the question of providing adequate facilities for the training of Indian Engineers and the steps so far taken in the matter and the plans for the future have a three-fold aspects, namely, (i) strengthening of existing Engineering Institutions, (ii) starting of new ones, and (iii) provision of facilities for advanced studies and practical training abroad in Engineering subjects.

A statement giving detailed information is laid on the table of the House.

Statement

(1) Steps taken to strengthen the existing Engineering Institutions and plans for the future has been issued to all important Engineering Institutions with a view to determining the scope for development. Necessary action in this behalf will be taken on receipt of the Council's recommendations.

(b) A four year development programme for the Indian Institute of Science, Bangalore, involving a capital expenditure of Rs. 40,00,000 and designed in particular to strengthen the departments of Aeronautical Engineering, Metallurgy and Internal Combustion Engineering is now in operation.

(c) A comprehensive plan for the development of the Delhi Polytechnic has been approved in principle. The present strength of the Engineering Department of the Polytechnic is 211. It is proposed to increase this to 490 by 1950-51.

(d) Government have agreed to make a recurring annual grant of rupees one lac, and a non-recurring grant of rupees four lacs during 1946-48 to the Benares Hindu University for improvement of its Engineering Department. The question of giving a grant to the Aligarh Muslim University for the same purpose is now being considered by the University Grants Committee.

(2) *New Engineering Institutions set up or proposed to be set up.*—(a) *Eastern and Western Higher Technical Institutions.*—Government have decided to establish the Eastern and the Western Higher Technical Institutions—two of a series of four—with the least possible delay. One of these institutions will be located near Calcutta and the other near Bombay. Each institution will provide facilities for instruction of about 2,000 undergraduate and 1,000 post-graduate and research students mainly in the various branches of Engineering, such as Electrical, Mechanical and Aeronautical Engineering, Civil and Sanitary Engineering, Chemical Engineering, Marine Engineering, and Metallurgy. Pending the establishment of the remaining two institutions the Eastern and the Western Technical Institutions will cater to the needs of all the Provinces, especially those having inadequate facilities for education in Engineering and Technology.

(b) *High Voltage Engineering Laboratory.*—A High Voltage Engineering Laboratory is being established at the Indian Institute of Science, Bangalore, at an estimated capital expenditure of Rs. 23,13,000 to be incurred by the end of 1947-48 and an annual estimated expenditure of Rs. 45,000, with a view to providing facilities for advanced training of Electrical Engineers and research in electrical theory and application.

(c) *Power Engineering Department, Indian Institute of Science.*—A scheme for the establishment of a Power Engineering Department at the Indian Institute of Science, Bangalore, has been sanctioned with a view to producing 60 highly qualified Power Engineers every year. This is estimated to involve a capital expenditure of Rs. 40,00,000 and an ultimate recurring expenditure of Rs. 3,90,000.

(3) *Facilities offered for advanced studies and practical Training abroad in Engineering subjects.*—(a) Under the Labour Department Higher Technical Training Scheme which was put into operation in 1945 to make good the serious deficiency of high grade skilled technicians in industry. 76 Indians have so far been sent to United Kingdom, and 23 to United States of America for practical training in Engineering and other trades, especially in factories and workshops.

(b) Under the Education Department Overseas Scholarships Scheme students are sent abroad for advanced courses in subjects connected with India's post-war development plans for which adequate facilities are not available in the country. A number of scholarships awarded under this scheme have gone to students of Engineering subjects. The Central Government have awarded a total of 160 scholarships for the various Engineering subjects during the year 1945-46 and 1946-47, and propose to award further 72 scholarships in 1947-48. The number of scholarships awarded by the Provincial Governments for advanced studies abroad in Engineering subjects during 1945-46 and 1946-47 amounted to 268.

परिहित श्रीकृष्णदत्त पालीवाल : क्या मैं जान सकता हूँ कि गैर हिन्दुस्तानी इंजीनियरों

की तादाद क्या है ?

Pandit Sri Krishna Dutt Paliwal: May I know the number of Non-Indian Engineers?

آنریبل مولانا ابوالکلام آزاد : اس کے لئے نوٹس چاہئے -

The Honourable Maulana Abul Kalam Azad: I want notice.

لالہ دیش بندھو گپتا : کیا آنریبل ممبر صاحب یہ بتانے کی تکلیف گوارا

فرمائیں گے کہ جو نئی "Institutions" کے جاری کرنے کا خیال ہے اس سلسلہ میں

دہلی میں بھی کوئی ایسے انسٹیٹیوشن جاری کرنے کا خیال ہے ؟

Lala Deshbandhu Gupta: Will the Honourable Member tell us as to whether it is proposed to start any institution in Delhi in connection with the scheme of starting of new institutions?

آئرپیل مولانا ابوالکلام آزاد : بدنگال اور بمبئی میں ایسی انسٹی ٹیوشن اس وقت شروع کردی گئی ہیں اور دو اور جگہوں کے معاملے پر فور کیا جا رہا ہے -

The Honourable Maulana Abul Kalam Azad: Institutions have been started in Bengal and Bombay and the case of two other places is under consideration.

श्री श्रीप्रकाश : Thompson Roorkee Engineering college का गवर्नमेंट

से इस वक्त क्या ताल्लुक है ? और गवर्नमेंट उसको कोई मदद पहुँचाती है कि नहीं ?

Shri Sri Prakasa: At present what is the connection of the Government with the Thompson Engineering College, Roorkee Do Government aid this institution or not?

آئرپیل مولانا ابوالکلام آزاد : گورنمنٹ اس کو مدد دے رہی ہے اور اُسے مضبوط کرنا چاہتی ہے -

The Honourable Maulana Abul Kalam Azad: Government is aiding it and intends to strengthen it.

لالہ دیش بندھو گپتا : کیا آئرپیل مسبر بنانے کی زحمت گوارا فرمائینگے کہ اس بات کو ملحوظ رکھتے ہوئے کہ دہلی یونیورسٹی کے طلباء کو زرکی انجینئرنگ کالج کے داخلے میں مشکلات پیش آتی ہیں دہلی میں انجینئرنگ کالج قائم کیا گیا ؟

Lala Deshbandhu Gupta: Keeping in view the difficulties of the students of Delhi University in getting admission to the Roorkee Engineering College, will the Honourable Member let us know if an Engineering College will be established in Delhi?

آئرپیل مولانا ابوالکلام آزاد : گورنمنٹ اس پر ضرور غور کریگی -

The Honourable Maulana Abul Kalam Azad: Government will certainly consider it.

श्री श्रीप्रकाश : क्या मेम्बर साहिब यह बतला सकेंगे कि Thompson Engineering Colleg को क्या सालाना मदद इस वक्त दी जा रही है और क्या यह बात सच नहीं है कि उस कालिज से और गवर्नमेंट से कुछ खटपट हो गयी थी जिसकी वजह से मदद बन्द कर दी गयी थी ।

Shri Sri Prakasa: Will the Honourable Member let us know what annual grant to the Thompson Engineering College is at present being given and whether it is true that the grant has been stopped due to some disagreement between the Government and the College?

آئرپیل مولانا ابوالکلام آزاد : اس طرح کی کوئی چیز گورنمنٹ کے علم میں نہیں

The Honourable Maulana Abul Kalam Azad: Government is not aware of any such thing.

सेठ गोविन्द दास : क्या माननीय सदस्य इस बात का भी ख्याल रखेंगे कि विदेशों को सिर्फ उन्हीं विषयों की पढ़ाई के लिये विद्यार्थी जावें जो यहां पर न पढ़ाये जा सकते हों और इस बात का भी ख्याल रखा जाय कि जहां तक मुमकिन हो वहां तक उनकी शिक्षा हिन्दुस्तान में ही हो ।

Seth Govind Das: Will the Honourable Member keep in view that students are sent abroad for education only in those subjects which cannot be taught here and that education is given to them in India as far as possible?

آنریبل مولانا ابوالکلام آزاد : یہ تمام باتیں گورنمنٹ کے سامنے ہیں

The Honourable Maulana Abul Kalam Azad: All this is before Government

حافظ محمد غضنفر اللہ : کیا یہ خبر صحیح ہے کہ رڑکی انجینئرنگ کالج کو انجینئرنگ یونیورسٹی بنایا جا رہا ہے ؟ کیا اس کے متعلق یو پی گورنمنٹ نے گورنمنٹ آف انڈیا سے کوئی مشورہ کیا ہے اور گورنمنٹ آف انڈیا نے اس میں کیا امداد کی ہے

Hafiz M. Ghazanfarulla: Is it a fact that the Roorkee College is being turned into an Engineering University? Has the U. P. Government consulted the Government of India in this matter? How has the Government of U. P. helped in this matter?

آنریبل مولانا ابوالکلام آزاد : جہاں تک گورنمنٹ کی معلومات کا تعلق ہے اس طرح کی کوئی چیز نہیں ہے اگر اس سوال کا نوٹس آئے تو گورنمنٹ کی طرف سے تفصیلی معلومات حاصل کرنے کی کوشش کی جائیگی -

The Honourable Maulana Abul Kalam Azad: So far as Government is informed there is no such thing. If notice is given of this question Government will try to collect detailed information.

لالہ دیپن بلدھو گپتا : کیا میں دریانت کر سکتا ہوں کہ رڑکی انجینئرنگ کالج میں دہلی یونیورسٹی کے Students کے لئے کوئی جگہ ریزرو کی گئی ہے ؟

Lala Dushbandhu Gupta: May I know if any seat has been reserved in the Roorkee Engineering College for Delhi University students?

آنریبل مولانا ابوالکلام آزاد : میں اس طریقے سے کچھ کہنے کے لئے تیار نہیں ہوں جب تک اس سوال کا نوٹس نہ دیا جائے

The Honourable Maulana Abul Kalam Azad: Unless notice is received I am unable to say anything.

AMOUNT OF PLANT AND EQUIPMENT IN INDIA BELONGING TO HIS MAJESTY'S GOVERNMENT.

1549. ***Mr. Manu Subedar:** (a) Will the Honourable the Finance Member be pleased to state what is the total amount of plant and equipment belonging to His Majesty's Government in this country?

(b) How much of it has been taken over by the Government of India and on what terms?

(c) How much has come under the fifty per cent. of book costs

(d) Have Government examined the plants and made a valuation in order to ascertain that this fifty per cent. *ad hoc* in all cases has not been in excess of the intrinsic value?

(e) In what manner have accounts with His Majesty's Government on this score been settled?

The Honourable Mr. Liaquat Ali Khan: (a), (b), (c) and (d). Plant and machinery generally constitute an integral part of the buildings in which they are installed. The cost of the assets created during the war at His Majesty's Government expense in connection with the expansion of India's industrial capacity for war purposes was approximately 30 crores which includes Rs. 11.16 crores on account of plant and machinery. India has acquired possession of these assets by payment of 50 per cent. of the cost. In the case of machinery and plant this probably represents considerably less than their present value in view of the increase in value of this class of assets, and on the whole it is considered that the fifty per cent. deal was fair to India.

There is also plant and machinery belonging to His Majesty's Government installed in workshops, shipyards, etc., not covered by this deal. It is our intention to take these over also on terms to be settled in the course of the sterling balances negotiations.

(e) Credits to His Majesty's Government in respect of the assets already taken over have been afforded through the annual adjustments under the Defence Expenditure Plan.

Mr. Manu Subedar: Will Government indicate approximately the estimated value of the plant and equipment which are still to be taken over and the price of which has not yet been fixed?

The Honourable Mr. Liaquat Ali Khan: I would not like to give that information at the present stage, because it is to form a subject for negotiation at the time of the settlement of the sterling balances.

Mr. Manu Subedar: With reference to this rough and ready calculation of 50 per cent. of the book value, with regard to much of the equipment which had come during the war period at highly inflated rates, may I know whether Government have satisfied themselves that on the whole they have not made a pig in a poke bargain and as regards this 50 per cent., whether any report has been called for or any estimate made of the genuine value to check up whether the 50 per cent. has not been a bad bargain?

The Honourable Mr. Liaquat Ali Khan: Sir, I said in my reply that on the whole it is considered that the 50 per cent. deal was fair to India.

Mr. Manu Subedar: May I know on what basis this is considered whether a report of valuation in detail has been made or whether it is just an impression?

The Honourable Mr. Liaquat Ali Khan: I am afraid I am not able to say at this stage.

BANK CRASH IN BANGALORE CITY

†1550. ***Mr. Frank R. Anthony:** Will the Honourable the Finance Member be pleased to state:

(a) whether Government are aware of the recent bank crash in Bangalore City;

(b) the total amount involved in the crash;

(c) whether Government propose to enquire as to how the borrower was able to pay 10 per cent. to 20 per cent. interest per mensem;

(d) whether Government are aware that the activities of this Bank, led a large number of people to invest all their savings in this undertaking; and

(e) whether Government propose to take steps to see that such cases of unsound or fraudulent banking are prevented by suitable legislation?

The Honourable Mr. Liaquat Ali Khan: As the matter relates to an Indian State, I regret I am unable to furnish any information or to undertake any inquiries.

PROMOTION FROM SUBORDINATE ACCOUNTS SERVICE TO INDIAN AUDIT AND ACCOUNTS SERVICE AND THE NUMBER OF MUSLIMS SO PROMOTED

1551. ***Mr. Ahmed E. H. Jaffer:** (a) Will the Honourable the Finance Member please state how many persons of Subordinate Audit and Accounts Service (Superintendents and Assistant Accounts Officers) have been promoted to the Indian Audit and Accounts Service during the last fifteen years?

(b) How many of these were Muslims?

(c) How many Muslims were recommended by the Auditor-General for these promotions within the said period?

(d) Has any age limit been fixed for promotion to Indian Audit and Accounts Service? If so, why is it fixed in this Department only when no such rule is observed in other similar Government services?

The Honourable Mr. Liaquat Ali Khan: (a) Twenty-nine.

(b) Two.

(c) Two.

(d) By a convention which is now over ten years old the age limit of 40 years is usually observed for promotion to the Indian Audit and Accounts Service. The reasons underlying the convention are: (1) it is uneconomical to promote subordinates unless their practical experience and detailed technical knowledge can be utilised in the Service for a reasonably long period; and (2) it is advantageous to offer young and brilliant subordinates the prospect of promotion by the age of 40 to prevent their losing heart by long deferred promotion and acquiring the fixed subordinate outlook.

This convention has undoubtedly proved salutary in the Indian Audit Department.

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

M. E. S. LOWER DIVISION CLERKS IN COMMANDS

1552. *Pundit Thakur Das Bhargava: (a) Will the Secretary of the Defence Department please state the number of M.E.S. Lower Division Clerks in all the Commands?

(b) How many of them are permanent?

(c) Is it a fact that a considerable number of permanent clerks have served the Government during the war and have, on the average, a service of 10 to 15 years to their credit?

(d) Is it a fact that exemption from departmental examination was officially announced in July 1946 in respect of this service and has since been withdrawn?

(e) Is it a fact that other categories of permanent clerks have been exempted from such departmental examination?

(f) Is it also a fact during the war, these clerks were not given all the concessions on the ground that they were permanent and civilians?

(g) Are Government aware that there is a great discontentment among the lower division clerks on account of the withdrawal of such a privilege of being exempted for the departmental examination?

(h) Do Government propose to consider the desirability of restoring the said exemption for at least such of them as have proved their efficiency by a service of at least 10 years?

Mr. G. S. Bhalja: (a) Approximately 4,500.

(b) Six hundred and twenty seven.

(c) Yes, Sir.

(d) Yes, Sir.

(e) No permanent clerk has been granted exemption from appearing for the Upper Division Examination. A few clerks, were, however, exempted from appearing for the Retention Examination. The latter examination is intended as a test to ensure that individuals in a temporary capacity, or who are being considered for permanency in the Lower Division, reach an adequate standard.

(f) Yes, Sir. Certain concessions, such as war leave, treatment of period spent in field hospitals as duty, were only admissible to enrolled personnel and, therefore, were not granted to civilians whose conditions of service did not provide for them.

(g) Representations against the cancellation of exemption from the Upper Division Examination have been received.

(h) No, Sir. It has been found by experience in the matter of the exemption granted in the case of Retention Examination that it is impossible to make the exemption rules operate absolutely fairly and to the satisfaction of all claimants, and at the same time maintain a high standard of efficiency.

BROADCASTING STATIONS IN SOUTH INDIA

1553. *Sri T. V. Satakopachari: Will the Honourable Member for Information and Broadcasting be pleased to state:

(a) whether it is a fact that certain Broadcasting stations in South India are proposed to be equipped with high power transmitters; if so, which stations;

(b) whether it is proposed to instal a station with a 20 KW transmitter at Calicut to cater to Malayalam speaking people;

(c) whether Government are aware that the Trichinopoly Station which serves the entire Tamil Area with a population of more than 20 million is having only a 5 KW transmitter and that the power is felt inadequate; if so, why no attempt is made to equip the Trichinopoly Station with a more powerful transmitter;

(d) whether Government are aware that the Trichinopoly station serves an important area which has a large percentage of literacy, and is served by electricity and has a large number of radio sets even in villages;

(e) whether Government are aware that Tamils form a large percentage of the Indian population overseas and that they can be served by the Trichinopoly station only if the station is equipped with a more powerful transmitter; and

(f) whether Government propose to consider equipping Trichinopoly station with at least a 20 KW transmitter?

The Honourable Sardar Vallabhbhai Patel: (a) Yes, at Madras.

(b) Yes.

(c) and (d). The Trichinopoly Station is a 5 K.W. medium wave Station, but, besides the Trichinopoly Station, the Madras Station also broadcasts Tamil programmes. There are therefore two Stations for the areas to which the Honourable Member refers and the further points raised by him do not arise.

(e) Tamilians overseas are served through our external broadcasts from Delhi. Such broadcasts can only be done from powerful short-wave transmitters, and medium-wave transmitters cannot serve this purpose.

(f) Does not arise.

Sri T. V. Satakopachari: Are Government aware that the programmes broadcast by the Madras Station are not so much relished by the people in the Tamil districts and that it is often the case that the Karnatak music that is supplied by the Madras Radio Station is not so much of a high order as to be relished by the people in the Tamil districts?

The Honourable Sardar Vallabhbhai Patel: I have not been able to understand the whole question. What I understood from the Honourable Member is that the Madras programme is not relished by the Tamilians.

Mr. President: Because it consists of high artistic music.

The Honourable Sardar Vallabhbhai Patel: If they hear it for a longer time I think they will get used to it.

ENFORCEMENT OF DRUG RULES OF 1945

1554. ***Shri Mohan Lal Saksena:** (a) Will the Secretary of the Health Department be pleased to state whether it is a fact that the Drugs Rules of 1945 laid down under the Drugs Act of 1940 will be enforced from 1st of April, 1947?

(b) If so, is it a fact that under Schedule H of the said rules, Sulpha Drugs can be prescribed by Registered Medical Practitioners only?

(c) Are Government aware that the number of unregistered Allopathic Medical Practitioners all over India is very large and that there are large areas, particularly rural areas, where no Registered Medical Practitioners are available?

(d) If so, do Government propose to consider the advisability of exempting from the operation of this rule, at least such of the Unregistered Medical Practitioners as have been practising for five years or over?

(e) Have Government received any representation regarding this matter from the All India Private Medical Practitioners' Association, Delhi?

(f) If so, what action has been taken thereon?

Mr. S. H. Y. Oulsnam: (a), (b) and (e). Yes.

(c) Government have no information regarding the number of unregistered medical practitioners practising modern medicine. There are many areas where registered medical practitioners are not available.

(d) and (f). The representation from unregistered medical practitioners has been referred to the Drugs Technical Advisory Board. Government will decide what further action is to be taken after the views of the Board are received.

Shri Mohan Lal Saksena: Is it not a fact that this order has come into force on the 1st of April?

Mr. S. H. Y. Oulsnam: Yes.

Shri Mohan Lal Saksena: May I know what action, if any, will be taken against these private medical practitioners?

Mr. S. H. Y. Oulsnam: They are liable to be prosecuted.

Shri Mohan Lal Saksena: Is it not a fact that they were given an understanding that no prosecution will be made until the advice of the Drugs Board is received?

Mr. S. H. Y. Oulsnam: The rules are enforced but no prosecutions have been undertaken at present and prosecutions are not likely to be undertaken during the next month by which time Government will have arrived at a decision on this question.

Shri Sri Prakasa: In view of the great dearth of medical assistance in this country will the Government consider the desirability of relaxing their rules in this behalf and of permitting persons even with rudiments of medical knowledge to do their good work?

Mr. S. H. Y. Oulsnam: Yes, Sir. I have said that Government will consider the matter when they have received the opinion of the Drugs Technical Advisory Board.

Shri Sri Prakasa: In view of the fact that the Honourable Member threatens prosecution at the end of the next month, could he kindly explain how the terms of the answer which he has given would be implemented? Did not the Honourable Member say that one month is allowed for them to get registered and if they did not get registered then they would be prosecuted?

Mr. President: The Honourable Member perhaps did not follow the answer.

Shri Sri Prakasa: I am sorry.

RETRENCHMENT OF EMPLOYEES UNDER THE DEPUTY INSPECTOR OF STORES AND CLOTHING, BENGAL AREA

1555. ***Sree Satyapriya Banerjee:** Will the Secretary of the Defence Department be pleased to state:

(a) the maximum strength of employees under Deputy Inspector of Stores & Clothing, Bengal Area, during the war period;

(b) the number retrenched so far after the termination of the war;

(c) whether there will be any further retrenchment; and

(d) whether arrangements for employment have been made for those who have been retrenched?

Mr. G. S. Bhalja: (a) 2,780.

(b) 2,306.

(c) Yes, Sir, but not to any appreciable extent.

