

25th March 1936

THE  
LEGISLATIVE ASSEMBLY DEBATES

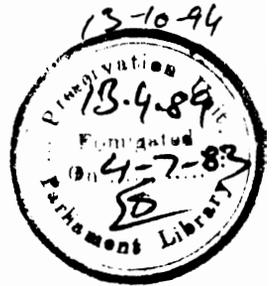
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Volume V, 1936

THIRD SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,  
1936



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# Legislative Assembly.

*President :*

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

*Deputy President :*

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

*Panel of Chairmen :*

**PANDIT GOVIND BALLABH PANT, M.L.A.**

**SIR COWASJI JEHANGIR, BART., K.C.I.E., O.B.E., M.L.A.**

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

**SIR MUHAMMAD YAMIN KHAN, KT., C.I.E., M.L.A.**

*Secretary :*

**MIAN MUHAMMAD RAFI, BAR.-AT-LAW.**

*Assistant of the Secretary :*

**RAI BAHADUR D. DUTT.**



*Marshal :*

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

*Committee on Petitions :*

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

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

**MR. B. DAS, M.L.A.**

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

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

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# LEGISLATIVE ASSEMBLY.

Wednesday, 25th March, 1936.

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

## STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred question No. 152 asked by Seth Govind Das on the 7th February, 1936.

### INDIAN UNIVERSITIES AND RESEARCH INSTITUTES.

#### I.

Statement showing the Number and Names of Statutory Universities in British India and the amount of grants given to them during the last five years (1930—35).

Name of University.	Grants in paid in				
	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.
	Rs. A. P.	Rs. A. P.	Rs.	Rs.	Rs. A. P.
1. Calcutta . . .	6,21,099 0 0	5,66,639 0 0	5,10,256	4,72,764	4,28,118 4 0
2. Bombay . . .	1,22,000 0 0	1,25,500 0 0	1,22,920	1,19,500	1,19,450 0 0
3. Madras . . .	4,39,500 0 0	2,90,300 0 0	2,90,300	3,15,500	3,15,500 0 0
4. Punjab . . .	3,52,874 8 0	2,90,669 14 9	2,19,410	2,19,210	2,37,950 0 0
5. Allahabad . . .	7,32,021 0 0	6,43,966 0 0	6,02,374	6,84,683	6,79,738 0 0
6. Benares Hindu . . .	9,98,162 0 0	9,95,718 0 0	3,61,579	3,57,458	3,58,566 0 0
7. Patna . . .	30,890 0 0	28,540 0 0	(a)24,780	21,205	21,208 5 0
8. Aligarh Muslim . . .	7,61,120 0 0	10,62,612 0 0	10,21,903	4,48,652	4,35,464 0 0
9. Rangoon . . .	3,20,000 0 0	18,56,558 0 0	1,21,163	78,680	51,785 0 0
10. Lucknow . . .	11,87,938 0 0	11,41,080 0 0	10,58,305	11,48,505	11,82,918 0 0
11. Dacca . . .	9,69,883 0 0	6,82,976 0 0	5,87,606	5,88,556	5,96,159 0 0
12. Delhi . . .	1,00,000 0 0	1,00,000 0 0	90,000	90,000	90,000 0 0
13. Nagpur . . .	56,250 0 0	43,044 0 0	42,500	42,500	42,500 0 0
14. Andhra . . .	36,05,419 0 0	1,88,000 0 0	1,38,000	1,50,000	1,50,000 0 0
15. Agra . . .	55,720 0 0	61,970 0 0	58,009	73,206	77,025 0 0
16. Annamalai . . .	1,50,000 0 0	1,40,000 0 0	1,38,000	1,50,000	1,50,000 0 0
	1,05,02,811 8 0	81,17,572 14 9	53,87,105	49,60,719	49,36,376 9 0

N.B.—There are two universities situated in Indian States, viz., Mysore University, Mysore, and Osman's University, Hyderabad.

(a) Out of this, a sum of Rs. 1,371 was refunded subsequently by the University during the year 1933-34.

## II.

Statement showing the Number, Names, Expenditure, Income, etc. of Research Institutes maintained by the Government of India in 1934-35.

Serial No.	Name of Institute.	Maintenance expenditure.	Income.	No. of European officers and salaries drawn by them.	No. of Indian officers and salaries drawn by them.	No. of people trained.	No. of people employed by Govt. after training.	Extent to which the institute has been successful.
		Rs.	Rs.					
1	Imperial Institute of Agricultural Research, Pusa.	5,88,400	39,500	4 (Rs. 66,000)	17 (Rs. 84,400)	22	18(a)	In the opinion of Government all these institutions have fulfilled the purposes for which they were established.
2	Imperial Institute of Animal Husbandry and Dairying, Bangalore, with its outstations and Physiological Chemist.	3,07,000	1,48,200	3 (Rs. 80,800)	2 (Rs. 19,500)	54	10(a)	
3	Imperial Cane Breeding Station, Coimbatore.	80,500	8,900		(Rs. 27,200)	1(b)	1(b)	
4	Imperial Institute of Veterinary Research, Muktesar.	5,13,361	1,69,319	5 (Rs. 48,449)	10 (Rs. 50,066)	16	All were in service at the time of training	
5	Imperial Veterinary Serum Institute, Izatnagar.	1,82,337	4,09,851	1 (Rs. 6,954)	2 (Rs. 12,948)	Nil.	Nil.	
6	Forest Research Institute, Dehra Dun.	5,80,205	3,815	8(c) (Rs. 1,06,189)	21 (Rs. 1,48,856)	(d)	(d)	
7	Central Research Institute, Kasauli.	1,90,156	1,60,991	3 (Rs. 37,629)	3 (Rs. 26,966)	(e)		
8	All-India Institute of Hygiene and Public Health, Calcutta.	1,94,805	14,380	2 (Rs. 35,156)	6 (Rs. 54,672)	22	Not known	
	Total	26,36,764	9,54,956	28 (Rs. 3,30,177)	64 (Rs. 4,24,603)	114 (f)	28(f)	

(a) Includes people employed by Indian States also.

(b) Included in the number of students trained at Pusa.

(c) Includes the Inspector General of Forests and his salary as it is charged to General Direction (Headquarters of M) but includes an Officer-in-charge, Timber Testing, from Canada, and his salary.

(d) The Forest Research Institute does not undertake the training of men for commercial life as part of its functions.

(e) This is not a training institute. Its functions are those of medical research and manufacture, for prophylactic cholera, T. A. B. and influenza vaccines and Antivenene, etc.

(f) The total omits the number shown against item 3 as this is included in the number shown against item 1 also.

Information promised in reply to unstarred questions Nos. 213, 214 and 216 asked by Mr. N. M. Joshi on the 26th February, 1936.

#### RULES REGARDING THE GRANT OF PASSES AND PRIVILEGE TICKET ORDERS TO THE GREAT INDIAN PENINSULA RAILWAY EMPLOYEES.

Question No. 21 —

(a) Yes.

(b) Yes, provided she is residing with and wholly dependent on the employee.

(c) No.

(d) No. Government see no reason why any concession should be allowed.

## INCONVENIENCES OF RAILWAY STAFF AT KIRKEE.

*Question No. 214.—*

(a) Kirkee is a Cantonment. Government understand that residential quarters suitable for the subordinate staff are available close to the station as well as in the Bazaars about a mile from the station.

(b) Enquiries made indicate that certain articles are obtainable at cheaper rates at Kirkee but the prices of foodstuffs and other principal commodities are slightly higher in Kirkee than in Poona.

(c) Staff working at Kirkee who are not provided with railway quarters are at liberty to stay wherever they choose.

(d) Residential free passes are issued to employees in Bombay and Madras, but not to those in Calcutta. The latter are, however, given season tickets at one-third the rates applicable for the public.

(e) No. They are allowed at present season tickets at one-third the rates applicable for the public and Government are not prepared to extend them in the manner proposed as the existing concession cannot be considered to be illiberal.

## ISSUE OF PROVISION PASSES TO THE COMMERCIAL STAFF AT GULBURGA.

*Question No. 215.—*

(a) and (b) Yes.

(c) No.

(d) A provision pass issued by the Transportation Department available between Gulburga and Sholapur, is being used by both Transportation and Commercial staff at present.

*Information promised in reply to starred questions Nos. 1025, 1026 and 1027 asked by Pandit Krishna Kant Malaviya on the 9th March, 1936.*

## APPLICABILITY OF THE PUNJAB EXCISE ACT AND EXCISE RULES TO THE DELHI PROVINCE.

*Question No. 1025.—*

(a), (b), (d) (e) and (f). Yes.

(c) Nearly, but not quite identical. Certain minor changes have been made in the Punjab rules having regard to local circumstances.

## GRANT OF LICENCES FOR VENDING FOREIGN LIQUOR IN DELHI.

*Question No. 1026.—*

(a) The Chief Commissioner has granted licences to the firms mentioned for the supply, storage and sale of liquor but not for manufacture. The firms noted at (6) and (7), however, hold L-2 licences only.

(b) and (c). Yes.

(d) The matter has been thoroughly gone into but since the conditions under which various classes of licences are governed are different, it is not considered possible to adopt a uniform basis for the grant thereof.

## GRANT OF LICENCES FOR VENDING FOREIGN LIQUOR IN DELHI.

Question No. 1027.—

(a), (b) and (d). Yes.

(c) A licence in form L-2 may not authorise consumption on the premises.

(e) (i) A licence in form L-2 is granted to a firm or person of approved respectability and of good social standing in a civil station or cantonment or in any other place where there is a demand for foreign liquor of a superior quality, and an L-10 licence is sold by public auction to the highest bidder and is meant for the retail vend of foreign liquor in a bazar to the general public.

(ii) A civil station or cantonment is a place usually inhabited by Indians of high social standing or by Europeans. The bazar is a locality where the general public transact their business and reside.

(iii) Some civil stations or cantonments contain bazars within their boundaries.

(iv) Usually.

(v) The various classes of licences are governed by different rules, and different licences are defined in the rules as suitable for different localities.

(vi) Yes, under rule 17 of the Rules promulgated with the Chief Commissioner's notification No. 8058-Commerce, dated 3rd October, 1935.

(vii) The question is not clear. There is not necessarily any distinction in regard to shops within municipal boundaries or bazars. There are, however, distinctions between the conditions under which various classes of licences are governed since some classes of licences are intended to govern the sale of liquors of superior quality to consumers belonging to the upper class.

(f) Yes.

(i) and (ii). In Delhi L-10 shops compete with country spirit shops by selling cheap brands of foreign liquor at a price nearly equivalent to that charged for the sale of country spirit. If L-2 licences are granted to these shops it will strengthen their position and they would be able to undersell country spirit shops, which would cause heavy loss to excise revenue.

(iii) No. Licensees holding licences in form L-2 are persons of approved respectability who deal largely with members of the upper classes, and consequently maintain larger establishments for running their shops. The expenses of L-10 licensees in running their shops is very small since they are not required to keep a big business and large establishment, and they can usually compete with country liquor shops by selling cheap brands of foreign liquor at low prices. The conditions therefore of L-10 and L-2 licenses are very different.

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*Information promised in reply to unstarred question No. 292 asked by Mr. Amarendra Nath Chattopadhyaya on the 9th March, 1936.*

## PROVISION OF GARAGES FOR OFFICERS ON THE EASTERN BENGAL RAILWAY.

The Agent, Eastern Bengal Railway's reply, which has since been received, is as follows :

(a) Yes.

(b) No.

(c) Garage accommodation is provided by other Government Departments and Commercial firms in Calcutta for the use of their employees free of charge. It is not proposed to depart from the general practice in the case of Railway Officers.

*Information promised in reply to a supplementary question asked by Mr. J. Ramsay Scott, to Bhai Parma Nand's starred question No. 1293 answered on the 17th March, 1936.*

### SALT INDENTING RULES FOR KHEWRA.

#### NORTHERN INDIA SALT REVENUE DEPARTMENT.

##### NOTICE.

*Delhi, the 10th September, 1935.*

No. 309-Gl./32.—In modification of Notice No. 178-Cr./27, dated the 23rd August, 1927, and subject to the published rules relating to the various sources, as modified from time to time, regulating the issue of salt, the Commissioner, Northern India Salt Revenue, publishes the following revised rules regulating the receipt of revenue for, and the issue and delivery, on behalf of Government, of salt (other than salt issued to *faradis*, *banjaras* and to certain Darbars under treaty) from the Rajputana sources of the Sambhar Lake, Didwana and Pachbadra and the Punjab sources of Khewra, Warcha and Kalabagh. In these rules the term 'indent' shall be taken to mean an indent in the prescribed form (Form No. 49).

1. Indent forms are procurable free of charge at all places authorised to receive salt revenue. The indent portion shall be filled in, in duplicate, by the indenter and shall contain full and accurate particulars on all matters in regard to which information is required therein, including, in the case of indents for salt from the sources of the Sambhar Lake, Pachbadra, Khewra or Warcha, the route by which the salt is to be despatched, if not by the cheapest route.

2. Indents for salt will be received only at the treasuries and post offices especially authorised in this behalf by the Commissioner, Northern India Salt Revenue, and set out in the lists attached (Appendices I and II) in respect of the source or sources named against each and no indent from miners shall be accepted.

3. The receipt of salt revenue in a treasury or post office shall not be deemed to constitute a contract to supply salt. All indents are subject to acceptance by the Commissioner, Northern India Salt Revenue, who may at any time refuse to accept a deposit of revenue and order its refund.

No indents will be accepted for destinations declared by a railway to be closed to salt traffic and if accepted by mistake shall have no effect.

4. Indents in respect of salt from the Sambhar Lake sources, Pachbadra, Khewra and Warcha shall be accepted only for salt to be loaded and despatched by the Department and in respect of salt from Didwana and Kalabagh only for salt to be removed from the storeyard by the indenter himself or his authorised agent.

5. Indents on Khewra for all broadgauge destinations shall be accepted for salt in bulk (unbagged) only. Provided always that for Jammu and Kashmir State they may be accepted either for bagged or unbagged salt as the indenter may desire and for all other destinations (i.e., other than Jammu or Kashmir and destinations on the broadgauge) for bagged salt only. Indents on Warcha shall be accepted for broadgauge destinations only and for salt in bulk only. Indents on Sambhar and Pachbadra shall be accepted for bagged salt only.

6. For the despatch of Sambhar and Pachbadra salt bags shall be supplied by the indenter who in place of pre-paying the cost of bags shall enter in the space provided for this purpose in the form of indent the name of a person through whom he will arrange for their delivery, marking and filling at such place and on such date and by such hour as may be notified to such person by the Officer in charge of the source. Indentors may make similar arrangements for the supply of bags at Khewra or, in the alternative, may obtain bags from the Department by pre-payment at the time of indenting.

The number of bags required for a wagon-load of Sambhar salt is 118 and for Pachbadra salt it is 107 or 156; for a wagon-load of Khewra salt it is 275.

Except as prescribed in this rule no bags shall be accepted by the Department for indentors' consignments; Provided always that in the case of military and other Government indents or indents by Darbars for treaty salt for which the indenting authority desires to supply bags, the bags of such authority, if suitable, may be accepted and utilised for the clearance of the consignment.

7. When a person nominated under Rule 6 for the supply of bags locally, after being informed of the place, date and hour for the delivery of the bags, fails to deliver them, the consignment may be bagged in bags supplied by the Department and despatched value payable for the cost of the bags used or the Commissioner may direct that the indent be cancelled and the revenue paid on account of it refunded. If there is any shortage in the number of bags received from a local agent or any are rejected as unserviceable [as to which the decision of the General Manager (Rajputana Salt Sources), the Administrative Officer (Khewra) and the Superintendent (Pachbadra) shall be final in regard to the sources under their respective control] and same are not immediately made good or replaced by the nominee, the same may be made good by the Commissioner from his departmental stock of bags in such numbers as may be necessary, and the consignment shall in that case be sent value payable for the price of the departmental bags used or the Commissioner may direct that the indent be cancelled in toto or to the extent that proper bags were short delivered and the revenue paid on account of the indent concerned shall be refunded in whole or in part as the case may be.

Bags rejected as unserviceable which are not removed by the presenter within one month from the date of the despatch of the consignment for which they were offered shall become the property of the Northern India Salt Revenue Department and meanwhile be at the risk of the indenter.

When the cost of departmental bags has been prepaid by the indenter and for any reason it is necessary to use bags in excess of the number provided, the cost of the extra bags used shall be recovered by despatch of the consignment value payable for the amount.

8. An indenter shall, at the time of presenting his indent, pay the charges specified in Rule 11, provided that when the aforesaid charges are paid into a post office a fee of two annas on each hundred rupees of the amount thereof (subject to a minimum fee of ten annas in respect of each indent) shall be paid at the same time.

9. No indent shall be filled in for a less quantity of salt than one wagon-load; all indents shall be in units of wagon-loads; and not more than five wagon-loads shall be indented for on a single indent form. A wagon-load at Sambhar is 295 maunds and at Didwana and Pachbadra it is 267½ or 390 maunds at Khewra, Warcha and Kalabagh it is 550 maunds.

10. Indents are non-transferable, and in the case of indents on the Sambhar Lake, Pachbadra, Khewra and Warcha no change of destination or other details of consignment shall be permissible after an indent has been received in the salt source except with the consent and under conditions imposed by the Commissioner, Northern India Salt Revenue, or by an officer empowered by him in this behalf.

Applications for change of destination or other details of a consignment may, in such circumstances as may be specified, be accepted from an authorised agent, but no person shall be recognised as an authorised agent of any trader or firm whose name has not been registered as such at Sambhar with the General Manager, at Khewra with the Administrative Officer and at Pachbadra, Gudha, Nawa, Warcha, Kalabagh and Didwana with the Superintendent in charge of issues, by the trader or firm concerned.

11. *For Sambhar Lake, Pachbadra, Khewra and Warcha supplies.*—The charges referred to in Rule 8 are the duty on and price of the salt at the rates respectively fixed and in force for the day when payment is made as aforesaid together with all charges made in connection with weighing, loading and despatching the salt, and in cases in which pre-payment of the cost of bags is permitted by these rules the cost of the bags required at such rates as may be fixed by the Commissioner, Northern India Salt Revenue, from time to time. *For Didwana and Kalabagh Supplies* the charges referred to in Rule 8 are the duty on and the price of the salt at the rates respectively fixed and in force for the day when payment is made as aforesaid.

12. If, subsequent to the date of payment and prior to the despatch of the salt to the consignee any alteration in the rates of duty or price or other charges specified in Rule 11 shall come into force, the duty, price and other charges in respect of such salt shall become payable at the rate so altered. The amount, if any, that may become payable in consequence of such alteration, in excess of the amount already paid shall be paid by the applicant prior to the despatch of the salt in the same manner as hereinbefore prescribed for payments hereinbefore specified or otherwise as may be prescribed by rule from time to time: provided that excess payment required

on account of the cost of bags only may be recovered by the despatch of the salt to the consignee value payable for the amount so due. If payment is made into a post office a fee at the rate and subject to the minimum prescribed in Rule 8 shall be paid at the same time. The amount, if any, which may have been paid by the applicant in excess of the payment due under the altered rates shall be refunded to him.

When owing to an enhancement of duty, price or other charges, an extra payment has under the rules become due on any indent and the amount so due has not been deposited by the indenter within a fortnight from the date on which the enhancement came into force, the indent shall be cancelled and the revenue paid in respect thereof refunded to the depositor less any expenses the Commissioner has been put to. Depositors who deposit the enhanced duty, price or other charges on any indent within the period specified above will have their "authorities" cleared as far as possible in the serial order originally allotted to them as far as practicable.

13. On payment of salt revenue the officer receiving the money shall give the person tendering it a receipt specifying the amount of revenue and other authorised charges deposited and, in the case of a treasury, the number and date of the treasury receipt, or, in the case of a post-office, the number and date of the indent and the name of the source in regard to which the revenue was deposited. Where payment has been made in a treasury, the Treasury Officer shall, without delay and by the same day's post, if possible, despatch in the case of the Sambhar Lake to the General Manager in the case of Khewra to the Administrative Officer, or in the case of Pachbadra, Didwana, Warcha and Kalabagh to the Superintendent in charge, in a registered cover, foils 2 and 3 of the prescribed combined form of indent and receipt duly completed, together with an advice of the day's receipts of salt revenue as also of any payments made and accepted under Rule 12. Where payment has been made into a post office the receiving officer shall dispose of the indent in the manner prescribed in the rules of the post-offices.

Provided that in the case of a payment into a treasury of salt revenue by cheque under the provisions of the Resolution of the Government of India in the Finance Department, No. 26-A, dated the 13th January, 1920, the treasury receipt portion of the combined receipt and indent form shall not be completed in the treasury until the cheque has been cleared and the final receipt delivered to the depositor: thereafter the indent shall be forwarded to the salt source in the ordinary way. Provided always that Government shall not be responsible for any delay that may occur in such forwarding.

14. The General Manager at Sambhar, the Administrative Officer at Khewra, and the Superintendent in charge at Pachbadra, Didwana, Warcha and Kalabagh shall compare the receipt accompanying and indent with the advice from the receiving officer and shall satisfy himself that it is correct and in order and that all charges due under Rules 11 and 12 have been paid, and on the acceptance of indents shall proceed as follows:—

*As regards Supplies of the Sambhar Lake, Pachbadra, Khewra and Warcha Sources.*

The Circle Officer shall despatch the salt, freight unpaid, to the consignee, and shall deliver or send by post the railway receipt to the consignee or other person specified in the indent or if such person is not either the indenter himself or his authorised agent may deliver or send it by post to such indenter or agent on receipt from either of them of a written request for such delivery.

*As regards Supplies from the Didwana and Kalubagh Sources.*

The Circle Officer shall notify to the indenter or his agent the date on which his indent will come on for clearance. If the indenter or his agent fails to remove his salt on the date so notified his indent shall be liable to be cancelled and the revenue paid in respect of it to be refunded. If an indenter, without sufficient cause, fails to clear the salt allotted to him, he shall be liable to be debarred from indenting for such period as the Commissioner may decide.

On the completion of the above proceedings the General Manager at Sambhar or the Administrative Officer at Khewra shall cause to be refunded any excess payment due under Rule 12.

15. The clearance of indents shall be subject to such orders as the Commissioner may pass from time to time in regard to priority of issue.

Every effort is made to expedite the clearance of indents, but no period can be fixed within which an indent will be cleared and no liability shall attach to Government for delay in the clearance of any indent.

16. Indentors must accept salt as issued but salt will be issued as uniform in quality as possible from such stocks as the Officer in charge may from time to time direct, and at the Sambhar Lake, Pachbadra, Khewra and Warcha sources, no indentor or indentor's agent shall be admitted to any depot or filling platform, unless the Commissioner so permits and then only at such time and under such conditions as the Commissioner may prescribe, or be allowed in any way to interfere with the issue of salt.

At the Salt Range Sources all salt is issued as received from the mine after removal of visible impurities. The Department cannot guarantee the size and colour of the salt issued.

17. Weighment and clearance may be suspended by order of the Officer in charge of issues when the weather at the source is unfavourable, and may be similarly suspended at the request of an indentor on his satisfying the Officer in charge that the weather conditions at the destination of the consignment are such as to render its immediate despatch inadvisable. For damp salt at the Rajputna Salt Sources such abatement for dryage not exceeding 2½ per cent. shall be made as the Commissioner may allow. The General Manager may, in anticipation of formal approval by the Commissioner, sanction within the prescribed limits such dryage as he considers necessary. Every order sanctioning abatement shall specify the date from which it shall be made and the allowance shall be made in the test weighments of all consignments cleared from that date. An order sanctioning any abatement shall hold good until subsequent orders are issued increasing, lessening or wholly cancelling the abatement.

18. For consignments despatched by rail by the Department in regard to which the Railway may at any time require the execution by the sender of a risk note in Form A, such risk note will be signed by the despatching officer of the Department; but neither in this nor in any other case does the Salt Department accept any liability whatsoever for any loss, damage, deterioration, leakage, or wastage of the salt in transit. No consignment will be despatched at owner's risk for which the execution of a risk note in Form B is required unless the indentor or his authorised agent has requested in writing either by letter or on the indent form that his salt should be so booked. Government's responsibility ceases on the delivery of a consignment to the Railway and the railway receipt shall be a sufficient release for the quantity of salt consigned.

Without prejudice to the above the Commissioner will consider complaints as regards consignments but no such representations regarding any consignment of salt shall receive attention unless made within seven days of its arrival at destination.

19 Any indent not complying with the conditions prescribed in these rules shall be liable, at any time, to rejection and in the event of such rejection the revenue deposited in respect of the indent shall be refunded to the depositor.

20. If any dispute arises as to the meaning or effect of these presents or anything relating thereto the same shall be referred to the decision of the Central Board of Revenue whose decision shall be final and binding on the parties.

#### APPENDIX I.

Treasuries and Sub-Treasuries authorized to receive revenue for salt from the Punjab sources together with the source in respect of which each is authorised.

##### HEADQUARTERS TREASURIES.

Treasury.	Source.
North-West Frontier Province—	
Peahawar . . . . .	Khewra and Kalabagh.
Dera Ismail Khan. . . . .	" " "
Hazara . . . . .	Khewra,
Bannu . . . . .	Kalabagh.
Punjab—	
All District headquarters treasuries . . . . .	Khewra, Warcha and Kalabagh.
Delhi—	
Delhi . . . . .	Khewra, Warcha and Kalabagh.

HEADQUARTERS TREASURIES.	
Treasury.	Source.
United Provinces—	
All district headquarters treasuries	Khewra.
Bihar—	
All district headquarters treasuries	Khewra.
Kashmir—	
Srinagar . . . . .	Khewra.
Jammu . . . . .	”
Sind—	
Sukkur . . . . .	Khewra, Warcha and Kalabagh.
Baluchistan—	
Quetta . . . . .	Khewra, Warcha and Kalabagh.
Rajputana—	
Sambhar . . . . .	Khewra.
Central Provinces—	
Jubbulpore . . . . .	Khewra.
Bengal—	
Calcutta (Customs) . . . . .	Khewra.
Bombay Presidency—Bombay—	
Bombay (Chief Account Officer of Custom, Salt and Opium) . . . . .	Khewra.
SUB-TREASURIES.	
United Provinces—	
Partabgarh . . . . .	Khewra.
Fatehpur . . . . .	”
Unao . . . . .	”
Rai Bareilly . . . . .	”
Jaunpur . . . . .	”
Shahjehanpur . . . . .	”
Pilibhit . . . . .	”
Muzaffarnagar . . . . .	”
Punjab—	
Pind Dadan Khan . . . . .	Khewra, Warcha and Kalabagh.
Khushab . . . . .	” ” ” ”
Talagang . . . . .	Kalabagh.
Kasur . . . . .	Khewra.
Bihar—	
Sitamarhi . . . . .	Khewra.
The following treasuries are authorised to receive salt revenue on military indents only :—	
Karachi . . . . .	Khewra.
Poona . . . . .	”
Mhow . . . . .	”
Kohat . . . . .	”
Hyderabad (Deccan) . . . . .	”

## APPENDIX II.

Treasuries, Sub-Treasuries and Post-Offices authorised to receive revenue for salt from the Rajputana Sources of Sambhar, Pachbadra and Didwana with source in respect of which each is authorised.

HEADQUARTERS TREASURIES.	
Treasury.	Source.
Punjab—	
Hissar . . . . .	Sambhar and Didwana.
Rohtak . . . . .	” ” ”
Gurgaon . . . . .	” ” ”
Ambala . . . . .	” ” ”
Lahore . . . . .	” ” ”
Ludhiana . . . . .	Sambhar.