(d) The names of all retrenched personnel have been registered with the respective Employment Exchanges, who will try to find suitable employment for them.

REPORTS ON THE FINDS AT AGROHA IN HISSAR DISTRICT

1556. *Pundit Thakur Das Bhargava: Will the Honourable Member for Education please state whether any report relating to the finds at Agroha in Hissar District has been published and whether Government propose to place a copy of the same in the Library of the House?

آنریبل مولانا ابوالکلام آزاد : لڑائی سے پہلے اگروہا ضلع حصار میں جو کھدائی کا کام ہوا تھا وہ ابھی اس منزل تک نہیں پہنچا ہے کہ ایک تفصیلی رپورٹ شائع کی جاسکے۔ بہر حال عارضی اور درمیانی طور پر جو رپورٹ تیار ہوئی ہے اسکی ایک کاپی ہاؤس کے ٹیبل پر رکھی جا رہی ہے۔

The Honourable Maulana Abul Kalam Azad: The pre-war excavations of Agroho in Hissar District did not reach a stage at which a comprehensive report could approximately be published. A copy of the provisional report to date is, however, placed on the table of the House.†

श्री श्री प्रकाश : किस जमाने की तहजीब का इस खुदाई से पता चलता है ?

Shri Sri Prakasa: Civilisation of what period does this excavation reveal?

آنریبل مولانا ابوالکلام آزاد : اس بارے میں ایک سوال اس ہاؤس میں پہلے ہو چکا ہے۔ سکوں سے معلوم ہوتا ہے کہ یونانی تہذیب کے وقت کے ہیں۔

The Honourable Maulana Abul Kalam Azad: A question was put earlier in the House relating to this. The coins appear to belong to the period of Greek civilisation.

لہ دیش بند ہو گپتا : کیا کھدائی کا کام اب بھی جاری ہے ؟

Lala Deshbandhu Gupta: Is excavation still in progress?

آنریبل مولانا ابوالکلام آزاد : نہیں اس وقت تو بند ہے۔

The Honourable Maulana Abul Kalam Azad: No, it has stopped now.

†Not printed in these Debates. A copy placed in the Library of the House.—Ed. of D.

STOPPAGE OF BENGALI BROADCASTS FOR BENGALIS OUTSIDE INDIA

1557. *Sree Satyapriya Bamerjee: Will the Honourable Member for Information and Broadcasting be pleased to state:

(a) when and under what circumstances Bengali Programme was introduced for Bengalis outside India and the duration of such programme;

(b) when and why the Bengali broadcasts have been stopped; and

(c) whether Government propose to consider the advisability of re-introducing Bengali programmes for the large number of Bengalis residing in Burma, Malaya and other South East Asian countries; and if not, why not?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). Bengali programmes were started during the war as a part of political warfare broadcasts of All India Radio on 15th December, 1943, with a total duration of 30 minutes. On July 1, 1944, the duration was reduced to 15 minutes. The situation improved and the service was discontinued with effect from 31st January, 1946.

(c) No. Bengalis outside India are mostly concentrated in Arakan which is within the range of the Calcutta short-wave Station. The small number of Bengalis in other countries does not warrant the inclusion of a special Bengali programme in the external services of All India Radio.

RETURN BY THE MILITARY OF ACQUIRED LANDS IN BIHAR USED AS LANDING GROUND

1558. *Babu Ram Narayan Singh: Will the Secretary of the Defence Department be pleased to state in how many districts of Bihar, lands were acquired by the Military authorities during the last war for use as landing ground and whether Government propose to consider the desirability of returning those lands to the old tenants?

Mr. G. S. Bhalja: Land was requisitioned (NOT acquired) for use as landing ground in the Province of Bihar in the following localities: (a) Bihta, (b) Chakulia, (c) Charra, (d) Ranchi, (e) Bikram, (f) Dalbhunagarh, (g) Hathwa, (h) Maner, (i) Nawadih, (j) Panchanpur, (k) Tamna, and (l) Gaya.

(a), (b), (c) and (d) above are being retained for post-war use by the R.I.A.F. A major portion of the land under these airfields, however, will be handed back to the persons from whose possession it was requisitioned and only the portion needed for essential requirements for peace time use will be acquired.

(e) to (k) above are being released, except the land under concrete such as that under runways, hardstandings and taxi tracks which will be retained.

(l) is a pre-war civil aerodrome and has been handed back to the civil authorities. Some land around it was requisitioned to meet service requirements. All land not required by the civil authorities is being returned to the persons from whom it was requisitioned.

Babu Ram Narayan Singh: The war is over long ago. The Honourable Member says that the land will be returned. May I know when the return will be completed?

Mr. G. S. Bhalja: Action is in progress to return the land which is not required.

Shri Sri Prakasa: Is the Honourable Member aware that as soon as he releases the lands, the Provincial Governments grab them? I will not allow the Honourable Member to object to the word 'grab'!

Mr. G. S. Bhalja: The policy of the Government of India is that land which was requisitioned for the purposes of the Government of India and is no longer required by them will be returned to the persons from whom it was requisitioned.

Babu Ram Narayan Singh: May I know the approximate time by which the land to be returned will be returned?

Mr. G. S. Bhalja: I hope very soon.

Babu Ram Narayan Singh: What is the definite significance of the words 'very soon'?

Mr. G. S. Bhalja: I am not in a position to give a definite date.

Mr. Manu Subedar: In the Advisory Board on derequisitioning which the Defence Secretary has set up, it was recommended that there should be some kind of time-programme according to which derequisitioning will take place. May I know whether those recommendations are being considered and carried out?

Mr. G. S. Bhalja: Yes, Sir. All the recommendations made by the Advisory Board are being very carefully examined and will be given effect to as far as possible.

Shri Sri Prakasa: What would be the rate of compensation paid to the tenants when the Government acquires these lands permanently for its use?

Mr. G. S. Bhalja: I would refer the Honourable Member to section 6 of the Act to provide for the continuance of certain emergency powers in relation to requisitioned land.

BOMBAY GOVERNMENT RESOLUTION RE LEGISLATION BY CENTRAL GOVERNMENT REGULATING GOVERNMENT SECURITIES ISSUED BY BOMBAY GOVERNMENT

1559. *Mr. Manu Subedar: (a) Will the Honourable the Finance Member Central Government that the Central Legislature be moved to pass an Act the Finance Minister of the Bombay Government recommending to the Central Government that the Central Legislature be moved to pass an Act regulating Government Securities issued by the Bombay Government and the management by the Reserve Bank of India of the Public Debt of that Government on the lines of the Public Debt (Central Government) Act of 1944?

(b) What steps are Government taking to bring about such statutory provision?

(c) Have Government examined whether this cannot be done by administrative directions to the Reserve Bank and whether there is anything in the Act, which prevents them from doing this without special legislative provision?

The Honourable Mr. Liaquat Ali Khan: (a) Yes, Sir.

(b) Under Section 103 of the Government of India Act, 1935, the Legislatures of at least two Provinces have to express their desire that a subject, which is enumerated in the Provincial Legislative List should be regulated, in those provinces, by an Act of the Central Legislature. The Legislature of the North West Frontier Province has expressed a desire for the application of the Public Debt (Central Government) Act, 1944, to the public debt of that Province. The question of introducing the requisite legislation will be considered on receipt of the resolution passed by the Bombay legislature.

(c) Under Section 100, read with entry 6 of the Federal Legislative List in the Seventh Schedule to the Government of India Act, 1935, the Central Legislature is competent to enact a law regulating the Public Debt of the Central Government alone. It is not competent to enact such law in relation to the Public Debt of a Province unless resolutions authorising such legislation of the Central Legislature are passed by the legislatures of at least two Provinces under Section 103 of the Government of India Act, 1935; it will not be proper for the Central Government to issue executive instructions to the Reserve Bank of India in respect of a matter which is outside the competence of the Centre.

Mr. Manu Subedar: In the interval before such legislation is undertaken here, would it not be possible for the Reserve Bank to deal with this issue purely as a matter of service to one of their clients, namely the Government of Bombay, as whose bankers they are empowered to act under this Act?

The Honourable Mr. Liaquat Ali Khan: Sir, the suggestion made by the Honourable Member will be considered. I cannot say anything more than that.

Shri Sri Prakasa: Has the Provincial Government to take the consent of the Government of India before it can float a loan?

The Honourable Mr. Liaquat Ali Khan: No, Sir.

Shri Sri Prakasa: If not, how can the Government of India take any responsibility for it as desired in this question?

The Honourable Mr. Liaquat Ali Khan: If Provincial Governments desire, then the Government of India can legislate for them.

STORING OF FOOD GRAINS FOR THE ARMY

1560. ***Seth Govind Das:** With reference to the reply to my starred question No. 1162 asked on the 25th March 1947, regarding storing of food grains for the Army, will the Secretary of the Defence Department please state:

(a) for what period the military authorities stored food grains at a time during the war; and

(b) for what period reserves and running stocks of food grains are kept at present?

Mr. G. S. Bhalja: (a) Food grains in the form of rice and atta were stored by the Military authorities during the last war up to their requirements for three months. Occasionally this quantity was exceeded when large despatches had to be made to overseas theatres of war.

(b) The authorised reserves of rice and atta for India Command are 15 days' reserves and 30 days' working stocks. In certain frontier outposts these may be increased at the discretion of the local commanders.

Seth Govind Das: Is it not a fact that out of this stock held in reserve by the Government, a portion is wasted, rotten and thrown out?

Mr. G. S. Bhalja: I am not aware that on any occasion stocks in the possession of the Defence Department had rotted and been thrown away.

Mr. Yusuf Abdoola Haroon: Is it not a fact that in Karachi, certain stocks were burnt away by the Defence Department?

Mr. G. S. Bhalja: I am afraid I am not aware of that.

Mr. Yusuf Abdoola Haroon: Is the Honourable Member aware that the Provincial Government had made representations?

Mr. G. S. Bhalja: If the Honourable Member will send me particulars, I shall certainly look into the case.

Babu Ram Narayan Singh: What is the total amount of food grains stocked by the Central Government for military purposes?

Mr. G. S. Bhalja: I have not got that information.

REDUCTION OF MONTHLY REQUIREMENTS OF FOOD GRAINS FOR THE ARMY IN PROPORTION TO DEMOBILISATION

1561. ***Seth Govind Das:** With reference to the reply to my starred question No. 1257, asked on the 28th March, 1947, regarding food stocks maintained by the Armed Forces, will the Secretary of the Defence Department please lay on the table of the House a statement showing how the monthly requirements of food grains from January to December 1946 were reduced by the Military authorities in proportion to the number of men demobilised?

Mr. G. S. Bhalja: I lay a statement on the table of the House showing requirements of food grains and the ration strengths from January to December 1946.

Statements

Requirements of Food Grains from January to December 1946, in Tons.

Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
37,990	42,548	32,809	23,309	16,418	26,720	10,790	16,790	4,706	12,770	11,510	13,074
1,635,357	1,590,844	1,407,062	1,254,652	1,183,334	1,095,665	1,013,000	912,841	877,775	816,752	749,301	725,114

NOTE.—Demands in any one month are not exactly related to strengths as the demands have to be placed on the Food Department 3 months in advance of delivery dates and take into consideration any surpluses or deficiencies on the ground. But the overall decrease may be seen by comparing the total of the last four months requirements, viz., 42,060 Tons, which is less than the requirements for the month of February.

Ration Strengths India Command from January to December 1946.

Seth Govind Das: I shall read the statement later on but is it not a fact that the amount of ration which is kept for military is not reduced according to the rate of demobilisation and the reduction is much less than the demobilisation?

Mr. G. S. Bhalja: No, Sir. It is not a fact, because the requirements of the Defence Department are calculated on the strengths which are estimated at a given date.

RECRUITMENT OF ASSAMESE MUSLIMS TO THE INDIAN ARMY

†1562. ***Mr. Ahmed E. H. Jaffer:** (a) Will the Secretary of the Defence Department please state whether it is a fact (i) that Assamese Muslims are not recruited in any regiment of the Indian Army; and (ii) that there is an Assam Regiment which is composed of 100 per cent. of Assamese other than Muslims?

(b) If so, what are the reasons for this discrimination against Assamese Muslims, and what steps do Government propose to take to secure proper representation for Assamese Muslims in the Indian Army, particularly in the Assam Regiment?

Mr. G. S. Bhalja: (a) (i) No, Sir. Assamese Muslims are recruited as "Other Muslims" and although they are not authorised in the Assam Regiment yet they can enter other arms/services.

(ii) Yes, Sir.

(b) For administrative convenience it has been decided to restrict the classes in the Assam Regiment to Hindus, Christians and other non-Muslims. Since however, Assamese Muslims can enlist in the Indian Army as already stated they are not at any disadvantage.

COMMUNITY-WISE DISTRIBUTION OF INDIAN OFFICERS IN THE ENGINEER-IN-CHIEF'S BRANCH OF G. H. Q.

†1563. ***Mr. Ahmed E. H. Jaffer:** Will the Secretary of the Defence Department please state the community-wise distribution as on 1st March, 1947 of the Indian Officers (Military and Civilian separately) in the Engineer-in-Chief's Branch of the General Headquarters, showing the number of Hindus, Muslims, Sikhs and members of other minority communities separately, giving ranks in each case?

Mr. G. S. Bhalja: I lay a statement on the table of the House.

	Hindus	Sikhs	Muslims	Other Minority Communities
Military—				
Lt.-Colonels	1			...
Majors	3	1		1
Captains	6	2		
Civilians—				
Assistant Engineers	11	...	...
Civilian Gazetted Officers	6	1	1	...
Officers Supervisors	8	1	1	1
Surveyor of Works	1	...	...	...
Total	36	5	2	2

†Answer to this question laid on the table, the questioner having not put the question.

COMMUNAL REPRESENTATION OF INDIAN OFFICERS IN THE ORGANISATION DIRECTORATE OF G. H. Q.

†1564. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Defence Department please state the total number of Indian Officers, military and civilians separately, employed in the Organisation Directorate of General Headquarters as on 1st March, 1947, stating the number of Hindus, Muslims, Sikhs and members of other minority communities separately, giving ranks in each case?

(b) Do Government propose to state the functions performed by the Organisation Directorate?

Mr. G. S. Bhalja: (a) I lay a statement on the table of the House.

(b) The duties of the Organisation Directorate are:—

- (1) General administration of personnel (Officers and Other Ranks).
- (2) Postings of officers up to and including the rank of Lt.-Colonel other than Medical and Dental officers, to all appointments except staff appointments.
- (3) Control of the maintenance of all units to their authorised establishment.
- (4) Manpower Planning.
- (5) Control of Recruiting Organisation of Other Ranks of the Army.
- (6) Preparation of Peace Establishments for all units.
- (7) Administrative arrangements for the raising and disbanding of units.
- (8) Control of the arrangements for the maintenance of records and documentation.

Statement

	Hindu	Sikh	Muslim	Parsi	Christian	Anglo-Indian
Military—						
Lt.-Col . . .	...			1		
Major . . .	1	1	3	1	2	...
Captain . . .	8	1	2	...	3	1
Subaltern . . .	1					
S./Ldr. . .	1	...				
Total	11	2	5	2	5	1
Civil—						
C. G. O. . .	1		...			
O. S. . .	7	1				...
Total	8	1		...		...

†Answer to this question laid on the table, the questioner having not put the question.

COMMUNITY-WISE DISTRIBUTION OF OFFICERS IN THE NATIONAL WAR ACADEMY SECRETARIAT, THE UNIVERSITY OFFICERS TRAINING CORPS SECRETARIAT AND THE ARMED FORCES NATIONALISATION COMMITTEE SECRETARIAT.

†1565. *Mr. Ahmed E. H. Jaffer: Will the Secretary of the Defence Department please state:

(a) the total number of Officers, civilian and military separately, employed in the National War Academy Secretariat, the University Officers Training Corps Secretariat and the Armed Forces Nationalization Committee Secretariat, as on 1st March, 1947;

(b) how many Officers are Indians, and what is the community-wise distribution, as between Hindus, Muslims, Sikhs and other minority communities separately, giving ranks in each case; and

(c) what the functions of the three Secretariats mentioned in part (a) above are?

Mr. G. S. Bhalja: (a) to (c). I lay a statement on the table of the House.

Statement

National War Academy	There is no U. O. T. C. Secretariat	Armed Forces Nationalization Committee Secretariat
(a) 6 Officers	In the G. S. Branch M. T. 4 (b) 2 officers.	Two officers
1 Civilian Officer	Nil Civilian Officers	Nil Civilian Officer
(b) All officers are Indians	Both officers are Indians	Both officers are Indians
1 Brigadier (Hindu)	G. S. O. I 1 Lt.-Col. (Hindu)	1 Lt.-Col. (Hindu)
1 Lt.-Col. (Hindu)	G. S. O. III 1 Capt. (Hindu)	1 Major. (Mualim)
2 Majors. (Hindu)	.....	.....
1 Lt., R. I. N. (Hindu)		
1 Ft.-Lt. (Indian Christian)		
1 Civilian O. S. (Hindu)	.....	.....
(c) The National War Academy Secretariat is responsible for drafting a constitution for the proposed National War Academy and for implementing the National War Academy scheme when approved.	General Staff M. T. 4 (b) is responsible under Director of Military Training for all U. O. T. C. matters. The General Staff Officer I is Secretary of the National Cadet Corps Committee in addition to his other duties. This committee is at present engaged in formulating a scheme for the introduction of Cadet training in schools and colleges.	The Armed Forces Nationalization Committee Secretariat is responsible for obtaining and collating all information required by the Committee for recording their minutes and recommendations and for preparing various reports etc.

† Answer to this question laid on the table, the questioner having not put the question.

COMMUNITY-WISE DISTRIBUTION OF INDIAN OFFICERS IN SUPPLY AND TRANSPORT DIRECTORATE IN G. H. Q.

†1566. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Defence Department please state the number of Indian Officers, Military and Civilians separately, employed in the Supply and Transport Directorate in General Headquarters as on 1st March, 1947?

(b) Do Government propose to give the community-wise distribution, showing Hindus, Muslims, Sikhs and other minority communities separately, giving ranks in each case?

Mr. G. S. Bhalja: (a) and (b) I lay a statement on the table of the House.

Statement

Indian Officers employed in Supply and Transport Directorate.

(a) Indian Military Officers	19
Indian Civilian Officers	4
(b) (i) Military officers—	

Rank	Hindu	Muslim	Sikh	Others	Total
Colonel			1		1
Lt.-Colonel . . . . .	...		2	...	2
Major	5	...	1	1	7
Captain	3	3	2		8
Lieuts.		1	...		1
Total	8	4	6	1	19
(ii) Civilian Officers—					
O. S.	4				4

COMMUNITY-WISE DISTRIBUTION OF INDIAN OFFICERS IN M. G. O., Q. M. G., AND A. G.'S. BRANCHES OF G. H. Q.

†1567. *Mr. Ahmed E. H. Jaffer: Will the Secretary of the Defence Department please state the total number of Indian Officers, Military and Civilian separately, employed in the M. G. O., Q. M. G., and A. G.'s Branches in General Headquarters as on 1st March, 1947, giving the community-wise distribution, showing Hindus, Muslims, Sikhs and other minority communities separately, stating ranks in each case?

Mr. G. S. Bhalja: I lay a statement on the table of the House.

†Answer to this question laid on the table, the questioner not having put the question.

Statement

Rank	Hindu	Muslim	Sikh	Others	Total
INDIAN MILITARY OFFICERS.					
M. G. O. Branch—					
Lt.-Colonel	2	1	1	1	5
Major	3	3	2	1	9
Captain	21	7	3	3	34
Q. M. G.'s Branch—					
Colonel	...	...	1	...	1
Lt.-Colonel	...	3	1	...	4
Major	8	1	3	...	12
Captain	6	3	2	5	16
A. G.'s Branch—					
Brigadier	1	...	...	1	2
Colonel	2	2	...	...	4
Lt.-Colonel	5	1	1	1	8
Major	12	8	5	7	32
Captain	21	9	3	7	40
Lieuts.	1	...	...	1	2
TOTAL	82	38	22	27	169
INDIAN CIVILIAN OFFICERS.					
M. G. O. Branch—					
G. II Appts	4	...	2	...	6
O. S.	8	...	1	...	9
C. G. Os.	16	2	1	...	19
Q. M. G.'s Branch—					
D. A. Q. M. G.	2	...	...	...	2
O. S.	14	1	1	3	19
Staff Captain Apptt. (held by Civ.)	2	...	...	...	2
Farms Officer	1	...	...	...	1

Rank	Hindu	Muslim	Sikh	Other:	Total
INDIAN CIVILIAN OFFICERS.—contd.					
Q. M. G.'s Branch—contd.					
Engineer Officer .	1		...		1
Post Control officer.	1				1
Administrative Officer.	1				1
A. G.'s Branch—					
D. A. A. G.	2.	1	1		4
C. G. Os.	4				4
D. A. D.	1		...		1
. S.	27	2	4		33
TOTAL	84	6	10	3	103

EXPENDITURE ON DEVELOPMENT SCHEMES OF THE CENTRAL GOVERNMENT

1568. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable the Finance Member please state (i) the total amount of money proposed to be spent on the Central Government's development schemes that have been sanctioned so far; and (ii) how much of the total amount sanctioned for such schemes will be spent in (1) Punjab, North-West Frontier Province, Sind and Baluchistan; (2) Bengal and Assam; (3) Delhi; and (4) the rest of India?

(b) What are the principles on which the allocation of the various development schemes are based?

The Honourable Mr. Liaquat Ali Khan: (a) (i) and (ii) The total expenditure involved during the next five years by the development schemes of the Central Departments, other than Railways, which have been approved by the Government of India is approximately Rs. 200 crores. It is not possible to state the exact amounts which will be spent in various Provinces since many of the schemes relate to India as a whole and not to particular areas.