## HEADQUARTERS TREASURIES—contd.

Treasury.	Source.
Delhi—	
Delhi . . . . .	Sambhar and Didwana.
United Provinces—	
All district headquarters treasuries . . . . .	Sambhar and Pachbadra.
Bihar—	
All district headquarters treasuries . . . . .	Sambhar and Pachbadra.
Central Provinces—	
Saugor . . . . .	Sambhar and Pachbadra.
Damoh . . . . .	" " "
Jubbulpore . . . . .	" " "
Narsinghpur . . . . .	" " "
Hoshangabad . . . . .	" " "
Nagpur . . . . .	" " "
Bilaspur . . . . .	" " "
Rajputana—	
Ajmer . . . . .	Sambhar, Pachbadra and Didwana.
Sambhar . . . . .	" " "
Central India—	
Indore . . . . .	Sambhar and Pachbadra.
Neemuch . . . . .	" " "
Nowgong . . . . .	" " "
Sehore . . . . .	" " "
Bengal—	
Calcutta . . . . .	Sambhar and Pachbadra.
Bombay Presidency—	
Bombay . . . . .	Sambhar and Pachbadra.

## SUB-TREASURIES.

United Provinces—	
Lalitpur . . . . .	Sambhar and Pachbadra.
Kaganj . . . . .	" " "
Haldwani . . . . .	" " "
Partabgarh . . . . .	" " "
Fatehpur . . . . .	" " "
Unao . . . . .	" " "
Rai Bareli . . . . .	" " "
Jaunpore . . . . .	" " "
Shahjehanpur . . . . .	" " "
Pilibhit . . . . .	" " "
Muzaffarnagar . . . . .	" " "

The following treasuries are authorised to receive revenue for salt from the Sambhar and Pachbadra sources on military indents only :—

Karachi.	Peahwar.
Poona.	Dera Ismail Khan.
Quetta.	Kohat.
Mhow.	Rawalpindi .

## POST OFFICES.

*H.*—Denotes a head post office : all others are sub-post offices.

Rajputana—		
Alwar . . . . .	Alwar City . . . . .	Sambhar and Pachbadra.
Bharatpur . . . . .	Bharatpur City . . . . .	" " "
Bikaner . . . . .	H. Bikaner . . . . .	Sambhar, Pachbadra and Didwana.
Dholpur . . . . .	Dholpur . . . . .	" " "
Jaipur . . . . .	Jaipur City . . . . .	Sambhar and Pachbadra.
Jhalawar . . . . .	Jhalrapatan . . . . .	" " "
Karauli . . . . .	Karauli . . . . .	" " "
Kotah . . . . .	H. Kotah . . . . .	" " "
	Beran . . . . .	" " "

POST OFFICES—*contd.*Rajputana—*contd.*

Mewar . . . . .	H.	Udaipur . . . . .	Sambhar and Pachbadra.
		Shahpur-Mewar . . . . .	" " "
		Chitorgarh . . . . .	" " "
Tonk . . . . .		Tonk Raj . . . . .	" " "
Sirohi . . . . .		Abu Road . . . . .	" " "
Jodhpur . . . . .	H.	Jodhpur . . . . .	" " "
Central India—			
Bhopal . . . . .	H.	Bhopal . . . . .	" " "
Dewas . . . . .		Alote . . . . .	" " "
Gwalior . . . . .		Gwalior R. S. . . . .	" " "
Jaora . . . . .		Jaora . . . . .	" " "
Maihar . . . . .		Maihar . . . . .	" " "
Rajgarh . . . . .		Biaora . . . . .	" " "
Rewa . . . . .		Satna . . . . .	" " "
Ratlam . . . . .		Ratlam . . . . .	" " "
Datia . . . . .		Datia . . . . .	" " "

## THE CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

*Amendment of Section 51, etc.*

## PRESENTATION OF THE REPORT OF SELECT COMMITTEE.

**The Honourable Sir Henry Craik** (Home Member): Sir, I beg to present the Report of the Select Committee on the Bill further to amend the Code of Civil Procedure, 1908, for certain purposes (*Amendment of section 51, etc.*).

THE INDIAN FINANCE BILL—*contd.*

## MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

**Mr. President** (The Honourable Sir Abdur Rahim): With reference to the first item on the List of Business today, namely, further consideration of the Finance Bill, I have received a Message from His Excellency the Governor General. The Message is as follows:

*"In pursuance of the provisions of sub-section (1) of section 67-B of the Government of India Act, I, Freeman, Earl of Willingdon, do recommend to the Legislative Assembly that it do pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to fix maximum rates of postage under the Indian Post Office Act, 1895, and to fix rates of income-tax and super-tax in the form hereto annexed.*

(Sd.) WILLINGDON,

Viceroy and Governor General.

NEW DELHI,

The 25th March, 1936.

The recommendation is:

*"After careful consideration of the amendments adopted by the Legislative Assembly in the Finance Bill, I have reached the conclusion that I must use my special powers for the purpose of securing the continuance, during the forthcoming year, of the salt tax and of the charge for postcards at the rates proposed in the Bill as introduced. The recommendation which I have made to the Legislative Assembly gives effect to this conclusion.*

(Sd.) WILLINGDON,

Viceroy and Governor General.

NEW DELHI,

The 25th March, 1936.

**The Honourable Sir James Grigg** (Finance Member): May I hand in, Sir, the amendments which are necessary to bring the Bill into the recommended form? Copies are available for immediate distribution, and I should like to ask your directions as to when I may move the amendments. (Government would prefer the amendments to be taken into consideration at once if that should meet the desire of the House, and, in a good many ways, that is the most convenient course, but, Sir, in that matter I am in the hands of the House.

In order, Sir, to make the story complete, may I lay on the table a Declaration by the Governor General regarding certain demands which were refused by the Assembly. The Declaration is as follows:

"In pursuance of section 67-A (7) of the Government of India Act, the Governor General in Council is pleased to declare that the following demands which have been refused by the Legislative Assembly are essential to the discharge of his responsibilities:

Demand.	Amount.
	Rs.
28—Executive Council . . . . .	1,48,999
39—Defence Department . . . . .	4,24,999
79—Baluchistan . . . . .	27,69,100

(Sd.) J. C. NIXON,

*Secretary to the Government of India."*

NEW DELHI,

The 25th March, 1936.

**Mr. S. Satyamurti** (Madras City: Non-Muhammadian Urban): May I know what are the amendments, which the Honourable Member wants to move?

**The Honourable Sir James Grigg:** (1) To restore the salt duty, and (2) to restore the postcard rate.

**Mr. President** (The Honourable Sir Abdur Rahim): As regards the point whether these amendments can be dealt with by the House today, the Chair would be prepared to waive any objection on the score of time (as two days' notice is required), provided that the general desire of the House is that these amendments may be taken up today. The Chair takes it, at the end of the Supplementary Demands. Are the Supplementary Demands likely to be finished today?

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muhammadian Rural): Yes, Sir. Having consulted my friends, I think it is quite possible; and I think, having regard to the business for the next two or three days, it would be proper that the reconsideration of the Finance Bill should be taken up as soon as the Supplementary Demands for Grants are finished, and we expect them to be over by half past three.

**Mr. President** (The Honourable Sir Abdur Rahim): But there is another motion in the name of the Honourable Member, Pandit Govind Ballabh Pant, after the Supplementary Demands, in connection with the Report of the Committee of the Assembly on the recommendations of the Indian Delimitation Committee?

**Mr. Bhulabhai J. Desai:** We agree that that can wait, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim): Very well.

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DEMANDS FOR SUPPLEMENTARY GRANTS—*contd.*

**Mr. President** (The Honourable Sir Abdur Rahim): The House will now resume discussion on the Supplementary Demand in respect of Quetta (Baluchistan).

**Sir Aubrey Metcalfe** (Foreign Secretary): Sir, the Honourable the Mover, in his speech of yesterday suggested that the Government of India and the local officers had taken advantage of the earthquake to spend Government money in a reckless and improvident way, in advance of proper sanction, and without due care and forethought. This picture is so grotesquely inaccurate that, before I attempt to deal with the particular questions which the Mover brought forward, I will endeavour to place before the House a brief general account of the situation with which the Government and the local officers were faced and of the steps which they considered necessary to deal with it.

Within the space of a few moments, Sir, an entire city had been wiped out, with very heavy casualties, and with a loss and destruction of all the ordinary services, such as lighting, water, shelter and all the other things which go to make up the life of a city. The survivors, who were in many cases severely wounded and badly injured, were devoid of food, clothing, shelter, water or other necessities of life, and all of these had to be improvised at a moment's notice if any lives were to be saved. Full details as to the work done by the military and other authorities on this occasion are available in this book, which was published last September, to which I would invite the attention of Honourable Members if they have not already read it. I need not here go into details on the subject but I would ask the House to realize that at a moment of that kind, all the resources of Government had to be thrown into the scale and it was only the providential fact that large reserves of military stores and material were available at Quetta and were undamaged by the earthquake which enabled so many lives to be saved. Had either the local authorities stopped to consider audit rules and to wait for instructions from higher authority, or had the Government of India themselves required economy to be exercised, it is almost certain that nearly all the survivors would have been dead, and, in that case, I submit that a scandal would have arisen which would have been far in excess of any scandal which may be caused, as the Honourable Member seems to suggest, by some unnecessary expenditure; and, I think, if the Government of India had acted in this way, they would have earned not only the reprobation of the entire civilized world but also bitter criticisms from my Honourable friend opposite. What the Government actually did was to appoint a special officer immediately belonging to the Finance Department to co-ordinate and supervise all the relief work in the Punjab, Sind and also at Quetta and generally to supervise the operations which were going on there on behalf of the Government of India. They also appointed a senior officer of the Political Department to co-ordinate the work on the spot and to remain there.

[Sir Aubrey Metcalfe.]

They further appointed a Claims Commissioner to assist particularly the work of examining claims for property which had been lost in the earthquake. Comparatively little expenditure was involved to the Government of India by these measures as the Relief Commissioner continued to do his ordinary work, so far as he was able to do so, and his ordinary work was that of a Military Adviser in the Finance Department and Col. Parsons, the senior officer who was sent to take charge of the operations was withdrawn from his post as Resident in Waziristan which post remained unfilled during the period of deputation. The only additional cost at the time to the Government of India was the Claims Commissioner and his staff which required to be sent there and one civilian who was appointed at headquarters with the rank of a Deputy Secretary, but he only actually functioned for 2½ months and the post was then done away with. His job was to deal with the Secretariat work which required to be done during Mr. Staig's absence on tour. There was also a very small clerical staff the details of which are given in the memorandum and that clerical staff is still in existence. But there is no other officer at present in the Government of India who is specially paid or in any way specially recruited for the work arising out of the Quetta earthquake. Col. Parsons, the officer who was sent there to co-ordinate the effort on the spot only remained until September and was then withdrawn leaving only the Claims Commissioner to deal with the situation. It was found in December that the salvage work was not going on at all satisfactorily; the claims work was being done, but a special officer was required to supervise the salvage work. Later on, I shall tell you, Sir, the results which have accrued from the appointment of that officer. I may mention here that all the work that has been done, since September or October, has been done in consultation with the Special Committee containing at least three Members of the Assembly who were appointed at the wish of the Assembly, and I understand that all the work that has gone on since then has been done with their entire approval. The present position as regards the special staff is this. The Assistant Claims Commissioners have now ceased to function and the Claims Commissioner himself has also been withdrawn and he has taken another post at Quetta which is on the regular cadre. Therefore, for a short time, we have retained the senior officer in general charge, but it is hoped to withdraw him before very long and there will be one Assistant or rather an Additional Political Agent who will be in general charge of the work in the City connected with the reconstruction. I should also add that when the earthquake occurred, the whole of the Accounts staff at Quetta were affected and some were killed, some wounded and they were all completely put out of action. The Government of India, therefore, in order to ensure that there was some reasonable economy and audit control, immediately appointed an Officer with a staff belonging to the Audit Department who would supervise the whole of the work that was going on there and keep, so far as possible, a check upon expenditure. His accounts are being submitted regularly to the Accountant General, Central Revenues, and so far I have not yet been able to discover how much has actually been brought to account, but I would ask the House to realise that in this supplementary demand a good many of the sums which are submitted are still really in the form of estimates since final accounts have not yet been submitted, audited and checked. There is still a hope that there may be considerable reductions under certain items.

I will now turn to some of the more important points which my Honourable friend particularly criticised in the supplementary demand. I would also add that all these demands have already been before the Standing Finance Committee which have agreed to them, and I think, it is hardly fair to ~~bring~~ bring up this House as a sort of audit establishment or to ask for too many details . . . .

**Mr. T. S. Avinashilingam Chettiar** (Salem and Coimbatore *cum* North Arcot: Non-Muhammadian Rural): What about motor cars?

**Sir Aubrey Metcalfe**: . . . . at a moment's notice regarding particular figures. Figures in all cases are not available and all I can do is to explain to the House what sums have been recommended by the local authorities and what have been provisionally sanctioned, subject, of course, to subsequent audit control.

**Mr. S. Satyamurti** (Madras City: Non-Muhammadian Urban): Were these details supplied to the Standing Finance Committee? I see nothing in the report, as I read it. I should like to know from my Honourable friend whether any detailed figures, under these heads, were given to the Standing Finance Committee.

**Sir Aubrey Metcalfe**: None were asked for. I myself appeared before the Standing Finance Committee and no details were asked for. I am only now able to give a certain number of details regarding the three main points which my Honourable friend mentioned.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadian Rural): Is it a fact that no details were asked for in the Standing Finance Committee? I know that details were asked for, but generally details are not supplied to the Standing Finance Committee.

**Sir Aubrey Metcalfe**: I was present before the Standing Finance Committee and I can say no details were asked for. I do not know whether my Honourable friend was present.

**Mr. Lalchand Navalrai**: I was.

**Sir Aubrey Metcalfe**: I certainly remember that no details were asked for. Only questions were asked and I did my best to answer them. My Honourable friend referred to three main things. He referred to the charge of 15 lakhs odd for hutting, tentage, water supply, lighting and so on. I can give some details about them. These are all initial cost. They are not recurring: providing huts for accommodating refugees rendered homeless due to the earthquake, 2½ lakhs, providing huts in the civil lines for accommodating staff and offices of the civil department 7½ lakhs.

**Mr. S. Satymaurti**: How many huts?

**Sir Aubrey Metcalfe**: I could not tell you. I was just going to explain and I shall do so if my Honourable friend will not interrupt me. That includes not merely residential huts, but offices, and a Treasury. Every single office in Quetta had been destroyed, and, if the staff were to carry

[Sir Aubrey Metcalfe.]

on with the ordinary administration, particularly with the salvage work, it was necessary that they should have some kind of temporary accommodation. I myself have seen those huts and I can assure the House that there is no luxury about them at all. They are simply built of wood with asbestos lining, and I think with tin roof and with wooden floors. Furniture is not provided by Government, that is to be hired by the officers themselves. The accommodation is of the most simple and elementary kind and it is the least that any officer can be expected to live in the climate of Quetta. I think that point of view will be perhaps concurred in by any Member of the Consultative Committee who has visited Quetta and himself seen and possibly lived in one of those huts.

I should also perhaps explain that the expenditure was considerably increased by the difficulty of obtaining skilled workmen who would go to Quetta under the conditions which prevailed there. Materials were expensive to bring up and I know that the workmen who were required to build those huts only came there very very unwillingly and at considerably higher wages than those which would have to be paid for the same kind of work in the plains or in another place. That, I submit is not the fault of the Government. The third item is providing houses on the race course for accommodating the 8th Road Construction Battalion, engaged on salvage, which is four lakhs and 16,000. The other items are comparatively small. These make the greater portion, i.e., 2½ lakhs for providing houses for camp refugees, 7½ lakhs for staff and offices, and four lakhs for the Construction Battalion.

The second item on which my Honourable friend expressed his astonishment was the salvage operation. The only two really large items are the pay of officers, that is, the three Assistant Claims Commissioners, which comes to Rs. 27,000, and pay of establishment, Rs. 17,000. Motor transport comes to two lakhs and 71 thousand, and salvage works, which includes cost of the Road Construction Battalion, six lakhs and 65 thousand. That is much the biggest item and I do not think I need do more to explain that. But the motor transport item is a big one and as that has been the object of special attack I think perhaps that I should explain further reasons for that. The position was that motor transport of a particular kind was urgently required in connection with the salvage of property, in connection with the removal of corpses and in connection with the clearance of streets. It was suggested by one of my Honourable friends that Government ought to have gone into the market and bought motor cars or lorries at Rs. 4,000 each. The class of lorries which was required was not obtainable for Rs. 4,000; they are nearly all large three-ton lorries and it was most necessary to have a proper organisation behind them. I admit that the prices are high and that fact has formed the subject of constant anxiety of the Government of India. Several protests were made and it was found that it was impossible, in the first instance, to obtain a properly organised lorry service of the type required unless we were prepared to pay a considerable sum much, I admit, in advance of the ordinary market rate. As I say, the Government of India watched the matter very carefully. It was raised in the Standing Finance Committee in September, and, thereafter, the Finance Department of the Government of India made special efforts to get it reduced. It was not possible to get any real reduction because the contract had been made until December of this year. It was then gone into again, and I may

perhaps read this telegram to the House which was received from Mr. Wylie very shortly after he took over. He says:

"Bagai Motor Contract. Have been into this carefully with all concerned. Bagai at present supply 50 lorries for Rs. 31,500 per mensem *plus* petrol. Propose renewal of contract for months of January and February only"—

The entire contract would cease at the end of February:

"36 lorries at Rs. 17,760 per month *plus* petrol. Local animal transport will be substituted where necessary for lorries reduced. Firm have accepted new proposal with great reluctance and am satisfied that terms are reasonable. Grateful for early sanction as existing contract expires on 31st instant", etc.

I merely read that to show that the Government of India have had this matter under their constant consideration and have done everything, as indeed I think the local officers have too, to keep down expenses on what was an absolutely essential service. If the prices paid were high, it must be put down, not to improvidence on the part of those officers, but to the fact that the transport was required immediately and that the transport required was of a particular kind with an organisation behind it. If Government had gone into the market and purchased motor cars they would have had to incur a good deal of capital expenditure most of which would have been subsequently wasted.

The third point, which I think my Honourable friend referred to, was the rural reconstruction. As I explained yesterday, rural reconstruction of one lakh and 50 thousand which is put down was mainly expended on the repair of *karezes* or water-courses. The only other things which have been allotted to that head are the repair of wells and of *bunds* all of which, I submit, were absolutely necessary. The estimates were very carefully prepared by the local officers and were sanctioned, after full consideration, by the Government of India. I may add for the information of the House that, in order to provide shelter to these villagers, for house accommodation, Rs. 1 lakh and 50 thousand was sanctioned not from Government funds but from the relief fund. That, as far as I know, has not yet been expended but the accounts are not yet available.

The fourth point, to which my Honourable friend referred, was the 10 lakhs, which of course is a very large item of this 40 lakhs, which was given by Government as a subvention to the Viceroy's relief fund. It may be argued that Government had no right to give a subvention of this sort. But I would point out to the House that His Majesty's Government gave a subvention of £50,000 to this relief fund, which is something over six lakhs. It would, I think, have been improper for the Government of India to have given nothing towards this purpose when His Majesty's Government had shown such generosity. It was, as I say, a lump subvention which will be incorporated in the Viceroy's fund; and, as Honourable Members know, communiqués have been issued and more no doubt will be issued giving the exact expenditure from that fund. I am not in a position to give that information myself at the moment. There was one point which the Honourable Member made in this connection and that was how division was to be made between the military funds and the relief fund with regard to the immediate assistance given by the military authorities after the earthquake occurred. I am informed that a special staff has been at work for several weeks trying to disentangle the amounts

[Sir Aubrey Metcalfe.]

which should be debited to Government and should be debited to the relief fund, but the results of their endeavours are not yet available; so that I can give no further information on that point. The Honourable Member did ask also that he might be given further information as to expenditure on earthquake generally from non-voted funds, particularly (presumably) defence funds. My Honourable friend, the Army Secretary, will, if the House requires, give such information as is available, after I have spoken.

Now, Sir, I realise that this is only a token cut, but it is intended, I imagine, to express disapproval both of the Government of India and of the local officers for the way that they have handled public monies in connection with this catastrophe. I trust, Sir, that if that is the Honourable Member's intention it will not be endorsed by the House. We can point to very solid results which have been achieved. Expenditure has been necessary and expenditure has been incurred, but surely, Sir, it is the duty of this House also to look at the results which have been achieved. I have here a telegram which I received from Mr. Wylie only yesterday and which I think will interest the House. He telegraphs:

"Salvage operations Quetta city were completed last Saturday. Since initiation of operations 12607 houses and shops have been salvaged, property worth rupees fifty-seven lakhs has been recovered and handed over to owners and 8078 dead bodies have been exhumed. Total number of claims received and disposed of was 16410. Probable that value of property handed over to owners is at least double figure given as it was not thought proper to harass owners unnecessarily in order to obtain exact figures. The value of property salvaged was also taken into account in granting relief so that owners had every inducement to understate value. Relations between officials and general public throughout operations have been excellent and the public are, I believe, genuinely grateful to Government for assistance rendered."

(Applause.)

I submit that that is an achievement which does not deserve any censure from this House, and I hope that Honourable Members will not support the Mover in this cut on the supplementary demand which we have asked for.

**Seth Haji Abdoola Haroon** (Sind: Muhammadan Rural): Sir, I am sorry I came a little late yesterday and could not hear Mr. Satyamurti's speech, but I have heard my Honourable friend, the Foreign Secretary's explanation on some of the points raised by the Mover. The Foreign Secretary referred to the expenditure of Rs. 15 lakhs on huts. I have been twice at Quetta and seen these huts myself, the last time I was there, I did put up in one of these huts. The huts are very simple and not at all costly, and what the Foreign Secretary said about them is quite true. But, from what I heard at Quetta, the contracts given by the authorities were very expensive.

**Mr. S. Satyamurti:** That is my point and nothing else. You have wasted public money.

**Mr. Lalchand Navalrai:** To whom was the contract for the huts given?

**Seth Haji Abdoola Haroon:** The huts are about 40 feet long and about 12 to 14 feet wide. The material for these huts was supplied by Government, that is to say, the corrugated sheets, wood, asbestos, etc. It is true that the high officials have done their best to economise, but the subordinate staff did all they could to spend more and more money.

**Mr. S. Satyamurti:** What is the superior staff for?

**Seth Haji Abdoola Haroon:** I want to say certain things in this House, but it is very difficult for me to prove them. I have been asked to buy some corrugated sheets and asbestos and I have received an offer of 25 per cent. of the price—not as a merchant, for they know me well and know that I won't buy them, but the offer was in the market. Each of the huts, according to my information, cost not less than Rs. 5,000.

**Mr. S. Satyamurti:** Good Lord!

**Seth Haji Abdoola Haroon:** I might say that I was very much surprised when I saw these things. I do not want to suggest that any Committee of this House should be appointed, but I appeal to Government to try to make enquiries as to how much material they used for the huts, what material they imported, and what the balance is. If they do so, they will find that they have been robbed to a large extent.

As regards the salvage work, I must congratulate Mr. Wylie and others responsible for drawing up a programme and doing their level best to finish the work. Before the Salvage Committee was appointed, very little had been done. But the expenditure on this part of the work has also been exorbitant. The staff and the organisation have been such that I do not think even the American Government have done so much to safeguard their gold.

Rs. 1,50,000 have been spent for reconstruction. According to my information, this amount has been spent on wells and waterways; I do not deny that these are very essential. But people are suffering in Quetta and adjoining villages, and Government have done very little by way of assisting them for reconstructing their houses, or in any other way. It is true that 400 to 500 people have been given rest camps, but there are several thousands of others who have been neglected and have no place to live in. Those for whom rest camps have been provided belong to the Quetta City; the rural population have received no relief. If they have received anything at all, it is very little. I appeal to the Government to see that the Relief Committee, when they next go to Quetta, are taken to the rural areas with a view to rendering what help they can to those people.

I know the suddenness with which the earthquake took place. Of course, every one has done his duty honestly, but there have been loopholes, and I hope the authorities will not be disturbed by the criticisms which are made against the way things are done. The criticisms, I am sure, will be helpful to the people and also to Government. Sir, the big question of the reconstruction of Quetta is still hanging; and if the Government want a little criticism, I will tell them, when they start this reconstruction work, the material used in the rebuilding of the city should be as far as possible Indian made; besides, the contractor also must be mostly Indian, and the labour used must be the local labour of Baluchistan. These are three simple points, and, if these three points are kept in mind, I think there will be less trouble, and a lot of criticism will be avoided later on. I do not say that the Committee should be given any authority, but any scheme for buildings or offices must be placed in detail before any Committees that are appointed, in order that there may be

[Seth Haji Abdoola Haroon.]

less criticism later on and the Government may be able to save lakhs of rupees in the reconstruction of the City. That reconstruction is a very big question . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): That does not arise out of this demand: this is only a supplementary demand which the House is dealing with now.

**Seth Haji Abdoola Haroon**: I shall not go into it now; but I must say that the people in the Quetta City need very much help as they have lost their buildings, their goods and their families, and they must have help from the Government. A lot has been done, but I hope Government will consider the points that have been raised and they will give due weight to them.

**Dr. Khan Sahib** (North-West Frontier Province: General): Sir, I had no intention of intervening in this debate, but as out of the details given by the Members certain questions arose which concern the Frontier, I wish to say a few words. The whole trouble is,—why are these contracts expensive? The name of Bagai & Co. has been mentioned; that is a firm on the Frontier. We have heard that the Postal Department is very honest; this company gets the contracts from the Postal Department, and I know they supply motor cars to the postmasters. The great thing is that this firm has got the knack of securing the help of certain officers who can give them contracts and who get a share of the profits which the Company makes. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member ought not to go into minute matters like that: he is really speaking against certain officers.

**Dr. Khan Sahib**: Our idea of criticism is this: we do not want perversely to criticise the Government; but we want to bring to the notice of the Government that these contracts, in future, should be given only to honest people who will work and help the Government and the people. We are really helping the Government, but they do not understand our criticism. They think we want to defame them. Certainly not. Our chief point is that India should be helped, and that can be done only if the workers are made to understand that they should work honestly and should not be afraid of honest criticism.

**Qazi Muhammad Ahmad Kasmi** (Meerut Division: Muhammadan Rural): Sir, yesterday I heard the speech of Mr. Satyamurti and the information he wanted, and I expected that some definite information would be coming from the Treasury Benches; but we were sorely disappointed with the statement that has come from the other side. All the questions asked were quantitative ones: certain quantities were asked for; but the Government have been pleased to supply quality. It may be that the thing has been done under extraordinary circumstances and with the best possible economy that could be had at that time; but what the House wanted was figures from which it could judge whether it was done economically or not. A question asked was, what was the definite amount that had been spent in Quetta out of the votable and non-votable funds up till now, and what further amount, they expect, would be spent before this year comes to an end. Not a word has been said about that.

We wanted to know the total number of huts constructed and the amount spent on each hut. Seth Haji Abdoola Haroon in his speech gave the figure of Rs. 5,000 for a hut, 40 feet by 14 feet. The ordinary thatched huts in our villages of this size cost about 10 to 15 rupees each—not more than that. What we wanted to know was the exact number of offices that were built and the approximate number of huts built, the number of persons that were accommodated in those huts, because we know that a very large number of people who were residing in Quetta had been sent out from Quetta and only few people remained there.

These were the questions, and we expected a definite reply. The Honourable the Foreign Secretary has said that, if the House still wants those figures, they will be placed before the House. I only want to say that the House really wants all those figures quite definitely, and that too not after a considerably long period, but before this Session is over; and we hope that such figures will be placed before the House, so that we may be able to understand as to the exact position where we are and the exact condition we are in.

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

“That the demand for a supplementary grant of a sum not exceeding Rs. 40,67,000 in respect of ‘Baluchistan’ be reduced by Rs. 100.”

The Assembly divided:

AYES—64.

Aaron, Mr. Samuel.	Khan Sahib Dr.
Abdoola Haroon, Seth Haji.	Khare, Dr. N. B.
Abdul Matin Chaudhury, Mr.	Lahiri Chaudhury, Mr. D. K.
Abdullah, Mr. H. M.	Lalchand Navalrai, Mr.
Aney, Mr. M. S.	Maitra, Pandit Lakshmi Kanta.
Asaf Ali, Mr. M.	Malaviya, Pandit Krishna Kant.
Ayyangar, Mr. M. Anantha	Mangal Singh, Sardar.
sayanam.	Mehr Shah, Nawab Sahibzada Sir
Azhar Ali, Mr. Muhammad.	Syed Muhammad.
Ba Si, U.	Mody, Sir H. P.
Badi-uz-Zaman, Maulvi.	Mudaliar, Mr. C. N. Muthuranga.
Bhutto, Mr. Nabi Baksh Illahi Baksh	Muhammad Ahmad Kazmi, Qazi.
Chattopadhyaya, Mr. Amarendra	Nageswara Rao, Mr. K.
Nath.	Paliwal, Pandit Sri Krishna Dutta.
Chettiar, Mr. T. S. Avinashilingam.	Pant, Pandit Govind Ballabh.
Chetti, Mr. Sami Vencatachelam.	Parma Nand, Bhai.
Das, Mr. B.	Raghubir Narayan Singh, Choudhri.
Das, Mr. Basanta Kumar.	Rajan, Dr. T. S. S.
Das, Pandit Nilakantha.	Raju, Mr. P. S. Kumaraswami.
Datta, Mr. Akhil Chandra.	Ranga, Prof. N. G.
Desai, Mr. Bhulabhai J.	Satyamurti, Mr. S.
Deshmukh, Dr. G. V.	Sham Lal, Mr.
Essak Sait, Mr. H. A. Sathar H.	Shaukat Ali, Maulana.
Gadgil, Mr. N. V.	Sheodass Daga, Seth.
Gauba, Mr. K. L.	Siddique Ali Khan, Khan Sahib
Ghiasuddin, Mr. M.	Nawab.
Giri, Mr. V. V.	Singh, Mr. Ram Narayan.
Gupta, Mr. Ghansham Singh.	Sinha, Mr. Anugrah Narayan.
Hosmani, Mr. S. K.	Sinha, Mr. Satya Narayan.
Jehangir, Sir Cowasji.	Sinha, Mr. Shri Krishna.
Jinnah, Mr. M. A.	Som Mr. Suryya Kumar.
Jogendra Singh, Sirdar.	Thein Maung, Dr.
Joshii, Mr. N. M.	Umar Aly Shah, Mr.
Kailash Behari Lal, Babu.	Varma, Mr. B. B.

## NOES—47.

Acott, Mr. A. S. V.  
 Ahmad Nawaz Khan, Major  
 Nawab.  
 Allah Bakhsh Khan Tiwana, Khan  
 Bahadur Nawab Malik.  
 Aminuddin, Mr. Saiyid.  
 Ayyar, Diwan Bahadur R. V.  
 Krishna  
 Ayyar, Rao Bahadur A. A. Venka-  
 tarama.  
 Bajpai, Sir Girja Shankar.  
 Bewoor, Mr. G. V.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Buss, Mr. L. C.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 Das-Gupta, Mr. S. K.  
 Dash, Mr. A. J.  
 DeSouza, Dr. F. X.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Grigg, The Honourable Sir James.  
 Grigson, Mr. W. V.  
 Hands, Mr. A. S.  
 Hudson, Sir Leslie.  
 Hutton, Dr. J. H.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur  
 Sardar Sir.

Khurshaid Muhammad, Khan Bahadur  
 Shaikh.  
 Leach, Mr. F. B.  
 Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 MacDougall, Mr. R. M.  
 Metcalfe, Sir Aubrey.  
 Milligan, Mr. J. A.  
 Morgan, Mr. G.  
 Mukherjee, Rai Bahadur Sir Satya-  
 Charan.  
 Noyce, The Honourable Sir Frank.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sale, Mr. J. F.  
 Sarma, Mr. R. S.  
 Scott, Mr. J. Ramsay.  
 Sher Muhammad Khan, Captain-  
 Sardar.  
 Singh, Rai Bahadur Shyam  
 Narayan.  
 Sircar, The Honourable Sir Nripendra.  
 Spence, Mr. G. H.  
 Tottenham, Mr. G. R. F.  
 Witherington, Mr. C. H.  
 Yamin Khan, Sir Muhammad.  
 Zafrullah Khan, The Honourable  
 Sir Muhammad.

The motion was adopted.

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

"That a reduced supplementary sum not exceeding Rs. 40,66,900 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Baluchistan'."

The motion was adopted.

## TAXES ON INCOME.

**Mr. K. Sanjiva Row** (Government of India: Nominated Official): Sir, I move:

"That a supplementary sum not exceeding Rs. 49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Taxes on Income'."

**Mr. President** (The Honourable Sir Abdur Rahim): Mr. Chettiar. His amendment is to raise the question of taxing salaries and pensions paid in England. That cannot be done.

**Mr. T. S. Avinashlingam Chettiar**: It can be raised for this reason. In answer to a question, the Honourable the Finance Member has replied that the question which I seek to raise under this head has been referred to the Experts Committee.

**Mr. President** (The Honourable Sir Abdur Rahim): That requires legislation, and, therefore, the amendment is out of order. Pandit Govind Ballabh Pant.

**Mr. K. Sanjiva Row:** That also is out of order, Sir.

#### FINANCIAL IMPROPRIETY.

**Pandit Govind Ballabh Pant** (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Let me move my motion. I move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 49,000 in respect of 'Taxes on Income' be reduced by Rs. 100."

Sir, the proposal that is before the House is one more illustration of the arbitrary, autocratic and unconstitutional ways of the present Government of India. I will tell you what I mean. Under the rules governing supplementary estimates, the financial proposals of the Government must be laid before the Standing Finance Committee before they are placed before this House. This particular proposal was never placed before the Standing Finance Committee. So, I oppose it on the ground that the procedure prescribed for supplementary demands has not been followed, and I do not see how it is out of order. I know the four corners to which my observations should be restricted. I would have, in fact, asked the House to throw out this proposal *in toto*. I am not doing so, as I understand that the major portion of the sum that is included in this demand has already been spent. So, I have restricted my motion to Rs. 100 only.

The matter that arises out of this grant is of more than ordinary importance. It involves an inroad on the recognised privileges of this House. The Government have been dealing with this House in a very unconstitutional and arbitrary manner. In other cases they have gone against the principles that are involved in constitutional and representative Government, but in this particular case they have even violated the rules and the Resolutions laid down by this House and accepted by the Government and also by the Auditor General. There are 34 items before this House in the form of supplementary grants today and their total comes to more than a crore and 12 lakhs. Out of these 34 items, less than a third were placed before the Standing Finance Committee. It is obvious that this House cannot, by itself, go into the bewildering variety of details concerning these grants. The reasons that were given by Sir Malcolm Hailey at the time the Standing Finance Committee was appointed were of a common sense character, apart from their constitutional aspect. If this House is to exercise any check on extravagance, and if this House is to be kept acquainted with the administrative bearings of the proposals involved in expenditure, then this object can be achieved only by placing the proposals that the Government may have in view before the Standing Finance Committee. In this particular case, this was a proposal for a strictly new service. It would not have been incurred in ordinary course. It relates to the appointment of experts for a definite purpose, and the need for it did not arise out of the usual ordinary administrative requirements of the Department. In such a case, it was strictly a matter which came within the strict definition of a new service; and the Government were bound to place the matter before the Standing Finance Committee. There has been a big crop of supplementary grants amounting to over Rs. 1,12 lakhs. This, by itself, is a very vicious method of dealing with the finances. The Honourable the Finance Member, I think, accepted last year that supplementary demands should be very rare and should be restricted to very exceptional cases.

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And it is obvious why it should be so. If, after having disposed of the funds for the year, proposals to the tune of a crore and a quarter rupees are sprung upon this House, I say the budgetary equilibrium is evidently upset. The other difficulty is this; this House is not in a position to deal with it in a rational mood or in a rational spirit. In fact, these supplementary demands are, in substance, in no way better than excess demands. They are being placed before us at the end of the year. The money has already been spent, but in order to get out of the mischief that attaches to an excess demand, the Government have thought it expedient to place these proposals for the formal approval of the House. Many of these could have been placed before this House in September; even this particular grant should have been placed before this House, and, I think, in a matter like this, the Government ought to have consulted the House. They ought to have placed their proposals before this House; they could have then been given suggestions by the non-officials, even if they had agreed with the principle of this enquiry, as to the method of the enquiry, as to the questions that deserved consideration at the hands of the experts, and as to the way in which it would be most profitable for them to deal with the various questions arising out of and relating to the administration of the Income-tax Department. But not only did they not place it before the House, but they did not even consult the Standing Finance Committee. The Manual of the Standing Finance Committee clearly lays down:

"The functions of the Committee will be—

(a) to scrutinise all proposals for new votable expenditure in all Departments of the Government of India, to sanction allotments out of lump sum grants, to suggest retrenchments and economy in expenditure and generally to assist the Finance Department of the Government of India by advising on such cases as may be referred to it by the Department."

The matter was the subject of a Resolution in this House, and the Resolution originally ran thus:

"The functions of the Committee will be (a) to scrutinise all proposals for new votable expenditure in all Departments of the Government of India"

and then follow other items. As I pointed out the other day, the Honourable the Finance Member has as little tenderness for the decisions of the Finance Committee as for the decisions of this House or of any other body. Whenever the Finance Committee had the hardihood or the impudence to differ from him he stuck to his original proposals. He has, contrary to the rule which definitely lays down that it will be the business and the function of the Finance Committee to sanction allotments out of lump sum grants, never cared to place his proposals for allotment out of the lump sum grants before the Finance Committee but what we are particularly interested in today is this matter of the supplementary demands.

Now, Sir, as to whether supplementary demands should or should not be placed before the Finance Committee, that question was specifically considered by the Finance Committee as well as by the Auditor General, and it was then definitely laid down that any proposal which needed the sanction of this House in the form of a supplementary grant

must necessarily be placed before the Finance Committee. I will read it out:

"Another point on which the advice of the Committee was sought was the interpretation of the term 'new'. The Finance Department considered that it was unnecessary to apply to the committee merely to secure approval of excess expenditure on a service for which the Assembly has granted a vote if the excess is not in any way due to a new departure and the expenditure is clearly within the ambit of the item for which money has been granted. This rule would of course apply only where the expenditure would be met by reappropriation within the powers of the Government of India and a reference to the committee would be made if a supplementary vote by the Assembly was clearly involved."

I would like the House to note the words of this last sentence. Then follows this paragraph:

"The Committee were asked to say whether they would accept this as a reasonable interpretation of new expenditure. The Committee approved of the principles which had guided the Finance Department in these matters and accepted the interpretation of new expenditure suggested by the Department."

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): What is the date of that?

**Pandit Govind Ballabh Pant:** This forms part of the functions and procedure of the Standing Finance Committee published in this pamphlet, dated 1932, which was given to us for our guidance when we were appointed members of the present Finance Committee; so it is clear that the standing rule was accepted by the Government, by the Committee and by the Auditor General and is in force to this day. A definite undertaking was given that every matter which required the supplementary vote of this House would be placed before the Standing Finance Committee. There is also Rule 50 of the Standing Rules of Business of this House which lays down that all proposals for new services would have to be placed before this House. According to that too, this was a question which had to be brought before this House and as such it ought to have been placed before the Standing Finance Committee. I sympathise with the Honourable the Finance Member. He cannot persuade himself to fall in with the views of the Standing Finance Committee. He knows perhaps that the majority there consists of people who are critically disposed. He feels perhaps that it is mere waste of time placing proposals before a committee which is not likely to ratify and confirm blindly and indiscriminately everything that he brings up. I will not give any comparative statement of the numbers of meetings of the Finance Committees held in previous years, nor will I say that the Honourable the Finance Member has a genuine regard for economy of time and as such he feels that that this is a wild goose chase, that we are lacking in a sense of responsibility and that it is altogether a waste of public money and of his valuable time; I can well appreciate his motive and his reasons, but then I would ask him to deal with this House in a candid manner. Bring forward a Resolution if you so choose, or pass a decree for that purpose to the effect that the Finance Committee is no longer necessary, that the Honourable the Finance Member can himself, unaided and unhandicapped, deal with all matters concerning the finances of this country, and this eye-wash and make-believe is no longer necessary. I can appreciate that attitude, but so long as this Resolution stands, so long as these rules remain, unchanged and unaltered, it is unconstitutional, apart

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from being irregular, on the part of the Finance Department to ignore the Finance Committee altogether. The Finance Committee has, in fact, been more than generous to the Finance Department. Even in respect of this Quetta demand, though we felt that there was much that was doubtful about it, when we saw that the money had been actually spent away, we thought that we were concerned more with the practical aspect of the question than with theoretical, and the money having been spent, we refrained from rejecting the demand and contented ourselves with the remark that the expenditure ought to be met out of capital and not out of revenue. Apart from the enunciation of that principle, we thought we had willy nilly to swallow it, so that whenever there has been an occasion of this nature, where the expression of resentment or disapproval of a formal and symbolical type was called for, we have ordinarily refrained from doing so, as we thought that that was not an appropriate place for such purpose, reserving to ourselves the liberty of dealing with the non-financial or political aspects of the question on the floor of the House. The Honourable the Finance Member, I hope, will have the fairness to say that we on our part have been equally jealous of making a proper use of our own limited time. But I request him, if he wants to change this rule or this practice, to frankly come forward with a proposal to this effect. This proposal is not one that affects any particular side of this House. Mr. James represents the European Group. Certain other gentlemen represent other groups, and every part of this House is represented in the Finance Committee. It is a mirror of this House where figures are seen in a diminutive proportion, but all the same it is a true mirror. I put a straight question to this House, whether they want the Government to ignore the Finance Committee and whether they want the Honourable the Finance Member with his usual vigour to ride in his own cavalierly fashion roughshod on the recognised principles and decisions of this House, and whether they want the Finance Committee to be treated in the manner in which he has treated it. That is the simple issue before this House. I am not concerned with the merits of this particular proposal. It is just likely that we in the Finance Committee might have approved of it, and it is just likely that we might have made some useful suggestions. Even where we have approved of proposals, we have made suggestions relating to the details of those proposals. It is just possible that we might have dealt with this matter in a manner which might have been profitable and helpful to the experts who are making an inquiry into this important question. But the simple point before this House is whether, considering the irregularity and the unconstitutional nature of the practice and procedure adopted by the Finance Department, this House should not unanimously vindicate its position and re-assert its right to examine, in its own Committee, the proposals that are later on placed before this House for consideration.

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

"That the demand for a supplementary grant of a sum not exceeding Rs. 49,000 in respect of 'Taxes on Income' be reduced by Rs. 100."

**The Honourable Sir James Grigg** (Finance Member): Sir, I think I can legitimately complain that the Honourable Member has given me no notice of his intention to raise this particular point and that, therefore, I am completely unprepared with documents and so on to meet the attack which has been made upon me. To a good many of his statements I

take exception, and to some of his personal remarks I may equally take exception but I forbear to do that. The position is that the limits that the executive has from time to time prescribed need revision—and let me say by way of a digression that, in the main, this Committee derives its powers from executive orders and not from any constitutional enactment. The executive has from time to time imposed certain limits on the classes of cases that are submitted to the Standing Finance Committee in order that the Standing Finance Committee might make the best use of its time. As the Honourable Member knows, I have had under contemplation the making of certain suggestions for the alteration of those limits and putting them to the Standing Finance Committee. It is perfectly true that to that extent the Honourable Member has a genuine grievance. That has not yet been done owing to the extreme pressure of other business and to the amount of work I have had to do, especially work in the last two or three months. The Honourable Member knows quite well that there are many cases which I need not place before the Standing Committee even under the present limits. But it is quite true that this case appears to be one which ought to be put to the Standing Finance Committee, whether they ultimately approve my new suggestions or not so that in this case there has been a slip. To that extent, my Honourable friend has a genuine grievance, but that he should build on that and make a large attack on me for unconstitutionality is, I think, very unfair.

**Pandit Govind Ballabh Pant:** I also referred to the matter in the course of my budget speech.

**The Honourable Sir James Grigg:** But you gave me no notice of your intention to do this today. It is a common civility in any Assembly in the world (*Voices*: "Oh! oh!") and, therefore, as I say, being undocumented, I do not propose to take up and challenge a good many of the statements of the Honourable Member, but I can say one thing. In my view the constitution of the Standing Finance Committee is fundamentally unsound in one respect, *viz.*, that it imposes upon the Finance Member the task of being a judge in his own cause and so long as that is the case, there must be a fundamental unreality about the whole proceedings of the Standing Finance Committee; and I will tell the Honourable Member another unreality about it. He pointed to their generosity in passing Demands and said that very few of them had been rejected. That is perfectly true, but, on the other hand, the Honourable Member made it clear on behalf of his Party, at the beginning of this Assembly, that they did not propose necessarily to be bound by their votes in the Standing Finance Committee when any matter came to the Assembly. Now there has been, I understand, a convention that, whenever members of the Standing Finance Committee have acquiesced in or accepted a certain proposal, they shall never speak nor vote against it in the Assembly. That convention has been broken by him and his Party, and the implication of that is that one of the fundamental purposes of the Standing Finance Committee, which is to shorten discussions in the House, can no longer be fulfilled. But, after all, let us go back to the main point of the question and that is—what cases shall be submitted and what cases shall not be submitted to the Standing Finance Committee. That I undertake to discuss with the Standing Finance Committee as soon as the present pressure upon me is a little lightened.

**Mr. M. S. Aney** (Berar Representative): Sir, the Honourable the Finance Member has made a grievance that he was not given sufficient notice by the Honourable the Mover of this amendment of the particular topic on which he has spoken this morning. However, in my opinion, that is a very small point so far as the issue before the House is concerned. In a way he, of all the Members of this House, must have known that the particular item or demand which he is placing before the House was not referred to the Standing Finance Committee at all. (Hear, hear.) This fact at least must have been known to him; it cannot be concealed from him, and having known that, he could have, as an intelligent Finance Member who is prepared to make a forecast two years or so ahead in connection with several matters, easily anticipated that any intelligent Member of this House might get up and say: "I object to this demand".

**The Honourable Sir James Grigg:** I think the Honourable Member is under a misapprehension. Quite a large number of cases are kept away from the Standing Finance Committee by executive order,—small cases for example. It is quite true that this is one of those things which ought to have been submitted under existing rules, but an oversight is quite natural at times; there is, however, no doubt that there are a large number of cases which do not come before the Standing Finance Committee but are submitted to this House straightaway.

**Mr. S. Satyamurti:** Then the Honourable Member admits it was an oversight?

**The Honourable Sir James Grigg:** I said that just now.

**Mr. M. A. Jinnah** (Bombay City: Muhammadan Urban): Will the Honourable Member get up and say: "I won't do it again"?

**The Honourable Sir James Grigg:** I am not infallible.

**Mr. M. A. Jinnah:** Surely, the Honourable Member does not want intentionally to continue in these oversights.

**The Honourable Sir James Grigg:** I have not the slightest intention of continuing in any oversights; as I say, it was all unintentional.

**Mr. M. S. Aney:** The nature of the very word "oversight" is sufficient to show that there was no intention behind it.

**The Honourable Sir James Grigg:** Lest there should be any misunderstanding, let me say that I do contemplate submitting to the Standing Finance Committee certain proposals for modifications of the limits with regard to the cases submitted to them. That I intend to do.

**Mr. M. S. Aney:** There is one more point. The Honourable Member tried to draw a distinction between executive orders and restrictions imposed by a Constitution. The distinction is quite fair and natural also, but my submission is that, so long as certain executive orders have been issued to regularize the procedure, those who have promulgated those executive orders have to observe them and to carry them out. Because something is an executive order, it is not open to them to ignore that

order on the ground that they have not got the sanction of a constitutional order behind it. That is all I have to say. In view of the explanation which the Honourable the Finance Member has given, I do not wish to pursue the matter further, but I believe the House owes to the Honourable the Mover of this cut motion a debt of gratitude for having brought a very important point to the notice of the House and for enabling the House to discuss that point.

**Mr. T. S. Avinashilingam Chettiar** (Salem and Coimbatore *cum* Noct's Arcot: Non-Muhammadan Rural): Sir, I am sorry that the Honourable the Finance Member has not represented the facts quite correctly. It is true that in the beginning of this Session when we first met, we rather reserved to ourselves the right to do what we thought proper in this House as regards the motions which were passed by the Finance Committee. I am sorry that the Honourable the Finance Member has not quoted fully or correctly. I have till now thought that the proceedings of the Standing Finance Committee were confidential and that they could not be divulged in the House. But now that the Honourable the Finance Member has disclosed a portion of it, I am in honour bound to say what actually happened in the Finance Committee. We did say we were not bound to support the proposals, but we asked him, when he came forward with supplementary demands, whether he would be able to supply this money without further taxation. We also pointed out that if further taxation was resorted to, we would reserve to ourselves the right to oppose it. If this supplementary demand was brought forward in the House, one of the conditions was . . . .

**The Honourable Sir James Grigg:** I wish to point out . . . .

**Mr. T. S. Avinashilingam Chettiar:** I am not giving way. The Honourable Member will have his own opportunity of explaining his point.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is making certain charges against the Finance Member and it is only fair that he should allow him to explain.

**The Honourable Sir James Grigg:** I can read from the minutes of the proceedings recorded at that time:

"Certain Members wished it to be recorded at the outset that although in the course of the discussion they might accept certain proposals being justifiable on administrative grounds, this should not be regarded as debarring them from opposing grants relating to the same items on other grounds in the Legislative Assembly. They wished to reserve full liberty to deal with the proposals on the floor of the House."

**Mr. President** (The Honourable Sir Abdur Rahim): Perhaps the Honourable Member is not aware of the convention that the members of the Standing Finance Committee should not speak against the findings unless they expressed their dissent in the Committee on particular points.

**Mr. T. S. Avinashilingam Chettiar:** To which Honourable Member you are referring, Sir? Not to me, I suppose.

I can recall the Honourable the Finance Member's conversation in this respect. If there are political policies involved in the supplementary demands which were passed in the Finance Committee, we did reserve to ourselves full right to oppose such demands in the House and we stick to that.

[Mr. T. S. Avinashilingam Chettiar.]

The Honourable the Finance Member was saying that the Standing Finance Committee was constituted under executive sanction. May I read out a few lines from these proceedings which would show clearly how it was constituted?

**Mr. President** (The Honourable Sir Abdur Rahim): They have already been read out.

**Mr. T. S. Avinashilingam Chettiar**: What I am going to read has not perhaps been read out. I read Appendix II from the Extract of the Legislative Assembly Debates dated the 11th March, 1922, regarding the election and functions of the Standing Finance Committee. This does not bear out what the Honourable the Finance Member said, namely, that the Committee was constituted under executive sanction . . . .

**The Honourable Sir James Grigg**: The Honourable Member is again misrepresenting. I said the limits upon the cases which were submitted to the Committee were imposed by executive order.

**Mr. T. S. Avinashilingam Chettiar**: The Resolution as passed by the Assembly on the 11th March, 1922, runs as follows:

"That this Assembly do proceed to the election in such method as may be approved by the Honourable the President, of a Standing Finance Committee of the Assembly not exceeding fourteen in number to which shall be added one Member of the Assembly to be nominated by the Governor General. The Member so nominated shall be Chairman of the Committee.

The functions of the Committee will be :

(a) to scrutinise all proposals for new votable expenditure in all Departments of the Government of India, (b) to sanction allotments of lump sum grants (c) to suggest retrenchments and economy in expenditure and (d) generally to assist the Finance Department of the Government of India by advising on such cases as may be referred to it by that Department."

So, Sir, I submit this Resolution has legislative sanction behind it. Therefore, it is not quite correct to say that it was only as a matter of executive sanction that this Standing Finance Committee was set up. Sir, I support the cut motion.

**Sir Cowasji Jehangir**: Sir, I am afraid this discussion is rather unfortunate, because we have not been able to hear fully the Government point of view, because, as the Honourable the Finance Member says, he has got no documentary evidence with him just now to present to the House. But, from what has been said already, two main points appear to me to be perfectly clear. In the first instance the Standing Finance Committee was appointed by a Resolution of this House and its scope and functions were also laid down at the same time. It is said that all supplementary demands should be brought before the Standing Finance Committee. It is there.

**The Honourable Sir James Grigg**: Not at the same time, but later on.

**Sir Cowasji Jehangir**: May be a little later on. Possibly it was later, because, I understand, that the Standing Finance Committee came into existence by a Resolution of this House in 1922. Well, I was not a Member of the House then. But I do remember the other Resolution

passed by this House. I am only speaking from memory. I have not lately read the Resolution which has just now been read out to the House by my Honourable friend, Pandit Govind Ballabh Pant. I do recollect it. The Resolution laid down that the Standing Finance Committee should examine all supplementary demands which require extra money and which could not be met by reappropriation. Now, the explanation given by the Honourable the Finance Member, so far as I understood him, was that that had not been followed, but that it had been varied by executive action.

**The Honourable Sir James Grigg:** Certain limits have been imposed by executive action generally.

**Sir Cowasji Jehangir:** After that, Resolution was passed by this House which clearly laid down that all supplementary demands should be placed before the Standing Finance Committee.

**The Honourable Sir James Grigg:** No limitation has ever been imposed in the matter of supplementary demands. The limitation was in regard to other demands for new items. The limits imposed were to avoid the absurd situation whereby a new item involving, say Rs. 10 would have to go to the Committee. Certain limits were laid down by executive orders and I do not believe that they have ever been communicated to the Committee.

**Sir Cowasji Jehangir:** It appears to be so. It appears to be that the House passed a Resolution that all supplementary demands should be placed before the Standing Finance Committee; it appears that that Resolution was subsequently varied or limited by executive action.

**The Honourable Sir Henry Craik** (Home Member): By the Committee itself.

**Sir Cowasji Jehangir:** By executive action which was never placed before the Standing Finance Committee.

**The Honourable Sir James Grigg:** The Committee accepted the principle that cases of minor importance should not go before them and the criteria of minor importance have been laid down by executive action.

**Sir Cowasji Jehangir:** At any rate so far as this House is concerned, at present today there is a Resolution passed by the House that all supplementary demands should be placed before the Standing Finance Committee. It expects that when supplementary demands come before the House they came after examination by the Standing Finance Committee. It is not the function of this big House to examine every detail after it had been examined by the Standing Finance Committee. Now, it appears that under executive action certain limitations were placed and that all supplementary demands were not placed before the Finance Committee.

**The Honourable Sir James Grigg:** I am sorry if I misled the Honourable Member. Supplementary demands do not cover the whole picture. In the case of new items not involving supplementary demands there are certain limitations which exclude cases of minor importance. It is only in cases of minor importance that the rule does not apply. In the present case, through oversight this has not been put before the Committee.

**Sir Cowasji Jehangir:** Leave aside this case. We are already satisfied it was an oversight.

**The Honourable Sir James Grigg:** Supplementary demands even for Rs. 10 have to go to the Standing Finance Committee under the existing orders.

**Sir Cowasji Jehangir:** Then is not the complaint put forward by my Honourable friend, Pandit Govind Ballabh Pant, that some supplementary demands have not been presented to the Standing Finance Committee justified?

**The Honourable Sir James Grigg:** Only this one.

**Sir Cowasji Jehangir:** Is this the only one? I understand there are several other cases.

**Mr. S. Satyamurti:** Only nine out of 34 were put before the Committee.

**The Honourable Sir James Grigg:** This illustrates my point namely the impossibility of carrying on this discussion without any notice of it being given to the Government.