(b) I would invite the attention of the Honourable Member to what was stated in paragraphs 33 to 42 of my Budget Speech.

Mr. Yusuf Abdoola Haroon: With reference to the answer that 200 crores has been set aside for the development schemes, may I ask the Honourable Member in what part of India these schemes will come into operation?

The Honourable Mr. Liaquat Ali Khan: If the Honourable Member will send a question to that effect, I shall have the information collected.

Mr. Yusuf Abdoola Haroon: The question asked by Mr. Jaffer was as to how the total amount for these schemes will be spent. Naturally, the Government must have considered the various schemes in this connection and the Honourable Member must have some answer to my question.

The Honourable Mr. Liaquat Ali Khan: As I said, the money is being spent on Central schemes which will be located in various provinces, and as I further stated I have not got the information at present with me; but I shall be glad to supply the information to the Honourable Member privately or in the form of a reply to a question if he so desires.

Mr. Ahmed E. H. Jaffer: May I ask if it is a fact that one crore has been allotted to the provinces of the Punjab, N.- W. F. P. and Sind?

The Honourable Mr. Liaquat Ali Khan: I cannot answer that question as I have not got the information with me.

Mr. Ahmed E. H. Jaffer: May I ask if it is not a fact that 30 crores have been allotted for Delhi?

The Honourable Mr. Liaquat Ali Khan: That also I am unable to answer.

Mr. Yusuf Abdoola Haroon: May I request the Honourable Member to let us have full information on this subject privately as there is no time to put a question because the session is coming to an end soon?

The Honourable Mr. Liaquat Ali Khan: I shall have the information collected and send it to the Honourable Member who put down this question.

Lala Deshbandhu Gupta: May I ask if the Government of India will exercise any control over the expenditure which will be undertaken in respect of these schemes?

The Honourable Mr. Liaquat Ali Khan: All these schemes will be carried out by the Government of India. I am referring here to the schemes under the Central Government.

Mr. Ahmed E. H. Jaffer: May I ask for an assurance from the Honourable Member that this amount will be properly distributed among all the provinces?

The Honourable Mr. Liaquat Ali Khan: This amount is not being spent by the provinces: it is being spent by the Central Government for schemes which have an All-India importance and which would benefit the country as a whole. As to the names of the various provinces where these projects are to be carried out, I have promised that I will give full information to the Honourable Member as soon as it is ready.

Seth Govind Das: Will the Government see that these schemes are located in such a way that every province is benefitted by them?

The Honourable Mr. Liaquat Ali Khan: That is the intention.

Mr. Yusuf Abdoola Haroon: May I ask the Honourable Member whether he has seen all these schemes after he resumed his office?

The Honourable Mr. Liaquat Ali Khan: I have.

Mr. Ahmed E. H. Jaffer: Sir, my question was not answered clearly. I would like to have an assurance from the Honourable Member that these schemes will be properly distributed and properly located in all the provinces and not in one province only.

The Honourable Mr. Liaquat Ali Khan: It is the desire of the Government of India that the schemes should be located in all parts of the country.

Captain Syed Abid Hussain: May I ask that these schemes will be distributed all over India 'evenly'?

Mr. President: Next question.

STAFF EMPLOYED IN AND DISCHARGED FROM THE ORDNANCE SERVICE, MILITARY ACCOUNTS DEPARTMENT AND MILITARY ENGINEERING SERVICE

1509. *Mr. S. Guruswami: Will the Secretary of the Defence Department be pleased to state:

(a) the number of non-gazetted staff, unskilled, skilled and clerical, employed separately in the Ordnance Service, Military Accounts Department, and Military Engineering Service as on 1st April 1946 and 1st January 1947; and

(b) how many have been discharged since the cessation of hostilities and on what terms?

Mr. G. S. Bhalja: (a) and (b). I lay a statement on the table of the House with regard to the Ordnance Service and the Military Accounts Department. Details with regard to M. E. S. staff are not readily available and are being collected. They will be placed on the table of the House in due course.

Statement

	1st April 1946	1st January 1947
	Rs.	Rs.
I. Ordnance Service—		
(a) Class of employee—		
Unskilled	1,25,940	1,04,558
Skilled and semi-skilled	86,957	76,500
Clerical	27,812	24,828
Total	2,40,709	2,05,886

(b) The total reduction is therefore 34,823. Of this the number discharged is approximately 24,000. The balance of 10,823 represents the number of men lost due to normal wastage, i.e., resignations, termination of service as a disciplinary measure, returned to parent Departments, deaths, etc.

	1st April 1946	1st January 1947
	Rs.	Rs.
II. Military Accounts Department—		
(a) Class of employee—		
Clerks	27,072	25,014
Key Punch Operators	149	132
Accountants	458	438
Stenographers	38	35
Total	27,717	25,619

(b) The reduction in the strength in the Military Accounts Department between 1st April 1946 and 1st January 1947 is due to normal wastage and the termination of the services of re-employed staff and reversion to their parent departments of Government servants on deputation. There has therefore not been any discharges as a measure of retrenchment. Those who are retrenched will be eligible for gratuity.

MUSLIM EMPLOYEES IN M. E. S. EASTERN COMMAND

1570. *Mr. Habibur Rahman: Will the Secretary of the Defence Department please state:

(a) the percentage of Muslim employees in the different departments of the M. E. S., Eastern Command;

(b) whether it is a fact that in view of the low percentage, the Chief Engineer, Eastern Command, issued directions to give due regard to the 20 per cent. quota and not to retrench, revert or discharge Muslim employees;

(c) whether Government are aware that the number of Muslims in the M. E. S. is so low that even if no Muslim is released or retrenched, it will take at least ten years to come up to the level of 20 per cent; and

(d) whether Government propose to take steps to give due representation to Muslims in the M. E. S., Eastern Command?

Mr. G. S. Bhalja: (a) I lay a statement on the table of the House.

(b) Instructions were issued by the Chief Engineer, Eastern Command, after the first list had been released that no Muslim employee should be retrenched or discharged without reference to him. No orders were issued, with regard to reversion from temporary rank to substantive rank. The communal ratio applies to recruitment and not to promotion.

(c) Government are aware that the number of Muslims in the M. E. S., Eastern Command is low, but this is a consequence of war time recruitment. Every endeavour is being made to rectify this, with due regard to efficiency.

(d) Yes, Sir.

Statement

The percentage of Muslims in different categories of subordinate establishment in the M. E. S. Eastern Command is as under:—

Category	Percentage
Sub-divisional Officers	9.2
Superintendent E/M	7.3
Overseers	13.4
Supervisors F/S	18.6
Storekeepers	12.6
Clerks	11.7
Draughtsmen	38.4
Combined	12.9

CARRYING OF KIRPANS BY SIKHS

1571. *Maulana Zafar Ali Khan: (a) Will the Honourable the Home Member please state what is the prescribed size, shape and form of "Kirpan" which the Sikhs have been permitted to carry and what are Government instructions to them by which they are to abide in this connection?

(b) What are the reasons in recognition of which the Sikhs have been given the special concession to carry "Kirpans" while all the other communities in India have been denied this concession?

(c) Do Government propose to allow everybody to keep sword in the Centrally Administered areas? If so, when and if not, why not?

The Honourable Sardar Vallabhbhai Patel: (a) The Honourable Member presumably refers to the Centrally administered areas. There is no size, shape or form of kirpan prescribed.

(b) The concession made to the Sikhs is based on a recognised obligation on those professing the Sikh religion.

(c) I am considering the question of relaxation of the Indian Arms Rules in consultation with Chief Commissioners and Provincial Governments. This is one of the questions under consideration in that connection.

Mr. Ahmed E. H. Jaffer: Is the Honourable Member aware of the fact that the Sikhs in Delhi are carrying long swords? Are they allowed to carry these big swords without a licence?

The Honourable Sardar Vallabhbhai Patel: I have already informed the House that there is no size, shape or form of a kirpan.

Captain Syed Abid Hussain: Is there no difference between a sword and a kirpan?

The Honourable Sardar Vallabhbhai Patel: The difference is in the name itself. One is called a kirpan and the other is called a sword.

Mr. Ahmed E. H. Jaffer: May I take it, therefore, that there is no difference in the size of a sword and a kirpan?

The Honourable Sardar Vallabhbhai Patel: There is a difference in shape also.

Mr. Ahmed E. H. Jaffer: Then, what is the difference between the size of the two?

The Honourable Sardar Vallabhbhai Patel: A kirpan can be even longer than a sword, because no size is prescribed for kirpan

Mr. Ahmed E. H. Jaffer: May I take it, therefore, that swords can be carried without a licence? Can the public use swords without licence in place of a kirpan?

The Honourable Sardar Vallabhbhai Patel: If he is a Sikh, he can and he can call it a kirpan.

Mr. Ahmed E. H. Jaffer: May I take it, therefore, that a Sikh can use a long sword in place of a kirpan? Is it the Honourable Member's contention?

The Honourable Sardar Vallabhbhai Patel: I have already said that for a kirpan there is no size or shape or form prescribed. So, whatever the arm is (and it may be of any size), if it is called a kirpan, it can be carried by a Sikh.

Mr. Ahmed E. H. Jaffer: Then, may I take it.....

Mr. President: It is no use pursuing this question any further. Next question.

LICENCE HOLDERS OF FIRE-ARMS IN DELHI AND NEW DELHI

1572. *Maulana Zafar Ali Khan: (a) Will the Honourable the Home Member please state how many Hindus, Muslims and Sikhs are licence-holders for guns, rifles and pistols in Delhi and New Delhi?

(b) How many Hindus, Sikhs and Muslims and others have been given licences for fire-arms during the past two months?

(c) Do Government propose to investigate and find out if there is any truth in the rumours, that during the past few weeks, a large number of lethal weapons have been imported into Delhi/New Delhi through some agencies in Patiala and Faridkot States?

The Honourable Sardar Vallabhbhai Patel: (a) The number of licences held by the various communities in Delhi Province is as under:

Hindus	Muslims	Sikhs
1688	1693	270

Information separately for Delhi and New-Delhi is not readily available.

(b) The number of licences granted during the last two months is as under:—

Hindus	Muslims	Sikhs
102	71	32

(c) Rumours have reached Government in respect of these and other States as well, *e.g.*, Bahawalpur and Rampur but investigation has not led to corroboration of any such rumours.

Mr. Ahmed E. H. Jaffer: Has the Honourable Member seen the notification issued by the Bahawalpur State denying this allegation?

The Honourable Sardar Vallabhbhai Patel: It is a public property.

Sri M. Ananthasayanam Ayyangar: May I ask in respect of what arms—firearms or swords—the Honourable Member is going to relax the rules?

The Honourable Sardar Vallabhbhai Patel: About swords and not about the firearms.

Lala Deshbandhu Gupta: May I know if the Honourable Member is aware of the fact that certain communities find it difficult to obtain arms in Delhi as most of the arms vendors belong to a particular community?

The Honourable Sardar Vallabhbhai Patel: Will the Honourable Member kindly repeat his question?

Lala Deshbandhu Gupta: Is it a fact that those who are licensed vendors for selling arms belong to one particular community and they refuse to sell arms to licencees of other communities?

The Honourable Sardar Vallabhbhai Patel: So are the liquor shopkeepers. That difficulty cannot be avoided unless other communities also come forward to get licence for vending arms.

Khan Abdul Ghani Khan: Is the Honourable Member aware that Members of the Legislature cannot purchase ammunitions from shops because the vendors say they would sell only to Government servants. They demand that Members of the Legislature should obtain special permit from the Deputy Commissioner?

The Honourable Sardar Vallabhbhai Patel: I do not know about it. I will make enquiries. If the Honourable Member wants any ammunition, he will be supplied in any quantity.

Lala Deshbandhu Gupta: Is the Honourable Member aware of the fact that since August 1942, many licences of firearms held by Hindus were cancelled as in the opinion of the local authorities they were sympathisers of the Congress, if so will the Honourable Member make sure that that prejudice does not persist and Hindu applicants do not find it difficult to get licences for firearms?

The Honourable Sardar Vallabhbhai Patel: That is an old story, the question has been asked several times.

Mr. Sasanka Sekhar Sanyal: In view of the question put by my Honourable friend Khan Abdul Ghani Khan and in view of the Government Member's reply thereto will the Honourable Member issue instructions to the Deputy Commissioner, Delhi that restrictions which are in force on account of this order should not be made applicable to M. L. A.'s?

The Honourable Sardar Vallabhbhai Patel: No restrictions are applicable to M. L. A.'s.

Mr. Sasanka Sekhar Sanyal: The Honourable Member can take on our authority that when ammunitions are asked for, the dealers say that they are available only to government servants and that even M. L. A.'s will have to obtain permit from the Deputy Commissioner and in view of this categorical statement will the Honourable Member consider the desirability of issuing instructions to the Deputy Commissioner, Delhi that this order should not be made applicable to M. L. A.'s?

The Honourable Sardar Vallabhbhai Patel: If Honourable Members want ammunition for legitimate purposes, I will make it available.

Mr. Sansanka Sekhar Sanyal: Will it be necessary for the Members of the Legislature to approach the Home Member or some other people to satisfy them that they require ammunition for *bona fide* purposes?

The Honourable Sardar Vallabhbhai Patel: It is not necessary to approach the Home Member. Instructions will be issued to proper authorities for supply of ammunitions required for legitimate purposes by Honourable Members of this House.

Mr. Sasanka Sekhar Sanyal: Why is this distinction made between government servants and members of the legislature?

The Honourable Sardar Vallabhbhai Patel: I do not know of any distinction. I thought Honourable Members of this House are free to purchase any quantity of ammunition.

Mr. Ahmed E. H. Jaffer: Will there be an arms and ammunition shop attached to the legislature?

Mr. President: Next question.

SUSPENSION OF IMPORTS OF SILVER BY RESERVE BANK

†1573. *Sree Satyapriya Banerjee (on behalf of Mr. Ananda Mohan Poddar): (a) Will the Honourable the Finance Member please state whether it is a fact that the Finance Department spokesmen stated in an interview on the 11th

March, 1947 that Government fully approved of the Reserve Bank of India's action in suspending imports of silver?

(b) What steps have been or are proposed to be taken and when will they be taken to prevent silver prices from soaring high?

The Honourable Mr. Liaquat Ali Khan: (a) Yes, Sir.

(b) It would not be in the public interest to disclose what Government have done or intend to do in this respect.

Sree Satypriya Banerjee: Is there any possibility of silver being imported from America in the near future?

The Honourable Mr. Liaquat Ali Khan: Just at present the Government have no such intention.

ASSAULT ON PASSENGERS BY BRITISH SOLDIERS AT JHANSI RAILWAY STATION

†1574. ***Sree Satyapriya Banerjee** (on behalf of **Mr. Ananda Mohan Poddar**): Will the Secretary of the Defence Department please state:

(a) whether Government are aware that twenty British soldiers created a panic at the Jhansi Railway station on the 11th March 1947 by their drunken and disorderly behaviour;

(b) whether Government are aware that they assaulted passengers, that one of them broke into the womens' compartment and that others took possession of the shunting engine and the engine fell into a ditch after running for a while; and

(c) if so, what steps have been taken to prevent the recurrence of such disorderly conduct?

Mr. G. S. Bhalja: (a) Yes, Sir.

(b) and (c). According to Government's information the facts are as follows:

At 1830 hrs. on the 8th March 1947 seventeen British soldiers detained at Jhansi and had to wait until 0300 hrs. the following morning for their onward journey to Cawnpore and Lucknow. Some of the soldiers are stated to have left the station premises and to have got under the influence of drink.

It is alleged that they assaulted tonga drivers, damaged a Government motor vehicle, and took a tonga pony on to the station platform where they attempted to make it enter a railway carriage. Parcels and packages ready for loading were also interfered with and there was some damage done to a private car.

Two of the men are stated to have boarded and started an engine with three wagons attached. This resulted in the derailment of the engine.

It is also stated that some of the passengers were frightened by the disturbance, but that no individuals—either members of the Railway Staff or others—were injured. No attempts were made to molest anyone.

Eleven men have been identified and have been placed under arrest pending further investigation and disciplinary action. A court of inquiry is being held, but the report has not yet been received.

Mr. Ahmed E. H. Jaffer: What happened to the tonga pony which was pushed into the train and broke one of its legs?

Mr. G. S. Bhalja: I am not in a position to reply to that question. The report of the court of enquiry is being awaited.

Mr. Manu Subedar: Is any money proposed to be deducted from the wages of these soldiers and paid as compensation to the injured men?

Mr. G. S. Bhalja: The question of payment of compensation for any damage suffered by any third party will certainly be considered.

Mr. Manu Subedar: Will these soldiers merely be reprimanded and sent to jail for such criminal Misbehaviour or will they suffer in their pocket to the extent to which compensation has to be paid?

Mr. G. S. Bhalja: I am sure the men concerned will be court-martialled and it would be in the discretion of the court-martial to award suitable punishment commensurate with the offence which may have been committed?

Mr. Manu Subedar: May I know whether the Defence Secretary has come across in the Defence Department of any case where damage had been done by the Defence personnel and persons who suffered damage had to be compensated and whether it was the policy in the past that such damages should be recovered from the salary of such defence personnel?

Mr. G. S. Bhalja: There is no question of policy which arises. There are rules laid down governing various forms of punishment to be awarded. The officers conducting the court-martial will take all these into consideration, and award the punishment they deem to be applicable.

Mr. Manu Subedar: Is it against the rules of the Defence Department that defence personnel who misbehave in this manner should not have to forego a part of their pay as compensation to be paid to the aggrieved party? Will the Defence Secretary tell us now or will he look into the rules and tell later on?

Mr. President: I am afraid these questions are of a hypothetical nature. The court of inquiry is there and the matter will be investigated. There is also one further thing which should be borne in mind that, in spite of the fact that something has happened which deserves punishment, the question before the court of enquiry as indeed before any court is not only that an offence has been committed, or not, but whether the accused before the court are guilty or not. It is, just possible that innocent people have been hauled up. If that aspect is remembered, then such supplementary questions need not be put at this stage till the accused are found guilty.

Shri Mohan Lal Saksena: What steps do Government propose to take to prevent repetition of such incidents?

Mr. G. S. Bhalja: Standing rules are laid down for awarding punishment and all punishment is meant to be deterrent. I am sure deterrent punishment will be awarded to those found guilty in this case so that a repetition of such incidents will be avoided.

Shri Sri Prakasa: In view of the fact that these incidents took place due to drinking, will the Honourable Member prescribe some sort of test which every soldier should undergo so that only such quantity of drink may be given to him as would not send him doing such deeds?

Mr. President: Order, order.

LICENCES ISSUED FOR ARMS BY THE DELHI ADMINISTRATION

1675. ***Hafiz Mohammad Abdullah:** Will the Honourable the Home Member please state:

(a) the number of licences for fire arms, i. e., shot-guns, rifles, pistols and revolvers, etc., issued by the Delhi Administration from the time the present Deputy Commissioner took charge;

(b) the number of such licences issued to the members of each community, i.e., Hindus, Muslims and Sikhs;

(c) whether police enquiries were made as usual before the issue of all such licenses, if not, why not; and

(d) whether Government propose to give an assurance to the House that no discrimination is made in issuing such licenses?

The Honourable Sardar Vallabhbhai Patel: (a) 423 licences for firearms have been issued by the present Deputy Commissioner, Delhi.

(b) The number of new licences issued by communities is as under:

Hindus	Muslims	Sikhs
160	111	54

(c) Police enquiries are not obligatory and were made where necessary.

(d) No assurance is necessary as no discrimination has been made.

Seth Govind Das: Is it a fact that though licences are issued for pistols, yet pistols are not available in the market?

The Honourable Sardar Vallabhbhai Patel: Pistols are not available because they are sometimes in short supply.

WAR GRATUITY TO TEMPORARY CIVILIAN EMPLOYEES IN DEFENCE SERVICES

†1576. ***Dr. Zia Uddin Ahmad:** Will the Secretary of the Defence Department be pleased to state:

(a) whether it is a fact that war gratuity to temporary civilian employees in the Defence Services was to be paid on the termination of the war irrespective of whether their services were required for a further period or not;

(b) if so, whether Government are aware that war gratuity is not being paid to such employees until their services are dispensed with; if so, the reasons therefor; and

(c) whether Government propose to take steps to see that war gratuity is paid to all temporary employees of the Defence Services who are entitled to the same now that the date of termination of the war is long past?

Mr. G. S. Bhalja: (a), (b) and (c). No, Sir. Temporary civilian employees of the Defence Services are not eligible for the grant of War Gratuity. They are, however, eligible for a special gratuity on discharge, like other temporary civilian employees of Government. This gratuity is payable only at the time of discharge from the service on account of reduction of establishment, the object being to mitigate the effects of unemployment.

UNSTARRED QUESTIONS AND ANSWERS

PUNJABI AND PUSHTU BROADCASTS FROM ALL-INDIA RADIO, PESHAWAR

128. **Sardar Mangal Singh:** Will the Honourable Member for Information and Broadcasting please state:

(a) whether it is a fact that the All-India Radio have decided to broadcast fifty per cent. of dramas, etc., in Pushtu from the All-India Radio, Peshawar, but only 25 per cent. in Punjabi from Lahore, although the Punjabis in the Punjab are almost cent. per cent.; and

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

(b) if the answer to part (a) above be in the affirmative, why there is this discriminating treatment towards the Punjabis?

The Honourable Sardar Vallabhbhai Patel: (a) the figures of 50 per cent. and 25 per cent. are maxima.

(b) It would be incorrect to draw a complete analogy between the two languages and no discrimination is involved in prescribing different percentages.