**Sir Cowasji Jehangir:** We have got to do the best under the circumstances. There is no use complaining about it. The point is that certain supplementary demands were not placed before the Finance Committee which ought to have been under this rule. This one you have admitted as a slip and after all everybody can make slips. But there are other cases and that appears to me to be wrong, unless with the consent of the Finance Committee you make other rules restricting the rule already read out by Pandit Pant and the Resolution passed by this House. That is so far as I am concerned; and I feel sure that between the Finance Member and Pandit Pant they will see to it very soon that rules are framed to their mutual satisfaction which will restrict the Resolution passed by this House which is in force today. So far as we who are not members of the Finance Committee are concerned, we are bound by that Resolution of the House until you come and inform us that by mutual consent you have modified that Resolution to the advantage of all. It seems to me a misunderstanding. I think the Finance Member will look into the matter and will clear it up to the satisfaction of all.

The second point that has been raised is of considerable importance of which I was not aware. I have always contended, not only during the life of this Assembly but previously too, that if any Member, it does not matter what party or group he belongs to, attaches his signature to a Select Committee's report without a note of dissent, it is incumbent upon him to support that Select Committee's report in this House. He may disagree with his party and there may be domestic differences with which we are not concerned; but, as far as he is concerned, we do expect that he will support that Select Committee's report unless circumstances have radically changed during the lapse of time between his signature and the presentation of the reports to this House, in which case he may make a modification. I think the same rule ought to be applied to the Finance Committee's report.

**The Honourable Sir James Grigg:** It has hitherto applied.

**Sir Cowasji Jehangir:** If any member of the Finance Committee feels that he cannot give full support to a proposal it is always open to him to say that in any particular case he has his doubts and he reserves to himself the right to rediscuss it in the House.

**Mr. S. Satyamurti:** Can he do it?

**Sir Cowasji Jehangir:** Of course he can; there is nothing to stop him from putting in a note like that. But there cannot be a rule whereby every member of the Finance Committee is free to agree to a proposal in the Finance Committee and oppose it in the House. Then the whole object of the Finance Committee would be frustrated. In that case this House would not get that assistance and that support from the Finance Committee which is due to it. We appoint the Finance Committee to examine these proposals and to advise us; and if members constantly change their mind between the time the meeting of the Finance Committee takes place and the proposal is discussed in this House, as the Finance Member says, the whole object of the Finance Committee is frustrated. Under those circumstances, I feel sure, that Honourable Members of all parties will agree to the convention that has held good up to now that if a thing is supported in the Finance Committee they will do their best to support it in this House or they will put in some note to say that they are not in complete agreement and that it is open to them in future to contest any proposal made.

**Pandit Govind Ballabh Pant:** Sir, I may be allowed to say something by way of personal explanation. I do not mean to argue anything, but I should like to say that I was not at all actuated by any desire to embarrass any Honourable Member of this House personally by making the motion, much less the Honourable the Finance Member. It involves a question of principle. I want to concentrate on what had been accepted by his predecessor that:

"a reference to the Committee would be made if a supplementary vote by the Assembly was clearly involved."

If he agrees to refer matters to the Finance Committee wherever a supplementary vote of the House is needed, in accordance with this principle accepted by his predecessor, I have no desire to ask the House to impress it on him further by any other method.

Then, Sir, I may state here as to what happened in the Finance Committee, because I am responsible for what was done there; and, if the Honourable Member will excuse me, whatever we put in, there was more or less by way of agreement between us. There were matters of principle on which we held very strong opinions, such as the Government of India Bill and other matters. Proposals came before the Finance Committee relating to the Reforms Department, relating to the federal structure, and so on. We were strongly opposed to these matters so far as matters of policy and political and constitutional questions were concerned. On the other hand, we do not like money to be wasted. We put it to the Finance Member that we were in a difficulty. We could not possibly

[Pandit Govind Ballabh Pant.]

be a consenting party to anything connected with the proposed Constitution. On the other hand, we felt that wherever there were cases of extravagance or wherever too many men were being imported from outside we were expected by this House to deal with details there. So we told him that we would rather take a cautious line. We wanted to put him on his guard and we told him . . . .

**The Honourable Sir James Grigg:** Sir, I thought this was a personal explanation, and obviously this point of personal explanation cannot be argued till the crack of doom.

**Pandit Govind Ballabh Pant:** I withdraw the words that we wanted to put him on his guard. We said that if we were not to examine these things on the merits, we would not be just to the Committee. On the other hand, if questions of principle arose on the floor of this House regarding these matters, we could not possibly support them. That is what we said, but the fact remains that, up to this time, we have not opposed any demand on the floor of this House. Where a question arises as to the misapplication of the money, that is a different thing, but we have not opposed anything in practice. To tell a man, to put him on his guard, to ask him to be more cautious, is certainly a matter for which one should be obliged and of which one should not make a grievance. So far as this motion is concerned, if the Finance Member accepts my suggestion, I have nothing more to say about it.

**The Honourable Sir James Grigg:** Sir, I accept that as a statement of the position as it is now, but I am not going to conceal from the House that I propose to discuss with the Committee later certain modifications of that position. But that is the position now, and I certainly accept that view.

**Pandit Govind Ballabh Pant:** Sir, I beg leave of the House to withdraw this motion.

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

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

"That a supplementary sum not exceeding Rs. 49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Taxes on income'."

The motion was adopted.

#### SALT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Salt'."

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

"That a supplementary sum not exceeding Rs. 1,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Salt'."

**Mr. S. Satyamurti:** I don't move my amendment.

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

"That a supplementary sum not exceeding Rs. 1,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Salt'."

The motion was adopted.

#### EXCISE.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 16,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Excise'."

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

"That a supplementary sum not exceeding Rs. 16,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Excise'."

The motion was adopted.

#### INTEREST ON ORDINARY DEBT AND REDUCTION OR AVOIDANCE OF DEBT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 21,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Interest on Ordinary Debt and Reduction or Avoidance of Debt'."

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

"That a supplementary sum not exceeding Rs. 21,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Interest on Ordinary Debt and Reduction or Avoidance of Debt'."

**Mr. S. Satyamurti:** Sir, I am merely asking for information. You will find the details of this on page 6 of the Supplementary Demands for Grants notes. The note says:

"An additional expenditure of Rs. 20,95,000 has been incurred in connection with the flotation of three per cent. stock, 1949-52 and of Rs. 50,000 for the management of rupee debt in England. It has been found possible to meet Rs. 39,000 of the total excess of Rs. 21,45,000 by re-appropriation within the Demand. A supplementary grant of Rs. 21,06,000 is, therefore, required."

I want some details. When did Government anticipate this liability definitely?

**The Honourable Sir James Grigg:** I can easily explain that.

I think that the Honourable Member is under a misapprehension. In the original budget we anticipated that we would have to borrow about Rs. 25 crores all told. We were not certain, at the beginning of the year, whether we could avoid borrowing in London and borrow the whole in

[Sir James Grigg.]

India but we made no actual provision for borrowing in England. The expenses of the floatation of a loan in India are less than they are for borrowing in London. In the end, taking last year's actual events and this year's forecast together, instead of allowing last year's sterling maturity to run off and borrowing to pay off the one this year, we did the reverse. We borrowed ten millions out of the twelve millions maturing in London last year and we propose to borrow none of the sixteen millions maturing this year. We cannot foresee six months ahead, we must act in accordance with market conditions at the time when the maturity happens. I honestly think that the Honourable Member would be unreasonable in seeking to tie the hands of the executive in this. In matters of dealing with maturing loans they must retain the initiative, and they must in certain circumstances incur expenditure in anticipation of the approval of the Legislature, and it is no good my pretending that it can be avoided.

**Mr. S. Satyamurti:** On the other hand, I am entirely with the Honourable the Finance Member in trying to buy off all these debts, raising loans and paying them off. I am not on that question. I am on the narrower question of financial propriety. I am not on the merits of the loan.

**The Honourable Sir James Grigg:** The absence of financial propriety consists only in this that Government cannot possibly give notice of their exact intentions in regard to loans beforehand.

**Mr. S. Satyamurti:** But, as soon as Government make up their mind, why don't they come up to the Standing Finance Committee and to this House?

**The Honourable Sir James Grigg:** You must deal with the maturity first and then cover afterwards. You cannot possibly give the Legislature notice of your intentions in regard to any particular maturity.

**Mr. S. Satyamurti:** But, as soon as they publish their intentions in the market, can they not come to the House? I am not suggesting that they should, in advance of their announcement in the market; but as soon as they make their announcement, and invite subscriptions to the loan, they can come up to the Standing Finance Committee and to the House.

**The Honourable Sir James Grigg:** As he knows, a convention has been established that supplementary estimates shall be kept till the end of the year and not brought forward immediately during the Simla Session. That is the reigning convention at present. He and I have had some discussion about it, and he knows that I have some sympathy for his views.

**Mr. S. Satyamurti:** I do not want to take advantage of the Honourable the Finance Member's slip in that other case, but it does seem to me, that to plead now the convention in favour of waiting till Delhi and say in the other case the convention is something else—I forget about it—is rather less than fair to this House.

**The Honourable Sir James Grigg:** I do not think so; I had no intention of being unfair.

**Mr. S. Satyamurti:** I want to get some information. When was this loan actually floated?

**The Honourable Sir James Grigg:** In July.

**Mr. S. Satyamurti:** When did we meet in Simla?

**The Honourable Sir James Grigg:** In September.

**Mr. S. Satyamurti:** Why was not this expenditure brought to the notice of the Assembly in Simla?

**The Honourable Sir James Grigg:** That is the question I have answered. The Honourable Member, from discussions in the Public Accounts Committee, knows that the Auditor General advised that supplementary demands should ordinarily be kept, except in respect of new services, till the Delhi Session, when the necessity for them could be more certainly established.

**Mr. S. Satyamurti:** I do not agree with the Auditor General.

**The Honourable Sir James Grigg:** I know that and I hope I made it quite clear. The Honourable Member has expressed that view in the Public Accounts Committee, and I say that I sympathise with his views to some extent. He knows that from certain discussions we have had.

**Mr. S. Satyamurti:** I want the sympathy turned to action. If my Honourable friend will undertake that hereafter, he will bring up supplementary demands as early as they can be brought before the Standing Finance Committee and this House, I shall be satisfied.

**The Honourable Sir James Grigg:** I was under the impression that a circular had been sent round to departments to that effect. Where the necessity for a supplementary demand is absolutely certain or can be foreseen absolutely for certain at the time of the Simla Session, I agree with the Honourable Member that it should be brought forward then. If there is a chance of avoiding a supplementary demand by economy during the rest of the year, I do not think it should be brought forward.

**Mr. S. Satyamurti:** This particular demand refers to my Honourable friend's own department, and this is a demand in respect of which he knew the liability more or less accurately as early as July last. After all, when you had actually floated a loan . . . . .

**The Honourable Sir James Grigg:** The Honourable Member—I do not say deliberately—is being a little unfair. This was not brought forward because of the earlier existence of a different convention. The convention has been changed.

**Mr. S. Satyamurti:** May I take it, therefore, that, when next time this contingency happens, the demand will be brought forward before the House at the earliest possible moment?

**The Honourable Sir James Grigg:** That is so.

**Mr. S. Satyamurti:** I don't move my amendment.

**Mr. M. Ananthasayanam Ayyangar** (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I oppose the main demand. I find that this matter was not also placed before the Standing Finance Committee. As regards the answer which the Honourable the Finance Member gave to my friend Mr. Satyamurti—that he could not have thought of it and that it has not been the practice to take the Legislature into his confidence—I find that in 1935-36, a provision was made in demand No. 25-A. 1(2) of Rs. 50 lakhs under "Reserve provision for service of new loan", and, therefore, it is not a matter which can be kept away from the knowledge of the Assembly . . . .

**The Honourable Sir James Grigg:** May I explain that? In my remarks just now—I really despair of making this clear—I explained that in the original estimate it was contemplated that the whole of the borrowing should take place in India; later in the year it was decided to do part of it in India and part of it in England.

**Mr. M. Ananthasayanam Ayyangar:** The Honourable Member's explanation does not answer my query. The point is as to whether the Assembly ought to be taken into confidence or not. If in one matter the Assembly can be taken into confidence, certainly in other matters also they could be taken into confidence. But it is another thing to say that at that time they did not anticipate or contemplate that any portion of this loan should be raised in England; and if that is the explanation, I have absolutely no quarrel.

Then, on the merits, both in respect of policy and on the economic aspect of it, I raise objections. This is a new demand: it was not in the original one; it is a new service.

**The Honourable Sir James Grigg:** It is not a new service.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member cannot go into that. It is not a new service: I cannot allow the Honourable Member to discuss it any further.

**Mr. M. Ananthasayanam Ayyangar:** On a point of information, Sir. The details are given in the demands: this item does not appear in the demand for grants for last year, 1935-36. It is a new item. May I know whether it is open to me to raise this question now or not? It was not put before the Standing Finance Committee either.

**Mr. President** (The Honourable Sir Abdur Rahim): This is not a new service.

**Mr. M. Ananthasayanam Ayyangar:** Apart from the question of policy, it is open to me to say that of this £10 millions raised in England £1,00,000 was paid by way of discount: we find in 1934-35 . . . .

**The Honourable Sir James Grigg:** It has nothing to do with discount: it is underwriting charges.

**Mr. M. Ananthasayanam Ayyangar:** My complaint is that the benefit of these underwriting charges has not been allowed to this country. I would say there has been a lot of money in this country lying idle both in the banks and with private individuals, and, during the whole of the year 1934-35, we find that the bank rate throughout the year stood at the level of  $3\frac{1}{2}$  per cent. . . . .

**The Honourable Sir James Grigg:** This has nothing to do with the bank rate: these underwriting charges are paid under an arrangement which allows India the same terms as all the other dominions. It has nothing whatever to do with the bank rate.

**Mr. M. Ananthasayanam Ayyangar:** Why did you raise it in England?

**Mr. President** (The Honourable Sir Abdur Rahim): That is a question of policy: the Honourable Member cannot discuss it.

**Mr. M. Ananthasayanam Ayyangar:** It was exactly because it was done in England that we had to pay these underwriting charges.

**Mr. President** (The Honourable Sir Abdur Rahim): Very well; the Honourable Member cannot raise the question of policy.

**Mr. M. Ananthasayanam Ayyangar:** The loan would have sold like hot cakes and the people would have taken it in India. There would not have been any necessity for underwriting to the extent of 20 lakhs. I find that in the report published by the Controller of Currency for the year 1934-35 there has been so much of money in this country; when the year opened the bank rate was  $3\frac{1}{2}$  per cent. . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair has told the Honourable Member that he cannot go into that question, and the Chair will not allow him to do it.

**Mr. M. Ananthasayanam Ayyangar:** Then, I should like to refer to some facts which will show that when the previous loan was subscribed here there was not so much to incur by way of expenditure. The loan that was raised . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is still on the same point. The Chair has given its ruling, and the Honourable Member must obey the ruling.

**Mr. M. Ananthasayanam Ayyangar:** I will not touch the question of policy. I will only say that if it had been raised here the Government would not have had the necessity of underwriting to that extent. That is the loan that was raised . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair must ask the Honourable Member to resume his seat: if he goes on raising the question of policy, the Chair cannot allow him.

[Mr. President.]

The question is:

“That a sum not exceeding Rs. 21,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Interest on Ordinary Debt and Reduction or Avoidance of Debt’.”

The motion was adopted.

#### EXECUTIVE COUNCIL.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

“That a supplementary sum not exceeding Rs. 17,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1936, in respect of ‘Executive Council’.”

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

“That a supplementary sum not exceeding Rs. 17,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1936, in respect of ‘Executive Council’.”

The motion was adopted.

#### LEGISLATIVE ASSEMBLY AND LEGISLATIVE ASSEMBLY DEPARTMENT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

“That a supplementary sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Legislative Assembly and Legislative Assembly Department’.”

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

“That a supplementary sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Legislative Assembly and Legislative Assembly Department’.”

The motion was adopted.

#### FOREIGN AND POLITICAL DEPARTMENT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

“That a supplementary sum not exceeding Rs. 1,22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Foreign and Political Department’.”

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

“That a supplementary sum not exceeding Rs. 1,22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1936 in respect of ‘Foreign and Political Department’.”

*Extravagance.*

**Mr. S. Satyamurti:** Sir, I want to move my motion for eliciting some information. I move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 1,22,000 in respect of 'Foreign and Political Department' be reduced by Rs. 100."

If you will kindly turn to page 9 of this book, Sir, you will find two Notes, first, Pay of Officers, Rs. 6,800 . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): Is the Honourable Member moving?

**Mr. S. Satyamurti:** Yes, Sir, in order to seek some explanation. Under this item, I mean the Pay of Officers, it is stated that it is required to meet excess due to non-inclusion of provision for the Federation Branch. The total excess amounts to Rs. 15,000. The balance will be met by re-appropriation. Sir, I want to know what this Federation Branch means, for how long it has existed, how much longer it will exist, what are its duties, and what are its total commitments. Secondly, I want to know, Sir, from what head this sum is going to be reappropriated. My Honourable friend, the Finance Member, referred to the Public Accounts Committee's proceedings, and I shall say that we came there to a tentative conclusion that wherever a supplementary demand is sought to be met, partly by asking for a fresh grant and partly by reappropriation, information as to its extent and source would be made available to the House. I find it is not done here . . . .

**The Honourable Sir James Grigg:** I think the Honourable Member must allow a little time to make changes in practice. I hope what he wants will be done in course of time.

**Mr. S. Satyamurti:** I do understand that you want a little time. I am prepared to wait. But with regard to (b) Postage, Telegram and Telegraphic charges, Rs. 1,15,200, it is a supplementary demand, not an original demand, and this is required "to meet increased expenditure on telegraphic correspondence due to sudden changes in the political situation, disturbances in the Frontier, and introduction of Reforms, etc.". I am glad they put all these three, namely sudden changes in the political situation, disturbances in the Frontier and introduction of Reforms under one head. I want to know if Government can justify all those on any reasonable grounds. Of course, the Foreign and Political Department have no mathematical test all.

**An Honourable Member:** Crores do not count.

**Mr. S. Satyamurti:** Yes, crores do not count, but to us, humble taxpayers, these sums do count. How many telegrams did they send, to whom did they send those telegrams, and what for? With regard to the sudden changes in the political situation, what happened last year? We have been here ploughing the sands the whole year, there was no Civil Disobedience Movement. What happened in the Frontier? We pass Resolutions here, but you turn them down. We make certain cuts, and you

[Mr. S. Satyamurti.]

certify them. Do you go to the Viceroy on telegrams and come back on telegrams? (Laughter.) We are all here in Delhi and Simla, and so to whom did you telegraph? I do think, Sir, the House ought to be told something about these matters, and Honourable Members of Government are not to come here and coolly ask for Rs. 1,15,000. Mr. Sanjiva Row comes here and asks for this supplementary sum. What does he know about this? Why does he move it? Does he know anything? I want this joke to be exposed. The Members of the Finance Department quietly get up and say: "Sir, I move". What do you move? Do they know anything at all about this? What is this farce for? Have they got any papers to show as to why so much money has been spent? You talk of the sudden change in the political situation. Nothing has happened in the whole of last year. What was the sudden change in the political situation? Mahatma Gandhi is out of public life, and we are here, and you are here. And whom did you telegraph about us, or what for? Then, about disturbances in the Frontier, what about that? To whom did you telegraph? It was not for bombs? It was for telegrams. Can my Honourable friend, Sir Frank Noyce, throw some light on this, being the Honourable Member in charge of the Posts and Telegraphs Department . . .

**The Honourable Sir Frank Noyce** (Member for Industries and Labour): Sir, I can only say that I welcome the addition to the resources of my Department.

**Mr. S. Satyamurti:** And introduction of reforms,—what happened the whole of last year? The Reforms Office was functioning here. Probably they send these interminable cables, and, whenever we ask them to place any correspondence on the table of the House, they won't place it. We pay them so much. If at least they show us these telegrams, there may be something to be said for it. They don't tell us anything about those telegrams. Sir, I have spoken humorously, but I do suggest, Sir, that it is a tall order to ask the House to grant a supplementary sum of Rs. 1,50,000, without giving us any information.

**Sir Aubrey Metcalfe:** Do you wish me to speak now, Sir?

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

"That the demand for a supplementary grant of a sum not exceeding Rs. 1,22,000 in respect of 'Foreign and Political Department' be reduced by Rs. 100."

**Sir Aubrey Metcalfe:** May I, Sir, first of all deal with the question of telegrams? I admit that the bill sounds extremely large, but it is not fair to put all that on the Foreign and Political Department. We, actually being in charge of the Cypher Bureau, issue cypher telegrams on behalf of all the Departments, the Home Department, the Finance Department, . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): As it is quarter past one, we had better adjourn now.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

**Sir Aubrey Metcalfe:** Sir, I commenced before lunch an attempt to answer some of the questions put forward by the Honourable the Mover of this motion. I will deal with them, I think, in the order in which he placed them. He, first of all, asked for information about the expenditure suggested here on account of the Federation Branch. It will be seen from this that the total excess amounts to Rs. 15,000 and we are only asking for Rs. 6,800, the balance being met by re-appropriation. Well, I have not been able to discover, in the short time at my disposal, exactly where the remaining Rs. 9,000 is being re-appropriated from, but, I think, the House will agree with me that a small sum of that kind is not of very great importance. What I will do, although it is not included in this supplementary demand, is to give the Honourable Member and the House some explanation of the extra officers and the extra staff which have been found necessary, why they are necessary and what work they are doing. There has been appointed an Additional Secretary with effect, I think, from April of this year; the present sanction lasts for two years. The justification for creating the post is that, after the issue of the Joint Select Committee's report, a vast amount of preparatory work in connection with the inauguration of the Federation between British India and Indian States devolved on the political side of the Department. The work consists mainly in determining what Federation will actually mean for States or groups of States in respect of the several Federal subjects; secondly, working out balance sheets of debits and immunities of each individual State, thirdly, explaining the conclusions reached on these two points to Indian States and ascertaining their views thereon, fourthly, examining the Indian States' views when received and then formulating proposals regarding the minimum content and actual form of the Instruments of Accession, and fifthly, entering into negotiations with Indian States with a view to the execution of the Instrument of Accession. In addition to this, the Federation Branch has been employed on work connected with the framing of the Government of India Act of 1935, creation of the office of His Majesty's Representative, reorganisation of the Foreign and Political Department which contains a very large cadre, and formation of a separate Department for the conduct of relations of the Crown with Indian States and administrative rules and regulations to suit the new conditions, and other work connected with the Government of India Act, 1935.

Whatever may be the view of Honourable Members opposite as to the Government of India Act, or the policy that lies behind it, I think they will admit that servants of the Crown and members of my Department have got to carry out the policy, and, in order to carry out that policy, they must have staff to do it. There is a great deal of work which requires to be done to prepare the ground for the coming of Federation, whether it comes now, or whether it comes later. So much for the Additional Secretary. The Joint Secretary has been in existence for some years. I think he was originally started in 1933, and then his functions, which were mainly to do with constitutional reform, were taken over by the Additional Secretary in April of this year, and the Joint Secretary has now been sanctioned for an additional period of two years mainly, in

[Sir Aubrey Metcalfe.]

order to deal with the very large number of special problems as between the Government of India and the States which have arisen largely as the result of the coming or the proposed coming of Federation. The House will understand that, if there are to be Federation and new agreements between Indian States and the Crown, it is only natural that a very large number of problems, financial and otherwise, which affect those relations, should be raised as between the States and the Government of India. The States are naturally anxious, if they are coming into the Federation, to get the best possible terms, and, therefore, they raise questions which have lain dormant for some years, and it is impossible to deal with all those questions without some staff at headquarters to examine them, and the financial implications are very large, and very important, from the point of view of British India. We have also an additional reason why a Joint Secretary is necessary, and that is that we have, during the last couple of years, established direct political relations with 151 Bombay States, 15 Central Provinces States and 26 Bihar and Orissa States, all of which were previously in relation with the Local Government concerned and not direct with the Government of India. And further work will be thrown on the Department when we bring into direct relations with the Government of India a number of States which are now in relation with the Governments of the Punjab, the United Provinces and Bengal. Well, Sir, it is obvious, if you put officers on to do these complicated problems, they must have some clerical staff to assist them. The clerical staff consists of two Branches, one of which is mainly occupied, I think, with the Quetta Earthquake. I may add that the posts of Additional Secretary and Joint Secretary are filled by members of the Department and very little extra expenditure really is thrown on the Government of India by these appointments as they already are entitled to their time scales of pay, and they only receive a reasonable allowance in addition. The actual thing which the House is now asked to sanction is the post of an Under Secretary who has been appointed mainly to deal with the many financial problems that come up and to assist the Additional Deputy Secretary who has already a larger burden of work than he can perform. In looking at the picture, I have presented, I should like the House to remember that there was a great deal of retrenchment carried out in this Department in 1932, and we have been working since then at very high pressure, so that it was quite impossible for us to take on a large load of additional work without some assistance.

Now, Sir, I will turn to the question of telegrams. I admit that the bill is rather startling, and it certainly startled me when I saw it. But I would, ask, first of all, that it should be remembered that, not a great deal, but a good deal of this expenditure is on cypher work, the whole of the charges for which are carried on the budget of the Foreign and Political Department, although the telegrams emanate from other departments of the Government of India. There is no system of book-transfer but the charges are merely taken on to our budget, so that we have by no means—I certainly as head of the Department have no real control over the expenditure. We get telegrams sent to us by other Departments which it is our duty to issue and to pay for. I have attempted in the very brief time at my disposal to make some analysis of the reasons for this very large expenditure during the current year. A full analysis has not, of course, been possible, but I have discovered, that during the last quarter of 1935 the expenditure on cypher telegrams alone was exactly

double what it was in the year before. The reasons, so far as I have been able to find them, for this large expenditure during the current year, are as follows. In connection with the Silver Jubilee, we had to send a very large number of medals by post which meant heavy registration charges. They had to be sent to all centres.

**Mr. S. Satyamurti:** But are they telegram charges?

**Sir Aubrey Metcalfe:** You will see that postal charges are included in this item. It is not solely telegraph. The House will understand that this was hardly to be expected. They had to be sent to all the distant parts of India and heavy registration fees had to be paid. All those charges went, of course, to swell the budget of my Honourable friend, the Member for Industries and Labour. Then the Quetta earthquake cost us a great deal in the way of additional telegrams. There was a constant stream of telegrams having to be sent to the Secretary of State and long communiques had to be sent home and a very large number of points connected with the administration of earthquake relief and so on had to be referred to him. All that was entirely unexpected.

**Prof. N. G. Ranga** (Guntur *cum* Nellore: Non-Muhammadan Rural): It is not mentioned here.

**Sir Aubrey Metcalfe:** I admit it is not mentioned there but I am trying to explain additional reasons to the House for what is admittedly a startling rise. That contains only a very brief summary. I am giving you more justification. Then the Mohmand expedition last September necessitated a very great deal of telegraphing both to the Secretary of State and to the North-West Frontier Province and the Minister at Kabul had to be consulted very freely. All that cost a good deal of expenditure which might otherwise have been avoided. I understand too that we have had to issue during this last year a very large number of telegrams on behalf of the Reforms Branch with regard to the final stages of the Government of India Act. I have not been able to get exact figures but they certainly are very large.

**Mr. M. Asaf Ali** (Delhi: General): In cypher?

**Mr. T. S. Avinashilingam Chettiar:** Telegram means cypher.

**Sir Aubrey Metcalfe:** That is right. When I talk of telegrams issued by my department, on behalf of another department, I am only talking about cypher. These telegrams have to be issued in cypher. There were questions asked by the Secretary of State which had to be answered in cypher. Another point I may mention is that the telegraph bill for my own department—not necessarily cypher—had very largely increased owing to His Majesty's death and the accession of the new King. Long telegrams had to be sent all over India to various political authorities instructing them as to various questions connected either with the period of mourning or with the circumstances of the recognition of the accession and so on. Also in my own department we have had, as it happens this year, a number of activities in rather distant places. One is the Burma Boundary Commission which is still going on. The arrangements for that and what is going on have necessitated a large amount of

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cypher telegrams between the Secretary of State, the Ambassador in China and, of course, the Burma Government. All that means expense. We have also had, as the House is probably aware, a mission sent from China to Kashgar and to Urumchi and then Sir E. Teichman came back to India and that necessitated a great amount of telegraphing with the Secretary of State and the Peking Legation and, in addition, we have had a mission this year to Lhasa in which, unfortunately, a Political officer died. Those are some of the main reasons why our telegraph bill has been so abnormally large. It has also been added to, not greatly but to some extent, by the necessity of obtaining information in a hurry regarding matters in which this House has been interested. We have had a certain amount of telegraphing to America for information. We have had a good deal of telegraphing to Iraq on the subject of Indians in Iraq. All these had gone to add to this bill. I have given orders that in future so far as my own department is concerned the greatest care should be taken to watch the telegraph bill and to keep it, so far as possible, within bounds. As far as we can, we use now the Air Mail, which is certainly cheaper but not particularly cheap, but I cannot be responsible for what other departments do in the way of sending cypher telegrams, all of which fall against our budget.

**Mr. T. S. Avinashilingam Chettiar:** It has been accepted by the Honourable the Foreign Secretary that telegram means cypher telegrams. I want to say a few words on the Cypher Bureau.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair cannot allow that. It does not arise out of this.

**Mr. T. S. Avinashilingam Chettiar:** It does.

**Mr. President** (The Honourable Sir Abdur Rahim): It is a question of policy. That cannot be discussed here.

**Mr. T. S. Avinashilingam Chettiar:** Then, I oppose the motion.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is opposing the amendment?

**Mr. T. S. Avinashilingam Chettiar:** I oppose the motion. We, in this part of the House, cannot be responsible for any telegram or any Department which forbids the appointment of Indians in that Department, and we have been told. . . .

**Sir Aubrey Metcalfe:** On a point of order. Surely that is a question of policy.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair has already told the Honourable Member that he cannot discuss that question now.

The question is:

“That the demand for a supplementary grant of a sum not exceeding Rs. 1,22,000 in respect of the ‘Foreign and Political Department’ be reduced by Rs. 100”.

The motion was negatived.

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

"That a supplementary sum not exceeding Rs. 1,22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Foreign and Political Department'."

The motion was adopted.

PUBLIC SERVICE COMMISSION.

**Mr. K. Sanjiva Row:** Sir, I move:

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Public Service Commission'."

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

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Public Service Commission'."

*Examinations conducted by the Public Service Commission.*

**Lieut.-Colonel Sir Henry Gidney** (Nominated Non-Official): Sir, before you put this demand to the vote, I should like to make a few observations. I notice in reading this Supplementary Demand that the expected increase is due to:

- (i) increase in the number of candidates who appeared at the examination this year;
- (ii) enlargement of the list of subjects of the examination for the Indian Audit and Accounts service and allied services;
- (iii) introduction of payment of honoraria to official members of the Interview and *Viva Voce* Boards for the various examinations;
- (iv) increase in the number of cases of recruitment by selection in which the travelling expenses of candidates who are summoned for Interview with the Commission are paid by Government; and
- (v) publication of Commission's advertisements in 15 instead of eight or nine newspapers."

Sir, I just wish to ask the Member in charge if he will inform this House what he means by item (iii)—"introduction of payment of honoraria to official members". Sir, I do not wish to introduce any question of policy here, but apart from my own opinion that these examinations are absolutely useless as tests of efficiency and should be done away with, I want to know what is the idea underlying the payment of honoraria to officers in Government employ when we have a Public Service Commission maintained at a costly price? Am I to understand that the Public Service Commission, when it holds an examination or a selection, co-opt a departmental officer who is an expert to assist them in the selection of suitable candidates? If that is the idea, then I submit for the consideration of the Government and of this House that the granting of honoraria to a Government duty is irregular. If Government imposes a series of examinations of their own free will, if Government imposes a

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charge of a considerable amount of money on candidates, if these candidates have to pay for every pice of paper they write on, if they have to pay for every yard they travel in order to come to Delhi, and on the top of this the tax payer has to pay for the service of official members I fail to understand why Government should pay any honoraria to Government officers who are asked to do their duty. Apart from my absolute detestation of this system of competitive examinations for every single Government of India Department, I should like to know why honoraria are paid to Government servants.

**The Honourable Sir Henry Craik:** Sir, I must apologise to my Honourable friend for not having been here as I did not know that this motion was going to be under discussion. I was not aware that any cut was going to be moved. I understand my Honourable friend objects to examinations altogether.

**Lieut.-Colonel Sir Henry Gidney:** I am afraid I must apologise to the Honourable Member for not moving a cut; anyhow, that is beside the point; I introduced that as my personal opinion on these examinations.

**The Honourable Sir Henry Craik:** The Honourable Member objects to the payment of honoraria to members of the Interviewing Board?

**Lieut.-Colonel Sir Henry Gidney:** May I tell the Honourable Member that I did not make any objection. I asked the Member in charge to explain what these honoraria were given for and to whom?

**The Honourable Sir Henry Craik:** I understand they are given to persons who act as members of the Selection Boards which interview candidates. That is all the information I have at my disposal.

**Lieut.-Colonel Sir Henry Gidney:** Government members?

**The Honourable Sir Henry Craik:** Some of them are Government members, some of them are non-officials.

**Lieut.-Colonel Sir Henry Gidney:** Wherein, then, comes the use of the Public Service Commission who are paid high salaries for these purposes?

**The Honourable Sir Henry Craik:** The Public Service Commission consists of only four gentlemen and they cannot spend all their time in interviewing candidates; they have a lot of other work to do.

**Lieut.-Colonel Sir Henry Gidney:** But surely this is a part of their duties.

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

“That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Public Service Commission’.”

The motion was adopted.

## FINANCE DEPARTMENT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 20,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Finance Department'."

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

"That a supplementary sum not exceeding Rs. 20,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Finance Department'."

*Selection of officers for training in the Finance Department.*

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

"That the demand for a supplementary grant of a sum not exceeding Rs. 20,000 in respect of 'Finance Department' be reduced to Rs. 100."

Sir, I move this cut in order to raise the question of the principle on which officers are selected for training in the Finance Department. I shall be very brief. We have discussed it more than once across the floor of the House at question-time, but I really want some information. I want to know whether it is the intention of the Honourable the Finance Member to train members of the Indian Civil Service in the Finance Department in order that they may gradually Europeanize that Department. Or is it because they are giving them training in order to help them in the discharge of their duties in the other spheres in which they may be usefully employed? The real point I want to raise is whether there is any intention on the part of Government to baulk the Indians of the place they have built up for themselves in the various Departments—Audit, Accounts, Finance, etc.,—and to get a new class of men who are non-Indians and saying afterwards: "we have now got trained financiers, and, therefore, they may very well replace the Indians". That is a simple question on which I hope I shall get a simple answer.

**The Honourable Sir James Grigg:** The Honourable Member can certainly have a simple answer on that, but perhaps I might first say, in modification of something I said this morning, that, in the interval, I have examined what has happened over the supplementary grants which were not submitted to the Standing Finance Committee. I am afraid what has happened is that the new rules which I propose to discuss with the Standing Finance Committee have been anticipated. Sir, as an illustration of one of the suggestions I propose to make, I may say, that Rs. 14,000 out of the Rs. 20,000 of this present supplementary is not an extra charge at all; it is merely a transfer from non-voted to voted. So the extra sum involved by this supplementary is Rs. 5,000 only; and one of my suggestions is that very small supplementaries of that sort should no longer occupy the time of the Standing Finance Committee. Of course I must apologize for having beaten the pistol and put the rules provisionally into operation before discussing them with the Standing Finance Committee. That is an act of incivility for which I apologize and I only plead as an excuse the pressure of work. As regards this specific head, 3(d), I think the Honourable Member is a little unnecessarily suspicious. It has nothing whatever to do with the training of officers for the Finance Department. But, in a year's time, Provincial Autonomy is to start and Provincial Governments will have a much wider range of

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financial duties to perform than before; they will have to look after their own ways and means; some of them will have to look after their own borrowing, and borrowing from the market instead of from the Government of India; they will have a wider range of budgetary duties; and they will have possibly a wider range of taxation within their capacity; and so the Finance Department, in the kindness of its heart, said to Provincial Governments that for this one occasion and one occasion only, if they would like to have us train a certain number of officers for the enlarged financial duties which will fall upon them, we will do it gladly. To the best of my belief, this is a non-recurring business and it is only connected with the introduction of Provincial Autonomy. Some ten officers have been selected, and I think six of the ten are Indians: so that I cannot possibly see how in this process any question of policy as regards non-Indianization or Europeanization can possibly arise; it is only the old, old story of people believing that there must be some hidden motive in giving something for nothing. I am giving something for nothing but I now learn it does not pay.

**Mr. T. S. Avinashilingam Othttiar:** Sir, I should like to know whether this training is confined to the Indian Civil Service men or extends to the Indian Audit Service men also.

**The Honourable Sir James Grigg:** We have no control whatever over the people recommended by the Provincial Governments and the Government of India have no hand whatever in their selection. As a matter of fact most of the officers are I.C.S. officers, but not all.

**Mr. T. S. Avinashilingam Othttiar:** Are there Audit Service men also?

**The Honourable Sir James Grigg:** I do not know; Provincial Governments chose them.

**Mr. S. Satyamurti:** Sir, I beg for leave to withdraw my motion.

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

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

"That a supplementary sum not exceeding Rs. 20,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Finance Department'."

The motion was adopted.

#### COMMERCE DEPARTMENT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 12,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Commerce Department'."

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

3 P.M.

"That a supplementary sum not exceeding Rs. 12,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Commerce Department'."

The motion was adopted.

## CENTRAL BOARD OF REVENUE.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 11,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Central Board of Revenue'."

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

"That a supplementary sum not exceeding Rs. 11,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Central Board of Revenue'."

**Mr. T. S. Avinashilingam Chettiar:** The note in this blue book says that this sum is required to meet excesses due mainly to change in classification and entertainment of staff in connection with the compilation of a handbook of commercial information. May we know what that book is which is going to be published?

**Mr. A. H. Lloyd** (Government of India: Nominated Official): The book will be published.

**Mr. T. S. Avinashilingam Chettiar:** What is the book about?

**Mr. A. H. Lloyd:** The substance of the book is that it gives information about commercial products in India and the facilities for marketing them, especially overseas.

**Mr. T. S. Avinashilingam Chettiar:** Will it be published?

**Mr. A. H. Lloyd:** Yes. It is a revision of an earlier book that was published ten or twelve years ago, and it has become out of date.

**Mr. Sami Vencatachalam Chetty** (Madras: Indian Commerce): Is the book more or less on the lines of an old book published by Mr. Cotton?

**Mr. A. H. Lloyd:** This book is a revision of Mr. Cotton's book.

**Prof. N. G. Ranga:** Is it not a fact that this handbook of commercial information as it was published in those good old days was not of much use because there was really no useful information in it and the information regarding exports alone was published and there was no information regarding imports into India or about the internal trade. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is not asking for information; he is expressing an opinion.

**Prof. N. G. Ranga:** I am asking for information, Sir.

**Mr. M. S. Aney:** The old book is going to be revised; why pursue the matter?

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

"That a supplementary sum not exceeding Rs. 11,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Central Board of Revenue'."

The motion was adopted.

#### PORTS AND PILOTAGE.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Ports and Pilotage'."

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

"That a supplementary sum not exceeding Rs. 50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Ports and Pilotage'."

**Mr. V. V. Giri** (Ganjam *cum* Vizagapatam; Non-Muhammadan Rural): Sir, I desire to oppose this demand on the ground of the unsatisfactory administration of the Port of Vizagapatam. An instance of the point is the retrenchment of the workers that was being effected and is being effected even today.

**Mr. President** (The Honourable Sir Abdur Rahim): Is this demand with respect to it?

**Mr. V. V. Giri:** It is only with respect to that. The matter relates to Vizagapatam Port.

**Mr. President** (The Honourable Sir Abdur Rahim): Is this whole sum of Rs. 50,000 in respect of the Vizagapatam Port?

**Mr. V. V. Giri:** This is a subsidy for Vizagapatam Port. Retrenchment of the workers has been effected.

**Mr. President** (The Honourable Sir Abdur Rahim): Are you raising questions with respect to the general administration of the Port?

**Mr. V. V. Giri:** Yes, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim): That cannot be raised on this demand.

**Mr. K. Sanjiva Row:** This sum is required for payment of a grant to the Vizagapatam Port to cover the deficit in its working during 1935-36.

**Mr. President** (The Honourable Sir Abdur Rahim): Then, it is covered.

**Mr. V. V. Giri:** The policy of Government with regard to workers is retrenchment of the poor workers and entrenchment of the highly paid officers. I do not admit that retrenchment is at all necessary for the workers in the Port of Vizagapatam and even if it became necessary, in view of the fact that the Government of India do not provide for unemployment benefits, they should be careful in discharging the workers. Generally, whenever retrenchments are effected, the ordinary methods are . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): This is not really a ground for refusing this demand for Rs. 50,000. The Honourable Member rather wants to increase the demand, so that the workers might be re-employed. The Chair cannot allow that.

**Prof. N. G. Ranga:** The workers in Vizagapatam Port have approached the Port authorities to permit them to organize a Union.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair cannot allow that.

**Prof. N. G. Ranga:** I rise to a point of order, Sir. I want your guidance in regard to this. It is becoming increasingly difficult for us to realise in what respects and over what points we can oppose the supplementary demands. We cannot raise questions of policy on supplementary demands.

**Mr. President** (The Honourable Sir Abdur Rahim): There are a number of rulings on the point, and the Honourable Member had better study those rulings.

**Prof. N. G. Ranga:** This supplementary grant for Rs. 50,000 is asked for not for any particular kind of work that is being carried on in the Vizagapatam Port, but as a sort of subsidy for the working of the Port. I, therefore, take it that it is relevant and also permissible to say and to raise any question regarding the administration of the Port. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair has ruled that it cannot be done. Any question regarding the administration generally cannot be raised on this supplementary demand.

**Mr. T. S. Avinashilingam Chettiar:** May I ask in this connection what can be raised?

**Mr. President** (The Honourable Sir Abdur Rahim): Honourable Members can say that no subsidy is to be granted.

**Prof. N. G. Ranga:** How can this House be expected to know under what circumstances the subsidy is granted?

**Mr. President** (The Honourable Sir Abdur Rahim): Order, order. The Chair cannot allow any further discussion.

[Mr. President.]

The question is:

"That a supplementary sum not exceeding Rs. 50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Ports and Pilotage'."

The motion was adopted.

#### MINES.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 4,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Mines'."

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

"That a supplementary sum not exceeding Rs. 4,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Mines'."

**Mr. S. Satyamurti:** I just want to raise one point. I request the Honourable the Finance Member to look at page 15 where it is said:

"This is required to meet anticipated excess due mainly to (i) the fact that the lump cut for probable savings has not been realised and that the provision for leave salary has proved inadequate.

(ii) under-estimation of expenditure on travelling allowances and payment of certain arrears."

I do not think I need make any further comment on that. I do suggest that the Honourable the Finance Member, instead of sitting on us, the Members on this side of the House, he may sit on those people who advise him in these matters, and tell them to look into these things more carefully.

**The Honourable Sir James Grigg:** The Honourable Member knows this is exactly the sort of supplementary that ought never to have been presented and he knows that I am doing my best to put things in order. In course of time I hope to introduce improvements.

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

"That a supplementary sum not exceeding Rs. 4,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Mines'."

The motion was adopted.

#### PUBLIC HEALTH.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Public Health'."

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

"That a supplementary sum not exceeding Rs. 80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Public Health'."

The motion was adopted.

#### AGRICULTURE.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 7,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Agriculture'."

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

"That a supplementary sum not exceeding Rs. 7,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Agriculture'."

**Mr. G. Morgan** (Bengal: European): Sir, with regard to this item of Rs. 6,43,000 for "Payments from Sugar Excise Duty to Sugar Manufacturing Provinces", we have no details as to how that has been distributed. Can a list of this distribution be laid on the table?

**Sir Girja Shankar Bajpai** (Secretary, Department of Education, Health and Lands): I can supply the details later on, I have not got them with me now. But I may inform my Honourable friend about the basis of the distribution; that basis is mainly the area under sugar.

**Mr. G. Morgan:** Shall we get the list after it is prepared?

**Sir Girja Shankar Bajpai:** Yes; there will be no difficulty in having one prepared. I will lay a statement on the table in the course of the next few days.

**Prof. N. G. Ranga:** May we know on what crops this agricultural research station at Sakrand, Sind, is expected to carry on research?

**Sir Girja Shankar Bajpai:** Most of the crops that we have under irrigation in the barrage area in Sind,—cotton, wheat, castor seed, and so on.

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

"That a supplementary sum not exceeding Rs. 7,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Agriculture'."

The motion was adopted.

#### IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Imperial Council of Agricultural Research Department'."

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

"That a supplementary sum not exceeding Rs. 72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Imperial Council of Agricultural Research Department'."

**Prof. N. G. Ranga:** Sir, I wish to oppose this motion. In view of the fact that no attempt has been so far made by the Imperial Council of Agricultural Research, in spite of my repeated requests on the floor of this House, that the peasants should be represented on all their committees I think it is only fair. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): There, again, the Honourable Member is discussing a question of policy.

**Prof. N. G. Ranga:** It is not a question of policy, but rather with regard to the administration of this Imperial Council.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member cannot discuss that. The question is:

"That a supplementary sum not exceeding Rs. 72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Imperial Council of Agricultural Research Department'."

The motion was adopted.

#### AVIATION.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Aviation'."

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

"That a supplementary sum not exceeding Rs. 1,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Aviation'."

**Mr. M. Ananthasayanam Ayyangar:** Sir, I oppose this motion. The additional demand is for the pay of officers and pay of establishment, etc. I would say that this sum of Rs. 1,49,000 can be easily made up by effecting some more retrenchment in the department itself. In the original budget under "Grant-in-aid to the Indian Trans-Continental Airways Limited," we find a provision of Rs. 1,60,000. My contention is that the amount which is now being spent on the Indian National Airways, for carrying mails from Karachi to Lahore, can be economised if the route is diverted from Karachi to Delhi and then from Delhi to Lahore.

**The Honourable Sir Frank Noyce:** Sir, is my Honourable friend in order in endeavouring to bring in the question of the additional payment to Indian National Airways on this supplementary demand?

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair understood the Honourable Member to say that this demand need not have been made, as the money can be found by retrenchment.

**The Honourable Sir Frank Noyce:** In any case, the demand for the additional payment to Indian National Airways is provided for in the budget of the coming year, and has nothing to do with the budget of this year.

**Mr. M. Ananthasayanam Ayyangar:** Now, Sir, on the air mail for the Indian National Airways for carrying mails from Karachi to Lahore some amount is being spent for carrying mails in general and for particular purposes. In addition to the charges that are being made for the Trans-Continental Airways, Rs. 1,60,000 is being paid by way of subsidy. I say the route might be altered, apart from the question of granting further subsidy which may be the subject-matter of a future budget, for the year under review for which the supplementary demand has been made. This might be done and this can be done. Therefore, I would say that instead of running it along the old route, instead of granting more subsidy of Rs. 1,60,000, a portion may be used for carrying mails from Karachi to Lahore. That portion can be saved. That has not been done, and, therefore, there is no justification for granting this additional amount that is now covered by this supplementary demand.

**The Honourable Sir Frank Noyce:** Sir, I have explained the position in this respect to the House on several occasions. I have explained to the House that there would be no saving if the mails were brought from Karachi to Delhi and were transported from there, either by surface transport or by air, to Lahore. I really have nothing to add to what I have already stated. The cost of transport from Karachi to Lahore by air, if the mails were first brought to Delhi, would be about Rs. 6 a pound. And against that the cost of transport from Karachi to Lahore is only Rs. 3 a pound. I cannot, in dealing with a question raised on a supplementary demand, go into the whole question of financial assistance to Indian National Airways. My Honourable friend had an opportunity of discussing it on the demands for grants for my department, and I should have been very happy if I had been able at that time to place the position in full before this House. I feel sure that I should have been able to convince the House of the soundness of the reasons for which we propose to give assistance to Indian National Airways. I cannot enter into a discussion at length on this subject today, especially as we are not proposing to give them any assistance during the current financial year. The grant which it is proposed to make to them will be made in the course of next year and if Honourable Members opposite want me to defend it during the next financial year, I shall be very glad indeed to avail myself of the opportunity to do so.

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

"That a supplementary sum not exceeding Rs. 1,49,000 be granted to the Governor-General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Aviation'."

The motion was adopted.

## MISCELLANEOUS DEPARTMENTS.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Miscellaneous Departments'."

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

"That a supplementary sum not exceeding Rs. 54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Miscellaneous Departments'."

**Mr. M. Ananthasayanam Ayyangar:** Sir, I want to oppose the motion. The supplementary demand consists of two parts: one relates to the provision of better service than originally anticipated—and it is distributed partly for Broadcasting at Delhi station, and the rest for the purpose of publishing the *Indian Radio Times* at Bombay. Now, with regard to the Delhi station, questions were asked in the Assembly about the person who was appointed for the purpose of broadcasting news.

**Mr. President** (The Honourable Sir Abdur Rahim): Is salary part of this demand?

**Mr. M. Ananthasayanam Ayyangar:** Yes, Sir.

**The Honourable Sir Frank Noyce:** No.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member cannot go into that question.

**Mr. M. Ananthasayanam Ayyangar:** I would only ask for information. What are the details of this Rs. 27,000 under "Supplies and Services"? With regard to the payment for broadcasting commercial news, a journal is published called *The Indian Radio Times*. I have received various complaints from the cotton growing districts of the Madras Presidency—Cuddappah, Kurnool, Bellary and Anantapur—that the news that they want is not such belated news which they get; it serves really no purpose. Hitherto every morning commercial news were being broadcast from Bombay showing the selling prices of cotton, and under the expectation that such news would be continued a number of receiving sets were purchased . . . .

(The Honourable Sir Frank Noyce stood up to interrupt.)

**Mr. President** (The Honourable Sir Abdur Rahim): There is nothing to discuss about that.

**Pandit Govind Ballabh Pant:** In this case, part of the demand is for meeting the extra expenditure on the *Indian Radio Times*. Is it not open to a Member to argue . . . .

**The Honourable Sir Frank Noyce:** My Honourable friend, at the time when I stood up to interrupt him—if I heard him correctly and I always find the very greatest difficulty in hearing him, I am sorry to say—was asking about the broadcasting of commercial news from Bombay. That is a question which has nothing to do with the *Indian Radio Times*.

**Pandit Govind Ballabh Pant:** Every sentence cannot contain the words *Indian Radio Times*.

**Mr. M. Ananthasayanam Ayyangar:** I was only referring to broadcasting of commercial news from Bombay.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member in charge says that the demand has nothing to do with the broadcasting of commercial news from Bombay.

**Mr. J. Ramsay Scott** (United Provinces: European): I would like to ask one question. Is the *Radio Times* the same publication as the *Indian Listener*? The *Indian Listener* says that it is the official organ of the Indian State Broadcasting Service. This publication is not on sale in any book shop or in any book stall and is not in the Library of this House. It is very badly advertised; you cannot buy it except by sending money with the order, you cannot get it by V. P. P. Are these restrictions in the best interests of the general public and of the sale of the publication?

**The Honourable Sir Frank Noyce:** I can answer my Honourable friend's question in a very few words. The *Indian Listener* is, as I think generally agreed by those who know it, a very greatly improved edition of what used to be called the *Indian Radio Times*. I am sorry, my Honourable friend has had difficulty in obtaining it. I shall be very glad to have copies of it placed in future in the Library of the House . . . . .

**Sir Cowasji Jehangir:** . . . . and a free copy sent to each Member.

**Several Honourable Members:** I do not want one.

**The Honourable Sir Frank Noyce:** As regards the question why the *Indian Listener* is not better distributed through news agents, the answer is that the low price at which the publication is at present sold has not allowed us to offer a sufficiently attractive discount. We are raising the subscription—some Honourable Members will perhaps be sorry to hear—to Rs. 4 a year, and that, I trust, will allow us to make better arrangements for distribution. I should like to explain to the House that the whole position in regard to *The Indian Listener* is under our most careful consideration. I hope that it will not be very long before we are able to place it on a self-supporting basis, as it is desirable it should be. In the meantime, it is a valuable asset to the Broadcasting Department; it does undoubtedly arouse—and help to keep alive—a very keen interest in Broadcasting generally which should prove ultimately of the greatest benefit to the Broadcasting Department in its activities.

**Mr. M. S. Aney:** What about not getting it by value payable post?

**Pandit Govind Ballabh Pant:** May I know why this extra expenditure for additional circulation, as it is said here, is not likely to be covered by additional revenue? Ordinarily when circulation goes up, the profit increases. Here the deficit increases though the number goes up.

**The Honourable Sir Frank Noyce:** My Honourable friend has made a very legitimate criticism. There is an old saying that 'nothing succeeds like success'; that is not always true, since very often success brings with it unexpected difficulties. And the unfortunate fact in this case is that contracts which were suitable for a small paper with a small circulation and a small advertisement revenue have not proved suitable for a paper whose circulation has gone up in the course of, I think, about eighteen months from 8,000 to 13,000 or so. As my Honourable friend, Pandit Govind Ballabh Pant, said, ordinarily extra expenditure for increased circulation should be covered by additional revenue but that, unfortunately, has not proved to be the case here. When we got past the 10,000 mark, it was found that entirely different arrangements had to be made for the paper and the cost went up; increased circulation meant a much more expensive organisation, more expensive machinery, I imagine, and general enhancement of costs. That is the position. The contracts which were entered into were such as suited a small paper. They have not proved suitable for a greatly enlarged paper. As I have explained to the House, we are going into the whole question of the arrangements to be made when the contracts expire, and we hope that it will not be long before we get the paper on a self-supporting basis.

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

"That a supplementary sum not exceeding Rs. 54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Miscellaneous Departments'."

The motion was adopted.

#### CURRENCY.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 4,55,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Currency'."

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

"That a supplementary sum not exceeding Rs. 4,55,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Currency'."

The motion was adopted.

#### MINT.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 6,54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Mint'."

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

"That a supplementary sum not exceeding Rs. 6,54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Mint'."

The motion was adopted.

#### CIVIL WORKS.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 5,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Civil Works'."

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

"That a supplementary sum not exceeding Rs. 5,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Civil Works'."

The motion was adopted.

#### STATIONERY AND PRINTING.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,36,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Stationery and Printing'."

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

"That a supplementary sum not exceeding Rs. 1,36,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Stationery and Printing'."

The motion was adopted.

#### MISCELLANEOUS.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 13,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Miscellaneous'."

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

"That a supplementary sum not exceeding Rs. 13,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Miscellaneous'."

**Prof. N. G. Banga:** Sir, here is an item of expenditure amounting to Rs. 36,000, on "Tariff Board". Before I begin to make my remarks, I would like you, Sir, to help me in regard to one matter: is it competent for me to talk about the terms of reference to this Tariff Board? This is the first time it is placed before us.