PROPOSED INCREASE OF RENT OF THE LADY HARDINGE SARAI, NEW DELHI

129. Sardar Mangal Singh: Will the Secretary of the Health Department be pleased to state:

(a) whether Government are aware that the daily rent of the Lady Hardinge Sarai in New Delhi is going to be increased with effect from the 1st April, 1947;

(b) if so, whether it is a fact that by this increase the rent will be four times what it was in 1939; and

(c) if the answer to part (b) above be in the affirmative, what is the policy of Government in this matter?

Mr. S. H. Y. Oulsnam: (a) Yes.

(b) Yes.

(c) The Lady Hardinge Sarai is not a Government institution. It is held in Trust for a charitable purpose and is vested in the Treasurer of Charitable Endowments. The Chief Commissioner is the trustee and the management is in the hands of a Committee under the supervision of the Chief Commissioner. The room rents are the sole source of income. The Committee has decided to increase the rents in order to cover the expenditure on certain essential repairs.

SHORT NOTICE QUESTION AND ANSWER

REALISATION OF INCOME-TAX FROM STERLING AND DOLLAR COMPANIES CARRYING ON BUSINESS IN BRITISH INDIA AND OUTSIDE

Shri Mohan Lal Saksena: Will the Honourable the Finance Member please state:

(a) how many Sterling and Dollar Companies, carrying on business in British India, made larger profits here than in foreign countries during the years 1943-44, 1944-45 and 1945-46;

(b) how many of these were assessed to income-tax on the total profits, that is, including profits earned outside British India;

(c) how many of these companies did not submit returns under Section 19-A of the Income-tax Act and what action, if any, was taken against them for not submitting the returns;

(d) how many foreign shareholders were in receipt of dividends amounting to Rs. 25,000 and above and how many of them, if any, were assessed to Super-tax and what were the respective total amounts of assessment and realisation therefrom;

(e) what steps Government propose to take to make realisation from the aforesaid companies and other shareholders;

(f) if it is a fact that no prosecution was lodged against the aforesaid persons concerned as they were outside the pale of British Indian Laws as they now stand; and

(g) if so, whether Government propose to take necessary steps to make changes in existing laws so as to prevent the remittance of any money to such defaulters?

The Honourable Mr. Liaquat Ali Khan: (a) The number of such companies, so far as it is known, on the basis of completed assessments was 97 in 1943-44, 98 in 1944-45, 84 in 1945-46.

(b) All of them.

(c) The number of companies who did not make the return was 88 in 1943-44, 89 in 1944-45, 75 in 1945-46.

No action has been taken against these companies who, it was represented, were unable to make the return as they had no access to the register of shareholders maintained abroad.

(d) and (e). In the absence of the return under section 19A of the Act the precise number of foreign shareholders in receipt of dividends amounting to Rs. 25,000 and above is not available but 22 such shareholders are known to the Department. The number assessed to super-tax and the amounts of assessment and realisation were:

	Number of cases	Amount assessed Rs. (000)	Realisation Rs. (000)
1943-44	11	24,40	14,49
1944-45	8	17,95	7,92
1945-46	5	5,76	53
Total	..	48,11	22,94

Of the balance of Rs. 25,17 thousand the collection of demand amounting to Rs. 24,68 has been postponed pending decision of an appeal before the Privy Council. A sum of Rs. 49 thousand could not be collected as the assessee had no assets in British India.

(f) and (g). Yes. The matter has already been noted for an amendment of the Act and the suggestion made by the Honourable Member will be considered in that connection.

Mr. Manu Subedar: In view of the fact that there is very grave apprehension that a large amount of legitimate taxation is escaping in this manner and in view of the fact that Government have the power to reopen all cases for six years backwards, will Government now make an effort to recover whatever has escaped in this manner?

The Honourable Mr. Liaquat Ali Khan: As I said, the whole matter is under examination and Government are considering the question of amending the Income-Tax Act, so as to avoid all this evasion that has taken place.

Shri Mohan Lal Saksena: With regard to the companies which did not submit returns on the ground that they did not have a list of the shareholders, may I know if they required time or refused to submit such returns?

The Honourable Mr. Liaquat Ali Khan: As far as I understand, it is some officer of the company who is made responsible under the law; and the officer of the company stated that he did not have a register of shareholders which was outside India. Opinion of the Legislative Department was taken and the Income-Tax Department was advised that no action could be taken against the officer of a particular company, and the excuse that he had put forward would legally be considered as valid.

MOTION FOR ADJOURNMENT

UNSATISFACTORY REPLY TO QUESTION RE: STRIKE OF WORKERS AND MARINE OPERATIVES OF CALCUTTA PORT.

Mr. President: I have received notice of a motion for adjournment from Lt. Commander Aftab Ali who wishes to discuss "a definite matter of urgent public importance, namely,—the unsatisfactory nature of the statement laid on the table of the House by the Honourable the Labour Member in reply to oral question No. 1531 put by Mr. Satyapriya Banerjee in connection with the pending strike of the workers and marine operatives of the Commissioners for the Port of Calcutta".

Will the Honourable Member explain how it is admissible and what he means by the unsatisfactory nature of the statement?

Hony. Lt. Commander Aftab Ali (Nominated Non-Official): Sir, the statement is unsatisfactory because it is both evasive and misleading

Mr. President: If the Honourable Member is merely arguing on the merits of the statement, I am afraid I cannot allow any further debate. The only ground on which the admissibility of the adjournment motion would be *prima facie* worth consideration would be whether the statement raises any further issue or gives any further point which itself can form the subject-matter of an adjournment motion. I should like to know whether the statement discloses any facts which justifies the Honourable Member in bringing an adjournment motion before the House.

Hony. Lt. Commander Aftab Ali: The statement says that a meeting took place between the Chairman of the Calcutta Port Commissioners and the Port Trust Workers' Union on 2nd April last for the purpose of a settlement. That was brought about by the Regional Commissioner of the Government of India. I maintain that the so-called meeting was nothing but a complete farce.

Mr. President: Order, order; the Honourable Member cannot speak on the merits. The unsatisfactory character of the meeting cannot be any ground for an adjournment motion. I will give the Honourable Member one more chance; I do not propose to hear anything on the merits.

Mr. S. Guruswami (Nominated Non-Official): Sir, I submit that the reply of the Honourable Member disclosed the decision of the Government of India that even the recommendations of the Pay Commission need not be implemented by the Calcutta Port Commissioners. That will further aggravate the situation and trouble may spread to other ports. So this is a matter which should be discussed in the form of an adjournment motion.

Mr. President: On this issue, I may state that the strike began on the 5th February 1947 and today is the 11th April 1947. Government suggested to the Port Commissioners that they should grant interim relief pending publication of the Pay Commission's report. A few days ago this very subject came in a different form raising a different issue about the danger to the Calcutta Port. I then pointed out that the Port Commissioners were a statutory body having complete autonomy with the provision that the Government of India have got only the power of supervision and they could exercise that power, if so thought fit. That itself implies that the Commissioners were free to accept or to reject the suggestions of Government. The point that could be raised would be only this much: *viz.*, "how far Government were justified in giving them latitude and how far the Government, therefore, failed in exercising their powers of supervision". That would be the only issue that could possibly be raised, but I am afraid it will not be an issue fit for an adjournment motion. It will be a very vague one, and the motion also does not definitely state any such point.

Mr. S. Guruswami: Government gave too much latitude to the Commissioner. It is a very serious matter and as such I would request the Chair to give his consent.

Mr. President: I am afraid the question about the duty of Government to supervise such bodies and as to how far they exercise proper supervision or not, is not definitely raised in the notice of motion so as to justify my allowing this adjournment motion.

ELECTION OF A MEMBER TO STANDING COMMITTEE FOR LABOUR DEPARTMENT

Mr. President: I have to inform the Assembly that upto 4 P.M. on Thursday, the 10th April, 1947, the time fixed for receiving nominations for a vacancy on the Standing Committee for the Department of Labour in place of Pandit Balkrishna Sharma, resigned, one nomination was received. I, therefore, declare Sri Bhagirathi Mahapatra to be elected to the Committee, the election of which is now complete.

HINDU CODE

The Honourable Mr. Jogendra Nath Mandal (Law Member): Sir, I move for leave to introduce a Bill to amend and codify certain branches of the Hindu Law.

Mr. President: The question is:

“That leave be granted to introduce a Bill to amend and codify certain branches of the Hindu Law.”

The motion was adopted.

The Honourable Mr. Jogendra Nath Mandal: Sir, I introduce the Bill. With your permission I want to make mention of one other point, as the Honourable Members of this House might be interested to know what steps Government propose to take regarding this particular Bill. Government propose to circulate the Bill by Executive Order for eliciting public opinion, and on receipt of public opinion Government propose to move a motion in the next Session of the Assembly for the reference of the Bill to a Joint Committee of both the Houses of Legislature. I only wanted to make this known to the Honourable Members of this House.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): Any date fixed for circulation?

The Honourable Mr. Jogendra Nath Mandal: The date has not yet been fixed, but it will be fixed so as to give us an opportunity to consider the Bill in the next Session of the Assembly.

CAPITAL ISSUES (CONTINUANCE OF CONTROL) BILL

Mr. President: The House will now proceed with the further consideration of the motion of the Honourable the Finance Member that the Bill to provide for the continuance of control over issues of capital, as reported by the Select Committee, be taken into consideration.

Pandit Thakur Das Bhargava (Ambala Division: Non-Muhammadan):
Junabe President Sahib

Sri T. A. Ramalingam Chettiar (Madras: Indian Commerce): On a point of order. The Honourable Member who is now addressing is well acquainted with English. Under Rule 59 of the Manual of Business and Procedure

Mr. President: Just to save the time of the House, I may inform the Honourable Member that this point was raised on another occasion during this session and a ruling was given on this subject. The Honourable Member is perfectly at liberty to address the House in the Hindustani language.

Sri T. A. Ramalingam Chettiar: I do not know in what form it was raised.

Mr. President: Whatever may be his point, if he finds that there is any further ground to raise a point of order, he will raise it on some other occasion, instead of raising it now.

Pandit Thakur Das Bhargava: (The Honourable Member spoke in Hindustani. For Hindustani text, see Appendix to the Debates for the 11th April, 1947. English translation given below.—*Ed. of D.*)

Sir, I said yesterday that it is the duty of the Legislator to prescribe different punishment for different offences in a law. I referred to Mr. Bentham's Theory of Legislation. Sir, I want to adduce that principle. It runs thus:

"Let us have a rule,

Which deals to crimes an equal punishment:

Nor tortures with the horrid lash for faults.

Worthy a birchen twig."

I need not elaborate the meanings of this couplet as it is self-explanatory. It supports the principle I have referred to. Rule No. 3 to which I have drawn the attention of the House reads:—"Rule 3: When two offences are in conjunction the greater offence ought to be subjected to severer punishment in order that the delinquent may have a motive to stop at the lesser."

Sir, this principle does not require any elaboration in this House. Everybody knows it but nobody acts upon it. It appears that all Bills of this kind which have been introduced are stereotyped copies of the ordinances which were enforced during war time but today the foreign drafters of the ordinances are no longer in power in the Government. I should request that now when this ordinance is going to be given the form of a law we must try to remove all its evils. In addition, I want to say a word about the defects in the Bill. If you would look at Section 13(2) you would find it lays down that a Company's director is to be held responsible whether he has done any act or not; whether he was present at the place where the cause of action arose or whether he had any knowledge of the offence or not. This rule is wrong. It is said that this sort of laws are harmless because usually such cases are never instituted. If that is the case, where is the need for such a law? I don't want that the law of our country should be so prostituted. Similarly, if you look at Section 14 you will find that the burden of proof lay with the accused. It has nowhere been explained that many cases were instituted and as no justice was done this law is being introduced under such circumstances making such changes in the law can never be legal. I invite your attention to Section 5. I do not want to go in details because on another occasion I had stated fully all my reasons in this connection. I cannot, however, leave it without pointing out that as the present law provides for sufficient protection to a public servant there is no need for this section.

I don't find any provision in the Bill relating to sanctions. I am not in favour of sanctions but if you would look at Section 6 you will find that it empowers the Government to condone the offence. There should, therefore, be a sanction provision. Leaving legal niceties I want to draw your attention to one

or two things. Section 3 contains a provision under which a Company can be recognized. I want that Companies outside British India should have no need of such recognition. Under the law as it is people from British India and Indian States cannot join together to open a company. I want that a law may be framed which would do away with the need of obtaining recognition for such persons. I want to point out that Sections 3 and 4 do not contain so many causes of complaints as there are in Section 5. This section deprives a person of the right of using his or her capital as he or she desires. Any person infringing the section becomes an offender. I should say that this provision compels a person not to use his capital as he wishes. Nobody should have any restriction for the disposal of his capital. A person caught in the effort to commit suicide is awarded a year's imprisonment and this one year's imprisonment is also prescribed for the breakers of this law. In fact, this measure is in no way beneficial to us. There is another thing which I want to bring to your notice: if Government wishes to interfere with the freedom of the individual restricting him not to use his capital without Government's consent; if 10 or 20 persons wishing to start a joint-stock company cannot do so without the permission of the Government on the assumption that an individual's or a group's capital is, in fact, the capital of the whole society, then the responsibility of the Government increases. In such cases it devolves upon Government to help people who desire to start a company not only with its guidance but also with arranging to secure the requisite machinery from whatever place it may be obtained and also with money if they stand in need of it. If the Government cannot discharge these duties it has no right to restrict them in the use of their capitals. Until the Government takes upon itself the discharge of these duties it does not seem proper that it should interfere with the rights and freedom of the people.

Mr. Sasanka Sekhar Sanyal (Presidency Division: Non-Muhammadan Rural): I want to offer a few suggestions in the hope that the Honourable Member in charge of the Bill will remember and consider them with reference to the rule-making power which he is obtaining to this Bill.

Without meaning to accuse the department of intentional irregularity, I ought to be given the liberty of taking the House into my confidence when I say that the Capital Issues Department deals with applications in such a way as to create an impression of being guilty of vagaries. That is for one reason, when applications are discussed and dealt with by this Department. Very often the parties are not allowed any opportunity of putting their claims as such. I am aware of the fact that some parties take the trouble of coming and appointing their own agents and contacting the Departments so that they can make their cases and claims heard. But there are other parties who are not aware of the fact that such an opportunity is made available by the Department and therefore they prefer to content themselves by sending their applications, expecting that they will be dealt with on merits. But the fact that this is not done results in an undesirable state of things. I am aware that certain applications which came from Bengal were dealt with so abstractly on merits that the real problems were lost sight of. But I will illustrate my point.

The capital issues authorities grant or refuse according to the merit of the company which is disclosed in the application and the balance sheet itself. Before the position of the balance sheet, I want either the Secretary or the Member to hear!

Mr. President: The Honourable Member wants the Finance Member to hear.

The Honourable Mr. Liaquat Ali Khan (Finance Member): I am listening to him.

Mr. Sasanka Sekhar Sanyal: Ordinarily I do not find fault. An application for issue of capital sanction is considered on the merit which is disclosed on the

[Mr. Sasanka Sekhar Sanyal.]

paper, but so far as certain contingencies that did arise in Bengal, the less the merit on paper, the greater the claim of the company to increase capital issues. For example, recently on account of the riots in Bengal very good companies came to grief. Their capital was destroyed. Their shares went into poor value and for similar other reasons, the original good condition of a company which would make them entitled to further replenishment in the matter of shares became a little poor. Now the only chance of these companies surviving the onslaught of this situation was to get more capital so that they might rehabilitate themselves through the distress that was upon them. Therefore, in these special circumstances, I submit that the ordinary formula of merit should not be made the standard. Rather the standard should be made the other way about. When such cases come before the Department, they should send their representatives so that they can explain why such a debacle has taken place.

In this connection I must make an appreciative reference to Mr. Ambegaokar. The other day I had a discussion with him through a particular case and we agreed that ordinarily there should be a circular issued by the department of capital issues that the companies may be present at a particular time to be specified by the authorities so that they may understand where defects lie so that they could improve upon their position, and

Mr. K. G. Ambegaokar (Government of India: Nominated Official): That was with reference to Banking Companies only.

Mr. Sasanka Sekhar Sanyal: But then it was a question of capital issues.

I said with reference through that particular case we had occasion to discuss and it was desirable that there should be a regular hearing. In this Bill there is a provision for allowing appeals but I submit that if instead of allowing an appeal against an order, which will be passed merely upon paper, if opportunities are given to parties to present their cases at the original stage, there will be less appeals and troubles for all concerned.

In this connection I will give an example to my friends on the Treasury Benches. Sometime back before this Government came into office, a particular industrial concern of Bengal applied for capital issues to the extent of one crore—50 lakhs for one purpose and 50 lakhs for another purpose: one for jute and the other for silk. After some negotiations between the Department and the party, the party was prevailed upon by the Department to go in for the total with respect to jute. Therefore after the instructions had been given by the Department of Capital Issues, this company combined the two projects into one and made an application for one crore of rupees for jute and it was at the instance and inspiration of the department that it was granted. On the basis of that grant, which was absolute, they floated shares to the extent of more than 35 lakhs besides going in for financial commitments in the matter of purchase of land, bricks, and so forth. All of a sudden in October 1946 when this Government came into office, without any opportunity being given to the party as to why a change was going to be made, they were suddenly confronted with a notice that their sanction was withdrawn. Upto the previous stage Government was trying to get information as to what were the companies from whom they were to import machinery and goods. But suddenly there was an order that the original sanction was withdrawn and the reason given was that there was no need for a fresh jute Bill in Bengal, which is a preposterous position. Long after the grant of sanction to this company, a particular company which was headed by an influential gentleman who had a big pull with the Bengal Government and with the Government of India at that time got a sanction for a jute mill. Suddenly they discovered that this matter had reached the saturation point and the original sanction given unconditionally to the first party was

withdrawn. This matter was recently brought to the notice of some members of this and the other House and we have represented to the Member in charge of the Department of Industries and Supplies through another channel and I hope the real position will emerge out of this. If I am referring to it, it is not on the merits of the matter but to illustrate that the ultimate position taken by the Government is ruinous to parties. Therefore I would suggest that since the Government have made provision in clause 11 for the appointment of a Committee, the Honourable Member in charge should define the powers and scope of the committee through the rule-making power. I do not want to disturb the structure of the law as it is. But the rules must be so provided as to specify, define and formulate the scope and duties of this Committee. What I particularly desire is that this Committee should be a moving body. Yesterday the Honourable the Finance Member said that he wanted the members of the Assembly to be associated with the Committee. But I would rather have a Committee which would be thoroughly autonomous and capable of examining cases on their merits not only with reference to the ideas of the Government but also with reference to an examination of the condition in the locality. This body must be a body functioning all the year round and they must deal with applications in particular provinces, not merely from the Secretariat at Delhi. They must go to the provinces and examine the applications received from the particular province in the light of the conditions prevailing in the locality. They would resolve a large amount of difficulties which are otherwise created. It is not ordinarily very easy for parties in villages or in the interior to go up to Delhi with all their paraphernalia of establishment and representatives. If they get this body of judges in their own province, they can appoint their own competent agents who can explain things better to the Committee and in this way the difficulties will be solved. Therefore I request the Honourable Member to keep this in mind. He need not go in for a committee in the Bill itself. I do not ask that the rules must be placed before this House but I would request him at least before the first instalment of rules are put into operation that he would lay them before this House, so that Honourable Members can offer criticisms and suggestions on the matter. We all know that when there are rules by virtue of an Act, the rules become more important and operative than the law itself. I hope the Honourable Member will give as much consideration to this suggestion as possible and make the Committee operate and function in such a way that it will not only be responsible but also responsive to the varying needs of the different places in the country.

Mr. K. G. Ambegaokar: Sir, the question be put.

Shri Mohan Lal Saksena (Lucknow Division: Non-Muhammadan Rural): Sir, with your permission I would like to ask the Honourable the Finance Member whether or not the exemption allowed in respect of capital issues upto the extent of five lakhs will be allowed under this new law?

The Honourable Mr. Liaquat Ali Khan: Yes, it would be allowed. I was going to answer some of the points that were raised in the Debate, but the Honourable Member was a little too quick.

Mr. President: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Mr. Liaquat Ali Khan: Sir, my Honourable friend Mr. Sanyal has raised certain points. He has suggested that the Department of Capital Issues should provide opportunities for the parties concerned to place their cases before the department. The Examiner of Capital Issues has always been and is willing to see the parties that apply for capital issue.

[Mr. Liaquat Ali Khan.]

The other point that was raised by him was in connection with the Committee. He suggested that this Advisory Committee which has been provided in the Bill should be a permanent committee and a kind of roving committee, which will go all over the country and examine each application on the spot. He put forward the argument that it was difficult for people living in the villages to come to Delhi with all their account books and their managers and so on. But my Honourable friend forgot that if he is thinking of the people with small capital it would not be necessary for them even to apply for permission, because there is the exemption upto five lakhs. Surely, if any one whether he lives in a village or in a city, wants to float any company for larger amounts than five lakhs, I think it should not be very difficult for him to come to Delhi with his books. If he wants to transact such large business by sitting in his village and not wanting to move out of it, I think, Mr. President, that it would be unsafe to allow such a person to get the money of the poor shareholders to be managed by him sitting in a remote corner of the country.

Mr. Sasanka Sekhar Sanyal: He can go to the provincial capital.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammādan Rural): This five lakh exemption is not mentioned in the Bill.

The Honourable Mr. Liaquat Ali Khan: I would refer my Honourable friend to Section 16, which says:

"All orders made or deemed to be made under the provisions of the Capital Issues (Continuance of Control Ordinance, 1947) and in force immediately before the commencement of this Act shall continue to be in force and be deemed to be orders made under the corresponding provisions of this Act."

So it is already there. As my Honourable friend Mr. Saksena put a very direct question to me, I have given him a very direct reply that the present exemption of five lakhs will continue.

My Honourable friend Mr. Bhargava has dealt with a number of points. All that I need say is that all that he has stated in connection with this motion was very carefully examined by the Select Committee and I think, Sir, that his fears are unjustified. Since this Capital Issue Ordinance came into force there have been only two prosecutions under the powers that are given to the Government. One of them was of a minor nature and the person who was prosecuted was let off with a warning. The other one is of a rather important nature and I think from the fact that this case has been going on for two years it shows that the party concerned must be pretty powerful. I have no doubt that the party concerned will be able to secure justice in an ordinary court of law. There is no summary procedure provided here for these trials. The case has got to come before the ordinary courts. The punishment has been provided. As a matter of fact in the Bill the maximum punishment provided was two years and it has now been reduced to one year by the Select Committee. My Honourable friend Mr. Bhargava seemed to think that if the punishment provided in any law—the maximum punishment—is for a certain period of time then the maximum punishment becomes the minimum punishment. That is not so, Sir. It would depend on the nature of the offence and I have no reason to doubt that our courts would administer this Act fairly and justly.

Sir, I attach very great importance to the Advisory Committee which has been proposed in this Bill and I do hope that this Advisory Committee would prove very useful to the Government and the Department concerned in dealing with applications that come up for capital issues. With this new provision for the appointment of an Advisory Committee I am quite confident that there would not be any cases where the party concerned would have any legitimate

grievance or where the party concerned would not receive a very full and fair consideration of his case.

Sir, I hope that the Honourable Members of this House would support this motion. And may I request my Honourable friends to co-operate with the Government in disposing of the business, quite a lot of which is still left over to be finished this session?

Mr. President: The question is:

"That the Bill to provide for the continuance of control over issues of capital, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. President: Today being Friday, the House will adjourn at 12-45. But before it rises I may just mention that a request has been made to me for a change in the order of business for the day. After the present motion is disposed of and after the subsequent motion, "that the Bill be passed", is also disposed of, it is proposed to take up the Resolution of the Honourable the Leader of the House and then the further Legislative Business will be taken up. I believe it will be convenient to Honourable Members of the House. I find no amendments are tabled to that Resolution.

The Honourable Mr. Liaquat Ali Khan: If no amendments are going to be moved to this Bill, Sir, we might dispose it of.

Mr. President: But I find there are a large number of amendments.

Pandit Thakur Das Bhargava: In compliance with appeal of the Honourable the Finance Member I do not propose to move any of my amendments.

Mr. President: I should like to have such an assurance from the other Honourable Member, Mr. Tamizuddin Khan also.

An Honourable Member: He is not here.

Mr. President: If he is not present I find it difficult to accept that his right is gone. But I take it that he will agree. If we can finish the Bill now I shall put all the clauses together.

Mr. Sasanka Sekhar Sanyal: May I ask the Honourable the Finance Member a question with regard to that one matter? I asked the Honourable Member to consider the question of placing the Rules before the House. What has he got to say with regard to that?

The Honourable Mr. Liaquat Ali Khan: Every suggestion that is made by any of the Honourable Members of this House receives my very careful consideration.

Mr. President: The question is:

"That clauses 2 to 16 stand part of the Bill."

The motion was adopted.

Clauses 2 to 16 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That the Bill as amended be passed."

Mr. President: The question is:

"That the Bill as amended be passed."

The motion was adopted.

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

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. President (The Honourable Mr. G. V. Mavalankar) in the Chair.

RESOLUTION *RE* RATIFICATION OF PEACE TREATIES WITH ITALY, ROUMANIA, BULGARIA, HUNGARY AND FINLAND

The Honourable Pandit Jawaharlal Nehru (Leader of the House and Member for External Affairs and Commonwealth Relations): (Sir, I beg to move:

"That this Assembly recommends to the Governor General in Council that he do ratify the Peace Treaties with Italy, Roumania, Bulgaria, Hungary and Finland, signed in Paris on the 10th February, 1947, by Sir Samuel Runganadhan, High Commissioner for India, London, on behalf of India."

It is about two years since the War ended in Europe and soon after that the War ended in the Far East also and still we are struggling to find some equilibrium for this so-called peace. The main treaty putting an end to the War, that is to say the treaty in regard to Germany has not taken shape yet, nor has the treaty in regard to Japan. The treaties relating to other European powers which are contained in this Resolution have been drafted and signed and I stand up here to ask this House to agree to their ratification. These treaties are enormous bulky documents which, if the House is so interested, members can refer to. They have been placed in the Library as well as on the Table here. They have taken shape after prolonged discussions. First of all, I may briefly indicate the procedure adopted in arriving at these treaties. In December 1945, there was the Moscow Conference. At this Conference it was decided that treaties should be drafted by the signatories of the terms of surrender, that is to say, in each case those parties who were present at the time of the surrender should draft the treaties, which meant that all the treaty should be drafted originally not by the same set of people but by those who were particularly concerned with each of them. So, these drafts were prepared. Then came the Paris Peace Conference in the autumn of last year. This Conference after several months of discussion came to certain tentative conclusions which were in the nature of recommendations to the Council of Foreign Ministers. Then the Council of Foreign Ministers sat down and drew up the final texts of the treaties round about the middle of January last. These texts were circulated to the Foreign Ministers and ultimately these treaties were signed in Paris on the 10th February 1947. There is a clause in the treaties that they have to be ratified by the other parties concerned, that is to say, the defeated parties but they come into effect immediately on ratification by the four powers, the U.S.A., the Soviet Union, the United Kingdom and France. In effect, they come into operation whether any other powers sign them or not but we thought it right and proper that our representative should sign them on our behalf in Paris on the 10th February and therefore we authorised Sir Samuel Runganadhan, who had also led our delegation at the Peace Conference in Paris last year, to sign them and he has done so.

Now, Sir, those treaties represent numerous compromises between the various powers concerned, more chiefly between the two groups of powers which sometimes come into conflict with each other whenever any subject is being discussed. The treaties, I suppose if one examined them carefully, will not be found to be very ideal in many respects, because of the inevitable nature of compromises. India as such is not directly or intimately concerned with many matters raised in these treaties which affect the boundaries in Europe and various other matters but India is intimately concerned because these treaties may lay the foundation of peace or of war, because when the time comes for the treaty with Germany to be finally drawn up and signed it will make a very great difference as to what Germany is going to be. The future of Germany will control the future of Europe, economically and otherwise and therefore world peace depends very greatly on what the treaty with Germany may be. Therefore India is intimately concerned in that wider aspect.

though not so much concerned with the smaller matters affecting boundaries and other internal dispositions.

Now, I may mention that at the Peace Conference and elsewhere, especially at the Peace Conference, whenever various matters were discussed, there was always an unfortunate tendency not to consider a matter on its merits as such but rather from the point of view as to whether a decision helped one party or the other. Merits were often sacrificed to that end and a country like India which tried to steer a middle course and tried to consider every matter on the merits found itself in a very difficult position, not only a difficult position but a position which was criticised by both parties, because we refused to line up with any bloc. I wish to make it clear that by our signing this treaty we do not line with any particular bloc. In fact, the treaty itself is a compromise between those respective blocs.

The treaties may be divided into three parts, the political, economic and military parts. The military part consists either of zones of military occupation for a period or demilitarization and preventing those defeated countries from keeping armed forces. I shall only mention a few of the main points that arise in these treaties. There are many points of small detail which gave rise to a good deal of controversy. One of the points of dispute was the frontier between Italy and Yugo-Slavia, more particularly the future of Trieste. The Frontier was determined and Trieste was given the status of free territory with a more or less démocratic council. Then another point that arose was in regard to the Italian Colonies in North Africa. In these treaties Italy renounced all rights to her former colonies and it is further stated in the treaties that the wishes of the inhabitants will be considered in regard to the future of these colonies and commissions of inquiry will be appointed from time to time find out what the wishes of the inhabitants are. Then, Sir, there have been certain changes in regard to Hungary and Yugo-Slovakia. A certain part, a fairly small part of Yugo-Slovakia, has been handed over and some frontier ratifications have taken place.

Then, come the economic parts of these Treaties, which concern mainly with reparations. We are not directly concerned with them and we are not the sharers of these reparations at all with those countries. It was stated on our behalf that we would not claim any reparation from those particular countries, but a certain saving clause was put in, I believe, to the effect that if we had any money to their credit, frozen or otherwise, then we could raise that matter. Probably one of the most contentious clause in these Treaties was with regard to the future of *the Danube*, about which there was rather bitter controversy. And the controversy is not completely settled or over yet, but some kind of provisional arrangements have been arrived at. So, I do not know whether it is necessary for me to take up the time of the House by going into these Treaties in regard to the Balkans and Italy because it is a little difficult to understand the various rather complicated and intricate chapters of these Treaties relating to a large number of points. It will serve little purpose if I were to detail them to the House. Therefore, I do not propose to take up the time of the House. But I do think it is right for us to associate ourselves with these Treaties as we have associated ourselves with the United Nations and to beg of the House to pass this Resolution which in effect, is a Resolution of ratification of these Treaties.

Mr. President: Resolution moved:

"That this Assembly recommends to the Governor General in Council that he do ratify the Peace Treaties with Italy, Roumania, Bulgaria, Hungary and Finland, signed in Paris on the 10th February, 1947, by Sir Samuel Runganadhan, High Commissioner for India, London, on behalf of India."

Seth Govind Das (Central Provinces Hindi Divisions: Non-Muhammadan):
Sir, I want to congratulate the Honourable Member for External Affairs for bringing such a Resolution before the House. As far as I remember during

[Seth Govind Das.]

the last 23 years of my life in the Central Legislature such a Resolution was never brought either in the Council of State or in the Central Assembly. This shows that we are really at the threshold of our freedom and the Cabinet which is functioning today is the real Cabinet and is not the Executive Council of His Excellency the Viceroy as it used to be before.

Now, Sir, so far as these Treaties are concerned, I do not wish to take the time of the House. I have full confidence that the Honourable Member in charge will see that as far as India is concerned, we play our part in the world affairs as we ought to try to see that there may not be any wars in future. As there is a heavy agenda before the House and we want to finish this session by tomorrow, I do not want to take any more time of the House and I wish again to congratulate the Honourable Member for External Affairs.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor Non-Muhammudan Rural): Sir, it is more difficult to maintain peace than to end a war. We should see that the terms of the Treaties that we are going to ratify and which have already been signed on our behalf are kept properly so that there may be no occasion for another war. Sir, you know under what circumstances we were obliged to get into the war. Then, for the first time, our country and the Congress wanted the enunciation of the principles for which the war was being fought. Till then Mr. Churchill was saying that the object of the war was to succeed in the war or to be victorious. It was thereafter that the Atlantic Charter was brought into existence. But so far as India was concerned, we complained that the Atlantic Charter did not apply to us and some also said that as it was prepared in the Atlantic Ocean, it was drowned in that ocean. Thereafter, it was said that the Pacific Charter came in. Ultimately, we found that these Powers that fought in the war and tried to become victorious also tried to re-establish themselves in the Colonies which they had lost and ultimately succeeded also in trying to dismember those countries which lost in the war. It was the imperialistic powers of England and France and even *chota* powers like Belgium and Holland that gave occasion to Germany, Japan and Italy to view with one another or, at any rate, ultimately to join hands with one another to build Empires in the world. You know too well, Sir, how Japan in this combination tried to have its sphere of influence over the whole of Asia in order to build an Empire there. How Italy wanted to build an Empire in Africa and how Germany wanted to have the whole continent of Europe for itself. Thanks to the Almighty that these powers have been baulked in their attempts. The imperialistic powers that have now become victorious have become the object lesson for the other powers to rise and to build large Empires and it is this very thing that was the cause of the last war. Are we sure that by entering into these Treaties we are trying to avoid the causes of the future wars. What has happened to Viet-Nam? Are not the French still trying to hold Viet-Nam under their thumb and not to grant it independence? Have not the Dutch used not only their war ships against Indonesia but are trying to maintain their hold on Indonesia and other peoples? What is Belgium doing with respect of its Congo? England has grudgingly tried to release the hold over India and Burma. Still, Sir, the same old story is being repeated and I do not know when it will come to an end. The new Viceroy has come and he is going on with his interviews all over the country. He is going to grant an interview to the Governors and I do not know if he would also like to grant an interview to all the civilian officers who may not like to leave this country. So long as these powers are still trying to hold on to the vast Empires which they have built, I am not sure whether there would not be another occasion for war. What has happened to Italy in this war may happen to these powers later on if another war takes place. Italian Empire it is true, has been dismembered and Italy has been left with the possession of its own country. All

its colonies have been taken away. What India should do being a party to these Treaties is to see that those colonies of Italy—Eritrea, Libya and Somaliland—become independent States. Libya and Eritrea are occupied by Arabs. I was told a story. Some of my friends belonging to the Defence Consultative Committee were taken during the war to North Africa. They were chatting with some of the Arabs who were servers at the table. The servers did not know English, they knew only a smattering of English. Our men asked them whom they liked most. The Arabs said they like the British Indians. So far as Italians were concerned, they raised their hands and showed by signs how much they hated Italians. At that time the Italian Governor was Graziani. There was a conspiracy against him by Arabs. Graziani came to know of this conspiracy and caught hold of the conspirators and packed them in an aeroplane and got them hurled from the air and killed them. The native tribes of Libya and Eritrea are anxious to become free. We must help them to establish freedom in their own country. They must be allowed to have their own constituent assembly and evolve their own democratic constitution. So far as Trieste is concerned, it has been made a free State. U.N.O. Security council has appointed a Governor who corresponds to a limited monarch and exercises certain powers, there is a legislative council, composed of adult men and women returned on adult franchise. There is a council supporting the Governor. I am sure the Security council will use the good offices of the Governor to bring prosperity to Trieste. After a period of five years, another Governor will be appointed. It is a scandal that with regard to this Trieste there was a scramble by most of the powers to grab at it. It is the duty of the Government of India to see that these small nations are not swallowed up on account of the imperialistic tendencies of the western powers so that these small territories may not become once again the cockpit of another world war. The Honourable Member referred to Danube and it still continues to be the apple of discord among various nations. There is the thorny question of Dardennels. Russia wants that this ought to be thrown open to all countries and especially Russia should be able to have free access to the Dardennels to go out into the Mediterranean. Similarly it wants that the Suez Canal should be made free for all countries. I am sure that if the Honourable Member keeps a watchful eye on behalf of the Government of India, India will have a safe place in the comity of nations and I trust India will be able to exercise greater influence in the decisions of international councils. India is not an imperialistic power, she has no designs on the territories in any other part of the world and she will take a balanced view of things, which unfortunately one does not find among the western nations. We are not happy at the events in Greece. The Right Wingers' in Greece are being helped by America and England to crush the guerillas who want to establish a democratic state in the real sense of the term. General Franco of Spain is being encouraged to establish himself as a monarch. These are bad omens ahead. We do not know what is going to happen much sooner than we expect. Unfortunately there may be another war. India is on the eve of becoming independent and it is up to us to play our part in maintaining peace for which our representative has put his signature and we are putting our seal on it. I wish all success and all peace to our efforts and let Almighty bless this undertaking.

I would also urge upon the Honourable Member to be careful in getting into negotiations with Germany and Japan. Whereas with respect to the small powers, no reparations are due to us, from Germany and Japan, reparations are due. We have been promised reparations. I am sure in the final distribution we may get some reparations, in the shape of some broken machinery for which there may not be market in any other part of the world. If it comes to our getting mere tinsels, let us be more generous and say we do not want any reparations from any of these countries. Those articles may not be utilisable by us. I am sure with our energetic Leader of the House in charge

[Sri M. Ananthasayanam Ayyangar.]

of external affairs, all will be well. I wholeheartedly support this motion for the ratification of our treaty signed by Sir Samuel Runganadhan. It was not signed by any great political leader of the country. During the last war the late Lord Sinha signed the treaty on behalf of India. He was a signatory to the Treaty of Versailles. I would have liked a bigger person, leader of one or the other of political parties in India being a signatory to this treaty. But inasmuch as it was not then our war, we did not send any politician. I am sure there will be no more war and there will be no need for such further treaties to be concluded and that there will be peace and concord among all humanity.

Pandit Balkrishna Sharma (Cities of the United Provinces: Non-Muhamadan Urban): Sir, when I listened to my leader and the Leader of the House asking this House to ratify the treaty signed by Sir Samuel Runganadhan on our behalf, I was reminded of the peculiar compelling circumstances and contradictions in our history. There was a time when this country demanded the inherent right of having a voice in declaring war or making peace. On that issue, no compromise was reached with the British Government and the result of it was the famous individual civil disobedience movement and ultimately leading to 'quit India' movement of 1940-41 and 1942 respectively. Today we are asked to ratify these treaties. It is well that we are going to give our consent. The way in which the history of this country has been shaping during the last 150 years has been a curious one. If today one asks to see the natural sequence in this historical process, one may not be able to get it. Sir, Pandit Jawharlal Nehru and all of us were not prepared to touch the war with a pair of tongs and still, today, unanimously we are giving our assent to the ratification of the treaty which has come into being as a result of the war. The Leader of the House spoke of two blocks that are in existence today in the international field. The question with which this country is faced today is whether we shall side the one block or the other. The Honourable the Leader of the House has said that at the time when discussions of these various clauses in these treaties were taken up, our country did not side either the one or the other but took a rational view of the whole situation. So far so good. But ultimately this question shall have to be answered by us; the question whether we side with one bloc or with the other. So far as men like me are concerned I am very clear in my mind that if at all it comes to our siding with one bloc it shall be a bloc of the Soviet Russia and not of the so-called western democracies who in their zeal for establishing financial imperialism are doing all sorts of things which are calculated to lead to a third world war. It may be that Soviet Russia also has not been able to steer clear of the shoals that are ahead; it may also be that its nationalistic policy has not been able to show it the way to behave a little more generously. But it is also true that when it comes to our making a choice between the two ideologies that are represented, one by the so-called western democracies and the other by Soviet Russia, I think there should be absolutely no question as to which side we shall back and where we shall find ourselves in company. That is the one thing that I wanted to express on this occasion. It is true that the treaties that have been already signed are a series of compromises, as the Leader of the House pointed out; it is also true that in spite of signing all these treaties the threat of third world war is looming large before us. And sometimes I feel doubtful whether by these treaties and by these compromises we shall ultimately reach the haven of peace. To me it appears that so long as the whole human race does not make an attempt to evolve to a higher level of existence, that is to say, so long as the whole human race does not listen to that still small voice of the naked *faair* of India, it is doubtful whether the world will reach a solution of its present problems.

Hony. Lt. Commander Aftab Ali (Nominated: non-official): Sir, I do not desire to take up unnecessarily the time of the House but I note from the speech of the Honourable Leader of the House that no reparations have been paid. On this question of reparations I should like to remind the Honourable Member that Indian seamen have lost their lives in thousands for no fault of their own. They were non-combatants and they were bombed and machine-gunned, which was all due to the war. I maintain that the Government of India would fail in their duty if they did not ask for proper reparations for these Indian seamen, particularly those who lost their lives. I may remind the Honourable Member that during the first world war reparations were collected from Germany and a very little portion of that was given to the Indian seamen. I hope this time before signing any treaties with Germany and Japan the Government of India will consider the claims of Indian seamen and also consult their organisations in the matter. The Indian seamen, Sir, lost their lives, as I said, in thousands, and I am sorry to say that the Government of India did not recommend proper pensions and allowances for their children and dependents. I had occasion to raise the matter with the British Ministry of Labour in London, and when I asked them why they granted only Rs. 4 for the child of an Indian seaman their answer was that they had fixed the rate on the recommendation of the Government of India. I recognise that at present the Government of India is a Government that we can claim as our own. And I hope that the Honourable Member will take into account the claims for reparations of Indian seamen and also the need for revising the scales of pensions for widows and allowances for children. Before treaties are signed these things must be discussed and decided; we should not merely sign a treaty beforehand and then come to the House for ratification.

The Honourable Pandit Jawaharlal Nehru: Sir, in regard to reparations the question really arises in connection with Germany and Japan. With regard to the small powers India had very little to do with them in the course of war or otherwise. If the House likes I will give the figures of reparations actually mentioned in these treaties:

By Italy—100 million dollars to the Soviet Union, 105 million dollars to Greece, 125 million dollars to Yugoslavia, 25 million dollars to Ethiopia, 5 million to Albania.

By Rumania—300 million dollars to the Soviet Union.

By Bulgaria—45 million dollars to Greece, 25 million to Yugoslavia.

By Hungary—200 million dollars to Soviet Union, 100 million to Czechoslovakia and Yugoslavia.

By Finland—300 million dollars to the Soviet Union.

So the House will see that quite a large number of countries which participated in the war have not claimed reparations from these nations. In fact these are between the Soviet Union and the Balkan countries—i.e., the eastern countries—among themselves; and it is not considered suitable or fitting that India should also be a claimant. That is all that I have to say.

Mr. President: The question is:

“That this Assembly recommends to the Governor General in Council that he do ratify the Peace Treaties with Italy, Roumania, Bulgaria, Hungary and Finland, signed in Paris on the 10th February, 1947, by Sir Samuel Runganadhan, High Commissioner for India, London, on behalf of India.”

The motion was adopted.

TAXATION ON INCOME (INVESTIGATION COMMISSION) BILL

The Honourable Mr. Liaquat Ali Khan (Finance Member): Sir, I beg to move:

“That the Bill to provide for an investigation into matters relating to taxation on income, as reported by the Select Committee, be taken into consideration.”