**Mr. President** (The Honourable Sir Abdur Rahim): No; not the terms of reference.

**Mr. M. Ananthasayanam Ayyangar:** On a point of information, Sir, in respect of item N—Loss by exchange on remittance account—Rs. 10,08,000—I would like to know whether if the exchange had been at Rs. 15 to the £ what difference it would make, whether it would be in favour . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): What does it matter? Does the Honourable Member want to discuss the question of exchange?

**Mr. M. Ananthasayanam Ayyangar:** I know I cannot discuss it. I want information as to whether by the present rate of exchange we have to pay more than we would otherwise have to.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member knows that as well as any one else.

**Mr. S. Satyamurti:** I wish to raise a point of order, Sir. If you will kindly turn to page 32 of this book of supplementary demands, it is stated there—Rs. 36,000 for Special Commissions of Enquiry; and you will find on page 34, note (a):

“This is required to meet excess due to the appointment of voted officers as President and Members of the special Tariff Board which has been constituted to make recommendations on the extent of protection required by the Indian Cotton Textile industry against United Kingdom exports. The non-voted provision made in the budget has been surrendered.”

Therefore, Sir, for the first time, the vote of the House is being asked on this Commission of Inquiry, and I submit the House is entitled to know what the terms of reference are, why it has been appointed; and unless it is satisfied . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member means that there is no provision in the budget?

**Mr. S. Satyamurti:** There was a non-voted provision . . . . .

**Mr. K. Sanjiva Row:** Sir, in the original budget for the whole provision there was a non-voted portion and there was a voted portion. The voted portion has proved insufficient, and, therefore, we are coming up for a supplementary grant.

**Mr. S. Satyamurti:** I am asking for information. I quite agree, if there was any provision in the original budget under this head for this special commission of inquiry, viz., Tariff Board for protection as against British textiles, I am concluded from raising it again. I want information on that matter.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member wants to know whether there was a votable item.

**Mr. K. Sanjiva Row:** Yes, there was a votable item in the current year's budget for the Tariff Board.

**Mr. S. Satyamurti:** I want to know whether there was provision for the special Commission of Inquiry referred to in note (a) on page 34, that is to say, the appointment of voted officers as President and Members of the special Tariff Board constituted to make recommendations on the extent of protection required by the Indian Cotton Textile Industry against United Kingdom exports. I want to know if there was provision for it.

**Mr. K. Sanjiva Row:** The position is that there is provision in the budget, voted as well as non-voted, for a Tariff Board. Any particular inquiry can be referred to that Tariff Board, and as the House knows very well, the President and some of the members are appointed *ad hoc*. So, so long as provision exists for the Tariff Board, I do not think this can be treated as either a new service or a new item of expenditure. This is only a substitution of a voted provision for a non-voted provision.

**Mr. S. Satyamurti:** I am grateful to the Honourable Member, Mr. Sanjiva Row, for his information. He admits that the provision in the original budget for this year was made for a Tariff Board. For the first time . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): There was no other Tariff Board?

**Mr. S. Satyamurti:** They got a general provision for a Tariff Board, and they appoint *ad hoc* tariff boards. They have come to us now for the first time asking the House to vote for a special tariff board; that is to say, for the special inquiry referred to in note (a) on page 34.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member means there was no such item in the budget?

**The Honourable Sir James Grigg:** I think the Honourable Member is mixing up the detailed head with the main head called Special Commissions of Inquiry. That is a general head which appears in the budget every year, and one of the sub-heads of that is the Tariff Board. Both the head and the sub-head are old.

**Mr. S. Satyamurti:** I am simply surprised at the Honourable the Finance Member objecting to this demand being discussed. I do appeal to him to consider the matter seriously. He talks of parliamentary control. We are trying to get a vote of the House on an intelligent appreciation of the reasons and of the terms of reference behind this Tariff inquiry. For the first time, Sir, we are told about this Tariff Board, about the pay of the officers, their establishments, travelling allowance and so on . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): Very well, under the circumstances now disclosed the Chair allows the Honourable Member to proceed.

**Prof. N. G. Ranga:** Mr. President, I am glad that in spite of the opposition, at long last you have been persuaded to let us talk about the terms of reference of the Special Tariff Board and the textile industry. Again and again I raised this point at question time in order to understand as to why it was that the handloom industry was not included in the terms of reference to this particular Tariff Board. No cogent reasons were advanced at all by Government for this particular omission. This Special Tariff Board, Sir, according to its terms of reference, was expected to inquire whether the present protective rates are needed or whether any reduction is justified in the interests of Lancashire, and this Tariff Board has been busy for a very much longer period than the period for which it was originally appointed to inquire into this particular point. But, Sir, I would like to submit for the consideration of this House that in the interests of the Lancashire industry as well as the cotton mill industry of this country, the handloom weaving industry has been neglected. And if any protection is given to the cotton mill industry in this country it does not necessarily follow that the handloom weaving industry is also benefited by it and if the cotton mill industry were to be in any way conditioned in its ability to get protection from the State, it does not necessarily follow that the handloom weaving industry also stands to lose to a similar extent. I wish to state emphatically, Sir, that the interests of the handloom weaving industry are to a very great extent entirely opposed to those of the cotton mill industry in this country. The Honourable Member for Commerce has himself had to admit that the distress now prevailing amongst handloom weavers in Southern India is to some extent caused by the competition of the cotton mill industry with the products of the handloom weaving industry, but yet neither the Government nor the cotton mill owners would admit that when they try to discuss the relations between the cotton mill industry in this country and the industry in England, the interests of the handloom weaving industry are likely to be affected, and, therefore, the handloom weaving industry should be helped and given an opportunity to present their grievances before the Special Tariff Board. Till now, no Tariff Board has ever been appointed, either special or ordinary, to inquire into the needs of the handloom weaving industry, and the means by which the handloom weaving industry could be assisted. It was as an afterthought that the Government of India thought of raising a subvention of five lakhs in the interests of the handloom weaving industry by imposing a duty upon every pound of yarn produced in this country, and even that the cotton mill industry in this country were most unwilling to accept. Even today they grudge to make any more concessions to the handloom weaving industry when we suggest to them that this particular subvention should be trebled or quadrupled, if not more . . . . .

**Sir H. P. Mody** (Bombay Millowners' Association: Indian Commerce): Why do you ask Government? We are your really "Mabaps".

**Prof. N. G. Ranga:** It is true that there is a cotton mill industry here which, whenever it goes up to the Government of India for protection, never thinks of the handloom weaving industry. They never thought what was going to happen to the handloom weaving industry when they asked for more and more protection against Japan; they never thought of the cotton growers or of the handloom weavers in this country when they approached the Government of India for protection to the cotton mill industry . . . . .

**Dr. P. N. Banerjee** (Calcutta Suburbs: Non-Muhammadian Urban): Millowners are very selfish.

**Prof. N. G. Banga:** They have always been so. I, therefore, suggest, Sir, that the Government would only be doing justice to the handloom weaving industry if they were to direct this Tariff Board, at least at this late stage, to try to pay special attention to the needs of the handloom weaving industry also, and to ascertain to what extent the handloom weaving industry can be helped by a proper adjustment of the import duties over the cotton imports into this country.

Lastly, Sir, I wish to suggest, for the consideration of this Government, that they should try to give as much protection as possible to the handloom weaving industry, and the first preference should be shown, if any protection were to be given at all, to the handloom weaving industry, and then only the claims of the cotton mill industry should be considered, because, Sir, all this time the cotton mill industry has benefited by special protective duties, whereas the handloom weaving industry has been sacrificed. I do maintain that the competition between the goods produced by the handloom weaving industry and those produced by the cotton mill industry is keenly felt all over India, and to such an extent that there is widespread unemployment amongst handloom weavers. Sir, it must be remembered that whereas the cotton mill industry gives employment to about six lakhs of people, the handloom weaving industry gives employment to one crore of people at least, and this is an estimate made by various Government officials in this country. And, in the Madras Presidency alone, there are 15 lakhs of people employed in the handloom weaving industry, and 15 lakhs are certainly more than twice as many as those who are being maintained by the cotton mill industry in this country. It is also true that in addition to the unemployment already existing, there is what is known as under-employment amongst handloom weavers, and, Sir, many of them are not able to get even Rs. 12 per month. That is the family income. Is it not fair, therefore, that these people should be given preference first and then only the case of the cotton mill industry be considered? Sir, for these reasons, unless Government gives us a satisfactory answer in regard to their attitude towards the handloom weaving industry in this country, this House will be justified in throwing out this particular demand.

**The Honourable Sir Muhammad Zafrullah Khan** (Member for Commerce and Railways): Sir, with great respect to the Honourable Member who has opposed this demand, I fail to see how, in the terms of reference to this particular Tariff Board, any reference could possibly have been included to the handloom weaving industry. As the House is aware, this Tariff Board is inquiring into only one particular matter, and that is the range of duties necessary to give adequate protection to the textile industry as against the products of the United Kingdom. Now, Sir, it must be within the recollection of the House that, when the questions to which the Honourable Member has made reference were put, the specific complaint was that the handloom weavers were suffering from competition from Japan and also from the Indian cotton mills. There was not the slightest suggestion,—and I do not think it was an omission,—as a matter of fact, there can be no suggestion at all that the handloom weaving industry is in competition with the products of the United

[Sir Muhammad Zafrullah Khan.]

Kingdom Therefore, this special Tariff Board's activities being limited to that particular inquiry,—it does not matter how you may have framed the terms of reference,—you could not have brought the handloom weaving industry into the picture at all.

**Prof. N. G. Ranga:** You can get yarn cheaper.

**The Honourable Sir Muhammad Zafrullah Khan:** The Honourable Member's complaint resolves itself into this, why have you not set up another Tariff Board to enquire into something else that he has a grievance about? On that score he cannot object to a supplementary demand with regard to the Tariff Board that was set up. It was in pursuance of an obligation undertaken and that obligation Government had to discharge.

**Pandit Nilakantha Das** (Orissa Division: Non-Muhammadan): In this limited term of reference, whether the protection is enough for Indian cotton textile industry, the Indian cotton textile industry I hope and trust includes the handloom industry. It is not the mill industry alone, and, as a matter of fact, in the last enquiry of the Tariff Board on Indian textile industry, they have given a chapter on the handloom industry.

**The Honourable Sir Muhammad Zafrullah Khan:** I do not deny that. But I have tried to explain that there is no allegation, whatsoever, that the handloom industry products are in competition with the products of the United Kingdom. If the whole question was being generally considered, no doubt the handloom industry also would have to be considered.

**Pandit Nilakantha Das:** In this enquiry, too, the handloom industry may be included, and in that case, some provision may be made, or some method may be adopted so that along with the Indian mill industry the handloom industry also may be protected.

**The Honourable Sir Muhammad Zafrullah Khan:** Against what?

**Pandit Nilakantha Das:** Against foreign countries.

**The Honourable Sir Muhammad Zafrullah Khan:** But this Tariff Board has nothing to enquire into with regard to other countries; it is making an enquiry only with regard to the United Kingdom.

**Pandit Nilakantha Das:** Yes, against the United Kingdom as well, for our handlooms use counts more than 50; generally our best handloom cloth is 80, 90, 100 or 120 counts, and so, against the United Kingdom the handloom industry requires to be protected.

**The Honourable Sir Muhammad Zafrullah Khan:** This is the first time I hear of it.

**Pandit Nilakantha Das:** And in this limited term of reference that may be included and some instruction may be issued definitely to this effect.

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

“That a supplementary sum not exceeding Rs. 13,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Miscellaneous’.”

The motion was adopted.

MISCELLANEOUS ADJUSTMENTS BETWEEN THE CENTRAL AND PROVINCIAL GOVERNMENTS.

**Mr. K. Sanjiva Row:** Sir, I beg to move :

“That a supplementary sum not exceeding Rs. 8,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936 in respect of ‘Miscellaneous Adjustments Between the Central and Provincial Governments’.”

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

“That a supplementary sum not exceeding Rs. 8,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936 in respect of ‘Miscellaneous Adjustments Between the Central and Provincial Governments’.”

The motion was adopted.

REFUNDS.

**Mr. K. Sanjiva Row:** Sir, I beg to move :

“That a supplementary sum not exceeding Rs. 30,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936 in respect of ‘Refunds’.”

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

“That a supplementary sum not exceeding Rs. 30,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Refunds’.”

The motion was adopted.

DELHI.

**Mr. K. Sanjiva Row:** Sir, I beg to move :

“That a supplementary sum not exceeding Rs. 1,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Delhi’.”

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

“That a supplementary sum not exceeding Rs. 1,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Delhi’.”

*Neglect of Developed Areas.*

**Mr. M. Asaf Ali:** Sir, I beg to move :

“That the demand for a supplementary grant of a sum not exceeding Rs. 1,69,000 in respect of ‘Delhi’ be reduced by Rs. 100.”

[Mr. M. Asaf Ali.]

My only excuse for rising at this late stage to inflict myself upon the attention of the House is that Delhi does not possess a local Legislature where a demand like this might have been properly discussed. In fact, the only Legislature that Delhi possesses is this very Legislature; the local Legislature of Delhi has been super-imposed upon by the Indian Legislature. It is really the case of the tail wagging the dog, and I want the tail to wag the dog today. As it happens, in this demand I find that there is a sum of Rs. 25,000 . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): What is the Honourable Member discussing now? The grievances of Delhi? What does the Honourable Member want?

**Mr. M. Asaf Ali:** I want more money.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair rules it out of order. The motion is out of order.

**Mr. M. Asaf Ali:** May I say a word?

**Mr. President** (The Honourable Sir Abdur Rahim): No, not on the motion.

The question is:

"That a supplementary sum not exceeding Rs. 1,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Delhi'."

The motion was adopted.

#### AJMER-MERWARA.

**Mr. K. Sanjiva Row:** Sir I beg to move:

"That a supplementary sum not exceeding Rs. 63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Ajmer-Merwara'."

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

"That a supplementary sum not exceeding Rs. 63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Ajmer-Merwara'."

The motion was adopted.

#### ANDAMANS AND NICOBAR ISLANDS.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Andamans and Nicobar Islands'."

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

"That a supplementary sum not exceeding Rs. 1,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Andamans and Nicobar Islands'."

The motion was adopted.

#### ADEN.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Aden'."

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

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Aden'."

The motion was adopted.

#### COMMUTED VALUE OF PENSIONS.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 1,58,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Commuted Value of Pensions'."

4 P. M.

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

"That a supplementary sum not exceeding Rs. 1,58,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Commuted Value of Pensions'."

The motion was adopted.

#### INTEREST-FREE ADVANCES.

**Mr. K. Sanjiva Row:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 12,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Interest Free Advances'."

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

"That a supplementary sum not exceeding Rs. 12,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Interest Free Advances'."

**Pandit Govind Ballabh Pant:** I will take just a second. In the book on Supplementary Demands, on page 46, (a) at the bottom says:

"This (2,12,000) is required mainly to meet the grant of advances made by the Bihar Government to brick burners in connection with earthquake reconstruction."

I want to know whether this amount is meant entirely for these brick burners or whether interest free advances are also to be made to others. If they are to be made to others, then who are those lucky people?

**Mr. K. Sanjiva Row:** This particular item refers to advances to brick burners.

**Pandit Govind Ballabh Pant:** Then, why "mainly"?

**Mr. K. Sanjiva Row:** Because there are several advances under this big head, such as advances to Government servants, etc.

**Pandit Govind Ballabh Pant:** That is what I want to know.

**Mr. K. Sanjiva Row:** When Government servants are transferred from one place to another, they are given a small advance which is adjusted later on. Then there are certain other advances under this head such as 'Revenue advances', to revenue officers for fixing boundary stones and so on.

**Pandit Govind Ballabh Pant:** What portion then of this 2,12,000 is meant for the brick burners?

**Mr. K. Sanjiva Row:** I have not got the exact figures.

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

"That a supplementary sum not exceeding Rs. 12,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Interest Free Advances'."

The motion was adopted.

#### RAILWAY BOARD.

**Mr. P. E. Rau** (Financial Commissioner, Railways): Sir, I move:

"That a supplementary sum not exceeding Rs. 29,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Railway Board'."

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

"That a supplementary sum not exceeding Rs. 29,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Railway Board'."

The motion was adopted.

#### AUDIT.

**Mr. P. E. Rau:** Sir, I move:

"That a supplementary sum not exceeding Rs. 78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Audit'."

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

"That a supplementary sum not exceeding Rs. 78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Audit'."

The motion was adopted.

#### WORKING EXPENSES—MAINTENANCE OF CARRIAGE AND WAGON STOCK.

**Mr. P. B. Rau:** Sir, I move:

"That a supplementary sum not exceeding Rs. 20,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Working Expenses—Maintenance of Carriage and Wagon Stock'."

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

"That a supplementary sum not exceeding Rs. 20,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Working Expenses—Maintenance of Carriage and Wagon Stock'."

**Lieut.-Colonel Sir Henry Gidney:** I see that Pandit Pant has got an amendment on this demand but he has not moved it. I would like to ask the Honourable Member to inform this House how much of this charge for the maintenance of carriage and wagon stock includes repairs to saloons supplied to officers. It is a rather difficult question. I know, but I want to ask the Honourable Member to tell this House how much of this money is being used for the repair of saloons. Saloons are supplied liberally on State Railways as compared to Company-managed railways. I am not going to touch on the policy underlying this question. This granting of saloons in my opinion is a financial luxury and extravagance. Why even the Prime Minister and Cabinet Ministers of the British Government are not supplied with saloons.

**The Honourable Sir Muhammad Zafrullah Khan:** If that is not a question of policy, what is it?

**Lieut.-Colonel Sir Henry Gidney:** I have specialised my remarks on saloons and their repairs. I wish I could deal in detail on the policy.

**The Honourable Sir Muhammad Zafrullah Khan:** The Honourable Member should direct his remarks to the maintenance of carriage and wagon stock.

**Lieut.-Colonel Sir Henry Gidney:** I am doing so. If the repairs referred to in this demand do not include saloons, I sit down. If they do, I stand up.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member wants to know how much of this money is being spent on repairs to saloons, if saloons are included in this item.

**The Honourable Sir Muhammad Zafrullah Khan:** The Honourable Member seems to think that saloons are included in this item and that he is, therefore, entitled to criticise the policy of supplying saloons to officers.

**Lieut.-Colonel Sir Henry Gidney:** That is mere flight of your imagination.

**Mr. President** (The Honourable Sir Abdur Rahim): I understand the Honourable Member wants to know how much of these working expenses goes towards the maintenance and repairs of saloons.

**The Honourable Sir Muhammad Zafrullah Khan:** In reply to questions in this House, it has been stated that no separate account is kept for saloons.

**Lieut.-Colonel Sir Henry Gidney:** Sir, my question remains unanswered. I ask how much of this expenditure goes towards repairs to saloons. I think it is an absolute luxury, a waste of tax payers money and I think this House should inform the Railway Board that this waste should be stopped. You will then reduce your expenditure on repairs to wagons and coaches. We know what an enormous sum is spent on the maintenance of these saloons, the magnificent glass and crockery maintained in them, in shunting them and attaching to trains and so on. Every young officer, even a D. T. O. gets a saloon, especially on the North Western Railway and other State Railways, whereas the concession is given very sparsely in Company-managed railways and that is why the State Railways do not pay. Sir, I am trying to impress upon the Railway Board that by supplying this luxury to all officials on State Railways they are not only depriving the travelling public of accommodation but the tax payer of his money. It is unnecessary to expand on this point, Sir, and this is all I have to say, except to add that saloons are not meant for sleep and comfort but for work.

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

"That a supplementary sum not exceeding Rs. 20,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Working Expenses—Maintenance of Carriage and Wagon Stock'."

The motion was adopted.

#### TEMPORARY WITHDRAWALS FROM DEPRECIATION FUND.

**Mr. P. B. Rau:** Sir, I beg to move:

"That a supplementary sum not exceeding Rs. 2,64,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Temporary Withdrawals from Depreciation Fund'."

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

"That a supplementary sum not exceeding Rs. 2,64,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of 'Temporary Withdrawals from Depreciation Fund'."

**Mr. S. Satyamurti:** Sir, I rise to oppose this motion. I shall be very brief. I am simply amazed at the courage of these railway people coming along and saying: "Well, we will borrow more than Rs. 2½ crores from the Depreciation Fund". They do not even feel ashamed about it. There is no spirit of apology about it. These gentlemen are the most insolvent part of the Government of India. They owe us Rs. 50 crores, and also Rs. 800 crores of the Indian tax-payer's money are invested in the Railways; and there is no prospect of their paying off their debt, and then they come along and say—"we will steal from the Depreciation Fund". (Laughter). Sir, what will be left of it two years' hence? Now, I will give you some staggering figures. In 1913-14 the railway mileage was 32,600. In 1934-35, it was 38,300. In 1913-14 the whole capital at charge was only Rs. 485 crores. In 1934-35 they have bloated themselves out to Rs. 847 crores—a criminal folly for which they would be shot in any other part of the world—and yet they have the effrontery to come here and say: "allow me to steal some more of your money". Sir, in 1913-14 their staff was only 6,33,000. In 1934-35 it was 6,70,000—a small increase. And what do you think was the salary bill? In 1913-14 it was Rs. 11 crores, in 1933-34 it was Rs. 35½ crores! (Here, hear.) Sir, they are highway robbers! They go about stealing other people's money, and then they say they must be paid Rs. 35½ crores as their salary bill, and now they quietly come along and say: "let us take Rs. 2,64,09,000 as a loan from the Depreciation Fund". Whenever I ask my Honourable friend any question, he refers me to the Government of India Act and says that: "that will be for the Railway Authority when it comes": now do you know what is going to happen? You will be wiped out . . .

**The Honourable Sir Muhammad Zafrullah Khan:** I may be wiped out before.

**Mr. S. Satyamurti:** I am talking of the Railway Member officially. The Railway Member will be wiped out of this House. There will be no responsibility to this House of the Railway Authority to come and the Governor General will act in his individual discretion.

**The Honourable Sir Muhammad Zafrullah Khan:** What has that to do with these Rs. 2 crores and 64 lakhs?

**Mr. S. Satyamurti:** It has everything to do with this. The point is this,—the Governor General can write down the capital at charge in his own individual discretion.

**The Honourable Sir Muhammad Zafrullah Khan:** I quite understand what the Honourable Member is saying but I do not understand the relevance of it to a supplementary demand.

**Mr. S. Satyamurti:** The tragedy of it is that the Railway Member does not understand the relevancy of railway finance. (Hear, hear.) You want to run the railways, you lose crores of rupees, and when we point all that out, you do not understand the relevancy of it—that is the misfortune!

**Mr. President** (The Honourable Sir Abdur Rahim): All that was discussed on the Railway Budget.

**The Honourable Sir Muhammad Zafrullah Khan:** The Federal Railway Authority has nothing to do with this year's budget.

**Mr. S. Satyamurti:** My friend, it has everything to do with it! The Railways are not paying. What is going to happen is that the Indian taxpayer is going to be made to pay his full interest and sinking fund charges on Rs. 800 crores of debt, but the Railway Authority may get off with Rs. 400 crores of that debt. That is my complaint. The last point I want to make is that when the Bengal and North Western Railway was asked to be bought, my friend hesitated . . .

**Mr. President** (The Honourable Sir Abdur Rahim): That has nothing to do with this.

**Mr. S. Satyamurti:** No, Sir. If that railway is bought, they will get six per cent. on it.

**Mr. P. R. Rau:** That won't reduce the deficit for the current year.

**Mr. S. Satyamurti:** I am thinking of some time in the future also. Sir, our friends are so anxious to seek your help, because they cannot get any help from us. Is that the way of dealing with this question? I suggest we should view this question from the broader point of view and deal with it accordingly, and they should not go about merely asking for some protection from the Chair.

**Mr. President** (The Honourable Sir Abdur Rahim): The Railway Budget was really the occasion for such a discussion. The Honourable Member then made his speech and in a very full speech explained the railway position and he did say that there would have to be a temporary withdrawal from the Depreciation Fund. This is not the time for going over all that again.

**Mr. S. Satyamurti:** And the result of all that is that they can now come over and ask for a withdrawal of Rs. 2½ crores from the Depreciation Fund. Sir, I object to that.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is entitled to object to it and throw it out.

**Mr. S. Satyamurti:** My only point is that the Railway Member and his assistants do not seem to understand the financial aspects of the working of the railways. We are losing heavily, Sir, and I do not think we ought to allow them to remain on in the comfortable position of *not* paying any interest, of borrowing recklessly from the Depreciation Fund, and paying themselves Rs. 33 crores every year.

**Sir Cowasji Jehangir:** Sir, I should like to ask one question. There is this temporary loan of Rs. 2 crores 64 lakhs. According to the Railway Budget you will have a balance of Rs. 11.81 crores in the Depreciation Fund. Is this 2 crores 64 lakhs a further inroad on that 11 crores 81 lakhs?

**Mr. P. R. Rau:** May I explain, Sir? Rs. 11·81 crores is the anticipated balance at the end of 1936-37. This 2 crores 64 lakhs is the amount that we shall require to withdraw in 1935-36 and the balance at the end of 1935-36 is expected to be Rs. 8 crores 97 lakhs.

**Sir Cowasji Jehangir:** According to your Budget at the end of 1936-37 the balance would be Rs. 11·81 crores?

**The Honourable Sir Muhammad Zafrullah Khan:** At the end of 1936-37 it is expected to be 11 crores 81 lakhs—after taking this away and adjusting it in the next year's accounts.

**Sir Cowasji Jehangir:** After taking this away, adding 13½ crores to the Depreciation Fund *minus* what you spend on improvements and renewals, you will still have 11 crores 81 lakhs?

**The Honourable Sir Muhammad Zafrullah Khan:** Yes. This has been allowed for in the Budget already.

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

“That a supplementary sum not exceeding Rs. 2,64,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1936, in respect of ‘Temporary Withdrawals from Depreciation Fund’.”

The motion was adopted.

#### THE INDIAN FINANCE BILL.

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

“That in clause 2 of the Bill, the following be omitted, namely:

‘and the said provisions shall, in so far as they enable the Governor General in Council to remit any duty so imposed, be construed as if with effect from the 1st day of April, 1936, they remitted the duty to the extent of the said one rupee and four annas, and such remission shall be deemed to have been made out of the leviable duty by rule made under that section’.”

Sir, in form this is an amendment to restore the salt duty which was excised by this House, but it seems to me that this is a convenient place for me to deal with the recommended Bill as a whole and with the issues which arise in consequence of the recommendation. Sir, I do not need of course to say more than a sentence or two in describing what the Bill purports to do or what the amendments which I am moving purport to do. It means that the Government are unable to accept the views of the Assembly either in regard to the excision of the salt duty or in regard to the lowering of the postcard rate but that they accept the vote of the House in regard to the postage rate on newspapers. (Hear, hear.) Of course the reversal of the two major votes of the Assembly and the acceptance only of the minor one (Hear, hear) is bound to raise at once the whole issue of the proper limits of responsiveness. There have recently been two pronouncements on this subject and I may perhaps be allowed to read them. This is from my Honourable friend, Sir Cowasji Jehangir's speech, on the 19th March. He says:

“Mr. President, so long as I have been a Member of this House, I have always tried my best to see that after the cuts I have voted, the Finance Member still had sufficient to pay for all the demands that would be made upon him. And when this side of the House does that, we do expect that our opinions and our wishes shall be respected by Government so far as they possibly can’.”

[Sir James Grigg.]

The last words are very important qualifications:

"That is the present Constitution under which we work. Because the right of certification has been given to Government it does not mean that, because they disagree with us on any retrenchment we may suggest or any relief that we may require, they should not meet us. They have to be satisfied that we have given them ways and means to carry out the duties imposed upon them and they shall then meet our wishes. That is how I look upon the Constitution under which we work and that is how I look upon the power of certification given to Government. Under these circumstances, Sir, we look forward to the next few days with the hope and with the faith that Government will act up to the principles I have just enunciated".

Then, Sir, there was a speech two days ago by Mr. Jinnah and perhaps I may be allowed to read a short extract from that speech as well:

"Sir, I hope that they will not take it into their heads that because we have made so many cuts and, therefore, whether it is a good one or a bad one, whether it is supported by a definite strength or not, they must apply the bludgeon clause and certify the whole lot. I had made it quite clear that we reduced the Executive Council grant to one rupee on the principle of refusal of supplies. That does not mean that I was trying to readjust or remodel the budget. It is purely a constitutional question based on constitutional principles. We have cut down the military grant by four lakhs. That again was not done to readjust or remodel the budget. But it was done with a view to express our dis-satisfaction and condemnation of the military policy as a whole. Therefore, Sir, when we have come to the realm of budget in the Finance Bill, all that we have done is that we have passed a vote that the expense of Quetta should be transferred from revenue to capital. That is one thing we have done. The second thing we are going to do now is to reduce the price of the postcard. These are the two things that the House has decided with regard to your budgetary proposals."

There is a small omission of the excision of salt duty, but I pass over it.

**Mr. M. A. Jinnah** (Bombay City: Muhammadan Urban): I did not support the cut on the salt duty. I was speaking for myself.

**The Honourable Sir James Grigg:** He continues:

"I ask the Government through you, Sir, whether they think that our proposals are so unreasonable do they think they are so monstrous that they ought to be certified. The other day, I said, that the Government did not meet the wishes of this House on any first class issue. I do not put this in the category of a first class issue. I make it quite clear that this is also a very important matter on which administrative action is required on the part of the Government. This is in your hands, that is to say in the hands of the Executive Council and not in the hands of the Government of India as I defined it",

—that means, I think, the Executive Council *plus* the Secretary of State.

**Mr. M. A. Jinnah:** And the Parliament.

**The Honourable Sir James Grigg:**

"This is entirely in the hands of the executive Government. Are you going to meet us? Are you going to show that you are amenable to reason, that you would meet the wishes of the House and that this House can influence you? It is for you to decide and show it."

**Mr. M. A. Jinnah:** You have shown it just now.

**The Honourable Sir James Grigg:** I have read the extracts from these two speeches because they do include in them a one-sided statement of the issues which are now to be placed before the House. But here, let me for a moment digress and take up Mr. Jinnah's statement that there are no first class issues on which the Government have acted in accordance with the wishes of the Assembly. I have here, Sir, Vol. I of the Memoranda submitted to the Indian Statutory Commission by the Government of India and I would like to read a paragraph from page 71 of that Report:

"Mention has already been made of some matters on which the Legislature expressed its wishes by means of Resolutions and Government took action accordingly. Notable instances are the adoption of a policy of discriminating protection, the statutory recognition and regulation of trade unions, the repeal of special laws and the Press Act, the constitution of unified bars of High Courts, of an Indian Territorial Force, and of a Royal Military College, the withdrawal of the excise on cotton and the restrictions on exports of food grains, the recognition and regulation of communal representation in the services and the association of Standing Committees of the Legislature with Departments of Government. The influence on the administration which the legislature has brought to bear through its Committees will form the subject of a later paragraph of this note and reference will there be made to the numerous special committees which have, in consequence of Resolutions of the Legislature been appointed to consider particular questions of administration. This is a very common method of giving effect to a Resolution. Other matters in which the Government have accepted the recommendations made in a Resolution are the purchase of stores, female franchise, the position of Indians overseas, martial law administration in the Punjab, the prevention of overcrowding in railway carriages, pilgrim traffic, the protection of Dera Ismail Khan against erosion and the establishment of a school of Mines. Similarly a Resolution materially affected the attitude of Government towards the problem of the administration of Aden. But in a considerable number of cases the only action possible was to communicate the terms of the Resolution to provincial Governments and in some cases a similar communication was made to the Secretary of State. In this way Government has given full effect to 37 and part effect to 36 non-official Resolutions passed in the Assembly. The corresponding figures for the Council of State are 32 and 24.

In 32 cases, however, in the Assembly and 19 cases in the Council of State Government have found themselves unable to give effect to Resolutions. It was not within the power of Government to obliterate the distinction between the votable and non-votable expenditure, to surrender the power to secure the necessary legislation or to accelerate the revision of the constitution. A duty on imported coal was found to be uneconomic and it was administratively undesirable to permit certain persons to return to India, to release others from prison, to repeal the Bengal Regulations, to remove the Santhal Parganas from the category of backward tracts and to submit broad classes of contracts for the approval of the Chambers. It would have been an invasion of provincial authority to prescribe generally a policy of prohibition, to enquire into Sikh grievances in the Punjab, to answer in the Indian Legislature questions on purely provincial matters and to interfere with the leave of the provincial service officers.

It will be clear from these instances that it is by no means infrequent for the Chambers to seek to invade spheres of administration, Central or Provincial, which are not their proper field. More extreme instances of this tendency are the Resolution that a Committee of the Council of State should examine the present distribution of Portfolios among the Members of the Council of the Governor General and should make recommendations and the Resolution in the Legislative Assembly that rules should be framed to ensure that no action, administrative or legislative, is taken on the reports of Commissions or Committees until the Legislative Assembly has considered them. Government indeed accepted the latter Resolution after omission of the reference to rules and the insertion of the words limiting its operation to practicable cases, and there have been other cases in which Government have not been rigid in insisting on the maxim that Parliament does not administer."

**Mr. M. S. Aney** (Berar Representative): May I just ask what is the relevancy of this to the present Bill?

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member explains that the Honourable Member, Mr. Jinnah, complained that the Government did not respond to the wishes of the Assembly on any first class issue. I understand the Honourable Member is trying to show that that is not a correct statement.

**Mr. M. A. Jinnah:** I never said that on the debate on the amendment of the salt duty. All I said is this when I was speaking on the postcard that here is an issue which I consider is not a first-class issue as I have defined; but nevertheless it is important and it can be done by the Executive Government. That is all that I said, but I am quite prepared to meet this debate if it is going to be raised though totally irrelevant.

**The Honourable Sir James Grigg:** I have nearly finished this. As I said, this debate and the action of Government raises the whole question of the proper limits of responsiveness, and that is what I am dealing with.

“For instance, Government agreed that statutory modifications by the Local Government rendering certain provisions of the Assam Labour and Emigration Act operative would not be withdrawn without consulting the Assembly, and have also welcomed interest in the construction of the New Capital and the purchase of stores. But in establishment questions, with which particularly in Railway administration there is some proneness to interfere, the influence of the legislature has not been allowed to make itself felt.”

Sir, there are other quotations, which I do not propose to read but merely to refer to, on pages 77 and 78 of the same volume. That deals with the position up to the time of the Simon Commission. Since then, I can think of other instances which I may just mention in passing. I think at the instance of the legislature Government set up a Central Banking Inquiry Committee; it also set up advisory committees on retrenchment; it took action in introducing a revised classification of prisoners; it set up committees to examine the Ottawa agreement; it imposed a duty on broken rice; and I think I am right in saying that it was at the instance of the legislature that it imposed a duty on wheat.

Sir, to my mind, though perhaps that mind is apt to be unduly reminiscent of the state of affairs in the United Kingdom—but incidentally the British constitution is about the only workable democratic constitution in the world at present—it seems that so far from being totally unresponsive the Executive in India in its desire to temper the full rigour and reproach of irremovability has allowed and even encouraged the Legislature to encroach on its functions to an extent which may very easily prove to be extremely embarrassing to the executives of the future constitution. However, that is only my personal opinion, and as both I and the existing constitution have a very limited tenure, I will not attempt to develop that particular question at length. But I would like to say that the reason the English constitution works better than any other constitution in the world is because the respective spheres of the Executive and the Legislature have become more clearly understood by process of time than anywhere else in the world.

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): No, it is not that but because Government can be thrown out of office.

**The Honourable Sir James Grigg:** I will come to that.

In any Constitution, I would say that there are three pre-eminent spheres where the Executive must, broadly speaking have the last word, if Government is to be carried on not only successfully but carried on at all. The first is defence, the second is law and order, and,—I would say,—the third is finance. In these spheres where policy and administration are inextricably mixed, where the Executive cannot, from the very nature of things with which it is dealing, involving as they do a great deal of secrecy particularly in regard to future intentions, where the Executive cannot, I say, share more than a part of its knowledge with the outside world, it must carry out fully and sincerely its responsibilities and not throw them at the head of the Legislature. In these spheres the safety and/or stability of the State are at stake; and in these spheres there is an inescapable obligation on the Executive to take long views, and in pursuance of those views to use whatever powers the constitution confers on them. And perhaps I may here quote a passage from the report of the Joint Select Committee of 1919. It is a short passage the object of which is to prove what is sometimes denied in this House and in this country that the special powers were intended to be used:

“For reasons which prompted their rejection of the process of certification by a Governor General to a grand committee in a province, the committee are opposed to the proposals in the Bill which would have enabled the Governor General to refer to the Council of State, and to obtain by virtue of his official majority in that body, any legislation which the lower chamber refuse to accept, but which he regards an essential to the discharge of his duties. The committee have no hesitation in accepting the view that the Governor General should in all circumstances be fully empowered to secure legislation which is required for the discharge of his responsibilities. But they think it is unworthy that such responsibility should be concealed through the action of a Council of State specially devised in its composition to secure the necessary powers. They believe that in such a case it would add strength to the Government of India to act before the world on its own responsibility.”

Now, to return to my argument about the inescapable responsibility of the executive in the spheres of defence, law and order and finance. In the financial sphere I submit that this inescapable responsibility means that in all major matters the executive must be prepared to persist in its views, though in matters of detail where any question of principle arises it should be ready to meet the wishes of the Legislature. The question then boils itself down to what are major matters of policy and what are matters of detail. For my part I should class as major matters those which materially affect the structure of the budget and those which raise important matters of general principle. There is, I imagine, no difference of opinion here that the abolition of the salt duty is a major matter; the newspaper postage rate is quite obviously a matter of detail. There would probably be agreement that the method of financing the Quetta reconstruction raises an important matter of general principle, though there is clearly a difference of opinion as to what that principle is. However, on the basis which I have been working of the inescapable responsibility of the executive, we say that the principle is to pay as you go whenever you go and not to place upon posterity the burdens of our expenditure if we can possibly help it. And we think this principle of such importance that we are exercising our constitutional right of the last word.

I now come to the postcard. Mr. Jinnah says that it is not a first-class issue. We take the contrary view. Perhaps,—and I apologise for my being a little too reminiscent,—perhaps I may draw again on my

[Sir James Grigg.]

experience in another country and my association with a large number of British budgets, and give some account of what are there regarded as major issues. The total tax bill in the United Kingdom is some 700 or 800 millions. Every year during the passage of the Finance Bill through the House of Commons the Chancellor of the Exchequer must expect to have to make certain concessions; and,—I am here speaking from experience,—an individual concession rarely costs more than a 100 thousand a year, and in the aggregate concessions in any one year practically never amount to as much as half a million pounds. Making allowance for a much smaller scale of the Indian budget the comparable figures would be for individual concessions a lakh a year, and for the total concessions during the passage of any one budget of the year, of 5 lakhs. But the postcard concession would cost 50 lakhs a year and the comparable figure to that in England would be of the order of 5 millions a year. Now certainly, it would be unthinkable for any Chancellor of the Exchequer to accept an amendment of this magnitude, and, in any case, surely, it is clear without any argument that a concession of Rs. 50 lakhs a year is of material moment to a budget of eighty crores. In the case to which I referred last year on a similar occasion to the present, my predecessor invoked the special powers of the Governor General in respect of a cut in revenue of Rs. 65 lakhs, and if the message from His Excellency last year recommending the Finance Bill is looked at, it will be seen that the executive clearly regarded amendments of the order of half a crore a year as major matters.

There is another argument I would like to mention. If there was available a margin of Rs. 50 lakhs, it would quite clearly be the duty of the Government on their own initiative and, in their original budget, to bring forward proposals for dealing with a surplus of that amount. If there is not, there is, I submit, an absolute obligation upon the Government to resist amendments which, however desirable in themselves, cannot be financed out of the general budget or, as in this case, which cannot be financed either out of the general budget or the postal budget.

Sir, it will be said in this debate—in fact it has already been said by way of interjection—that the English analogy is incomplete and that the Indian Executive is irremovable. That is, of course, true, but in a very few years the situation will have completely changed, and Indian Ministers will be subject to removal by the Legislatures. When that time comes, it will probably be found—and here I am indulging in a prophecy—that the Legislatures will be more careful about pressing amendments which will unbalance budgets if for no other reason than that the votes of Members will carry the implication that they are themselves ready to take up the burden which they make it impossible for the others to carry.

Sir, I beg to move.

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

“That in clause 2 of the Bill, the following be omitted, namely:

‘and the said provisions shall, in so far as they enable the Governor General in Council to remit any duty so imposed, be construed as if with effect from the 1st day of April, 1936, they remitted the duty to the extent of the said one rupee and four annas, and such remission shall be deemed to have been made out of the leviable duty by rule made under that section.’”

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muhammadan Rural): Mr. President, I rise to oppose the amendment. I am conscious that though the amendment, in form, merely relates to the restoration of the duty on salt, the object of the Mover of the amendment is to point out to this House that there is no alternative before it except to accept or reject both of these amendments. That is the invitation he has held out, so I shall not attempt to distinguish between the two amendments though in form they may be put separately. The position is—and I am glad that Sir James Grigg has raised it—that the executive is now becoming more and more conscious of having to explain to this House the somewhat obdurate attitude, and what I still maintain and hope to prove within a few minutes, the irresponsive attitude which they have adopted towards the Legislatures which they have set up. I do not go to instances of history over many years, for it is far simpler, and, I think, far more direct and honest to have regard to the short period of time during which he and I have had experience. During that period I cannot think of any legislative or executive measures in which the Resolutions of this House or the rejections by this House of any of the motions or any of the Bills have not either been certified or recommended, and, thereafter, certified again. May I remind the House, Sir, that commencing with the Indo-British pacts and ending with the certification of the Criminal Law Amendment (1932) Bill, which is now made permanent, there is no measure of any consequence whatever on which the alleged responsiveness has been met, and I, therefore, realise why you have got to go to the past in order to cover and expiate your sins. But we are here to deal with the sins of the moment and not the alleged merits of their ancestors, and they can hardly claim any credit for what their ancestors occasionally did in a lucid interval of sanity. It is, therefore, this chronic disease which we are here to combat, whether or not we succeed in curing it. It is not possible for the Honourable the Mover of this motion even to pretend that during the period of the last two years any of the wishes of this House, as expressed in their votes, have been met by them. All that they have done is that they have shown indignation, and, with the consciousness of weakness, used language of an arbitrary character. Fortunately, I have escaped that situation this year. I have neither become “an Oracle” nor have I become “one who does not understand anything at all”, because it is one or the other category in which I was put on two of the previous occasions last year. This year I have escaped unscathed.

The fact remains that it was open, both constitutionally and otherwise, to Government to accept one or the other of the two measures with which these two amendments deal. I quite agree—and I am here free to admit—that so far as the question of the abolition of the salt duty was concerned it might have been a difficult matter to adjust but I must remind the House and also the Honourable the Mover that the Leader of the Nationalist Party made it quite plain that if there was any progressive proposal for the abolition of what we conceive to be a most oppressive tax, perhaps I would not be speaking in the present oppressive atmosphere, both physically and morally. But the fact also remains that under the inescapable sense of what they call duty—I do not know whom they wish to escape, I think the first person they ought to escape is themselves for the simple reason that it is their vicious selves—for they imposed upon themselves the impossibility of seeing themselves as others have seen them, or seeing the points of view as others would have seen them, though it

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is the money of others which they are here to extract and to spend. It is from that point of view, I think, that the inescapable duty in this case ought to have paid regard to the possibility and indeed in this case almost the certainty of adjustment in so far as the relief to the poor man in the shape of the postcard is concerned. And inasmuch as the British constitution has been mentioned and inasmuch as the value of this House has been mentioned, I wish to call attention to a speech which was made in the year 1899 by Mr. Dadabhoy Naoroji as to the then condition of the Indian Legislature and the Indian executive. And I hope to show—and in fact it would not require many words to show—that though thirty-six years, nearly thirty-seven, have passed since, though forms have changed, expenses have been added, ornaments have been added, so far as the Government of India is concerned, in its essence it has still remained the same; and if it remains the same, that inescapable sense of duty also nonetheless remains the same. Sir, Mr. Dadabhoy Naoroji contrasted both the British and the Indian Legislatures in their respective powers, both in the matter of legislation and in the matter of executive authority. This is what he said:

“There existed Legislative Councils in India, and it was generally believed that those Councils gave to the Indian people something like what they in England enjoyed in the way of representative Government and that by those means the people of India had some voice in their own government. This was simply a romance. The reality was that the Legislative Council was constituted in such a way as to give to the Government a complete and positive majority”.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Akhil Chandra Datta).]

It is perfectly true that undoubtedly there is the manipulation which is referred to here which has yielded to time and circumstance; but what with other circumstances which I will not detail, the power of certification the romance still continues. He continues:

“The reality was that the Legislative Council was constituted in such a way as to give to the Government a complete and positive majority: the three or four Indians who had seats upon it might say what they like, but what the Government of India declared was to become law, did invariably become the law of the country”.

Is not that true of the last year or last year and a half we have been here?

“To take for instance the question of expenditure—when a budget was brought forward in the House of Commons, members went on contesting it, item by item, for six months—they saw that their constituents’ interests were properly protected, and that the Government took no advantage of their power. Of course, in the British Parliament also, the majority had the final word; but whereas in that case that majority was subject to the people and could be turned out by them, in the Indian Legislative Councils the majority, instead of being given by the people, was managed and manipulated by the Government itself”.

—manipulated, as it is even done today—

“But matters are even worse than this. The expenditure of the revenues was one of the most important points in the political condition of any country, but in India there was no such thing as a legislative budget. The representative Members had no right to propose any Resolution or go to any division upon any item concerned in the budget, which was passed simply and solely according to the despotic will of a despotic government”.

—as it is in some cases now on votable items, far too few compared with the 80 crores of the collective budget. That is the description which he gave of the Government in the year 1899, and I find myself unable to distinguish it, notwithstanding a few oasis in the great desert to which attention has been drawn in the Simon Commission's Report. Then, he goes on:

"The Natives of India had not the slightest voice in the expenditure of the Indian revenues and the idea that they had was the first delusion on the part of the voters of England which he wished to correct. It would be seen in what an absurd position the so-called Native representatives of India were placed. In the expenditure of the revenue they had, as he had explained not the least voice, but when the time came for the imposition of taxes they were quite welcome to impose what taxation they could upon their countrymen. Yet if they did impose additional taxes these countrymen blamed them, while, if on the other hand they resisted any particular Bill of taxation the Government officials turned round and said: 'These Indians seem to think it possible to govern a country without revenue', and this they made an argument against the capacity of the Natives to take an adequate part in the government of their country. The Legislative Council was simply and solely, he declared, a delusion and a farce".

And, I am here, Sir, to point out that if their doing is going to be what it has been invariably during the last eighteen months, no other adjective and no other noun can describe the position in which we stand today, notwithstanding the fact that the elected Members may have multiplied twenty times in number: the actual situation in its reality of the constitution under which we are, or the one to come, is no different so far as the position of India in the Central Government is concerned. We have been deceived by forms and by analogies of different kinds; but when it comes to the substance of the matter, out of the 80 crores, most of the items are non-votable, a few votable items being considered and cut down and their restoration made: the position is no different today, notwithstanding the great show which has been maintained. We might well be spared, many of us at all events who can keep themselves usefully occupied in other spheres of life if we are going to find that this is all the effect and the responsiveness which we can evoke, on the part of those who believe in their inescapability of themselves. Sir, I will read a few more words, and the condition and the picture is complete:

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

This is a true picture drawn some 37 years ago of the manner in which this country has been governed. We have had undoubtedly two Government of India Acts, thereafter—Acts which are said to enlarge the liberties of this land, and I wish you to realise to what extent our liberties have been enlarged. Undoubtedly, it is true to say that the liberties of this country under the regime with which at all events I am familiar recently have been suppressed at every point and at every turn. So far as expenditure is concerned not a single voice has been heard. We have been here entertained to a few witticisms, a few sallies, a few quotations, but we have never been treated in the manner in which, if this constitution is to go on at all, we ought to be treated. The time has now

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arrived when, notwithstanding these platitudes, they must realise that this inescapability must either become responsive or my countrymen at all events ought not to remain in the snare and under the deception that their liberties are being enlarged, that their freedom and powers are being enlarged, that they are getting a due, real or anything like an adequate share in the government of their country or in the expenditure of their money. Sir, I oppose. (Opposition Cheers.)

**Mr. M. A. Jinnah:** Sir, in the first instance, I deeply regret that the Finance Member should have brought in this issue of what the Government have done in ages past. May I draw the attention of the Finance Member and of the Government of India to what I said on the motion to reduce the Executive Council demand? Perhaps he is so busy that I think he has missed the point, and burned his midnight oil over the Simon Commission report, to which I have a very complete answer. But why go into it when that question is not raised? What I said was this:

"But, Sir, when we have failed in any influence being felt, when we have failed in every advice that we have given and when we have exhausted every avenue, every channel, and, at the end of the year, we stand *vis a vis* the Government as Opposition, have we not got to give our verdict at the end of the year?"

I was not thinking of the past ages, where you have done great services to India. Why rake up all these old controversies? Do you think that you can honourably get a verdict in a court of law in your favour? Why raise it? I confined myself purely to the year since I have had the honour of coming here and trying to place before you my views and my advice. I said, at the end of the year what do I find? I find that you have utterly failed to respond, and, therefore, there is no other course open to me and the only course is to express my extreme disapproval and so I refuse supplies, which is only a fiction. If that is going to have any effect on you, if you think that that has shown to you that there is extreme dissatisfaction on this side of the House, are you going to reconsider your position or not? Are you going to change your attitude or not? I cannot express it in any other way.

Now, Sir, I am told that we have done many things in the past; and the Simon Commission Report is read out *in extenso* by the  
 5 P.M. Finance Member. Let me tell you I am fully aware of all this. I have been myself associated with this Legislature, with few interruptions for very short periods of course, since 1910, and let me tell you if you like something about your discriminating protection. Are you proud of it? Is this your boast? Have you really met the wishes of the people of this country? As I said the other day that, when the Government have got absolutely no friend left in this country, when they feel that there is nobody to support them, they find out some formula, and what is that formula? 'Very well, protection of course, but it must be discriminating'. And many of my countrymen fall into the trap, and they say they have got the protection, but our friend, the John Bull, says: "Remember the word 'discriminating'". How have you played with that word 'discriminating'!" Well, Sir, you may sit here and boast and talk as much as you like, but I venture to say that if you had forced that policy of discriminating protection on any other country, in the way in which you have played with it in this country, believe me that the people

of that country would not have allowed the Government to remain in office for 24 hours. It is because you are irremovable, it is because you can play with it as much as you like here, it is because you are all-powerful, you could coerce our businessmen, you could threaten them with all sorts of dire consequences, and in the name of discriminating protection you started driving in the wedge of Imperial preference straightaway. ("Hear, hear" from Opposition Benches.) And, what did you do last year, and that is what I am concerned with most. What did you do last year? You entered into an Indo-British Agreement which this House rejected, and notwithstanding the verdict of the House, you ratified it. Is that policy of yours in the best interests of India? Is that agreement really in the interests of India? I say, if you have any conscience, you cannot stand here at the bar of this House and say that that agreement, which you have ratified notwithstanding the verdict of this House against it, is in the interests of India. That is your discriminating protection.

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

Now, let us take another, the excise duty. Well, is there any Honourable Member here who knows anything about the history of it and who will not be ashamed of it? I say it was the biggest blot on your administration and on your Government in this country, and you get that removed after 30 years, and you say that that was a response to the Legislature.

Now, let us take the Press Act. Where is it now since last year?

**An Honourable Member:** They had repealed it for a time in their lucid moments.

**Mr. M. A. Jinnah:** I quite agree with my friend over there that in your lucid interval you did repeal the Press Act. (Laughter.) I am not quarrelling with that, but I may tell you quite frankly, as far as I am concerned, it is not a matter of such great importance. After all, if you repealed the Press Act, you gave the newspapers a chance. Very well, what happened? The British Empire was not going to totter; it did not. For a time the Press Act remained repealed, and when you found, rightly or wrongly, that the newspapers were abusing you too much and you thought you could not stand all that, you thought of re-enacting the Press Act. . . .

**The Honourable Sir Henry Craik** (Home Member): The Legislature.

**Mr. M. A. Jinnah:** My Honourable friend, the Home Member, says the Legislature. I know the Legislature sometimes does it, of course I quite agree. My friend does not seem to appreciate my point. I am not now dealing with the question whether the Legislature did it or not. That was not my point at all. I did not want to go into the history of the dark ages from the start of the British rule in this country right up to today and assert on the floor of the House that there was no first class issue on which you have ever met us. Why put that into my mouth and then try to argue and then look absurd? But when you point out the few things that you have done, surely I am entitled to have my say. You raised this issue now, I did not raise it. I am now pointing out to you, therefore, that the repeal of the Press Act was not a matter of life and death.

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Then, let us take the other,—constitution of the unified bars of the High Courts,—a first class issue, according to you. Well, Sir, the Honourable the Finance Member, it seems to me, would like this country to remain as utterly savage and uncivilized as possible, and that no institutions of any kind in this country should be established which will help this country at all. And if he does establish one little institution here or there, it is, according to him, a first class issue. And says he: "We met that issue". Do you believe really that the constitution of the unified bars of the High Courts is a first class issue? Do you really honestly believe, I do appeal to Government to say whether it is a first class issue?

Then, let us take another—the Indian Territorial Force. (Laughter.) There, again, Sir, I had some little share in it in pleading before the bar of this Government. I say it was my misfortune to plead before this Government. I have got grey in pleading before the bar of this Government that has neither a heart, nor a soul, nor a capacity to understand. I urged in this House over and over again, and if I get an opportunity next year, I am going to put something before it again, in regard to the Indian Territorial Force. I have said, Sir, that if the Government are honest, if they believe in nationalising the army in this country, then one of the most important things that they have to do is to build up the territorial force, and that is a second line of defence. After many debates, after much opposition, after many controversies and many difficulties we were able to extract from an unwilling customer to say: 'Very well, we will try it, we will start the Territorial Force'. Here is Mr. Tottenham. Ask him what have you done? I think he will say: 'Oh, I cannot get suitable material in this country'. What effort have you made to get suitable material? How did you try? It remains a moribund, nebulous, worthless sort of institution. It has got nobody to help, it has got no mother, no father, leave alone the Government of India, at its back. That is your territorial force.