[Mr. Liaquat Ali Khan.]

I feel confident that this Bill will receive the support of all sections of the House and all Honourable Members will give full-throated support because the object of the Bill is a very laudable one,—laudable in the sense that it is desired to bring to book all those who have evaded income tax during the war years. It is a well known fact, as I said in my budget speech, that large numbers of people made very large fortunes during the years 1939-46; it is unfortunate that quite a good number of them escaped and evaded income-tax. I said in my budget speech that the object is just to find out from those men who have invested large sums of money in property or otherwise as to wherefrom they had got the money. The Honourable Members would notice that the Select Committee has made very important changes in this Bill.

The first important change is that in the original Bill it was provided that the Investigation Commission could investigate into the cases of any individual on its own initiative and that it shall investigate into all such cases which may be sent to it by the Central Government. The Select Committee has made this important change that it has taken away the initiative from this Investigation Commission of starting investigation on its own and further it has provided that only such cases will be sent to the Commission for investigation about which the Government believe that there was a *prima facie* case, but at the same time care has been taken to see that if during the course of the investigation the Commission came to this conclusion that there were some individuals who had evaded tax, then the Commission would report such cases to the Central Government, and would send to the Central Government such material as would be in the possession of the Commission on the evidence of which the Commission had come to that conclusion. The Central Government would further examine such a case and if the Central Government were satisfied and believed that there was a *prima facie* case for investigation by the commission, such cases also would be referred to the Commission.

The other change which the Select Committee has made is to take away the powers of delegation from the commission. The only power that has been given to the Commission is that it can appoint certain responsible person or persons to go and examine the accounts of any particular person and interrogate those persons who were in charge of such accounts. But such person or persons would not be authorized to take any action on their own. The function of such a person or persons would be to submit a report to the Commission. It was considered necessary by the Select Committee that such a change should be made because it might lead to abuse of power if persons other than the commission itself were invested with very large powers as are provided for the Commission under the Bill.

The other change which has been made is that the Commission would, as far as practicable, follow during the course of the investigation the Indian Evidence Act, and the course of natural justice.

Then, Sir, another change which the Select Committee has made is this: Instead of leaving to the Commission to grant certificates of indemnity to any person who appears as a witness before the Commission, this power has been given to the Central Government, namely that no action would be taken, or a law suit instituted, in any court of law against any person on the basis of the evidence which he might have tendered before the Commission except with the permission of the Central Government. The object of this is that we desire that every member of the public who feels his great responsibility as a citizen should be able to give evidence freely and frankly before the Commission without having this fear that the party concerned against whom the evidence may be given may harass him afterwards on the basis of the evidence which he had given before the Commission. This,

I hope, would encourage and induce all those citizens of India who feel and who should feel that it is their duty to help the Government in finding out the cases of evasion of income-tax. I take this opportunity of inviting all the well-wishers of the country to come forward and assist the Commission in getting at the truth and finding true facts about such cases as may be referred to it by the Central Government.

Then, Sir, there is another change which has been made by the Select Committee. The change that has been made is that the assessment proceedings on the receipt of the report of the Commission, if it was considered necessary by the Government that assessment proceedings should be started, would not be in respect of any profits made before 1939. The object, as I stated, is really to catch the war-profiteers and as profits had been made during the period after 1938, therefore this would cover only that period of time for which we want that the people should not get away with the money which they really owe to the State.

There was another change made, although I would not call it a very important change. In the original Bill it was provided that the Chairman of the Commission would be either a High Court Judge or an ex-High Court Judge, or a person who was qualified to be appointed as a High Court Judge. The Select Committee has confined the choice to only a High Court Judge or a person who has been a High Court Judge. Sir, I feel sure that after these amendments which have been made in the Bill, there would not be any doubt left in the mind of any honest person that the powers which are being given to the Commission would be abused or were open to abuse. My Honourable friend Mr. Griffiths, has appended a note of dissent. I have every sympathy with him. I think his note of dissent has only one meaning and it is his anxiety and desire to bring to book all those who had evaded income-tax during the war years. But I feel that if the general public would assist the Government and the Commission in the discharge of their duties. I have no doubt that the powers which are being given to the Commission would be found sufficient to bring to book all those who had been guilty of evasion of income-tax during the war years.

As I stated on a previous occasion, to my mind such persons are really worse than ordinary criminals and I know as a matter of fact from the speeches of Honourable Members in this House and the comments that have appeared in the press of the country, and a number of communications that I have received from all kinds of people belonging to all classes of society, that this desire on the part of the Government to catch all these tax evaders and war profiteers has the general and full support of the people of this country. I have no doubt in my mind about it, but all that I would request my countrymen at this moment is to come forward and help us. Do not consider that this is a matter that concerns any one particular department of the Government alone. I want them to realize and recognise this as a matter which should be the concern of every citizen of the State.

Sir, I got a very interesting letter from someone who wrote to me about his experience in Greece. He said that "in my country we were not so gentle as your Bill provides." He said "in my country we try the war profiteers in public and the penalty was death if anyone was found to be guilty of making profit during the war."

Mr. Krishna Chandra Sharma (Meerut Division: Non-Muhammadan Rural): Why don't you do it?

The Honourable Mr. Liaquat Ali Khan: With our policy of nonviolence and *Ahimsa*.....

Sjt. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Latest convert.

The Honourable Mr. Liaquat Ali Khan: I would be satisfied by getting money out of them and to my mind that will be a greater punishment for them than death!

Mr. P. J. Griffiths (Assam: European): Worst form of violence!

The Honourable Mr. Liaquat Ali Khan: I ask for the co-operation of every one in India to assist the Government in this task and I feel confident that we shall have the co-operation of every honest well-wisher of the country in this task which we are undertaking.

Mr. President: Motion moved.

"That the Bill to provide for an investigation into matters relating to taxation on income, as reported by the Select Committee, be taken into consideration."

I will intervene at this stage by making two small announcements so that Honourable Members may get more time for themselves.

ELECTION OF A MEMBER TO GOVERNING BODY OF INDIAN RESEARCH FUND ASSOCIATION

Mr. President: I have to inform Honourable Members that as a result of the adoption on the 27th March, 1947 of the motion for the election of a member to the Governing Body of the Indian Research Fund Association in place of Dr. Hassan Suhrawardy, deceased, Shri Sri Prakasa was elected to the vacancy. As Shri Sri Prakasa is already a member of the Governing Body the vacancy still remains unfilled. For the purpose of filling up this vacancy I appoint to-day upto 5 P.M. within which nominations for this vacancy will be received. The election, if necessary, will be held in Assistant Secretary's room in the Council House on Saturday, the 12th April, between the hours of 10-30 A.M. and 1 P.M.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): Would you permit me to make a personal explanation. I had no idea that I was being nominated to this Board at all. The usual practice is for the nominator to ask for the consent of the person he is nominating. But I do not remember having given any consent because if anyone had come to me I would have said that I am already a member. But I am very glad of one thing, and that is that I was elected to the place of Sir Hassan Suhrawardy, because that place was reserved for the Muslim League. I am very happy that the Muslim League regards me as its own representative as I have always regarded myself as their representative also. This shows that if only the Viceroy will consult me, I could help in getting the whole problem easily and quickly solved!

Mr. President: The usual nomination form had of course stated that the person proposed was willing to serve. But that is a different matter.

There is another thing which will ground as a circular to Honourable Members. I am now drawing their attention to it.

RAILWAY ACCOMMODATION FOR MEMBERS OF LEGISLATIVE ASSEMBLY ON TERMINATION OF BUDGET SESSION.

Mr. President: "It has been arranged to provide extra accommodation on the Railway trains leaving Delhi within the next few days for the convenience of Honourable Members who wish to travel back to their home on the termination of the current session of the Legislative Assembly. Honourable Members making their return journey at this time are advised to contact the Station Superintendent, Delhi Main Railway Station for the purpose of reserving such railway accommodation as they require."

Mr. President: We will now take up the consideration of the Bill relating to taxation on income.

Mr. Manu Subedar (Indian Merchants' Chamber and Bureau: Indian Commerce): When I spoke on the general discussion of the Budget I said that the principle of the Bill was quite correct and that all that was necessary was to see that innocent men did not feel that they were harassed or victimised or black-mailed by officious officers. I do not wish to add anything to the very lucid account of the Select Committee changes which the Honourable the Finance Minister has given, and I think the Bill stands self-explained in most of the issue which he has already mentioned. For example, the initiative is taken out of the Commission. But really speaking, what is taken out? If the Commission has important information which gives some *prima facie* cause for suspicion of a party, the Commission will pass it on to the Government and the Government will in their turn pass it on to the Commission. I do not think in practice there will be any serious difficulty. But it has accomplished one purpose. If the Commission had power to delegate as in the old Bill, and if the Commission had power to initiate a case, then the delegated party might have gone to another third party and said, unless you pay me so much I will initiate an enquiry against you. As I said in practice this would not let anybody escape who should not escape and yet it will not give any delegated man the power to extract in the manner in which he would have previously extracted.

There is also the *prima facie* reason which Government may have and it is of a general kind. What degree of conviction do people want? In other words it seems to me the *prima facie* reason would enable Government to bring in almost any cases they like, and their power to bring in genuine cases in which they have reason to suspect, is not in any way fettered. The only issue which we have to consider is the general one, which has been raised by the separate minute of my Honourable friend Mr. Griffiths.

Before I proceed, may I say, that all of us are going to miss him from this House, as I understand that he is retiring both from this Assembly and from India. We shall miss his cheerful personality and his eloquence whenever he has chosen to speak on so many issues. In this happy expression, in which I am sure most members will join, I will not mar the charitable interpretation which my Honourable friend the Finance Member put on the minute, namely that the minute was roused entirely by the same feeling which we all share, by his great anxiety that no guilty parties should escape. Even when the objective is the same it is a matter of temperament as to what method is better. My friend Mr. Griffiths has been known in his executive capacity to prefer rather strong methods. I am not sure that strong methods always yield results. Sometimes they do and more often they do not. I think the Finance Member is on much more solid ground when he made an appeal for public co-operation, because it is not strong methods that brought results but it is the solid following, the public feeling that those who have done something wrong, something against the state and society, shall not escape, so that it becomes the duty of every citizen to help in the task of tracing and bringing to book those who have been guilty. I am sure nobody in this House has any sympathy for any man who has escaped taxes. If he escaped taxes it was because he was unable to disclose from which sources the income came to him, as the profit was made in blackmarketing operations. In other words he was doubly an enemy of society: he defrauded the consumers by charging them too much and he defrauded the State by not paying the legitimate income-tax dues.

[Mr. Manu Subedar.]

The whole question is which of these methods is better—whether the very strong one of having a law which was capable of becoming an engine of terrorisation to innocent parties—whether we wanted a law of that kind or whether a law that—as the Honourable the Finance Member has very rightly said—in spite of the changes gives ample and adequate powers to the Commission to do what it is intended to do and what I am sure it will do.

My Honourable friend Mr. Griffiths had been in Calcutta for sometime, I believe. I hope I will be corrected if I am wrong. I believe he was put on the track of the war profiteer and the blackmarketeer. He ought to know that strong methods do not help as long as there is the apathy of the public. If you have the sympathy and active co-operation of the public the results are bound to be very fruitful and in this particular case it is bound to pay a very good dividend. I am sure that this particular measure before 12 months are over will bring to my Honourable friend's exchequer 10 crores of rupees. It is not therefore ingenuity or terror at the top or the strength of the powers which you exercise. Was not my friend Mr. Griffiths at that time in that capacity armed with full powers under the Defence of India Rules, (*Interruption by Mr. P. J. Griffiths*). I think there were about 482 Ordinances by which this country was governed and he had at his back all the powers of the Provincial and Central Governments. With all these extraordinary powers were the results commensurate with the efforts he made (*Mr. P. J. Griffiths, No, Sir*). Therefore I say that the results depend not so much on the letter of the law as on the willingness of the public to co-operate, on the sense of duty of the public who feel that every wrong-doer is an enemy of society, an enemy of Government and the enemy of every good citizen. Every individual citizen has a direct interest in bringing him to book. This appeal which my Honourable friend made ought to move people in this country and I am sure the task of the commission under those circumstances and in this atmosphere is bound to be very successful.

Let me say where the powers were excessive what sort of results were achieved. I would like to give the House one or two cases which came to my notice during the war period. Some of us were watching things and we are in a position to know what was happening. People came and told us rather more freely what they were or were not doing. There was the case of a newspaper man who did not declare all his stocks. When the Inspector came to inspect he found that the declaration did not tally with the stocks actually in existence. He asked me if there was a way out. I asked him to go to the head of the department and make a clean breast of it. "Tell him that you are sorry for what has happened and are prepared to bear any penalty he may impose on you." He went away and after days he saw me again and when I asked him if he had seen the head of the department he said "Don't worry. I have settled the matter and it cost me Rs. 3,000." There were other cases too in the paper trade. Almost every publisher was doing wrong and there was an Inspector who was collecting regularly from every shop Rs. 400 a month in respect of the wrong-doing.

There was another case. This was a metal Inspector, a high officer of the Supply Department. He was not anxious to enforce the law: in fact he was very lax. He permitted breaches of law by reputable sound and substantial parties and as soon as he discovered them he came round and threw a hint that unless Rs. 20,000 was paid the law would take its course. In that way he collected many twenty thousands until in the last case he was found out. Under the powers of the Commission originally provided there was the possibility of the law turning into an engine of terror to innocent parties but under the provisions as they are now the whole purpose will be accomplished and I am sure there would not be any loopholes either.

What are the reasons why income-tax payment is evaded? There are two sides of the shield. Let me mention this without appearing that I am sensorious or that the department is not quite alive to the situation. The department has recently tried to add about 300 new men. The volume of escape depends on the facility with which escape can take place and that in its turn depends on the number and efficiency of the staff employed. I would ask Government to improve the number and efficiency of the staff which they employ and I would ask them that on this side at least they should give as little scope as is possible. On the other side is, as I said, the willingness of the common people. Sir, it is the common people who can bring these men to book because however rich a man may be there is very little he can do in the secrecy of his own isolation. He has got to do it through the human agency. He has got to have men. He has got to have staff and most of these things are done with the full knowledge in every case of, may be, a dozen persons at all events of his own staff. It is the appeal of the Honourable the Finance Minister which I want to reach these humbler men who are getting no more than their poor salary, who are seeing what is being done and who have not hitherto thought it over and who have not realised that it was unpatriotic to sit quiet and not to make available information with regard to leakages in public revenue which were occurring. I hope the Bill will bear fruit and I hope that this law will achieve the results which it was intended to achieve.

With regard to the other changes made by the Select Committee I do not wish to add anything to what the Honourable the Finance Minister has already put forward. After some discussion these amendments, in the form in which they appear here, were brought by the Finance Minister himself, and we found that the Bill, as it now emerges, is undoubtedly very satisfactory, that is to say, it has satisfied everybody except my honourable friend Mr. Griffiths and I trust that on the last day—we are sorry that we will be losing him from this House—he will not come out with a violent note of dissatisfaction.

Mr. P. J. Griffiths: Mr. President, it is far from my intention to utter a violent note of dissatisfaction, but that general desire to leave this place in an amicable atmosphere must not prevent me from expressing my considered view that the Bill in its present form is disappointing. It is disappointing in the sense that many of those clauses which would have enabled the Finance Member to catch the guilty persons have now been removed. We have now before us a Bill which I admit is better than no Bill, but it is not a Bill which will enable the Finance Member to catch a very large proportion of those people who to the common knowledge of all their neighbours are day by day cheating the state of its dues on a large scale. The Bill, to my way of thinking, has been seriously emasculated. My friend Mr. Manu Subedar, for whose judgment in these matters I have the greatest respect, said rightly that strong methods do not always work. I agree with him. But I have to qualify this statement by saying this that weak methods never work and that strong methods intelligently applied sometimes work. I do not believe there is any formula which we can give to the Finance Member which will enable him to guarantee that he will catch the evil-doers. But I think there was a specific prescription which he had in his hands which would have considerably increased his chances of catching a very large proportion of the evil-doers. That prescription, I believe, was this Bill as originally drafted by him and by his Department. My friend Mr. Subedar asked me a perfectly fair question. He said "When you were in charge of anti-corruption measures in Calcutta you had all sorts of powers at your command. Did you succeed?" My answer to that question is frankly "No". I failed and failed lamentably. I failed because in spite of the Ordinances which seemed far-reaching, in reality the powers used by Government in fighting corruption were always third-rate. They rested on the principle of the ordinary law which in ordinary times right and sound—the principle that a man shall not be asked to explain how he comes

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to possess something till you have firm grounds for believing that he possesses it dishonestly. That is a right principle. It is the foundation of our liberty law in ordinary times. But in these times however much our liberties might be threatened by the encroachments of law, they are threatened still more by the evasions and dishonesties which are practised on society by black-marketeers, profiteers and income-tax evaders. When that state of affairs has become prevalent, almost universal, at such a time the ordinary law, the ordinary principles of jurisprudence, are not sufficient. They will enable the innocent to escape, but for every innocent man who escapes ten guilty men will also escape. At a time like this, some contraction of the ordinary liberty of the subject, some narrower interpretation of the ordinary principles of jurisprudence, is essential. Those guilty persons, those men with no moral scruples who day in and day out batten upon the well-being of others—unless some contraction of liberties is made to meet the situation—those men will continue for all time to flourish with their ill-gotten gain. It is my considered opinion that with regard to civil supplies matters in this country, the profiteer and the black-marketeer have escaped because we have not had the moral courage to take drastic powers to deal with them. I believe too that in this equally serious matter of income-tax evasion we are in this present Bill showing a lack of that, moral courage by which alone we can grapple with these evils.

I do not like the Bill in its present form. For one thing I do not know what it means. I am told that Government cannot refer a case to the Commission unless they have *prima facie* reasons for believing that evasion has taken place. What does that mean when you translate it into hard cold fact? If you find that a certain man has accumulated Rs. 10 crores and has paid income-tax in the last two years, does Government accept that as being *prima facie* a ground for referring the case to the Commission?

Mr. Manu Subedar: Of course.

Mr. P. J. Griffiths: My friend says 'Of course'. I hope he is right. But looking at the wording of the Bill I am not sure about it. I should have been far happier with the original wording under which the Commission either by itself or on reference from Government had the right to inquire into the financial affairs—and that is a very wide phrase—the financial affairs of any particular individual. I do not know why that phrase has gone. To me it appeared very desirable and comprehensive. I would far rather retain that phrase, make certain of giving the Commission a right to inquire into the financial affairs of a person than I would rely on a vague phrase which says that unless Government has *prima facie* reasons for believing that evasion has taken place they can take no action whatsoever. I believe myself that the original form was the right form, that it should have been competent to the Commission on information coming from any source whatsoever, to inquire into the financial affairs of any person whatsoever. That was a very wide phrase. If that method had been used it would have drawn in many guilty persons. I admit certain innocent persons would have also been drawn in and might have been put to some harassment. But their cases would have been sifted out and they would have been released from harassment in due course; but the guilty persons would have stayed in the net. Now the method has been so shrunk, the powers so diminished, that the guilty persons will escape—the innocent persons will escape harassment too—but the guilty persons will escape punishment. I feel very strongly about this, Sir, because I feel, as I said the other day, that we are not concerned just now with the collection of revenue; we are concerned with something more than that, something vital to the whole well-being, to the whole prosperity of this country. We are concerned with this grave moral canker which today is eating into the very vitals of the body politic. In all

spheres, in all the departments, you have iniquity, corruption, evasion and I suggest, that at a time like this, the risk of harassment which is undoubtedly incurred by drastic measures is far less than the risk that the whole of society will be disintegrated, that the whole moral force of the country will be broken down by the continuance of these immoral evasions, these common practices of corruption. I feel myself that our duty here, our duty to those whom we represent, is to see to it that even at the risk of some harassment, measures should be put on the statute book that will give Government the power to deal with the guilty, the corrupt and the evader. No one knows better than I do that whenever you have measures of this kind there is a risk of harassment. There is a risk of subordinate officers turning it to their own pecuniary profit. I have been far too long an official not to renege that every fresh power with which you arm the executive of Government does mean that somebody will put money in his pocket. I know that, and because I know that, in normal times I hate giving special powers to the bureaucracy. There is nobody in this House who has a more profound distrust than I have of bureaucratic government or of arming officials with wide powers, but just as in time of war you have to run that risk, just as you have to say, when you have the enemy at the gates, 'I would rather risk corruption and being done down by petty officials than let some other greater evil go unchecked', so when this country is threatened in a way that it has never been threatened before, with the evil of moral anarchy, when corruption is perhaps the biggest single danger to this country today, at a time like that, we ought to run the risk and we ought to arm Government with the powers which it originally sought and without which the Finance Member will find himself powerless to stamp out this monstrous evil.