Let us take the next one. The Royal Military College. Well, Sir, I have no hesitation in saying that, if at any time, on any question, we were deliberately deceived and defrauded, it was on this question; there is no other question over which we were so deliberately deceived and defrauded. What did you do? You appointed a Committee. I pleaded before the bar of this Government and after a great deal of discussion they appointed a Committee—the Skeen Committee. What happened? Unanimous report, a most modest report. If that scheme had been carried out, we could have only got half the number of officers Indianised in the officer ranks in 50 years. Again, Sir, I was fortunate enough,—at that time there was the Congress Bench also, the Congress Party was here, sometimes I find them also difficult. (Laughter.) When I went to them, they said, "This is all camouflage. Fifty years! Half the number to be Indianised! When will the Indian army be Indianised then? In how many years? No, no. We cannot agree". Again I pleaded before the bar of the Congress and I persuaded my friends and they said, very well. The House practically unanimously was in favour of the Government accepting the Skeen Committee's report. Did you do so? You did not. All sorts of excuses, all sorts of grounds were put forward. Naturally, that question could not die, it went on and on. This was in 1926 and

1927. Then we went to the Round Table Conference. How we were deceived there is well-known to those who have understood or followed the proceedings. We wanted the Defence Committee of the Round Table Conference to fix the number. And if from that day, that is the year 1930-31, if the British recruitment in the Indian Army proper was stopped and all the vacancies were to be filled up by Indians, it was admitted that it would take 35 years. They said, "We shall not do that". Then they said, "No, no. We cannot fix the number." Who is to fix the number? They had a resolution that it should be increasingly Indianised or something to that effect. I forget what the words were. And again, I must say that some of my countrymen were satisfied with that, and they were told—remember this, here comes the deception and the fraud. They were told that it would be the business of the Committee which would be appointed in India and they would determine and fix the number, or as to what the number should be. When that Committee was appointed in India, the Commander-in-Chief said to that Committee: "This is not within your jurisdiction, or within your purview, to consider the question of the number". So we were told in London by the Defence Committee of the Round Table Conference that the Committee would be appointed in India dealing with the question of Indian Sandhurst that would decide and fix the number. When you come here, you are told that this Committee has not power to decide. And who decided the number? Heaven alone knows. I suppose the Government of India had to announce, and so they did as to the number that was decided upon and fixed. This is your Military College policy. May I go on? It seems to me it is an utter waste of time, I will close this book for the moment, and I present it back to the Honourable the Finance Member. (Laughter.) Sir, I was really confining myself to a very simple narrow point. So all this is beside the point. I was taking stock of the annual work of this Legislature when I was supporting the cut for refusal of supplies. I said then, you have not met us on any first class issue. Now, Sir, with regard to this amendment, I would like to know from the Honourable the Finance Member whether it is still open to me—I would like to know because that will affect my decision as to how I should vote on this recommended Bill—whether it is still open to me to ask—whether any distinction is going to be made between Salt and Postcard, because, as the Finance Member knows, I did not support the amendment excising the salt duty, and I think I made a point of it in my speech in supporting the postcard cut—that you have to take into consideration, not only the vote of this House, which, of course, is always important, because it is the decision of the House, but you have also to take into consideration under the constitution under which we are working, the strength behind that vote. The salt tax reduction I do not support. It has been a mystery to me how Government lost, because I think they can at a given stretch command more than 41 votes. (Laughter.) Anyhow, evidently, they did not consider that, a first class issue perhaps, so they did not care very much and they got beaten. But whether they are beaten or whether they are not, they have got the certification behind them, so it does not matter. May I say I do not support the salt tax amendment even now? I say, if the Governor General says, "I recommend", that was my recommendation also. (Laughter.) I failed. The Governor General recommends it. I accept his recommendation and I would appeal to my friends to accept this recommendation, but what about the postcard? That recommendation of the Governor General, Sir, I am unable to accept. I do not

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think I shall waste the time of the House any further, but I shall ask one question. Is it still possible—I see under the law and the rules it is possible—the Governor General says, “You have made two cuts. I am going to certify, or rather recommend, and if it is not accepted, I will certify”. Supposing I was to say to the Governor General, “All right, I am willing to accept your recommendation as to salt but not as to the postcard”. Will the Honourable Member consider that question or not? If he says: “No, even if you accept the salt recommendation, I will not accept the postcard”, then I must oppose this amendment. (Applause.)

**Sir Cowasji Jehangir:** Mr. President, this is the first time in my experience in a Legislature, either Provincial or Central, that the Finance Member, at the very tail end of a discussion on the budget, has raised a first class Constitutional problem and question, and I would be failing in my duty if I did not attempt to say a few words to try and convince him how misconceived were his ideas of the present constitution under which we are working. He tries to compare it with the British constitution. He seems not to be aware of the past history of this country and of the reasons that actuated the great statesmen in England who were the authors of the constitution under which we are working. He seems to be completely ignorant of the proceedings that took place in England in 1917 and 1918 when this constitution was brought into existence. He seems not to have even an elementary knowledge which ought to have been possessed by anybody coming to India in the position of a member of the Government of India. Sir, the constitution under which we work is not as explained by the Finance Member. It was the deliberate intention of the authors of the constitution under which we work to give to the Opposition the right and the privilege of changing the budget and it was their intention, expressly put down in black and white in the Joint Select Committee's report of those days, that the Government should accept those recommendations unless they find it impossible to do so.

Now, I come to our suggestions put in the form of cuts which have been turned down. I did not support the salt cut and do ask that that should not be made an excuse for certifying everything that we suggested. That is a pure and simple excuse, a camouflage known to the Finance Member and every one of the Honourable Members on the Government Benches. It is not incumbent upon Government under the Act to certify the whole of the budget, if there is one part which they find it impossible to accept. I readily admit that it would be impossible to accept the cut in the salt tax of eight crores. I readily admit it, and I would be the first to advocate its certification. I would be the first to advocate certification but don't make that an excuse for certifying a cut which involves a loss in your revenues of 50 lakhs of rupees. Then my Honourable friend justifies the restoration of the cut of 28 lakhs from the revenues, which was the House's verdict on his policy of financing Quetta from revenue. We saved 78 lakhs for revenue and we asked for a relief to the extent of 50 lakhs. Now, Sir, judging from the spirit of the Government of India Act, under which we work, could the authors of it have ever contemplated that if the Opposition were deliberately of the opinion that a certain city should not be built out of revenue but should

be built out of capital, that they should be defied? Did the authors of the Constitution mean that? I honestly and sincerely believe that the Finance Member by his speech today has done greater disservice to his country and to the Empire than any Finance Member has done. He has proved what Mr. Bhulabhai Desai tried to point out that notwithstanding the Act of 1919 and the reforms, there has been no advance in the constitution of this country since 1899, because the Finance Member has put forward the argument that if he disagrees with us on any question such as whether a certain undertaking should be financed from capital or from revenue, he has the right to defy us as the Constitution gives him the right to certify and restore. I challenge that statement, and I would like to put it to the bar of Parliament. What does it do further? Has the Finance Member realised the implications of his words? I have had some experience in the drafting of the Act of 1935, and I have had the privilege of discussions with statesmen in England, statesmen in the proper sense of the word. What is the implication of his speech today—that the safeguards that are inserted in the Bill of 1935 will be used in the same spirit as the powers of certification are being used today. Will any English statesman in England accept that implication? May I ask him whether the late Lord Reading would have accepted that implication? I ask an Honourable Member on the Government Benches, Sir Zafrullah Khan, who was a member of the Round Table Conferences all along? His lips are sealed, but I dare say that when he gets an opportunity of expressing his views on the constitutional aspects of the case he will try and teach his Honourable colleague to be a little less rash in propounding theories of the kind he has propounded today. Sir, I was staggered at the speech and the implications of the speech. I could understand his saying: "I propose to certify the 50 lakhs" and keeping quiet, but when he went on and tried to argue that he was right that this 50 lakhs was comparable with 5 millions in an English budget, then it became evident to me that his ignorance was deplorable. He may smile and laugh. He will learn in a few years' time that the analogy is deplorable because we have been told in England, during the last five years, that the Act of 1935 is going to give us some powers and we have been told by men who were the authors of the 1919 constitution under which we work as to how they intended it should be worked. As to the long quotations which he gave from the Simon Commission report, my friend, Mr. Jinnah, has dealt with that. Does my Honourable friend, the Finance Member, mean to say that all administrative action taken by the Government of India during the last fifty years was taken only under the inspiration and under the challenge of a Legislature, and if there had been no Legislature, the Government of India, on its own initiative, would have done nothing? Is that the implication that he wishes us to draw from the quotations he gave from the Simon Commission's report? Does he mean to say that all the things he read out were done by the Government of India merely at the suggestion of the Central Legislature? Is that what he wants us to believe? Do Government want us to believe that? Do Government mean to tell us that they do everything, because there is a Legislature to goad them into it.

**The Honourable Sir Nripendra Sircar (Leader of the House):** Please accept our decision.

**Sir Cowasji Jehangir:** I will accept your decision with great pleasure outside the House when we have a chance of discussing it face to face, but I know very well that any expression of opinion or any decision given by the Law Member as Law Member in the House may be different to the decision and the opinions of the Law Member outside the House. (Hear, hear.)

**The Honourable Sir Nripendra Sircar:** I will give it outside.

**Sir Cowasji Jehangir:** Now, Sir, are we to believe that everything that the British in India did for the benefit of India was only done because there was a Legislature to push them into it? No. I am not going to insult the Honourable Member's predecessors in the way he has done. (Laughter.) Sir, the Government of India did many a good thing for India, without being goaded into it and without pressure from this Legislature. Sir, to point out these things does not help us. Coming back to the Budget proper . . . . .

**The Honourable Sir James Grigg:** Hear, hear.

**Sir Cowasji Jehangir:** We contend that, judging the spirit of the Constitution, it is the duty of the Government of India to accept suggestions made by a majority in this House if it is possible for them to do so. Thus, I contend it is possible for them to agree with us that Quetta can be financed, or should be financed, out of capital. I consider it is possible for them to reduce the cost of the postcard. I consider, Sir, that, by accepting those two proposals, the finances of this country are not jeopardised. (Hear, hear.) I consider that the credit of this country will not be jeopardised, and I still put the construction that I did in the quotation that the Honourable Member made from my speech on the constitution that, if we make any suggestions, however Government may disagree with them in theory they should accept them, provided they are convinced that they will not do the country any financial damage, provided they are convinced and agree that they will not in any way shake the credit of the country.

**The Honourable Sir James Grigg:** I have not agreed.

**Sir Cowasji Jehangir:** How have you not agreed? You mean to tell me that the credit of the country will be shaken if you finance Quetta out of revenue?

**The Honourable Sir James Grigg:** Yes, in the long run.

**An Honourable Member:** Why bother about him? Go on.

**Another Honourable Member:** The country cannot have much credit then.

**Sir Cowasji Jehangir:** Does he mean to tell us that the effect of all the actions of his predecessors has been to shake the credit of this country? Let him remember, Sir, that the great credit of this country has been built by his predecessors and not by him (Hear, hear), and that the names of Blackett, Schuster and others will always be remembered in this country,—and it was Schuster who suggested, and it was Blackett who suggested that such things should be financed out of capital.

**An Honourable Member:** They were all wrong!

**Sir Cowasji Jehangir:** Sir, we have not derived all these ideas on finance from our imagination. It is knowledge that we have acquired from great English financiers who have come to this country,—great financiers who live in England today, and it may be that like parrots we simply repeat them here, let me admit that, but for the Honourable Member to come and tell me now that everyone of his predecessors was wrong,—his great predecessors who really built up the credit of this country,—that he alone by his own methods is going to enhance that credit, is absurd, and let me tell him that I most respectfully beg to disagree with him. Sir, I contend again that the proposals we have made regarding postcards and the sources of revenue we have suggested are legitimate and that if our proposals are refused, it is defying the spirit of the Constitution under which we work by putting a wrong interpretation on it; and let my Honourable friend go to those in England . . .

**An Honourable Member:** Stop there let him go. (Laughter.)

**Sir Cowasji Jehangir:** Don't be so cruel, let him live and learn for five years; I am certain, he will be a first-class Finance Member after a year or two, he has got the makings of a great Finance Member, he has got honesty, which is a great thing, but let him change his views on the Constitution under which we work, and do not let him believe that it is his duty to defy us, on the contrary it is his constitutional duty to accept our verdict, and let him remember that he is defying the spirit of the Constitution and slandering the authors of the present Constitution by the speech he has made and by the defiance he has tried to show us. (Loud and Prolonged Applause.)

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair is prepared, if the House so desires, to sit for another half an hour if the debate is going to be concluded.

**An Honourable Member:** We would like the debate to be finished if that is possible.

**Some Honourable Members:** Yes, yes.

**The Honourable Sir Nripendra Sircar:** I should like, Sir, if I get the chance, to speak just for ten minutes.

**Mr. M. S. Aney:** Sir, I confess I was considerably surprised at the audacity with which the Honourable the Finance Member introduced in his speech the plea of responsiveness. He wanted to plead, as a matter of fact, that this Government has been responsive and in support of that plea of responsiveness he cited long quotations from a condemned document, the Simon Report (Hear, hear) and a forgotten document also. Sir, I would not like to go over the ground and give a detailed reply to that plea of responsiveness, as my Honourable friend, Mr. Jinnah, the Leader of the Independent Party, as well as my Honourable friend, the Leader of the Opposition, have conclusively shown what degree of responsiveness the Government of India have shown, not only during the last year, during the time that we have been sitting here as legislators and

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arguing with them, but during all the time that they have been in this country as rulers. Sir, if there is one universal complaint against this Government of India it is this: it is not only irresponsible in law but it is irresponsive in nature and action also. That is a standing complaint and a complaint which can be borne out by the entire history of British rule in this country. If the Honourable Member wanted this House to consider his most outrageous measure in a spirit of reasonableness, he should have at least shown the discretion not to have introduced the plea of responsiveness, at this time particularly as he is again coming up before it with a Bill which tramples upon the opinion of this House. He should have known some better way of introducing this measure and he should also have adopted a different tone. Sir, a measure like this, a recommended Bill of this nature, in my opinion does not raise so much the financial question as the very constitutional question itself; and my Honourable friend, Sir Cowasji Jehangir, has dealt with that aspect also to a considerable extent. What is the ultimate constitutional power which enables the Government of India to come forward with a recommended Bill of this nature? It is the power of certification under which they come in here.

**An Honourable Member:** The power of the bludgeon.

**Mr. M. S. Aney:** I want to tell Honourable Members on the Treasury Benches that the extraordinary power of certification is, like "discriminating protection", the power of discriminating certification and not arbitrary certification, it is not given to His Excellency the Governor General in the constitution under which we are working now, for the purpose of arbitrary certification. It is not a power which is given to the Governor General in Council that it should be exercised arbitrarily and that it is to be exercised without any discrimination.

**Mr. President** (The Honourable Sir Abdur Rahim): Is the Honourable Member criticising the action of the Governor General?

**Mr. M. S. Aney:** I am trying to explain the constitution under which we are working. I am explaining the constitutional position itself. Therefore, when my Honourable friend, Sir Cowasji Jehangir, said that a Bill like this even under the present constitution is indefensible, I think he was perfectly right in saying so. A recommended Bill of this nature, as I have already said, thus raises a very important constitutional question. The Bill is again to be looked at as a whole. My Honourable friend, Mr. Jinnah, put one or two questions with a view to elicit from the Treasury Benches some explanation, but they were immovable, they did not open their lips at all. In spite of such leading questions as whether it was open to them to reconsider the position with regard to postcards if this House were to accept the recommendation of the Governor General on salt duty, in spite of such a leading question, the Treasury Benches kept quiet, and made no reply. When I made my speech on the amendment relating to the salt duty, I made it perfectly clear and I had distinctly stated that I would not vote for the amendment, if there was the slightest indication on the part of the Finance Member and of the Government of India to accept the principle which

was underlying the amendment, namely, that this was a repressive duty, that it was operating harshly on the poor man and if while accepting such a principle they were prepared at the same time to work up to the formula of total abolition of the salt duty, and meant to make a small beginning now or immediately as circumstances would permit. Therefore, the Government should have taken the vote on the salt duty recorded by this House for the total abolition of that duty more as a matter of protest on principle than as a matter of financial reduction in the budgetary proposals before them. If they took it in that spirit, then the only thing that was before the Government of India to consider was as regards the decisions arrived at by this House regarding the reduction of rates on postcard and the cut that was carried as regards the transfer of the fund for the rebuilding of Quetta from capital to revenue charges. These were the considered suggestions of the House which the Government ought to have considered. Now, in defence of the measure which the Honourable the Finance Member has introduced now, he has enunciated before the House some new principles. He is trying to make a distinction between a major reduction and a minor reduction. What is the exact test regarding a reduction being a major one or a minor one? All that, he has left to himself to define without quoting any authority to show what is a major reduction and what is a minor reduction. He is a law unto himself and he wants us to accept his word as authority. I submit that in a budget of more than 80 crores, a cut of 50 lakhs is a minor reduction according to the opinion of those who sit on this side of the House. It is not a major reduction at all. There have been occasions even during the last few years when the Government of India have accepted to work up to a total reduction of revenues amounting to several crores by having an annual reduction of more than 50 lakhs. We know how the Government of India, when they wanted to accept the policy as regards reduction in the Revenues from Opium, went on reducing their revenues from year to year and ultimately it came down to a total reduction of seven or eight crores within a period of a few years only. So, when there is a policy which the Government of India want to carry out, even if it entails an annual reduction of 50 lakhs or more for a series of years, the Government of India had willingly done that provided they had not a deficit budget but a surplus budget. In that way, the Government of India have proceeded before and they never shirked their responsibility in the matter on the ground that it was a major reduction and that they could not accept that policy at all.

The question is this, whether the Government of India are prepared to regard a vote of this House as sufficiently binding upon them or not. That is the main point. If they have got a real sense of responsiveness on which my Honourable friend, the Finance Member, waxed so eloquent in the introductory remarks of his speech, if they have got real responsiveness, I think today they have a golden opportunity which they should have taken advantage of. They would have shown that in view of the coming reforms, in view of their earnest desire to create an atmosphere in this country of mutual goodwill and harmony and concord, in view of all these things, and in view even of their desire to create a better situation for provincial autonomy, they would have said, "we do want to meet the wishes of the Assembly in this matter and as an earnest of that desire, we accept this small cut of 50 lakhs carried for the sake of giving postal facilities to the poor". To turn down a suggestion of the House

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like that and to come forward with a recommended measure is to tell the House, "we have no regard for you, gentlemen, we shall do as we want to, your opinion or decision counts for nothing, we shall reject it if it does not suit us, and we shall accept it only when it serves us". As we all know, it is very seldom that our opinions suit the Treasury Benches. The only thing left for us is to receive a rebuff of the nature which is embodied in the present recommended Bill.

One word more and I have finished. I want to impress upon the House that the significance of a measure of this nature should be properly understood by the House. Even a most reasonable suggestion made by the Assembly, leaving aside the other suggestions, even a suggestion which has been carried by perhaps the largest vote ever recorded this Session is turned down by the Government ruthlessly. We cannot take it lying down, and, therefore, it is necessary for the honour of the House that every self-respecting Member of the House should vote against the amendment and the recommended measure. With these remarks I oppose this measure. (Applause.)

**The Honourable Sir Nripendra Sircar:** Sir, I propose to be very short, I really intend to deal with the point which was made by my Honourable friend, Sir Cowasji Jehangir. After describing in very polite language the lack of elementary knowledge on the part of the Honourable the Finance Member, after giving us an idea of his own vast knowledge of the Constitution . . . .

**Sir Cowasji Jehangir:** It is much more than yours at any rate. Don't forget that.

**Mr. President** (The Honourable Sir Abdur Rahim): These personal remarks are very undesirable.

**The Honourable Sir Nripendra Sircar:** Sir, I do not mind them.

**Sir Cowasji Jehangir:** He likes them.

**The Honourable Sir Nripendra Sircar:** I do not expect any better manners from my Honourable friend, so I do not mind them.

Now, Sir, my Honourable friend told the House with his vast knowledge, which is much better than mine—I do not claim any knowledge at all—what was intended by the framers of the Government of India Act, 1919, was that in case the budget was changed by a vote of the House then it would be the duty or at any rate it would be expected that the executive would accept them. I say that I am surprised, I am staggered by the colossal ignorance of my Honourable friend as regards the constitution. Let me read from paragraph 25 of the Report of the Joint Select Committee on the Government of India Bill of 1919.

"It is not, however, within the scheme of the Bill to introduce at the present stage any measure of responsible government into the central administration, and a power must be reserved to the Governor General of treating as sanctioned any expenditure which the Assembly may have refused to vote if he considers the expenditure to be necessary for the fulfilment of his responsibility."

**Sir Cowasji Jehangir:** Yes, that's it.

**The Honourable Sir Nripendra Sircar:** Exactly:

"It should be understood"—

—and, may I add, not forgotten by men who claim this knowledge—

"from the beginning that this power of the Governor General in Council is real."

**Sir Cowasji Jehangir:** Yes.

**The Honourable Sir Nripendra Sircar:** I do not want any encouragement from a gentleman whose knowledge has now been discovered to be very little indeed. (Laughter.)

"It is meant to be used if and when necessary."

Sir, what is the meaning of this sentence? The power is not intended to be used arbitrarily, but certainly this Legislature was not the final voice in deciding when it is necessary.

"It is not, however, within the scheme of the Bill to introduce at the present stage any measure of responsible government into the central administration."

What is meant by saying that real power must be reserved in the Governor General in Council? What is meant by saying that it must be used and it is intended to be used and intended to be real? I claim before this House to have shown from the report itself that what they intended was the very antithesis, the exact contrary, of what the Honourable the Baronet from Bombay intended this House to believe.

Sir, only one word more and I have done. I am very much obliged to my Honourable friend for judging me by the Bombay standard and attributing to me, not directly but by implication, a certain amount of lack of honesty.

**Sir Cowasji Jehangir:** Sir, on a point of personal explanation, I never intended that. The Honourable Member should not put that into my mouth.

**The Honourable Sir Nripendra Sircar:** I hope my Honourable friend will not take it too seriously.

**Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban):** Sir, may I know what the Honourable Member means by the phrase "Bombay standard"? (Loud Laughter.)

**Mr. M. A. Jinnah:** Sir, I want your ruling on this. I think the Law Member should not have used the phrase "Bombay standard" thereby stigmatising the whole of Bombay City or Presidency, and I think it is not right. Because he wants to criticise a particular Member, to say that this is the "Bombay standard" of honesty is an insinuation that the Bombay standard of honesty is very low. I do not think he meant that, but that is the implication.

**The Honourable Sir Nripendra Sircar:** I have not the slightest hesitation in withdrawing that expression if it is likely to be misunderstood, and instead of saying that, I would say, "judged by the Sir Cowasji standard". (Laughter.)

**Dr. G. V. Deshmukh:** Say the "knightly standard".

**The Honourable Sir Nripendra Sircar:** Not the Dr. Deshmukh standard. He said, "Oh, I will accept his opinion on the meaning of the constitution, if given outside the House"—coupled with the statement made five minutes ago. "He has no knowledge of law and I know it better than he does." Of course, that is not a point that I am disputing. I do not claim to have as much knowledge of law as my Honourable friend. What I meant by lack of honesty being insinuated by my Honourable friend, is his suggestion, that inside this House, I am prepared to give an opinion which I believe it to be true, but my opinions, expressed outside the House, may be taken to be honest.

One word more, and I have done. It was said that when the Finance Member was quoting passages showing how the Executive has in important matters responded to this House, that these were occasional good acts done by our ancestors. May I retort by saying that it was possible to accept the views of this House, because the ancestors of the Opposition were more reasonable in their days? (Laughter.)

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

"That in clause 2 of the Bill, the following be omitted, namely:

'and the said provisions shall, in so far as they enable the Governor General in Council to remit any duty so imposed, be construed as if with effect from the 1st day of April, 1936, they remitted the duty to the extent of the said one rupee and four annas, and such remission shall be deemed to have been made out of the leviable duty by rule made under that section.'

The Assembly divided:

AYES—51.

Acott, Mr. A. S. V.  
 Ahmad Nawaz Khan, Major Nawab.  
 Allah Bakhsh Khan Tiwana, Khan Bahadur Nawab Malik.  
 Aminuddin, Mr. Saiyid.  
 Ayyar, Diwan Bahadur R. V. Krishna.  
 Ayyar, Rao Bahadur A. A. Venkatarama.  
 Bajoria, Babu Baijnath.  
 Bajpai, Sir Girja Shankar.  
 Bewoor, Mr. G. V.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Buss, Mr. L. C.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 Das-Gupta, Mr. S. K.  
 Dash Mr. A. J.  
 DeSouza, Dr. F. X.  
 Ghuznavi Sir Abdul Halim.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Grigg, The Honourable Sir James.  
 Grigson, Mr. W. V.  
 Hands, Mr. A. S.  
 Hudson, Sir Leslie.  
 Hutton, Dr. J. H.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur Sardar Sir.  
 Khurshaid Muhammad, Khan Bahadur Shaikh.

Lal Chand, Captain Rao Bahadur Chaudhri.  
 Leach, Mr. F. B.  
 Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 MacDougall, Mr. R. M.  
 Metcalfe, Sir Aubrey.  
 Milligan, Mr. J. A.  
 Morgan, Mr. G.  
 Mukherjee, Rai Bahadur Sir Satya Charan.  
 Noyce, The Honourable Sir Frank.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sale, Mr. J. F.  
 Sarma, Mr. R. S.  
 Scott, Mr. J. Ramsay.  
 Sher Muhammad Khan, Captain Sardar.  
 Singh, Rai Bahadur Shyam Narayan.  
 Sinha, Raja Bahadur Harihar Prosad Narayan.  
 Sircar, The Honourable Sir Nripendra.  
 Spence, Mr. G. H.  
 Tottenham, Mr. G. R. F.  
 Witherington Mr. C. H.  
 Yamin Khan, Sir Muhammad.  
 Zafrullah Khan, The Honourable Sir Muhammad.

## NOES—68.

Aaron, Mr. Samuel.  
 Abdul Matin Chaudhury, Mr.  
 Abdullah, Mr. H. M.  
 Aney, Mr. M. S.  
 Asaf Ali, Mr. M.  
 Ayyangar, Mr. M. Anantha-  
 sayanam.  
 Azhar Ali, Mr. Muhammad.  
 Ba Si, U.  
 Badi-uz-Zaman, Maulvi.  
 Banerjee, Dr. P. N.  
 Bhagavan Das, Dr.  
 Bhutto, Mr. Nabi Baksh  
 Ilahi Baksh.  
 Chattopadhyaya, Mr. Amarendra  
 Nath.  
 Chettiar, Mr. T. S. Avina-  
 shilingam.  
 Chetty, Mr. Sami Vencata-  
 chelam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar.  
 Das, Pandit Nilakantha.  
 Datta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Deshmukh, Dr. G. V.  
 Essak Sait, Mr. H. A. Sathar H.  
 Gadgil, Mr. N. V.  
 Gauba, Mr. K. L.  
 Ghiasuddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Giri, Mr. V. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghansham Singh.  
 Hans Raj, Raizada.  
 Hosmani, Mr. S. K.  
 Jedhe, Mr. K. M.  
 Jinnah, Mr. M. A.

Jogendra Singh Sirdar.  
 Joshi, Mr. N. M.  
 Kailash Behari Lal, Babu  
 Khan Sahib, Dr.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.  
 Lalchand Navalrai, Mr.  
 Maitra, Pandit Lakshmi Kanta.  
 Malaviya, Pandit Krishna Kant.  
 Mangal Singh, Sardar.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Muhammad Ahmad Kazmi, Qazi.  
 Murtuza Sahib Bahadur, Maulvi  
 Syed.

Nageswara Rao, Mr. K.  
 Paliwal, Pandit Sri Krishna Dutta.  
 Pant, Pandit Govind Ballabh.  
 Raghbir Narayan Singh, Choudhri.  
 Rajan, Dr. T. S. S.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Satyamurti, Mr. S.  
 Sham Lal, Mr.  
 Shaikat Ali, Maulana.  
 Sheodass Daga, Seth.  
 Siddique Ali Khan, Khan Sahib  
 Nawab.

Singh, Mr. Ram Narayan.  
 Sinha, Mr. Anugrah Narayan.  
 Sinha, Mr. Satya Narayan.  
 Sinha, Mr. Shri Krishna.  
 Som, Mr. Suryya Kumar.  
 Sri Prakasa, Mr.  
 Thein Maung, Dr.  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.  
 Vissanji, Mr. Mathuradas.

The motion was negatived.

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

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

The Assembly then adjourned till Eleven of the Clock on Thursday, the 26th March, 1936.