Sir, I speak on this subject with a good deal of diffidence and with a realisation that the question I am discussing is a moral question, and that it is not the business of a non-Indian to give lectures to Indians on what are essentially moral questions. I plead guilty to that charge, but my defence is this. For many years I have worked in this country. For many years I have taken part in the proceedings of this House and I have tried, as I believe all of us tried to do, my duty in this House, without regard to my own interest and without regard to sectional interests. I have worked in the belief that every one of us here can contribute something to the development of this country, can help to make India a better, a happier and a more prosperous land and because I have had that aim and because we in this Group will continue to have that aim, I claim the right to speak on these moral issues. My last words in this House will be this—that I believe that this country has before it a great prosperous and a happy future, provided and only provided that future can be established on the basis—which is the only basis on which a State can endure—of a firm morality on the part of its private citizens, and of a determination on the part of the Government to take such steps and to enact such legislation as will ensure, that that morality is respected. I believe that to be the only foundation of the State. I believe from the bottom of my heart that it would have been far better if this House had seen fit to pass this Bill in its original form, the only aim of which was to establish this morality on a firm basis. If we fail to deal with this monstrous evil of corruption, dishonesty and evasion, we shall fail to develop India into a great and happy land. Are we going to fail? Is there a member of this House who is not determined to see this country go forward and count in the counsels of the nations? Is there anybody in this House who is prepared to have that chance thrown away, who is prepared to see the moral basis of the State undermined and not to give the Government the powers which they seek, to deal with a particular form of the worst kind of dishonesty? I recognise that it is now too late to put this particular Bill back into an useful and effective form but I trust and pray that in the sessions to

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come Government will come to this House and say—"We are determined to stamp out this evil. We want your help in stamping out this evil and you must arm us, not with qualified powers, but with powers which will be so wide that even some harassment may be involved. We shall then be able to guarantee that the man who is evading his lawful dues is brought speedily to book."

Sir, my last words will be a profound wish, a profound hope that that spirit may animate all our future deliberations and that in the sessions to come Government will be armed with every power necessary to deal with those worst of social enemies, those who deliberately evade their natural and legal dues to the State. Sir, I support this Bill.

Mr. Tamizuddin Khan (Dacca cum Mynensingh: Muhammadan Rural): The Honourable the Finance Member has asked for support for this Bill from every section of this House. I have no hesitation in giving my whole-hearted support generally to this measure but I would also make it clear that I have a whole hearted suspicion about the complete success of this measure. During the general discussion of the budget, I said that probably the Finance Member will be following the will-o-the-wisp in his attempt to catch the profiteers. What I said was something like this, that those who made such profits, concealed their plans in darkness, those profits were born in darkness and I said that the ingenuity that made it possible for the conception of those plans in darkness and for the birth of those profits in darkness would also be able to conceal such gains in darkness from the groping hand of the Finance Member. I still entertain that doubt. On the other hand, this doubt has been all the more enhanced by what has been done by the Select Committee. Here I find myself in full agreement with the views of Mr. Griffiths. It is very unfortunate that the provisions of this Bill have been whittled down to such an extent by the Select Committee; but I am not unhappy. We know that there were disagreements not only with regard to this measure but with regard to several other measures sponsored by the Finance Member, amongst the various sections of this House, and it is really gratifying that the vast majority of the members of the Select Committee on this Bill were agreed as to a particular course of action. I am particularly happy that there has been an agreement but I am not at all happy about the substance of the agreement. There are two objects with which the Commission is proposed to be set up. As regards one of these objects I have no doubt about its success. My suspicion does not relate to that at all. I refer to sub-clauses (a) and (b) of clause 3. So far as clause (a) is concerned, I think it will be very fruitful not by way of production of revenue outright, but so far as future tax evasion is concerned. Every one knows that the evil is very prevalent in this country. If methods are evolved by the Commission whereby future tax evasion can be more successfully tackled, that will be a substantial contribution by this measure. There is no doubt about that but as regards the other clause, my suspicion is certainly very great. According to the Select Committee report, the Central Government will be able to refer to the Commission only such cases as to which the Government have got *prima facie* reasons for believing that there has been tax evasion. Sir, it is, to my mind, putting the cart before the horse. How is the Government to determine that there is a *prima facie* case against a person? That itself requires a certain amount of investigation and the Commission was intended to make that investigation also, in the original Bill. Now, what has been done resolves itself to nothing but this that the cart has been put before the horse, and the result will be what is apprehended. Then, it is said that this will not affect the matter very much because the Commission itself will be able to report to Government about cases regarding which they have got any suspicion. There,

again, if you look at sub-clause (2) of clause 5 you will find that the wording is this:

"If in the course of investigation into a case referred to it under sub-section (1), the Commission has reason to believe. . . ."

There also the Commission cannot do it if it gets any private information through any source casually. But the information received by the Commission must be in the course of investigation of a particular case. So, you will see that the whole thing will be futile. I think that my honourable friend Mr. Subedar will prove to be a false prophet so far as this matter is concerned, namely, that a large amount of money will be coming to the Treasury because of this measure. I have my genuine doubts about that. But from what I have said I do not mean that this step should not be taken. It will prove to be futile to a large extent no doubt so far as past tax evasion is concerned but for the future of this country this step is, to my mind, in the right direction. Although the past tax evaders will not be caught in large numbers by virtue of this measure, I think that the future tax evaders will be given a serious warning, and as a result of this measure there will be less evasion of tax in the future. Therefore, from what I have said I do not mean that I am opposed to this measure, but I am not at all hopeful of the results expected in many quarters. The attempt will be like this. When a thief has to be caught or when stolen property has to be recovered, if the police give a previous notice to the thief or the hoarder of the stolen property that his house is going to be searched a month hence, you can imagine what amount of stolen property that particular police officer will be able to recover from that hoarder? It is exactly like this. We are giving a long notice to the profiteers that they are going to be caught. I admit that such notice is inevitable, but by methods like these we should not expect any substantial return in money by way of getting the taxes that have been hitherto evaded. But what we can expect is that in the future there will be less of such tax evasion, on account of this measure.

Then, Sir, the Honourable the Finance Member says that those persons who indulge in tax evasion are the worst criminals in the land. I think he is right. But is that the feeling in the country? There are certain offences which are very unpopular in the country. The pick-pocket is the most unpopular delinquent in the land and the thief and the burglar also; but not everyone. What about the ticketless traveller? He is also a delinquent, but we know that whenever a ticketless traveller is caught, all his fellow travellers are full of sympathy with him and try to save him from the clutches of the ticket-checker. There are certain offences which are not at all unpopular in this land and I think the cause of this is the recent history of this country. Defiance of authority has been rather a source of honour in the recent history of this land than a matter of ignominy. Therefore, when a ticketless traveller is caught by the man in authority, namely, the ticket-checker, it is probably that spirit which works in the mind of his fellow travellers and they try to protect him from the hands of the ticket-checker. Sir, the Income-tax officer also stands more or less in the position of the ticket-checker and rightly or wrongly—I personally think wrongly—people have more sympathy with the evader of the tax than with the officer who wants to catch the evader. I wish that this tendency in the people should undergo a change and a rapid change and I hope and trust that the general public will be of the same opinion in the long run as the Finance Member that the tax evaders are some of the worst delinquents in the country. In this connection, I would like to say that it is not only the general public who have not got a feeling of antipathy against tax evaders but it is also a large section of the educated people who have not got adequate antipathy against anti-social acts. You know how our courts of law are behaving in this respect. Many cases go before the courts of law about these anti-social acts and ridiculously insignificant punishments are awarded in most cases. That has been

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one of the reasons why black-marketing and profiteering have been so rampant in this country. Had our courts been more sensible of the responsibility placed on them, I think the situation would have been far better than what it is at present. Therefore, this feeling is not only existing amongst the illiterate masses but it is also existing amongst a large section of our educated people. But one should not understand that I am accusing my own countrymen only, and no one should go away with the idea that other countries are far better than India in this respect. I think on account of the circumstances now prevailing, conditions are almost the same throughout the world. In certain parts of the world conditions are far worse than in India. How can people in general entertain antipathy against anti-social acts? Look for example at what is prevailing at the present moment regarding prices of controlled commodities. Take rice for example. I have got letters from Bengal showing that rice is selling in certain areas at Rs. 28 per maund while the control-rate is Rs. 16 to Rs. 17 a maund. No one wishes that rice should not be available in the market. People are rather happy that rice is available in the market, though at exorbitant price, much higher than the controlled price. It is far better to have some rice in the market at whatever price than to have none at all. Therefore as every one sees, that black market is functioning openly in the country. On account of the peculiar circumstances prevailing Government are not in a position to take strong measures against such black marketing. That is why there is in the minds of people no antipathy against such anti social acts, but in many cases some amount of sympathy. Therefore in these unsettled, abnormal conditions, we should not expect too much from this measure or from any other anti-corruption measure unless and until things return to normal. These measures are not going to be fully successful in the immediate future. But I fully agree that attempts should be made to curb such tendencies and I hope the Honourable the Finance Member will meet with success, and so far as this measure is concerned, no one will be happier than myself to see that my apprehensions are false and that the expectation of the Finance Member is fulfilled in all respects.

[At this stage Mr. President vacated the Chair which was then occupied by Mr. Deputy President (Khan Mohammad Yamin Khan)].

Pundit Thakur Das Bhargava (Ambala Division: Non-Muhammadan): (The Honourable Member spoke in Hindustani. For Hindustani text see Appendix to the Debates for the 11th April 1947. English translation given below.—*Ed. of D.*)

Sir, It appears on the perusal of the Bill that the Government desires to realize tax from the tax-evaders but the method it has adopted is wrong. The present law for the tax-evaders is so stringent that every tax-evader can be brought to book, but the method now being proposed, I may be allowed to say, does not seem to succeed. You have heard the speech of Mr. Tamizuddin Khan just delivered. It contains a lot of truth. It is a fact that they cannot realize the tax in the way in which the Bill seeks to realize it. First of all, the Bill is a civil measure. It seeks to establish a civil court for the purpose of realizing the tax. Under the present Income-tax Act if a person does not submit a statement of his income or does not, dishonestly, show a source of his income he is dealt with under the criminal law and the tax-evader can be sent to the prison. I need not tell you, Sir, that in such criminal cases limitation has no effect. Legal proceedings can be instituted against the tax-evaders. Under the Income-tax Law a person accused of evasion can be dealt with by the present Code of Criminal Procedure for submitting a false statement of income. Government can acquit such people after realizing the tax from them. Provisions of the Income Tax Act can be used for such cases and legal proceedings

can be instituted. With due deference I ask the Government of India how many cases of the kind have been instituted in the Courts? If the Bill is to be successful it will have to observe the following fundamental rules:

Section 5 of the Bill lays down for those who have evaded the payment of the tax:

"8. 5 (1) The Central Government may, at any time before the 1st day of December 1947, refer to the Commission for investigation and report any case in which the Central Government has *prima facie* reasons for believing that a person has to a substantial extent evaded payment of taxation on income, together with such material as be available in support of such belief."

The Central Government undoubtedly send to the Commission for investigation such cases for which it has *prima facie* substantial information. Under sections 5 and 6 of the Bill the Government has invested the commission with power to institute investigation against the persons who have evaded the payment of the tax. In addition it appears from the powers given to the Commission under the Bill and from the way the officers under the commission would use those powers delegated to them, that the intention of the Government is to have a *Diwani Adalat* which, by the way, does not mean mad court, but a civil court who will record statements on oath. It will then summon the tax-evaders and institute proper proceedings against them. I am sorry and I have to say it with regret that the Government has brought the Bill before the House but it has failed to bring in necessary material to assure the members that there is in reality need for this Bill. Since the Government has failed to place before us the required data I should like to ask the Government how many cases of tax evasion and dishonesty have occurred? We have to control the tax-evaders but the Government have given us no data to show how much evasion has occurred? Mr. Manu Subedar has said in this connection that ten crores of rupees will be realized by this Bill. If Mr. Manu Subedar has first hand information I must say that a great evasion has occurred and this law is required. I want to know how tax-evasion occurs? Under Income Tax Law everybody is to send in the returns of his annual income stating the sources of his income. Then begins the investigation. Under sections 22 and 23 his papers are sent for and after careful examination a decision is given. May I know if the income-tax officers issued such notices and examined the papers? If it was done how these tax evasions occurred? I should ask with due deference what powers the commission will have, to force the assessee to submit correct statement if still he evaded to present his correct papers and tried to hide the sources of his income? I have listened to the speech of the Honourable the Finance Minister and I have come to the conclusion that he thinks the fact of the people's purchasing large properties would prove that they possess large sums of money. I am ready to admit it but how would you force him to pay the tax if he does not state the sources of his income? Has the Finance Minister thought out a plan to force people to give out their sources of income? The people who have such great resources at their disposal can employ experts who would plan out the methods of evasion and do away with all kinds of evidence. I ask, with due deference, what powers and methods the commission would possess to find out the resources of the income of persons and levy tax on them? If it was found out that the payment of tax had been dishonestly evaded how would the amount of tax be fixed if complete accounts have not been furnished? I do not want to throw cold water on the efforts which are proposed to be employed for the realization of tax from the tax-evaders but I should express my doubts that the Bill with such tall provisions can ever be successful. The second part of the Bill contains a proposal for making such provisions as would deter those people from evading the payment of the tax. To this extent the investigation will be certainly useful, your hope, however, of realizing tax through the commission having the power of a civil court is absolutely misplaced. You know when a criminal case is given

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to the police how it carried out its investigations. Statements of the persons concerned are recorded, the accused is put to a strict questioning, searches are carried out, proofs and evidence are collected and other ways of investigation are adopted. Your Commission has not the powers that the police have. Police have power to search.

Mr. Krishna Chandra Sharma: Under what law police can carry out searches?

Pundit Thakur Das Bhargava: If my learned friend had not been a lawyer and then asked I would have told him that under section 94 or 96 of the Code of Criminal Procedure every police officer has power to carry out a search after securing permission from the District Magistrate. Police ferret out many important cases and get the offenders punished. Outwardly the Finance Member seems to have no sympathy with the tax-evader and wishes to send him to the gallows but he does not like that he should be punished by a criminal court. His only object is to realize the tax. I tell you that this is not the method by which you can succeed because tax-evaders are cleverer than the Commission and they would not yield an opportunity to get themselves caught. It has been said on the floor of this House that the public has sympathy for the tax-evader. It is but natural that the people have sympathy for the tax evaders because the fault does not lie with the tax-evader or the tax-payer but with the Government who have made such laws. After six years the Government comes to know that the tax had not been realized. Tax evaders, who have withheld wrongfully the Government money, have gone insolvent six times and have done six other dishonest dealings during the period. If somebody has kept concealed how can it be drawn out? The money has been changed to trinkets and gold, to diamonds of the value of Rs. 2,000 per tola and all this is kept buried in the ground. What will the Government do in such cases? If it succeeded in ferreting it out how will it bring evidence to prove the case—evidence that will be beyond any doubt? I should say that Government officials and tax-evaders had conspired together and corruption was generally rife. A large portion of this loot went into the pockets of high-ranked Government officials. The House knows how this was carried on. How a contractor gave bribe at the time of obtaining a contract! Similarly the officials of the Food Department received bribes and everybody knows what dishonesties were resorted to at the time of supply. Everybody knows that officers who were in receipt of thousands of rupees by way of salary have left India or have retired. You cannot touch those officers. I have no sympathy with tax-evaders. They should certainly be caught and punished but there is one thing which excites misgivings in everybody. Suppose a man is prosecuted for murder and is acquitted by the court. So appeal is made after the acquittal but after three years an order is issued for his arrest and prosecution. Naturally the public will have sympathy for him whether he has done the crime or not. If you do not catch the tax-evaders for 4 years, it is your weakness. I admit that the present law is not so hard upon the tax-evader but he still can be caught under it. If he is not caught it is the weakness of the Government. Now, the National Government has come. It thinks that the tax-evaders should be caught. We give due praise to the Popular Government for its desire to bring the tax-evaders to book. I wonder why no steps were taken against the tax-evaders prior to the advent of the Popular Government? Had not the people as much patriotism as they now have in the time of the Popular Government? Had this Bill been introduced in the time of the previous Government it would have been torn to shreds; but it is being supported in this House simply because we trust our leaders who are in power. As regards the patriotic motive I should like to ask how many members of this House honestly pay their full tax? If the Finance Member has moved this Bill on the grounds of patriotism I assure him that all will help him and yet the tax-evader will not be arrested. So far as the commission is concerned in this

connection I shall be glad if they succeed to catch 10 or 20 persons and give to the treasury of the Finance one crore of rupees but I doubt that they will be able to collect this much amount. I now invite your attention to legal defects of the Bill:

It is provided in Rule 7(4):

"Except with the previous sanction of the Central Government no suit, prosecution or other legal proceedings shall be instituted against any person in any civil or criminal court for any evidence given by him in any proceedings before the court."

Under this Rule no case can be instituted without the previous sanction of the Central Government. Contrary to this, however, section 6 gives particular powers to the Commission and it is clearly expressed that it will have powers under section 95 and Chapter 35 of the Code of Criminal Procedure. Sir, I should like to point out that power given under section 6 has been nullified by section 7. If it be right, I should request you, Sir, that the Commission should have power to punish the liars. Such powers are given in section 195 of the Code of Criminal Procedure. I suggest that the Commission should possess those powers and also the court to whom the Commission submits the case should have power to see whether the evidence tendered was true or false. Under the present section 7 neither the commission nor the court has got that power without the previous sanction of the Central Government.

The Honourable Mr. Liaquat Ali Khan: It is not the object of the court.

Pundit Thakur Das Bhargava: May I ask if the court possesses the power to prosecute a person who tenders false evidence without the previous sanction of the Government?

The Honourable Mr. Liaquat Ali Khan: Yes.

Pundit Thakur Das Bhargava: I should suggest that you take counsel with your legal expert in this connection. Section 6 of the Bill confers powers on the Commission and Section 7 contains its *modus operandi*. The words of the section are quite clear. In my opinion the commission cannot institute a case without the previous sanction of the Central Government. Under Section 195 for the purposes of appeal the commission will be considered under the District Judge which probably is not the intention of the law. Now, I invite your attention to Section 7(2) which is as follows:—

"7 (2). In making an investigation under clause (b) of section 3 the commission shall act in accordance with the principle of natural justice. as far as practicable the principles of the Indian Evidence Act, 1872 (I of 1872), and shall give the person whose case is being investigated a reasonable opportunity of rebutting any evidence adduced against him."

The words "natural justice" used in Section 7(2) are not found in any enactment. I do not doubt the meanings of 'natural justice'. I think the words 'natural justice' serve no purpose. During Roman Imperialism slavery was considered 'Natural Justice'. I have no time at my disposal to give the history of these words. On seeing these words I referred to Mayne's Ancient Law. These words which were used in the Nineteenth Century are now anachronism. Instead of it the words Justice, Equity and Good Conscience would be better as have previously been used in such enactments as the Punjab Laws Act.

In section 7(2) the words 'as far as practicable' are superfluous. In the first instance what is the connection of an evidence with the investigation? If a lawyer has to prepare the case of his accused client, or the police have to make enquiries the Indian Evidence Act serves the purpose, besides other enquiries, of only furnishing with relevant words. In fact, these words are not required for investigation. The only requirement is that the report submitted by the company should be prepared according to the principle underlying the Evidence Act. I invite your attention to sections 165 and 167 of the Evidence Act. The Investigator should be given full powers under Criminal Procedure Code to

[Pundit Thakur Das Bhargava.]

institute full enquiries so far as the preparation of the report is concerned. If the report is not prepared according to the relevant evidence it is feared that injustice will be done. This Commission will discharge the complete functions of the police and the court. It should have wide powers for investigation and proper use of the Evidence Act for the preparation of the report. I have submitted an amendment in this connection but I don't want that I should move it and you reject it. Sir, many defects in the Bill have been removed by the Select Committee but in many respects I think it will fail to achieve its purpose. So far as the question of bringing the tax-evaders to book is concerned I welcome it and wish that it may achieve its object.

Mr. Krishna Chandra Sharma: I welcome this measure because it will bring revenue to the Government as well as it will do justice to the people. As the Honourable the Finance Member said in his Budget speech, there is quite a large number of people who have amassed large amounts of wealth. During the war wealth could be amassed at the cost of the people. What happened was that anti-social activities were in their full swing—there were blackmarketeers, profiteers, and tax evaders. The result of their activities was that they starved the people; they would not let food pass to the mouth of the starving child, and they would not let the medicine go to the ailing man. And yet strange it is that the Central Government is required to see that there is a *prima facie* case for investigation by the commission against the person who has been responsible for the misery of our people, who has been instrumental in bringing about a state of inflation in the country. If an offence is committed against an individual, a sub-Inspector—semi educated of course—is competent to investigate that case, *challan* him, and the result would be that the criminal would be even hanged. But these people who have been responsible for many deaths, who have been responsible for the misery of our people, and who have been responsible for such deeds which only a demoralized inhuman being could commit—these people are required to be brought to justice only after the Central Government is satisfied that there is a *prima facie* case for investigation by the Commission. It is such a safeguard which in law is given to the judges, or to the public servants for offences committed in the course of their public duty. I do not understand why there should exist a soft corner for such people. Any how though much harder measures ought to have been taken against such people, and though six years have passed and Government had not taken any action and they allowed evasion of the tax, let the new Government redeem the past and take steps to bring in the revenue. One thing I feel that a perusal of these sections of the law would not encourage the belief that anything substantial is likely to be done. All through the long history of our Government the people as such have been reluctant in paying taxes to that Government. There was a moral basis for that attitude, and it was this that people did not like the Government. So they did not like to supply them the wherewithal to carry on the administration. That mentality still persists and with that mentality it is difficult to rely upon people coming and giving information and helping the Government and making it possible to have more revenue by payment of taxes. The second difficulty is, as my friend Mr. Bhargava pointed out, that six long years have passed. Much of the relevant evidence would not be possible to be placed before the Commission, and in absence of relevant and reliable evidence it would be impossible to bring the people to justice. The third point is that there is no procedure about investigation and it is not made clear as to what would be the machinery through which the Commission would get hold of the guilty and how it would bring in the relevant evidence. This is a measure which would bring in a new psychology to bear upon the future conduct of the people and as such a new turn in the mentality of the people would be possible. The old ways of behaving are to be changed and as things have changed it is their duty to pay the taxes and I think things would be much better.

Shri Sri Prakasa: Before I begin my tirade or my tale of woe, just as you may like to call it, I should like to put myself right with my honourable friend, the Finance Member. We in the United Provinces know him as a good man and a great gentleman, greatly loved and respected by all who know him, and I should be sorry indeed if by anything I said when speaking previously on an allied Bill of his, I have hurt him in any way.

I will confess that I felt greatly irritated when I suspected that my honourable friend thought that all those who were not of his way of thinking, were personally interested. An argument like that, I felt, cuts both ways and the other side could retort by saying that all those who supported him were also interested in another way. I am sorry I got excited and did not put my thoughts in proper language. I was anxious to explain to him and to the House, that it is only the persons who are interested, namely those who are concerned, who can tell others where the shoe pinches and therefore they can help others to lead Government aright and help them to take proper decisions.

Therefore, Sir, we must not always be afraid of any 'howl' that we may find being raised against our own proposals. We ought to ask the persons who are raising that howl as to how they are feeling and why they are howling. Then it would be possible to know exactly what the cause of the pain is that is making them cry; and it would then be the statesman's duty to try and find out the remedy for the pain.

It was unfortunate, Sir, that my honourable friend used the word "blood-sucker" for those against whom he was raising his voice. It is an unfortunate fact that members of one profession regard the members of another profession as blood-suckers. The lawyers think that the doctor is a blood-sucker. The banker certainly regards the lawyer as a blood-sucker: the lawyer in his turn may regard the zamindar as a blood-sucker and the zamindar certainly regards the Government servant as a blood-sucker.

The Honourable Mr. Liaquat Ali Khan: I think the tax evaders also regard the tax-collector as a blood-sucker!

Shri Sri Prakasa: The tax-evader and the tax-collector regard each other as blood-suckers. Therefore in society everyone regards everyone else as a blood-sucker for it is pleasing to receive and unpleasant to give. It is best that we in this House and in all public concerns, regarded each other as being moved by good motives and capable of taking detached views. That is all I wanted to express that day and I was anxious to express this on the floor of the House. I do hope my honourable friend will forget the incident.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Just as you said you are the representatives of the Muslim League!

Shri Sri Prakasa: The Muslims themselves approved of me by putting me on the Board.

Maulana Zafar Ali Khan: Still, the Muslims never say that the Hindus are blood-suckers as the Hindus may say.

Shri Sri Prakasa: Coming to this Act, I feel that it is a futile Act. It will serve no purpose and only add to the public expense. As I read the Act, I feel that the income-tax officers had all the powers that my honourable friend desires to give to the Commission; and if the income-tax officers failed the Commission cannot succeed. Let us see, to begin with, clause 3 of the Bill. The Government seeks to establish a Commission. Who will be the members of this Commission? Will they be superannuated gentlemen, who are anxious to have jobs and who are not able to get them? Is my honourable friend and is Government going to oblige these people by giving them sinecures. Then

[Shri Sri Prakasa.]

Clause 3(a) says that the Commission will investigate various things. I should like to know if income-tax officers themselves were not empowered to carry on the investigations that the Commission will now be authorised to do. I have a feeling that the income-tax officers being on the spot had more knowledge and more powers than the Commission can ever have.

Sir, in clause 4 (1) it is said that the Chairman of this Commission will be a judge of the High Court. I am not very enamoured of High Courts nor the judges that sit in them; and if I am not mistaken his Department is not always happy when a retired High Court judge takes up the brief on behalf of persons whom the department suspects of having evaded tax. If the department itself is very often suspicious of ex-High Court judges, I do not know how a High Court judge sitting in a commission like this will carry the status and the confidence that a person in that position should.

Mr. Krishna Chandra Sharma: What better substitute would the Honourable Member suggest?

Shri Sri Prakasa: You and I.

I come to clause 5 (1). This is a particularly annoying section, because it is so one-sided. I should like the Honourable Member, if he really means business, to try to catch all those persons in his service and in his department who have actively condoned and connived at and even helped in the evasion of the tax. They are not within the purview of this Bill. Government will never investigate into the conduct of its servants, and if we in this House have ever the temerity to say that there is any corruption in any branch of the public services, Honourable Members of Government get up and with righteous indignation tell us that it is most improper to make such sweeping allegations against responsible and hard-working officers of the State. But when they make such sweeping remarks against society as a whole and regard a class of persons as being criminals, our mouths are shut and we are not expected to reply back and say that it is most improper to make such unfounded remarks against any members of society. I can say this, that on crime from petty larceny to tax evasion can take place in our country, unless someone connected with the Government has pre-knowledge of the fact and is an active accessory before the act.

Let us look into the powers that the Bill seeks to give to the Commission. As I have already said, the Income tax Officers at the present moment have all the powers of investigation. The Government will first of all find out if there is a *prima facie* case. If the Government is convinced that there is a *prima facie* case, why cannot it take action directly? Why need it then go to another Commission to investigate further? When the Government itself is convinced, it has all the paraphernalia of power, of authority and of law to do the needful. I therefore think that a Commission like that is perfectly useless.

In clause 5 (2) the Commission is given the power to rope in those whom it may begin to suspect in the course of its investigation. The income tax officer at the present moment can do that himself. The Commission has the right of taking evidence on oath. Perhaps the Income tax Officers have not got that right but that is not much of a right, as the history of oath-taking in courts of law fully proves.

Clause 6 (2) gives the commission the right to examine various accounts. Income tax Officers themselves are fully authorised to examine these accounts and when they feel irritated with any assessee, they examine them with a vengeance.

The Commission has under clause 7 (1) the right to regulate its own procedure. The Income-tax Officers have also been regulating their own procedure, and we all know how assesseees can be summoned at one O'clock on a hot day and made to stand outside the office, perhaps with folded hands, till it pleases the Income-tax Officer to listen to him. He has been regulating his own procedure so far and I do not see how the Commission is going to do better. I do not really know whether my Honourable friend himself had had any direct experience of any Income-tax Officer. Perhaps his agents have done all the work for him. But the Income-tax Officers, when they are in an angry mood, do summon up anybody they please and require his personal attendance with cheque books and so on. I have had my own experience as a result of some questions in the Assembly when the Income-tax Officer got irritated and gave me no end of trouble. It was my good fortune that he had to eat his humble pie himself in the end and I came out free; but there is no doubt that I had to attend his office with cheque books and explain this and that item. Later on he was good enough to confess to me that all that was due to my questions in the Assembly.

What I fear is that under Section 7(2) in the application of the principles of natural justice this Commission may want to justify itself; and when it cannot catch bigwigs—and Mr. Griffiths with all his experience says in his note of dissent that the bigwigs will not be caught—then they will have to justify their existence by catching the innocent. I see in my own province the anti-corruption department at work, and they are also justifying their existence by getting hold of persons who are innocent or who are much less guilty than others whom they cannot catch. Whatever liars may say, I regard the existing system of law as the worst gift of the British connection with India. The whole system is for the rich. If it were not so, hundreds and thousands of rich men would be in jail; but all the persons who go to jail, except when a political movement is on, are all poor; and all the jail regulations are such that they are meant only for the poor. The standard of food, clothing and housing are all for the poor and if you ask the Jurist or the political scientist, he will tell you that it is quite enough for the class of persons that go to jail. It is assumed from the start that it is only the poor that will go to jail. Therefore I save that feeling that in this case also as in other cases, the story will be repeated and the small offenders, if they are offenders, and the innocent will be roped in and the bigwigs if any will escape.

Then there is the question of evidence. It is a sad fact to confess, but I know plenty of people are always available to give evidence of a sort you want. When all the horrors of the 1942 regime were taking place, people were so afraid that they would not say anything and they yielded to all the threats to which they were subjected by the officers. Now, when they find that the Government itself is anxious to catch what may be called 'war criminals' of those days, plenty of people who might have had nothing to do with the transactions, are ready to give evidence of any sort liked and wanted by Authority. As soon as this Commission sits and as soon as this Commission asks for evidence from particular individuals, then they would be willing to please the Government in power by giving the evidence of the sort it wants. The prescribed procedure itself leave no room for doubt that the Government has made up its mind already, that certain persons are offenders. It should not be difficult for it to find persons to bear witness against them.

What I am surprised at is this: why does not this Government, when it has evidence that certain persons are criminals or offenders have evaded the payment of tax, why does it not straightway punish the Income-tax officers of those places and ask them: "How is it that these people save escaped; why did they escape; why did you not examine their books; why have you not

[Shri Sri Prakasa.]

caught them?" That is a straight question that I should ask. But I am surprised why the Government does not ask the question of its officials though it has evidence that the people within the jurisdiction of those officers had committed those offences. And why does it need a Commission with a superannuated High Court Judge as its Chairman to find things out for it?

Another power that this Commission has got under clause 8 (1) is that it can open up cases up to December 31, 1938. The present law, as it stands, gives power to the income-tax officers for opening up cases for six or seven years back. This gives another year. If the Honourable Member was only anxious to put down his target date to January 1, 1939, he could have got it done by a simple amendment to the Income-tax Act enabling the pushing of the date a little backwards. He has not done so. Then the Government has taken on to itself the power of making rules, in the last clause of this Bill. I am always afraid of the rule-making power that Government reserves to itself in almost every law. The Defence of India Act clearly shows how the rules made thereunder were more terrible than the Act itself. I do not know what these rules will be. They will never come before the House. They will work as a part of the Act and the law, and I do not know what the result will be.

But as a simple taxpayer and a simple man in the street, my straight question to my honourable friend and his Government is this: "what will they do with the money?" It is not enough to say that a state should have a share in the profits that individuals make. The state should also be able to tell the individual as to how it is going to utilise the money. If it is only going to utilise the money for increasing more and more of the departments of state, making its services more and more attractive, killing out non-official effort, controlling everything, if it is going to hand over all our money to the army, then, Sir, I am for the tax evader and not for the tax gatherer. I think that as things are in India the money in private hands can be got hold of for the public good far more easily than which it is in the Government. The man with money is expected to build temples and mosques, *dharmshalas* and *sarais*, dig tanks and wells for the public good, plant trees and so on. The ancient *Sanskrit* injunction, makes it incumbent on the rich to construct; *Vapi-kup-itadaganam Devalaya-Kujanmanam*.

And I ask: does the Government fulfil any of these functions. If it did, I would be glad to give that Government much more than I have to give in taxes—though my family has to pay a heavy tax as it is. But I know that Government will not do any of the social services. It will only help itself. As such I feel that money in private hands does more public good than money in Government hands.

There is a provision further about good faith; it exempts from liability any members of the Commission or Government supposed to be active in good faith. This good faith may mean anything. In good faith, General Dyer killed a lot of people—innocent people they were—at *Jalianwallabagh*. Anything that a Government servant does is in good faith. I have not much faith in this good faith. I therefore feel, Sir, that unless Government is able to assure us that it is going to use the extra money that it will get for public good I for one would not be inclined to support this measure.

The Government of India has so long been a mere police government. It is not now able even to fulfil its original functions of a police government—let alone its attempting to fulfil the other functions of state. I do hope that my criticisms will be taken in the light in which they have been made and that the Honourable the Finance Member when he gets up to reply, will be able to assure us that all the money that he can get through the means of this Bill will be spent for public good and public good alone.

Some Honourable Members: Sir, the question may be put.

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I want to say a few words. I will take only two minutes. I want to say farewell to Mr. Griffiths.

Mr. Deputy President: If the Honourable Member will take only two minutes then I have no objection.

Sreejut Rohini Kumar Chaudhuri: I want to speak, Sir. I will take three minutes.

Mr. Deputy President: Dr. Zia Uddin Ahmad.

Dr. Zia Uddin Ahmad: Sir, with your permission I would like to offer my hearty good wishes and welfare to Mr. Griffiths whose life in the Assembly is now coming to an end in five minutes. I remember his first speech when he joined the Assembly in 1935 on Midnapore and Dacca. All the time I have been associated with him, I admired his views and I admired his mathematical grasp of every problem. His speeches were very refreshing and he always brought new points of view in every subject on which he spoke. Even in this particular Bill his note of dissent I thought was a very important one, it would have added to the efficiency of the Enquiry Committee. I assure him that our wishes will always be with him.

(The eyes and the heart of Ahmad are with you that you may not consider that you are going alone).

I wish that he will have good rest when he goes home and remember his friends in India as Hafiz said:.

(When you sit with your new friends and drink remember your old friends with whom you have been drinking before.)

I assure him that we will all miss him in this House.

Mr. Deputy President: Mr. Rohini Kumar Chaudhuri. The Honourable Member should take three minutes only.

Sreejut Rohini Kumar Chaudhuri (Assam Valley: Non-Muhammadan): Mr. Deputy President, Sir, learning from the experience of my Honourable friend Mr. Sri Prakasa I wish to say at the very outset that I am not liable to any assessment of income-tax of any kind. I hope, Sir, the authorities concerned will take judicial notice of what I am saying because according to law judicial notice can be taken of the proceedings of the Legislative Assembly. And I would advise my friends and my followers of the small sub-party which I lead here, namely, my back-benchers' party, that they should also follow the example which I am now setting and make their own statements in the line in which I am making in order to safeguard themselves against future harassment from the income-tax gatherer.

Sir, no Commissions, very few Commissions—Parliamentary Commissions or other Commissions—which have formerly visited India or which were formed in India, have ever visited Assam, and I respectfully beg of the Commission which is now going to be formed under this Act not to visit my province. Even if they are inclined to visit any part of my province, let them go out to the tea plantations which are owned by my European friends. There they will be treated to dances and dinner parties and if the commission is satisfied with getting them, so far so good. They will get relieved from the payment of income-tax and I can go to them the next day and collect some subscription for charitable institutions. Dinners and dances are daily occurrences in the tea estates and if a few more take place in honour of these commissions, nobody should mind them.

Sir, it must not be understood that I am criticising the Bill. Not at all. I welcome it in this way. The more checkers there are in railways, the less

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chance there is of ticketless travel, because if you have got to pay something to every ticket checker all along the line you find at the end of the journey that it would have been much better and cheaper if you had paid the fare and bought the ticket. Similarly if you start paying the examiner of accounts, then the Income-tax officer, then the Assistant Commissioner and then the Commissioner of Income-tax and then on top of this, you pay each and every member of this commission, then very little will be gained even by black marketing. For that I welcome the formation of this commission. I am speaking with a great deal of diffidence. Whatever I say is never noticed by my Honourable friend the Finance Member. I have spoken to him about share of petrol duties, about the share of the export duties on tea. I have spoken to him and protested against double taxation of betelnuts in my Province. He has never said a word about all that and now I do not say anything more about it.

Mr. Deputy President: Your three minutes are over.

Sreejot Rohini Kumar Chaudhuri: Just one minute more. Please do not grudge to give time. I am going away tomorrow. This is practically my swan song. After the sense of frustration which I have, I do not think my province will send me back again here. My friends the Honourable Member of the House in the beginning took a little interest. After some time they look at the display of colour in the visitors galleries. My Honourable friends Mr. Gadgil and Mr. Ayyangar look at the worried faces of their friends in the Press Gallery. Others look towards different galleries and so I do not feel encouraged in making speeches. Although it is not relevant, once more may I ask the Honourable the Finance Member to consider about the poor case of Assam in regard to different matters and may I also ask him again not to send this commission there. It is no use sending this commission and incurring unnecessary expenditure because there will not be much of big hunting there.

The Honourable Mr. Liaquat Ali Khan: Sir, my Honourable friend, Mr. Rohini Kumar Chaudhuri has made an appeal to me not to send this commission to Assam. Here is a sporting offer. If my Honourable friend would undertake that all the tax evaders of his province would pay their legitimate dues before the commission reaches Assam, I shall not send the commission there.

Mr. Rohini Kumar Chaudhuri: What would be my commission?

The Honourable Mr. Liaquat Ali Khan: My Honourable friend asks what would be his commission. I would say the reward of the virtuous is in heaven.

I am indeed grateful to my Honourable friend Mr. Sri Prakasa for his 5 P.M. handsome complaints and for all that he has said. I can assure him that as far as I am concerned whatever is said on the floor of the House is left within this Chamber. I never carry it away with me. So, therefore, I have as much regard for my Honourable friend as I ever had before. Sir, I would not be guilty of accusing Mr. Sri Prakasa that he was an interested party in this particular matter. All that I would say is that he has been very much in touch with the interested persons and has put their case most forcefully before the Honourable Members of this House. He has told us that it is futile to have this commission. He said—why do you call them criminals. I never said that they were criminals in the sense in

which that word is interpreted by ordinary people. I said that they were social criminals and I shall submit that all those who really are guilty of social crimes against the State are worse than real criminals. My Honourable friends have said that in the past Indians evaded paying taxes because they did not have confidence in the Government. That indeed would be a very charitable interpretation to place on the ingenuity of tax evaders but there may be, I am quite willing to accept, some people who thought that if they would pay their legitimate dues to the Government in the olden days they would be helping British imperialism but today there is no justification for thinking so and let those patriots who evaded taxes in the past because they did not want to pay into the coffers of the Government of the time, thinking that the money would be used for the purposes of strengthening the hold of British imperialism in this country, now come forward and pay all that they owe to the State and I can assure you that if any one comes forward and pays his due and satisfies the Government that he has paid all that was legitimately due from him, the Government would not be vindictive but would welcome that as a gesture of friendliness towards the State. Sir, my Honourable friend says that the Commission will inquire into the conduct or into the cases of tax evaders. But what about the officers of the Income-tax Department? I think that the investigation of the cases of the tax evaders would indeed be an investigation into the action of the Income-tax Department officers and for that purpose also I think that the appointment of an independent Commission would be useful. I hope that the Commission would submit their report to the Government with regard to the activities of the officers of the Department as well as in connection with those cases that would come to the notice of the investigating Commission. My Honourable friend said that people in this country are in the habit of coming forward and giving false evidence. I do not believe that generally it can be said to be true of the Indian character. I do not agree with my Honourable friend with the assertion that he has made. It is possible that people may have given evidence in the past due to fear of the authorities or the powers that be. But in this case I do not want any one to come forward and tender false evidence. I do ask, however, everyone to come forward and give true evidence before this Commission. I can assure my Honourable friends that we do not want false evidence. We want correct evidence and true evidence. I cannot subscribe to the view of my Honourable friend Mr. Sri Prakasa that it is the habit of Indians generally to come forward and give false evidence.

Shri Sri Prakasa: I did not say that. I said that there are some persons who can always be found to give evidence of the sort that is wanted. I never said that we people generally are liars: how could I say that?

The Honourable Mr. Liaquat Ali Khan: I am glad to hear that, but I want to assure him that I do not want anybody to come forward and give false evidence and the investigating Commission, I think, would be the last body to force anyone to come forward and give false evidence before it.

There was another question that was asked by my Honourable friend Mr. Sri Prakasa. He said what would the Government do with the money that that they would get? The Honourable Member is aware and the Members of the House are aware what the Government does with the money. All the proposals for expenditure are placed before the Honourable Members of this House and no amount spent by the Government unless this House has sanctioned that expenditure.

Shri Sri Prakasa: Not with respect to the army.

The Honourable Mr. Liaquat Ali Khan: Even with regard to the army that is the case. I did not see my Honourable friend moving cuts in the army expenditure and saying that it was unnecessary. Therefore, all the expenditure of the Government comes under the scrutiny of the Honourable Members of this House and I feel that it would certainly not be the policy of the present Government to ignore any particular decision of the House with regard to the cutting down of any item of expenditure in the budget.

My Honourable friend Mr. Bhargava made a very long speech. He had doubts about one or two points. Being a very able lawyer, he scrutinised the provisions of this Bill with too much suspicion, if I may say so, because lawyers are always suspicious of the provisions of any Act. Unless they are suspicious of the provisions of the Act, they would not be able to plead cases in a court of law. I can assure him that I have made sure with the assistance of our legal advisers that there is nothing wrong with any of the provisions of this Bill legally.

Now, before I close, I would like to say how sorry we are that Mr. Griffiths, the first European Leader of the Opposition in the history of India, is shortly leaving us. We have always listened to him with great attention and with very great interest. Even before I came into the House, I used to hear with great interest my Honourable friend Mr. Griffiths speak from one of the Visitors Galleries. He has spent many years in this country and I have no doubt that his aim has been to serve the interests of India. I hope that when he goes back to his country he will continue to see that the real interests of India are advanced. Sir, I wish him the best of luck and I have no doubt the whole House would wish him God-speed.

Mr. Deputy President: Before putting the question, I would like to associate myself from the Chair with everything that has been said by the Honourable the Finance Member about Mr. Griffiths. I was present in the House when he made his first speech which was so impressive that Maulana Shaukat Ali, whom he had attacked, could not help going to him and admiring him. He said that Mr. Griffiths had criticised him and fought against him and he liked the fighting men. He also said that Mr. Griffiths was such a small man that he could put him in his pocket but he was quite strong to fight with him so far as speech goes. I remember all that. I repeat that I associate myself from the Chair with all that has been said by the Finance Member and I wish him God-speed.

The question is:

"That the Bill to provide for an investigation into matters relating to taxation on income, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. P. J. Griffiths: Sir, May I just, although there is no procedure of the House which allows me to do so, express my very deep sense of gratitude for all very kind things that you and others have said about me. I can only say that during the last 12 years that I have been a Member of this House I have tried my best to advance the interests of India. In return I have received friendship of a kind which I could not have expected which has meant a great deal to me. I thank you and the Members of the House once again.

The Honourable Mr. Liaquat Ali Khan: I do not think any Honourable Member is going to move amendment.

Mr. Deputy President: If no Honourable Member is moving any amendment, then I can finish the Bill just now. That will save lot of time; otherwise we will have to sit late tomorrow.

The question is :

"That clauses 2 to 10 stand part of the Bill."

The motion was adopted.

Clauses 2 to 10 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

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

Mr. Deputy President: The question is :

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

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock, on Saturday the 12th April, 1947.